

## GRI Index

- Economic Indicators
- Environmental Indicators
- Social Indicators

This table shows which elements of the Global Reporting Initiative guidelines are covered in our report or elsewhere on the Camelot website. We have chosen to report on the GRI core indicators only.

| GRI Index |                                                                                                            |                                     |                                                                                          |
|-----------|------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------------------------------------------------------------|
| No        | GRI Indicator                                                                                              | Covered?                            | Link                                                                                     |
| <b>1.</b> | <b>Vision and Strategy</b>                                                                                 |                                     |                                                                                          |
| 1.1       | Statement of the organisation's vision and strategy regarding its contribution to sustainable development. | <input checked="" type="checkbox"/> | About Camelot<br>CEO's review                                                            |
| 1.2       | Statement from the CEO describing key elements of the report.                                              | <input checked="" type="checkbox"/> | CEO's review                                                                             |
| <b>2.</b> | <b>Profile</b>                                                                                             |                                     |                                                                                          |
|           | <b><i>Organisational Profile</i></b>                                                                       |                                     |                                                                                          |
| 2.1       | Name of reporting organisation.                                                                            | <input checked="" type="checkbox"/> | Using this report                                                                        |
| 2.2       | Major products and/or services, including brand if appropriate.                                            | <input checked="" type="checkbox"/> | About Camelot - Camelot in brief                                                         |
| 2.3       | Operational structure of the organisation.                                                                 | <input checked="" type="checkbox"/> | About Camelot - Camelot in brief<br><br>About Camelot - Camelot and The National Lottery |

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| 2.4  | Description of major divisions, operating companies, subsidiaries, and joint ventures.                                                                                                                                                                | <input checked="" type="checkbox"/> | About Camelot - Camelot in brief<br>Quicklinks - Using the report<br>Our priorities - Playing and winning |
| 2.5  | Countries in which the organisation's operations are located.                                                                                                                                                                                         | <input checked="" type="checkbox"/> | About Camelot - Camelot in brief                                                                          |
| 2.6  | Nature of ownership; legal form.                                                                                                                                                                                                                      | <input checked="" type="checkbox"/> | About Camelot - Camelot in brief<br>About Camelot - Camelot and The National Lottery                      |
| 2.7  | Nature of markets served.                                                                                                                                                                                                                             | <input checked="" type="checkbox"/> | About Camelot - Camelot in brief<br>Our priorities - Partnership in retail                                |
| 2.8  | Scale of the reporting organisation <ul style="list-style-type: none"> <li>• Number of employee</li> <li>• Products produced/services offered</li> <li>• Net Sales</li> <li>• Total capitalisation broken down in terms of debt and equity</li> </ul> | <input checked="" type="checkbox"/> | About Camelot<br><br>Annual Report                                                                        |
| 2.9  | List of stakeholders, key attributes of each, and relationship to the reporting organisation.                                                                                                                                                         | <input checked="" type="checkbox"/> | Managing responsibly - Governance - Engaging with shareholders                                            |
|      | <b>Report Scope</b>                                                                                                                                                                                                                                   |                                     |                                                                                                           |
| 2.10 | Contact person (s) for the report, including e-mail and web addresses.                                                                                                                                                                                | <input checked="" type="checkbox"/> | Feedback                                                                                                  |
| 2.11 | Reporting period (e.g., fiscal/calendar year) for information provided.                                                                                                                                                                               | <input checked="" type="checkbox"/> | Using this report                                                                                         |
| 2.12 | Date of most recent previous report (if any).                                                                                                                                                                                                         | <input checked="" type="checkbox"/> | Downloads                                                                                                 |
| 2.13 | Boundaries of report (countries/ regions, products/services, divisions/ facilities/joint ventures/subsidiaries) and any specific limitations on the scope.                                                                                            | <input checked="" type="checkbox"/> | Using this report                                                                                         |

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| 2.14 | Significant changes in size, structure, ownership, or products/services that have occurred since the previous report.                                                                                                                            | n/a                                 | No significant change since last report.                                                                                                                                                                                       |
| 2.15 | Basis for reporting on joint ventures, partially owned subsidiaries, leased facilities, outsourced operations, and other situations that can significantly affect comparability from period to period and/or between reporting organisations.    | n/a                                 | No significant change since last report.                                                                                                                                                                                       |
| 2.16 | Explanation of the nature and effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods). | <input checked="" type="checkbox"/> | Any changes are detailed against specific indicators in the Social Report 2004.<br><br>Social Report 2004 - Home page                                                                                                          |
|      | <b>Report Profile</b>                                                                                                                                                                                                                            |                                     |                                                                                                                                                                                                                                |
| 2.17 | Decisions not to apply GRI principles or protocols in the preparation of the report.                                                                                                                                                             | <input checked="" type="checkbox"/> | The report provides a GRI Index (this table) that indicates which Camelot indicators are also GRI indicators. The issues covered are those considered most important by our stakeholder and that are material to our business. |
| 2.18 | Criteria/definitions used in any accounting for economic, environmental, and social costs and benefits.                                                                                                                                          | n/a                                 |                                                                                                                                                                                                                                |
| 2.19 | Significant changes from previous years in the measurement methods applied to key economic, environment, and social information.                                                                                                                 | <input checked="" type="checkbox"/> | Any changes are detailed against specific indicators in the Social Report 2004.<br><br>Performance overview - Tracking progress                                                                                                |

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| 2.20      | Policies and internal practices to enhance and provide assurance about the accuracy, completeness, and reliability that can be placed on the sustainability report.                                                   | <input checked="" type="checkbox"/> | Using the report<br><br>Managing responsibly - Principles and processes - Assurance<br><br>Managing responsibly - Improving our management<br><br>Managing responsibly - Assurance<br><br>Consulting and responding |
| 2.21      | Policy and current practice with regard to providing independent assurance for the full report.                                                                                                                       | <input checked="" type="checkbox"/> | Using this report<br><br>Managing responsibly - Improving our management<br><br>Managing responsibly - Assurance                                                                                                    |
| 2.22      | Means by which report users can obtain additional information and reports about economic, environmental, and social aspects of the organisation's activities, including facility-specific information (if available). | <input checked="" type="checkbox"/> | Downloads<br><br>Feedback<br><br>Managing responsibly - Principles and processes - Policies                                                                                                                         |
| <b>3.</b> | <b>Governance Section and Management Systems</b>                                                                                                                                                                      |                                     |                                                                                                                                                                                                                     |
|           | <b><i>Structure and Governance</i></b>                                                                                                                                                                                |                                     |                                                                                                                                                                                                                     |
| 3.1       | Governance structure of the organisation, including major committees under the board of directors that are responsible for setting strategy and for over-sight of the organisation.                                   | <input checked="" type="checkbox"/> | Managing responsibly - Governance - The Board                                                                                                                                                                       |
| 3.2       | Percentage of the board of directors that are independent, non-executive directors.                                                                                                                                   | <input checked="" type="checkbox"/> | Managing responsibly - Governance - The Board                                                                                                                                                                       |
| 3.3       | Process for determining the expertise board members need to guide the strategic direction of the organisation, including issues related to environmental and social risks and opportunities.                          | <input checked="" type="checkbox"/> | Managing responsibly - Governance - The Board                                                                                                                                                                       |

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| 3.4  | Board-level processes for overseeing the organisation's identification and management of economic, environmental, and social risks and opportunities.                                          | <input checked="" type="checkbox"/> | Managing responsibly - Improving our management<br><br>Managing responsibly - Governance - Risk management<br><br>Managing Responsibly - Governance - The Board     |
| 3.5  | Linkage between executive compensation and achievement of the organisation's financial and non-financial goals.                                                                                | <input checked="" type="checkbox"/> | Annual Report                                                                                                                                                       |
| 3.6  | Organisation structure and key individuals responsible for oversight, implementation, and audit of economic, environmental, social and related policies.                                       | <input checked="" type="checkbox"/> | Managing responsibly - Governance - The Board<br><br>Managing responsibly - Improving our management - Strengthening management structure                           |
| 3.7  | Mission and values statements, internally developed codes of conduct or principles, and policies relevant to economic, environmental, and social performance and the status of implementation. | <input checked="" type="checkbox"/> | About Camelot - Living our values<br><br>Managing responsibly - Principles and processes<br><br>See Managing responsibly - Governance - Risk management             |
| 3.8  | Mechanisms for stakeholders to provide recommendations or direction to the board of directors.                                                                                                 | <input checked="" type="checkbox"/> | Managing responsibly - Principles and processes                                                                                                                     |
|      | <b><i>Stakeholder engagement</i></b>                                                                                                                                                           |                                     |                                                                                                                                                                     |
| 3.9  | Basis for identification and selection of major stakeholders.                                                                                                                                  | <input checked="" type="checkbox"/> | Managing responsibly - Improving our management - Stakeholder review<br><br>Setting Our priorities - Stakeholders and priorities<br><br>Socio-economic impact model |
| 3.10 | Approaches to stakeholder consultation reported in terms of frequency of consultation by type and by stakeholder group.                                                                        | <input checked="" type="checkbox"/> | Consulting and responding - Stakeholder engagement                                                                                                                  |

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| 3.11 | Type of information generated by stakeholder consultations.                                                                                                                                                                                                                                         | <input checked="" type="checkbox"/> | Consulting and responding - Stakeholder engagement                                                   |
| 3.12 | Use of information resulting from stakeholder engagements.                                                                                                                                                                                                                                          | <input checked="" type="checkbox"/> | Consulting and responding - Outcome and actions                                                      |
|      | <b><i>Overarching Policies and Management Systems</i></b>                                                                                                                                                                                                                                           |                                     |                                                                                                      |
| 3.13 | Explanation of whether and how the precautionary approach or principle is addressed by the organisation.                                                                                                                                                                                            | <input checked="" type="checkbox"/> | Our priorities - Responsible gaming                                                                  |
| 3.14 | Externally developed, voluntary economic, environmental, and social charters, sets of principles, or other initiatives to which the organisation sub-scribes or which it endorses.                                                                                                                  | <input checked="" type="checkbox"/> | Our priorities - Responsible gaming<br>National Lottery Website                                      |
| 3.15 | Principal memberships in industry and business associations, and/or national/international advocacy organisations.                                                                                                                                                                                  | <input type="checkbox"/>            | Our priorities - Responsible gaming                                                                  |
| 3.16 | Policies and/or systems for managing upstream and downstream impacts, including <ul style="list-style-type: none"> <li>• supply chain management as it pertains to outsourcing and supplier environmental and social performance</li> <li>• product and service stewardship initiatives.</li> </ul> | <input checked="" type="checkbox"/> | Our priorities - Supply chain engagement<br>Our priorities - Responsible gaming                      |
| 3.17 | Reporting organisation's approach to managing indirect economic, environmental, and social impacts resulting from its activities.                                                                                                                                                                   | <input checked="" type="checkbox"/> | Our priorities - Responsible gaming<br>Our priorities - Environmental impact<br>Managing responsibly |
| 3.18 | Major decision during the reporting period regarding the location of, or changes in, operations.                                                                                                                                                                                                    | n/a                                 |                                                                                                      |

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| 3.19      | <p>Programmes and procedures pertaining to economic, environmental and social performance. Include discussion of :</p> <ul style="list-style-type: none"> <li>• priority and target setting;</li> <li>• major programmes to improve performance;</li> <li>• internal communications and training;</li> <li>• performance monitoring;</li> <li>• internal and external auditing; and</li> <li>• senior management review.</li> </ul> | <input checked="" type="checkbox"/> | <p>Managing responsibly</p> <p>Performance overview</p> <p>Our priorities - Environmental impact</p> |
| 3.20      | Status of certification pertaining to economic, environmental, and social management systems.                                                                                                                                                                                                                                                                                                                                       | <input checked="" type="checkbox"/> | <p>Our priorities - Responsible gaming</p> <p>National Lottery Website</p>                           |
| <b>4.</b> | <b>GRI context index</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                                     |                                                                                                      |
| 4.1       | A table indicating location of each element of the GRI report content by section and indicator.                                                                                                                                                                                                                                                                                                                                     | <input checked="" type="checkbox"/> | GRI Index                                                                                            |

## Economic indicators

| No  | GRI Indicator                                                                                                  | Covered?                            | Link                                                                                            |
|-----|----------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------|
|     | <b>Core - Customer</b>                                                                                         |                                     |                                                                                                 |
| EC1 | Net sales.                                                                                                     | <input checked="" type="checkbox"/> | Our priorities - Maximising returns                                                             |
| EC2 | Geographic breakdown of market.                                                                                | <input checked="" type="checkbox"/> | About Camelot - Camelot in brief                                                                |
|     | <b>Core - Suppliers</b>                                                                                        |                                     |                                                                                                 |
| EC3 | Cost of all goods, materials, and services purchased.                                                          | <input checked="" type="checkbox"/> | Setting our priorities - Socio-economic impact model                                            |
| EC4 | Percentage of contracts that were paid in accordance with agreed terms, excluding agreed penalty arrangements. | <input checked="" type="checkbox"/> | <p>Performance overview - Tracking progress</p> <p>Our priorities - Supply chain engagement</p> |
|     | <b>Core - Employees</b>                                                                                        |                                     |                                                                                                 |

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| EC5  | Total payroll and benefits (including wages, pension, other benefits, and redundancy payments) broken down by country or region.                                                       | <input checked="" type="checkbox"/> | Setting our priorities - Socio-economic impact model<br><br>Annual Report |
|      | <b>Core - Providers of Capital</b>                                                                                                                                                     |                                     |                                                                           |
| EC6  | Distributions to providers of capital broken down by interest on debt and borrowings, and dividends on all classes of shares, with any arrears of preferred dividends to be disclosed. | <input checked="" type="checkbox"/> | Annual Report                                                             |
| EC7  | Increase / decrease in retained earnings at end of period.                                                                                                                             | <input checked="" type="checkbox"/> | Our priorities - Maximising returns<br><br>Annual Report                  |
|      | <b>Core - Public Sector</b>                                                                                                                                                            |                                     |                                                                           |
| EC8  | Total sum of taxes of all types paid broken down by country.                                                                                                                           | <input checked="" type="checkbox"/> | Setting our priorities - Socio-economic impact model<br><br>Annual Report |
| EC9  | Subsidies received broken down by country or region.                                                                                                                                   | n/a                                 |                                                                           |
| EC10 | Donations to community, civil society, and other groups broken down in terms of cash and in-kind donations per type of group.                                                          | <input checked="" type="checkbox"/> | Our priorities - Investing in communities                                 |

## Environmentale indicators

| No  | GRI Indicator                                                                                                                | Covered?                            | Link                                                                                                |
|-----|------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------|
|     | <b>Core - Material</b>                                                                                                       |                                     |                                                                                                     |
| EN1 | Total materials use other than water, by type.                                                                               | <input checked="" type="checkbox"/> | Our priorities - Environmental impact<br><br>Performance overview - Tracking progress               |
| EN2 | Percentage of materials used that are wastes (processed or unprocessed) from sources external to the reporting organisation. | <input checked="" type="checkbox"/> | Performance overview - Tracking progress<br>[Proportion of paper from recycled post-consumer waste] |
|     | <b>Core - Energy</b>                                                                                                         |                                     |                                                                                                     |

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| EN3 | Direct energy use segmented by primary source. Report on all energy sources used by the reporting organisation for its own operations as well as for the productions and delivery of the energy products to other organisations. | <input checked="" type="checkbox"/> | Our priorities - Environmental impact<br><br>Performance overview - Tracking progress                                 |
| EN4 | Indirect energy use Report on all energy used to produce and deliver energy products purchased by the reporting organisation.                                                                                                    | <input type="checkbox"/>            | Our priorities - Environmental impact<br><br>Performance overview - Tracking progress<br>[Sustainable transport info] |
|     | <b>Core - Water</b>                                                                                                                                                                                                              |                                     |                                                                                                                       |
| EN5 | Total water use.                                                                                                                                                                                                                 | <input checked="" type="checkbox"/> | Our priorities - Environmental impact<br><br>Performance overview - Tracking progress                                 |
|     | <b>Core - Biodiversity</b>                                                                                                                                                                                                       |                                     |                                                                                                                       |
| EN6 | Location and size of land owned, leased, or managed in biodiversity-rich habitats.                                                                                                                                               | n/a                                 | Our operations are mainly office-based in urban centres, with sales teams out on the road servicing our retailers.    |
| EN7 | Description of the major impacts on biodiversity associated with activities and / or products and services in terrestrial, fresh-water, and marine environments.                                                                 | n/a                                 | Our main product impacts come from the use of paper and transport.                                                    |
|     | <b>Core - Emissions, Effluents, and Waste</b>                                                                                                                                                                                    |                                     |                                                                                                                       |
| EN8 | Greenhouse gas emissions.                                                                                                                                                                                                        | <input type="checkbox"/>            | Our priorities - Environmental impact<br><br>Performance overview - Tracking progress<br>[CO2 only]                   |
| EN9 | Use and emissions of ozone-depleting substances.                                                                                                                                                                                 | <input checked="" type="checkbox"/> | No significant emissions to report.                                                                                   |

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| EN10 | NOx, SOx, and other significant air emissions by type.                                                                                                                                                               | <input checked="" type="checkbox"/> | No significant emissions to report.                                                   |
| EN11 | Total Amount of waste by type and destination.                                                                                                                                                                       | <input type="checkbox"/>            | Our priorities - Environmental impact<br><br>Performance overview - Tracking progress |
| EN12 | Significant discharge to water by type.                                                                                                                                                                              | <input checked="" type="checkbox"/> | Our priorities - Environmental impact                                                 |
| EN13 | Significant spills of chemicals, oils, and fuels in terms of total number and total volume.                                                                                                                          | n/a                                 | Not Applicable as we have no operations which would involve spills                    |
|      | <b>Core - Product and Services</b>                                                                                                                                                                                   |                                     |                                                                                       |
| EN14 | Significant environmental impacts of principal products and services.                                                                                                                                                | <input checked="" type="checkbox"/> | Our priorities - Environmental impact                                                 |
| EN15 | Percentage of the weight of products sold that is reclaimable at the end of the products' useful life and percentage that is actually reclaimed.                                                                     | <input type="checkbox"/>            | Our priorities - Environmental impact<br><br>Performance overview - Tracking progress |
|      | <b>Core - Compliance</b>                                                                                                                                                                                             |                                     |                                                                                       |
| EN16 | Incidents of and fines for non-compliance with all applicable international declarations / Conventions / treaties, and national, sub-national, regional, and local regulations associated with environmental issues. | <input checked="" type="checkbox"/> | Our priorities - Environmental impact                                                 |

## Social indicators

| GRI Ref No    | GRI Indicator                                                                                                                                                                                                                                                                                                                                                                           | Covered?                            | Link                                                                                                                                                    |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LABOUR</b> | <b>Core - Employment</b>                                                                                                                                                                                                                                                                                                                                                                |                                     |                                                                                                                                                         |
| LA1           | Breakdown of workforce, where possible, by region/country, status (employee/non-employee), Employee type (full time / part-time), and by employment contract (indefinite or permanent/fixed term or temporary). Also identify workforce retained in conjunction with other employers (temporary agency workers or workers in co-employment relationships), segmented by region/country. | <input checked="" type="checkbox"/> | Performance overview - Tracking progress                                                                                                                |
| LA2           | Net employment creations and average turnover segmented by region/country.                                                                                                                                                                                                                                                                                                              | <input type="checkbox"/>            | Performance overview - Tracking progress                                                                                                                |
|               | <b>Core - Labour / Management Relations</b>                                                                                                                                                                                                                                                                                                                                             |                                     |                                                                                                                                                         |
| LA3           | Percentage of employee represented by independent trade union organisations or other bona fide employee representatives broken down geographically OR percentage of employees covered by collective bargaining agreements broken down by region/country.                                                                                                                                | <input checked="" type="checkbox"/> | Staff Consultation Forum represents 100% of employees<br><br>Managing responsibly - Principles and processes<br><br>Our priorities - Valuing our people |
| LA4           | Policy and procedures involving information, consultation, and negotiation with employees over changes in the reporting organisation's operations (e.g. restructuring).                                                                                                                                                                                                                 | <input checked="" type="checkbox"/> | Managing responsibly - Principles and processes                                                                                                         |
|               | <b>Core - Health and Safety</b>                                                                                                                                                                                                                                                                                                                                                         |                                     |                                                                                                                                                         |

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| LA5                 | Practices on recording and notification of occupational accidents and diseases, and how they relate to the ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases. | <input checked="" type="checkbox"/> | Information held but not reported externally.                                                                           |
| LA6                 | Description of formal joint health and safety committees comprising management and worker representatives and proportion of workforce covered by any such committees.                                 | <input checked="" type="checkbox"/> | Health and Safety is a standing Forum Agenda item at the Staff Consultative Forum meetings.                             |
| LA7                 | Standard injury, lost day, and absentee rates and number of work-related fatalities (including subcontracted workers).                                                                                | <input checked="" type="checkbox"/> | Our priorities - Valuing our people<br><br>Performance overview - Tracking progress<br><br>Zero work-related fatalities |
| LA8                 | Description of policies or programmes (for the workplace and beyond) on HIV/AIDS.                                                                                                                     | <input checked="" type="checkbox"/> | Our priorities - Valuing our people                                                                                     |
|                     | <b>Core - Training and Education</b>                                                                                                                                                                  |                                     |                                                                                                                         |
| LA9                 | Average hours of training per year per employee by category of employee.                                                                                                                              | <input type="checkbox"/>            | Performance overview - Tracking progress                                                                                |
|                     | <b>Core Diversity and Opportunity</b>                                                                                                                                                                 |                                     |                                                                                                                         |
| LA10                | Description of equal opportunities policies or programmes, as well as monitoring systems to ensure compliance and results of monitoring.                                                              | <input type="checkbox"/>            | Our priorities - Valuing our people                                                                                     |
| LA11                | Composition of senior management and corporate governance bodies (including the board of directors), including female/male ratio and other indicators of diversity as culturally appropriate.         | <input checked="" type="checkbox"/> | Our priorities - Valuing our people<br><br>Performance overview - Tracking progress                                     |
| <b>HUMAN RIGHTS</b> | <b>Core - Strategy and Management</b>                                                                                                                                                                 |                                     |                                                                                                                         |

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| HR1 | Description of policies, guidelines, corporate structure, and procedures to deal with all aspects of human rights relevant to operations, including monitoring mechanisms and results.                  | <input checked="" type="checkbox"/> | As we operate solely in the UK , our commitment to human rights is mainly demonstrated to how we value and empower our staff and that our products don't affect the rights of others. Link to valuing our people and responsible gaming |
| HR2 | Evidence of consideration of human rights impacts as part of investment and procurements decisions, including selection of suppliers/ contractors.                                                      | <input checked="" type="checkbox"/> | Our priorities - Supply chain engagement                                                                                                                                                                                                |
| HR3 | Description of policies and procedures to evaluate and address human rights performance within the supply chain and contractors, including monitoring systems and results of monitoring                 | <input checked="" type="checkbox"/> | Our priorities - Supply chain engagement                                                                                                                                                                                                |
|     | <b>Core - Non-discrimination</b>                                                                                                                                                                        |                                     |                                                                                                                                                                                                                                         |
| HR4 | Description of global policy and procedures/programmes preventing all forms of discrimination in operations, including monitoring systems and results of monitoring                                     | <input type="checkbox"/>            | Our priorities - Valuing our people<br><br>Code of conduct                                                                                                                                                                              |
|     | <b>Core - Freedom of Association and Collective Bargaining</b>                                                                                                                                          |                                     |                                                                                                                                                                                                                                         |
| HR5 | Description of freedom of association policy and extent to which this policy is universally applied independent of local laws, as well as description of procedures / programmes to address this issue. | <input checked="" type="checkbox"/> | The Staff Consultative Forum aims to represent staff views to management on a range of employee-related issue.<br><br>Our priorities - Valuing our people                                                                               |
|     | <b>Core - Child Labour</b>                                                                                                                                                                              |                                     |                                                                                                                                                                                                                                         |

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| HR6                           | Description of policy excluding child labour as defined by the ILO Convention 138 and extent to which this policy is visibly stated and applied, as well as description of procedures/programmes to address this issue, including monitoring systems and results of monitoring. | n/a                                 | We don't employ any one under 16 in line with national law and also do not allow our products to be sold by anyone under 16.<br><br>Our priorities -<br>Responsible gaming |
|                               | <b>Core - Forced and Compulsory Labour</b>                                                                                                                                                                                                                                      |                                     |                                                                                                                                                                            |
| HR7                           | Description of policy to prevent forced and compulsory labour and extent to which this policy is visibly stated and applied, as well as description of procedures/programmes to address this issue, including monitoring systems and results of monitoring.                     | n/a                                 | Operate within context of UK law.                                                                                                                                          |
| <b>SOCIETY</b>                | <b>Core - Community</b>                                                                                                                                                                                                                                                         |                                     |                                                                                                                                                                            |
| SO1                           | Description of policies to manage impacts on communities in areas affected by activities, as well as description of procedures / programme to address this issue, including monitoring systems and results of monitoring.                                                       | <input checked="" type="checkbox"/> | Our priorities - Investing in communities<br><br>Community Involvement Policy                                                                                              |
|                               | <b>Core - Bribery and Corruption</b>                                                                                                                                                                                                                                            |                                     |                                                                                                                                                                            |
| SO2                           | Description of the policy, procedures / management systems, and compliance mechanisms for organisations and employees addressing bribery and corruption.                                                                                                                        | <input checked="" type="checkbox"/> | Managing responsibly - Governance - Risk management<br><br>Code of conduct                                                                                                 |
|                               | <b>Core - Political Contributions</b>                                                                                                                                                                                                                                           |                                     |                                                                                                                                                                            |
| SO3                           | Description of policy, procedures / management systems, and compliance mechanisms for managing political lobbying and contributions.                                                                                                                                            | <input checked="" type="checkbox"/> | Managing responsibly - Governance - Regulation and compliance                                                                                                              |
| <b>Product Responsibility</b> | <b>Core - Customer Health and Safety</b>                                                                                                                                                                                                                                        |                                     |                                                                                                                                                                            |

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| PR1 | Description of policy for preserving customer health and safety during use of products and services, and extent to which this policy is visibly stated and applied, as well as description of procedures / programmes to address this issue, including monitoring systems and results of monitoring. | <input checked="" type="checkbox"/> | Our priorities -<br>Responsible gaming<br><br>National Lottery Website |
|     | <b>Core - Product and Services</b>                                                                                                                                                                                                                                                                   |                                     |                                                                        |
| PR2 | Description of policy, procedures / management systems, and compliance mechanisms related to product information and labelling.                                                                                                                                                                      | <input checked="" type="checkbox"/> | Our priorities -<br>Responsible gaming<br><br>National Lottery Website |
|     | <b>Core - Respect for Privacy</b>                                                                                                                                                                                                                                                                    |                                     |                                                                        |
| PR3 | Description of policy, procedures / management systems, and compliance mechanisms for consumer privacy.                                                                                                                                                                                              | <input checked="" type="checkbox"/> | National Lottery Website                                               |

## Tracking progress

- Shareholders
- Government
- Players and winners
- Public interest groups
- Employees
- Local community
- Retailers
- Suppliers
- Environment

Indicators highlighted in bold are part of a core set of measures

| <b>Shareholders</b>                 |                                                                                          |                |                |                |                |
|-------------------------------------|------------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|
| <b>Indicator</b>                    | <b>Target</b>                                                                            | <b>2001/02</b> | <b>2002/03</b> | <b>2003/04</b> | <b>2004/05</b> |
| Return on Capital Employed (ROCE) % | We aim to distribute retained reserves as dividends to shareholders as early as possible | 46.4%          | 40.7%          | 45.4%          | 47%            |
| Dividend                            |                                                                                          | 98.8m *        | 29.2m          | 31.4m          | 32.4m          |

\* On 30 March 2001 the National Lottery Commission consented to relaxation of the Section 5 Licence condition enabling the distribution of £51.5m of profits accumulated over the first Section 5 Licence period, payable by way of dividends, and included within the second interim dividend payment for that year.

|                                                                                                                                   |                                                                                                                            |                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Supply true and fair accounts twice yearly in accordance with high standards of corporate governance.</p>                      | <p>Twice yearly accounts. Financial statements produced within four months of end of financial year.</p>                   | <p>Achieved</p>                                                                                                                          | <p>The Board, which includes representative from all our shareholders, approved the financial statement in May 2003, for publication Oct 2003.</p>                                                                                                                                                                                                                                                                                                       | <p>The Board, which includes representatives from all our shareholders, approved the financial statement in May 2004, for publication Sept 2004.</p> <p>We no longer publish a formal half year/interim statement report, but figures are publicly announced and are in the public domain.</p>                                                                                                                  | <p>The Board, which includes representatives from all our shareholders, approved the financial statements in May 2005 for publication in Sept/Oct 2005.</p>                                                                           |
| <p>Ensure proper compliance with accounting standards and relevant recommendations in Corporate Governance codes of practice.</p> | <p>Auditors to issue unqualified audit report and to be satisfied with company's compliance with Corporate Governance.</p> | <p>Achieved. Combined Code and Turnbull provisions complied with, or relevant disclosure of non-compliance made in company accounts.</p> | <p>We continue to comply with best practice recommendations in force at the time of publication of our financial reports e.g. our year end accounts to 31/03/03 include a full remuneration report in accordance with the Directors' Remuneration Report Regulations 2002. We are undertaking a thorough review of the Higgs and Smith Reports to assess whether we will comply or explain in our financial statements for the year ending 31/03/04.</p> | <p>A thorough review of the new Combined Code (published July 2003) was undertaken by the Company Secretary and a full report made to the Board. As a result of Board discussions, the Corporate Governance compliance statement in the Annual Report for the year ended 31 March 2004 has been drafted on the basis that the new Code applies, even though it does not formally apply to the Company until</p> | <p>We continue to report in line with best practice, even though, as a non listed Company, we are not obliged to do so. The Annual Report for the year ended 31 March 2005 has been drafted in compliance with the Combined Code.</p> |

|                                                                                                                                                      |                                                                             |                                                                                            |                                                                                                                                                                                                                                     |                                                                                                                             |                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------|
|                                                                                                                                                      |                                                                             |                                                                                            |                                                                                                                                                                                                                                     | the year ended 31 March 05.<br><br>For a description of our areas of compliance, please see <a href="#">Annual Report</a> . |                             |
| Appoint and maintain an Audit Committee of non-executive directors.                                                                                  | Maintaining a quorum of non-executive Directors on the committee.           | Achieved throughout period.                                                                | Achieved throughout the period. The chairmanship of this committee has transferred from Sir James Butler, who retired in Nov 2002, to Gerry Acher.                                                                                  | Achieved throughout period.                                                                                                 | Achieved throughout period. |
| Appoint and maintain a Remuneration Committee of non-executive directors.                                                                            | Maintaining a quorum of non-executive Directors on the committee.           | Achieved throughout period.                                                                | Achieved throughout period.                                                                                                                                                                                                         | Achieved throughout period.                                                                                                 | Achieved throughout period. |
| Ensure proper and timely reporting to the board of directors of all issues required to be presented to or approved by the board and or shareholders. | All issues for approval to be presented accurately and in a timely fashion. | All issues presented for approval only after adequate time given to Board and Shareholders | Achieved throughout period. A new procedure has been agreed by the Board of directors at its 25/11/02 meeting to ensure that formal board papers are submitted to Board members at least 4 working days prior to any board meeting. | Achieved throughout period.                                                                                                 | Achieved throughout period. |

## Government

| Indicator                                                                                                                                                                                           | Target                                                         | 2001/02         | 2002/03         | 2003/04         | 2004/05         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Money raised for Good Causes (£ millions) *</b>                                                                                                                                                  | <b>£10.5 billion to be raised by the end of second licence</b> | <b>£1,341.6</b> | <b>£1,257.7</b> | <b>£1,216.2</b> | <b>£1,249.1</b> |
| * These figures do not include any unclaimed prizes. If a prize is not claimed within 180 days then the amount goes to National Lottery Distribution Bodies (NLDB) for distribution to Good Causes. |                                                                |                 |                 |                 |                 |
| Cumulative total raised by lottery players available to Good Causes (£ billions)                                                                                                                    |                                                                | 11.3            | 14.2            | 15.6            | 17.1            |
| <b>NEW INDICATOR FOR 2004/05 - Percentage of MPs agreeing with the statement 'I trust Camelot to run The National Lottery'</b>                                                                      |                                                                |                 | <b>44%</b>      | <b>51%</b>      | <b>67%</b>      |

## Players and winners

| Indicator                                                                                                 | Target    | 2001/02                 | 2002/03                        | 2003/04                        | 2004/05    |
|-----------------------------------------------------------------------------------------------------------|-----------|-------------------------|--------------------------------|--------------------------------|------------|
| 'Money going to Good Causes makes me feel better' (% of adults agreeing)                                  |           | not measured previously | 59% *                          | 57%                            | 54%        |
| * Figure is based on only 10 months of the year and is therefore not directly comparable.                 |           |                         |                                |                                |            |
| 'Always hearing about Good Causes' (% of adults agreeing)                                                 |           | not measured previously | 47% *                          | 43%                            | 43%        |
| * Figure is based on only 10 months of the year and is therefore not directly comparable.                 |           |                         |                                |                                |            |
| The National Lottery changes Britain for the better (% of adults agreeing)                                |           | not measured previously | 42% *                          | 40%                            | 42%        |
| * Figure is based on only 10 months of the year and is therefore not directly comparable.                 |           |                         |                                |                                |            |
| 'I feel my local area benefits from the monies raised by The National Lottery' (% of adults agreeing)     |           | not measured previously | 31% *                          | 27%                            | 28%        |
| * Figure is based on only 10 months of the year and is therefore not directly comparable.                 |           |                         |                                |                                |            |
| 'The National Lottery is trustworthy' (% player / adults)                                                 |           |                         | not measured previously        | 49%                            | 53%        |
| <b>Percentage of adults being positive towards The National Lottery</b>                                   |           |                         | <b>not measured previously</b> | <b>40%</b>                     | <b>41%</b> |
| <b>NEW FOR 2004/05 - Percentage of players 'satisfied with the way Camelot runs The National Lottery'</b> |           |                         |                                | <b>not measured previously</b> | <b>76%</b> |
| Total complaints via the National Lottery Line *                                                          | No target | 20,125                  | 23,460                         | 18,235                         | 7,932      |
| * Breakdown of complaints:                                                                                |           |                         |                                |                                |            |
| Number of written complaints                                                                              |           | 3,607                   | 2,873                          | 1,626                          | 1,929      |
| Number of email complaints                                                                                |           | n/a                     | 2,309                          | 367                            | 108        |
| Number of telephone complaints                                                                            |           | 16,518                  | 18,278                         | 16,242                         | 5,895      |

|                                               |  |     |     |     |     |
|-----------------------------------------------|--|-----|-----|-----|-----|
| % of UK adults playing The National Lottery * |  | 75% | 74% | 71% | 68% |
| * New indicator to be reported                |  |     |     |     |     |

## Public interest groups

| Indicator                                  | Target    | 2001/02 | 2002/03 | 2003/04 | 2004/05 |
|--------------------------------------------|-----------|---------|---------|---------|---------|
| Number of Operation Child visits per annum | 10,000 ** | 4,313 * | 12,236  | 9,815   | 10,223  |

\* end of licence 26th January 2002  
 \*\* National Lottery Commission (NLC) set target for each year commencing 23 January, however the indicator is reported on a fiscal year basis. We have met the target set by the NLC each year.

|                                                                                                     |     |       |       |       |       |
|-----------------------------------------------------------------------------------------------------|-----|-------|-------|-------|-------|
| Percentage of retailers who refused to sell to an operation child test purchaser on first visit (%) | 85% | 86.3% | 91.5% | 85.5% | 89.4% |
|-----------------------------------------------------------------------------------------------------|-----|-------|-------|-------|-------|

|                                                                                                                                                              |  |  |  |                         |     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|-------------------------|-----|
| <b>NEW INDICATOR FOR 2004/05 -</b><br>Retailer score on 'How helpful is Camelot to your store in preventing underage purchases of National Lottery products' |  |  |  | not previously measured | 64% |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|-------------------------|-----|

|                                               |                                                                |          |              |              |            |
|-----------------------------------------------|----------------------------------------------------------------|----------|--------------|--------------|------------|
| Camelot's spend on prevention strategies. (£) | To maintain Camelot's lead in investment in problem prevention | £526,984 | £2,071,834 * | £2,373,738 * | £1,494,411 |
|-----------------------------------------------|----------------------------------------------------------------|----------|--------------|--------------|------------|

\* This includes a substantial one-off investment in setting up the interactive system, which aims to prevent underage and excessive play.

| Camelot's % of the gaming market          |         | Jun 2001 | Aug 2002 | Aug 2003  | Aug 2004  |
|-------------------------------------------|---------|----------|----------|-----------|-----------|
| Gaming machines                           |         | 31%      | 36%      | 28%       | 20%       |
| Bookmaking                                |         | 30%      | 30%      | 45.3%     | 60%       |
| National Lottery                          |         | 21%      | 16%      | 11.8%     | 9%        |
| Casinos                                   |         | 13%      | 12%      | 9.8%      | 8%        |
| Licensed Bingo                            |         | 4%       | 5%       | 4.3%      | 3%        |
| Football pools                            |         | 1%       | <1%      | <1% (0.3) | <1% (0.2) |
| Other lotteries                           |         | <1%      | <1%      | <1% (0.3) | <1% (0.2) |
| Total average weekly spend per capita (£) | £2.34 * | 1.98 **  | 1.87 **  | £1.86     | £1.90     |

|                                                                                                                    |                                                    |                |                         |              |              |
|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|----------------|-------------------------|--------------|--------------|
| * This is a cap - a maximum                                                                                        |                                                    |                |                         |              |              |
| ** Figures revised in line with new methodology                                                                    |                                                    |                |                         |              |              |
| <b>Total average weekly spend per player (£)</b>                                                                   | <b>£3.60 *</b>                                     | <b>2.64 **</b> | <b>2.56 **</b>          | <b>£2.66</b> | <b>£2.83</b> |
| * This is a cap - a maximum                                                                                        |                                                    |                |                         |              |              |
| ** Figures revised in line with new methodology                                                                    |                                                    |                |                         |              |              |
| Average weekly spend per capita on Lotto game (£)                                                                  |                                                    | £1.57 *        | 1.38 *                  | £1.30        | £1.28        |
| * Figures revised in line with new methodology                                                                     |                                                    |                |                         |              |              |
| Average weekly spend per player on Lotto game (£)                                                                  |                                                    | £2.10 *        | £1.98 *                 | £1.97        | £2.03        |
| * Figures revised in line with new methodology                                                                     |                                                    |                |                         |              |              |
| Average weekly spend per capita on National Lottery scratchcard (£)                                                |                                                    | £0.24 *        | £0.24                   | £0.26        | £0.29        |
| * Figures revised in line with new methodology                                                                     |                                                    |                |                         |              |              |
| Average weekly spend per player on National Lottery scratchcards (£)                                               |                                                    | £0.84 *        | £1.03 *                 | £1.30        | £1.45        |
| * Figures revised in line with new methodology                                                                     |                                                    |                |                         |              |              |
| <b>Camelot's ranking in the world on 'Per capita sales against total sales'</b>                                    | <b>To remain outside of the top ten world-wide</b> | <b>40th</b>    | <b>47th</b>             | <b>47th</b>  | <b>48th</b>  |
| <b>Percentage of first time callers to GamCare who disclosed activity and attributed problems to Lottery games</b> |                                                    |                | not previously measured | 2%           | 3%           |

| <b>Employees</b>                                                                                                                                                              |                                                                                                  |                                                                                                                      |                                                                                                                                                                              |                                                                                                                                                                              |                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Indicator</b>                                                                                                                                                              | <b>Target</b>                                                                                    | <b>2001/02</b>                                                                                                       | <b>2002/03</b>                                                                                                                                                               | <b>2003/04</b>                                                                                                                                                               | <b>2004/05</b>                                                                                                                                                                  |
| Demographic breakdown by Gender and Level held in company                                                                                                                     |                                                                                                  | <b>Senior Grades</b><br>Female - 31.1%<br>Male - 68.9%<br><br><b>Junior Grades</b><br>Female - 55.9%<br>Male - 44.1% | <b>Increase of 3.2% females in Senior Grades</b><br><br><b>Senior Grades</b><br>Female - 34.3%<br>Male - 65.7%<br><br><b>Junior Grades</b><br>Female - 53.6%<br>Male - 46.4% | <b>Increase of 4.6% females in senior grades</b><br><br><b>Senior Grades</b><br>Female - 38.9%<br>Male - 61.1%<br><br><b>Junior Grades</b><br>Female - 51.3%<br>Male - 48.5% | <b>Decrease of 0.5% in females in senior grades</b><br><br><b>Senior Grades</b><br>Female - 38.4%<br>Male - 61.6%<br><br><b>Junior Grades</b><br>Female - 51.1%<br>Male - 48.9% |
| Demographic breakdown by Ethnic Origin and Level held in company                                                                                                              | (1) Camelot employees from ethnic minorities to equal or exceed the UK National average of 7.9%. |                                                                                                                      | 9.8%                                                                                                                                                                         | 9.9%                                                                                                                                                                         | 11.2%                                                                                                                                                                           |
|                                                                                                                                                                               |                                                                                                  | 2.8%                                                                                                                 | 2.9%                                                                                                                                                                         | Increase of 0.3% to 3.7% *                                                                                                                                                   | Increase of 1.6% to 4.8%                                                                                                                                                        |
| * This compares to an average of 4% of the companies participating in Race For Opportunity 2003 benchmarking study.                                                           |                                                                                                  |                                                                                                                      |                                                                                                                                                                              |                                                                                                                                                                              |                                                                                                                                                                                 |
| <b>NEW INDICATOR FOR 2004/05 -</b><br>Staff agreement score to 'Camelot treats employees equally and inclusively with respect to gender, age, disability, ethnicity, etc' (%) |                                                                                                  |                                                                                                                      |                                                                                                                                                                              |                                                                                                                                                                              | 74%                                                                                                                                                                             |
| Average full time equivalent employees                                                                                                                                        |                                                                                                  | 986 *                                                                                                                | 934 **                                                                                                                                                                       | 902 **                                                                                                                                                                       | 913 **                                                                                                                                                                          |
| * snapshot figure as at 31/03/02<br>** Full time equivalent                                                                                                                   |                                                                                                  |                                                                                                                      |                                                                                                                                                                              |                                                                                                                                                                              |                                                                                                                                                                                 |
| Net Employment creation                                                                                                                                                       |                                                                                                  |                                                                                                                      |                                                                                                                                                                              | 32 -                                                                                                                                                                         | 11+                                                                                                                                                                             |
| Attrition Rate (%)                                                                                                                                                            | Less than 15% per annum                                                                          | 19.4%                                                                                                                | 23.2% *                                                                                                                                                                      | 13.5%                                                                                                                                                                        | 16.8%                                                                                                                                                                           |
| * this reflects redundancies during this year                                                                                                                                 |                                                                                                  |                                                                                                                      |                                                                                                                                                                              |                                                                                                                                                                              |                                                                                                                                                                                 |

|                                                                                                                                            |                   |      |     |     |     |
|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------|-----|-----|-----|
| Staff agreement score for 'Camelot is one of the best companies I have worked for' (%)                                                     | >75% satisfaction | 79%  | 78% | 73% | 74% |
| Staff agreement score to 'I believe that the Staff Consultative Forum is an effective way of ensuring employees' views are considered' (%) | 55% each year     | 56%* | 60% | 58% | 53% |

\* Question asked slightly differently, i.e. 'My Staff Consultative Forum representative communicates and consults effectively'.

|                                                         |                                     |   |                                                           |                                                         |                                                             |
|---------------------------------------------------------|-------------------------------------|---|-----------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------|
| Number of training day per employee per year            | 3 days per employee per year        | 8 | 7                                                         | 3                                                       | 5                                                           |
| Average % of working days lost per year due to sickness | Reduce company wide sickness by 25% |   | 4.7% *<br>(Benchmark from CIPD - 3.7% for private sector) | 4.0%<br>(Benchmark from CIPD - 3.7% for private sector) | 4.86% **<br>(Benchmark from CIPD - 3.8% for private sector) |

\* We have revised our methodology to calculate average % of working days lost per year due to sickness in order to follow the same methodology as the CIPD benchmark. &nbsp; We have recalculated the 2002/03 figure with this new methodology to allow comparison with this year.

\*\* During this year we have improved our data collection processes which has led to an increase in reported sickness days

|                                                                    |  |  |        |                         |        |
|--------------------------------------------------------------------|--|--|--------|-------------------------|--------|
| Total number of working days lost due to accidents and ill health. |  |  | 11,155 | 9,226                   | 11,538 |
| <i>Broken down by Sickness</i>                                     |  |  | 7,566  | 7,618                   | 8,923  |
| <i>Broken down by Accidents</i>                                    |  |  | 36     | 16                      | 51     |
| <i>Broken down by Stress</i>                                       |  |  | 3,086  | 1,051                   | 548    |
| <i>Breakdown by depression</i>                                     |  |  |        | not previously measured | 372    |
| <i>Broken down by Muscular Skeleton Disorder</i>                   |  |  | 457    | 531                     | 1,569  |
| <i>Broken down by Parental Leave</i>                               |  |  | 10     | 10                      | 75     |

| <b>Local community</b>                                           |                                                                          |                                                            |                                                            |                                                            |                                                            |
|------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| <b>Indicator</b>                                                 | <b>Target</b>                                                            | <b>2001/02</b>                                             | <b>2002/03</b>                                             | <b>2003/04</b>                                             | <b>2004/05</b>                                             |
| <b>Overall % of pre-tax profit spent on Community Investment</b> | <b>Sustain leading position in % club</b>                                | <b>6.6%</b>                                                | <b>7.4%</b>                                                | <b>6.0%</b>                                                | <b>5.5%</b>                                                |
| Percentage of employees participating in community activities    | NEW FOR 2005/06 - 20% of staff involved in community initiatives by 2007 |                                                            | 4%                                                         | 9.6%                                                       | 7.1%                                                       |
| Amount raised by employees (£)                                   |                                                                          | £435,143 - raised £315,268 - match-funded £750,410 - total | £193,254 - raised £161,818 - match-funded £355,076 - total | £193,691 - raised £144,338 - match-funded £338,029 - total | £279,368 - raised £166,311 - match-funded £445,679 - total |
| Amount raised per employee (£)                                   |                                                                          | £761                                                       | £368                                                       | £347                                                       | £446                                                       |
| <b>Number of community outlets</b>                               | <b>Maximum 1000</b>                                                      | <b>534</b>                                                 | <b>821</b>                                                 | <b>918</b>                                                 | <b>918</b>                                                 |



**The London Benchmarking Group model benchmarks different types of contribution to the community**

|                                 |                |                |                |                |
|---------------------------------|----------------|----------------|----------------|----------------|
| Total £ - Charity               | £2,050,742     | £2,072,006     | £2,067,679     | £2,223,954     |
| Total £ - Community Investment  | £1,072,798     | £697,127       | £139,767       | £73,743        |
| Total £ - Commercial Initiative | £486,572       | £279,329       | £464,530       | £257,880       |
| Total £ - Management Costs      | £183,686       | £94,525        | £31,834        | £6,002         |
| Total £ - Business Basics *     | £724,819,550   | £740,300,000   | £759,500,000   | £769,940,000   |
| Total £ - Amount to NLDF **     | £1,341,563,970 | £1,257,700,000 | £1,216,200,000 | £1,249,100,000 |

\* The core business activities in meeting society's needs for cost-effective goods and services in all manner which is ethically, socially and environmentally responsible.

\*\* National Lottery Distribution Fund. Raising monies for the Good Causes is our core business activity

| <b>Retailers</b>                                                                                                                              |                           |                |                |                |                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------|----------------|----------------|-----------------------|
| <b>Indicator</b>                                                                                                                              | <b>Target</b>             | <b>2001/02</b> | <b>2002/03</b> | <b>2003/04</b> | <b>2004/05</b>        |
| <b>NEW INDICATOR FOR 2004/05 - Percentage of retailers satisfied with Camelot's approach to the relationship</b>                              |                           |                |                |                | <b>94%</b>            |
| <b>NEW INDICATOR FOR 2004/05 - Percentage of retailers satisfied with Camelot's approach to the relationship compared with a year ago</b>     |                           |                |                |                | 38% better & 6% worst |
| Number of retailer complaints                                                                                                                 | No more than 300 per year | 300            | 208            | 51             | 7                     |
| <i>Written complaints</i>                                                                                                                     |                           | 43             | 33             | 16             | 4                     |
| <i>Verbal complaints</i>                                                                                                                      |                           | 257            | 175            | 35             | 3                     |
| Overall network availability to sell tickets (%)                                                                                              | 99.5% (NLC set target)    | 99.9%          | 99.9%          | 99.9%          | 100.0%                |
| Overall network availability to validate tickets (%)                                                                                          | 99.0% (NLC set target)    | 99.8%          | 99.9%          | 99.9%          | 99.9%                 |
| <b>NEW INDICATOR FOR 2004/05 - Percentage of retailers that feel the service a store receives from the Camelot representative is of value</b> |                           |                |                |                | <b>59%</b>            |

|                                                        |                                                                                                   |                                                 |                                                 |                                                 |                                                  |
|--------------------------------------------------------|---------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|--------------------------------------------------|
| <b>Ratio of independent to multiple retail outlets</b> | <b>Any variation below 60:40 (Independent: Multiple) to be in line with national retail trend</b> | <b>66.4% - Independent<br/>33.6% - Multiple</b> | <b>66.0% - Independent<br/>34.0% - Multiple</b> | <b>63.9% - Independent<br/>36.1% - Multiple</b> | <b>61.1% - Independents<br/>38.9% - Multiple</b> |
| Hotline calls answered within 20 seconds (percentage)  | 80%                                                                                               | 76.1%                                           | 85.7%                                           | 76.9%                                           | 74.8%                                            |

## Suppliers

| Indicator                                                                                                | Target            | 2001/02 | 2002/03   | 2003/04   | 2004/05  |
|----------------------------------------------------------------------------------------------------------|-------------------|---------|-----------|-----------|----------|
| <b>Average lapsed days beyond due date (days)</b>                                                        |                   |         | <b>18</b> | <b>10</b> | <b>8</b> |
| Percentage of suppliers where Camelot's business with them is more than 20% of their annual turnover (%) | not more than 10% | 3%      | 7%        | 7%        | 7%       |
| Percentage of suppliers satisfied with overall relationship with Camelot (%)                             | 80%               | 78%     | 94%       | 94%       | 97%      |

## Environment

| Indicator                                                                                                                                                             | Target                                     | 2001/02                | 2002/03                | 2003/04                | 2004/05                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Energy Use</b>                                                                                                                                                     |                                            |                        |                        |                        |                        |
| Total energy used at Camelot main sites (kWh) *                                                                                                                       |                                            | 11,213,379 kWh         | 9,702,161 kWh          | 9,675,219 kWh          | 9,749,261 kWh          |
| * Energy includes electricity and gas use                                                                                                                             |                                            |                        |                        |                        |                        |
| Energy used at Camelot main sites per employee (kWh) *                                                                                                                |                                            | 14,892 kWh             | 12,503 kWh             | 10,762 kWh             | 10,845 kWh             |
| * Energy includes electricity and gas use                                                                                                                             |                                            |                        |                        |                        |                        |
| Electricity used at main Camelot sites (kWh/m <sup>2</sup> ) *                                                                                                        | Benchmark : 234 - 358 kWh/m <sup>2</sup> * | 413 kWh/m <sup>2</sup> | 417 kWh/m <sup>2</sup> | 439 kWh/m <sup>2</sup> | 457 kWh/m <sup>2</sup> |
| * Data published by the BRE on behalf of the DETR in the EEBPp publication - Introduction to Energy efficiency in Offices (EEB006) and Energy Use in Offices (ECG019) |                                            |                        |                        |                        |                        |
| Gas used at main Camelot sites (kWh/m <sup>2</sup> ) *                                                                                                                | Benchmark : 114 - 210 kWh/m <sup>2</sup> * | 262 kWh/m <sup>2</sup> | 187 kWh/m <sup>2</sup> | 162 kWh/m <sup>2</sup> | 149 kWh/m <sup>2</sup> |

\* Data published by the BRE on behalf of the DETR in the EEBPp publication - Introduction to Energy efficiency in Offices (EEB006) and Energy Use in Offices (ECG019)

|                                                                |  |                             |                             |                             |                             |
|----------------------------------------------------------------|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Carbon Dioxide produced from energy use (kgCO <sub>2</sub> ) * |  | 3,777,522 kgCO <sub>2</sub> | 3,317,989 kgCO <sub>2</sub> | 3,534,443 kgCO <sub>2</sub> | 3,618,074 kgCO <sub>2</sub> |
|----------------------------------------------------------------|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|

\* Energy includes electricity and gas use

|                                                                               |  |                         |                         |                         |                         |
|-------------------------------------------------------------------------------|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Carbon Dioxide produced from energy use - per employee (kgCO <sub>2</sub> ) * |  | 5,017 kgCO <sub>2</sub> | 4,276 kgCO <sub>2</sub> | 3,932 kgCO <sub>2</sub> | 4,025 kgCO <sub>2</sub> |
|-------------------------------------------------------------------------------|--|-------------------------|-------------------------|-------------------------|-------------------------|

\* Energy includes electricity and gas use

|                                                     |  |                                                              |                                                              |                                                              |                                                              |
|-----------------------------------------------------|--|--------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|
| Breakdown of energy sources to generate electricity |  | 100% grid electricity generated from non-renewable resources | 100% grid electricity generated from non-renewable resources | 100% grid electricity generated from non-renewable resources | 100% grid electricity generated from non-renewable resources |
|-----------------------------------------------------|--|--------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|

## Resource use and waste

|                                           |                                                                                                                                             |                         |                         |                      |                      |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|----------------------|----------------------|
| Water used (m <sup>3</sup> )              |                                                                                                                                             | 5,548 m <sup>3</sup>    | 11,444 m <sup>3</sup>   | 9,822 m <sup>3</sup> | 7,845 m <sup>3</sup> |
| Water used per employee (m <sup>3</sup> ) | Benchmark: 11 m <sup>3</sup> per capita for companies seeking to make initial improvements; source DEFRA Environmental Reporting Guidelines | 7.4 m <sup>3</sup>      | 14.8 m <sup>3</sup>     | 10.9 m <sup>3</sup>  | 8.7 m <sup>3</sup>   |
| Waste sent to landfill(kg)                | 2005/06 Target - Reduce waste to landfill by 5%                                                                                             | not previously measured | 122,322 kg              | 61,700 kg            | 149,671 kg           |
| Waste sent to landfill per employee (kg)  |                                                                                                                                             | not previously measured | 157.6 kg                | 84.8 kg              | 186.4 kg             |
| Paper consumption (kg)                    | 2005/06 Target - Reduce paper consumption by 5% at Watford<br>2005/06 Target - Report on the amount of paper used in scratchcards next year |                         | not previously measured | 6,3113 kg            | 2,508,703 kg *       |

\* In 2004/05, the recorded usage increased but we believe this was due to improved data collection through collecting data on play slips, tickets and promotional material.

|                                             |                                                              |  |                         |           |           |
|---------------------------------------------|--------------------------------------------------------------|--|-------------------------|-----------|-----------|
| Proportion of office paper recycled (%)     |                                                              |  | not previously measured | 24%       | 1%        |
| Paper recycled at main Camelot sites (kg)   | 2005/06 Target - Increase paper recycling by 10% at Watford  |  |                         | 14,917 kg | 30,840 kg |
| Plastic recycled at main Camelot sites (kg) | 2005/06 Target - Increase plastic recycling by 5% at Watford |  | not previously measured | 260 kg    | 1,788 kg  |

## Transport

|                                                                                              |                |      |     |     |     |
|----------------------------------------------------------------------------------------------|----------------|------|-----|-----|-----|
| Mode of transport for travel to work by employees (% for each mode)<br>NB not including FSEs | Response rates | 20%* | 51% | 48% | 58% |
|----------------------------------------------------------------------------------------------|----------------|------|-----|-----|-----|

\*Does not include Sales Team

|                                                         |                                                                                                                                                                            |                         |                 |                 |                 |
|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------|-----------------|-----------------|
| <i>Car</i>                                              |                                                                                                                                                                            | 93%                     | 90%             | 86%             | 88%             |
| <i>Public Transport</i>                                 |                                                                                                                                                                            | 5%                      | 5%              | 8%              | 8%              |
| <i>Walking</i>                                          |                                                                                                                                                                            | 1%                      | 1%              | 3%              | 2%              |
| <i>Cycling</i>                                          |                                                                                                                                                                            | 1%                      | 1%              | 2%              | 1%              |
| <i>Motorbike</i>                                        |                                                                                                                                                                            | -                       | -               | 1%              | 1%              |
| Total mileage on business and subsidised travel (miles) |                                                                                                                                                                            | not previously measured | 9,074,551 miles | 8,965,840 miles | 8,904,942 miles |
| Business and subsidised travel (mileage)                |                                                                                                                                                                            | not previously measured |                 |                 |                 |
| <i>Air</i>                                              |                                                                                                                                                                            |                         | 2,098,822 miles | 1,923,809 miles | 1,395,159 miles |
| <i>Car *</i>                                            | 2005/06 Target - Reduce fuel consumption by 2% 2005/06 Target - Transfer to diesel cars for all essential business car users over the next 3 years starting from May 2005. |                         | 6,816,715 miles | 6,817,134 miles | 7,354,586 miles |

\* Mileage includes some personal use by around 400 staff

|             |  |  |   |  |  |
|-------------|--|--|---|--|--|
| <i>Taxi</i> |  |  | * |  |  |
|-------------|--|--|---|--|--|

\* unable to collect data on this

|                                                                                               |                                                                                                                                                                            |                                |                               |                               |                               |
|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <i>Rail</i>                                                                                   |                                                                                                                                                                            |                                | 159,014 miles                 | 224,897 miles                 | 155,197 miles                 |
| Carbon dioxide produced from business and subsidised travel (kgCO <sub>2</sub> )              | 2005/06 Target - Reduce fuel consumption by 2% 2005/06 Target - Transfer to diesel cars for all essential business car users over the next 3 years starting from May 2005. | not previously measured        | 2,329,854 kgCO <sub>2</sub>   | 2,470,799 kgCO <sub>2</sub>   | 2,527,592 kgCO <sub>2</sub>   |
| Carbon dioxide produced from business and subsidised travel per employee (kgCO <sub>2</sub> ) |                                                                                                                                                                            | not previously measured        | 2,414 kgCO <sub>2</sub>       | 2,534 kgCO <sub>2</sub>       | 2,619 kgCO <sub>2</sub>       |
| <b>Overall</b>                                                                                |                                                                                                                                                                            |                                |                               |                               |                               |
| Total CO <sub>2</sub> produced (excl. distribution)                                           |                                                                                                                                                                            | not previously measured        | 5,647,843 kgCO <sub>2</sub>   | 6,005,241 kgCO <sub>2</sub>   | 6,145,666 kgCO <sub>2</sub>   |
| <b>Total CO<sub>2</sub> produced (excl. distribution) per employee</b>                        |                                                                                                                                                                            | <b>not previously measured</b> | <b>5,852 kgCO<sub>2</sub></b> | <b>5,435 kgCO<sub>2</sub></b> | <b>6,146 kgCO<sub>2</sub></b> |
| Total CO <sub>2</sub> produced (incl. distribution)                                           | 2005/06 Target - Reduce Co2 emissions by 2%                                                                                                                                | not previously measured        | not previously measured       | 6,117,741 kgCO <sub>2</sub>   | 6,248,002 kgCO <sub>2</sub>   |
| <b>Suppliers, Contractors and Customers</b>                                                   |                                                                                                                                                                            |                                |                               |                               |                               |
| Suppliers with an environmental policy                                                        |                                                                                                                                                                            | 42%                            | 46%                           | 44%                           | 55%                           |
| Suppliers operating an environmental management system                                        |                                                                                                                                                                            | 3%                             | 3%                            | 3%                            | 13%                           |

## Delivering commitments

We are delighted that we have achieved or partly achieved 42 of 45 commitment and are happy to be judged on our performance.

- Governance
- Improving our management
- Maximising returns
- Playing and winning
- Responsible gaming
- Valuing our people
- Investing in communities
- Partnership in retail
- Supply chain engagement
- Environmental impact

Achieved    Partly Achieved    Not Achieved

| Governance                                                                                              |                                     |                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Commitment                                                                                              | Status                              | Progress                                                                                                                                                                                                                         |
| Put in place a programme to enable Board directors to see how the Company operates at grass roots level | <input checked="" type="checkbox"/> | All Board members were invited to attend a Retailer Forum, visit a call centre, participate in business induction presentations, visit retailers, etc. Board members have attended some of the events offered.                   |
| Make recommendations on an annual evaluation process for the Board and its committees                   | <input type="checkbox"/>            | We have provided recommendations on an annual evaluation process and our new Chairman, Sir Peter Middleton, is currently assessing how we should take this forward. This commitment will be carried forward to the year 2005/06. |

|                                                                                                              |                                     |                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Offer training for board directors                                                                           | <input checked="" type="checkbox"/> | Board directors were provided with training developed and delivered by our lawyers, CMS Cameron McKenna, on Board directors' responsibilities and obligations under the Combined Code and their legal responsibilities as Board directors. |
| Consider the value of carrying out a customer relationship survey with the National Lottery Commission (NLC) | <input checked="" type="checkbox"/> | This was considered and discussed with the NLC but both parties felt it would serve limited purpose at the moment.                                                                                                                         |

## Improving our management

| Commitment                                                                                                     | Status                              | Progress                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Complete strategic review of social responsibility and feed back in next year's report                         | <input checked="" type="checkbox"/> | The review embraced external benchmarking, best practice and business objectives. Read more on <a href="#">Improving our management</a> .                                                                                                                                 |
| Consider a possible role for our internal audit function in the auditing of our social reporting in the future | <input checked="" type="checkbox"/> | Following discussions with business assurance, it has been decided that this is not cost-effective. Business assurance (internal audit) does have a role in reviewing specific policies and strategies as needed. Read more on <a href="#">Improving our management</a> . |

## Maximising returns

| Commitment                                                                                                                                                                       | Status                              | Progress                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Improve positive views of The National Lottery by creating a marketing campaign that re-engages players with the positive aspects of The National Lottery                        | <input checked="" type="checkbox"/> | Recent surveys show a marginal increase in positive attitudes towards The National Lottery. Read more on <a href="#">Linking Good Causes</a> .                                                                 |
| Improve positive views of The National Lottery by working in close partnership with the National Lottery Promotions Unit to celebrate the 10th Birthday of The National Lottery. | <input checked="" type="checkbox"/> | Subsequent media analysis showed that 69% of UK adults were aware of the 10th Birthday celebrations and 98% of respondents reacted favourably. Read more on <a href="#">Celebrating the Lottery's impact</a> . |

| Playing and Winning                                                                                      |                                     |                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Commitment                                                                                               | Status                              | Progress                                                                                                                                                                                                                                                         |
| Drive sales by optimising our game portfolio through developing existing rather than new, games          | <input checked="" type="checkbox"/> | We developed EuroMillions by adding six countries -- Portugal, Belgium, Ireland, Luxemburg, Austria and Switzerland - and optimising the jackpot in this game to distinguish it from other games. Read more on <a href="#">Product range and accessibility</a> . |
| Improve accessibility and convenience for our players by making games available on mobile phones         | <input checked="" type="checkbox"/> | We achieved this in November 2004. Read more on <a href="#">Product range and accessibility</a> .                                                                                                                                                                |
| Improve accessibility and convenience for our players by making subscriptions available from our website | <input checked="" type="checkbox"/> | Online subscription service for Thunderball and Lotto has been available since July 2004. Read more on <a href="#">Product range and accessibility</a> .                                                                                                         |

| Responsible gaming                                                                                             |                                     |                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Commitment                                                                                                     | Status                              | Progress                                                                                                                                                                                                                                                                                                                   |
| Explore opportunities for a responsible play education initiative for players                                  | <input type="checkbox"/>            | We have begun work on this commitment but much more needs to be done in 2005/06.                                                                                                                                                                                                                                           |
| Work as part of an industry group to develop materials on the risks of gaming for schools/ citizenship classes | <input checked="" type="checkbox"/> | GamCare, Sky and Responsibility in Gambling Trust have developed educational materials for teachers in secondary schools. Camelot will be the first company to fund the distribution of the materials to 500 secondary schools in September 2005.                                                                          |
| Continue with research after games have been launched                                                          | <input checked="" type="checkbox"/> | We continued to use tracking research to monitor levels of play, in respect of both penetration and frequency, and per capita spend on lottery games. Read more on <a href="#">Responsible sales</a> .                                                                                                                     |
| Ensure that our systems to make games available via mobile phones meet high standards of player protection     | <input checked="" type="checkbox"/> | Potential mobile phone players are required to register on the National Lottery website, and are asked for their name, age, address and debit card details, all of which are authenticated via the Interactive Age Check that we run in partnership with Experian. Please read more on <a href="#">Responsible sales</a> . |
| Ensure GamCare accreditation is audited on an annual basis                                                     | <input checked="" type="checkbox"/> | GamCare accreditation has been renewed on 20 December. Read more on <a href="#">Responsible sales</a> .                                                                                                                                                                                                                    |

## Valuing our people

| Commitment                                                                                                                    | Status                              | Progress                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Embed effective performance management processes                                                                              | <input checked="" type="checkbox"/> | Every employee has received training on performance management and goal-setting processes. Read more on <a href="#">A high performance culture</a> .                                                                        |
| Implement a mechanism to reward outstanding individual contributions                                                          | <input checked="" type="checkbox"/> | Read more on <a href="#">A high performance culture</a> .                                                                                                                                                                   |
| Develop Camelot's leadership team                                                                                             | <input checked="" type="checkbox"/> | Read more on <a href="#">A high performance culture</a> .                                                                                                                                                                   |
| Improve staff satisfaction (measured by staff survey)                                                                         | <input checked="" type="checkbox"/> | The results showed a positive change in staff attitudes. Read more on <a href="#">Employee engagement</a> .                                                                                                                 |
| Improve cross-functional working (measured by staff survey)                                                                   | <input type="checkbox"/>            | Cross-functional working showed an improvement as measured by the staff survey. Read more on <a href="#">Employee engagement</a> .                                                                                          |
| Further refine the Staff Consultative Forum in the light of EU Directive on Employee Information and Consultation             | <input checked="" type="checkbox"/> | We revised the constitution of the Staff Consultative Forum (SCF) in line with our commitment to modify the SCF in the light of the Directive. Read more on <a href="#">Employee engagement</a> .                           |
| Explore the business case for work/life balance policies and issue guidelines for managers if appropriate                     | <input checked="" type="checkbox"/> | We have developed guidelines on work/life balance and will consider communicating them to all managers in 2005/06. Read more on <a href="#">Furthering well-being</a> .                                                     |
| Establish a diversity forum to examine our practice across the business (marketplace and workplace) in all areas of diversity | <input checked="" type="checkbox"/> | We established a Diversity Forum which has looked at our current practices and potential areas for improvement, specifically on issues of race, gender and disability. Read more on <a href="#">Furthering well-being</a> . |
| Prepare for Investors in People re-accreditation                                                                              | <input checked="" type="checkbox"/> | We have achieved this and the next step is to apply for accreditation during 2005/06 and take forward recommendations which arise. Read more on <a href="#">Next steps</a> .                                                |

## Investing in communities

| Commitment                                                                                                           | Status | Progress                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Maintain our high rate of giving - mainly through the Camelot Foundation - and continue to benchmark our performance | ✓      | In 2004/05, we contributed £2.6 million, equivalent to 5.5% of our pre-tax profits. This compares with an average of 1.0% pre-tax profit contribution from FTSE100 companies. Read more on <a href="#">Local community impact</a> . |
| Hold consultation with community and voluntary groups to discuss our approach                                        | ✓      | In April 2005 we consulted community and voluntary groups and corporate leaders to improve our employee volunteering and community investment programme. Read more on <a href="#">Local community impact</a> .                      |
| The Camelot Foundation will continue to develop an approach to evaluating the impact of its work.                    | ✓      | We now receive further information from the Camelot Foundation on the number of people who have benefiting from grant giving etc. Read more on the <a href="#">Camelot Foundation</a> .                                             |

## Partnership in retail

| Commitment                                                                                                                                                     | Status | Progress                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Improve accessibility and convenience for our players by making games available to buy at supermarket checkouts (we will pilot this with one retailer in 2004) | ✓      | In March 2005, we launched National Lottery Fast Pay with Tesco. Read more on <a href="#">Working together</a> .                                                                                                 |
| Improve accessibility and convenience for our players by expanding the lottery terminal network by 800                                                         | ✓      | We have expanded the lottery terminal network by 800 to 26,200 draw-based retailers. Read more on <a href="#">Working together</a> .                                                                             |
| Improve our efficiency in allocating and siting new terminals                                                                                                  | ✓      | We improved our efficiency by reviewing the retailer estate every 12 weeks instead of every 12 months. Read more on <a href="#">Working together</a> .                                                           |
| Replace all existing scratchcard dispensers with new dispensers                                                                                                | ✓      | Following retailer feedback we replaced all existing scratchcard dispensers with new ones for every retailer who sells both scratchcards and draw-based tickets. Read more on <a href="#">Working together</a> . |
| Review our Sales Improvement Programme                                                                                                                         | ✓      | We have produced draft documentation for discussion with our Retailer Forum and other relevant parties. Read more on <a href="#">Working together</a> .                                                          |
| Maintain up to 1,000 community outlets                                                                                                                         | ✓      | As at 31 March 2005 we had 918 community outlets mainly in rural areas. Read more on <a href="#">The retail environment</a>                                                                                      |
| Maintain a fair balance between independent and multiple retailers in line with retail trends                                                                  | ✓      | At 31 March 2005, 61% of terminals were allocated to independent retailers and 39% to multiples. Read more on <a href="#">The retail environment</a> .                                                           |

| Supply chain engagement                                                                                                                                               |                                     |                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Commitment                                                                                                                                                            | Status                              | Progress                                                                                                                                                                                                      |
| Introduce a formal system of minimum qualifying criteria based on social, environmental and business risks for our suppliers with high social and environmental risks | <input checked="" type="checkbox"/> | We have introduced minimum qualifying criteria for those suppliers that fall into the high-spend and high-risk categories. Read more on <a href="#">Sustainable supply chain management</a> .                 |
| Closely support those suppliers asked to meet minimum qualifying criteria                                                                                             | <input checked="" type="checkbox"/> | We worked closely with our suppliers on completing the self-assessment, explaining our approach and providing practical examples. Read more on <a href="#">Sustainable supply chain management</a> .          |
| Increase the effectiveness of account managers' contract reviews                                                                                                      | <input checked="" type="checkbox"/> | We have provided our account managers with guidelines on how to conduct effective contract reviews. Read more on <a href="#">Our supply chain</a> .                                                           |
| Seek opportunities for more effective working across the value chain                                                                                                  | <input checked="" type="checkbox"/> | Through further engagement with our suppliers, as illustrated in the case study in the supply chain engagement section, we have achieved this commitment. Read more on <a href="#">Effective partnering</a> . |

| Environmental impact                                                         |                                     |                                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Commitment                                                                   | Status                              | Progress                                                                                                                                                                                                                                                                    |
| Reduce electricity consumption by 2%                                         | <input checked="" type="checkbox"/> | We have not met our target to reduce electricity consumption Read more on <a href="#">Improving our performance</a> .                                                                                                                                                       |
| Increase paper and plastic recycling by 5%                                   | <input checked="" type="checkbox"/> | We exceeded our targets to increase paper and plastic recycling. Read more on <a href="#">Improving performance</a> . <a href="#">Improving our performance</a> .                                                                                                           |
| Develop a formal energy policy and energy management practices               | <input checked="" type="checkbox"/> | We developed a formal energy policy and energy management practices, ensuring that these are an integral part of our overall environmental management framework. Read more on <a href="#">Managing our impacts</a> .                                                        |
| Continue with the staff engagement initiatives with Global Action Plan       | <input checked="" type="checkbox"/> | We continued with the initiative and 'The Green Team' carried out several initiatives throughout the year. Read more on <a href="#">Improving performance</a> .                                                                                                             |
| Develop a formal environmental management system relevant to Camelot's needs | <input checked="" type="checkbox"/> | We decided to wait for stakeholder feedback to evaluate how important this was. As a result of the feedback, we commit to developing an environmental management system in 2005/06 that is relevant to Camelot's needs. Read more on <a href="#">Managing our impacts</a> . |

|                                                          |                                     |                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Undertake further consultation with environmental groups | <input checked="" type="checkbox"/> | We held an environmental seminar for representatives of local community organisations, environmental non-governmental organisations, suppliers, other companies seeking best practice, and one of our shareholders. Read more on <a href="#">Managing our impacts</a> . |
|----------------------------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## Next steps

- Shareholders
- Governmental bodies
- Players and winners
- Public interest groups
- Employees
- Local communities
- Retailers
- Suppliers and partners
- Environment

| <b>Shareholders</b>        |                                                                                                                                                                                                                                                                                  |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.                         | Implement recommendations on an annual evaluation of the Board and the Board committees.                                                                                                                                                                                         |
| 2.                         | Hold a session on corporate responsibility for Board members.                                                                                                                                                                                                                    |
| <b>Governmental bodies</b> |                                                                                                                                                                                                                                                                                  |
| 3.                         | Ensure that all staff are fully aware of their obligations by putting in place a comprehensive compliance awareness and code of conduct training package.                                                                                                                        |
| 4.                         | Provide backing for the Olympics through a range of National Lottery games.                                                                                                                                                                                                      |
| <b>Players and winners</b> |                                                                                                                                                                                                                                                                                  |
| 5.                         | Continue to work with the National Lottery Promotions Unit (NLPU) to link the lottery to Good Causes through activities and celebrations of the National Lottery Day, building on the success of the Awards.                                                                     |
| 6.                         | Work with the National Lottery Promotions Unit (NLPU) to run campaigns throughout the year to raise public awareness of the benefits to the nation through National Lottery funding. The impact of the campaigns will be measured through quantitative and qualitative research. |
| 7.                         | Continue to build positivity by ensuring all communications reflect brand values and by further developing the Lady Luck campaign.                                                                                                                                               |

|     |                                                                                                                        |
|-----|------------------------------------------------------------------------------------------------------------------------|
| 8.  | Develop information materials to make it easier for players to identify and play the games they want to play.          |
| 9.  | Monitor Fast Pay for its impact on players' convenience and accessibility.                                             |
| 10. | Continue to optimise our games portfolio and channels.                                                                 |
| 11. | Review the trial winner mentoring scheme in order to develop it further.                                               |
| 12. | Complete a survey of the winning experience for those who decide not to go public for inclusion in our 2006/07 report. |

### **Public interest groups**

|     |                                                                                                                 |
|-----|-----------------------------------------------------------------------------------------------------------------|
| 13. | Set up a Fast Pay working group to assess any impacts on vulnerable players and develop action plans if needed. |
| 14. | Continue to gain GamCare accreditation for the internet and interactive TV.                                     |
| 15. | Apply for GamCare accreditation for our mobile phone service.                                                   |
| 16. | Invest in player education and awareness through appropriate materials.                                         |
| 17. | Conduct a review of the Game Design Protocol involving experts on problem gambling.                             |
| 18. | Continue Trading Standards liaison.                                                                             |

### **Employees**

|     |                                                                                                                                   |
|-----|-----------------------------------------------------------------------------------------------------------------------------------|
| 19. | Improve internal communications by introducing new communication mechanisms.                                                      |
| 20. | Renew Investors in People accreditation.                                                                                          |
| 21. | Raise the profile and improve the effectiveness of the Staff Consultative Forum.                                                  |
| 22. | Submit recommendations to the executive on work/life balance policies and practices.                                              |
| 23. | Continue to embed performance management and monitor its impact aiming to maintain positive movement in the staff survey results. |
| 24. | Introduce a reward structure to recognise high performance and measure its impact through the annual staff survey.                |
| 25. | Continue to improve cross-functional working and monitor improvements through the staff survey.                                   |
| 26. | Continue to gain external recognition of Camelot as a first class employer in schemes such as the 100 Best Companies to Work For. |
| 27. | Review the structure of the Diversity Forum, develop action plans and meet at least quarterly in 2005/06.                         |

### **Local communities**

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 28.                           | Increase the number of staff involved in community initiatives to 20% over the next two years by: <ul style="list-style-type: none"> <li>• Improving senior level support to volunteering</li> <li>• Making more use of our intranet to encourage employee volunteering</li> <li>• Delivering a community roadshow to promote our community policy</li> <li>• Producing a community information leaflet for Camelot employees</li> <li>• Introducing match-funding for volunteering hours</li> <li>• Carrying out 12 team challenges through BitC Cares.</li> </ul> |
| 29.                           | Work more closely with the Camelot Foundation to achieve common goals and raise staff awareness of the Foundations activities .                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 30.                           | Maintain our high rate of giving - mainly through the Camelot Foundation - and continue to benchmark our giving.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Retailers</b>              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 31.                           | Monitor the impact of Fast Pay on smaller retailers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 32.                           | Continue to review our Sales Improvement Programme and consult the Retailer Forum on any changes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 33.                           | Maintain up to 1,000 community outlets.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 34.                           | Maintain a fair balance between independent and multiple retailers in line with retail trends.                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 35.                           | Pilot automated vending and make recommendations for taking this forward.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 36.                           | Increase the quality of messages about sales to under-16's within retailer training events and to consider refresher training for existing retailers.                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Suppliers and partners</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 37.                           | Work with dissatisfied suppliers and draw lessons for learning company-wide.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 38.                           | Further develop the skills of our account managers to better engage with our suppliers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 39.                           | Consider including a clause in new contracts to cover social, environmental and ethical issues.                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Environment</b>            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 40.                           | Introduce a formal Environmental Management System.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 41.                           | Report on the amount of paper used in scratchcards next year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 42.                           | Reduce electricity consumption by 2% at main sites.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 43.                           | Transfer to diesel cars for all essential business car users over the next three years starting from May 2005 and reduce fuel consumption by 2%.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 44.                           | Reduce waste to landfill by 5%.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 45.                           | Reduce CO <sub>2</sub> emissions by 2%.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

Implement new initiatives through 'The Green Team' programme in order to:

|     |                                                        |
|-----|--------------------------------------------------------|
| 46. | Increase paper recycling by 10% at Watford.            |
| 47  | Increase plastic recycling by 5% at Watford.           |
| 48  | Reduce paper consumption by 5% at Watford.             |
| 49  | Establish recycling at both Northampton and Liverpool. |