

Principles and processes

Our principles are brought to life through our company values and the behaviours that ensure they really are embedded in the way we do business. See [Living our values](#).

We believe that:

- Everyone who works for Camelot is responsible for the company's integrity and social impact - it is emphatically not just the responsibility of specialist teams
- It is important for different business units to "own" particular elements of our responsibility-related policies and programmes
- To be a genuinely responsible business we need to use innovative ways of interacting with all our stakeholders so that we can understand and respond to their concerns. See [Consulting and responding](#)

Four elements help us live up to these principles:

- The development of our corporate responsibility strategy
- Appropriate formal [management and consultation structures](#)
- The development of formal, written [policy](#) statements to ensure that our day-to-day operations are consistent with our obligations and principles
- [Reporting](#) progress against published targets.

In 2004/05 we completed a strategic review of our approach to managing social responsibility and began to put this into practice during the year. See [Improving our management](#) for details. The rest of this section deals with the other three elements of our approach.

Management structures

Ultimate responsibility for our reputation and relationship with stakeholders lies with the Board. The diagram below and the section on [Governance](#) explain how the Board is advised by the Corporate Responsibility Board and our Advisory Panel for Social Responsibility.

Reporting

We see reporting as an essential ingredient of transparency and corporate accountability.

Our reporting process has five key objectives:

- To measure how well we are living our values
- To ensure that we are accountable to our stakeholders
- To ensure that what we learn year on year is reflected in our businesses processes
- To improve our business performance
- To account for the value we have added to society.

Every year we measure our performance against the commitments that we made to our stakeholders and the key indicators that we published in the previous year's report. We also set stretching targets for the year ahead. Details of our 2004/05 performance can be found in the [Performance overview](#) section.



This year we are reporting in accordance with the Global Reporting Initiative. See [GRI index table](#), and [Using this report](#).

Assurance

We use an independent assurance firm to verify the contents of this Social Report and our corporate responsibility management. We find that expert external assurance is an invaluable way of challenging us to improve further. In 2004/05 we appointed Reassurance Network to audit our Social Report and review our CR management structure. See [Improving our management](#), [Assurance statement](#).

REASSURANCE NETWORK

Governance

We are committed to high standards of corporate governance. Our approach takes into account our values, legal and regulatory requirements, stakeholder expectations, and current best practice.

- **The Board**
- **Risk management**
- **Regulation and compliance**

Corporate governance sets the framework within which we pursue our financial and non-financial objectives, and determines the ways in which authority and accountability are distributed throughout the company. It is important in helping us to meet the legal requirement for Camelot to be managed in a fit and proper way.

The National Lottery Commission (NLC) is required by law to ensure that certain key employees are fit and proper. It operates a rigorous vetting process which extends to employees of key contractors and sub-contractors, our shareholders' directors and officers, and their parent companies' directors and officers. For more information see www.natlotcomm.gov.uk/.

The [Annual Report](#) and Accounts includes a full corporate governance statement which sets out how Camelot has complied with the provisions of the Combined Code and other UK best practice.

The Board

Camelot is unusual in that all its shareholders are represented on its Board. Sir Peter Middleton is our independent non-executive Chairman. We have three other independent non-executive directors, a non-executive director appointed by each of our five shareholders, and four executive directors.

Camelot shareholders

Cadbury Schweppes

www.cadburyschweppes.com



DeLaRue

www.delarue.com

FUJITSU

www.fujitsu.com



www.royalmail.com

THALES

www.thalesgroup.com

The diagram below illustrates the make-up of the board, the three formal committees of the Board and the links with the Advisory Panel for Social Responsibility (APSR), which reports into the Board through the chair who is also a non-executive director. See Management structures



The five non-executive directors representing shareholders bring to the table specific experience related to The National Lottery. Independent non-executives, including the Chairman, are recruited using external consultants in accordance with clearly-defined role specifications. They are appointed initially for a three-year term, renewable for two further terms of three years.

The wide-ranging experience and backgrounds of the non-executive directors ensures robust debate and provides challenge to the executive directors.

Camelot's executive directors are the Chief Executive, the Commercial and Operations Director, the Bid and Strategy Director and the Director of Corporate Affairs. The executive directors are supported by a team of functional directors which meets weekly. This team includes Directors of Security and Facilities, People, Sales, Marketing, New Product Development, Regulation and Governance, Finance, Legal, IT and Customer Services. This team ensures high-level focus on company-wide issues, performance and risk management issues. The Corporate Responsibility Board advises the executive directors in line with advice received from the APSR. See [Principles and processes](#).

The Board committees work according to terms of reference agreed by the Board. The details of the Nominations Committee (which selects candidates to fill Board vacancies) and the Remuneration Committee (which sets a framework for executive directors' remuneration) can be found in the Annual Report. Details of the Audit, Risk and Security Committee are in the Risk Management section below and the APSR is described in the [Principles and processes](#) section.

Developments

In our 2004 Social Report we set out three ways we would improve corporate governance.

The first was **to put a programme in place to enable Board directors to see how the company operates at grass roots level**. All Board members were invited to attend a Retailer Forum, visit a call centre, participate in business induction presentations and visit retailers. Board members have attended some of the events offered.

The second was **to make recommendations on an annual evaluation process for the Board and its committees**. 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.

The third commitment was to **offer training for Board directors**. 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.

Engaging with shareholders

As well as having board representation, shareholders are involved in our day-to-day operations and in specific projects:

- Royal Mail is a National Lottery retailer with 982 post offices selling tickets through terminals. It has also helped develop our thinking on diversity
- Fujitsu operated the Camelot payroll until recently, and carries out terminal maintenance
- Cadbury Schweppes shared best practice in our community consultation
- Thales provided valuable input into our environmental consultation process and provided guidance on environmental management systems.

We sent a questionnaire to our shareholders in March 2005 asking them about their relationship with Camelot. All shareholders rated our overall relationship with them highly. They said:

- They see Camelot as a socially responsible company that acts fairly and with integrity
- They are satisfied with the way we manage our relationship effectively with our regulator
- They feel they are being adequately informed and involved in decisions around bidding for a third licence and future game plans.

Some also suggested the following improvements:

- We need to communicate better, especially the timing and quality of information provided prior to Board and committee meetings
- They would like more information about our investment plans
- They want more information about social responsibility reporting and policies.

For 2005/06, we will

- Implement recommendations on an annual evaluation process for the Board and its committees
- Hold a session on corporate responsibility for Board members

Risk management

Our principal risks concern the reputation and integrity of The National Lottery. All significant risks are identified by 'risk owners' and recorded in the Corporate Risk Register maintained by the Business Assurance department. The Register is continually monitored and updated.

The Head of Business Assurance is responsible for the Risk Register. He attends meetings of the Audit, Risk and Security Committee (ARSC) and reports to the Chief Executive. He joined the Corporate Responsibility Board in May 2005 to ensure that CR-related risks are fully understood by the business.

The Business Assurance function, which includes internal audit, reviews the efficiency and effectiveness of risk and control systems annually. PricewaterhouseCoopers which audits our financial statements, relies on the work conducted by internal audit.

Camelot's 'Key Risk' profile and planned actions to mitigate risks are formally reviewed every quarter by two committees: the Risk Management Committee and the Audit, Risk and Security Committee.

Risk Management Committee (RMC)

The Risk Management Committee is chaired by the Commercial and Operations Director. It includes all members of the executive team and heads of functions, including Social Responsibility. This committee

meets quarterly, two weeks before the ARSC, and agrees the key risk profile to be presented to the ARSC. The Head of Business Assurance provides a progress report to the RMC on the company Business Continuity plan.

Audit, Risk and Security Committee (ARSC)

The Audit, Risk and Security Committee is chaired by Gerry Acher, an independent non-executive director. The committee consists exclusively of non-executive directors, although executive directors, the Head of Business Assurance and the external auditors are invited to attend these meetings. The committee meets four times a year and its duties are to:

- Review the company's financial and accounting policies, interim and final results (and Annual Report) prior to their submission to the Board, together with management reports on accounting, risk and internal control matters
- Ensure that the objectivity and independence of the internal and external auditors is safeguarded. To review the output and monitor the effectiveness of the internal audit function
- Assist the Board in fulfilling its responsibilities for both identifying and managing the risks associated with the business, and reviewing the company's internal control environment. It also monitors the company-wide risk management framework and key risk profile
- Approve the company's security policies for operating The National Lottery, and ensure that they are adhered to through the Director of Security and Facilities.

Business conduct

In consultation with stakeholders, we have developed a number of formal, written policies covering our social, environmental and ethical impacts. See [Principles and processes](#).

Camelot's [Code of Conduct](#) outlines key principles and provides guidance for employees on the behaviour and business conduct that is expected of them. It links to other relevant company policies. The code is based on best practice and is approved by the National Lottery Commission (NLC).

Board directors and employees of Camelot and the NLC are prohibited from purchasing a ticket, as are their partners and dependents if they are living in the same household.

The induction process for all new employees details Camelot's values and behaviours. We tell them about the Code of Conduct, and policies in areas such as anti-harassment, health and safety, gift restrictions and security. Employees are expected to familiarise themselves with and abide by the policies that relate to their work.

The Audit, Risk and Security Committee has approved a [Whistleblowing policy](#), which is intended to encourage employees and anyone working on our behalf to help us identify potential fraud, corruption and unacceptable or unlawful conduct within the company.

This policy identifies an independent person who employees can contact to raise ethical issues confidentially and anonymously if they wish to.

In 2004/05 there were 32 cases of discipline in relation to the Code of Conduct and no cases of whistleblowing.

In 2005/06 we plan to raise awareness and to improve compliance with the Code of Conduct.

Regulation and compliance

Camelot is regulated by the National Lottery Commission (NLC), which sets the terms of its licences and other regulatory requirements. The NLC has wide powers and can question any aspect of our operation of the lottery. We provide the NLC's Compliance Division with office space at our Watford headquarters.

We are acutely conscious of the potential impact on our operations of any compliance failings. A compliance report is prepared for every Board meeting. The Company Secretary, who is responsible for our relationship with the regulator, attends each Board meeting and deals with any matters about regulatory compliance.

We engage with the NLC through a network of meetings. Our Chairman and Chief Executive meet regularly with the NLC's Chairman of Commissioners and Chief Executive. There are monthly meetings between Camelot's Executive directors and Director of Regulation and their counterparts at the NLC. Our Directors of Regulation, IT and Security also meet with the relevant NLC Directors.

In 2004 we committed to **consider the value of carrying out a customer relationship survey with the National Lottery Commission**. This was considered and discussed with the NLC but both parties felt it would serve limited purpose at the moment.

In 2005/06 we are committing to ensure that all staff are fully aware of their obligations, by putting in place comprehensive compliance awareness training. See [Delivering commitments](#).

Political donations

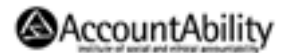
Camelot is a politically neutral organisation, but we are required to comply with the Political Parties Elections and Referendums Act 2000, which defines political donations and expenditure more widely than these terms might commonly suggest.

During 2004/05, Camelot spent a total of £107,671 on activities that could be regarded as falling within the terms of the Act, including the sponsorship of briefings, receptions and fringe meetings at party conferences, and attendance at party events. Such events are an important opportunity for Camelot to represent its views, in a non-partisan way, to politicians from across the political spectrum.

Our Policy and Public Affairs team adheres to a [Government Relations Code of Practice](#).

Improving our management

We aim to continually improve our management of corporate responsibility in line with best practice, our auditor's recommendations, stakeholders' concerns and business needs.



During 2004/05 - in line with the commitment we made in the previous year - **we completed a strategic review of our management of social responsibility.** The review embraced external benchmarking, best practice and business objectives. The key recommendations were that we should:

- Integrate corporate responsibility risks into our risk management processes
- Enhance our CR management structures
- Identify those areas where we could contribute to thought leadership.

We have also taken into account comments from The Ashridge Centre for Business and Society, which verified our 2003/04 Social Report. They identified two broad areas: firstly we should continue to develop our CR practices by improving stakeholder engagement, developing more specific performance targets, improving environmental management and performance, and incorporating social responsibility across the business. The second recommendation was that we should consider re-modelling our social responsibility practice and performance by integrating it with strategic risk management and reviewing priority stakeholder groups.

In response to this feedback and in line with the commitments we made in the 2004 Social Report, we have acted in the following areas (which are described in the rest of this section):

- **We strengthened our CSR management structure**
- **We reviewed and revised our stakeholder groups**
- **We incorporated corporate responsibility risks into our corporate risk register**
- **We improved our environmental management**
- **We introduced a set of core indicators**
- **We identified flagship areas where we could credibly take a leadership position**



Progress in so many areas was acknowledged by a leap of 45 places in the BITC Corporate Responsibility Index, from 73 to 28. This reflected continued high performance in strategy, social impact and assurance, and improvements under the heading 'Integration'. Integration refers to:

- The impact on strategic decision making, e.g. taking into account environmental and social impact when making a decision on investment, new products, new partners and selection of pension fund managers
- Training and development (with all staff having training on Camelot's values and new staff getting corporate responsibility training during induction)
- Senior management/board training and awareness. See [BITC confidential feedback report](#)

Strengthening CSR management structure

We have strengthened our internal management of CR and the membership of the Advisory Panel for Social Responsibility (APSR).

We created a Corporate Responsibility Board (CRB) to replace the previous Social Responsibility Group (SRG), reflecting our desire to strengthen senior management involvement in corporate responsibility and raise its profile within the company. See [Principles and processes](#). The CRB is a more senior group than the SRG. It is chaired by our Chief Executive. Its members are the Commercial and Operations Director, the Directors of Security and Facilities, Sales, Corporate Affairs, People, Regulation and Governance, and the Head of Business Assurance.

The independent APSR has been strengthened by the appointment of Ed Mayo, Chief Executive of the National Consumer Council, and Val Hammond, Chair of Roffey Park Institute. Ed takes a special interest in players and winners, and Val in employees.

We have also boosted the resources and status of the Social Responsibility Department. The Social Responsibility Manager now reports directly to the Chief Executive.

We committed to **consider a possible role for our business assurance function in the auditing of our social reporting** in future. Following discussions with business assurance, it has been decided that this is not cost-effective. Business Assurance does have a role in reviewing specific policies and strategies as needed.

Stakeholder review

In 2004/05 we have redefined our stakeholder groups. We originally identified eight groups in 1998, as well as our "partner" bodies: the Department for Culture, Media and Sport; the National Lottery Commission; and the National Lottery Distribution Bodies.

The CRB and the APSR have now agreed to recognise the eight groups shown in the table.

Original Stakeholder Groups	New Stakeholder Groups	Explanation for the change
Public	→ Players and Winners	Around 70% of the public play the lottery, so we redefined "the public" as " players and winners " to ensure that players' specific needs can be addressed
Pressure Groups	→ Public Interest Groups	"Pressure groups" were redefined as " public interest groups " to reflect their role and our commitment to addressing broader public concerns
	→ Governmental Bodies	Introduced as a group, to include DCMS, other Government departments, our regulator, the National Lottery Distribution Bodies and the National Lottery Promotions Unit, all of which are critical to the current and future success of Camelot and The National Lottery
Suppliers	→ Suppliers and Partners	"Suppliers" were redefined as " suppliers and partners " in recognition of the partnerships we have built with some of our suppliers, including, for example, mobile telephone operators and other lotteries involved in EuroMillions
Community	→ Local Communities	"Community" was redefined as " Local communities ", reflecting our community priorities
Environment	→ Environment	"Environment" is a cross-stakeholder theme touching employees, local communities, suppliers and partners, and shareholders. Therefore it is more appropriate to treat it as such rather than as a stakeholder group
Retailers	→ Retailers	Unchanged
Employees	→ Employees	Unchanged
Shareholders	→ Shareholders	Unchanged

We also responded to recommendations from The Ashridge Centre for Business and Society to improve our stakeholder engagement:

- We engaged with new organisations, including our shareholders, in consultations (e.g. Retailer Forum, Public interest groups and community consultation)
- We revised the areas of stakeholder consultation that have not been sufficiently integrated into business decision-making processes (e.g. reviewed player and retailer satisfaction surveys)
- We held a cross-stakeholder environmental seminar, which was attended by representatives of local community organisations, environmental NGOs, suppliers, other companies, and one of our shareholders. See [Environmental impact](#).

Integrating CSR risks

Ashridge recommended that we should integrate social responsibility practice and strategic risk management. See [Governance](#). In response, we held a cross-functional workshop to consider corporate responsibility risks. The risks which were identified were debated by the whole of our executive team. Specific social, environmental and ethical risks are now itemised in a separate corporate responsibility risk section on the corporate risk register, helping to ensure that any material risks are mitigated, monitored and reported.

Our Social Responsibility Manager now sits on the Risk Management Committee to ensure that corporate responsibility factors are taken into account in the evaluation of all other risks and our Head of Business Assurance joined the Corporate Responsibility Board in May 2005.

Our next step is to hold risk workshops with the Corporate Responsibility Board and Advisory Panel for Social Responsibility.

Improving our environmental management

During the year we made considerable progress in improving our environmental performance.

Our volunteer [Green Team](#) has helped us improve our performance on waste management and recycling. We have also introduced minimum environmental criteria for our suppliers. See [chain engagement](#) and [Environmental impact](#).

We have set a number of more stretching environmental targets for 2005/06. See [Supply Next Steps](#)

Measuring performance

Following Ashridge's recommendations, we have attempted to set more specific and measurable targets and commitments. We have identified 19 core indicators from the 72 included in this report. The Corporate Responsibility Board and Advisory Panel for Social Responsibility will be briefed on progress against all 19 indicators twice a year. See [Tracking performance](#).

Reporting

For the first time, this report is in accordance with the Global Reporting Initiative 2002 Guidelines, which may aid comparability with other companies. See GRI Table.



We have also included a model to describe our socio-economic impact for the first time See Socio-economic model.

Identifying flagship areas

As part of the strategic review of our CR, we identified a number of areas where we feel we have a role to play in sharing best practice. These are: stakeholder engagement, social reporting, corporate social responsibility management, marketplace/product responsibility and impact on communities.

We launched a number of projects in these areas in 2004/05, and will continue in 2005/06:

- We worked with HBOS, Business in the Community (BITC) and AD Little to produce "A Director's Guide to Corporate Responsibility Reporting"
- We co-sponsored an AccountAbility project with UNEP to develop a manual on stakeholder engagement
- Dianne Thompson, our Chief Executive, has taken on the role of vice-chair of BITC's Leadership Taskforce on the marketplace.

Innovation in assurance

In 2004/05 we appointed a new independent assurance provider to assess the contents of this report and our corporate responsibility management. We find that expert external assurance is an invaluable way of providing fresh ideas and challenging us to improve further.

We have asked Reassurance Network to:

- Report on the Social Report content
- Validate our data (including GRI Index)
- Evaluate the quality of our stakeholder engagement
- Assess our management system for producing the report
- Carry out a broader review against the AA1000 principles (Materiality, Completeness and Responsiveness) focusing on the contribution of social reporting to business objectives.
- To look at two specific briefs -
 - Evaluate the new CR management structure
 - Review the use of indicators.

Reassurance Network has developed a model of assurance based on the AA1000 principles. See www.accountability.org.uk . Their evaluation and feedback have improved our understanding of how a wide range of activities - including stakeholder dialogue, risk management and communications - combine to contribute to responsible practice.

Assurance

We have formed the opinion that the Report is an accurate and exceptionally comprehensive account of Camelot's performance in the main areas of social and environmental impact, as defined by the needs of the business and the interests of key stakeholders.

- **Scope and Methodology**
- **Report Content**
- **Summary of Management Review**
- **Commendations**
- **Independence**

The Reassurance Network was commissioned by Camelot Group plc (Camelot) to provide external assurance of its 2005 web-based Social Report (the Report), and the hard copy summary report, covering the accuracy, completeness and relevance of content.

In addition to this, we have undertaken a much broader review of the culture, systems, processes and activities that lie behind the Report with a view to promoting improvement in the effectiveness and efficiency of Camelot's corporate responsibility (CR) management. This statement contains summary extracts from the full management report that has been presented to the Camelot Corporate Responsibility Board (CRB) and external Advisory Panel for Social Responsibility (APSR).

The Report has been prepared by, and is the responsibility of, Camelot. Our role, in terms of content, has been to recommend amendments where we felt information was insufficiently accurate, may have been misleading or was incomplete.

Under our agreement with Camelot, any subsequent changes to the web-based Report will be notified to The Reassurance Network and will be subject to verification and assurance before publication.

A separate summary statement has been prepared to accompany Camelot's 2005 Summary Social Report.

Scope and Methodology

The assurance assignment was carried out between November 2004 and July 2005 and consisted of a number of validation and review activities, including:

- Attendance at CRB, Staff Consultative Forum and other management meetings in order to observe and report on their effectiveness
- Attendance at APSR meetings as observers and participants
- Review of the design of dialogue sessions with external stakeholders and attendance at such meetings to provide feedback on areas for potential improvement, using a template agreed with Camelot
- Reviews of minutes and agendas of current and previous management meetings and dialogue sessions
- Interviews with managers, including the CEO and members of the executive team
- Review of policies
- Validation of data and information contained in the Report
- Review of previous assurance statements

The scope of assurance covered Camelot Group plc and was performed at the Watford and London offices. Camelot's contact centre in Liverpool or the four UK regional centres were not visited. Financial information was cross-referenced to the separately audited Annual Report and Accounts.

Camelot has reported for the first time against the guidelines of the Global Reporting Initiative (GRI). We have verified that the references contained in this section of the report are accurate and complete and that there is sufficient justification for indicators shown as "not applicable".

We used the principles of the Accountability AA1000 Assurance Standard (completeness, materiality and responsiveness) as a reference point for the verification of reported information. For the broader management review we used a framework of additional points, developed with Camelot to evaluate the contribution that CR is making to Camelot's business performance, including its stakeholder relationships. This included the following questions:

- Are the systems and frameworks used by Camelot to manage CR fit for purpose?
- Is Camelot engaging effectively and with the right stakeholders to anticipate risks and opportunities in order to maximise business performance?
- How well does Camelot understand and anticipate its various social and environmental impacts?
- To what extent is Camelot actively seeking opportunities for improvement in areas of CR?
- How well does Camelot consider social and environmental impacts and the feedback from stakeholders in its decision-making?
- How well are social, environmental and ethical risks integrated into the business? Is the level of integration appropriate?
- Is the content and application of Camelot's social, environmental and ethical policies appropriate?

Report Content

Evidence was supplied and reviewed to verify over 320 separate elements of the Report, covering the total content. We found only 13 inaccuracies, misrepresentations or omissions that were deemed significant and raised a further 18 minor points and recommendations. All points have been incorporated into the Report to our satisfaction.

On the basis of this work we are satisfied that the data and statements made in the Report are accurate, up-to-date and suitable for readers of the Report to form balanced opinions on Camelot's activities and performance in relation to corporate responsibility.

Camelot has reported its performance against 93 indicators, 73 of which are comparable with previous years. Of these comparable indicators, 31 showed positive movement, 17 were neutral and 25 showed a negative trend - 11 of these negative trends are in the area of environmental performance. Compared with 2004/05 figures, paper consumption and waste recycling are key areas for improvement.

The Report content has an overall alignment of 71% against the Economic, Environmental and Social indicators contained in the 2002 Global Reporting Initiative (GRI) guidelines. This is broken down as follows : Economic (100%) ; Environmental (62.5%) ; Social (63.6%). Indicators that are indicated in the Report as "not applicable" to Camelot's operations are excluded from these figures. We are satisfied that Camelot has reported on indicators that are material to its impacts although some refinements have been recommended. We would not expect to see any significant future increase in the number of indicators reported and would support a degree of rationalisation in order to provide a clearer focus for management.

Camelot invests significantly in active dialogue with a range of its key stakeholders and has, over time, developed a high level of awareness of their issues, opinions and expectations. These have been adequately reflected in the Report content which presents a complete and thorough account of Camelot's activities and the social and environmental impacts that are material to the business and its stakeholders. There is also a high level of responsiveness to stakeholders, both in the report and in ongoing day-to-day management considerations. In particular, it is very apparent that this focus is present within the strategic and operational decision-making of the executive team.

Summary of Management Review

The following is an excerpt of some of the points fed back to Camelot's Corporate Responsibility Board and the Advisory Panel for Social Responsibility. In the interests of ongoing improvement we did not feel it was appropriate to disclose feedback of a confidential, purely internal or commercially sensitive nature in this statement.

Opportunities for improvement

- There are certain areas of corporate responsibility that are key contributors to Camelot's business success e.g. those that support the responsible play strategy. We feel that Camelot would benefit from a more formal and comprehensive analysis of how CR links with business strategy and contributes to The National Lottery and Camelot brands. This work would help Camelot to develop a clear focus for the future direction of CR management. There are also opportunities for improvement in the communication of these links, in particular to employees.
- A major challenge for Camelot, as with many other companies, is to produce a report that is accessible to stakeholders and that addresses their specific ranges of interest. Camelot has presented its 2005 Report in a new web-based format with a view to increasing readership and making information more retrievable. Our review confirmed that, despite genuine attempts to communicate social performance, the internal awareness of the 2004 Report was surprisingly low. It is important for Camelot to closely monitor the success of the new format and to develop supporting communications to reach internal audiences more effectively.
- Environmental management was felt to be appropriate, given the relatively small scale of Camelot's environmental impacts. However, it is acknowledged as a field where improvements could be made, especially in the areas that Camelot has chosen to report as indicators. We welcome Camelot's decision to strengthen this area, not least because it has potential to

