

**TERMS OF REFERENCE:
GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

I. PURPOSE

The primary function of the Governance and Corporate Social Responsibility Committee (the “**Committee**”) is to provide a focus on governance that will enhance the performance of British Columbia Lottery Corporation (“**BCLC**”).

The Committee:

- A.** assesses and makes recommendations regarding Board effectiveness;
- B.** oversees BCLC’s whistleblower policy and procedures; and
- C.** oversees BCLC’s corporate social responsibility program.

II. COMPOSITION AND OPERATIONS

- A.** The Committee will be composed of not fewer than three Directors and not more than five Directors.
- B.** All members of the Committee will have an understanding of issues related to corporate governance and corporate social responsibility, or related business experience, or be willing to acquire the requisite knowledge within a reasonable period of time.
- C.** The Committee will meet at least four times per year.
- D.** The Committee has access to Management and documents as required to fulfill its responsibilities and is provided with the resources necessary to carry out its responsibilities.
- E.** The Committee will report regularly to the Board with respect to its activities.
- F.** The secretary to the Committee will be either the Corporate Secretary or his or her delegate.
- G.** The Committee will retain and compensate such outside legal or other advisors as it considers necessary in discharging its oversight role.

III. DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Board, the Committee will perform the following duties:

- A.** annually review the skills and experience represented on the Board in light of BCLC’s strategic direction;
- B.** develop recommendations regarding the essential and desired experiences and skills for potential Directors;

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- C.** recommend to the Board Chair, for subsequent recommendation to the Government of British Columbia ("**Government**"), criteria and candidates to consider when appointing Directors;
- D.** annually review, and make recommendations regarding the orientation and ongoing development of existing and new Directors;
- E.** annually review the Directors' compensation and make recommendations to the Board for subsequent recommendation to Government, as appropriate;
- F.** at least annually, review and, where appropriate, revise and update the Board Manual, including all Terms of Reference and the policies, processes, and guidelines by which the Board will operate in order to maintain the clarity and currency of the foregoing, and recommend any material amendments to the Board for approval;
- G.** annually assess the needs of the Board in terms of the frequency and location of Board and Committee meetings, meeting agendas, discussion papers, reports and information, and the conduct of meetings and make recommendations to the Board as required;
- H.** recommend to the Board, and annually implement, an appropriate evaluation process for the Board, Board Committees, their respective Chairs and individual Directors;
- I.** facilitate engagement of separate independent counsel by a Committee or Director at BCLC's expense, if needed;
- J.** recommend to the Board any reports on corporate governance that may be required or considered advisable;
- K.** in conjunction with the Chair of the Board, oversee adherence of Directors to the Board Code of Conduct and Conflict of Interest Guidelines;
- L.** annually review BCLC's disclosure mechanisms to ensure their consistency with the BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations;
- M.** annually review BCLC's corporate social responsibility charter, and annual goals and priorities, and key reports to ensure BCLC's business practices are consistent with contemporary social responsibility standards and values;
- N.** annually review the whistleblower policy and procedures and make recommendations to the Board as required;
- O.** fulfill its roles and responsibilities set out in the whistleblower policy and procedures; and

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- P. at the request of the Board Chair or the Board, undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of BCLC.

IV. ACCOUNTABILITY

The Committee will:

- i. report its discussions to the Board by oral or written report at the next Board meeting;
- ii. in accordance with the Whistleblower Policy, provide a confidential summary report to the Board on a quarterly basis; and
- iii. confirm to the Board on an annual basis, the Committee's fulfillment of its mandate for the preceding year.

V. EDUCATION

The Committee will regularly update its members with leading practices and educational requirements of Governance Committees generally in Canada and specifically with respect to BCLC in order that the members are able to carry out their responsibilities as set out in this Terms of Reference efficiently and effectively.

VI. COMMITTEE TIMETABLE

The timetable on the following page outlines the Committee's anticipated schedule of activities during the year.

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	As needed	January	May	July	October
DUTIES AND RESPONSIBILITIES					
A. review Board skills and experience represented on the Board				✓	
B. recommend desired experiences and skills for potential Directors	✓				
C. recommend Director criteria and candidates to Government	✓				
D. review Director orientation					✓
review Director development		✓			
E. review Director compensation program		✓			
F. review Board Manual			✓		
G. review meeting needs and make recommendations to the Board					✓
H. plan and initiate Board evaluation				✓	
review results of Board evaluation					✓
I. facilitate engagement of independent counsel	✓				
J. recommend reports on corporate governance	✓				
K. oversee adherence of Directors to the Board Code of Conduct and Conflict of Interest Guidelines	✓				
L. review BCLC's disclosure mechanisms to ensure their consistency with the BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations				✓	
M. review Corporate Social Responsibility Charter		✓			
review annual goals and priorities			✓		
review Social Responsibility Annual Report			✓		

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	As needed	January	May	July	October
review Carbon Neutral Action Report				✓	
N. review whistleblower policy and procedures		✓			
O. fulfill roles and responsibilities set out in the whistleblower policy and procedures	✓				
ACCOUNTABILITY					
in accordance with the Whistleblower Policy, provide a confidential summary report to the Board		✓	✓	✓	✓
confirm Committee's fulfillment of its mandate to the Board (at Board Meeting)			✓		