

News



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Camelot Publishes 2008/9 Stakeholder Report

Achievements of a momentous year place The National Lottery in the best possible position to meet the exciting challenges of the new Licence period

National Lottery operator Camelot Group plc today publishes its Stakeholder Report for 2008/9, which details how the company has had a positive effect on those impacted by its work and has worked hard to keep this wide range of stakeholders at the heart of its activities. The Report, the tenth of its kind, highlights the company's major achievements in what has been a landmark year for Camelot and The National Lottery – a period that saw the company achieve its best sales performance in 10 years, deliver even more money for the Good Causes and start the third lottery Licence period.

Using the 'Ready' theme, the Report details how The National Lottery remains in excellent health and is in the best possible position to meet the challenges ahead as it enters the exciting new 10-year Licence period. Key to this has been Camelot's successful transition to the new Licence – a process that saw the company devote over one million people hours to complete the largest and fastest lottery upgrade of its kind in the world within the agreed timescales.

This has resulted in the introduction of state-of-the-art technology, networks and systems capable of handling all of the exciting enhancements that Camelot has planned as part of its commitment to building an even better and brighter National Lottery.

The Report highlights how, despite the complex process of transition to the new Licence and a challenging retail environment, Camelot achieved its best sales performance in 10 years. The company succeeded in growing annual National Lottery

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.../2

sales in the year to 31 March 2009 to £5,149.1 million – an increase of £182.8 million (3.6%) on the previous year's figure of £4,966.3 million.

However, despite being the sixth largest lottery in the world in terms of sales, The National Lottery is ranked just 66th in the world in terms of per capita spend. The fact that around 70% of the UK adult population play National Lottery games on a regular basis but only spend around £3 a week each continues to underline the success of Camelot's strategy of growing sales in a socially responsible way by encouraging many people to play but to spend relatively little.

The rise in sales helped Camelot to increase annual returns to the Good Causes by a further £25.8 million on the previous year, from £1,351.8 million to £1,377.6 million¹ – taking the total raised for the Good Causes by The National Lottery since launch past the £23 billion mark. The number of individual awards made across the UK now stands at over 330,000 – an average of 113 lottery grants for every postcode district.

The Report shows that Camelot continues to be recognised for achieving the highest standards of corporate responsibility, having won the World Lottery Association's 2008 Best Reporting Award. In addition, Business in the Community has again recognised Camelot's work on responsible marketing, most recently bestowing the company with a prestigious 'Big Tick' award and shortlisting it once more for its Responsible Marketing Award.

Building on these achievements, Camelot has further underlined its position as a leader in setting standards for responsible play and player protection worldwide by receiving certification of alignment with the European Responsible Gaming Standards established by the European Lotteries Association. Having played a leading role in developing the certification framework and having chaired the European Lotteries Responsible Gaming Working Group since 2005, Camelot is one of only 10 lottery operators so far to have been certified as achieving alignment

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.../3

with the standards. Camelot has also received Level 4 certification – the highest level possible – with the World Lottery Association’s Responsible Gaming Framework. On top of this, Camelot was shortlisted for ‘Socially Responsible Operator of the Year’ at the 2009 eGaming Review Awards.

The Report goes on to detail how Camelot engages in a variety of ways with its stakeholders – including players and winners, employees, public interest groups, governmental bodies, local communities, suppliers, shareholders and retailers – and uses a number of different consultative groups and panels to help it understand how to further improve its products and run an even more responsible business.

The company’s commitment in this area is set to be further strengthened with the formation of an internal Stakeholder Engagement Panel in the latter half of 2009/10 to review and develop Camelot’s working relationships with all those with an interest in The National Lottery. Camelot is also a lead sponsor of global think-tank AccountAbility’s revision of its AA1000 Stakeholder Engagement Standard – the only international standard of its kind. The revision aims to provide a framework for engagement and allow organisations to evaluate stakeholder engagement practices.

Dianne Thompson, Chief Executive of Camelot, said: “This Stakeholder Report details a momentous year for Camelot and The National Lottery. Having been awarded the Licence to operate The National Lottery for 10 years until 2019, the team at Camelot has put in considerable effort behind the scenes to make sure that the lottery remains in excellent health as we enter this exciting new period.

“However, despite successfully fulfilling the demanding transition requirements set by the National Lottery Commission, and delivering the best sales performance in a decade and returning even more money to the Good Causes, we will not be resting on our laurels. Our stakeholders will remain at the heart of our activities as we look to build an even better and brighter National Lottery over the next 10 years. I am confident that, with their continued tremendous support, we can continue to grow

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National Lottery sales in a socially responsible way as we deliver our exciting plans for the new Licence period – and raise even more money for the Good Causes.”

Camelot's Stakeholder Report, available online at: www.camelotgroup.co.uk, is independently assured by Deloitte using the revised AA1000AS (2008) Standard. It also features a statement by Camelot's independent Advisory Panel for Corporate Responsibility.

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1 Figures do not include investment returns on National Lottery balances which are reported separately

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Notes to Editors:

- Camelot Group plc is the licensed operator of The National Lottery[®] and is committed to raising money for the Good Causes designated by Parliament. Camelot is not responsible for distributing or awarding these funds.
- To date, over £23 billion has been raised for the Good Causes by The National Lottery, and more than 330,000 individual awards have been made across the UK – the biggest programme of civic and social regeneration since the 19th Century. The National Lottery has given away over £36 billion in prizes and created more than 2,300 millionaires or multi-millionaires since launch in 1994.
- Camelot runs the most cost-efficient lottery in Europe, with around 4% of total revenue spent on operating costs. In the period up to March 2010, around 28% of total National Lottery revenue is expected to go to the Good Causes. Over the course of the third Licence, over 50% of total National Lottery revenue is expected to be paid to winners in prizes, while 12% of total revenue is expected to be paid to the Government in Lottery Duty. Depending on performance, total profits across the course of the Licence will range from 0.3% to a maximum of 0.5% of total revenue.
- Camelot is committed to the highest standards in player protection and social responsibility in both the retail and interactive environments. The National Lottery website and Play By Text services have been accredited by GamCare, the UK's national centre for information, advice and practical help regarding the social impact of gambling – while Camelot's approach to game design, test purchasing and retailer vigilance campaigns ensures player protection at retail. Camelot has been listed for the second year running in the Platinum category by Business In The Community for its overall Corporate Responsibility achievements, the highest category possible within the index.
- For further information on Camelot, The National Lottery and its games, please visit the following websites: www.camelotgroup.co.uk and www.national-lottery.co.uk.
- Players of all National Lottery games must be aged 16 or over. Game Rules and Procedures apply.

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