

# Fair GAME

Corporate responsibility report 2010



Dedicated to gaming

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# We're Europe's leading pc and video games retailer, with an international chain of more than 1,300 specialist outlets and popular ecommerce websites.

## Strategic goals

We have six strategic goals that drive our approach to corporate responsibility.



We count among our stakeholders the Group's suppliers, customers, employees, bankers and lenders, shareholders and the people in the communities in which we operate. Throughout our work with all these parties, we endeavour to have a positive impact in society and on the environment whilst striving to achieve our commercial objectives.

This Corporate Responsibility Report explains how GAME Group defines and manages corporate responsibility in the UK and beyond. Within the following pages, you can find out more about our efforts to reduce our impact on the environment, look after our people, enhance the communities in which we operate, protect our customers and promote sustainable practices among our suppliers. We believe that we are making good progress on all of these fronts – and are working hard to make further improvements in the months and years ahead.

### CR Committee members

GAME Group's Corporate Responsibility Committee includes representatives from across the business who meet bi-monthly to review CR policy, monitor our progress against objectives and agree new initiatives to enhance our CR programme.

The Committee is chaired by group finance director Ben White. Company Secretary Vivienne Hemming is accountable for our CR performance.

### GAME Group is a member of the following organisations:



Retail Safety Forum (RSF)

## Greener GAME

# Strategic goal: Actively minimise our impact on the environment.

As a responsible retailer, GAME is acutely aware of its duty to minimise its impact on the environment – so we are doing all we can to promote sustainable practices across our offices, distribution centres and stores.

As part of this process, we are reviewing all areas of our business to identify how we can improve our energy efficiency and waste recycling levels; reduce carbon emissions, water use and packaging; and minimise the impact of our suppliers' transport operations.

### Energy efficiency

#### 2010 target: to improve energy efficiency by 10%

Representing an estimated cost of £3.3 million in 2010, electricity consumption is GAME's most significant source of carbon emissions. It is therefore the focus of a comprehensive energy efficiency improvement programme.

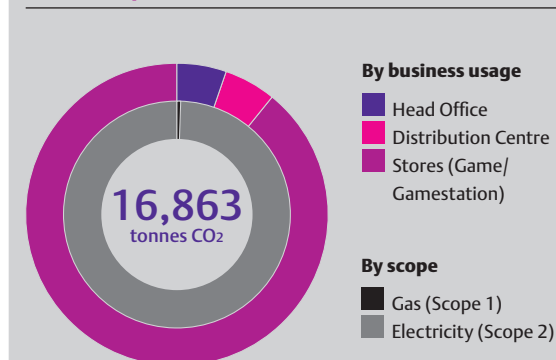
Specific initiatives include:

- The rollout of 457 automated smart electricity meters across our operations, enabling us to track daily usage patterns more accurately and take a strategic approach to measuring, managing and reducing energy consumption in over 70% of our stores.
- The launch of 'energy awareness' campaigns throughout our stores to promote best practice.
- Producing comparative monthly energy efficiency league tables showing store performance ranked in order to highlight below and above average usage.
- Making recommendations to replace inefficient equipment where necessary.
- Implementing energy-saving technology in all new and refitted stores.
- Automating and streamlining lighting shutdown procedures at our Support Centre and Distribution Centre.
- Modifying the Support Centre and Distribution Centre heating and ventilation systems to provide equilibrium between the heating and cooling elements, resulting in reductions in energy consumption and improved conditions.

- Upgrading roof ductwork lagging to reduce both heat loss and running costs.
- Submitting our mandatory Informal Disclosure registration to the UK Environment Agency under the CRC Energy Efficient Scheme. We will continue to monitor this new legislation during its infancy.

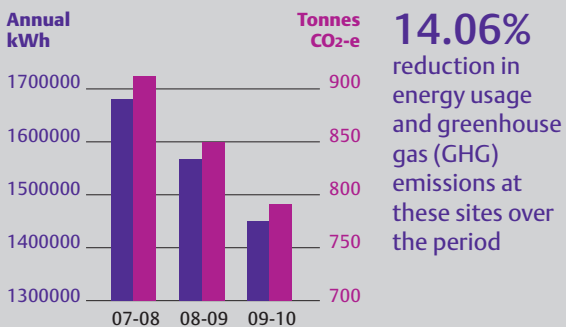
In addition, our CO<sub>2</sub> rating per company car has decreased over the last three years, reducing both our carbon impact and the tax implications for our drivers.

### GAME Group carbon dioxide emissions

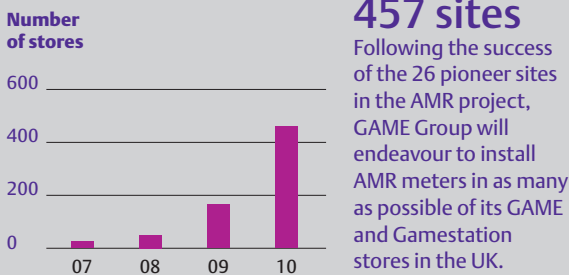


## Greener GAME continued

### Electricity Consumption & GHG Emissions at Original AMR Sites



### Total number of sites fitted with AMR



### 'Automated Meter Reading' (AMR) Energy Efficiency Programme

Twenty-six GAME sites had Automated Meter Reading (AMR) equipment installed prior to 2009 as part of a pioneering project to reduce energy consumption.

Following the success of the 26 pioneer sites in the AMR project, GAME Group has installed AMR meters in all its GAME and Gamestation sites.

### Waste & recycling

**2010 target: To increase the volume of waste recycled in stores and at the Basingstoke Support Centre and Distribution Centre by 10%.**

Our key waste and recycling initiatives include:

- Actively encouraging head office and distribution centre employees to recycle paper/cardboard; polythene/plastic; toner cartridges (recycled for the benefit of a local charity); electrical waste; batteries; IT equipment; mobile phones; and cans/aluminium.

As a result of our initiatives, our total recycling rate is expected to increase to over 70% in 2011 (compared to 38% in 2009), saving over £100,000 per annum.

- Reducing the amount of cardboard transit packaging sent to stores. Our transit packaging provider contract is being re-tendered with a view to using 100% recycled cardboard in future.
- Conducting an audit into how we manage our internal printing and photocopying in order to minimise paper wastage.
- Replacing paper hand towels in toilets with electric blade dryers, reducing landfill waste and lowering both supply and cleaning costs.
- Reviewing our stores' waste streams and implementing a Dry Mixed Recycling (DMR) service across both GAME and Gamestation stores.
- Re-tendering our Point of Sale contract: our new provider supplies cardboard with a water-based finish, which allows us to fully recycle the product at the end of its life.
- Offering a free take-back scheme for customers' batteries and electrical equipment.

As a result of the above initiatives, our total recycling rate is expected to increase to over 70% (compared to 38% in 2009), saving over £100,000 per annum.

We are compliant under Packaging, WEEE and Waste Batteries Regulations, and have registered with Valpak as our compliance partner.

### Other key environmental initiatives include:

- Game trade-in programme:** Not only is this a terrific customer proposition in its own right; it is also part of our commitment to promoting recycling and waste reduction across our business.
- Electronic annual report:** Distributing our reports electronically reduces our paper use and waste output.

## Passionate about our people

# Strategic goal: Provide a safe and healthy environment for our employees to work in.

The wellbeing and professional development of our employees are of paramount importance to us.

### Health and safety

#### 2010 targets:

- **Reduce our accident frequency rate to 0.9% from the current rate of 1.08%.**
- **Reduce lost-time absence by 10% through a focused wellbeing programme.**
- **Progress from Bronze to Gold standard RoSPA Health & Safety Award within three years.**

Our comprehensive Employee Support, Health and Wellbeing programme helps to ensure that our people remain safe and well at all times. The programme includes:

- **Accident prevention:** Safety awareness campaigns in stores and at head office are proving highly successful. Reported accidents are now well below the national average, while our performance was rated 'very good' in a recent health and safety audit carried out by AON.
- **Eye tests:** 87 employees recently took advantage of our complimentary on-site eye tests, with two people referred to a specialist for further treatment.
- **Flu jabs:** 130 employees received a flu jab last year, helping our people to stay healthy and reducing absence rates.
- **Pension clinic:** These sessions, designed to help our people secure their financial future, are extremely popular and fill up fast.
- **Legal clinic:** Our bi-monthly legal workshops provide employees with advice on wide a range of legal issues including residential property, family issues, wills, inheritance tax and probate.
- **Cycle-to-work scheme:** This initiative was extended to our in-store staff in July 2010, with significant interest from outlets across the UK.
- **Employee assistance programme:** Our free, confidential counselling helpline offers employees practical, impartial advice on personal issues including bereavement, depression, relationship problems and stress.

- **Driving at work:** In 2009, GAME implemented a Driver Risk Management programme. This comprised online driving licence checks and risk assessment; in-classroom and in-car driver training; an updated driver policy; and information on safe driving during hazardous conditions. This initiative, along with the raising of general driving standards, has reduced own-fault accidents from 20 in 2009 to 3 in 2010.

### Health and Safety Statistics

	2009	2010
<b>Lost Time Accidents</b>		
GAME	11	5
Gamestation	3	2
Group	8	5
Group Accident Frequency Rate (per 100,000) employees	1.08	0.53
<b>Driving at Work</b>		
Driver Own Fault Accidents	20	3
<b>Claims Management</b>		
Personal Injury Claims	16	6
<b>Enforcement</b>		
Environmental Health Visits (EHO)	17	23
Fire Officer Visits/Inspections (FO)	8	11
Enforcement Notices Issued by EHO or FO	2	0
Prosecutions	0	0

## Passionate about our people continued

### Employee benefits

We do everything we can to ensure that GAME is a stimulating, fulfilling and enjoyable place to work. Initiatives include:

- **Chill-out zone:** A facility in our head office specifically designed to provide our people with a place to relax and experience the latest games releases.
- **Games library:** A service that helps to ensure that everyone is able to enjoy and keep up to speed with the latest releases.
- **Gym membership:** We offer subsidised rates at a leisure centre located close to our head office.
- **Share save scheme:** We offer all employees the opportunity to save for either a three or five year period through the Company's annual share save scheme.
- **Big Idea rewards:** We regularly reward employees who come up with new ideas that help to drive sales and improve efficiencies.
- **Extra Holiday purchase scheme:** Once a year we invite our support centre employees to purchase up to five extra days' annual holiday.
- **Healthy choices:** From fresh salads to homemade soups, our caterers, Baxter Storey, ensure that our head office employees always have a wide range of healthy dining options. They also source 98% of their fresh meat from UK farms and only serve Fair Trade Coffee.

### Internal communications

We communicate regularly with our employees across the business via personal messages from the CEO, staff newsletters and 'Business Briefings', in which employees are brought together to hear more about the group's performance and plans for the future.



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## Passionate about our people continued

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# Strategic goal: Enable our staff to achieve their full potential.

### Training and development

**2010 target: To increase staff take-up of our 'Modern Apprenticeships' programme from 150 to 400.**

We run a range of training programmes across our stores, each developed by our in-house training and development team. These programmes cover every stage of our employees' careers, from Excellence in Practice (EIP), via Management Training Levels 1 and 2, to our 18-month Excellence in Leadership (EIL) programme, which is designed for our top-performing Store Managers.

In addition, we have development tailored in-store programmes – Xcite for GAME and Smile for Gamestation – which include weekly challenges for the entire store team.

Meanwhile, our Equal Opportunities, Diversity and Respect at Work Training programme was created to ensure that the Company provides appropriate and adequate training for all store employees in relation to correct working behaviours and treatment of our customers. This training is in the process of being delivered to all Store Managers who will, in turn, deliver it to all store employees. We anticipate that this will be completed by the end of February 2011.

Training and Development is also key in our Support Centre, where specialised and professional qualifications, including those offered by ACCA, CIMA and the CIPD, are frequently supported by the business. Our Excellence in Leadership programme is also available for identified 'rising stars': 70% of EIL graduates have subsequently received promotions.

### Recruitment

We always strive to promote from within the company first, ensuring that all vacancies are posted internally in the Support Centre and across our stores.

Succession planning meetings take place four times a year to identify store employees who are ready to make the next step in their career, and to define the training required to get them there. If an employee is highlighted for succession, but has not yet completed our in-house training programmes, we will often give them the opportunity to step into the role on a temporary basis for the duration of their tuition.

### Job Centre plus

All sales assistant recruitment is conducted in our stores, encouraging employment within the local communities. Christmas temporary staff recruitment has been managed through local job centres across the UK, creating employment opportunities for over 4,000 local residents.

### Work experience

Over the last year, the UK stores have taken on more than 1,000 work experience candidates from local schools, colleges, universities and job centres, providing them with hands-on retail experience.

Our Support Centre also offers work experience opportunities for students from local schools and colleges, providing participants with valuable opportunities to try out a wide range of office functions.

### Employee survey

We encourage our employees to share their views on important issues through our regular employee surveys. Last year our Support Centre collated views on areas including work environment; the survey respondent's job; management; communication; and customer service. We gathered the same information from our Store Managers at our annual company conference in September 2010. The business is dedicated to listening to these views and putting actions plans in place where required.

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## Committed to the community

# Strategic goal: Support national and local community projects relevant to our stakeholders.

We are proud to support a wide range of community projects that are relevant to all of our stakeholders at both a national and local level. Activities include...

### Destination Basingstoke

This initiative aims to promote Basingstoke as an attractive place to live, work and visit – and as a first-class location for business. We are active supporters of the organisation through its Ambassadors programme. In particular, we are heavily involved in Destination Basingstoke's programme of awards for local people who have achieved extraordinary things.

### The Basingstoke Community Foundation

We are a founding member of this organisation, which offers grants to local projects that benefit children and young people. Beneficiaries to date include Basingstoke Young Carers; a children's arts project called Central Studio; and The Bench, a youth group that offers skills-development programmes for young people in Whitchurch.

### Blood donors

Our second donor session of the year was held in August 2010, with 48 employees signing up.

### Staff activities

A proportion of every employee's bonus is now dependent on their ability to demonstrate their active involvement in community activities, which can take the form of anything from organising a fundraising event to becoming a school governor.

### Corporate Charity Partnership

Staff in our stores have taken part in a broad range of activities from 'It's a Knock Out' events to Guitar Hero contests whilst colleagues in head office have competed to grow the longest moustache or wear the weirdest wig and some have even jumped out of a plane to raise funds! Thanks to the efforts of all our people we have raised more than £200,000 in the first year of our partnership with Children's Hospices. Children's Hospices UK help children's hospices to deliver the best possible care and support to seriously ill children and young people. Each GAME store is raising money for 'Teenage Weekends' at their local children's hospice; providing fun and support for ordinary teenagers who find themselves in extraordinary circumstances.



Vince Hamilton Bruce ran the London Marathon and raised over £2,400



Viv Hemming cycled 90 miles from the first children's hospice in Oxford to the newest in Eltham and raised over £2,500



**Children's  
Hospices UK**

Together we make a lifetime of difference



GAME Hull's staff fundraising activities go down a Storm as the Troopers celebrate the launch of the latest Star Wars game.

## Caring about customers

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# Strategic goal: Help our customers be responsible consumers.

We take our responsibilities to our customers very seriously and provide our employees with all of the tools they need to sell age-rated games appropriately.

Following our active participation in the UK Byron Review of mature video games content and game certification, we continue to work with government, industry partners and customers to develop and implement new legislation. We also continue to ensure that our measures to sell games responsibly are robust, well understood and rigorously tested.

GAME Group is represented on all relevant industry organisations relating to the sale of video games, including the Association for UK Interactive Entertainment (UKIE), the Entertainment Retailers' Association (ERA), the Video Standards Council (VSC) and the British Retail Consortium (BRC).

New legislation will be implemented in 2011 and GAME Group is at the forefront of industry initiatives to support it and help educate consumers.

### 'Mystery Shopper' programme

As part of our efforts to ensure that age-restricted games are sold responsibly, we run a programme in which 'youthful' 18 year-olds visit our stores and attempt to purchase 18-certificate titles. Results from these ongoing 'mystery shopping' visits continue to demonstrate that our store staff are very skilled in selling appropriately.

### Store health and safety management

In 2010, GAME implemented a structured safety management schedule into all stores in the UK and Eire. This helps the store management team to manage health and safety within their store as effectively as possible. Our efforts have resulted in improved compliance with risk assessment, accident management and fire prevention.

Our performance has been verified through self-audits and enforcement visits, which have resulted in no litigation or formal enforcement through 2010.

There has also been a reduction in personal injury claims from 16 in 2009 to 6 in 2010.



## Supporting our suppliers

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# Strategic goal: Behave ethically and with integrity when sourcing products and dealing with our suppliers.

We know that an effective CR strategy means ensuring that every link in the supply chain operates according to the same principles – starting, of course, with suppliers themselves. That's why we're so careful about choosing our suppliers in the first place and seeking their assurance that they comply with our own high ethical standards.

In April 2009, we launched an electronic corporate responsibility survey aimed at suppliers. Key partners, including Disney and Nintendo, took part. We are now arranging a series of discussions with these and other organisations to establish ways of working together to address common social, environmental and community challenges.

In 2010, we set up a Social Responsibility Audit standard for all GAMEware factories that are not SA8000 certified, with the goal of ensuring that all factories are audited or SA8000 certified by the end of 2011.

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Please take a minute to let us know what you think of GAME's CR policies. Your feedback is invaluable for identifying areas of improvement.

Please visit  
[www.gamegroup.plc.uk/feedback](http://www.gamegroup.plc.uk/feedback)  
and fill in the online form.

**The GAME Group Plc**

Unity House,  
Telford Road  
Basingstoke,  
Hampshire  
RG21 6YJ

Tel: +44 (0)1256 784000  
Fax: +44 (0)1256 784093

[www.gamegroup.plc.uk](http://www.gamegroup.plc.uk)

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