



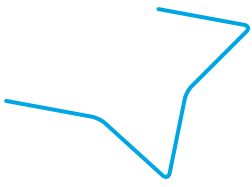
CAMELOT



MODERN
SLAVERY
AND HUMAN
TRAFFICKING
STATEMENT

2019/20





INTRODUCTION

Camelot UK Lotteries Limited ("CUKL") is committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. This is reflected in our Corporate Responsibility strategy which includes a pillar focused on our Supply Chain and the issue of modern slavery and human trafficking. Raising awareness of this issue and taking steps to address it remains a key priority for us both with our suppliers and our employees.

This document reviews the commitments we made in our previous Modern Slavery and Human Trafficking Statement, the steps we have taken this year and sets out our commitments for the next year to prevent modern slavery and human trafficking in our business and supply chain.

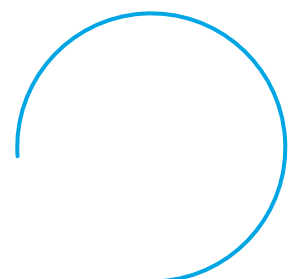
This statement is made by Camelot UK Lotteries Limited pursuant to section 54 of the Modern Slavery Act 2015. It covers the period of 12 months ending on 31 March 2020.

ABOUT US

CUKL has been the licensed operator of The National Lottery ("TNL") since its launch in 1994. In May 2020, the Gambling Commission announced its intention to extend the current (third) licence by an additional six months until 31 July 2023.

As the operator of The National Lottery, our overarching objective is to maximise returns to Good Causes through selling National Lottery products in an efficient and socially responsible way. This includes creating and advertising new games, developing and running the lottery infrastructure, providing services for players and winners, and working with our approved suppliers and retail partners. CUKL has no involvement in the allocation of Good Causes' funding, which is the specific responsibility of 12 lottery distribution bodies, each with specialist knowledge of their sectors.

To date, National Lottery players have helped to raise over £41 billion for Good Cause projects, with more than 565,000 individual awards made across the UK – an average of more than 200 lottery grants in every UK postcode.



OUR SUPPLY CHAIN

In FY19/20, CUKL worked with around 700 suppliers. The majority of CUKL's supplier spend relates to IT and marketing. Our suppliers are managed on a daily basis by CUKL's Relationship Managers who are in turn supported by our Group Procurement Team.

The role of the Group Procurement Team is to provide professional and proactive procurement support and advice, as required, to help meet the business needs in terms of supplier choice, cost and risk management.

Our suppliers are generally chosen based on the following criteria;

- Quality, completeness and scalability of the service
- Management systems, processes and flexibility
- Relevant service experience and track record
- Diversity, sustainability, environmental and social considerations
- Risk transfer and management
- Cost and value for money

CUKL undertakes appropriate due diligence in respect of its supply chains. We do so when engaging with new suppliers, reviewing existing suppliers through meetings, surveys and audits to ensure that our standards are being implemented, and when engaging on appropriate terms to ensure that relevant legislation and regulations are complied with.

In FY19/20 we completed our annual supplier conduct review survey with approximately 25 suppliers. These suppliers were selected based on the perceived risk they pose to CUKL on issues such as business ethics, supply chain management, human rights and broader corporate governance issues. The survey also included questions addressing the supplier's approach to employment practices and preventing and monitoring risks in modern slavery and human trafficking.

CUKL assesses any instances of potential non-compliance or concern on a case-by-case basis. We will only trade with suppliers, contractors and subcontractors who fully comply with our policies, or those who are taking verifiable, demonstrable, steps towards compliance.

We will continue to communicate our commitments to preventing modern slavery and human trafficking in our supply chain and we will review all survey questions, making updates where necessary, prior to the next survey in FY20/21.

NATIONAL LOTTERY RETAILERS

Our large retail estate accounts for a significant proportion of CUKL's total sales, the majority of which are independent outlets. All of our retailers are required to enter into a National Lottery Retailer Agreement which outlines the high standards expected of them, including obligations designed to ensure that they maintain the reputation, integrity and security of The National Lottery, and that they comply with all applicable laws and regulations.

In 2018 we committed to raising awareness of the issue of modern slavery and human trafficking among our retailers and how they can report any problems. In 2019 we delivered on this commitment by creating a permanent page on The National Lottery retailer website outlining what modern slavery is and how to report any instances of it. Alongside this, the enhanced Modern Slavery and Human Trafficking learning module, which all Retail employees are required to complete, was updated with new content.

We will continue to communicate with our retail partners on an ongoing basis and work with our Retail Sales Team to explore how each year we can further raise awareness of modern slavery and human trafficking.

POLICIES AND INFORMATION

Whistleblowing Policy

A part of CUKL's approach is to provide a way for concerns about malpractice to be raised in confidence. We comply with The Public Interest Disclosure Act 1998 (PIDA) and the guidance it provides for dealing with whistleblowing issues in a safe and constructive way.

CUKL encourages all employees, National Lottery suppliers (including subcontractors and their employees) to report any concerns where the interests of others, including The National Lottery, may be at risk. This forms part of our Whistleblowing Policy, which encourages CUKL employees and National Lottery suppliers and their subcontractors and employees, to assist CUKL in tackling any fraud, corruption, unlawful conduct or other malpractice which may occur within either our organisation or through our supply chain.

To highlight our expectations regarding modern slavery and human trafficking and our suppliers' obligation to comply with all relevant legislation, we share our Whistleblowing Policy with all National Lottery suppliers during the on-boarding process. Our policy includes modern slavery and human trafficking as an example of malpractice and emphasises that if we have any concerns we will review, escalate and thoroughly investigate them.

In last year's statement we committed to communicating with our employees and suppliers on an ongoing basis about modern slavery and human trafficking and have since taken action through several steps. Using CUKL's intranet, we raised awareness among employees of the issues associated with modern slavery and human trafficking and how to report anything of concern. Additionally, we updated our Whistleblowing Policy, which all employees are required to read and sign.

Appreciating the crucial role that our employees and suppliers play in preventing and tackling modern slavery and human trafficking, we intend to continue communicating with them next year on an ongoing basis to raise awareness of the Modern Slavery Act and CUKL's commitments. We will also complete a survey with our 'tier one' suppliers and subcontractors to emphasise our expectations with regards to modern slavery and human trafficking.

Code of Conduct

Our Code of Conduct, which was reviewed and updated this year, sets out the expected standards of business conduct and links to our Whistleblowing Policy. It applies to all CUKL employees and details the principles for our code of conduct when representing CUKL. National Lottery suppliers are under an obligation to impose a Code of Conduct for their business, using ours as a minimum requirement. All CUKL employees were also required to read and sign the updated policy.

PLAYERS

We encourage our players to contact us if they have seen anything that represents a potential concern – this is referenced in our Players' Guide which is available both online and in-store.

TRAINING

It is important that all CUKL employees are appropriately trained and kept up-to-date regarding the risks of modern slavery and human trafficking in our business and supply chains.

All CUKL employees are required to complete compulsory online training on the Modern Slavery Act. The training was updated this year and covered best practice and the appropriate action needed to monitor and prevent any instances of modern slavery or human trafficking in our supply chain and business. Employees are sent weekly reminders about the training module until they have completed it -- and if it isn't completed within a month, the matter is escalated to a senior manager.

In addition to the company-wide training, all CUKL employees are required to read and sign our Modern Slavery and Human Trafficking Statement.

It is important that the training we provide to CUKL employees on this issue remains relevant, and we will continue to review it and make the necessary updates to ensure it is fit for purpose. We will also continue to clearly communicate our commitments.



ONGOING COMMITMENT

Throughout this Statement we have outlined commitments to progressing our approach to preventing and addressing modern slavery and human trafficking in both our supply chains and our business. We will share updates on these action areas in our next Statement covering the financial year FY20/21 in July 2021.

This statement has been approved by our Board, who will review activities and update this statement as necessary on an annual basis.

