



# PLAYING OUR PART

CAMELOT UK LOTTERIES LIMITED

## CORPORATE RESPONSIBILITY REPORT 2016-2017

CAMELOT

# MESSAGE FROM NIGEL RAILTON, OUR CEO



At Camelot, our mission is to change lives. As operator of The National Lottery, we create more than 30 million winners a month and deliver around £30 million every week to support Good Causes across the UK. I am extremely proud to lead a lottery which has such an enormously positive

impact. Through our employee volunteering programme, Living Life Changing, our teams can personally connect with those projects which have benefited from National Lottery funding.

There is no doubt that, without our tens of millions of players, we wouldn't be able to achieve all of this. This makes it all the more important that National Lottery players have a positive experience – with lots of people playing, but individually spending relatively small amounts.

It is critical that we continue to implement new measures to maintain the already very low rate of problem play with our products, and reduce it even further where possible. We must keep improving our systems and programmes which prevent anyone under the age of 16 from playing National Lottery games, both online and in-store. We know that our first line of defence against problem play is how we build responsible play into our games as they're being developed, so we must continue this work in partnership with teams across Camelot as well as with key academics.

As we look to the future, player protection will remain a priority for us – with a huge amount of work focused on behavioural analytics, the introduction of further online tools to support our players to manage their play, and the implementation of an ambitious new retail programme.

That said, although player protection will always be our priority, it is not our only focus. A diverse and inclusive workforce is critical to the success of our goals, and we must ensure that our culture, environment and processes are inclusive, ensuring that we foster and retain talented people. We must continue to implement a transparent and sustainable supply chain that is always ethical. Where possible, we must explore how to not only continue to reduce any negative impact that we're having on the environment, but also increase the positive impact we make.

Our Corporate Responsibility Advisory Group has reviewed the report. Our group of CR advisors is a forum made up of independent experts and representatives from Camelot's leadership team, chaired by myself. The aim of the group is to discuss continuous improvement in CR.

Find out more about our CR governance here:  
<http://www.camelotgroup.co.uk/about-us/governance/corporate-responsibility-governance>

Our CR focus supports the long-term sustainability of our business, helping us to ensure that we'll be running a healthy and successful National Lottery for the duration of the next licence period.

# ABOUT CAMELOT

Camelot is a fast-moving games business known for running one of the UK's well-known consumer brands: The National Lottery.\*

## **EFFICIENCY**

Camelot runs one of the most cost-efficient lotteries in Europe, with around 4% of total revenue spent on operating costs.

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 community.

## **REACH**

Around 60% of UK adults currently play National Lottery games – greater reach than any other fast-moving consumer goods (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 combined.

## **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**

The National Lottery has awarded over £63 billion to date.

## **OLYMPICS AND PARALYMPICS**

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.

## **RESPONSIBLE PLAY**

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.

\*Facts accurate as of 31st March 2017.

# OUR PARTNERS AND VALUES

## PARTNERS WHO HELP SHAPE OUR THINKING

At Camelot, we know that in order to continue improving, we shouldn't work in isolation. Working in collaboration with others helps us to keep learning, and be challenged to do better.

For example, Camelot's Head of Corporate Responsibility chairs the World Lottery Association Responsible Gaming Working Group and is a member of the European Lotteries Responsible Gaming Working Group.

Here are some of the organisations with which we work:



## VALUES

Our values help set out what we stand for as a business and guide how we operate. We encourage employees to live the Camelot values in their day-to-day work, as well as through our appraisal system and volunteering with National Lottery Good Causes.



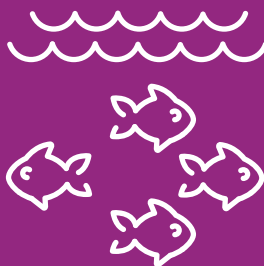
### BE PLAYFUL

We make work fun and never wait to celebrate



### ACT TOGETHER

We work as one team across offices, departments and levels



### THINK DIFFERENTLY

We challenge each other and try new ways



### DO RIGHT

We meet our responsibilities to all our stakeholders



### TAKE CHARGE

We step up and do amazing things

# PLAYER PROTECTION



Our number one priority is to make sure that our games are enjoyed by a lot of people, each individually playing a little. We work to ensure that National Lottery games are low-risk and continue to explore new ways of preventing problem play, whether that's excessive or underage play.

## **RETAIL**

In the UK, almost 80% of our total National Lottery sales are through our retail partners. As retailers are independent of Camelot, we work hard to ensure that they share our commitment to responsible play, and are aware of and know how best to apply the player protection measures that we have in place.

## **PREVENTING UNDERAGE PLAY**

Our mystery shopper programme involves visits carried out by young people who are aged 16 or over, but who look younger. The objective is to test awareness among our retailers of the safeguards when selling National Lottery tickets to young people. In very rare circumstances, when a retailer sells on three separate occasions to test purchasers, they may have their lottery terminal removed.

## **PREVENTING EXCESSIVE PLAY**

Excessive play in retail is a little understood area. It's difficult to understand the prevalence of excessive play due to a lack of data and research, and also to define what excessive, or harmful, play looks like. We've partnered with Responsible Gambling Council in Canada to run a pilot looking into just this.

## WHAT'S BEEN HAPPENING?

In 2015, we reviewed our mystery shopper programme due to a slow decrease in compliance rates.

From this review, we found some key areas for improvement and have implemented the following changes this year:

- Re-branded communications with a more engaging look and feel.
- Increased communications to retailers about the mystery shopper programme.
- Created new reporting templates for all retailers, to clearly review their mystery shopper score and key actions to improve it.
- This year we introduced video updates to better communicate to our geographically widespread teams.
- We worked with GamCare – the leading national provider of information, advice, support and free counselling for the prevention and treatment of problem gambling – to deliver a half-day training course to Contact Centre advisors on spotting and addressing problem play with callers.

## WHAT'S NEXT?

Our objectives are:

- Gain greater insight into how excessive play is displayed in National Lottery outlets.
- Understand the extent to which potential signs of excessive lottery play occur.
- Understand retailers' experiences with players who are demonstrating potential signs of excessive play.
- Identify the information and training needs of retailers with regard to customers who show signs of excessive play.
- Develop and pilot test a framework of tools and communications to help retailers respond to various situations.
- Produce a template for implementation by Camelot and potentially other companies in other jurisdictions.

Towards the end of 2017 and the beginning of 2018, in partnership with Responsible Gambling Council, we will:

- Conduct research with retailers, including a literature review and consultation.
- Carry out a two-month pilot with retailers.
- Gather results and produce a report with actions.

**89% THE PERCENTAGE OF  
RETAILERS WHO PASSED  
OUR MYSTERY SHOPPER  
PROGRAMME IN 2016/2017**

## RESPONSIBLE GAME DESIGN

When it comes to games, we believe prevention is better than cure – which is why we strive to design games that are low-risk for consumers to enjoy. We use tools and processes to ensure this, and closely monitor games as they are being developed and launched.

### WHAT'S BEEN HAPPENING?

We commissioned responsible gambling expert, Dr Richard Woods, to complete a review of our end-to-end game design process, benchmarking our current process, identifying key areas of improvement and providing recommendations for action.

In the past year, we have increased our use of live-testing games to assess the potential risks presented by new online games, once our existing game design process steps have been completed.

Using multi-variant testing (MVT), we are able to launch a game to one cohort of players and exclude another cohort of players from seeing the game. This allows us to closely monitor and compare the play and spend behaviour of one cohort versus the other, to see whether playing the new game has had any adverse impact and, if so, to immediately cease the trial.

### WHAT'S NEXT?

- Having improved our responsible game design process, we will be embedding it across the business.
- We will be delivering responsible game design training to relevant teams.
- We will be building an internal governance team.

**100% THE PERCENTAGE OF GAMES WHICH GO THROUGH OUR RISK ASSESSMENT TOOL, GAMGARD**

## BEHAVIOURAL ANALYTICS AND INTERVENTIONS

In order for us to encourage responsible play, we need to understand what harm looks like. We've worked with a partner organisation, Featurespace, to define what harm looks like in online play, categorised by a 'basket' of indicators. This has allowed us to explore different types of intervention with players who are showing signs of harm. The interventions set out to encourage players to manage their play more responsibly.

### WHAT'S BEEN HAPPENING?

For key programmes, such as our behavioural analytics trial, we have been measuring the effectiveness in several different ways:

- Three- and six-monthly reviews into the data and identifying key patterns of behaviours. These have been done with Featurespace, internal stakeholders and our regulator, the Gambling Commission.
- Surveys of players who have been presented with an intervention to get feedback on how effective they were.
- We also asked these players the shortened Problem Gambling Severity Index (PGSI) questions to identify if they are problem gamblers and how best to interact with them.
- We're in the process of developing new account management tools for players, including online self-exclusion, time-outs and reality check time-based pop-ups.
- We're continuing to test email interventions, everything from different colours of messages, to the content and tone of voice.

### WHAT'S NEXT?

- Develop an online internal dashboard to better analyse and understand player behaviour.
- To review interventions and understand which are the most successful in changing player behaviour.
- The launch of new online player protection tools which will allow players to take a short break (up to 90 days), a long break (six months) or choose lifetime self-exclusion.
- The launch of reality check, which will enable players to reflect on the amount of time that they have spent playing via a pop-up alert.

**7 DAYS: EVERY WEEK WE TEST INTERVENTIONS ON PLAYERS SHOWING SIGNS OF HARMFUL PLAY**





## RESEARCH AND CERTIFICATION

We fully support GambleAware – the leading charity in the UK committed to minimising gambling-related harm – to fund vital research. In 2016, our contribution has enabled:

- A Literature Review of Children and Young People's Gambling, by Professor Gill Valentine at the University of Sheffield. This will provide an update to another review that was previously commissioned and published by the Gambling Commission in 2008.
- Young people, gambling and gambling-related harm research, which aims to develop our understanding of young people in relation to gambling and gambling-related harm.

Camelot has also contributed to a three-year academic research programme into problem play, based at Université Laval, Quebec. The research aims to identify Responsible Gambling Evaluation Guidelines for gambling operators and is due for publication in 2017/18.

We were one of the first organisations in the UK to achieve GamCare accreditation and have attained it every year since 2003.

We have also received:

- World Lottery Association and European Gaming Standards Certification at Level 4 – as we have shown that we have implemented specific programmes into our day-to-day operations and are continuously improving our programmes.
- Business in the Community CommunityMark – the CommunityMark is the UK's only national standard that publicly recognises leadership and excellence in community investment.
- La Fleur's Sustainability Award – we are one of seven lotteries recognised for having achieved outstanding results in the area of Responsible Gaming, Corporate Social Responsibility or Environmental Initiatives. The LSAs highlight specific programmes that could be replicated by other lottery organisations.

# OUR PEOPLE

## EMPLOYEE ENGAGEMENT

At Camelot, it is really important to us that our colleagues feel proud about the work they do, valued in their roles and engaged to be their best as they further their careers with us. We work hard to ensure that our people strategy supports this, continuously enhancing our employee offering and doing what we can to make staff feel that their voice is heard – and that Camelot is a place where they can thrive.

## WHAT'S BEEN HAPPENING?

- Employees can use the Staff Forum to test new ideas, voice concerns and ask for input on any changes happening within the business. In the last year, the Staff Forum was consulted during the head office refresh, ensuring employee needs were reflected in the changes happening.
- Since its launch (July 2016), 1,102 'cheers' (colleague-to-colleague recognition) have been given to employees using the Applause recognition platform.
- All of the all-employee gatherings (All Togethers) are now live-streamed and recorded. Staff are encouraged to pre-submit questions to senior colleagues and, along with live questions from the floor and by text message, these are answered by the executive members leading the session.
- As part of our ongoing support for Team GB and to thank everyone for all the work they put into making The National Lottery a success, during the Rio 2016 Olympics, everyone was invited to join our very own festival 'RioFest' at the Watford Head Office. Employees had the opportunity to enjoy a number of activities including fair-ground style games, human table football, Brazilian Carnival dancers and Capoeira performances, as well as a traditional Brazilian BBQ. Dame Kelly Holmes, DBE was on hand all day to host an employee fun-run, talk over her Olympic experiences and share how the work we do is life changing for our elite athletes.

## WHAT'S NEXT?

- Over 100 employees will visit the new Winners' Lounge to hear from National Lottery winners about how their lives have changed.
- Our offices in London are currently undergoing refurbishment – following the 2016 Employee Engagement Survey results.
- We've recently had our Staff Forum elections which happen every two years. The Forum has representation from across the business, and all of our offices.
- From **March 2018**, we will be using shorter, 'pulse' surveys every quarter. This will give us a more informed picture of engagement and how it is being impacted by actions, changes, events – a 'real-time' picture of engagement rather than the one-off view afforded by the annual survey.
- We will be developing a comprehensive people manager development programme to support our people leaders to manage effectively, and in a way that brings Camelot's values to life.
- We will be launching a new intranet to communicate and connect our employees from across our sites, using relevant, two-way communication where our staff can collaborate, celebrate and engage using any Camelot device to do so.

**1,102: THE NUMBER OF 'CHEERS' GIVEN TO EMPLOYEES THROUGH THE APPLAUSE RECOGNITION PLATFORM.**

## RECRUITMENT AND RETENTION

Having the right person in the right role is essential. In addition, understanding any talent gaps we may have, and retaining talent and knowledge unique to the business are vital for Camelot's ongoing success.

## WHAT'S BEEN HAPPENING?

- In November 2016, we launched our Digital Accelerators programme for twelve 18 to 24-year-olds to join us on a year-long programme to develop their digital capability and help drive digital transformation across the organisation.
- In January 2017, we used a tool called Textio to help us craft adverts which are gender neutral. This template is what we use for all our job adverts.

## WHAT'S NEXT?

- We are currently working with a focus group of around 20 Camelot employees to test some ideas that came from a wider piece of research to understand what's important to them about working at Camelot. These findings will be reported back and will influence how we define our employer brand value proposition.
- Over the next year, we will be developing one consistent tool to measure people's suitability to jobs. We will be delivering interview training to relevant employees, which will include unconscious bias training.

**12: THE NUMBER OF 18 TO 24-YEAR-OLDS WHO HAVE COMPLETED OUR DIGITAL ACCELERATORS PROGRAMME**

## EMPLOYEE VOLUNTEERING

Our employee volunteering programme, Living Life Changing, gives Camelot employees the opportunity to connect with projects which have benefitted from National Lottery funding. It's a chance for our team to see the kinds of life-changing work that players throughout the UK support each and every day. We know that, through our employee volunteering programme, employees are also able to develop personal skills like:

- Team building
- Skill sharing
- Networking
- Giving back

We partner with National Lottery-funded charities, with connections to our local area, to provide employee volunteering opportunities.



**1,468 HOURS: THE NUMBER OF HOURS VOLUNTEERED IN 2016**

**1 IN 4: CAMELOT EMPLOYEES VOLUNTEERED IN 2016**

# SUSTAINABLE SUPPLY CHAINS



## SUSTAINABLE AND TRANSPARENT SUPPLY CHAINS

Having a good relationship with our suppliers, around 750 of them, is essential – and something we continuously strive to improve. We need to be confident about understanding our supply chain, and mitigating any risks – from reputational to ethical – that may exist. This year, we published our first Anti-Slavery and Human Trafficking Statement which sets out our actions during the financial year ending on 31 March 2017 and commitments for the next financial year. This is to understand and prevent all potential instances of modern slavery and any human trafficking risks in our business and supply chain. You can read some of our highlights below and see the full statement [here](#).

## WHAT'S BEEN HAPPENING?

- Every year, we conduct a Supplier Conduct Review with a selected group of suppliers to understand how they manage their own businesses.
- Our annual Supplier Conduct Review survey is sent to approximately 25 suppliers.
- The survey covers business ethics, supply chain management and human rights, plus broader corporate governance issues.
- The survey questions are reviewed each year and will, in future, include a question addressing their approach to preventing and monitoring risks in modern slavery and human trafficking.

**750: THE NUMBER OF CAMELOT SUPPLIERS**

## WHAT'S NEXT?

- We're in the process of communicating our Anti-Slavery and Human Trafficking Statement to all of our suppliers to reinforce our standards and expectations.
- This year, we will be providing training for relevant staff to ensure they are up to date with best practice and are taking appropriate action to monitor and prevent any instances of modern slavery or human trafficking.
- Over the next year, we will also be communicating with our staff to inform them of our commitments and expectations of them to prevent instances of modern slavery and human trafficking, and to remind them of our Whistleblowing Policy if they have any concerns.
- Over the next year, we will also be working with our teams to highlight our commitments and expectations, to prevent instances of modern slavery and human trafficking within our supply chain, and reinforce our expectations of them.

# ENVIRONMENT



Last year, we carried out an office refurbishment at our Head Office, and thanks to the support of Area, the company that led the refurbishment, we were able to reduce our environmental impact.

## WHAT'S BEEN HAPPENING?

- Existing furniture and carpet was disassembled and taken for recycling to divert from landfill.
- Working around existing CatA mechanical and electrical infrastructure ensured we were able to reuse existing lighting, electric and air conditioning as much as possible, minimising the environmental impact of increasing waste.
- Area worked with its supply chain and manufacturers to supply and install environmentally-friendly products. These products (such as carpet, wood in desks, etc.) contain amounts of recycled materials.
- Centralised print and stationery into core areas to minimise waste and collate recycled content.

## WHAT'S NEXT?

- We will be developing an Environmental Management System.

# DATA AND INFORMATION SECURITY



## DATA PROTECTION

An increasingly digital world provides enormous opportunities for Camelot, but it also brings with it a degree of risk. In a time where cyber-attacks are becoming commonplace, it is vitally important that Camelot stays ahead.

## WHAT'S BEEN HAPPENING

We're working to raise the bar of information security across the wider industry. In the last year, Camelot has made the case for creating, and now chairs, the World Lottery Association Cyber Security Working Group.

## WHAT'S NEXT?

The multi-million pound investment in our General Data Protection Regulation readiness programme is ongoing to ensure compliance before the new legislation comes into force in May 2018. Ensuring all personal data we store or process (or others store or process on our behalf) is done in line with the new requirements is of paramount importance.

**GETINTOUCH**  
[www.camelotgroup.co.uk](http://www.camelotgroup.co.uk)

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The data in this report has been assured by:

