

MEDIA BRIEFING SHEET

August 2017



As operator of The National Lottery, Camelot's objective is to maximise returns to National Lottery Good Causes through selling tickets in a socially-responsible way. Since 1994, Camelot has made a winning business of running one of the world's most successful lotteries. By continuing to put its players first and through offering a truly integrated multi-channel experience, it has achieved an unparalleled track record in innovation and long-term, responsible growth.

KEY FACTS

- **National Lottery licences:** In May 1994, Camelot was awarded a seven-year licence to run The National Lottery. In December 2000, it was awarded the second seven-year licence, starting on 27 January 2002.

Camelot's third licence, this time for 10 years, began on 1 February 2009. In 2012, it was extended by four years to 2023 following the National Lottery Commission's agreement to Camelot's proposal to deliver around £1.7 billion in additional lottery funding to society.

- **Efficiency:** Camelot runs one of the most cost-efficient lotteries in Europe, with around 4% of total revenue spent on operating costs.
- **Returns to society:** In operating The National Lottery, Camelot delivers, on average, over £30 million each week to National Lottery Good Causes. Combined with the Lottery Duty it pays to the Government, Camelot returns one of the highest percentages of lottery revenue back to society in the world.

To date, National Lottery players have raised over £37 billion for Good Cause projects, with more than 510,000 individual awards made across the UK – an average of over 170 lottery grants in every neighbourhood.

Although Camelot is responsible for generating returns to the Good Causes, it plays no role in the allocation of funding. This is the specific responsibility of 12 lottery distribution bodies, each with specialist knowledge of their sectors.

- **Lottery Duty:** £14.8 billion to date.
- **Long-term growth:** Camelot's strategy for long-term, responsible growth – an approach based on offering players an enhanced and regularly-refreshed range of games, and focusing on innovation to better reflect people's changing lifestyles and shopping habits – has seen total National Lottery sales grow by over 40% in the last decade¹.
- **Reach:** Around 60% of UK adults currently play National Lottery games – greater reach than any other FMCG brand in the UK. More than 96% of the UK adult population live or work within two miles of a lottery terminal.
- **Leading UK brand:** The National Lottery crossed fingers logo is recognisable to 95% of the UK population. Camelot operates four of the UK's top FMCG brands, with Lotto the single biggest FMCG brand in the country.

Total National Lottery sales each year are bigger than Coca-Cola, Warburtons, Walkers, Cadbury Dairy Milk, Birds Eye, McVitie's, Pepsi, Nescafé, Lucozade and Andrex combined².

- **Winners:** The National Lottery creates over eight million winners a week across its range of draw-based and instant play games – and, on average, around 30 millionaires every month.

More than 4,600 millionaires or multi-millionaires have now been created since launch in 1994.

- **Prize money:** Over £63 billion to date.

- **Olympic and Paralympic Games:** No-one has contributed more to elite sport in the UK than National Lottery players – and the difference this has made is not hard to see:
 - following the introduction of National Lottery funding in 1997, Team GB has moved from 36th in the Olympic medal table in 1996 to second at the Rio 2016 Games;
 - 847 Olympic and Paralympic medals have now been won by British athletes since National Lottery funding began;
 - 89% of Team GB and ParalympicsGB medallists at Rio 2016 received National Lottery funding via UK Sport.

The National Lottery contributed up to £2.2 billion towards the cost of the London 2012 Games, with Camelot achieving its target of raising £750 million towards this sum from sales of specially-designated lottery games ahead of schedule.

National Lottery players are currently supporting aspiring Team GB and ParalympicsGB athletes as they prepare for Tokyo 2020 and beyond.

SALES

- **Annual National Lottery sales:** Camelot achieved ticket sales of £6,925.3 million in 2016/17.

Although the fourth-best sales performance since The National Lottery's launch in 1994, the figure represented a fall of 8.8% when set against record sales of £7,595.2 million in 2015/16. This was mainly because of disappointing performance across The National Lottery's range of draw-based games – especially on Lotto, with player confidence in the game still dented by three very long and statistically unexpected rollover series in quick succession at the beginning of 2016.

EuroMillions also had a soft first six months in 2016/17, but its performance improved significantly over the second half of the year following the game changes Camelot introduced in co-operation with the other EuroMillions operators in late September 2016.

Over the period, Camelot created 393 new lottery millionaires – more than one a day and a new National Lottery record, beating the previous high of 367 set in 2012/13 – and awarded £3,943.2 million in prize money to players.

Camelot also delivered £1,628.0 million (excluding investment returns) for Good Causes – more than £30 million every week.

Nonetheless, as a result of the disappointing sales performance, Camelot is carrying out a strategic review – focusing on four key business areas – and an update will be given when Camelot announces its half-year sales later in 2017.

IN-STORE

- **Retail network:** Accounting for almost 80% of sales, retail is the largest National Lottery sales channel. Camelot now works with around 46,000 retailers across the UK, with independent outlets making up the majority.
- **National Lottery Fast Pay:** Camelot's ground-breaking National Lottery Fast Pay service was a world-first. It enables players to store their lucky numbers on a re-usable, wallet-sized card and play draw-based games at the checkout.
- **Extended Means of Play:** In February 2012, Camelot successfully launched the facility to play National Lottery games through tills at WHSmith stores across the UK. This marked the first deployment of Camelot's world-leading EMoP (Extended Means of Play) solution through EPoS (Electronic Point of Sale), which has extended The National Lottery's reach from just one terminal in each outlet to every till.
- **Sales commission:** National Lottery retailers earn 5% commission for each draw-based game sold and 6% on each Scratchcard sold – as well as 1% on certain prizes paid out in-store. On average, National Lottery retailers earned around £6,500 in commission per store in 2016/17. To date, National Lottery retailers have earned over £5.9 billion in total sales commission.

DIGITAL

- **www.national-lottery.co.uk:** Leading the field of digital lottery innovation and e-commerce, Camelot operates Europe's largest online lottery in terms of sales. With over 9.5 million registered players, national-lottery.co.uk is one of the top e-commerce sites in the UK³.

In September 2014, Camelot launched a major new online and mobile platform, which has transformed the way players interact with National Lottery games across all devices – especially on mobiles where, for the very first time, it enabled players to play Instant Win Games.

- **National Lottery Official Apps for iPhone^{®4} and Android^{™5}:** Camelot's popular and free National Lottery Official Apps for iPhone[®] and Android[™] make it easy for players to play National Lottery games and check the latest draw results on the move.
- **Barclays Pingit:** In July 2015, Camelot introduced Barclays Pingit as the first-ever mobile payment option offered by The National Lottery. Providing smartphone users with a great 'quick pay and play' experience, it offers players even greater access and convenience, and enhances The National Lottery's existing online payment options.
- **Twitter and Facebook:** In 2011, Camelot launched Twitter (@TNLUK) and Facebook profiles ([facebook.com/TheNationalLotteryUK](https://www.facebook.com/TheNationalLotteryUK)) for National Lottery players.

With more than 188,000 followers and 789,000 'likes', Camelot keeps in touch with players on a daily basis, sharing news of games, winners, National Lottery-funded projects, competitions and exclusive behind-the-scenes content.

CORPORATE RESPONSIBILITY

- **Per capita spend:** Camelot is internationally recognised for selling lottery tickets in a socially-responsible way. The UK National Lottery is ranked at just 62nd in the world in terms of per capita spend, despite being the sixth largest lottery in the world in terms of sales – clear

evidence of the success of Camelot's strategy to encourage lots of people to play but to only spend relatively small amounts.

- **Game design:** Camelot uses three tools to assess a game's potential risks, including its structural characteristics and possible appeal to vulnerable groups. If the tools show an above-average risk, Camelot will revise the product or review additional factors, such as its advertising strategy and in-market testing. If this does not reduce the risk, Camelot will not launch the game.
- **Global recognition:** Camelot won the 2012 World Lottery Association (WLA) Responsible Gaming Award, which recognises outstanding achievements in responsible gaming. It also chairs the WLA Corporate Social Responsibility Committee and is involved in the European Lotteries Responsible Gaming Committee.
- **Operation Child:** Operation Child involves mystery shopping visits carried out by young people who are over 16 but look younger. Retailers who sell on three separate occasions to mystery shoppers may have their terminal removed.
- **Interactive safeguards:** Camelot was one of the first organisations in the UK to achieve GamCare accreditation for its interactive services and has now been accredited since 2003 – underlining the effectiveness of the robust measures it has in place to prevent excessive and underage play.
- **Living Life Changing:** Camelot encourages its employees to engage with its life-changing purpose by volunteering with National Lottery-funded projects.
- **Environment:** Camelot is committed to minimising any negative environmental impact from its operations and was awarded the Carbon Trust Standard for the second time in 2014.

¹ When comparing 2016/17 and 2006/7 annual sales

² When comparing annual sales with 'Britain's Biggest Brands, The Grocer/Nielsen – March 2017'

³ Comscore – February 2017

⁴ Apple, the Apple logo and iPhone[®] are trademarks of Apple Inc., registered in the U.S. and other countries

⁵ Android[™] is a trademark of Google Inc.