

Social Responsibility Report

2019/20

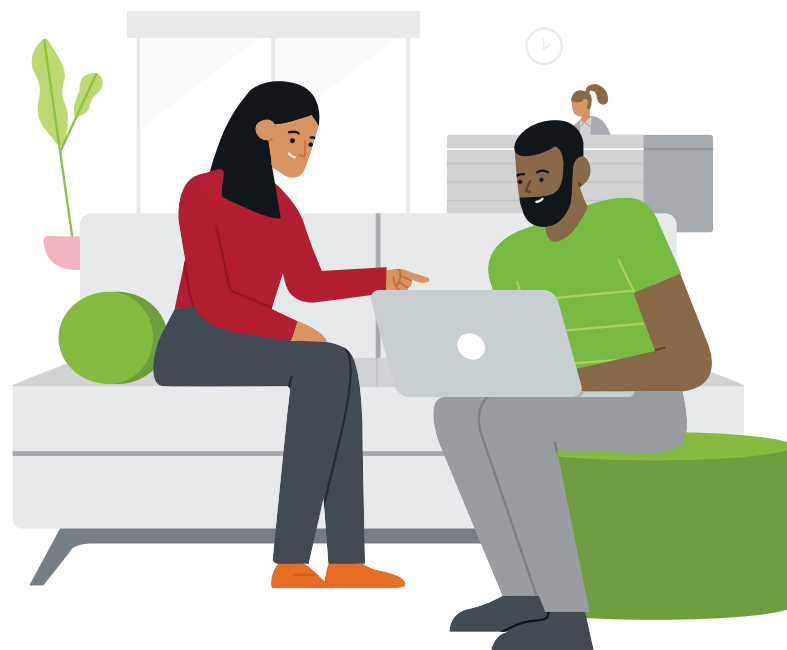


**Our business was
created over 35 years
ago to benefit
British Columbia.**

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For questions about this report contact
consumerservices@bcllc.com.

Message from the

Board Chair and Interim President and CEO

For over 35 years BCLC has generated significant revenues that support the Provincial Government in funding vital programs in healthcare, education, communities and charities. BCLC's support is needed now more than ever as the province, indeed the world, copes with the impacts of the COVID-19 pandemic.

In January 2020, BCLC's Board of Directors unanimously approved a new Corporate Strategic Plan designed to have the organization working as 'OneBCLC' in order to place the player at the centre of BCLC's efforts and to grow our business responsibly. Importantly, the plan focuses the organization on becoming a social purpose company: a company whose purpose goes beyond profits and whose enduring reason for being is to contribute to the creation of a better world, whereby our activity and growth serve as a positive force in society. BCLC's adoption of the social purpose company mantle builds upon a multi-year legacy of commitment to social responsibility. Indeed, social responsibility, integrity and respect are at the core of BCLC's values and are reflected in the actions discussed throughout this report.

This year, the organization continued to make strides on our player health strategy by completing the expansion of the GameSense Advisor program. The expansion doubled the previous number to a total of 41 advisors in casinos and community gaming centres across the province. We also launched PlayPlanner, a tool to help players set their own limits on slot machines, and hosted the 8th annual New Horizons in Responsible Gambling Conference that focused on building a more positive future in the field.

BCLC continued to work with the Province towards the implementation of the recommendations made in Dr. Peter German's review of B.C.'s anti-money laundering policies and practices in Lower Mainland casinos. BCLC has one remaining recommendation we are responsible to address and expects to complete that recommendation within the coming year. We remain committed to improving our anti-money laundering program and recognize the need to help safeguard communities from this threat.

BCLC is committed to ending racism and discrimination. Our Diversity & Inclusion Committee developed a new roadmap for our strategy and BCLC's board and executive has wholeheartedly endorsed the corporation's effort to advance diversity and inclusion. The company also recognized that now, more than ever, we must support both the mental and physical well-being of our employees and this report outlines the efforts in this regard.

As a public sector organization, we recognize our duty to provide leadership in helping to reduce the impact of climate change. Annually, we strive to achieve carbon neutrality by reducing our own emissions and by purchasing carbon offsets to help fund projects that reduce greenhouse gas (GHG) emissions elsewhere. We are fully committed to assisting the Province of B.C. in meeting the undertakings set out in the CleanBC Plan.

As the world continues to navigate through the uncertainty created by COVID-19, BCLC will continue to be led by our values and is committed to being a positive force in our province for years to come.

Sincerely,



PETER KAPPEL
Board Chair



GREG MOORE
Interim President & CEO

About BCLC

BCLC is a Crown corporation that was created in 1985 to conduct and manage gambling entertainment on behalf of the Province of B.C. while delivering important gambling revenue that the Province uses to fund vital programs and services across the province. In fiscal year 2019/20, BCLC generated \$1.3 billion for the Province of B.C.



BCLC is headquartered in Kamloops and has an office in Vancouver. As of March 31, 2020, BCLC had a workforce of 1,036 employees working in both offices and throughout the province serving the business. BCLC business includes 38 gambling facilities, 3,500 lottery retailers and PlayNow.com, B.C.'s only regulated online and mobile gambling channel. In 2019/20, BCLC delivered net income of \$1.347 billion, \$1.336 billion to the Province of B.C. and \$10.5 million to the federal government, from total revenue of \$2.531 billion. The organization had \$494 million in total assets as of March 31, 2020.

This report includes the operations of BCLC and its subsidiary, B.C. Lottotech International Inc. (Lottotech), as noted in our financial statements. There were no significant changes to BCLC's ownership, size, structure or supply chain in 2019/20. However, BCLC's Board unanimously approved a new Corporate Strategic Plan in January 2020, which BCLC will begin implementing in 2020/21. BCLC plans to evolve to a social purpose company in 2020/21, which will impact our strategic and sustainability approaches in the years ahead.

BCLC experienced significant changes at the executive level in 2019/20. In mid-September, President & CEO, Jim Lightbody, began an extended medical leave. BCLC Board member Greg Moore stepped down from the Board and assumed the role of Interim President & CEO.

Following extensive executive searches, BCLC appointed a new Chief Financial Officer and Vice President of Finance & Corporate Services, Alan Kerr, in January 2020; and Vice President of Social Purpose & Stakeholder Engagement, Peter ter Weeme, in February 2020. Two further executive appointments took place early in 2020/21: Yabome Gilpin-Jackson, Chief People Officer and Marie-Noëlle Savoie, Chief Compliance Officer and Vice President Legal, Security & Compliance.

Vision

We deliver exceptional gambling entertainment.

Mission

We operate gambling responsibly to benefit all British Columbians.

Values

INTEGRITY

The games we offer and the ways we conduct business are fair, honest, transparent and trustworthy.

RESPECT

We value and respect our players, service providers and each other.

SOCIAL RESPONSIBILITY

Everything we do is done with consideration of its impact on and for the people and communities of British Columbia.

BCLC's values were first introduced in 2000 as part of a five year strategic plan and are reviewed periodically by BCLC's executive team. In 2019, BCLC's executive reviewed the values as part of the introduction of our new corporate strategy and determined that they were still valid. To further instill these values throughout BCLC's culture, in 2019, BCLC also introduced Values in Action, which set expectations for the behaviours that employees are expected to demonstrate in the workplace.

Values are first introduced to employees as part of their onboarding online training. On an ongoing basis, additional online and in class training and development opportunities that align to our values are provided to employees at all levels of the organization.

About this Report

We have prepared this Social Responsibility Report in accordance with the Global Reporting Initiative (GRI) Standards—Core Option. The GRI Content Index is included in Part Three. In addition to GRI disclosures, we include many disclosures that are specific to our business and reflect metrics we use to measure our continued progress.

This report covers BCLC’s fiscal year from April 1, 2019 to March 31, 2020. Unless otherwise stated, all information in the report is for this fiscal period. Environmental disclosures related to emissions and waste are reported for calendar year 2019 to align with the B.C. Climate Neutral Action Reporting (CNAR) program. We publish our Social Responsibility Report annually, and our most recent report covered the 2018/19 fiscal period. Our annual consolidated financial statements include BCLC and its subsidiary Lottotech International Inc. Consistent with previous years, we have excluded from the scope of this report the operations and activities of the broader gambling industry in British Columbia. Where our approach to managing social responsibility topics involves others, we report this.

We will continue to look for ways to improve our social responsibility reporting, including how we can expand our reporting to consider the impact of our service providers, retailers and vendors. As BCLC evolves to become a social purpose company, we anticipate our reporting will evolve further to reflect our determined purpose.

In the meantime, we remain committed to improving the strength of our reporting and disclosures. We have structured this year’s report so the management approach for each of our material topics is defined in a clear and focused way. Currently, BCLC does not have assurance for the report, however, this may change in the future. This report is a platform to demonstrate transparency and accountability in relation to all aspects of our business, our accomplishments and the challenges we face. It is intended for a broad audience, but we have identified the following stakeholders, for whom this information may be particularly relevant:

- Players**
- General public**
- BCLC employees**
- Provincial government**
- Local governments**
- Host Local Governments**

- First Nations**
- Community organizations**
- Business organizations**
- Health authorities**
- Service providers and retailers**
- Regulator (Gaming Policy Enforcement Branch–GPEB)**

Materiality

Our reporting approach is driven by topics that are materially important to BCLC and our stakeholders. We first identified BCLC's material topics in 2016 and have been regularly reviewing and updating them. For this report we engaged third-party expertise to update the sustainability context, consider stakeholder interest, and check the completeness of our material topics. This assessment was validated by relevant managers and some senior managers of BCLC. Through this process we added a new material topic, Employee Health and Safety, partially in response to the COVID-19 pandemic. We also reorganized some topics related to integrity and player experience. We set our organizational boundary as the topic boundary for all material topics (see About BCLC for an explanation of the scope of the report). We dropped the topic Service Partner and Retailer Success while we work to better articulate and measure our impact beyond our corporate boundaries.

Material topics for this reporting cycle, listed in the order they appear in the report, are:

Ethical conduct

Anti-money laundering

Player security

Transparency

Player health and safety

Broadening participation

Employee health and safety

Diversity and inclusion

Climate change

Waste management

Sustainable procurement

Financial contributions to the Province of B.C.

Direct community benefits

Governance

BCLC's CEO and executive team are responsible for the day-to-day operation of BCLC. BCLC is overseen by a Board of Directors of up to eleven members appointed by Government. Our Board of Directors has been receiving ongoing education to ensure their understanding in overseeing BCLC's strategy and various lines of business.

BCLC's Board of Directors and leadership team work closely with the Ministry of Attorney General and hold regularly scheduled meetings to ensure effective communication and alignment with government priorities.

Certain Board responsibilities are delegated to the following Board subcommittees:

- Audit Committee
- Governance and Corporate Social Responsibility Committee
- Human Resources and Compensation Committee
- Risk Committee

The Governance and Corporate Social Responsibility Committee, which is a subcommittee of our Board of Directors, oversees BCLC's corporate social responsibility program and all aspects of sustainability, including environmental and economic topics. Read more about this committee and its role in our Managing Social Responsibility at BCLC section.

To learn more about the Governance and Corporate Social Responsibility Committee, its purpose and structure, please check out the details that are available on [bclbc.com](https://www.bclbc.com).



Managing Social Responsibility at BCLC

Managing social responsibility begins with our Board of Directors and continues across our executive team and employees. Through the number of people we employ and the revenue we generate for the Province of B.C., we create economic benefits for communities across the province. We are mindful of our value chain and the impacts our vendors have based on geographic location as well as their own sustainability and social responsibility practices. The success of our business is dependent not only on our interactions and engagement with our diverse stakeholders, but also on our ability to listen to them and address the issues that are most important to them.

Over the coming year, BCLC will outline our commitment to support the United Nation's Sustainable Development Goals with our sustainability program.

BCLC is also a member of Sustainable Brands (SB), and will look to the SB Brand Transformation Roadmap to help guide our journey to being a more sustainable organization.





Social responsibility governance

BCLC has a number of governance practices in place at different levels of the organization to ensure the Board and executive have sufficient authority and accountability over our social responsibility (SR) strategy, reporting and strategic initiatives. The Governance and Corporate Social Responsibility Committee, which is a subcommittee of our Board of Directors, oversees BCLC's corporate social responsibility program.

Moving forward, the Committee will continue to be engaged in reviewing and approving the future approaches we undertake toward becoming a social purpose company and enhance our sustainability strategy. This will provide an additional opportunity to consider how the precautionary principle might be relevant to guiding BCLC's future in this regard.¹

As BCLC evolves to a social purpose company, it will take the following concrete actions to ensure success:

- Engage with a broad range of stakeholders across the province to learn about the issues that are important to them.
- Increase Board and employee understanding of social purpose and its implications for our business decisions.
- Achieve consensus at the executive and Board level on BCLC's social purpose and sustainability strategies.
- Engage stakeholders in and advocate publicly for issues related to advancing our social purpose and sustainability objectives.
- Create additional roles that will help embed the social purpose and sustainability across BCLC's operations.

At an employee level, the BCLC Green Team has a mandate of promoting environmental issues and identifying ways that employees can help mitigate them. The committee influences how to improve waste management, how our food services vendor operates and everyday behaviours such as paper consumption, recycling and reducing our carbon footprint. Employees from across the organization also contribute to the production of the BCLC sustainability report if their area of work is related to one of our material topics.

¹ In order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation (Rio Declaration 1992, Principle 15).

EMPLOYEES BY LOCATION

GENDER	KAMLOOPS	VANCOUVER	FIELD	TOTAL
Female	221	198	23	442
Male	253	159	182	595
Total	474	357	205	1,036

EMPLOYEES BY CONTRACT*

GENDER	PERMANENT	TEMPORARY	TOTAL
Female	403	39	442
Male	568	26	594
Total	971	65	1,036

* All employees work in B.C. which we consider a single region

EMPLOYEES BY WORK CONTRACT

GENDER	FULL-TIME	PART-TIME	ON CALL	TOTAL
Female	383	37	21	442
Male	546	30	18	594
Total	929	67	9	1,036

Our workforce

BCLC's head office is based in Kamloops, and we also have an office in Vancouver. In addition, approximately 20 per cent of our workforce is based in a casino or gambling facility, or travels to manage relationships with our lottery retailers. Our employees are not unionized and therefore not covered by a collective bargaining agreement.

The table below summarizes the headcount for active employees at BCLC as of March 31, 2020. We do not experience high seasonal fluctuations and while we do have a large number of contractors, we currently do not track them for the purpose of our sustainability report.

Headcount represents the number of individual people, regardless of employment type, present at BCLC. A prorated value of employees who commence or cease employment during the period. Employees (regardless of employment type) that are present during the entire reporting period have an average headcount value of 1.

DEFINITIONS:**PERMANENT FULL-TIME**

Employee is permanently employed with no end date and is guaranteed 37.5 hrs per week.

PERMANENT PART-TIME

Employee is permanently employed with no end date and is guaranteed a set number of hours each week.

PERMANENT ON CALL

Employee is permanently employed with no end date and is not guaranteed a set number of hours each week.

TEMPORARY FULL-TIME

Employee is temporarily employed with a set end date and is guaranteed 37.5 hours per week for the duration of contract.

TEMPORARY PART-TIME

Employee is temporarily employed with a set end date and is guaranteed a set number of hours per week for the duration of contract.

TEMPORARY ON CALL

Employee is temporarily employed with a set end date and is not guaranteed a set number of hours per week for the duration of contract.

How we work with suppliers

BCLC engages a wide scope of suppliers that support multiple business lines across the enterprise. They provide a range of goods and services, including gambling devices such as slot machines, lottery ticket terminals and on-line casino games. We use a centralized business model that supports demand planning, accepting and evaluating vendor proposals, creating and placing orders, managing contracts and monitoring vendor performance.

Ninety-six per cent of our suppliers are from North America and of these, 74 per cent are based in B.C. Only three per cent are based in Europe and 0.13 per cent are from Australia.

BCLC's suppliers are reported publicly each year in our Statements of Financial Information in accordance with the *Financial Information Act* (FIA), in the Schedule of Payments to Suppliers of Goods and Services. The total value of transactions in a given year ranges from \$200 million CAD to \$230 million CAD, with contracts spanning from low-value/short-term agreements to multi-million dollar commitments of ten or more years.

BCLC's three largest categories of procurement managed spend in FY 2019/20 are:

- Gaming equipment, leases and licences
- Advertising, marketing and promotions
- Professional fees and services

Many of the goods and services utilized to support the games and business practices are in turn, supported by information technology systems.

Stakeholder engagement

BCLC takes careful consideration of our impact on and for the people and communities of British Columbia. To understand our impacts, we actively seek feedback from the people and organizations we affect and those who affect us—we consider these to be our stakeholders. By engaging regularly, we can address their concerns and learn from them in order to ensure we are being accountable in the ways we do business.

OUR APPROACH TO ENGAGEMENT IS GUIDED BY THE FOLLOWING PRINCIPLES:

SIGNIFICANCE

We deal with issues that are significant to our stakeholders and to us

COMPLETENESS

We understand the views, concerns, needs and expectations of our stakeholders

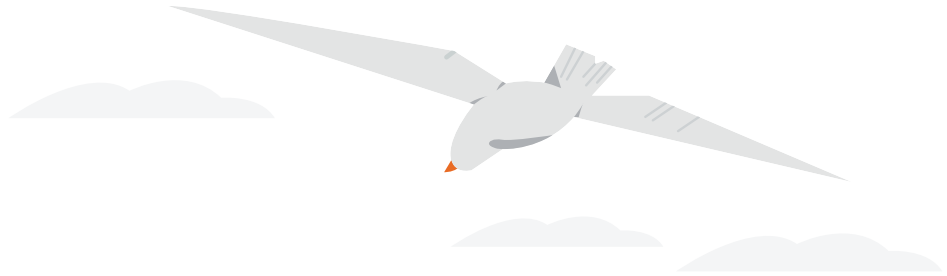
RESPONSIVENESS

We respond in a clear, timely and appropriate manner

MEASURABLE

We track the quality, responsiveness and outcomes of our engagement

Each year as part of the planning process, BCLC conducts a stakeholder mapping exercise which outlines the regions and stakeholders where our business will have the greatest impact in the next 12–18 months. Within each of those regions, in the communities where we operate a facility, we regularly identify the stakeholders that will be impacted, or have the greatest impact, which then informs the stakeholders we engage.



Municipal engagement

FIVE MUNICIPAL CONFERENCES WITH 1,500+ INTERACTIONS

Powell River

Association of Vancouver Island
and Coastal Communities
(AVICC)

Penticton

Southern Interior Local
Government Association
(SILGA)

Williams Lake

North Central Local
Government Association
(NCLGA)

Harrison

Lower Mainland Local
Government Association
(LMLGA)

Vancouver

Union of B.C.
Municipalities
(UBCM)

**ELEMENTS
CASINO
CHILLIWACK**

Table games
approved

**PLAYTIME
CASINO
KELOWNA**

Table games
approved

**CHANCES
BOARDWALK
MISSION**

Relocation
approved

Community outreach

KEY TOPICS AND CONCERNS THAT HAVE BEEN RAISED THROUGH STAKEHOLDER ENGAGEMENT

KEY TOPICS	STAKEHOLDER GROUPS	TYPES OF ENGAGEMENT
Reducing gambling related harm	<ul style="list-style-type: none"> Provincial government Local governments Host local governments First Nations Regulator (GPEB) Public health authorities Service providers Academia Community organizations Players 	<ul style="list-style-type: none"> New Horizons Conference Health Impact Assessments Expression of Interest process for potential new gambling facilities (Delta and Victoria) Ad-hoc meetings with local representatives Research projects with academia
Community benefits/ financial contributions to British Columbia	<ul style="list-style-type: none"> Provincial government Local government First Nations Service providers Community organizations General public Business organizations 	<ul style="list-style-type: none"> Municipal conferences Annual general meetings Ongoing meetings with representatives Community Outreach program Kamloops Music in the Park 142 annual sponsorships
Transparency and ethical conduct	<ul style="list-style-type: none"> Provincial government Local governments First Nations Service providers Community organizations Business organizations 	<ul style="list-style-type: none"> Stakeholder engagement in the facility development process for new facilities in Delta and Mission Stakeholder engagement in the public hearing process for adding table games in Chilliwack and Kelowna Disclosure through various external reports Council delegations in Host Local Government communities



A list of stakeholder groups engaged by the organization in FY 2019/20

PROVINCIAL GOVERNMENT

BCLC is overseen by a Board of Directors appointed by the Government of B.C. The Board reports to the Attorney General. Provincial government stakeholders also include elected members of the Legislative Assembly of British Columbia.

LOCAL GOVERNMENTS

The government of a city, town, district or village.

HOST LOCAL GOVERNMENTS

Municipalities and First Nations that host BCLC gambling facilities.

FIRST NATIONS

Indigenous peoples in Canada who are neither Inuit nor Metis. In the context used here, it refers only to band governments.

REGULATOR, THE GAMING POLICY AND ENFORCEMENT BRANCH (GPEB)

GPEB is responsible for the overall integrity of gambling and horse racing in British Columbia, including regulation of BCLC.

HEALTH AUTHORITIES

Five regional health authorities that govern, plan and deliver health care services within their geographic areas in B.C.

COMMUNITY ORGANIZATIONS

An organization that improves the social well-being of individuals, groups and neighbourhoods within a community or region. Examples include social services agencies, charity groups and resident associations.

BUSINESS ORGANIZATIONS

A group of people that collaborate to achieve certain commercial goals. Examples include Chambers of Commerce, Business Improvement Associations and tourism entities.

SERVICE PROVIDERS

Private-sector companies that are key players in our made-in B.C. operating model. They own or lease gambling facilities and maintain facility operations on a day-to-day basis on our behalf.

ACADEMIA

Students and teachers focused on research and higher education at a school or university.

Integrity

Ethical conduct

WHY IT MATTERS

As a Crown corporation, BCLC depends on public confidence and trust in order to deliver on our mandate of conducting and managing gambling in the province. We are accountable to the Province and the citizens of British Columbia. Our actions are subject to B.C.'s *Gaming Control Act* and Interprovincial Lottery Corporation (ILC) policies and procedures.

Our Standards of Ethical Business Conduct (SOEBC) incorporate our core values of:

INTEGRITY

The games we offer and the ways we conduct our business are fair, honest, transparent and trustworthy.

SOCIAL RESPONSIBILITY

Everything we do is done with consideration of its impact on and for the people and communities of British Columbia.

RESPECT

We value and respect our players, partners and our people.

Our ethical footprint does not end there, as we remain committed to providing gambling in a responsible manner that is supported by robust responsible gambling policies and procedures. These policies are implemented by our business units, gambling service providers and lottery retailers. BCLC is one of few jurisdictions worldwide to receive the World Lottery Association's (WLA) Level 4 re-certification for excellence in responsible gambling programming.

BCLC is a member of the following associations and industry bodies that ensure we are continuously sharing and learning about the best practices of the industry.

- Interprovincial Lottery Corporation
- World Lottery Association
- Responsible Gambling Council of Canada
- North American Association of State Provincial Lotteries

With all of these efforts, we live our values, uphold our regulatory requirements and set the ethical standards for the industry.

HOW WE MANAGE IT

We have a multi-layered system of checks and balances to instill, support and enforce ethical conduct at BCLC. Our Standards of Ethical Business Conduct (SOEBC) set out the responsibilities of management and employees and incorporate supporting policies such as our Corporate Social Responsibility Charter, and various workplace, financial and other policies. All BCLC employees are required to read and sign the SOEBC upon joining the organization and also review the standards on an annual basis. The annual review process allows employees to renew their commitment to ethics and integrity and ensure the guiding principles remain at the forefront of how they conduct themselves at work.

In addition to SOEBC, our Whistleblower Policy establishes BCLC's expectations and protections for reporting concerns related to misconduct in a safe and confidential manner. The policy applies to all BCLC Board of Directors, employees and contractors. Under the formal whistleblower procedures, employees and contractors are encouraged to confidentially report any misconduct to BCLC's Whistleblower Advisor, a third party contracted by BCLC to handle complaints. Whistleblowing enables BCLC to take action immediately to resolve problems and minimize the risk of damage to our business, players, people and the public.

HOW WE PERFORMED AND WHAT IS NEXT

We are exploring the best metrics to gauge our level of performance with regards to Ethical Conduct.

Anti-Money Laundering (AML)

WHY IT MATTERS

As an organization responsible for conducting and managing commercial gambling in B.C., BCLC remains committed to safeguarding and protecting the industry from potential criminal activity and money laundering. Money laundering is the process in which money derived from criminal activity, also known as ‘dirty’ money, is concealed and transformed to give it the appearance of being ‘clean’ money. Money laundering is a crime that affects multiple sectors of the economy.

As a member of the gambling industry, BCLC makes up just one part of the anti-money laundering (AML) regime. That is why we collaborate closely with a network of organizations, each of which has a specific role to play. Our efforts are focused on having robust anti-money laundering policies and processes that allow us to take necessary measures and appropriate action when potential criminal and/or money laundering activity is detected in and around casinos and PlayNow.com.

HOW WE MANAGE IT

BCLC’S ROLE IN AML

One of BCLC’s main roles and responsibilities within the AML regime is to be the reporting entity for the casino sector. In order to meet the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA), BCLC is responsible for executing a compliance program for all casinos in the province. This program has five required elements and outlines our approach to managing AML. Each element is considered to be a pillar of an effective anti-money laundering/anti-terrorist financing (AML/ATF) program.

THE FIVE PILLARS ARE

1. A dedicated compliance officer who is responsible for the implementation of the compliance program and works to ensure that all B.C. casinos are in full compliance with the PCMLTFA.
2. Comprehensive compliance policies and procedures that include enhanced measures to mitigate high risks. These documents are regularly updated to maintain accuracy and align with any changes to federal AML laws.
3. A risk assessment of business activities and relationships and the documentation of risks related to money laundering and terrorist financing activity as well as the documentation and implementation of mitigation measures to deal with those risks.
4. The development and maintenance of a written ongoing compliance training program for employees, agents and others authorized to act on behalf of the casino.
5. An extensive effectiveness review every two years (minimum) of compliance programs, including policies and procedures, risk assessment and training, for the purpose of testing overall effectiveness.

In addition, BCLC requires that all employees, receive mandatory AML compliance training as part of their onboarding process. The training is comprised of online and supplemental face-to-face training. Training is refreshed on a regular basis and updated to reflect any new AML requirements that may have been introduced.

Regular internal reviews of our AML program are conducted by internal and external auditors and any gaps are immediately addressed to ensure ongoing compliance with regulatory obligations.

BCLC is subject to federal (Financial Transactions and Reports Analysis Centre of Canada—FINTRAC), provincial regulatory (Gaming Policy and Enforcement Branch— GPEB) compliance examinations and third-party examinations, and the results of these audits are posted and shared proactively on bclc.com. The compliance examinations are welcomed and support BCLC's commitment to continuously improve our AML program.

HOW WE PERFORMED

BCLC invests substantial resources to continuously monitor and improve our anti-money laundering (AML) program.

DELOITTE ASSESSMENT

In 2019, BCLC engaged Deloitte LLP to conduct an independent Anti-Money Laundering (AML) assessment. FINTRAC conducts its examinations biennially, and BCLC engages an independent, nationally recognized accounting firm to conduct assessments in the alternating years. Deloitte provided BCLC with five findings and BCLC has completed all actions in response to those findings.

AML Roles and Responsibilities

BCLC

BCLC is responsible for identifying and reporting suspicious transactions to the FINTRAC. We take steps to detect potential concerns, alert the authorities, and cooperate with law enforcement as it investigates and seeks charges against suspected money launderers.

SERVICE PROVIDERS

Service providers are contracted by BCLC to operate gambling facilities including casinos, bingo halls and community gaming centres under the oversight of BCLC, and are responsible for complying with all relevant laws, and BCLC directives, standards, policies and procedures.

GAMING POLICY AND ENFORCEMENT BRANCH (GPEB)

GPEB is the provincial authority mandated to regulate the overall integrity of gaming in B.C., including gaming service providers, employees and equipment, and to investigate related allegations of wrongdoing.

FINTRAC

Canada's financial intelligence unit, mandated to facilitate the detection, prevention and deterrence of money laundering and financing of terrorist activities. FINTRAC is also responsible for monitoring reporting entities which include banks, credit unions and casinos, for compliance with federal AML laws and regulations.

LAW ENFORCEMENT

Provincial and federal law-enforcement agencies investigate suspected money-laundering offences and provide evidence needed for the prosecution of criminal charges. In some instances, they are assisted by municipal police which play a supportive role in investigations.

EY independent analyses

BCLC commissioned two independent analyses of anti-money laundering controls around the use of cheques at the River Rock Resort and Grand Villa Casino. BCLC commissioned these independent analyses following allegations in the media that players were coming into a Lower Mainland casino with “dirty money,” buying casino chips, playing notionally, then cashing the chips in and receiving a cheque in return. These reports are posted on bclc.com and confirm for BCLC there was no systemic pattern of money-laundering activity related to cheques issued by River Rock Casino or Grand Villa Casino without gaming play during the three-year period from January 1, 2014 to December 31, 2016.



DR. PETER GERMAN'S RECOMMENDATIONS

In 2018, at the request of the Provincial Government, Dr. Peter German conducted an independent review of B.C.'s anti-money laundering policies and practices in Lower Mainland casinos, which has provided valuable insight and recommendations on the challenges and opportunities that exist.

As of March 31, 2020, BCLC has addressed the majority of recommendations for which we are accountable which include:

RECOMMENDATION AND STATUS

3
ADDRESSED

That BCLC, in conjunction with the Regulator and service providers, review the present Source of Funds Declaration on at least an annual basis to determine if refinements are required.

4
ADDRESSED

That BCLC re-enforce the importance of service providers not accepting cash or other reportable instruments if they are not satisfied with a source of funds declaration.

7
UNDERWAY

That BCLC provide Corporate Suspicious Transaction Reports (STRs) if its files contain relevant information not contained within an STR from a service provider.*

10
SUBSTANTIALLY
ADDRESSED

That the Regulator/Designated Policing Unit be provided with access to iTRAK in its offices.

11A
DEPENDENT

That Unusual Financial Transaction (UFT) reports be eliminated.*

16
ADDRESSED

That BCLC not engage in further undercover operations, except in conjunction with the Regulator and/or the police.

RECOMMENDATION AND STATUS

17
ADDRESSED

That no further expense be incurred by BCLC with respect to the SAS AML software system.

18
ADDRESSED

That BCLC ensure VIP hosts do not handle cash or chips.

21
ADDRESSED

That cash limits not be imposed on buy-ins.

22
DEPENDENT

That Patron Gaming Fund (PG Fund) accounts be eliminated once responsibility for cash alternatives has transitioned to the service providers. **

23
UNDERWAY

That BCLC implement a chip tracking system for service providers.

RO.1
INTERIM

Service providers must complete a Source of Funds Declaration for cash deposits or monetary instruments of \$10,000 or more. This includes the requirement for customers to provide evidence of the source of their buy-in funds.

* This is dependent on the completion of Recommendation 6: That discussions with FINTRAC take place with the purpose of designating the service providers as direct reports to FINTRAC, failing which that reports from service providers be sent in an unaltered form to FINTRAC by BCLC.

** This is dependent on completion of Recommendation 20: That cash alternatives become the responsibility of the service providers, subject to their compliance with overarching standards.

WHAT'S NEXT

BCLC will address the remaining recommendations made by Dr. Peter German's review of B.C.'s anti-money laundering policies and practices and ensure appropriate measures are implemented across casino venues that will minimize the potential for money laundering activity.

In May 2019, the Provincial Government of British Columbia established and launched the Commission of Inquiry into Money Laundering and appointed B.C. Supreme Court Justice Austin F. Cullen to lead the commission. The aim of the inquiry is to examine the full scope of money laundering activity in B.C. including real estate, gaming, financial institutions and the corporate and professional sectors. The commission will also examine regulatory authorities and barriers to effective law enforcement of money laundering activities.

The commission has granted BCLC standing as a participant in the inquiry with relation to gambling. BCLC supports the inquiry and will continue to cooperate throughout the process. We look forward to helping the public and the Commissioner understand BCLC's role as well as the actions we have taken to improve anti-money laundering controls as part of our ongoing efforts to safeguard B.C. casinos from illegal activity.

In the year ahead, BCLC will receive a proof of concept for an AML software solution to further modernize and streamline anti-money laundering processes and analysis of gambling activity.



Player Security

WHY IT MATTERS

PLAYER PRIVACY

At BCLC, our commitment to protecting personal information is based on fairness, accountability and accessibility. These three pillars allow us to fulfill our obligations to players' privacy and to meeting requirements of the *Freedom of Information and Protection of Privacy Act*, British Columbia (FIPPA).

INTEGRITY OF GAMES

Integrity of our games is paramount. We want our players to feel secure in the knowledge that every casino game, lottery ticket and online gambling experience represents a fair chance to win. Players must be confident and assured that our games are offered with the utmost level of integrity and transparency. Accountability for the integrity of our games and the distribution of net income to local communities and governments is what separates BCLC from unregulated gambling operators.

CYBER SECURITY

Information security is a key component in keeping BCLC's games fair and our players' information safe and secure. We approach information security as both a technology issue and a business issue as we evolve to meet the needs of our stakeholders and players, protect information assets, keep pace with innovation and manage the threat landscape.

HOW WE MANAGE IT

PLAYER PRIVACY

BCLC's corporate privacy management program aligns to widely accepted fair information practices, supports obligations to FIPPA and promotes a culture of privacy awareness through mandatory training and other activities. The Standards of Ethical Business Conduct for BCLC (SOEBC) sets out high-level provisions for protecting privacy.

We also develop and deliver mandatory online privacy awareness training for BCLC employees and service provider staff and conduct regular compliance reviews to validate that individuals have completed the training on the required schedule.

BCLC annually participates in a third-party recertification process to achieve the TRUSTe Certified Privacy seal for our online platform, PlayNow.com. This seal means we have demonstrated that our privacy policies and practices meet the TRUSTe Enterprise Privacy & Data Governance Practices Assessment Criteria.

INTEGRITY OF GAMES

Our provincial regulator, GPEB, certifies all BCLC gambling products. Prior to release, all games undergo BCLC quality assurance testing and are examined by authorized, independent testing agencies and undergo quality assurance testing by BCLC prior to release. BCLC's Operational Gaming Compliance provides verification services across all business channels to help ensure that practices align with standards and legislation. The team is deployed throughout British Columbia to conduct compliance assessments and report findings to industry stakeholders and GPEB.

Protecting the integrity of the lottery system is paramount and BCLC has layers of security in place to do this, including systems to help proactively identify patterns of concern. BCLC reviews every player concern and investigates all complaints against retailers. If the complaint involves the breach of a provincial or federal enactment, BCLC gathers related information and immediately notifies our regulator, the GPEB, and/or police. BCLC has service standard remedies, which is a list of actions we take in order to manage retailer performance issues.

Our Corporate Security team administers security and surveillance standards at gambling facilities and assesses facilities for vulnerabilities and opportunities for improvement. Service providers are required to establish compliance programs and report non-compliance to BCLC. Our Operational Gaming Compliance reports the results of all compliance assessments and findings to GPEB's Commercial Gaming Audit Division and to BCLC's Board of Directors.

CYBER SECURITY

We continue to develop our information security program as a strategic business priority. This program is based on four pillars—prevent, detect, respond and recover—with the aim to protect BCLC's systems, services and data against unauthorized activity, damage and loss. Our approach is evaluated through technical assessment and testing of our programs and platforms and by measuring the effectiveness of our end-user security awareness. We also provide training and awareness activities to help BCLC employees understand their role and obligation to protect information assets.

HOW WE PERFORMED

METRICS	2018/19 ACTUAL	2019/20 ACTUAL	2019/20 TARGET	2020/21 TARGET
Pass rate in Lottery Mystery Shop program	82%	77%	75%	N/A*
Lottery retailer pass rate in ID25 Mystery Shop program	36%	60%	70%	N/A*
Rate of retailer prize claims	1.07%	1.04%	N/A	N/A**

* Targets for 2020/2021 have not been set due to the COVID19 disruption to the business.

** Since 2016, we have committed to reporting on all lottery prize claims over \$2,000. In fiscal year 2019/20, we had 98 retailer prize claims out of a total of 9,418 prize claims over \$2,000, which accounted for 1.04 per cent of total prize claims.

BCLC's ID25 policy outlines expectations for lottery retailers and service providers to aid in the prevention of the sale of lottery products to minors and to help prevent minors from accessing gaming facilities. Should lottery retailers not meet their responsibilities in this regard, we take action—including through warnings, suspensions and terminations under the Lottery Retailer Agreement Service Standard Remedies and reduced bonus eligibility under the new retailer compensation structure. BCLC continues to conduct mystery shops at failed retail locations to ensure future compliance. After three failed mystery shops, a retailer will receive a seven-day suspension and, after a fourth fail, will receive a 14-day suspension or termination.

Effective April 1, 2019, BCLC changed the compensation structure for lottery retailers to include performance-based incentives to strengthen compliance with BCLC policies and standards. Under the new compensation structure, retailers must meet three criteria in order to be eligible for a full sales bonus. Compliance with BCLC's ID25 policy accounts for 30 per cent of the bonus eligibility (15 per cent each for the first two infractions). After three failed mystery shop visits, a retailer will be subject to a seven-day suspension and, after a fourth fail, will be subject to a 14-day suspension or termination. After one full-year of this new compensation structure, although this year's target for pass rate in ID25 Mystery Shop program wasn't met, retailers performed significantly better than the prior year.

WHAT'S NEXT

To further improve employee safety, BCLC continues to implement enhanced security access control measures in our corporate offices and is making improvements to CCTV surveillance equipment. Gambling facilities will remain subject to continuous monitoring by BCLC.

Transparency

WHY IT MATTERS

BCLC is deeply committed to operating in a transparent and ethical manner. It is these principles that allow BCLC to earn the trust of the public and offer gaming in a well regulated environment.

HOW WE MANAGE IT

PROACTIVE DISCLOSURES

We share information with municipal, business and community stakeholders and the public about BCLC and the gambling industry to create awareness and understanding of our role and how we create community benefits across the province. As part of our openness and accountability initiative, we post all corporate reports and proactive disclosures on our corporate website's Reports and Disclosure page. This includes items such as CEO travel expenses, Board meeting agenda and minutes, Freedom of Information responses and internal audit reports.

Our Reports and Disclosure page, has a dedicated anti-money laundering (AML) section and provides the public with facts, information and updates on our AML program and continued actions to combat this insidious issue.

In addition, BCLC was granted standing as a participant in the Commission of Inquiry into Money Laundering in British Columbia and provided our opening statement in February 2020. BCLC has cooperated and will continue to support efforts of the Cullen Commission as requested.

EXPRESSION OF INTEREST

BCLC has a formalized Expression of Interest (EOI) process for locating and relocating gambling and entertainment facilities. As part of the EOI process, BCLC identifies local governments interested in hosting a gambling facility within a defined market area and asks them whether they wish to be considered to host a facility. BCLC respects the authority of local governments to choose whether they want a gambling facility in their community, and is committed to community engagement throughout the EOI process.

In March 2020, BCLC advised the City of Victoria that we are concluding the EOI process with that city. This decision follows a vote and decision made by the City of Victoria to indefinitely postpone its interest in hosting a casino. The District of Saanich has continued to express interest in hosting a gambling facility; hence, BCLC will continue to discuss potential opportunities with the District and determine if a gaming facility would potentially be situated in that community.

COMMUNITY CONSULTATION

Our Stakeholder Engagement team regularly connects with communities across the province and meets with municipal government councillors, mayors and senior staff, community and business leaders. Our goal is to enhance understanding of BCLC and the gambling industry, while building on these important relationships to ensure we are meeting the needs of the community. Last year, the team engaged with hundreds of community leaders at events in Mission, Prince George, Victoria, Nanaimo and Vancouver.

HOW WE PERFORMED

Public Perception of BCLC's Transparency measures the percentage of adult British Columbians who view BCLC as forthcoming and open with the public. This measure helps BCLC gauge the success of our actions to become increasingly transparent so that our business and its benefits are understood and supported by British Columbians.

In 2019/20, the target for Public Perception of BCLC's transparency was not met but held steady compared to the previous year. The impact of the ongoing publicity of alleged money laundering in B.C. casinos and the start of the Cullen Inquiry has likely played a role in not meeting the target

METRIC	2018/19 ACTUAL	2019/20 ACTUAL	2019/20 TARGET	2020/21 TARGET
Public perception of BCLC's transparency	56%	56%	60%	62%

WHAT'S NEXT

BCLC will continue to foster relationships and proactively share information on our website and directly with key community stakeholders including Host Local Governments, service providers, business associations and local charitable groups in order to remain transparent. Additionally, through our participation in the Inquiry, BCLC looks forward to helping the public better understand BCLC's role and controls as part of our ongoing efforts to safeguard B.C. casinos from money laundering.

BCLC is also undertaking public opinion research and an engagement process designed to engage stakeholders from across the province to determine the issues of most significance to them, which will ultimately inform BCLC's determination of our social purpose.



Player Experience

Player health

WHY IT MATTERS

The viability of our business is directly linked to the wellbeing of our players. BCLC acknowledges that some players are using our products in ways that are not entertaining, and that problem gambling and gambling-related harms undermine our vision of providing exceptional gambling entertainment. We have shifted our approach from a focus on raising awareness, to a broader view of encouraging positive play behaviours and reducing harms. This approach embraces the philosophy that the health of the player is everybody's business and that the organization shares a collective responsibility to make gambling safer. By taking this approach, BCLC uses our skills and resources to promote healthy play and reduce high risks and harmful play.

HOW WE MANAGE IT

BCLC's mission is to operate gambling responsibly for British Columbians. One of the goals of our mission is that no one is harmed from gambling offered by BCLC. To fully support this goal and the wellbeing of our players, BCLC is committed to a comprehensive, evidence-based player health program to increase safer play and reduce harms. Our ambition is for our province to be an exemplary gambling jurisdiction where players gamble within their time and money limits; and players who exhibit high-risk behaviours reduce their time and money spent or stop gambling altogether.

Our Player Health approach is framed around four key commitment areas:

1. Informed decisions: Players understand healthy play

We will ensure that players have all the information they need to make healthy decisions about their play.

2. Positive play: Players gamble within safe limits

We will provide enhanced tools and 'nudges' to help players manage their gambling.

3. Referral and support: Players receive relevant and timely help

We will ensure that all BCLC and service provider player-facing employees are able to respond knowledgeably and sensitively to players who show signs of a potential problem related to gambling.

4. Safer products and environments: Reduce harms from gambling

We will continually seek ways to alter the playing environment and products to make it easier for players to make informed decision and stay within their limits.

We are committed to establishing a higher standard to measure the impacts of our programs and initiatives. Player Health uses an evaluation framework that consists of multiple metrics to measure and monitor success and identify opportunities for development.

GAMESENSE PROGRAM

GameSense is one of the world's leading responsible gambling programs that provides players with information and tools about how the games work, the odds of winning and keeping gambling fun. The GameSense marketing strategy supports BCLC's Player Health ambition and commitments around informed decisions, positive play and referral and support. In FY20, BCLC executed nine GameSense marketing campaigns that encouraged players to make informed decisions and increase positive play behaviours. Three of these were fully integrated marketing campaigns with paid media support.

BCLC licenses the GameSense program to organizations across North America, with seven licensees in FY20. The community of GameSense partners comes together annually to share expertise, ideas and data, all of which contributes to the continual improvement of the GameSense program.

GAMESENSE ADVISOR PROGRAM AND INTERACTIONS

GameSense Advisors (GSA) provide an important service to players and gambling facility staff in the areas of education, support and referral. GSAs focus on promoting and influencing safer play, preventing harms and supporting those who are experiencing problems.

In fiscal 2018/19, BCLC completed our first year of the expanded GSA program and today there are 41 GSAs across the province providing services in every casino and community gaming centre. Since assuming management of the program on April 1, 2018, BCLC has seen year-over-year increase in quality interactions with players. In fiscal 2019/20, GSAs in gambling facilities had 76,940 interactions with players and supported approximately 33 per cent of voluntary self-exclusion enrolments, of which 10 per cent of enrolments requested contact from a counsellor.

	2017/18	2018/29	2019/20
GSA and player interactions	48,618	67,785	78,629

SUPPORTING PLAYERS' WELLBEING DURING COVID-19

GSAs, typically located at every gambling facility in B.C., have specialized training in mental health, cultural sensitivity and responding to players in a variety of high-stress situations. The temporary closures of gambling facilities due to COVID-19 in mid-March led to decreased player access and support on a daily basis. Recognizing the severity of this gap during this critical time, BCLC's Player Health team worked with the Customer Support Centre (CSC), Business Technology and Customer Relationship Management teams to enhance its support by offering access to GSAs over the phone and live chat through PlayNow.com.

Today, players can access GSA support services by contacting the CSC and through the live chat function on PlayNow.com. The extension of the GSA support services has received excellent feedback and will remain in operation as an additional support for players even when gambling facilities reopen.

NEW HORIZONS

In March 2020, BCLC hosted the eighth annual New Horizons Conference with the objective to "future-proof" the gambling industry. In other words, what steps can we take now to ensure we can become the industry we want to be in the future? It means demonstrating the need for greater commitment and collaboration in order to prepare and overcome the challenges that we have yet to know more about.

The conference was specifically designed to yield productive insight and focus into priorities for industry: promoting safer play behaviours and decreasing risky play; reducing harms associated with gambling and creating a culture to support the well-being of players.

To set the stage for the event, BCLC commissioned three leading experts to conduct reports into the critical areas that would be further explored at the conference. These reports helped level set the information and helped guide conversations and dialogue throughout New Horizons.

Following the conference, BCLC developed a post-conference summary paper that reviews key elements and discussions from the event, breaks down the issues and provides implementable solutions for the industry in order to keep the momentum moving forward.

HOW WE PERFORMED

At BCLC, our ambition is “to have the healthiest players in the world.” Two key metrics that assist us in evaluating our player health commitments are the Problem Gambling Severity Index and the Positive Play Scale.

PROBLEM GAMBLING SEVERITY INDEX

BCLC uses the Problem Gambling Severity Index (PGSI) measure to better align with the corporate strategic goal that no one is harmed from BCLC's gambling products. We are striving to reduce the percentage of players who score as high risk on the PGSI by focusing on:

1. Using predictive models to identify and respond to signs of increased risk.
2. Using PGSI scores to target player health initiatives by specific gambling product.
3. Implementing a reinstatement program to better prepare our most vulnerable players if they choose to return to gambling following participation in the voluntary self-exclusion program.
4. Increasing our understanding of high-risk behaviours and exploring opportunities for the GSAs to provide further support in response to those behaviours.
5. Transitioning from an output-based audit program to an outcome-based framework to measure the impact of our programs on a number of indicators related to reducing risk.

Over the next three years, these combined efforts will make gambling products, environments and services safer for players while reducing the number of high-risk players.

METRIC	2018/19 ACTUAL	2019/20 ACTUAL	2019/20 TARGET	2020/21 TARGET
Percentage of BCLC players who scored as high risk on the PGSI index	8%	8%	8%	7%

POSITIVE PLAY SCALE

The Positive Play Scale (PPS) is a standardized scale to measure players' gambling beliefs and behaviours that are important indicators of safer play. Within the PPS, two specific measures are of particular importance: the gambling literacy measure assesses the extent to which a player has ample information to make fully informed decisions, and the pre-commitment measure assesses the extent to which a player considers how much money and time they should spend gambling.

METRICS	2018/19 ACTUAL	2019/20 ACTUAL	2019/20 TARGET	2020/21 TARGET
Positive Play Scale: Gambling Literacy 1	50%	49%	52%	56%
Positive Play Scale: Pre-commitment 1	52%	51%	56%	58%

SOME WAYS WE ARE SUPPORTING ALL PLAYERS

VIP player health experiences

To help make the introductory experience of gambling more enjoyable, informational, and less intimidating for light and casual players, BCLC developed a VIP Slots Night program. The VIP experience provides an exclusive learning environment for players new to slot machine games. This program is designed to provide player health education and encourage positive play. New players have an opportunity to learn about how slot machines work, healthy habits to keep gambling balanced and the basic concepts of gambling.

By integrating player health education into meaningful and entertaining player experiences, BCLC can help light and casual players start off on the right foot and encourage healthy gambling behaviour. This program will begin to pilot in FY 2020/21 with an initial version available at select casinos in B.C.

PlayPlanner

To help our players stay in control of their gambling, BCLC introduced PlayPlanner, an optional budgeting tool for Encore Rewards members to set their own gambling time and spend limits while playing slots and eTable games. Many players already have a budget and timeline in mind when they visit a casino or community gaming centre. PlayPlanner encourages players as they approach their pre-determined limits to stay within the amount they intended. During each playing session, players receive reminders on how they are tracking against their settings through on screen pop-up messages.

Customized messaging

BCLC is committed to developing proactive ways to engage with our players and support safer play. One of the latest initiatives focuses on providing personalized information and messages about available support and resources when someone begins to demonstrate signs of high risk behaviour.

The objective of this initiative is to deliver relevant and personalized messages to help encourage safer play and reduce harms associated with gambling. BCLC leveraged player data available through PlayNow.com and the Encore Rewards program in order to identify potential at-risk play.

Customized messaging has been implemented on PlayNow.com. Messaging to Encore Rewards members will begin once gambling facilities reopen.

WHAT'S NEXT

Continuing to increase healthy play and reduce harms will require a greater focus on proactive response to mitigate risk, integration of player health into business decisions, and more collaboration locally and globally.

By leveraging data, BCLC is finding more ways to better understand the needs of players. With this intelligence, we proactively identify and respond to players who show increasing or elevating signs of risk. To reduce harm, BCLC will explore additional ways to support players through earlier intervention at early signs of potentially problematic behaviour so players can regain control of their gambling or realize their need to stop and access help.

We will also build on the player health foundation we have established by exploring more opportunities for player health integration. This begins by aligning our organizational culture with player health objectives as a key business driver. Through this approach, we will create impact and change in marketing, product development and gambling environments.

Player health is a collective responsibility and BCLC is committed to greater collaboration both locally and globally. In addition to academic research, BCLC will increase engagement with different industries, including international gambling jurisdictions and partnerships with broader stakeholders in different sectors to find innovative ways to collectively improve player safety.

Broadening participation

WHY IT MATTERS

The Province of B.C. uses gambling revenue generated by BCLC to fund public health care, education, charitable community programs, and other essential services for British Columbians. As such, BCLC is committed to evolving our business to ensure that our diverse portfolio of products attract a broad player base in the face of changing customer demands.

HOW WE MANAGE IT

BCLC is continuously looking for ways to provide more value to players and broaden our player base. Whether launching new products or updating existing products and facilities, we actively work with our partners to develop entertainment options and experiences that appeal to new and casual players. Player health is a key consideration when designing a product or experience, and all products, promotions and advertising must be reviewed through a player health assessment. This involves screening for responsible gambling best practices, protection of minors and compliance to advertising standards.

HOW WE PERFORMED

METRICS	2018/19 ACTUAL	2019/20 ACTUAL	2019/20 TARGET	2020/21 TARGET
Player Experience index	71.74	72.65	73.00	73.00
Customer support satisfaction score	72%	88%	72%	88%
PlayNow.com web experience score	72%	74%	72%	76%

The Player Experience Index provides a single measure that incorporates various elements of the customer experience, such as customer service, convenience, relevance and fairness. This measure provides BCLC with an understanding of the extent to which BCLC is currently meeting the expectations of our players as it relates to both their product and purchase experience. In 2019/20, the Player Experience Index increased slightly from 2018/19.

Several key highlights from all three of our business lines contributed to the Player Experience Index results, including:

- Enhancements to the Lotto Max experience with an additional weekly draw and increased jackpot cap to \$70 million from \$60 million.
- Enhancements to mobile services and experiences offered on PlayNow.com, bclc.com and the Lotto App, making it easier for players to access BCLC's products.
- Exploring new ways of offering games to players through pilot projects. These projects included Casino Your Way, which reduced barriers for players who are new to table games at casinos and packaged play and amenity experiences through Groupon.
- Reorganizing casino floors at select sites by introducing themed zones, stadium gaming and gaming lounges.

WHAT'S NEXT

Guided by our new corporate strategic plan, BCLC will transform into a more player-centric company. This includes continuing to better understand customer preferences, how products resonate with them and make adjustments to products and facilities to provide a more entertaining player experience across all channels and product offerings.



Employee Experience

Employee health and safety

WHY IT MATTERS

Providing a safe and healthy working environment for BCLC employees not only protects them from injury and illness, it can also reduce absenteeism and turnover, increase productivity and quality of work, support employee morale and lower the costs related to physical and mental injury/illness.

HOW WE MANAGE IT

BCLC’s Occupational Health and Safety Committee promotes a safe and healthy physical and psychological working environment for everyone by helping to identify hazards and risks that may impact our people, and through the implementation of practices and policies that reduce or eliminate the likelihood of those hazards and risks occurring.

BCLC also supports two internal resource groups: the Wellness Committee and the Mental Health Ambassadors who deliver programming designed to support the physical and mental well-being of our employees.

BCLC offers a comprehensive benefits package including medical, dental and health coverage that supports employees in achieving and maintaining physical and mental health and wellbeing. BCLC’s intranet includes extensive information and articles related to all aspects of health and wellness.

OCCUPATIONAL SAFETY INCIDENTS

Accident prevention is a priority for BCLC, but from time to time accidents do occur. Most are minor in nature, requiring treatment from one of our First Aid Attendants. Some incidents are more serious, requiring additional treatment from a qualified medical practitioner – serious incidents are reported to WorkSafe. When serious injuries occur, the following steps are also taken:

- The OH&S committee completes an investigation about the incident, gathering the required information to determine the actions taken leading up to the incident, and make recommendations to management about actions to take to prevent re-occurrence in the future.
- The injury is reported to Worksafe BC. Only serious injuries are required to be reported to Worksafe BC—minor injuries not requiring additional treatment do not need to be reported.

HOW WE PERFORMED

METRICS	2017/18	2018/19	2019/20
Worksafe claims	21	25	12
Absenteeism rate	5.4%	5.5%	4.2%

BCLC focused our wellness efforts on a variety of mental health initiatives including establishing an employee-driven mental health committee, mental health training for leaders and employees, and targeted communication and workshops to create a deeper awareness of mental health in the workforce.

The Occupational Health & Safety Committee conducted an information campaign to inform employees about BCLC's program, policies and safety precautions.

There are three Occupational Health and Safety Committees, one in Kamloops, one in Vancouver and one for casino field staff. The Committees are made up of employees and managers working together to identify and resolve health and safety concerns in the workplace. They are also focused on making recommendations on programs and policies in accordance with relevant statutes and regulations relevant to occupational health and safety. In addition, they also conduct regular safety inspections, educate employees on safety procedures, promote safe work practices and assist the organization in creating healthy workplaces. Anyone who does work for BCLC, including full-time, part-time and on-call employees, as well as contractors, are covered by the OH&S program

In March 2020, the COVID-19 pandemic significantly impacted BCLC's business. In order to ensure the safety of patrons and employees, and in compliance with a directive issued by the Attorney General and announced by the Provincial Health Officer, BCLC worked with service providers for an orderly, temporary shutdown and suspension of operations at all casinos, community gaming centres and bingo halls across B.C., which took effect March 16, 2020. BCLC also supported lottery retailers in their decisions to temporarily suspend lottery sales.

In order to protect employee health, BCLC's corporate offices temporarily closed to the public and most employees began working remotely—a transition that was made quickly and seamlessly because of BCLC's proactive business continuity management planning. BCLC's Crisis Management Team identified and addressed a number of issues that supported both the business and employees as they worked remotely. In order to protect the small number of staff whose roles required them to be working in the office or in the field, BCLC instituted protocols and safety measures to protect employees from COVID-19.

WHAT'S NEXT

BCLC has researched best practices and WorkSafe BC Guidelines in order to inform our strategy to support employees' gradual return to the workplace during the COVID-19 pandemic. Understanding that not all employees can nor wish to be accommodated in the office during the pandemic and building upon the success of remote work, BCLC is developing a new strategy to support work within the office, away from the office or a hybrid of both.

BCLC will continue to support both physical and mental wellness initiatives, which will paramount as employees continue to cope with the impacts of the pandemic.



Diversity and Inclusion

WHY IT MATTERS

As a Crown corporation BCLC is committed to being a good corporate citizen and to demonstrating high standards in diversity and inclusion and zero tolerance for racism or discrimination.

In order to make decisions that reflect the needs of the public and our players, we need to invite a range of perspectives that represent the diverse population of B.C. Having a diverse and inclusive workplace creates a better work environment and can lead to greater innovation and creativity, increased team collaboration, a stronger customer focus, greater employee engagement and an enhanced ability to retain and attract talent.

HOW WE MANAGE IT

Our Diversity and Inclusion (D&I) Strategy provides a roadmap of activities and action items for the organization to undertake in order to create a workplace where everyone feels involved, valued, respected and connected. Building a D&I program at BCLC is about reflecting the diverse communities we serve and maximizing the potential of our diverse and inclusive workforce to deliver exceptional gambling entertainment. BCLC's executive team supports diversity and inclusion and there are guidelines and policies that underpin this effort.

An executive sponsored and employee-led Diversity & Inclusion Committee is an advisory committee that builds awareness of the value that diversity can bring to our company, and supports initiatives such as the creation and growth of employee resource groups. This committee leads, advocates, coordinates, informs and monitors the execution of the Strategic D&I Roadmap.

In addition to the Diversity & Inclusion Committee, BCLC has several other resource groups led by employees intended to provide support and build understanding:

- AIM (supporting women's advancement in the workplace)
- Mental Health Ambassadors
- PRIDE

BCLC is a member of the Canadian Centre for Diversity and Inclusion (CCDI) which provides training platforms as well as access to learning material and conferences.

BCLC is also a member of the Presidents Group, a network of 25 change-driven B.C. business leaders who are champions for more accessible, inclusive workplaces.

HOW WE PERFORMED

EMPLOYEES BY GENDER AND LEVEL

GENDER	AVERAGE HEADCOUNT 2019/20				
	CEO*	VPs	MANAGERIAL	NON MGT	BOARD
Male	2	5	96	489	2
Female	0	1	81	354	6

* CEO is showing as more than 1.0 as leave employees are considered part of headcount. In mid September, President & CEO, Jim Lightbody, began an extended medical leave. BCLC Board member Greg Moore stepped down from the Board and assumed the role of Interim President & CEO.

This year BCLC's Diversity & Inclusion Committee updated our Strategic D&I Roadmap that will help guide the corporation's efforts over the next three years. The roadmap includes items such as onboarding, recruitment, performance evaluations, unconscious bias training and office building accessibility requirements.

BCLC successfully pursued our Rick Hansen Foundation Accessibility Certification (RHFAC) for both the Kamloops and Vancouver offices. The RHFAC is a rating system to evaluate the meaningful access of commercial, institutional, and multi-unit residential buildings and sites. BCLC is one of the first members of the Presidents Group to receive this certification.

WHAT'S NEXT

BCLC's executive will review, adopt and support implementation of the Diversity & Inclusion Strategic Roadmap. This includes rolling out unconscious bias training across the organization.

BCLC's executive has committed to actively addressing racism and discrimination, to demonstrate BCLC's values of integrity, respect and social responsibility and to engage with the organization to build upon our diversity and inclusion commitment. The executive values the lived experience and perspective of our Black, Indigenous and People of Colour employees and will continue to consult with staff across the organization on our corporate commitments to create a diverse and inclusive workplace.

BCLC will also review the Mandate Letter from our Minister for the relevant expectations of BCLC intended to build equality, including the requirement that BCLC incorporate the *Declaration of Rights of Indigenous Peoples Act* within our operating context. We will determine what steps BCLC can take to meet these expectations.

BCLC will finalize a new Respectful Workplace Policy and will also use the results of the Rick Hansen Foundation Accessibility Certification as a roadmap to continue to make our facilities more accessible and inclusive.

As a member of the Presidents Group, BCLC has publicly pledged to measure and report publicly the number of people who identify with disabilities employed in our organization, including the number of senior leaders in this category. BCLC plans to expand this measurement effort to include the number of employees who also identify as LGBTQ2+ and also to collect data on the ethnicities of employees.



In 2019, the corporation supported the PRIDE committee, installing a Pride cross walk at our Kamloops office and Pride decals at the Vancouver office. BCLC held an event to unveil the Pride crosswalk, re-affirming BCLC's commitment to diversity and inclusion.

Environmental Impact

Climate change

WHY IT MATTERS

As a public sector organization, we have an obligation to lead the way and help reduce the impact of climate change. BCLC remains committed to ensuring our operations align with the government's CleanBC climate plan and its targets and strategies for reducing greenhouse gas (GHG) emissions.

HOW WE MANAGE IT

WE UNDERSTAND OUR IMPACT

Identifying the main sources of our emissions is the first step to prioritizing reductions. We use natural gas for heat and electricity for operations in our Kamloops data centre and our two main offices in Kamloops and Vancouver. We operate a small fleet of vehicles which use gasoline and some biodiesel. The embedded carbon in office paper is also considered part of our carbon footprint.

WE MONITOR AND REPORT EMISSIONS

We calculate our carbon emissions annually using a standardized web based tool, Clean Government Reporting Tool, developed by the Government of B.C. for public sector organizations. Under the *Greenhouse Gas Reduction Targets Act*, the Government of British Columbia requires us to submit an annual Carbon Neutral Action Report (CNAR). The carbon emissions disclosed in this report are consistent with our CNAR, which

will be filed and posted to bcllc.com. In alignment with the CNAR reporting requirements, the information presented in this section is for the 2019 calendar year. More information about the CNAR requirement can be found on the B.C. Climate Action Secretariat's website.

WE OFFSET REMAINING EMISSIONS

In accordance with the requirements of the *Climate Change Accountability Act* and Carbon Neutral Government Regulation, BCLC purchases offsets for the emissions we report each year.

SUPPORTING INITIATIVES

Green Committee

In 2019, BCLC's Green Committee conducted several employee-led initiatives and projects aligned to our energy efficiency and corporate greenhouse gas (GHG) emissions reduction efforts.

IMPROVING SUSTAINABILITY PRACTICES AND EDUCATION

BCLC recognizes that small changes can make a significant difference in terms of our overall GHG emissions. In 2019, we have taken several small steps that we believe will collectively contribute substantive reductions over time. These changes have included:

- Installing BC Hydro stickers on all light fixtures to remind staff to turn off lights when not in use to reduce energy consumption.
- Removing of all single use cups and stir sticks with multi use items to reduce waste.
- Construction of a second secure bike cage in Kamloops to support an increase in the number of staff cycling to work.
- During COVID-19, BCLC's Customer Support Operations started to work from home which resulted in 22,652 litres of saved fuel and 50,072 kg of CO₂ avoided due to limited commuting by the staff.

HOW WE PERFORMED

TRENDS IN ENERGY

The ‘Trends in energy’ table provides a summary of data of BCLC’s main emission sources. The numbers indicate a general downward trend and steady progress to gain efficiencies.

YEAR	2014	2015	2016	2017	2018	2019
Natural Gas (GJ)	16,901	15,092	13,260	15,205	14,248	14,414
Electricity (GJ)	32,889	32,522	28,712	26,209	25,827	25,218
Fleet Gas (L)	121,027	14,017	21,030	30,388	29,361	39,132

In 2019, BCLC noted an overall decrease in power demand within our offices, driven by a 2.4 per cent decrease in electricity consumption and 33.5 per cent decrease in diesel consumption from generators when compared to 2018. This is a result of continued efforts by BCLC to enhance energy efficiency in our buildings. Several other initiatives, including programs led by BCLC’s Green Committee, played an important role in building employees’ environmental awareness.



EMISSIONS BY TYPE OF GREENHOUSE GAS (TONNES) CALENDAR YEAR 2019

	MEASURE	QUANTITY	tCO ₂	tBioCO ₂ ¹	tCH ₄	tN ₂ O	tCO ₂ E ²
SCOPE 1 (305-1)							
Fugitive emissions	Kg	4.08	6.92	0.00	0.00	0.00	6.92
Mobile combustion	Litres	39,131.85	89.04	2.95	0.01	0.02	95.96
Stationary combustion	Gigajoules	14,484.25	719.57	0.18	0.01	0.01	724.02
SCOPE 2 (305-2)							
Purchased energy ³	Gigajoules	25,163.32	75.49	0.00	0.00	0.00	75.49
SCOPE 3 (305-3)							
Office paper	Packages	3,032.00	20.92	0.00	0.00	0.00	20.92
Total emissions			911.94	3.14	0.02	0.04	923.31

1 Biogenic emissions of CO₂ result from combustion or biodegradation of biomass.

2 Each greenhouse gas has been converted to a standard measure (equivalent tonnes of CO₂) by multiplying its emissions by its global warming potential (GWP). The GWP of carbon dioxide (CO₂) is 1; methane (CH₄) is 25, and nitrous oxide (N₂O) is 298. See Part 3 for additional information on source of emissions and GWP factors.

3 Energy consumption (mainly in the form of electricity) is billed directly to BCLC.

SUMMARY OF EMISSIONS PERFORMANCE

BCLC's overall emissions presented an increase of 1.8 per cent in 2019. The increase was mainly driven by a higher consumption of gasoline in our fleet (>30% increase, or 24 tCO₂e). While our fleet remained unchanged in size during the reporting period, there was an increase on mileage, partly explained by an internal policy in place to use fleet vehicles for medium to long distance travel, instead of air travel.

Fugitive emissions, on the other hand, presented a significant decrease in 2019 (>50% reduction, or 8 tCO₂e). This type of emission is associated with leakage from cooling system. Our team performs multiple inspections on a regular basis and preventive maintenance, which help us to promptly identify and fix any leak.

In order to fully offset BCLC's 2019 GHG emissions, we will purchase 920 tCO₂e of offset credits. Three tonnes of our carbon footprint are deemed biogenic and part of the natural carbon cycle, so they are not accounted for in offset credits.

WHAT'S NEXT

BCLC will continue to seek opportunities to:

- maximize the efficiency of electricity consumption in offices;
- increase the digitalization of documents and processes;
- leverage fleet vehicles to reduce unnecessary air travel;
- provide employees with more flexible work arrangements that reduce the need to travel to their workplace as often.

In particular, we plan to continue to focus on reducing electricity consumption associated with the Kamloops Data Centre through strategic utilization of hyper-converged and cloud computing environments and the migration of non-production processes to the cloud. This will result in reduced electricity demand for cooling and powering.

Waste Management

WHY IT MATTERS

BCLC is committed to reducing waste and focusing our efforts on waste management tactics that will ensure we run our operations more efficiently. Recognizing that various types of waste take a toll on the environment, we want to do our part and minimize our waste footprint.

HOW WE MANAGE IT

Our operations depend on both technology and paper, so we have focused our attention there. Our programs are designed to make appropriate use of technology and reduce paper use.

TRENDS IN PAPER INPUT

YEAR	2014	2015	2016	2017	2018	2019
Office Paper (PKG)	6,133	4,616	3,740	3,328	3,548	3,012

WE ARE REDUCING UNNECESSARY PAPER USE

The consumption of office paper continued to trend downwards in 2019, falling by 15 per cent from 2018, as a result of the following effort by leadership and staff.

- BCLC initiated a records management program, which included an internal training and awareness campaign to address emerging legislative requirements to digitize new and existing records. As a result, BCLC has experienced a significant, 15 per cent reduction in paper consumption as an outcome of converting to digitized records.
- To support the records management program, we have been in the process of upgrading all multi-function IT tools available to staff. To date, 85 per cent of desktop computers have been replaced with laptops that support flexible work arrangements and decrease demand for printed documents.
- BCLC configured all printers to automatically print double sided.

HOW WE PERFORMED

As a result of the challenges arising from the COVID-19 pandemic, many of BCLC's waste management service providers were not able to provide complete waste information for 2019. Consequently, BCLC has omitted some waste management information from this year's Social Responsibility Report including the breakdown of waste by type and disposal method.

PAPER USED IN OPERATIONS

MATERIALS (TONNES)	2018	2019	% CHANGE
Lottery ticket paper	290.3	278.7	(3)
Instant tickets (Scratch & Win, Pull Tabs)	295.9	278.5	(6)
Other paper and materials packaging	148	64.5	(56)
Total	734.2	621.7	(15)

As a registered B.C. Environmental Product Steward, we file reports with Recycle B.C. on the amount of paper sold as lottery and Scratch & Win tickets in addition to other paper and packaging materials used by our business. Fees that we pay on these amounts help fund downstream waste management and recycling programs. In 2019, we reported 621.7 tonnes of paper and packaging materials which represents a decrease of 15 per cent in relation to prior year. The significant decrease is associated to an operational issue that resulted in a shortage of supply of certain lottery materials in 2019.

BCLC also works with Green4Good to help address IT asset disposition needs. Through this program, we are able to promote second life for our technology and help generate cash and new technology for charity. In 2019, BCLC responsibly and securely disposed of over 40,000 pounds of IT assets, ensuring 100 per cent of this hardware was repurposed or recycled.

WHAT'S NEXT

BCLC will continue to work with all areas of the business on reducing the amount of paper consumption and waste in the years ahead. Pre-COVID, in both the Vancouver and Kamloops offices, we have installed centralized stations for composting, recycling and garbage collection. To encourage proper use of the facilities, the Green Committee and Facilities Management plan to launch an initiative that aims to educate personnel on how to dispose of waste in an appropriate manner (ie. compost vs. dispose).

Sustainable procurement

WHY IT MATTERS

BCLC's approach to purchasing goods and services can have a significant impact on the environment, communities and beyond. Including sustainability considerations as an important part of our procurement operations enables us to support provincial government initiatives such as the CleanBC strategy and the *Greenhouse Gas Reduction Targets Act*. Additionally, sustainable procurement can be a catalyst for other positive changes when it comes to BCLC's reputation and employee engagement.

HOW WE MANAGE IT

BCLC advises potential vendors that it retains the right to request that suppliers provide documentation to support sustainability claims and declarations.

It is BCLC's preference to work with vendors to promote and grow sustainability in procurement rather than impose strict adherence. However, where it is deemed necessary and solely at BCLC's discretion, the following tactics may be used to assess vendor compliance:

- Reliance on a combination of approved third-party independent audits and certifications, and vendor disclosures of information about factory and production facilities that vendors are in compliance.
- Evaluate on a case-by-case basis any instance where it is reasonably determined by BCLC or brought to BCLC's attention that a vendor may not be operating in the spirit of BCLC's Sustainability Standards for Vendors.
- Reserve the right to discontinue business with vendors who are not responsive to requests to address concerns around workplace practices and instances of non-compliance with the Sustainability Standards for Vendors.

Overall, BCLC's current approach to procurement is based on the principle of 'best value' in the total cost of ownership. This means considerations such as cost, quality, delivery, servicing, safety and durability as potential elements of meeting BCLC requirements. However, BCLC understands that choosing vendors that also uphold social responsibility practices

and desirable environmental standards may also have costs. Therefore, in accordance with our sustainability in procurement commitment, vendor practices in waste disposal, energy consumption, safety and labour practices are also reviewed so as to gather an informed 'total cost assessment' of vendor options. BCLC's methodology for assessing total cost is based primarily on a non-mandatory, flexible, weighted criteria framework.

SOURCING SUSTAINABLE AND LOCAL PROMOTIONAL ITEMS

Each year our stakeholder engagement team attends a variety of events and has transitioned toward locally produced, sustainable promotional items such as water bottles, produce bags and straws that are all reusable. In 2019, to support the host communities of the regional local government annual general meetings, which BCLC sponsors, the team purchased local items such as beeswax wraps made in Kelowna (Okanagan region), soap bars made in Nanaimo (Vancouver Island communities) and organic coffee produced in Prince George (Northern region). These sustainable items supported local business and showcased their products.

HOW WE PERFORMED

METRIC	2017/18	2018/19	2019/20
Percentage of B.C.-based suppliers*	69%	72.7%	71.6%

* Our metric is based on supplier numbers rather than proportion of procurement budget as defined by GRI 204-1a. As we are a Crown Corporation with a provincial mandate, we define all suppliers with a B.C. address as "local" and consider the province as a whole to be our "significant location of operation".

Ninety-six per cent of our suppliers are from North America and of these, 74 per cent are based in B.C. Only three per cent are based in Europe and 0.13 per cent are from Australia.

SUSTAINABLE PROCUREMENT WINS WE CAN BUILD ON

Some examples of sustainable procurements from the past year include:

BUSINESS UNIT	PROCUREMENT	OUTCOMES
Employee Experience	Switched to laptops from desktops	Resulted in energy savings from more efficient laptops
Lottery Marketing	Chose a B-Corp brand for Lotto Max swag	Resulted in environmental and social value benefits from the brand's give-back programs
Facilities	Additional sustainability criteria included in food service contract	Resulted in less single-use plastic items, composting, and social hiring

This year, BCLC expanded our Vendor Performance Management system (VPM) to include a category of Vendor Sustainability Practices. We invited some of our key vendors to complete a questionnaire designed to gauge information about each vendor in relation to environmental practices, social responsibility and governance. BCLC then assessed the information provided and ranked each vendor based on their response. BCLC's procurement department shared the vendor's ranking as part of our regular VPM scorecard review meeting.

WHAT'S NEXT

With a new social purpose mindset and a growing internal culture of sustainability, BCLC is in the process of developing an updated Sustainable Procurement Implementation Plan to optimize and evolve BCLC's sustainable procurement program to achieve greater impact and align with new corporate strategies. A group of internal stakeholders has participated in a workshop to inform the implementation plan.

BCLC will develop a Sustainable Procurement Policy and a toolkit that will guide incorporation of sustainability into various stages of procurement; providing a corporate mandate outlining clear commitments and tools to begin developing underlying capacity for sustainable procurement. Next we will create supporting resources including procedures, evaluation measures and a training and engagement plan. Finally, it will roll out communications and training for employees in order to socialize sustainable procurement within the organization. It will also communicate with suppliers to ensure they are aware of BCLC's sustainable procurement program.

Community Impact

Financial contributions to the Province of B.C.

WHY IT MATTERS

BCLC's net income goes to the Provincial Government, which uses it to fund services such as education and health care as well as community gaming grants. Local governments that host gambling facilities also receive Host Local Government (HLG) payments. These payments are often used to fund special projects for local communities such as the construction of the Richmond Olympic Oval. In 2019/20, the corporation contributed over \$1.3 billion to the Province. In April 2019, the Government of B.C. also initiated a revenue sharing agreement with B.C. First Nations.

B.C. FIRST NATIONS REVENUE-SHARING AGREEMENT

As part of the agreement, approximately \$3 billion of provincial gaming revenue will be shared with B.C. First Nations over the next 25 years. First Nations communities will determine their own priorities for the funding, which can be used for a wide range of benefits, including: health and wellness, housing, infrastructure, training, environmental protection, economic development, governance capacity and other uses.

HOW WE MANAGE IT

As a Crown corporation, part of our mandate is to optimize financial performance and sustain net return to the Province in accordance with government policy, directives under the *Gaming Control Act* and Treasury Board direction. BCLC is required to make smart, responsible investments to grow the business while managing operating costs in the best interest of the Province and the people of British Columbia. Our business model offers strong profit margins thus responsible revenue growth is key to generating net income for British Columbia and helping communities grow.

HOW WE PERFORMED

METRIC	2018/19 ACTUAL	2019/20 ACTUAL	2019/20 TARGET	2020/21 TARGET
Net income to British Columbians	\$1.415B	\$1.347B	\$1.406B	\$1.439B
Payment for Community Gaming Grants	\$140M	\$140M	N/A	N/A
Payment to Host Local Governments	\$98.4M	\$93.5M	N/A	N/A

In fiscal 2019/20, BCLC generated \$1.3 billion in net income. Net income was behind the previous year's results and behind target, primarily due to the impact of COVID-19 as visits to all B.C. casinos, community gaming centres, bingo halls and some lottery retailers began to decline in early March before being temporarily closed starting mid-March 2020. While many players moved their play to our online channel, PlayNow.com, this migration was unable to make up for the revenue lost from brick-and-mortar channels. Prior to the outbreak of the pandemic, enhanced product offerings across BCLC's diverse portfolio meant that BCLC had been on track to meet the net income target.

COMMUNITY GAMING GRANTS AT WORK

- The Comox Valley Art Gallery Society was granted \$65,000 in 2019 and the funds were used to provide art exhibitions, community engagement programming, and public education about contemporary art.
- In 2019, the City of Burnaby granted \$1,000,000 of Host Local Government share to the Burnaby Hospital Foundation. This grant was provided to assist the foundation in acquiring a second CT scanner as part of their overall goal of raising \$1.5 million for medical imaging equipment. The addition of a second CT scanner will enable the hospital to perform an additional 10,000 scans per year and act as a backup to the existing CT scanner which has broken down on numerous occasions. As a result, this will help avoid delays in patient care, serve the needs of citizens requiring scans and provide an overall higher level of standard of care.
- In 2019, Kelowna allocated a portion of its Host Local Government share to its Block Watch program. The Block Watch program is a free, community-based crime prevention program administered by the Crime Prevention Unit. Kelowna's Block Watch program currently consists of approximately 2,400 houses and 8 apartment complexes and the population estimate within the Block Watch areas is approximately 5,000 residents.

Where the money goes



Host Local Government payments for fiscal year 2019/20

Each year, local governments that host casinos and community gaming centres receive a share of net gaming income generated by those facilities. In 2019/20, 34 Host Local Governments across B.C. received \$93.5 million to fund local projects and initiatives including.

The calculations for these payments are done in accordance with the Host Financial Assistance Agreement between the Province of British Columbia and each local government. Net gaming income is defined as net win (revenue after prizes) from casino games less fees payable by BCLC to the casino operator and BCLC's administrative and operating costs as determined in accordance with International Financial Reporting Standards. Operator fees are attributed to the specific facility and vary by community. BCLC administrative and operating costs are attributed to each facility based on net win from the facility and therefore also vary by community.

HOST LOCAL GOVERNMENT SHARE OF CASINO REVENUE

(in thousands of dollars)

LOCAL GOVERNMENT	CASINO	TOTAL 2019/20	TOTAL 2018/19
Burnaby	Grand Villa Casino	\$ 11,276	\$ 12,265
Coquitlam	Hard Rock Casino Vancouver	7,341	6,864
Kamloops	Cascades Casino Kamloops	1,673	1,232
Kelowna	Playtime Casino Kelowna	1,463	1,160
St. Eugene Mission Holdings Ltd.	Casino of the Rockies	1,947	1,494
City of Langley	Cascades Casino Langley	7,331	7,500
Nanaimo	Casino Nanaimo	2,582	2,836
New Westminster	Starlight Casino	6,045	6,545
Penticton	Cascades Casino Penticton	1,765	1,480
Prince George	Treasure Cove Casino	2,575	2,599
Quesnel	Billy Barker Casino	472	497
Richmond	River Rock Casino Resort	14,147	16,196
Surrey	Elements Casino Surrey	3,797	4,195
Vancouver	Parq Vancouver	7,142	8,223
	Hastings Racecourse and Casino	948	1,079
Vancouver Total		\$ 8,090	\$ 9,302
Vernon	Lake City Casino Vernon	1,786	1,443
View Royal	Elements Casino Victoria	4,313	4,605
Total		\$ 76,603	\$ 80,213

The **City of Coquitlam** awarded \$379,452 of its share of provincial gambling revenue for hosting Hard Rock Casino Vancouver to 24 community organizations through the Spirit of Coquitlam Grant program.

HOST LOCAL GOVERNMENT SHARE OF COMMUNITY GAMING CENTRE REVENUE

(in thousands of dollars rounded)

LOCAL GOVERNMENT	COMMUNITY GAMING CENTRE	TOTAL 2019/20		TOTAL 2018/19	
Abbotsford	Chances Abbotsford	\$	1,343	\$	1,313
Adams Lake Indian Band	Chances Salmon Arm		560		634
Campbell River	Chances Playtime Campbell River		870		905
Castlegar	Chances Castlegar		510		575
Chilliwack	Elements Casino–Chilliwack ¹		2,076		2,112
Courtenay	Chances Playtime Courtenay		1,084		1,089
Cowichan Tribes	Chances Cowichan		847		836
Dawson Creek	Chances Dawson Creek		515		669
Fort St. John	Chances Fort St. John		847		890
Kamloops	Chances Kamloops		988		1,282
Kelowna	Chances Kelowna		2,546		2,907
Maple Ridge	Chances Maple Ridge		1,608		1,760
Mission	Chances Mission		619		673
Port Alberni	Chances RimRock		442		454
Prince Rupert	Chances Prince Rupert		537		526
Squamish Nation	Chances Squamish		250		251
Terrace	Chances Terrace		727		709
Williams Lake	Chances Signal Point		576		607
Total		\$	16,945	\$	18,470

1 Elements Casino–Chilliwack—formerly Chances Chilliwack

The **City of Prince George** used a portion of its share of gambling revenue for hosting Treasure Cove Casino to bring the World Para Nordic Skiing Championships to Prince George, marking the first time the event has been brought to Canada and the first World Championships ever hosted in Prince George.

CASINO REVENUE FOR FISCAL YEAR 2019/20

(in thousands of dollars rounded)

CASINO	SERVICE PROVIDER	NO. OF SLOT MACHINES*	SLOT MACHINES REVENUE 2019/20	NO. OF TABLES	TABLE GAME REVENUE 2019/20	BINGO REVENUE 2019/20	TOTAL CASINO REVENUE 2019/20	TOTAL CASINO REVENUE 2018/19
Billy Barker Casino	585 Holdings Ltd.	122	\$ 8,825	-	\$ -	\$ -	\$ 8,825	\$ 8,956
Cascades Casino Langley	Gateway Casinos and Entertainment Limited	1,024	113,918	29	26,998	2,142	143,058	144,662
Casino Nanaimo	Great Canadian Casinos Inc.	428	44,002	9	3,627	-	47,629	51,479
Casino of the Rockies	SEM Resort Limited Partnership	203	10,872	6	684	-	11,556	11,971
Parq Vancouver	Parq Vancouver ULC, as General Partner and on behalf of Parq Vancouver Limited Partnership	570	75,550	75	94,916	-	170,466	185,398
Elements Casino Surrey	Orangeville Raceway Ltd.	542	56,832	23	15,824	-	72,656	78,124
Grand Villa Casino	Gateway Casinos and Entertainment Limited	1,328	147,096	73	84,177	-	231,273	243,198
Hard Rock Casino Vancouver	Great Canadian Casinos Inc.	959	109,310	43	32,790	-	142,100	131,460
Hastings Racecourse and Casino	Hastings Entertainment Inc.	476	18,885	-	-	-	18,885	20,649
Cascades Casino Kamloops	Gateway Casinos and Entertainment Limited	442	29,945	10	1,456	-	31,401	24,210
Playtime Casino Kelowna	Gateway Casinos and Entertainment Limited	437	24,308	15	5,482	-	29,790	24,192
Cascades Casino Penticton	Gateway Casinos and Entertainment Limited	400	31,749	8	876	-	32,625	27,600
Lake City Casino Vernon	Gateway Casinos and Entertainment Limited	398	31,668	7	1,393	-	33,061	26,910
River Rock Casino Resort	Great Canadian Casinos Inc.	1,239	162,081	87	125,102	-	287,183	323,657
Starlight Casino	Gateway Casinos and Entertainment Limited	935	85,925	53	33,605	-	119,530	127,255
Treasure Cove Casino	Treasure Cove Casino Inc.	541	45,587	8	2,164	3,173	50,924	50,824
Elements Casino Victoria	Great Canadian Casinos Inc.	761	71,108	23	10,502	-	81,610	85,373
Total		10,805	\$ 1,067,661	469	\$ 439,596	\$ 5,315	\$ 1,512,572	\$ 1,565,918

* Number of slot machines includes electronic table games. Electronic table revenue is reported within Slot Machine Revenue

The **City of Campbell River** dedicated a portion of its share of provincial gambling revenue for hosting Chances Campbell River to the Forestry Task Force, which worked to enhance the sustainability of the regional forestry industry.

The **City of Kelowna** uses its entire share of provincial gambling revenue for hosting Chances Kelowna and Playtime Casino Kelowna to fund RCMP programs in the city.

CASINO/COMMUNITY GAMING CENTRE OR COMMERCIAL BINGO HALL REVENUE FOR FISCAL YEAR 2019/20

(in thousands of dollars rounded)

CASINO/COMMUNITY GAMING CENTRE OR COMMERCIAL BINGO HALL	SERVICE PROVIDER	NO. OF SLOT MACHINES*	SLOT MACHINES REVENUE 2019/20	NO. OF TABLES	TABLE GAME REVENUE 2019/20	BINGO REVENUE 2019/20	TOTAL COMMUNITY GAMING REVENUE 2019/20	TOTAL COMMUNITY GAMING REVENUE 2018/19
Bingo Esquimalt	Great Canadian Casinos Inc.	-	\$ -	-	\$ -	\$ 1,946	\$ 1,946	\$ 1,568
Chances Abbotsford	Playtime Gaming Group Inc.	226	23,778	-	-	8	23,786	22,883
Chances Playtime Campbell River	Playtime Gaming Group Inc.	150	15,613	-	-	161	15,774	16,184
Chances Castlegar	Terrim Properties Ltd.	100	9,332	-	-	104	9,436	10,363
Elements Casino–Chilliwack	Chilliwack Gaming Ltd.	301	36,373	6	455	1,357	38,185	37,988
Chances Playtime Courtenay	Playtime Gaming Group Inc.	200	19,463	-	-	27	19,490	19,246
Chances Cowichan	Duncan Dabber Bingo Society	157	15,302	-	-	560	15,862	15,560
Chances Dawson Creek	Great Canadian Entertainment Centres Ltd.	148	9,835	-	-	96	9,931	12,358
Chances Fort St. John	243045 Alberta Ltd.	149	14,689	9	1,198	91	15,978	16,637
Chances Kamloops	Enterprise Entertainment Ltd.	200	17,796	-	-	932	18,728	23,473
Chances Kelowna	Goldwing Investments (Saskatoon) Ltd.	343	44,562	-	-	2,740	47,302	52,876
Chances Maple Ridge	Great Canadian Entertainment Centres Ltd.	246	28,486	-	-	424	28,910	30,848
Chances Mission	Gateway Casinos and Entertainment Limited	125	11,230	-	-	390	11,620	12,324
Chances Prince Rupert	0733244 BC Ltd.	102	9,927	-	-	324	10,251	10,013
Chances RimRock	Alberni Valley Gaming Association	100	8,136	-	-	81	8,217	8,524
Chances Salmon Arm	Terrim Properties Ltd.	104	10,110	-	-	209	10,319	11,374
Chances Signal Point	Lucky's Ventures Ltd.	123	10,387	-	-	482	10,869	11,403
Chances Squamish	Gateway Casinos and Entertainment Limited	99	4,948	-	-	110	5,058	5,005
Chances Terrace	Lucky Dollar Bingo Management Ltd.	75	12,838	-	-	249	13,087	12,596
Harbour City Bingo	Harbour City Bingo Inc.	-	-	-	-	2,201	2,201	2,461
Newton Community Gaming Centre ¹	Gateway Casinos and Entertainment Limited	-	-	-	-	-	-	205
Planet Bingo	Community Gaming Management Association	-	-	-	-	2,741	2,741	2,909
Playtime Gaming Victoria ²	Playtime Community Gaming Centres Inc.	-	-	-	-	-	-	922
Total Community Gaming Centres and Commercial Bingo Halls		2,948	\$ 302,805	15	\$ 1,653	\$ 15,233	\$ 319,691	\$ 337,720
Paper Bingo Distribution Revenue		-	-	-	-	244	244	238
Total		2,948	\$ 302,805	15	\$ 1,653	\$ 15,477	\$ 319,935	\$ 337,958

* Number of slot machines includes electronic table games. Electronic table revenue is reported within Slot Machine Revenue

¹ Newton Community Gaming Centre closed on April 21, 2018

² Playtime Gaming Victoria closed on December 31, 2018

WHAT'S NEXT

In January 2020, BCLC's Board of Directors approved a new corporate strategic plan. BCLC recognizes that player expectations are being shaped by leading consumer and gaming/entertainment companies, which are investing heavily in elevating the customer experience and bringing increased meaning and purpose to customer interactions. The corporate strategic plan will guide BCLC's decisions in order to transform into a more player-centric company, remain competitive and position the organization for responsible growth based on healthy play. This includes continuing to leverage investments in PlayNow.com infrastructure to provide the digital connection with brick-and-mortar environments in order to improve the player experience.

Direct community benefits

WHY IT MATTERS

BCLC depends on building and maintaining community support in order to operate our business. As such, it is important that our business and the benefits it creates are understood, trusted and supported by British Columbians.

HOW WE MANAGE IT

BCLC is focused on engaging with and supporting the local communities in which we operate. Through our community outreach program and Play it Forward advertising, we actively engage with communities, players and the public to share how Host Local Government revenue benefits communities. BCLC also supports local communities through sponsorships of community organizations and events.

HOW WE PERFORMED

METRIC	2018/19 ACTUAL	2019/20 ACTUAL	2019/20 TARGET	2020/21 TARGET
Public recognition of positive contributions	68%	68%	72%	76%

Public Recognition of Positive Contributions helps BCLC gauge our success in building public understanding and recognition of the positive contributions our business and commercial gambling revenues make. In 2019/20, results for this measure remained stable compared to the previous year but fell short of the target. These public perception measures may have been negatively impacted by ongoing media commentary of alleged money laundering in B.C. casinos over the last two years and will take time to shift.

Over the past year, BCLC has been committed to ongoing dialogue and engagement with stakeholders across B.C. In 2019/20, BCLC ran community outreach programs in 12 host communities across the province to educate and engage with the public and stakeholders on how proceeds from gambling and sponsorships benefit communities. BCLC's Play it Forward marketing campaign supported these activities by highlighting the various community-specific benefits that make an impact on all British Columbians across the province. Province-wide, BCLC supported many local communities through events and sponsorships. In 2019/20, BCLC sponsored 146 community organizations, groups and events across the province.

WHAT'S NEXT

BCLC will continue to actively engage with communities, players and the public to share how Host Local Government revenue benefits communities and continue to share this information throughout the province through BCLC's Play it Forward community outreach and advertising.

While many community groups are faced with new challenges as a result of the COVID-19 pandemic, we will continue to look for opportunities to support local community groups through new and creative means, such as sponsoring virtual events and fundraisers. As BCLC adopts a social purpose as part of our business strategy, we will also look to align sponsorships with our social purpose.

List of sponsorships in fiscal 2019/20

Association of Kootenay and Boundary Local Governments (AKBLG)	Gaming Security Professionals of Canada	Lower Mainland Local Government Association	The Children's Wish Foundation
Association of Vancouver Island and Coastal Communities (AVICC)	Greater Victoria Crime Stoppers	Minerva Foundation	The Heart & Stroke Foundation of Kamloops
BC Association for Charitable Gaming (BCACG)	Hockey Canada	Mission Regional Chamber of Commerce	Thompson Rivers University
BC Children's Hospital Foundation	IndoCanLinks	North Central Local Government Association (NCLGA)	Thompson Rivers University Foundation
BC Lions	Interior Community Services	New Westminster Chamber of Commerce	Tri-Cities Chamber of Commerce
BC SPCA	Junior Achievement of BC (JABC)	Pacific Autism Family Network	Union of BC Municipalities (UBCM)
BC Sports Hall of Fame	JFLNW Comedy Ltd.	Prince George Chamber of Commerce	United Scottish Cultural Society
BC/Yukon Legion	Kamloops Art Gallery	Prince George Folkfest Society	United Way Thompson Nicola District
Big Brothers Big Sisters of Victoria and Area	Kamloops Bike To Work Week	Project X Kamloops	Vancouver Canucks
Burnaby Board of Trade	Kamloops Blazers	Rotary District 5040	Vancouver Food Bank
Canadian Curling Association	Kamloops Chamber of Commerce	Rotary District 5060	Vancouver Island Exhibition Association
City of Burnaby	Kamloops Downtown Business Association	Royal Inland Hospital Foundation	Victoria Harbour Cats Baseball Club
City of Kamloops	Kamloops Film Festival	Rotary Club of Meadow Ridge	Victoria Hospitals Foundation
City of Surrey	Kamloops Food Bank	SHARE Family & Community Services	Victoria Symphony Orchestra
Coquitlam Firefighters Charitable Society	Kamloops Innovation	Southern Interior Local Government Association (SILGA)	Western Canada Theatre
Deighton Cup Productions Inc.	Kamloops North Shore Business Association	Sport BC	Williams Lake & District Chamber of Commerce
Delta Chamber of Commerce	Kamloops Pride Society	Surrey Board of Trade	Williams Lake Stampede Association
Delta Hospital Foundation	Kamloops SPCA	Surrey Fire Fighters Charitable Society	
District of Saanich	Kamloops Symphony	Terrace Riverboat Days Society	
Downtown New West Business Improvement Association	Kelowna Downtown Business Improvement Area Society		
	KidSport Delta		
	LINX Marketing		

Performance and Disclosure Methodology

The table below summarizes how we measure our performance metrics and information on the reliability of the data we collect.

METRICS IDENTIFIER	PERFORMANCE METRICS	HOW WE MEASURE	DATA RELIABILITY
BCLC-1	N/A	N/A	N/A—Under the direction of senior leadership, BCLC will look at the development of an appropriate metric to help determine how to best measure ethical conduct at BCLC.
BCLC-2	Response to recommendations from German Report: number of recommendations completed	As of spring 2020, BCLC has addressed seven of the 11 recommendations for which it is responsible from Dr. Peter German's 2018 independent review of Anti-Money Laundering (AML) policies and practices in Lower Mainland casinos. The completion of each recommendation indicates BCLC's compliance and efforts around working with the Government of B.C., GPEB and others to improve AML policies and practices in Lower Mainland casinos.	When recommendations are complete, BCLC prepares a Completion Document which is submitted to the Deputy Minister's Committee (DMC) for their acceptance. Once the DMC has accepted, BCLC and GPEB do a joint audit and ultimately will submit a joint Closing Memo for the DMC. Once that memo is accepted, the recommendation will then be considered closed.

METRICS IDENTIFIER	PERFORMANCE METRICS	HOW WE MEASURE	DATA RELIABILITY
BCLC-3	Pass rate in Lottery Mystery Shop program (%)	<p>The Mystery Shop program is a useful tool to measure compliance of our lottery retailers and provides insight into how our retailers and customers respond to changes in BCLC standards and operating procedures.</p> <p>BCLC Validation Mystery Shops are conducted by an independent contractor. The “shopper” measures retailer success utilizing a standard testing technique to assess eight separate areas of compliance.</p> <p>Utilizing a standard testing technique to maintain consistency, the mystery shopper tested lottery retailers on eight (8) criteria.</p> <ol style="list-style-type: none"> 1. Did the retailer take the ticket directly to the Altura? 2. Did you hear a winning jingle when the ticket validated? 3. Was the winning amount displayed on the PDU? 4. Did you receive the correct prize? 5. Did the retailer return your ticket? 6. Did the retailer require signature before validating? 7. Did the retailer return the validation slip? 8. Did the retailer validate the ticket on the first attempt? <p>Lottery retailers receive a “fail” if they do not pass one (1) or more of the following:</p> <ol style="list-style-type: none"> 1. Did you receive the correct prize? 2. Did the retailer return your ticket? 3. Did the retailer return your validation slip? 	<p>Shop results are reviewed for accuracy before being entered into BCLC’s reporting software and being used for data analysis or issuance of service standard remedies. Final reports are shared with internal stakeholders (lottery business unit management and legal, compliance and security management) and external stakeholders (GPEB).</p>

METRICS IDENTIFIER	PERFORMANCE METRICS	HOW WE MEASURE	DATA RELIABILITY
BCLC-4	Lottery retailer pass rate in ID25 Mystery Shop program (%)	<p>The Mystery Shop Program is a useful tool to measure compliance and knowledge of our lottery retailers and service providers for age verification requirements and authorized identification for purchase of lottery products and accessing gaming facilities. The ID25 Mystery Shop is conducted by individuals who are and appear to be under the age of 25. The “shoppers” measure success by utilizing a standard testing technique to assess two separate areas of compliance.</p> <p>Utilizing a standard testing technique to maintain consistency, the mystery shopper tested lottery retailers, casino and community gaming centre (CGC) service providers on two (2) compliance procedures.</p> <ol style="list-style-type: none"> 1. Were you asked for ID? 2. Did they accept insufficient ID? <p>For lottery retail location shops the mystery shopper would ask to purchase a \$1 Scratch & Win ticket. The mystery shop was considered a “fail” when the retailer did not ask for ID or they accepted insufficient ID. For casino/CGC location shops, the mystery shopper would attempt to gain entry to the facility. The mystery shop was considered a “fail” when the service provider staff member did not ask for ID or they accepted insufficient ID.</p> <p>We remain committed to enhancing retailer education and training to strengthen compliance with ID25, including through online training courses and ID25 requirements for lottery-retailer certification.</p>	Shop results are reviewed for accuracy before being entered into BCLC’s reporting software and being used for data analysis or issuance of service standard remedies. Final reports are shared with internal stakeholders (lottery business unit management and legal, compliance and security management) and external stakeholders (GP&B).

METRICS IDENTIFIER	PERFORMANCE METRICS	HOW WE MEASURE	DATA RELIABILITY
BCLC-5	Rate of retailer prize claims	<p>The rate of retailer prize claims is the number of retailer claims over \$2,000 divided by total claims over \$2,000 processed at all payout centers in B.C. for lottery products.</p> <p>This metric is internally benchmarked on a time series basis. We have not externally benchmarked the measure as we have not identified comparable data published by other gambling jurisdictions.</p>	Each payout center reports to the BCLC corporate lottery division the number of retailer and non-retailer prize payouts over \$2,000 on a monthly basis. This data is then aggregated and reported to GPEB and BCLC's Corporate Communications group each month.
BCLC-6	Public perception of BCLC's transparency (%)	A third-party research firm conducts an online continuous tracking study to measure Public Perception of BCLC's Transparency on our behalf. The survey asks participants to rank their agreement with the statement that BCLC is forthcoming and open with the public, on a scale of one to seven. The overall public perception score is a percentage of participants who agree with the statement in the top three points of scale.	Continuous online survey independently conducted by a third-party firm with a random sample of B.C. adults aged 19 and up. The survey uses industry-standard techniques to randomize the sample in a way that is consistent with B.C. population demographics as per Statistics Canada's Census. The margin of error is ± 1.55 at the 95 per cent confidence level (19 times out of 20). The figure is an average of four quarterly scores. After someone responds, they are not allowed to participate in the survey again for another six months.
BCLC-7	GSA and player interactions	Number of Player Interactions at GameSense Info Centres (GSICs) measures the total number of interactions that GameSense Advisors (GSA) have with players at casinos about responsible gambling.	GSAs are trained to use a mobile application to input customer interaction data which BCLC tracks on a monthly basis. Only interactions directly entered by GSAs are included in our total number of interactions.
BCLC-8	Percentage of BCLC players who scored as high risk on the PGSI Index (%)	A third-party research firm conducts an online continuous tracking study to measure the Problem Gambling Severity Index (PGSI) on our behalf. The PGSI is a self-reported, standardized measure of assessing at-risk gambling behaviours. It is a globally used tool based on research of common signs and consequences of problematic gambling. Players who score eight or higher are considered to be at high risk for problem gambling. Measuring PGSI allows BCLC to monitor the proportion of high risk players in its player base.	Continuous tracking survey conducted online by a third-party research firm. Study uses market research industry standard techniques to randomize the sample while retaining gender, age and regional balance that is consistent with B.C. population figures available from Statistics Canada's Census. To qualify for these measures, a respondent will need to have played at least one BCLC game in the past year.

METRICS IDENTIFIER	PERFORMANCE METRICS	HOW WE MEASURE	DATA RELIABILITY
BCLC-9	Positive Play Scale	A third-party research firm conducts an online continuous tracking study to measure the Positive Play Scale (PPS) on our behalf. The PPS takes into account two components of BCLC's Player Health Strategy: Informed Decisions and Positive Play. "Gambling Literacy measure assesses the extent to which a player has ample information to make fully informed decisions and the Pre-Commitment measure assesses the extent to which a player considers how much money and time they should spend gambling. These two measures determine, in part, how effective BCLC is at influencing healthy play among its players.	Continuous tracking survey conducted online by a third-party research firm. Study uses market research industry standard techniques to randomize the sample while retaining gender, age and regional balance that is consistent with B.C. population figures available from Statistics Canada's Census. To qualify for these measures, a respondent will need to have played a BCLC game in the past month.
BCLC-10	Player Experience Index	A third-party research firm conducts an online continuous tracking study to measure the Player Experience Index (PEI) on our behalf. The PEI provides a single measure that incorporates various elements of the customer experience, such as customer service, convenience, relevance and fairness. This measure provides BCLC with an understanding of the extent to which BCLC is currently meeting the expectations of our players as it relates to both their product and purchase experience.	Quarterly tracking survey conducted online by a third-party research firm. Study uses market research industry standard techniques to randomize the sample while retaining gender, age and regional balance that is consistent with B.C. population figures available from Statistics Canada's Census.
BCLC-11	Customer support satisfaction Score	The "Customer Satisfaction" metric represents a player's overall satisfaction with BCLC's Customer Support Centre (CSC) after an interaction with the CSC. The score is a "Top 2 Box" score, meaning that it represents the percentage of players who rated the CSC's service as "Very Good" or "Excellent" (e.g., "4" or "5", on a 5-point scale).	This is a continuous online survey conducted by a third party with BCLC customers who contact the Customer Support Centre (CSC). Only those who have provided sufficient data via telephone or email will be invited to complete the online survey.

METRICS IDENTIFIER	PERFORMANCE METRICS	HOW WE MEASURE	DATA RELIABILITY
BCLC-12	Playnow.com web experience score	An online survey is randomly served to a sample of PlayNow.com visitors to measure their website experience. The survey appears as a pop-up based on trigger logic and is completely optional. The survey asks participants for their satisfaction as it relates to the site being easy to use, easy to navigate, easy to understand, visually appealing, safe and secure, and fun and entertaining, on a 5-point scale. Each measure receives a percentage based on the number of participants who gave a rating of 4 or 5 out of 5. The PlayNow.com Web Experience Score is the average percentage of the six measures.	Continuous online survey conducted with a random sample of PlayNow.com visitors. After someone is given the opportunity to respond to the survey, they will not see the survey again for another 90 days. This survey receives a sample size of about n=5,000 per year.
BCLC-13	Worksafe claims (no.)	When an accident occurs in the workplace and requires treatment from a qualified medical practitioner, it is reported to WorkSafe BC.	Claims are reported to Worksafe BC through our Human Resources team.
BCLC-14	Absenteeism rate	Absenteeism rate is internally benchmarked on a time series basis. We do not externally benchmark, as other gambling jurisdictions and B.C. Crown corporations do not publish equivalent figures.	Absenteeism Rate is internally calculated by our Human Resources team. It is measured on a monthly basis with the year-end calculated by averaging monthly rates.

METRICS IDENTIFIER	PERFORMANCE METRICS	HOW WE MEASURE	DATA RELIABILITY
GRI 305	Level of greenhouse gas emissions (tCO ₂ e)	BCLC is a Public Sector Organization (PSO) subject to the Province of B.C.'s Carbon Neutral Government policy. We report our consumption of building energy, vehicle fuel and office paper to the B.C. Ministry of Environment's Climate Action Secretariat through its Clean Government Reporting Tool GHG reporting website. BCLC obtains the required data from our suppliers of electricity, natural gas, fleet vehicle fuel and paper, and match that against internal procurement records. GHG emissions are internally benchmarked on a time series basis. Externally, our Carbon Neutral Action Report and those of other PSOs are published by the Ministry of Environment annually at the end of June and are benchmarked amongst each other. GHG targets have a 2007 base year and emission factors come from the 2016 B.C. Best Practices Methodology for Quantifying Greenhouse Gas Emissions which incorporate Global Warming Potentials (GWP) from the IPCC's fourth assessment report (AR4).	Data for electricity and natural gas consumption is verifiable from billable consumption figures supplied by the respective utilities companies. We calculate electricity usage for our offsite data facility from meter readings. Fleet vehicle gasoline consumption is obtained through fuel consumption reporting from our fleet vehicle management company. Office paper consumption for all types of reportable paper is measured internally each month.
BCLC-15	Trends in Energy	We report our consumption of building energy and vehicle fuel to the B.C. Ministry of Environment's Climate Action Secretariat. BCLC obtains the required data from our suppliers of electricity, natural gas, fleet vehicle fuel and paper, and match that against internal procurement records.	Data for electricity and natural gas consumption is verifiable from billable consumption figures supplied by the respective utilities companies. Fleet vehicle gasoline consumption is obtained through fuel consumption reporting from our fleet vehicle management company.
BCLC-16	Trends in Paper Input	BCLC is a Public Sector Organization (PSO) subject to the Province of B.C.'s Carbon Neutral Government policy. We report our consumption of office paper to the B.C. Ministry of Environment's Climate Action Secretariat. BCLC obtains the required data from our suppliers of paper and match that against internal procurement records.	Office paper consumption for all types of reportable paper is measured internally each month.

METRICS IDENTIFIER	PERFORMANCE METRICS	HOW WE MEASURE	DATA RELIABILITY
GRI 201-1	Percentage of B.C.-based suppliers	We report our consumption of building energy, vehicle fuel and office paper to the B.C. Ministry of Environment's Climate Action Secretariat through its Clean Government Reporting Tool GHG reporting website. BCLC obtains the required data from our suppliers of electricity, natural gas, fleet vehicle fuel and paper, and match that against internal procurement records.	BCLC's vendors are reported publicly each year in our Statements of Financial Information in accordance with the Financial Information Act (FIA), in the Schedule of Payments to Suppliers of Goods and Services. The FIA reporting is reviewed internally by both our corporate finance team as well as our internal audit team.
BCLC-20	Public Recognition of Positive Contributions	A third-party research firm conducts an online continuous tracking study to measure public recognition of BCLC's positive contributions to the Province of B.C. on our behalf. The survey asks participants to rank their agreement with the statement that BCLC makes positive contributions to the Province of B.C., on a scale of one to seven. The overall public recognition score is a percentage of participants who agree with the statement in the top three points of scale.	Continuous online survey independently conducted by a third-party firm with a random sample of B.C. adults aged 19 and up. The survey uses industry-standard techniques to randomize the sample in a way that is consistent with B.C. population demographics as per Statistics Canada's Census. The margin of error is ± 1.55 at the 95 per cent confidence level (19 times out of 20). The figure is an average of four quarterly scores. After someone responds, they are not allowed to participate in the survey again for another six months.

Global Reporting Initiative (GRI) Content Index

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
GRI 101 FOUNDATION 2016					N/A - NO OMISSIONS PERMITTED		
GENERAL DISCLOSURES							
GRI 102:	GENERAL DISCLOSURES 2016	102-1	Name of the organization	2			
		102-2	Activities, brands, products, and services	2			
		102-3	Location of headquarters	3			
		102-4	Location of operations	3			
		102-5	Ownership and legal form	2			
		102-6	Markets served	2			
		102-7	Scale of the organization	3			
		102-8	Information on employees and other workers	8			
		102-9	Supply chain	9			
		102-10	Significant changes to the organization and its supply chain	3			
		102-11	Precautionary Principle or approach	7			
		102-12	External initiatives	6			
		102-13	Membership of associations	6, 14			

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
GRI 101 FOUNDATION 2016					N/A - NO OMISSIONS PERMITTED		
GENERAL DISCLOSURES							
		102-14	Statement from senior decision-maker	1			
		102-16	Values, principles, standards, and norms of behaviour	3, 13			
		102-18	Governance structure	5, 7			
		102-40	List of stakeholder groups	10–12			
		102-41	Collective bargaining agreements	8			
		102-42	Identifying and selecting stakeholders	9			
		102-43	Approach to stakeholder engagement	9–11			
		102-44	Key topics and concerns raised	11			
		102-45	Entities included in the consolidated financial statements	4			
		102-46	Defining report content and topic Boundaries	5			
		102-47	List of material topics	5			

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
GRI 101 FOUNDATION 2016					N/A - NO OMISSIONS PERMITTED		
GENERAL DISCLOSURES							
		102-48	Restatements of information	No restatements			
		102-49	Changes in reporting	4–5			
		102-50	Reporting period	4			
		102-51	Date of most recent report	4			
		102-52	Reporting cycle	4			
		102-53	Contact point for questions regarding the report	Back Cover			
		102-54	Claims of reporting in accordance with the GRI Standards	4			
		102-55	GRI content index	58–69			
		102-56	External assurance	4			

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
MATERIAL TOPICS							
ETHICAL CONDUCT							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	13			
		103-2	The management approach and its components	14			
		103-3	Evaluation of the management approach	14			
		BCLC-1	To be determined	14	No performance indicator for this topic.	No performance indicator has been developed.	BCLC leadership needs to be involved in defining this important indicator.
ANTI-MONEY LAUNDERING							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	15			
		103-2	The management approach and its components	15			
		103-3	Evaluation of the management approach	16			
		BCLC-2	Status of German Report Recommendations	18			

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
MATERIAL TOPICS							
PLAYER SECURITY							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	20			
		103-2	The management approach and its components	20–21			
		103-3	Evaluation of the management approach	20–21			
		BCLC-3	Pass rate in Lottery Mystery Shop program	21			
		BCLC-4	Pass rate in ID25 Mystery Shop program	21			
		BCLC-5	Rate of retailer prize claims	21			
TRANSPARENCY							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	22			
		103-2	The management approach and its components	22			
		103-3	Evaluation of the management approach	23			
		BCLC-6	Public perception of BCLC’s transparency	23			

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
MATERIAL TOPICS							
PLAYER HEALTH							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	24			
		103-2	The management approach and its components	24–25, 27			
		103-3	Evaluation of the management approach	26			
		BCLC-7	GSA and player interactions	25			
		BCLC-8	Percentage of BCLC players who scored as high risk on the PGSI Index	26			
		BCLC-9	Positive Play Scale	26			
BROADENING PARTICIPATION							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	28			
		103-2	The management approach and its components	28			
		103-3	Evaluation of the management approach	28			
		BCLC-10	Player experience index	28			
		BCLC-11	Customer support satisfaction score	28			
		BCLC-12	PlayNow.com web experience score	28			

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
MATERIAL TOPICS							
EMPLOYEE HEALTH AND SAFETY							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	30			
		103-2	The management approach and its components	30-31			
		103-3	Evaluation of the management approach	30			
GRI 403:	OCCUPATIONAL HEALTH AND SAFETY 2016	403-1	Worker representation in joint Health and Safety Committees	31			
		BCLC-13	Worksafe B.C. reported claims	30			
		BCLC-14	Absenteeism rate	30			

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
MATERIAL TOPICS							
DIVERSITY AND INCLUSION							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	32			
		103-2	The management approach and its components	32-33			
		103-3	Evaluation of the management approach	33			
GRI 405:	DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	Diversity of governance bodies and employees	33	Age and other indicators of diversity.	Information unavailable.	Age diversity was not readily available from our systems. We do not have other indicators of diversity in our own monitoring systems.

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
MATERIAL TOPICS							
CLIMATE CHANGE							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	35			
		103-2	The management approach and its components	35			
		103-3	Evaluation of the management approach	36-37			
GRI 305:	EMISSIONS 2016	305-1	Direct (Scope 1) GHG emissions	37			
		305-2	Energy indirect (Scope 2) GHG emissions	37			
		305-3	Other indirect (Scope 3) GHG emissions	37	Scope 3 is reported only for office paper related emissions.	Information unavailable.	Tracking systems for other indirect emissions, including business travel, have not been developed.
		BCLC-15	Trends in energy	36			

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
MATERIAL TOPICS							
WASTE MANAGEMENT							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	38			
		103-2	The management approach and its components	38			
		103-3	Evaluation of the management approach	38			
GRI 405:	PAPER WASTE 2016	BCLC-16	Paper inputs	38–39			

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
MATERIAL TOPICS							
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GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	40			
		103-2	The management approach and its components	40			
		103-3	Evaluation of the management approach	41			
GRI 204:	PROCUREMENT PRACTICES	204-1	Proportion of spending on local suppliers	41	Indicator is calculated based on number of suppliers rather than proportion of budgeted spending.	Information unavailable.	BCLC has determined that for our purposes, the actual proportion of suppliers selected is more meaningful.

GRI STANDARD	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE	PAGE NUMBER OR URL	PART OMITTED	REASON	EXPLANATION
MATERIAL TOPICS							
FINANCIAL CONTRIBUTION TO THE PROVINCE OF B.C.							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	42			
		103-2	The management approach and its components	42			
		103-3	Evaluation of the management approach	42–43			
GRI 405:		BCLC-17	Net income to British Columbians	42			
		BCLC-18	Payment for Community Gaming Grants	42			
		BCLC-19	Payment to Host Local Governments	42			
COMMUNITY BENEFITS							
GRI 103:	MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundaries	48			
		103-2	The management approach and its components	48			
		103-3	Evaluation of the management approach	48			
GRI 204:		BCLC-20	Public recognition of positive contributions	48			



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