

Corporate responsibility

– Industry Overview –

We comply with all prevailing regulations governing our industry. Not only that, we apply our own high standards of ethics in everything we do.

Our corporate responsibility strategy

Our corporate responsibility (CR) strategy focuses on five key areas, namely:

- **Our customers** – providing safe, fun, enjoyable experiences for the many while working hard to protect the vulnerable few;
- **Our people** – providing a positive working environment;
- **Our natural environment** – being energy-efficient and reducing waste;
- **Our suppliers** – treating contractors and suppliers fairly; and
- **Our communities** – targeting support to make a difference.

The chief executive sets direction in relation to CR issues and governance thereof is managed through the company secretary.

By operating responsibly we aim to achieve sustainable growth and long-term shareholder value:

Business goals

Provide enjoyable gaming-based leisure experiences.

Achieving goals responsibly

Protecting and helping the vulnerable few at risk from a gambling problem.

Highlights and examples

Rank has stringent responsible gambling policies. In 2009 we donated £267,000 to gambling support charities through the GREaT Foundation (formerly Responsibility in Gambling Trust). We won a gold award from GREaT for being a top donor and for providing support above and beyond our financial donation.

Satisfy our customers.

Being forward-thinking; anticipating what matters to diverse consumers and communities.

By constantly listening to our customers and acting on what they tell us, we achieved a positive trend in our net promoter score in 2009.

Grow customer visits to our clubs and casinos.

Supporting our people to deliver the best experience and be the best they can be.

In 2009 we continued to provide customer-centred training including a programme for our casino supervisors that is driving customer focus to new levels.

Offer safe environments for social entertainment and fair play.

Upholding the licensing objectives of the Gambling Act 2005 and proactively identifying and preventing problem gambling.

All Rank's UK businesses are accredited by GamCare – the standard for responsible gambling operators – and we continue to invest in our security systems.

Maintain the highest professional standards.

Developing a motivated, committed workforce to operate ethically and legally.

Our framework of HR policies and practices is designed to ensure transparency, consistency and equity in all our dealings with employees.

Run our businesses efficiently and cost-effectively.

Saving energy and other natural resources.

A range of initiatives has brought savings and helped us reduce our carbon footprint.

For more information on our Group Strategy see:



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We will continue to progress our CR programme in the year ahead, focusing on:

- **Our customers** – upholding the well-established policies and procedures that underpin our reputation as a responsible, ethical operator so as to provide safe and enjoyable experiences for our customers;
- **Our people** – continuing to implement our comprehensive Group people plan, including establishing a diversity forum to review and strengthen how we promote workforce diversity; and
- **Our natural environment** – managing our environmental impacts effectively;
- **Our suppliers** – achieving value in the procurement of goods and services while maintaining business continuity and managing risk; and
- **Our communities** – maintaining our commitment to charities on a national and local level. This includes the goal of raising £200,000 for Marie Curie Cancer Care, the national charity partner for Mecca Bingo, G Casinos and Rank Interactive; and Grosvenor Casinos will continue to raise funds for their chosen local charities in 2010.



Progress summary

<i>In 2009 we said we would</i>	<i>What we did</i>
Reduce Rank Group's carbon footprint by a further 6%	On a like-for-like* basis we achieved this objective. (* based on the same number of operating hours as 2008)
Introduce responsible gambling assessments for all customer-facing employees in the UK	We introduced a computer-based assessment to the retail businesses in February 2009. More than 3,500 employees have now been assessed for their understanding of our policies as part of a programme that will continue throughout 2010.
Implement a new community investment strategy for Grosvenor Casinos	Each of our casinos adopted a local charity and collectively raised over £71,000.

Our stakeholders

Rank listens and responds to opinions and concerns and we actively engage with our customers, employees, shareholders, local communities, government and regulators, Non-Governmental Organizations (NGOs), media and other key stakeholders. In turn, Rank has a responsibility to raise awareness of matters affecting the business – a current example being our public engagement on the issue of gaming taxation (see page 13).

Our economic impacts

Rank contributes to the economy in various ways. These include employment opportunities (we had 8,957 employees as at 31 December 2009, of which 8,170 are in the UK, and we paid wages and salaries amounting to £147.9m). We also contribute to the economy through business placed with suppliers (£130m annual procurement spend) and taxes (£146.8m paid in 2009).

In addition, we play a positive role in people's social lives and the life of communities through our presence in towns and cities throughout the UK. Our 103 bingo clubs and 35 casinos provide safe leisure environments for a wide range of customers to enjoy.

Our customers

Responsible gambling

Through our responsible gambling policy, Rank is committed to upholding the licensing objectives of the Gambling Act 2005, which are to:

- protect children and other vulnerable persons from being harmed or exploited by gambling;

- prevent gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime; and
- ensure that gambling is conducted in a fair and open way.

The most recent British Gambling Prevalence Survey (2007) shows that difficulties with gambling affect a very small percentage of people. Nonetheless, Rank Group has a clear social and moral obligation to assist players who may be vulnerable to gambling difficulties. The survey found that the incidence of problem gambling in the adult population was about 0.6% (a maximum of 284,000 adults) – roughly the same percentage as in 1999. This is on a par with Sweden, Canada and New Zealand and lower, for example, than the USA (3.5%) or Hong Kong (5.3%).

Grosvenor and G Casinos achieved accreditation from the Gambling Commission following a successful inspection of our responsible gambling procedures, and all Rank's UK-facing businesses, (Mecca Bingo, Grosvenor Casinos and Rank Interactive), have been accredited to the GamCare standard for responsible gambling operators.

Responsible gambling: management and training

Responsible gambling is a high priority for Rank and our policy and performance are regularly reviewed by senior management. This includes twice-yearly reviews by the Rank board and the audit committee, and quarterly reviews by Rank's responsible gambling committee and our anti-money laundering group. This year, we refreshed and re-delivered our industry-leading responsible gambling

Supporting research, education and treatment

Rank is a founding supporter of GamCare, the UK's national centre for information, advice and practical help regarding the social impact of gambling. GamCare reports that more problem gamblers are receiving help than ever before. As a measure of effectiveness, 88% of GamCare clients were assessed by the charity as being problem gamblers and this went down to 15% following treatment. However, the Gambling Commission's 2007 research suggested that less than 1% of people who could benefit from treatment actually take it up. GamCare recognises that there is still much to be done and Rank is committed to supporting its work. In 2009, Rank contributed £267,000 to gambling support charities including GamCare through the GREaT Foundation – a level of funding that will continue to 2012 subject to a limited number of conditions.

Rank was unanimously voted 'Donor of the Year 2009' in GREaT's awards. We were nominated by an expert panel in recognition of support we have provided, not only through financial donations but also through extra efforts made to encourage others to donate and support.

training module to 360 managers across the Group.

We train all land-based customer-facing employees in our responsible gambling policy. This starts with induction training, which is comprised of three modules of computer-based training on 'knowing your customer' to help our people recognise behaviours associated with problem play; a total of 5,440 people have completed this training since its introduction. In addition, our people are required to show that they understand and can act on our policies on an ongoing basis so all employees complete an assessment on the second anniversary of their initial training and then every two years thereafter. In 2009, 4,380 customer-facing employees of Grosvenor Casinos and Mecca Bingo went through this assessment. Any employee failing has to repeat the training until the required standard is achieved. The assessment process will continue throughout 2010 with an ongoing review of content to ensure it reflects latest developments in the field.

Rank provides specific training for managers on methods for engaging potential at-risk customers in 'intervention' conversations designed to help the individuals concerned. This training is continuous, with 170 managers going through the programme in 2009 and a further 180 scheduled for 2010.

Protecting vulnerable customers

As well as the measures described above, where appropriate, we carry out proof-of-age checks at supervised entry points, support customers who wish to

exclude themselves from gambling or set up spending limits, display information to help customers identify the signs of a problem and find support, and highlight the Gambling Commission's gambleaware.co.uk address on our UK businesses' print advertising.

Rank Interactive continuously updates and enhances its technologies, including using sophisticated verification procedures to identify and exclude underage users. We also provide tools to reduce the risk of problem gambling: users can set themselves affordable budget limits and/or temporarily or permanently exclude themselves from online play. Rank Group's funding for GamCare is adding to the charity's capacity to provide support services online. These include NetLine, launched in 2007, online chat room sessions and a self-help forum.

Security, fair play and combating crime

People's safety and security is our top priority, whether they are customers coming to our clubs or our employees. Rank promotes open and transparent gaming, helped by a number of measures including digital closed circuit television covering gaming tables – which are also overseen by our experienced gaming supervisors – and clear 'how to play' guides available in our casinos. This year we also developed the role of our Grosvenor and G Casinos supervisors to refocus on the customer when delivering table games and other elements of the casino experience. Our training for employees in the new customer support role is designed to ensure that customers are offered a friendly, jargon-free, face-to-

face introduction so that first-time visitors in particular can feel comfortable in the casino environment and that customers understand the games before they play.

Rank is vigilant in combating crime. We have comprehensive anti-money laundering procedures in place and are able to exclude customers and potential customers who could interfere with the general enjoyment of our facilities. This exclusion also applies to those people who have been found to be involved in criminal activity or are underage. We encourage our employees to report any suspected malpractice.

Online security is also a priority and Rank Interactive has implemented Payment Card Industry standards for card transactions, which will further increase data integrity. Online players' accounts are password protected, with the details encrypted, and in addition we run daily reports to look for any suspicious activity.

Satisfying our customers

We continuously listen to and act on both positive and negative feedback in order to provide the best possible customer experience and in 2009 we saw positive trends in our net promoter score (NPS) and retention rates. We will continue to drive service levels helped by a clear understanding of what matters to our customers. A number of initiatives are helping us to maintain this insight:

- we have started to test an instant customer feedback, a process for ensuring customer views are fed rapidly back to management;
- we carry out continuous customer research including NPS surveys

See the net promoter score on:



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See the health and safety information on:



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The Mecca Management Academy

The Academy was established in June 2009 to provide a first-class development programme customised to our business and of practical value to Mecca trainee general managers. The 16-month programme is tailored specifically to the requirements of the management role with a strong focus on leadership, and is designed to support the delivery of Mecca's strategy. On successful completion of the training, candidates acquire a recognised qualification – the Institute of Leadership and Management (ILM) Certificate in Management.

The gradual movement to increased numbers of server-based gaming terminals not only provides our customers with increased gaming choice but also delivers a positive environmental benefit in minimising transport impacts. New games can be downloaded remotely to the terminals without the need physically to change or move cabinets, which has historically been common practice in the gaming industry.



(benchmarked against the competition and wider leisure industry), focus groups and other regular surveys; and

- we introduced brand standards covering everything from food preparation to uniforms, which are regularly monitored through management visits.

Our people

Our people are core to delivering our vision to put customers at the centre of our operations. We are committed to looking after our employees and enabling them to fulfil their potential. We aim to provide a fair, equal, respectful and safe workplace, rewarding and recognising a job well done. We strive to be an employer of choice where our people feel proud to work.

Recruitment and retention

Through the economic recession, the Group has largely been able to preserve employment and avoid short time working, pay cuts and redundancies. This year we created 350 new jobs in the UK through new acquisitions and openings. Employee turnover has decreased year on year since 2006. Retaining skilled employees not only avoids unnecessary attrition costs but also ensures that the Group is well positioned to take advantage of improvements in the economic climate.

Developing talent

Developing and attracting management talent to deliver our strategy and help take the company forward is a priority for us. Our talent development programme, which includes succession planning, ensures the management and development of talent within the

Group. We have also invested in the Mecca Management Academy which demonstrates the importance we place on developing future leaders. Through the human resources team the Group delivers extensive face-to-face training for team members at all levels. We pay particular attention to customer initiatives, technical training and skills development.

Promoting a diverse workforce

Diversity is another priority for us and in 2009 we established the diversity steering group, comprising representatives from across the Group, to oversee our work in this area with a particular focus on gender and ethnicity. Diversity brings great benefits to the Company and also helps us understand the needs of a broad base of customers.

Maintaining health and safety

The health and safety of our employees is very important to us. The number of accidents required to be reported to the Health and Safety Executive under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 decreased from 23 in 2008 to 21 in 2009. Any workplace accidents are reviewed and corrective action and/or training is implemented to reduce the risk of further occurrences. Please see page 56 (statutory information) for Rank's approach to health and safety management including compliance with statutory requirements.

We were proud that our headquarters in Maidenhead and the Grosvenor Victoria Casino were awarded a five star status by the British Safety Council's Five Star Health and Safety Management System Audit. The five star audit is

internationally recognised as one of the most comprehensive independent audit measurement systems verifying best practice in health and safety. Our rating enables us to apply for the British Safety Council Sword of Honour for 2010.

In dialogue with our employees

We consult with our employees, listen to their views and respond to any concerns. Our employees have access to feedback channels (including face-to-face, online and printed communications), employee councils and consultative committees.

We also canvass opinions through our rolling quarterly employee engagement survey. We have seen a generally improving trend across Rank's brands in Britain since we began surveying employee opinion, regularly achieving overall engagement results of around 70%, and sometimes above 80%. We score particularly strongly with employees across all brands in terms of stability (i.e. the desire still to be with Rank in a year's time) and also satisfaction with the job and the Company. A high proportion of all employees say they would recommend Rank as a "good place to work" and even more are "happy to go the extra mile" in their daily work.

Rank compares its employee engagement results against external benchmarks, so it knows that its employees rate it significantly better than similar organisations in terms of fair and respectful treatment of the workforce by managers. Rank also scores highly on keeping its employees well informed. Employees' pride in the Company and commitment to its goals also come across very strongly in Rank's survey results.

In 2009 Mecca Bingo's fundraising efforts have provided more than 60 children with bespoke mobility equipment. Among them is lively five-year old Daniel who can now propel himself and join in with classmates for the very first time on the special trike provided by Whizz-Kidz. This equipment was unavailable to Daniel on the NHS and is much more expensive than a regular trike so Daniel's parents decided to apply to Whizz-Kidz. With the help of funds raised by Mecca Bingo Bradford, Whizz-Kidz was able to meet their request. As well as being lots of fun, the trike will assist in Daniel's physical development, helping to strengthen his legs and improve coordination, and all the family are delighted with the results: "We are all over the moon! This is the first bike Daniel has been able to ride by himself and he really loves it!"



Our natural environment

Our environmental strategy focuses on energy efficiency as our main priority. Having established our environment committee in 2007, we have continued to take steps to reduce our carbon footprint. Approximately 90% of our emissions come from energy use in our buildings and the remainder from travel and waste disposal, so we have been working with The Carbon Trust to improve energy efficiency and ensure compliance with the Carbon Reduction Commitment (CRC).

Working with Inenco (an energy management, sustainability and environmental consultancy) and The Carbon Trust, we have carried out detailed energy surveys in a representative sample of properties, identifying ways to save energy and costs with potential for implementation across our estate. Recommendations cover energy use in everything from air conditioning to catering, and the charging procedures used for electronic bingo terminals. In addition to this work, the introduction of automated gas and electricity meter reading in Grosvenor Casinos and Mecca Bingo is providing us with an in-depth understanding of consumption patterns, enabling energy use to be analysed on a daily basis site-by-site. When fully implemented this will lead to increased energy efficiency across our estate.

This year we also:

- held seven regional training seminars on CRC and energy efficiency;

- continued to work towards achieving The Carbon Trust Standard, which recognises good practice in the key areas of measurement, management and reduction (targeted for summer 2010); and
- verified our previous carbon calculations to establish a basis for future reporting.

These and other environmental initiatives are being undertaken to ensure Rank fulfils its commitments in energy, carbon and cost efficiency.

Our suppliers

Our strategy is to achieve value for Rank Group in the procurement of goods and services while maintaining business continuity and managing risk. Rank's supply chain is predominantly UK-based and as we continue to develop supply partnerships with large national companies we can be confident of their excellent social, ethical and environmental credentials. Our annual procurement spend in 2009 was around £130 million, with the greatest proportion going towards food and beverages, utilities and cleaning.

Our communities

Our strategy is to target investment at both a national and local level – through our support for a flagship charity with nationwide coverage that directs support to where it is needed locally.

In 2009 there was continued success in raising money for Whizz-Kidz, our national charity partner supported by

Mecca Bingo and Meccabingo.com. Through the efforts and generosity of customers and employees, we beat our fundraising target and raised a total of £516,000 for Whizz-Kidz this year. Inventive campaigns were key to this success including:

- Mobiles for Mobility – £7,000 raised through customers donating old unwanted phones;
- Currency for Kidz – foreign coin recycling scheme and
- Heels for Wheels – our shoe recycling scheme launched by Theresa May MP and supported by local football teams, the Wigan Warriors rugby league team and a number of celebrities who all donated old shoes.

This year we also worked with the public sector on two campaigns of benefit to our customers. First, Mecca Bingo clubs hosted the Department of Work and Pensions' Eyes Down for Extra Cash roadshows (to generate greater take-up of entitlements by eligible pensioners who are also Mecca customers). Second, NHS Patient roadshows took place in clubs across England to highlight the different ways that Mecca customers can access healthcare services.