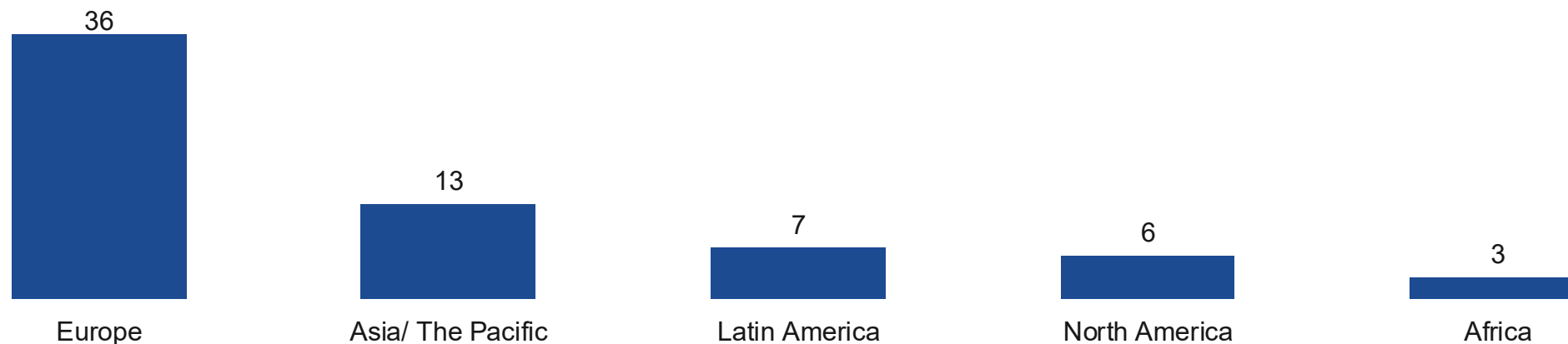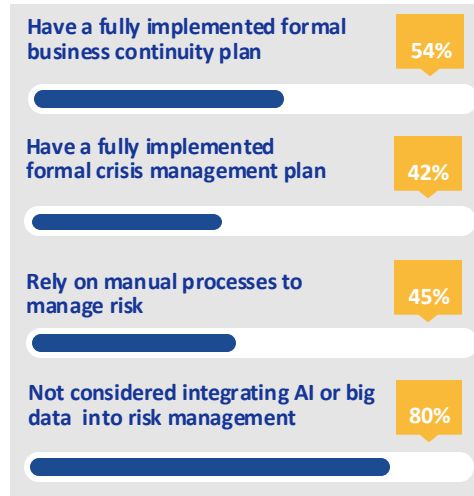# 2025 Member Survey Insights

Background

The World Lottery Association released this third Risk Management Survey to members on 6 May 2025, and responses closed on 13 June 2025.

The purpose of the Survey was to gather input to determine the key risks facing members, to gauge risk management maturity levels within the industry and to understand how the Association can best assist members in developing and enhancing their risk management practices.

A total of 394 members (from 158 lotteries) were contacted with 65 people (from 61 lotteries) completing the survey. The lottery level response rate was 36.8%.

Europe	Asia/ The Pacific	Latin America	North America	Africa
36	13	7	6	3

WLA RISK ASSESSMENT SURVEY INSIGHTS SUMMARY

45% Intermediate risk management maturity

40% Advanced risk management maturity

8% Industry Leader risk management maturity

8% Beginner risk management maturity

Have a fully implemented formal business continuity plan — **54%**

Have a fully implemented formal crisis management plan — **42%**

Rely on manual processes to manage risk — **45%**

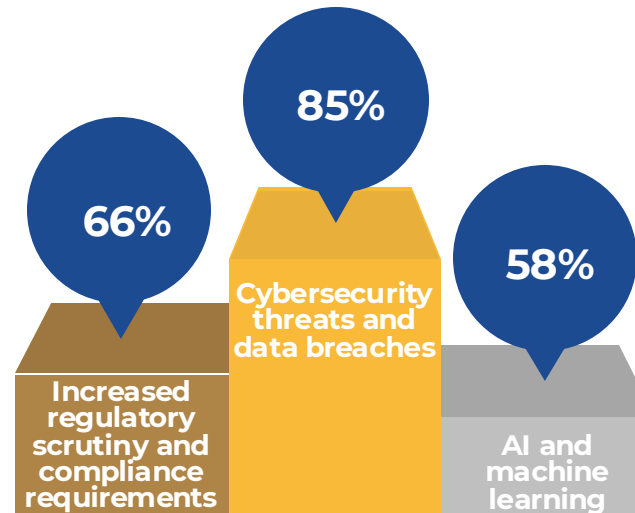Not considered integrating AI or big data into risk management — **80%**

COLLABORATION, WORKSHOPS AND AI IN RISK MANAGEMENT are key areas Members would like WLA to focus on in the future

We would welcome more regional, case-based workshops on how different lotteries approach real-world incidents
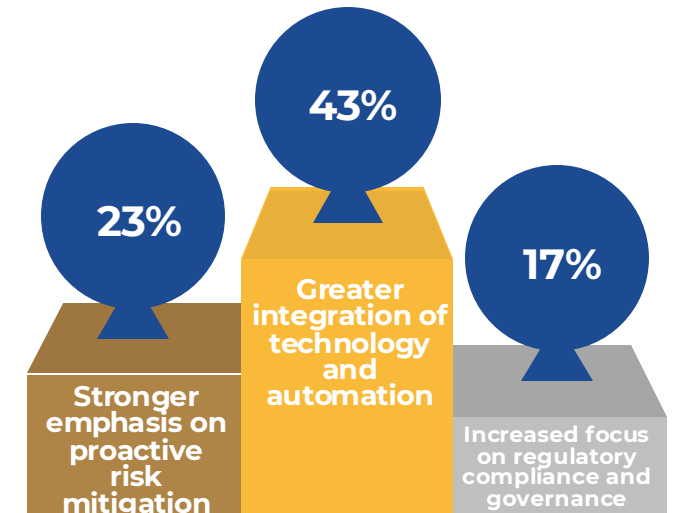
Collaboration/Workshops

Presentation of tools and AI solutions.

Artificial intelligence or big data analytics into risk management

AI in Risk Management

MOST SIGNIFICANT CHALLENGES FACED IN RISK MANAGEMENT

1. Identifying emerging trends

2. Regulatory complexity and compliance requirements

3. Lack of engagement with risk management function

66% Increased regulatory scrutiny and compliance requirements

85% Cybersecurity threats and data breaches

58% AI and machine learning

TOP 3 EMERGING TRENDS THAT WILL IMPACT RISK MANAGEMENT

23% Stronger emphasis on proactive risk mitigation

43% Greater integration of technology and automation

17% Increased focus on regulatory compliance and governance

TOP 3 CHANGES TO RISK MANAGEMENT OVER THE NEXT 5 YEARS
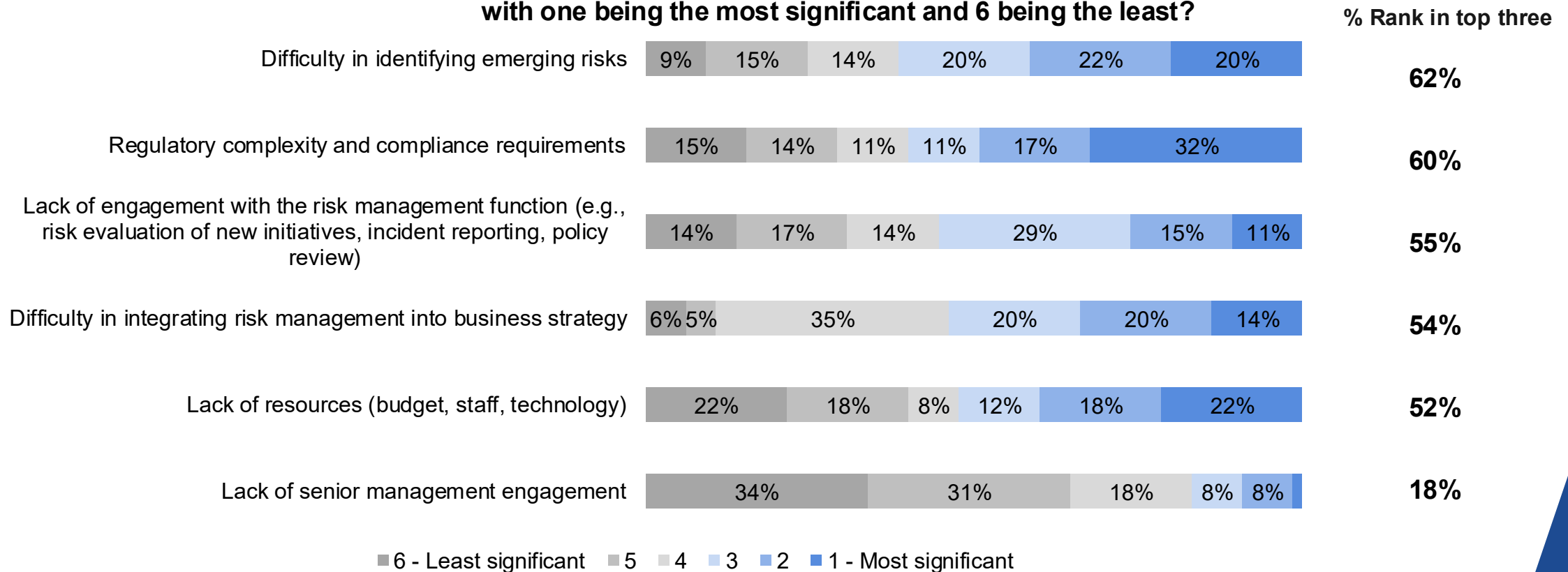
Strategy and Management Maturity

Most Members indicate that their organisation's maturity level is either intermediate or advanced, 45% and 40%, respectively.

How would you rate the maturity level of your organisation's risk management approach?

8%	40%	45%	8%
Industry Leader	Advanced	Intermediate	Beginner

Q4: How would you rate the maturity level of your organisation's risk management approach? | Total sample n=65
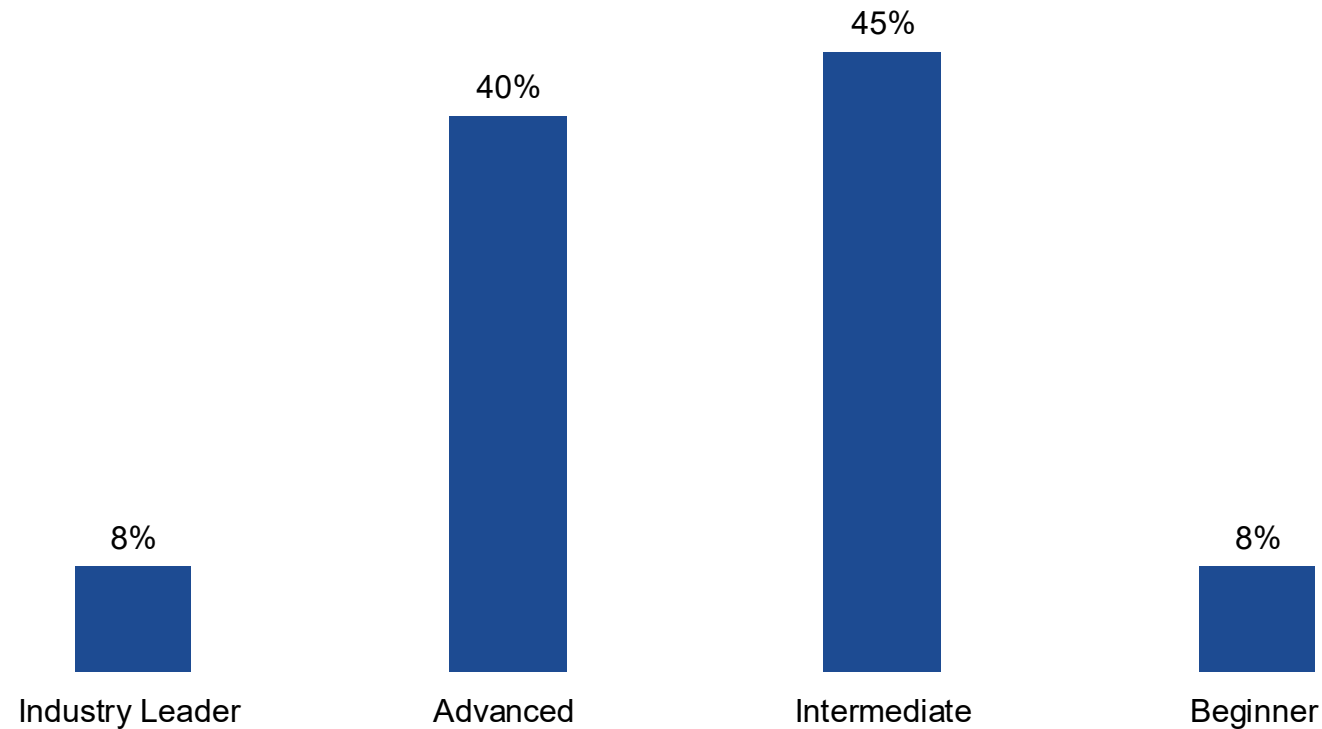
The main challenges that Members are facing in relation to risk management are; identifying emerging risks and complex regulatory landscapes/compliance requirements.

Thinking about the main challenges your organisation faces in risk management, please rank the challenges below from 1 to 6, with one being the most significant and 6 being the least?
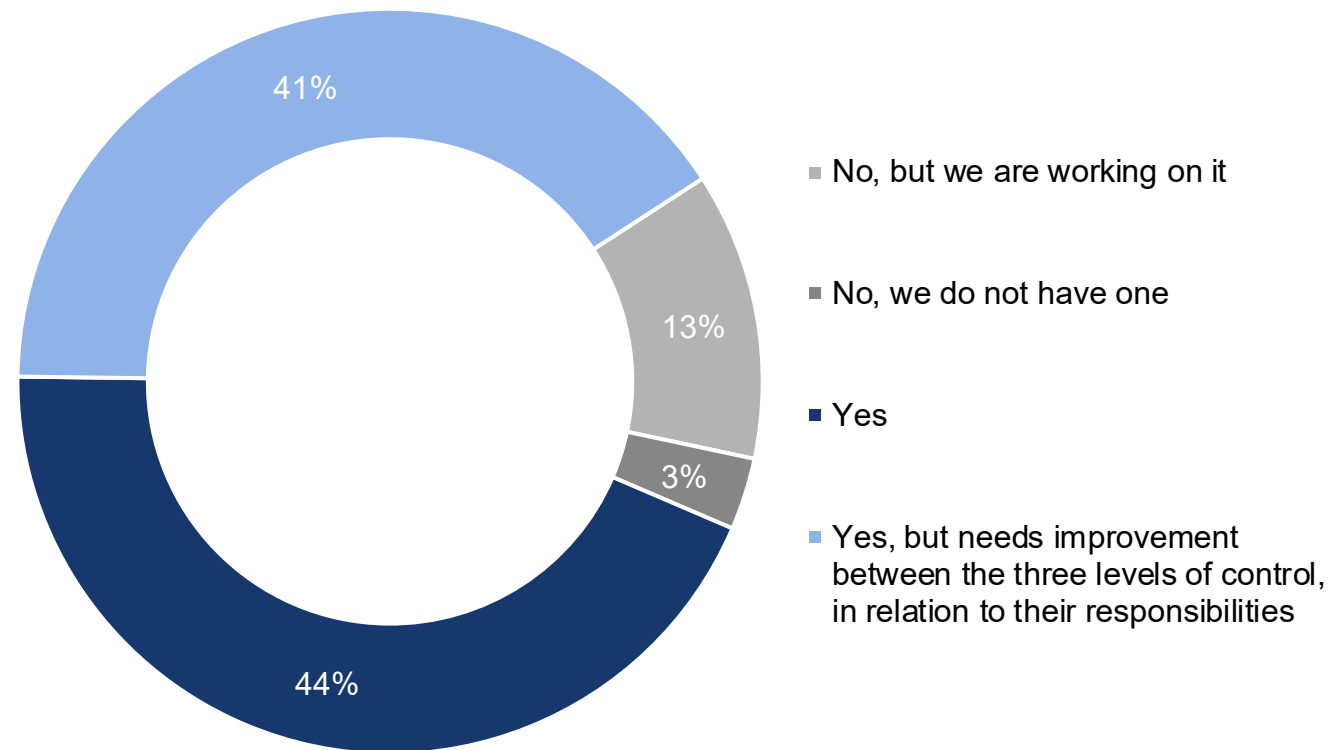
% Rank in top three

Challenge	6 - Least significant	5	4	3	2	1 - Most significant	% Rank in top three
Difficulty in identifying emerging risks	9%	15%	14%	20%	22%	20%	**62%**
Regulatory complexity and compliance requirements	15%	14%	11%	11%	17%	32%	**60%**
Lack of engagement with the risk management function (e.g., risk evaluation of new initiatives, incident reporting, policy review)	14%	17%	14%	29%	15%	11%	**55%**
Difficulty in integrating risk management into business strategy	6%	5%	35%	20%	20%	14%	**54%**
Lack of resources (budget, staff, technology)	22%	18%	8%	12%	18%	22%	**52%**
Lack of senior management engagement	34%	31%	18%	8%		8%	**18%**

■ 6 - Least significant ■ 5 ■ 4 ■ 3 ■ 2 ■ 1 - Most significant

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85% of Member's internal control structure is based on the pyramid model. 41% of Members believe their current structure needs improvement between the levels of controls and responsibilities.

Is the internal controls structure in your company based on the pyramid model of three levels of control?

41%

13%

3%

44%

- No, but we are working on it
- No, we do not have one
- Yes
- Yes, but needs improvement between the three levels of control, in relation to their responsibilities

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1 in 2 Members have a clearly defined risk appetite and risk tolerance thresholds within their risk management framework.

Has your company defined Risk Appetite and Risk Tolerance thresholds within its risk management framework?

- 14%
- 9%
- 25%
- 52%
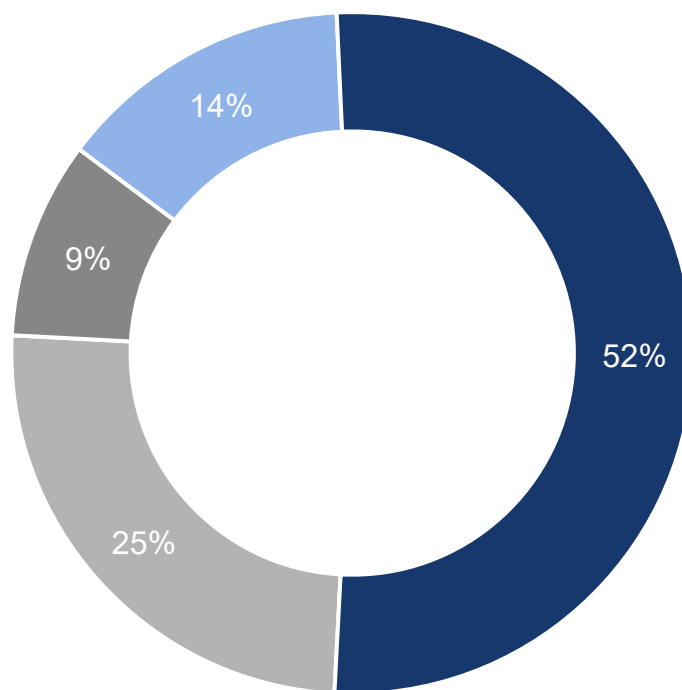
Legend:
- ■ No, in the process of being defined
- ■ No, we do not have one
- ■ Only for Risk Appetite
- ■ Yes for both

Members who do have these clearly defined base their definitions on criteria that are specific to each organisation and reviewed annually. Having said this, criteria are normally based on the following:
- Regulatory requirements
- KPIs
- Impact of risks
- Historical data
- Likelihood to occur

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Over 3 in 5 Members indicate that their organisation's risk appetite and tolerance thresholds have been shared with the CEO, CFO and Board of Directors.

Have the risk appetite and risk tolerance thresholds been shared with the CEO, CFO, and the Board of Directors (BoD)?

- In the process of being defined
- No
- Yes

23%

64%

13%
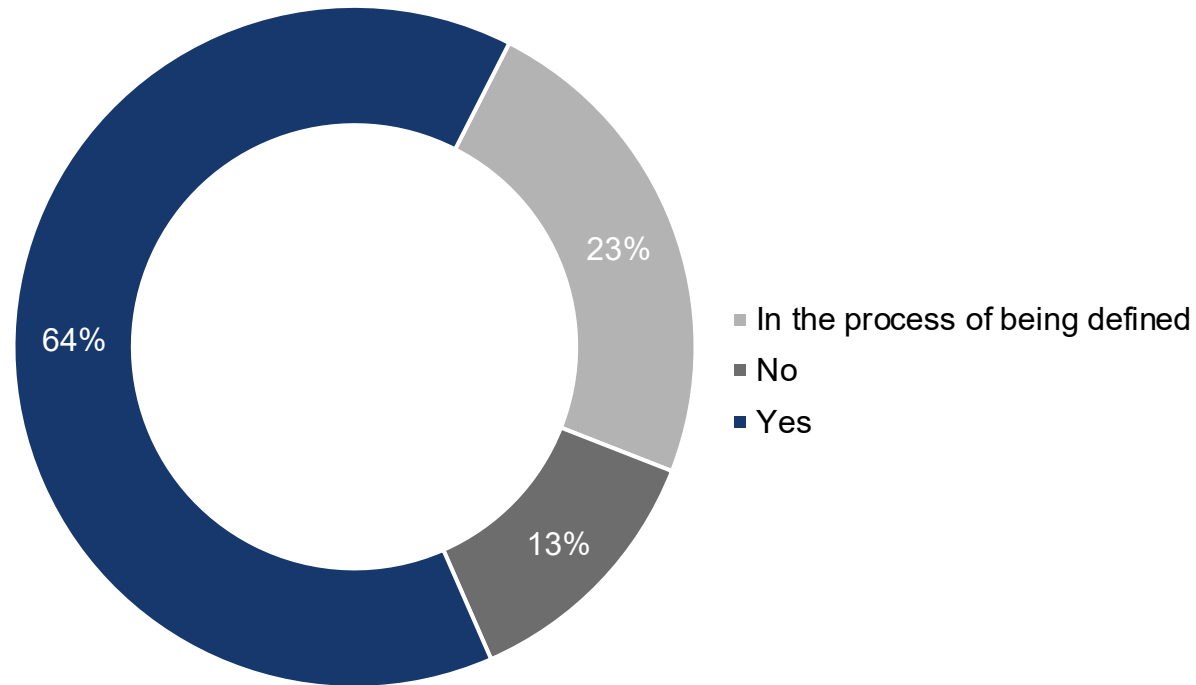
Just over 1 in 2 Members (54%) have a fully implemented formal business continuity plan which is tested regularly. 2 in 5 Members indicate that their organisation's plan requires further improvement.

Does your organisation have a formal business continuity plan to maintain essential functions during and after a critical incident?

Legend:
- ■ No, but we are working on it
- ■ Yes, but needs improvement
- ■ Yes, fully implemented and tested regularly

Chart values: 6%, 40%, 54%

Q11: Does your organisation have a formal business continuity plan to maintain essential functions during and after a critical incident? | Total sample n=65
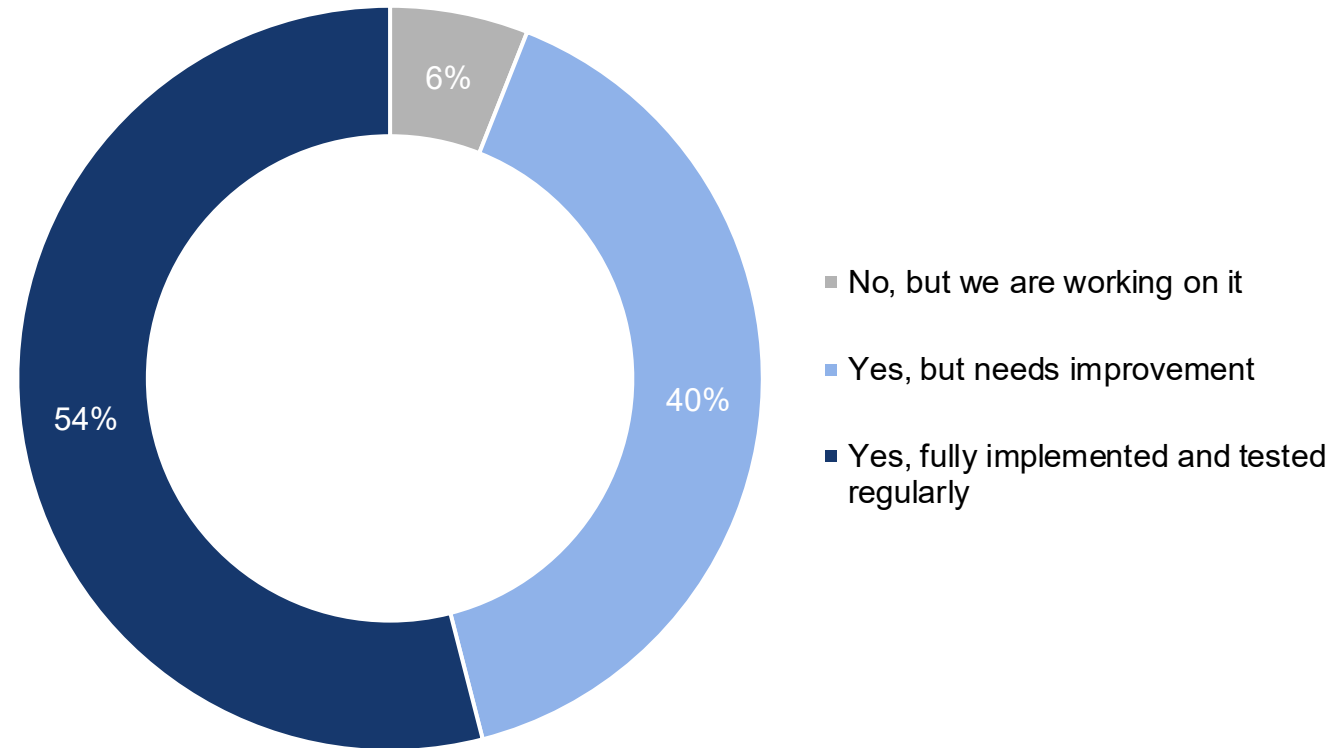
Over 9 in 10 Members have a formal crisis management plan. Of these members over half of them indicate that their plan requires further improvement.

Does your organisation have a formal crisis management plan to provide an immediate response to a crisis to minimise damage and protect stakeholders?

- No, we do not have one
- No, but we are working on it
- Yes, but needs improvement
- Yes, fully implemented and tested regularly

5%

42%

52%
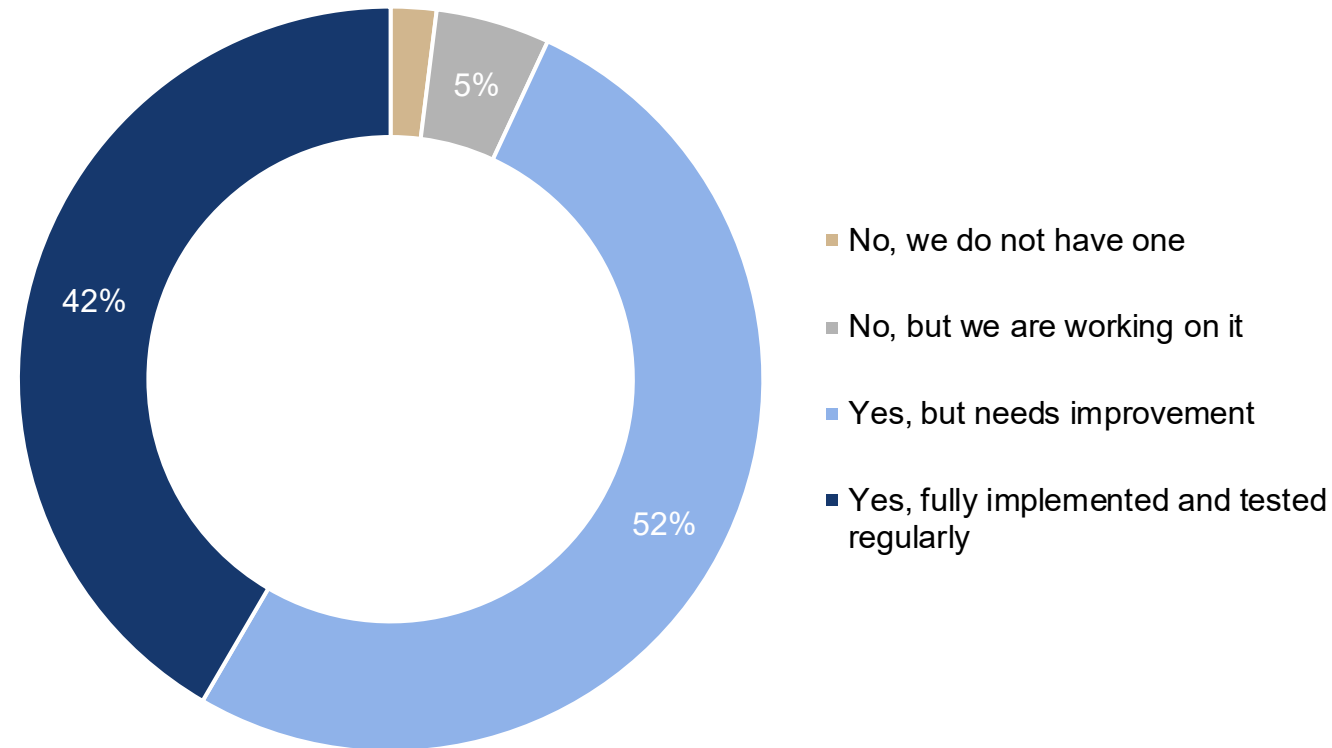
Q12: Does your organisation have a formal crisis management plan to provide an immediate response to a crisis to minimise damage and protect stakeholders? | Total sample n=65
Note: Percentages <5% are not displayed in the above chart

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Approximately 7 in 10 Members indicate that their risk management framework is updated annually or more frequently to reflect business/regulatory environment changes.

How frequently is your risk management framework updated to reflect changes in the business or regulatory environment?

- 69%
- 17%
- 8%
- 6%

- ■ Annually or more frequently
- ■ Every 2-3 years
- ■ Only when a major event occurs
- ■ We do not have a formal update process

Q13: How frequently is your risk management framework updated to reflect changes in the business or regulatory environment? | Total sample n=65

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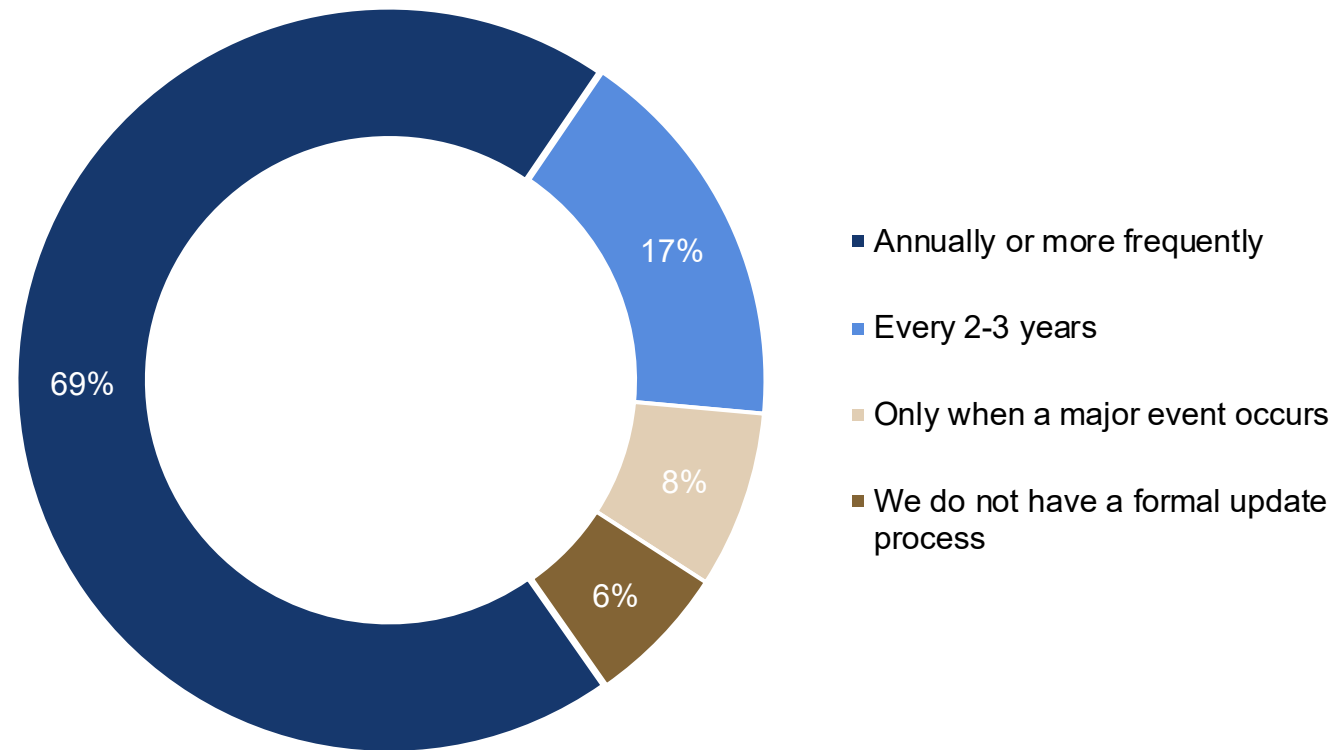
Over 4 in 5 Members update their risk registers at least annually to reflect new and emerging risks. 11% of Members do not actually have any formal process in place to capture emerging and new risks.

How frequently is your risk register updated to reflect new and emerging risks?
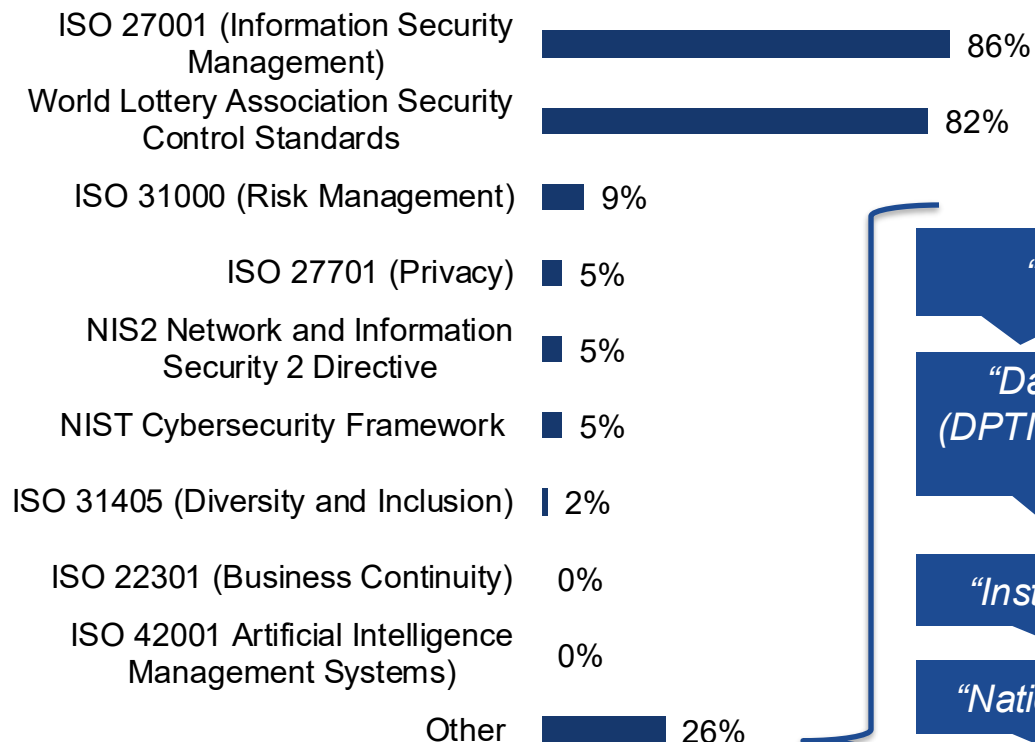

83%

5%

11%

- ■ Annually or more frequently
- ■ Every 2-3 years
- ■ Only when a major event occurs
- ■ We do not have a formal update process

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The two standards that over 8 in 10 Members seek certification in are ISO 27001 and WLA Security Control Standards (86% and 82% respectively).

Does your organisation seek certification with any of the following Standards?

Standard	%
ISO 27001 (Information Security Management)	86%
World Lottery Association Security Control Standards	82%
ISO 31000 (Risk Management)	9%
ISO 27701 (Privacy)	5%
NIS2 Network and Information Security 2 Directive	5%
NIST Cybersecurity Framework	5%
ISO 31405 (Diversity and Inclusion)	2%
ISO 22301 (Business Continuity)	0%
ISO 42001 Artificial Intelligence Management Systems)	0%
Other	26%

Although not in the list of standards PCI DSS is the third most sought after certification.

"PCI-DSS"

"Data protection trust mark (DPTM) issued by local authority (IMDA)"

"Institute of Internal Auditors"

"National Security Framework"

"Referencial 19 Iram Alea"

"ISO 9001:2015"

"ISO 37001 (anti corruption)"

"ISO 37301 (compliance)"

"EL-RG"

"SOC2"

Q15: Does your organisation seek certification with any of the following Standards? | Total sample n=65
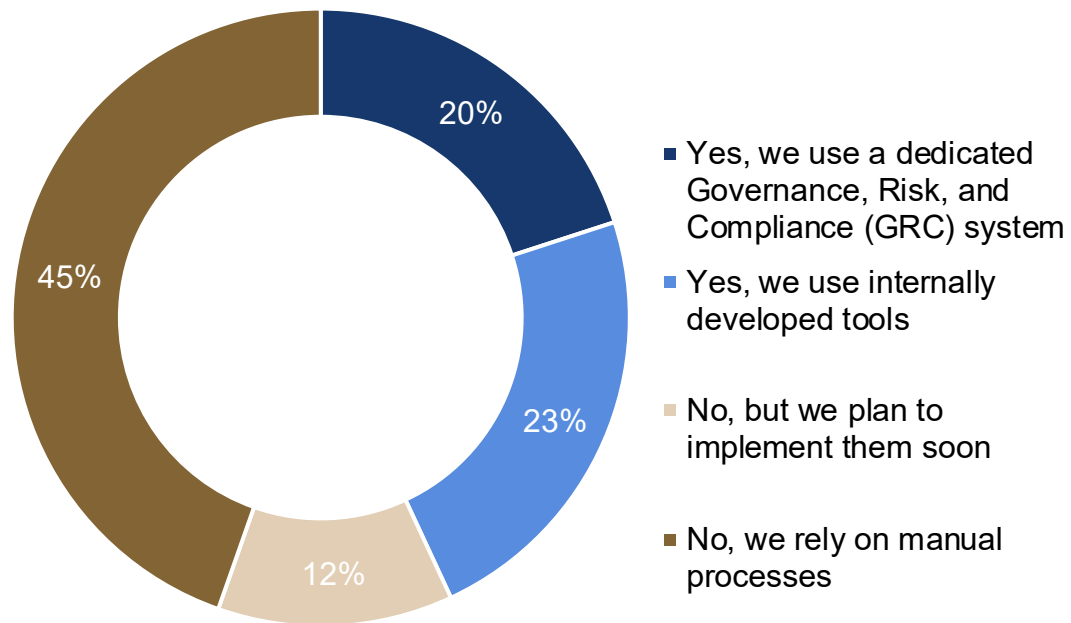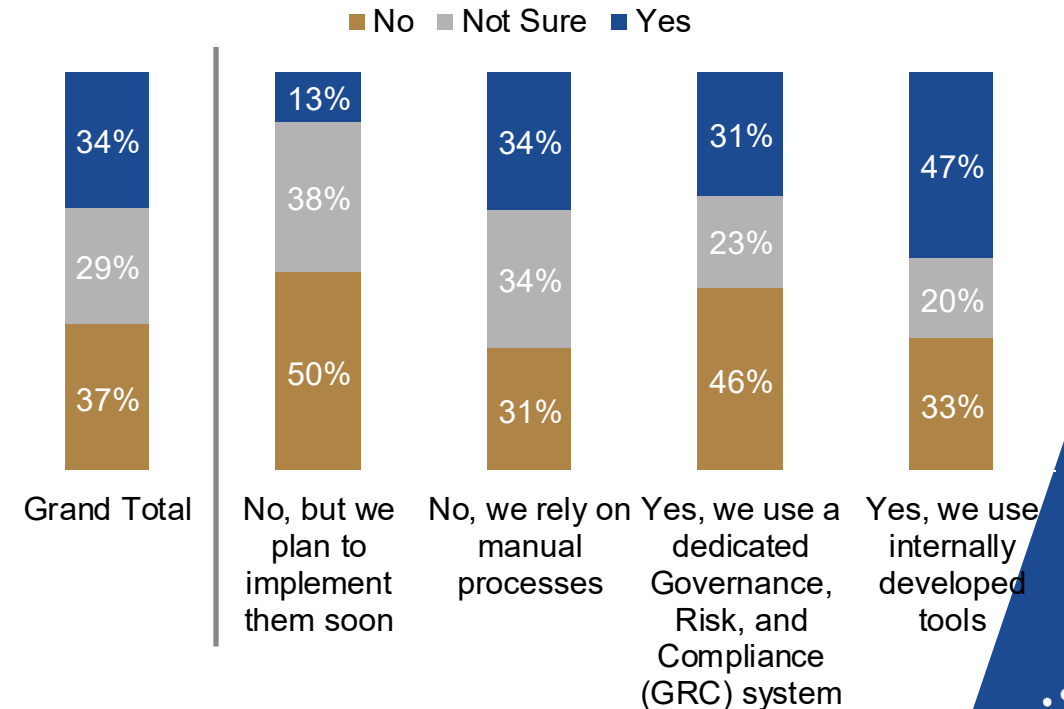
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Technology and Tools

Almost half of Members (45%) rely on manual processes to manage risk with their organisations. Only 34% of Members believe that their digital tools are sufficient for effective risk management.

Does your organisation use automated tools for risk management?

- 20% Yes, we use a dedicated Governance, Risk, and Compliance (GRC) system
- 23% Yes, we use internally developed tools
- 12% No, but we plan to implement them soon
- 45% No, we rely on manual processes

Do you believe your organisation's digital tools are sufficient for effective risk management?

Legend: No | Not Sure | Yes

	Grand Total	No, but we plan to implement them soon	No, we rely on manual processes	Yes, we use a dedicated Governance, Risk, and Compliance (GRC) system	Yes, we use internally developed tools
Yes	34%	13%	34%	31%	47%
Not Sure	29%	38%	34%	23%	20%
No	37%	50%	31%	46%	33%

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Just over 4 in 5 members use manual risk evaluations in their organisational risk assessments. Historical incident reports (78%) and regulatory and compliance reports (71%) round out the top three.

What types of data does your organisation use for risk assessment?

Category	%
Manual risk evaluations	85%
Historical incident reports	78%
Regulatory and compliance reports	71%
External industry benchmarks	34%
Predictive analytics and forecasting	29%
Other	9%

"Internal audit"

"Audit reports

"External contractor experience with risks in the industry"

"WLA Risk Register"

"Internal audit findings and input"

WLA
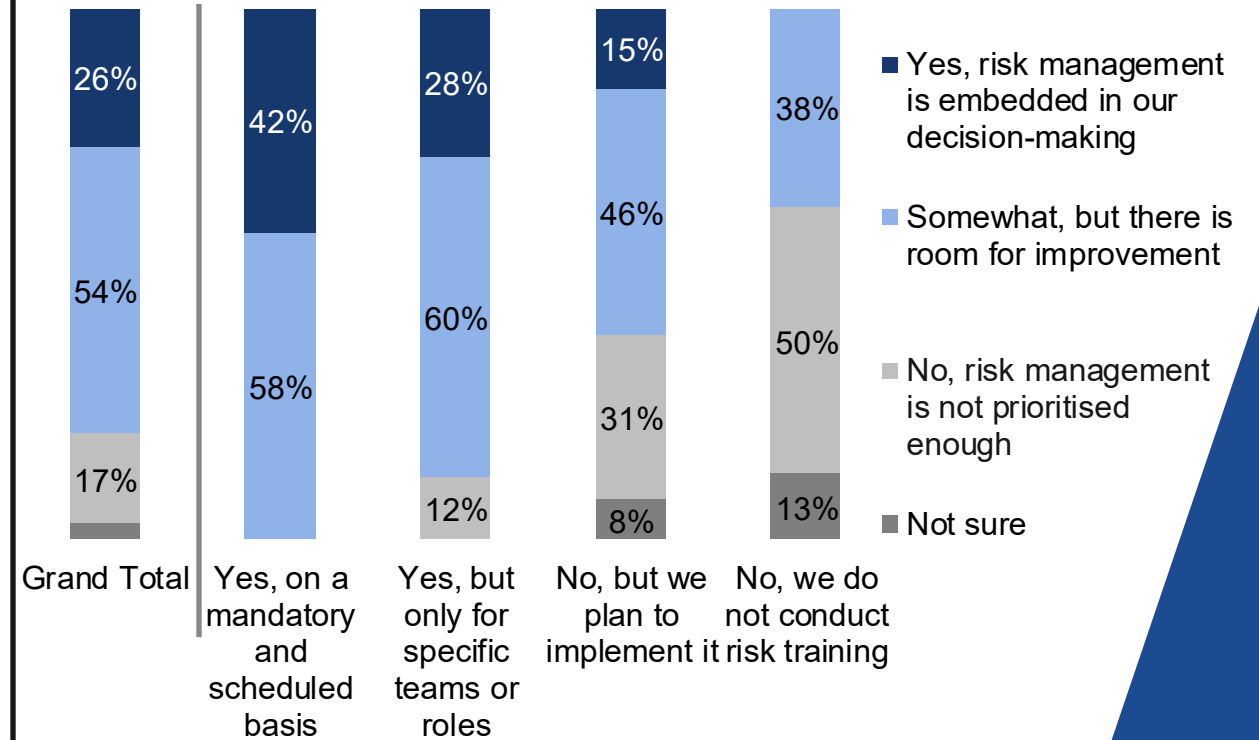WORLD LOTTERY ASSOCIATION

Risk Culture and Training

2 in 3 Members conduct some form of regular risk management training with their employees. Organisations who conduct these trainings are much more likely to indicate a strong risk culture.

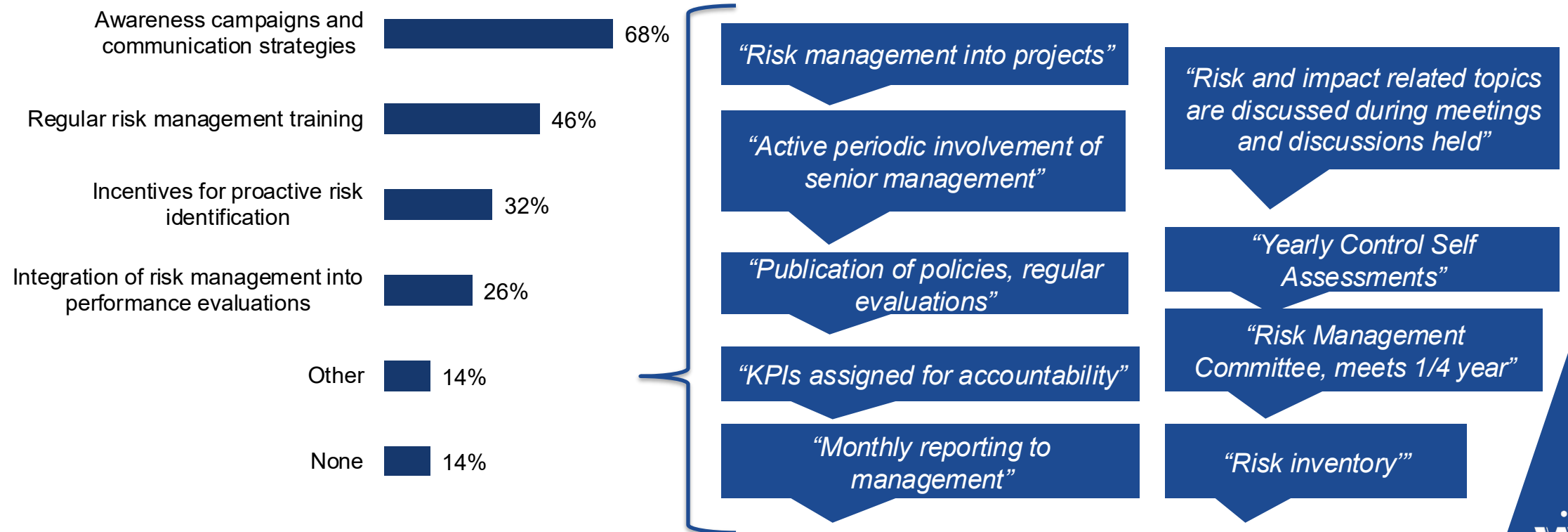## Does your organisation conduct regular risk management training for employees?

- 38%
- 20%
- 12%
- 29%

- Yes, on a mandatory and scheduled basis
- Yes, but only for specific teams or roles
- No, but we plan to implement it
- No, we do not conduct risk training
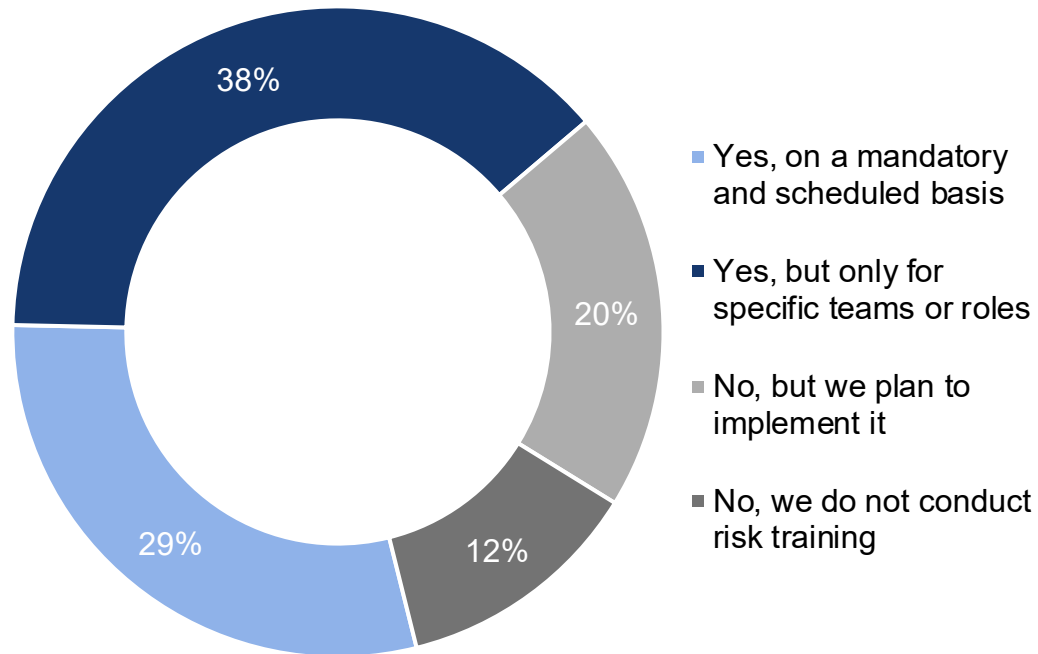
Do you believe there is a strong organisational culture around risk management in your organisation?

	Grand Total	Yes, on a mandatory and scheduled basis	Yes, but only for specific teams or roles	No, but we plan to implement it	No, we do not conduct risk training
Yes, risk management is embedded in our decision-making	26%	42%	28%	15%	
Somewhat, but there is room for improvement	54%	58%	60%	46%	38%
No, risk management is not prioritised enough	17%		12%	31%	50%
Not sure				8%	13%

Does your organisation conduct training?

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Awareness campaigns and communication strategies are the most common initiatives that organisations are implementing to foster a risk management culture being used by over 2 in 3 Members.
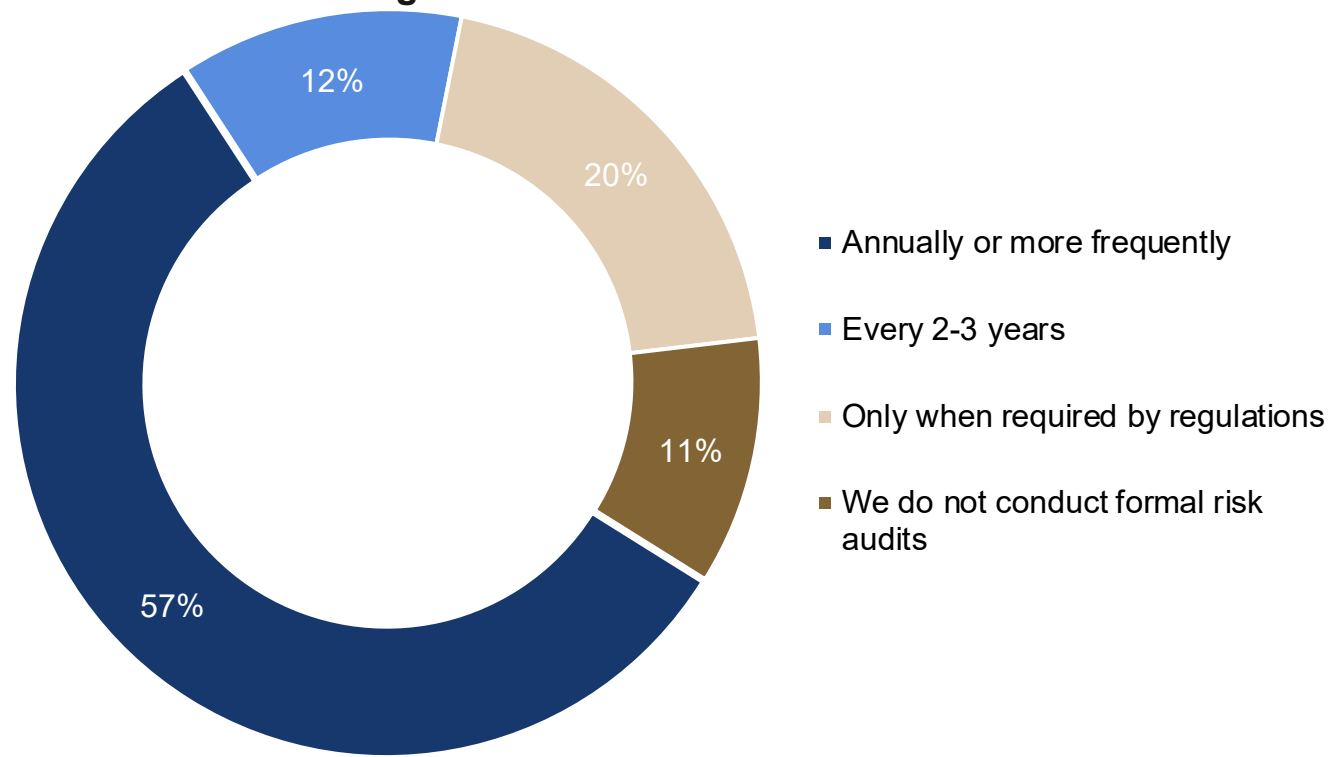
What initiatives have been implemented to foster a risk management culture among employees?

Initiative	Percentage
Awareness campaigns and communication strategies	68%
Regular risk management training	46%
Incentives for proactive risk identification	32%
Integration of risk management into performance evaluations	26%
Other	14%
None	14%

"Risk management into projects"

"Active periodic involvement of senior management"

"Publication of policies, regular evaluations"

"KPIs assigned for accountability"

"Monthly reporting to management"

"Risk and impact related topics are discussed during meetings and discussions held"

"Yearly Control Self Assessments"

"Risk Management Committee, meets 1/4 year"

"Risk inventory'"

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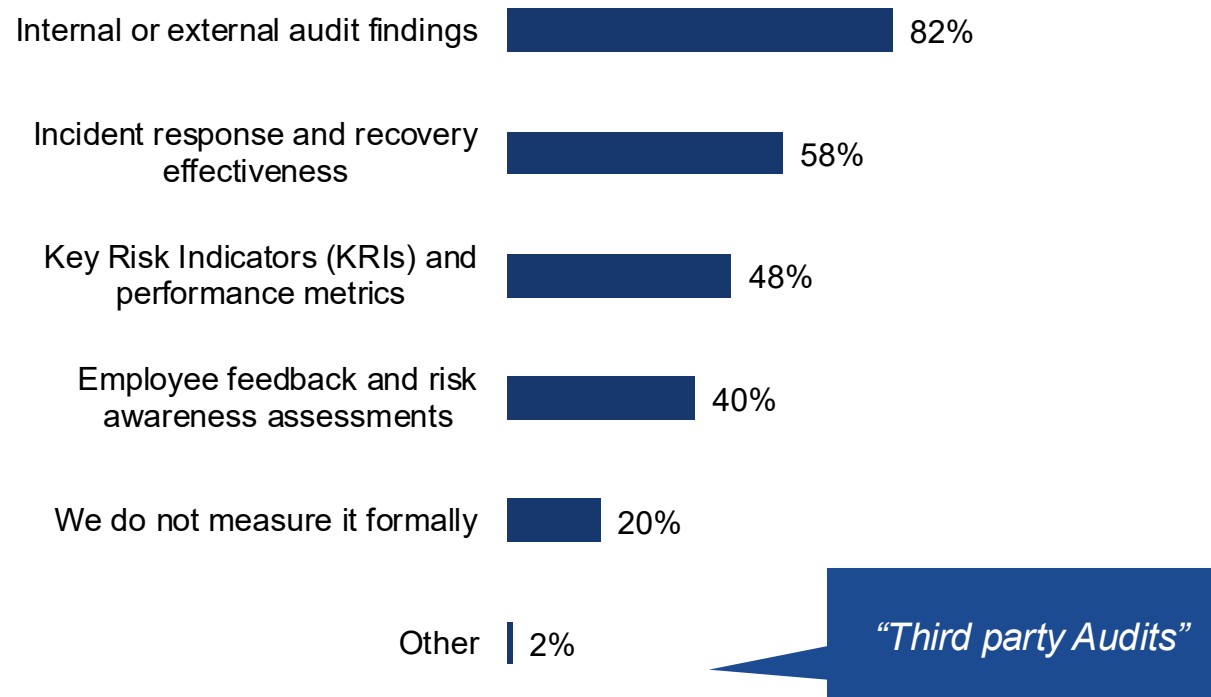
Evaluation and Adaptation

Just under 2 in 5 Members conduct third party audits/assessments related to risk management annually or more frequently.

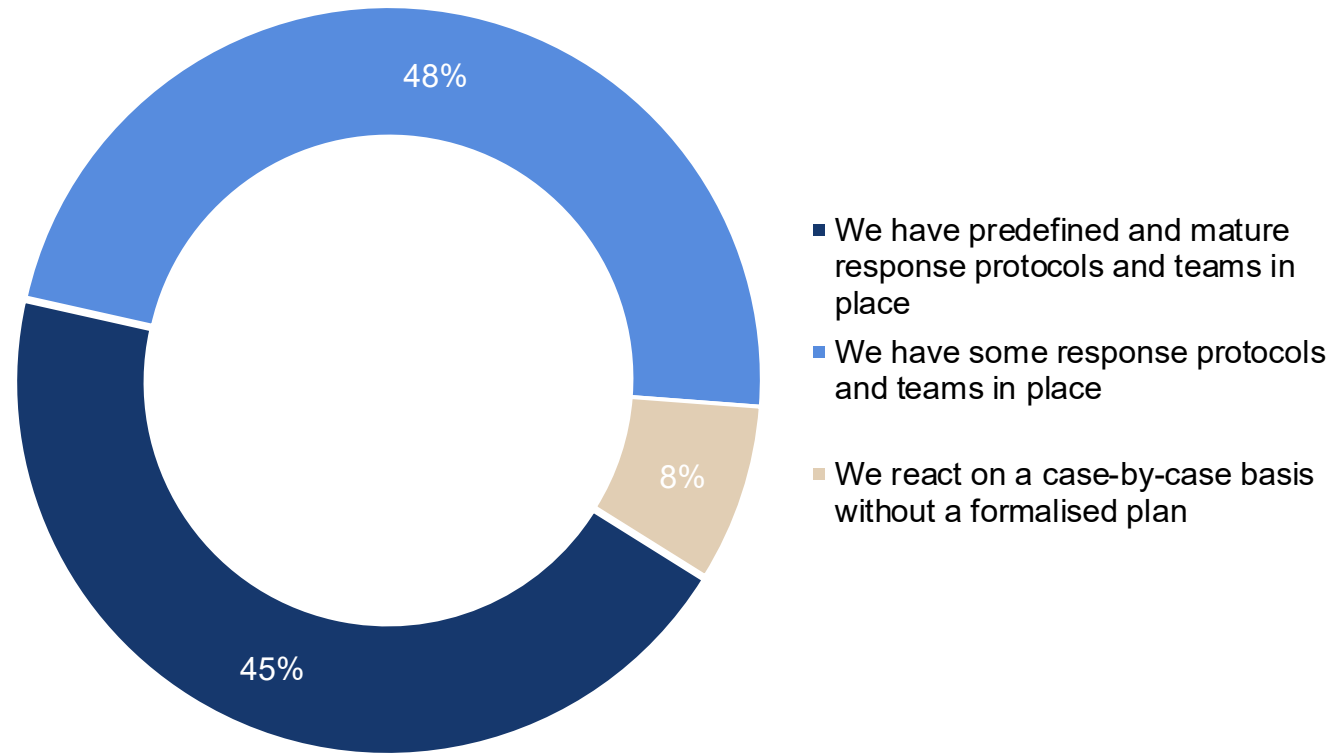**How frequently does your organisation conduct third party audits/assessments related to risk management?**

- Annually or more frequently
- Every 2-3 years
- Only when required by regulations
- We do not conduct formal risk audits

Chart segments: 57%, 12%, 20%, 11%

The main tool that Members use (82%) to measure the effectiveness of their risk management frameworks are internal/ external audit findings.

How does your organisation measure the effectiveness of its risk management framework?

Internal or external audit findings	82%
Incident response and recovery effectiveness	58%
Key Risk Indicators (KRIs) and performance metrics	48%
Employee feedback and risk awareness assessments	40%
We do not measure it formally	20%
Other	2%

*"Third party Audits"*

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Members are spilt between how their organisations respond to events or crises. 45% use a mature and predefined set of protocols while 48% have some protocols in place but require more maturity.

How does your organisation respond to unexpected events or crises?

- We have predefined and mature response protocols and teams in place
- We have some response protocols and teams in place
- We react on a case-by-case basis without a formalised plan

48%

8%

45%

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67% of Members do not have insurance that can cover impacts from IT security risks. 17% of Members indicate that it is something that is being explored.

Regarding IT security risks (e.g. cyber attacks), has your company taken out insurance that can cover any economic impacts?

- No, but we are working on it
- No, we do not have one
- Yes

50%

17%

33%
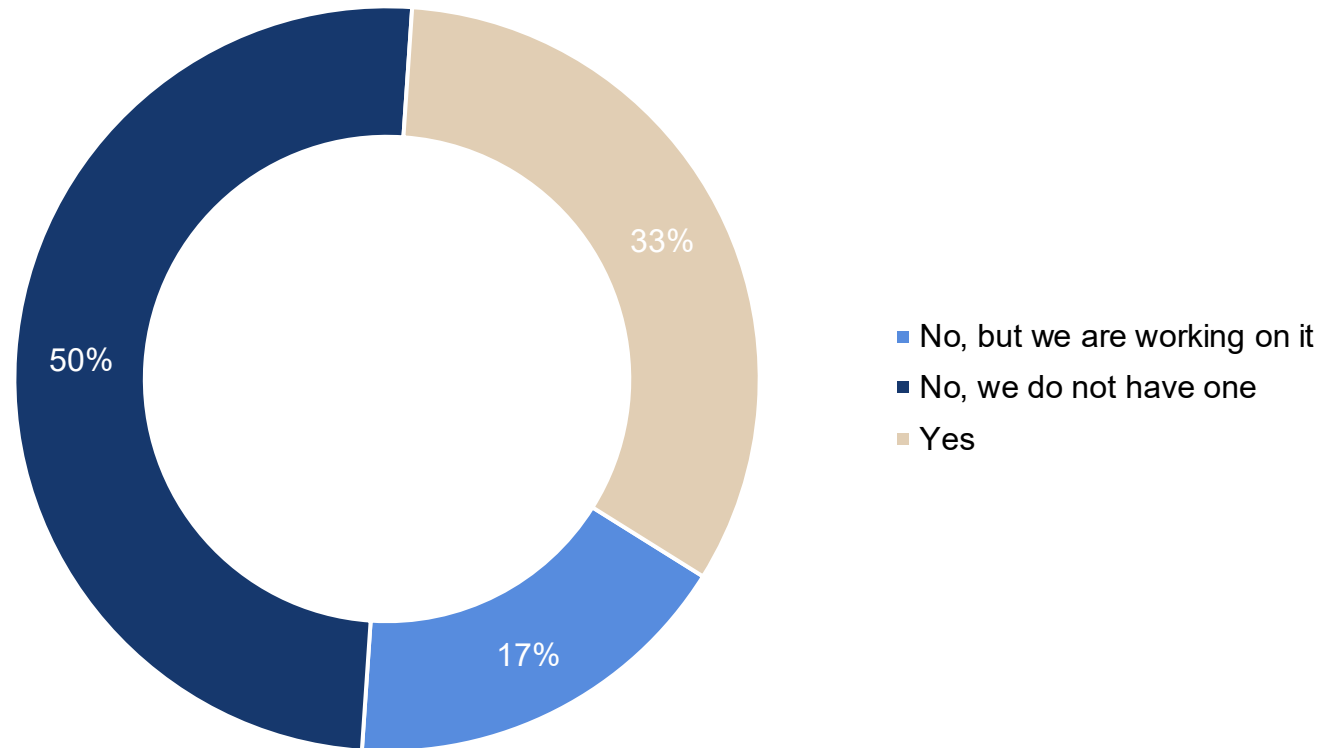
Trends and Future Outlook

Members are most concerned that cybersecurity threats and data breaches will have the biggest impact on their organisation's risk management (85%).

What emerging trends do you believe will impact risk management in your organisation in the coming years?

Trend	
Cybersecurity threats and data breaches	85%
Increased regulatory scrutiny and compliance requirements	66%
AI and machine learning-driven risk assessments	58%
Fraud and financial crime risk	28%
Geopolitical and economic instability	26%
Quantum Computing risk (including risk related to Quantum technology)	18%
Climate change and environmental risk	15%

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There are a wide variety of other trends that Members believe could impact their risk management practices.

"Prevalence of illegal gambling services enabled by technology"

"The heightened emphasis on Responsible Gaming and Player Protection could impact our risk management procedures. Also, the complexity of new and emerging Payment Systems, like the rise of new financial technologies could also impact our Risk Management"
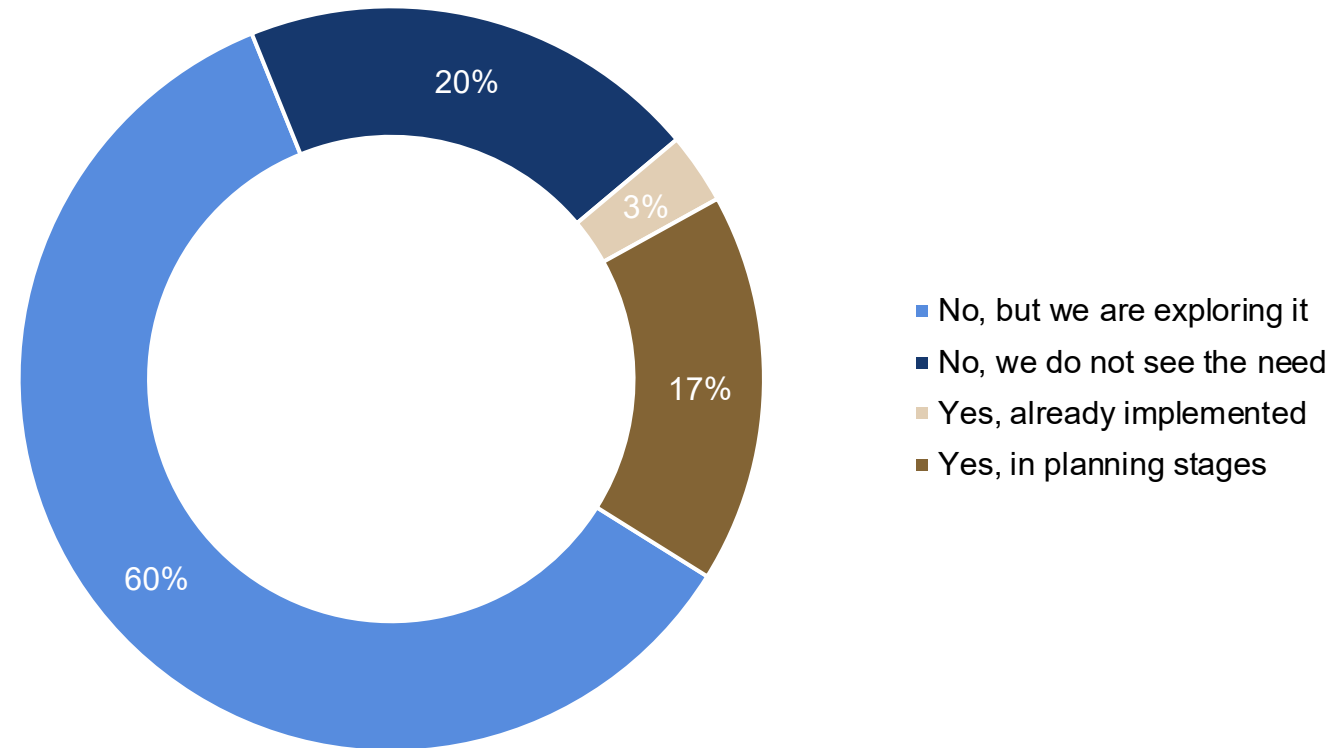
"Cost of living will make more people desperate for money and potentially looking to commit fraud. Ransomware is increasing alongside environmental challenges each organisation faces."

"Changing regulatory environment without consultation. Significant portion of revenue generating products that still support anonymous play."

"Open market/competition."

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80% of Members have not considered the integration of AI or big data into their risk management. This being said 60% of Members are exploring how these could be integrated.

Has your organisation considered integrating artificial intelligence or big data analytics into risk management?

- No, but we are exploring it
- No, we do not see the need
- Yes, already implemented
- Yes, in planning stages

20%

3%

17%

60%

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Members who have currently integrated AI / big data into their risk management use them in a wide variety of ways. This showcases the broad range of uses AI could have in the risk management space.

"Monitoring franchisee compliance"

"For our on-line iGaming and iSports products the content providers we have partnered to capture all transaction data related to player deposits and wagers which allow for automated reporting on any play/activity that triggers one or more of the parameters set to flag "suspicious" transactions."

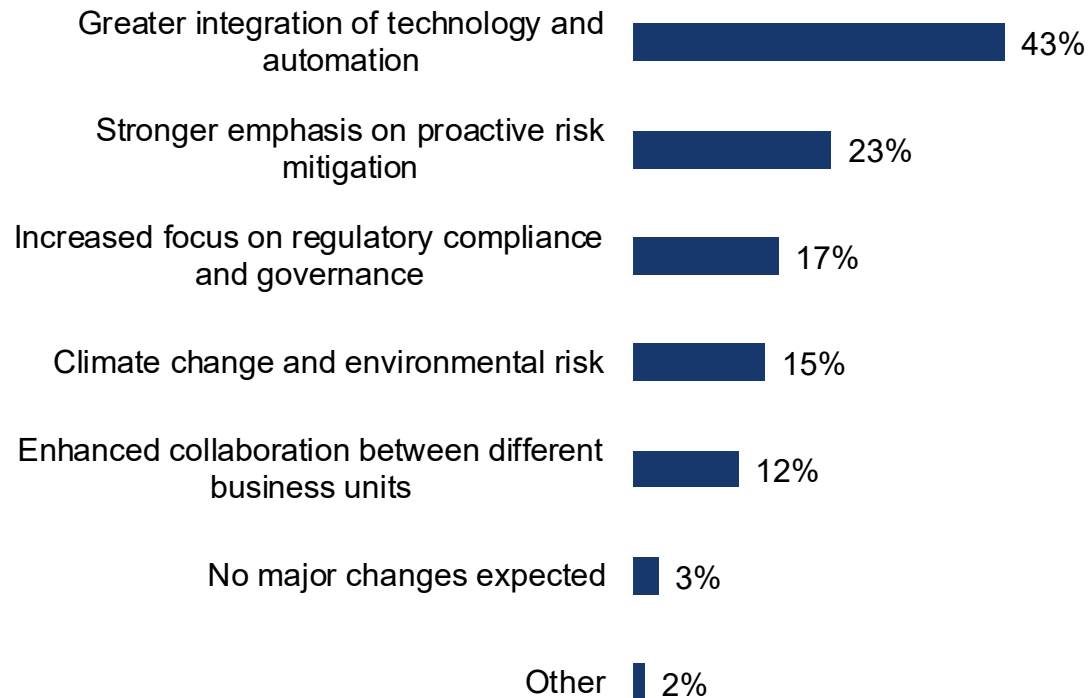"Checking risk analyses by AI, supporting employees by identifying risks with AI"

"- forecasts on risk occurrence
- automation in risk assessment activities
- automation in reporting to governance functions
- improvement in monitoring risk indicators over time"

"- Real-time anomaly detection in betting patterns and system transactions
- Automated risk scoring models for retail locations and agent activities
- Early warning alerts that support proactive mitigation measures"

"Yes. Using AI to provide feedback to customers regarding their gambling behavioural risks."
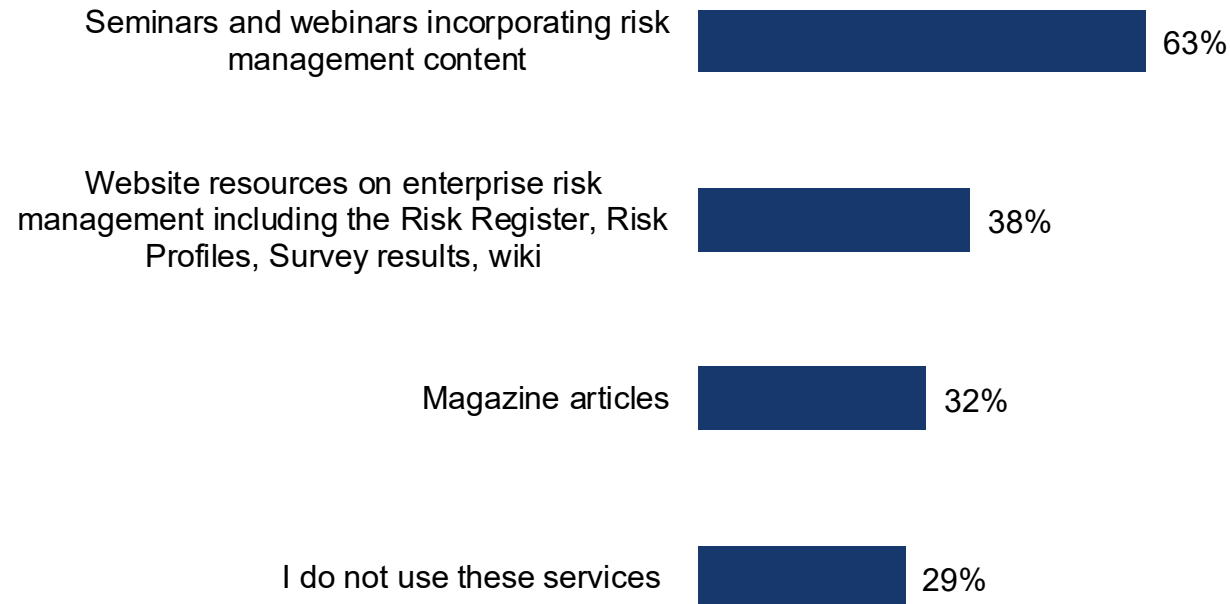
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Members believe that the biggest evolution of their organisation's risk management approach will include a greater integration of technology and automation.

How do you foresee your organisation's risk management approach evolving over the next five years?

Category	Percentage
Greater integration of technology and automation	43%
Stronger emphasis on proactive risk mitigation	23%
Increased focus on regulatory compliance and governance	17%
Climate change and environmental risk	15%
Enhanced collaboration between different business units	12%
No major changes expected	3%
Other	2%

Q30: How do you foresee your organisation's risk management approach evolving over the next five years? | Total sample n=65

Out of the risk management services that the World Lottery Association offers, Members are most commonly using the seminars and webinars that incorporate risk management content.

Do you currently use the following risk management services offered by the World Lottery Association?

Service	Percentage
Seminars and webinars incorporating risk management content	63%
Website resources on enterprise risk management including the Risk Register, Risk Profiles, Survey results, wiki	38%
Magazine articles	32%
I do not use these services	29%

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While there are a range of services Members would like to see offered by the World Lottery Association, they would like there to be more workshops/collaboration where they can share their risk management experiences and solve common problems.

"Sharing risks cases from other members. It could be anonymous."

"Experience exchange regarding Risk management in gaming business."

"We would welcome more regional, case-based workshops on how different lotteries approach real-world incidents"

"Sharing of casebooks and research papers featuring the experiences of other operators who have been the subject of prior studies."

"Conferences for Risk Managers for knowledge exchange"

"More workshops around practical approaches to meeting the WLA requirements and discussions on how different lotteries are meeting the requirements and solutions to common issues."

Q32: Are there other services that you would like to see delivered by the World Lottery Association? | Total sample n=32

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The main risk management topics that Member's would like to see addressed is the use of AI in risk management.

"Focus on examples of AI application within the risk management process."

"Artificial intelligence or big data analytics into risk management"

"Increased use of AI in the lottery industry"

"Governance and ethics of Artificial Intelligence in the gaming industry.
Cybersecurity resilience strategies against advanced threats and quantum computing.
Supply chain risk management in a digitized environment.
The role of risk management in promoting responsible gaming and social sustainability."

"Presentation of tools and AI solutions"

"Maybe a topic about AI would be interesting. Something like "AI in Action: Balancing Innovation and Ethics in Responsible Gaming and Fraud Prevention for Lotteries"

"Risks associated with artificial intelligence"

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