



Social Responsibility Report

2016-2017





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player

people

Player awareness of responsible gambling activities
79%

The BCLC turnover rate is
5.5%

Employee engagement score
87%

Employees who agree BCLC is a good corporate citizen
94%

Player satisfaction
80%

Average spend on training per employee
\$992
per Annum

Customer Support satisfaction score
74%

Web experience score
73%

Payments to Host Local Governments
\$96.8 Million

Payments for Community Gaming Grants
\$134.8 Million

Level of CO₂ emissions
833
Metric tonnes

GHG emissions reduced by
8%

Public recognition of positive contributions
73%

B.C.-based suppliers to BCLC
63%

Net income to British Columbians
\$1.3 Billion

profit

public



Our Performance in 2016

METRIC	2015/16 ACTUAL	2016/17 ACTUAL	2016/17 TARGET	2019/20 TARGET
Player awareness of Responsible Gambling activities	77%	79%	74%	76%
Player interactions at GameSense Info Centres (No.)	56,098	59,075	60,000	70,000
Pass rate in Lottery Mystery Shop Program	94%	86%	50%	75%
Employee engagement score	83%	87%	83%	83%
Employees who agree BCLC is a good corporate citizen	91%	94%	90%	90%
Average spend on training per employee (\$)	1038	992	1100	1200
Public perception of BCLC's transparency	60%	64%	60%	63%
Public recognition of positive contributions	68%	73%	68%	72%
Level of Greenhouse Gas Emissions (CO ₂ e metric tonnes)	906	833	1119	900
Waste diverted from landfill – Kamloops office	59%	64%	74%	70%
Waste diverted from landfill – Vancouver office	92%	92%	92%	93%

Ernst & Young LLP has conducted third-party limited assurance activities for each of the metrics above. Ernst & Young's independent assurance statement is on pages 42-43.



Message from the CEO

Managing our business in a socially responsible way is key to achieving our vision. This means encouraging positive play, creating an engaged workforce, involving the public in decisions that affect them, and reducing our environmental footprint.

Providing financial benefits to the Province means we must continue to look for ways to responsibly grow our business as the market for gambling entertainment grows and changes. Through innovation, we strive to strike the right balance between building great entertainment experiences and encouraging responsible play. For example, the new Parq Vancouver casino, targeted to open this fall, has been designed from the ground up with responsible gambling principles in mind, and slot machines are planned to feature our new PlayPlanner self-budgeting tool that lets players set time and dollar limits for each play session.

“
*Our vision
is to have
gambling
be widely
embraced as
exceptional
entertainment
for adults.*
”

As a gambling entertainment company, continuous improvement of our responsible gambling tools and programs is always top of mind. Currently, an area of significant focus for us is shifting our responsible gambling program to focus on player health. While we have been very successful in building understanding amongst our players, we are now focused on better understanding how we can change behaviours for the at-risk population. Last spring, we conducted research into the gambling behaviours of B.C. gaming workers. The findings provided us with key insights and we are developing custom responsible gambling programs for this group to better support them.

Our people are key to the success of our business. That is why we are committed to creating a culture that encourages diversity and inclusion, encouraging people to bring their full selves to work each day. Our efforts are making an impact as the results of this year's employee engagement survey show our composite engagement score has increased to 87 percent, up from 83 percent last year.

I am very proud of our performance this year and I am confident that our people will continue to find equilibrium between meeting our financial targets, encouraging our players to make healthy gambling choices and having a positive impact on all of our stakeholders.

Sincerely,

Jim Lightbody
President & CEO

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Message from the Board Chair

Since 1985, BCLC has been helping communities grow. Thanks to our players, more than \$20 billion has been invested back into the Province for healthcare, education and community programs.

We have enjoyed many highlights over the past year, but there are a few areas in particular that I believe will be key in achieving our social responsibility goals.

The first area is our new orientation towards supporting player health and reducing gambling-related harm. Over the past year, we have refocused our efforts to reduce the potential harm that can come from the products we offer. While we have been very successful in building awareness through the GameSense program, I believe that when fully implemented, our harm reduction strategy will provide clear metrics around how we measure success in this area, which will lead to more effective responsible gambling support and outcomes for our players.

I am also delighted by the work we have been pursuing in order to formalize a Diversity and Inclusion (D&I) strategy. We have always been an inclusive employer. Yet we have never measured our diversity nor explained why it is so important to the success of our business. Doing this will allow us to bring a wider range of perspectives to the business and further create an environment where people feel involved, respected and valued.

Looking forward, I am excited about the process we are undertaking to explore options for our head office building in Kamloops. BCLC has enjoyed 32 years of success in Kamloops and we look forward to many more in the downtown core. Ultimately, we want to create an open, flexible, accessible, environmentally friendly space that will serve our employees, customers and community well into the future. Supporting communities, including our head office community, has always been and will always be core to our purpose.

Sincerely,

A handwritten signature in black ink that reads "Bud Smith". The signature is fluid and cursive.

Bud Smith
Board Chair

“
BCLC's mission is to manage gambling in a socially responsible manner for the benefit of British Columbians and I am proud of the way we live up to this mandate.
”



Message from the VP

Social Responsibility and Communications

At BCLC, our stakeholders include our employees, our players, the public and the Province. We strive to be open and honest with all of them about our successes, as well as our challenges, so that we can build trust and accountability in what we do.

We are committed to following internationally recognized best practices in sustainability reporting, and this year our key social responsibility performance metrics have received independent third-party assurance to provide additional confidence in the accuracy of the information contained in this report. As well, this assurance exercise will help us continually improve our reporting and data collection processes to ensure the proper checks and balances when it comes to measuring and reporting on our performance in this area.

We know that being transparent about our business is a key element of building public trust. That is why whenever we are seeking to build a new gambling facility, our first step is to reach out to potential host local governments through our expression of interest (EOI) process to see if hosting a facility fits into their long-term vision. In addition, we feel it is important to better understand the potential impacts, both negative and positive, that a new gaming facility might have on a host community. As such, we are working with independent experts and the public health community to adapt and customize a Health Impact Assessment model to help complement and inform our EOI and host local government selection process.

Creating the space for dialogue about our business is important. Every year, we attend municipal government conferences across the province and host the New Horizons in Responsible Gambling Conference. Events such as these provide a platform for people to ask us questions about our business and the gambling industry. In turn, we have the opportunity to learn more about the communities in which we operate and share best practices with others in the industry. Ultimately, these activities inform how we can best serve communities and our players.

BCLC is a diverse organization made up of people with various backgrounds, perspectives and abilities – that is what makes our organization so incredibly dynamic. Over the past year, we have been working to formalize a Diversity and Inclusion strategy. This will allow us to more openly embrace difference and build upon the great practices that we already have in place. We want to ensure we draw upon the diverse perspectives of our employees so that we can continue to provide benefits to B.C. for years to come.

Sincerely,

Susan Dolinski
VP, Social Responsibility & Communications

“
*Being a
good
corporate
citizen
starts by
listening
to your
stakeholders.*

”

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BCLC at a Glance

We are a Crown corporation with the exclusive authority to conduct and manage lottery, eGaming, bingo and casino gambling entertainment on behalf of the Province of British Columbia. We entertain customers with a chance to dream and have fun, while delivering important revenue to the Government of B.C. to support health care, education, social programs and charitable organizations.

We bring fun to life through national and provincial lotteries sold at approximately 3,500 retail locations and over 12,800 slot machines, 500 table games and bingo play at 41 venues. These games and more are also available through PlayNow.com, the province's only regulated online and mobile eGaming channel.

Today we employ a team of approximately 920 people across British Columbia and our two offices located in Vancouver and Kamloops. Whether our employees work in sales, marketing, distribution, finance, administration or information technology, our teams work together to collaborate and deliver cutting edge innovative entertainment offerings. Our people are proud knowing that when they come to work, they're helping to generate revenue for public good in B.C. – whether it's funding for a local soccer field, a charity, education or a healthcare program. Since 1985, we have generated \$20 billion for the benefit of British Columbians.



Our Social Purpose

Conduct and manage gambling in a socially responsible manner for the benefit of British Columbians.

Mission and Values

Our business was created to benefit British Columbia. Our role is to ensure the integrity of gambling entertainment while generating revenue in a socially responsible way. Everything we do is done with consideration of its impact on and for the people and communities of British Columbia.

We live by our values of integrity, social responsibility and respect. The games we offer and the ways we conduct business are fair, honest, transparent and trustworthy. Being socially responsible means reducing gambling-related harm and being a good corporate citizen, which has become our social purpose.

Social responsibility is an important focus of our business and we are committed to being a leader in responsible gambling through research and innovation.

Governance and Oversight

Our business is overseen by a government-appointed Board of Directors, who report to the Attorney General, the Minister responsible for BCLC. The Board's Governance & Social Responsibility Committee provides guidance for issues related to Social Responsibility, while our CEO and the Vice President of Social Responsibility & Communications have overall authority and accountability for our social responsibility performance.

At an operational level, we have established a Social Responsibility Committee made up of Directors and Senior Managers from all departments of the organization. This committee provides direct input on, and approval of, the social responsibility performance framework, social responsibility charter, identification and prioritization of BCLC's material topics, as well as general social responsibility strategy at BCLC. The Corporate Social Responsibility Manager implements the social responsibility strategy and reports upon the relevant metrics associated with the social responsibility performance framework and disclosures.

Additionally, the Gaming Policy and Enforcement Branch (GPEB) is responsible for the overall integrity of gambling and horse racing in British Columbia, including regulation of BCLC and our compliance with B.C.'s Gaming Control Act (2002). GPEB is also responsible for setting the province's responsible and problem gambling strategy and has direct responsibility for the provision of problem gambling treatment services.



Opportunities, Risks and Challenges

Each year, we identify various risks, opportunities and challenges faced by our business operations. To provide context and transparency for this report, we describe those related to our social responsibility performance below.

Opportunity: Outcome-Based Performance Measures for Responsible Gambling

As part of the [BCLC Crown Review](#) completed in 2014, provincial auditors noted that our performance measures related to responsible gambling were somewhat limited, and are not sufficient to demonstrate the success of the social responsibility program on their own. The review recommended that more outcome-based performance measures be tracked to better gauge our program's effectiveness. In response, we have devised a new evaluation framework based on the overarching desired outcome of reducing gambling-related harm. We are now working with leading researchers and market research firms to find the right mix of new and existing measures that can speak to our performance. While no one metric can provide a comprehensive view of harm or our effectiveness in harm reduction, the new outcome-based metrics, when interpreted together, should offer reasonable understanding of effectiveness.

Opportunity: Social Responsibility Supports Business Goals

We recognize that our social responsibility efforts are critical to supporting our vision to ensure gambling is widely embraced as exceptional entertainment for adults. Whether we are looking to build a new casino in a community that has not previously hosted one, or to expand our player base, our social responsibility efforts can contribute in a meaningful way to the success of our business activities.

Risk: Shared Responsibility for Reducing Gambling-Related Harm

While we have overall authority for conducting and managing gambling in B.C., we are dependent upon our service providers and lottery retailers, among other partners, for safeguarding player health by maintaining the casino gaming environment and delivering our products to players. Consequently, the reduction of gambling-related harm requires a joint effort from BCLC, our service providers and retailers and our regulator. For our part, we are committed to a collaborative working relationship with our partners that includes the provision of responsible gambling training, conducting responsible gambling research into emerging areas and the sharing of best practices, as well as incorporating the latest knowledge into policies for gaming activities. We rely heavily on our partners to operate responsibly to maintain and improve the player experience and we will continue to collaborate with all of our partners to achieve our shared objectives.

Challenge: Stigma Surrounding Gambling-Related Issues

As part of our player health strategy, one of our main objectives is the effective referral of players to problem gambling support and treatment options, after they tell us that gambling has begun to negatively affect their lives. However, for many, the stigma of problem gambling or mental health issues prevents them from seeking information and/or help. Furthermore, cultural barriers may play a factor in whether a player will choose to participate in services that are available. As a result, our ongoing challenge is that not everyone who can benefit from our programs is getting help. For example, only 10 per cent of participants in the Voluntary Self-Exclusion program seek help from a counsellor. BCLC is developing programs for special populations, or unique groups of people who may be at risk of developing problem gambling behaviour. We have also recently begun to refresh our [GameSense](#) brand to more effectively design messaging and communication materials to help alleviate stigmas associated with seeking help. As our responsible gambling programs evolve, we will continue to seek new ways of connecting people to the right resources.

Player Health

We want our players to enjoy themselves and keep gambling fun. An important part of this is to support player health and reduce gambling-related harm. We have recently begun to implement a new strategy focusing on player health, which incorporates key learnings from the harm reduction approaches applied to other types of addictions.

Our Player Health Strategy:

- 1. Positive Play:** Encouraging players to adopt positive playing behaviours and attitudes that can reduce risk of developing gambling problems, such as pre-commitment and honesty with friends and family.
- 2. Informed decision-making:** Providing the tools and information to enable players to make informed playing decisions and to be aware of the risks associated with gambling and the resources available to support healthy play behaviours.
- 3. Reduced problem gambling prevalence with BCLC products:** Making appropriate business decisions in terms of products offered, approaches to advertising/marketing, and markets served, to reduce the incidence of players with gambling problems using BCLC products.
- 4. Effective referral to treatment and support:** Ensuring that responsible and problem gambling support is viewed as a key component of the customer service model, enabling players to receive effective referral to the right resources at the right time.

GameSense

GameSense is the umbrella under which we make all responsible gambling tools available. The program is designed to be friendly and approachable in order to engage our players and the public in healthy discussions about gambling. Through GameSense, people can learn about everything from how our games work to the odds of winning. They can also access information about the Voluntary Self-Exclusion program. GameSense Info Centres are located inside all gambling facilities across B.C. Many are staffed with an on-site GameSense Advisor who is trained to discuss the odds of winning, how our games work and how to recognize problem gambling behaviours. This year, GameSense Info Centre staff logged 59,075 player interactions.

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Keeping responsible gambling at the heart of our business.
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Appropriate Response Training

We respect every player's gambling choices and their right to privacy. However, it's important for gambling facility staff to provide support to those demonstrating problem-gambling behaviours. We require all player-facing staff in casinos and community gaming centres to successfully complete Appropriate Response Training (ART), which prepares them to proactively assist players who may need extra support in a respectful manner.

Corporate Social Responsibility Assessments

To ensure we do not put vulnerable players at undue risk for harm, all products, promotions and advertising campaigns are reviewed using a Corporate Social Responsibility Assessment (CSRA). Through CSRAs, initiatives are screened for responsible gambling best practices, protection of minors and compliance to advertising standards, among other considerations.

Problem Gambling

According to the 2014 British Columbia Problem Gambling Prevalence Study conducted on behalf of the Gaming Policy and Enforcement Branch the rate of people at risk of problem gambling was 3.3 per cent, which is down from 4.6 per cent in 2008. The B.C. Problem Gambling Help Line offers confidential and free support 24-hours a day, seven days a week for all British Columbians and counselling services are also offered free of charge by the Province of B.C.

Voluntary Self-Exclusion

The Voluntary Self-Exclusion (VSE) program is for players who want to take a break from gambling. By signing up for the program, individuals are choosing to exclude themselves from all facilities with slot machines, commercial bingo halls, and PlayNow.com for a period of time that they determine. As an added deterrent, those enrolled in VSE are not eligible to claim jackpot prizes in gambling facilities. As of March 31, 2017, 9,565 people are enrolled in the VSE program and last year we detected and turned away VSE participants from gambling facilities over 10,378 times. In 2016, researchers concluded a 4-year study with the goal of determining overall satisfaction, access to treatment and overall effectiveness of the VSE program. Findings are helping to determine where improvements can be made.

GameSense MGM Partnership

In February, MGM Resorts International announced its intention to license GameSense. This would be the first time a program of this kind would be adopted by a Las Vegas-based commercial gaming company. As part of the announcement, MGM committed to funding \$1 million USD over five years, towards a research partnership between BCLC, MGM, and the University of Nevada Las Vegas' (UNLV) International Gaming Institute.

UNLV plans to bring together a group of internationally renowned experts in responsible gambling, and work closely with UBC's Centre for Gambling Research. This will include a multi-faceted research project to enhance GameSense and all responsible gambling products based on new, data-driven, scientifically-based expertise in responsible gambling, which is in line with our Player Health strategy.



New Horizons in Responsible Gambling Conference

For five consecutive years, we have proudly hosted the New Horizons in Responsible Gambling Conference. The learnings from New Horizons help strengthen our responsible gambling program. This year’s event featured an esteemed list of speakers and researchers who presented compelling responsible gambling content and research, including Canadian Prime Minister’s Mother, Margaret Trudeau, who spoke about the stigma surrounding mental illness and Dr. Luke Clark, Director of the Centre for Gambling Research at UBC, who presented research on modern slot machine design and the implications for ongoing responsible gambling practices.



Supporting Players in Responsible Gambling

Here are some things we’ve done and are doing to help B.C. players gamble responsibly:

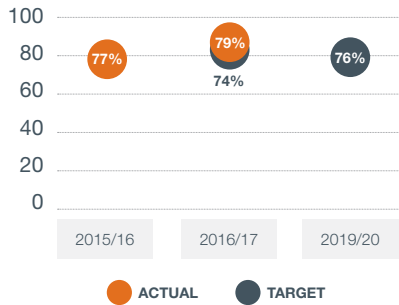
- GamTalk (www.gamtalk.org) – Established an online community to help people with gambling issues.
- Positive Play – Conducted research to identify behaviours and attitudes that can reduce the risk of developing gambling disorders.
- RG Check (www.rgcheck.ca) – All B.C. gambling facilities and PlayNow.com have received RG Check accreditation for their comprehensive delivery of responsible gambling programs.
- Play Limits – Developing a tool which will allow casino players to set betting and time limits on their play. Similar features are currently available on PlayNow.com.
- Communication of Odds – Working with other Canadian gambling jurisdictions to determine how best to communicate the ‘odds’ and ‘return to player’ on electronic gaming machines in order to dispel myths about a player’s control/ability to win.
- Customized Messaging – Partnering with the Manitoba Gambling Research Program to develop customized responsible gambling messaging for players.
- GameSense Info Centres Design Standards – Redefining the GameSense Info Centre design to better support players.
- Adolescent Gambling Messaging – Created new messaging to educate parents about the risks of adolescent gambling.

Training and External Certification

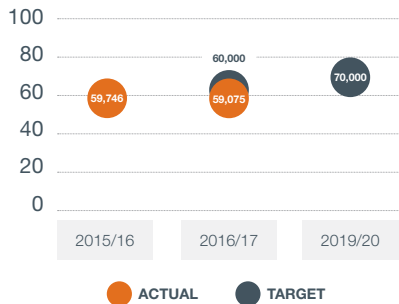
In order to integrate our mission and player health strategy into all aspects of our business, employees and service providers undergo various training programs. We use third-party validation to increase transparency and credibility about our performance. External certification also helps us benchmark our progress against leading standards in the industry and continuously improve our policies, practices and programs throughout the organization. BCLC continues to maintain Level 4 certification (top-tier) for responsible gambling programs from the [World Lottery Association \(WLA\)](http://www.wla.ca). Additionally, all B.C. casinos, community gaming centres and PlayNow.com have received RG Check accreditation from the Responsible Gambling Council. All these certifications demonstrate BCLC’s commitment to adopting and putting into action international responsible gambling principles aimed at protecting players. The following table outlines the various types of training for BCLC employees and our service providers, as well as external certifications.

	BCLC	SERVICE PROVIDERS
Employee Training Course	Where’s your GameSense? Playing it Right Anti-money laundering	Appropriate Response Training Level 1 Appropriate Response Training Level 2
External Certifications	World Lottery Association Level 4 RG Check – PlayNow.com TRUSTe compliance – PlayNow.com	RG Check – Casinos RG Check – Community Gaming Centres

Player Awareness of Responsible Gambling Activities



Player Interactions at GameSense Info Centres



UBC Centre for Gambling Research

[UBC's Centre for Gambling Research](#) was established in 2015 with the goal of understanding gambling psychology to reduce gambling-related harm and improve evidence-based gambling policy.

The Centre's Director, Professor Luke Clark, has developed an undergraduate course on Gambling and Decision Making, spanning from the psychology of choice, to addiction neuroscience, to gambling policy. Regularly oversubscribed at 150 students, the course will run for its third year this September.

The Centre also examines the psychological properties of slot machines, which is key research as we continue to look at how we can enhance responsible gambling design.

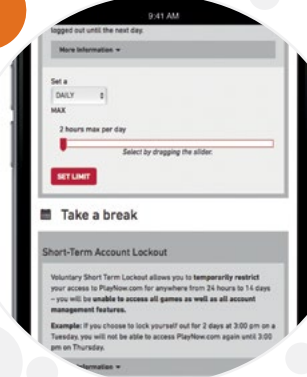
In January, the Centre hosted an Open House to connect with key stakeholders within government, BCLC, gambling operators, and healthcare. Thirty-five local representatives in gambling research and policy attended the open house, which included an overview of the Centre's research agenda and a drop-in on one of Professor Clark's undergraduate classes.



B.C. Gaming Worker Survey Results

Last year, we issued the BCLC Employees and Gaming Workers Responsible Gambling Surveys. The surveys found our employees are no more likely to develop a gambling-related problem than the public; however, B.C. gaming workers were found to be at higher risk.

As a result, we have updated our Voluntary Self-Exclusion (VSE) policy to reinforce that gaming employees, and our staff, are eligible to enrol in VSE and that doing so will not affect their employment. We are also developing new training for gaming workers highlighting the increased risks and available resources, and how to support co-workers experiencing gambling difficulties.



New lockout feature on PlayNow.com

Last January, we launched a new Responsible Gambling (RG) tool on PlayNow.com. Short-Term Account Lockout allows players to temporarily restrict PlayNow.com access anywhere from 24 hours to 14 days. This is in addition to the current suite of PlayNow.com RG tools, which include weekly deposit limits, session reminders, max playing time and the GameSense pages.

Player Experience

We are an integrated, player focused entertainment company, and player experience is an important part of our commitment to social responsibility. We are committed to enhancing the player experience by ensuring player privacy, safety and security, and integrity of our games. We ensure that these aspects are well integrated across our gambling platforms – casinos, lottery, and online gambling.

“
Player Satisfaction
 went up to
 80% in
 2016/17.
 ”

Player Privacy

We are a leader in player privacy within the gambling industry and we have established three pillars to guide us and help us fulfill our obligations under the Freedom of Information and Protection of Privacy Act (FIPPA).

Fairness

We don't sell or use personal information for any purpose other than what we've disclosed.

Accountability

We are responsible for protecting personal information, so we've developed safeguards and train our staff accordingly.

Accessibility

We provide players with complete information on the existence, use and disclosure of their personal information upon request.

In order to ensure that player information collected through our online platform is private and secure, we annually seek the Certified Privacy Seal from [TRUSTe](#) for PlayNow.com. TRUSTe is a leading global data privacy management company that provides certification for companies who collect consumer data.

Safety and Security

We have an extensive risk assessment program. Our policies, procedures and investments in technology, training and certification have established us as an industry leader in the development of a comprehensive anti-money laundering (AML) program. This year we further enhanced our AML program through the implementation of multiple vendor business intelligence software. One of our current vendors is also used by three of Canada's five big banks, and the tools have been customized for our business. This allows us to better assess the risk of money laundering threats. Continuous

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improvements to our AML software are scheduled for this year which will enable us to provide even more sophisticated and timely responses. We also conduct internal reviews, commission independent audits and are audited by the Gaming Policy Enforcement Branch (GPEB) and the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) to bolster our AML program.

In relation to the lottery business, all lottery retailers are required to adhere to our policies and procedures. We conduct an ongoing post-sale validation Mystery Shop program to assess our retailers' handling and validating of lottery products and to prevent fraudulent activities. In 2016, we also began to include requirements for requesting identification from lottery customers who appear to be 25 years of age or younger. Compliance with this requirement is assessed through an ongoing Mystery Shop program, whereby an enlisted BCLC employee or contractor who is over the age of 19, but very youthful in appearance, will attempt to purchase lottery products from retailers, and will produce insufficient identification when requested. The results of these exercises are communicated to the retailers and all internal stakeholders. Repetitive non-compliance with Lottery Retailer procedures results in invocation of the Lottery Retailer Service Standard Remedies.

Broadening Gambling Participation

In order to continue to bring benefits to B.C., we must create experiences that appeal to new or light and casual players. With every new game we launch and facility we open, we have the opportunity to develop an entertainment option that resonates with new customers. Facilities like Elements Casino in Surrey, which has a dedicated video gaming lounge, and Cascades Casino in Penticton, which has a roof top patio and bocce ball court, are great examples of how we are working with our service providers to drive broader participation in our business.

Integrity of games

Integrity of our games is paramount to us and we want our players to feel secure in the knowledge that every casino game, lottery ticket and online gambling experience on PlayNow.com represents a fair chance to win. We have technology, strict policies and procedures, training and compliance checks to help maintain the integrity of our systems. For example, corporate security staff review all lottery retailer prize claims above \$2,000 and all other prize claims above \$25,000. If there is any reason to believe the ticket does not belong to the claimant, we send a notification to our regulator, the Gaming Policy and Enforcement Branch (GPEB). We also notify GPEB of all lottery retailer claims of \$2,000 and greater. We also work together with our service providers to prevent suspicious activities in casinos. For example, all players who make a transaction of \$10,000 or more within a 24-hour period (or multiple transactions that add up to that amount within 24 hours) must provide current government photo identification. Player protection and game integrity are fundamental to PlayNow.com and we do this through secure registration, secure browsing, secure firewalls, cookies, log-in protection and more.



Introducing the Lotto! App

Last December we launched our Lotto! app for iPhones in order to become more mobile-friendly. The Lotto! app allows players to check for winning tickets, find jackpot information and see results from past draws.



Nanaimo man sets new Canadian online lottery record

Bill Laharty of Nanaimo, B.C., is \$21 million richer after winning the jackpot in the August 13, 2016 Lotto 6/49 draw. Laharty purchased his ticket on PlayNow.com, setting a new lottery record for the largest-ever online lottery prize won in Canada. Laharty is already living life in style as a new multi-millionaire and has been enjoying the fruits of his win. Not only did he treat himself to a new luxury car, he also bought one for his best friend of 25 years. Describing the win as awesome, Laharty said, "Ever since I discovered I won, it's like I've been in a dream. I saw this big number and had to count all the zeros. I couldn't believe it and no one else does either!"

Employee Engagement

Our employees are the driving force of our business and one of our biggest stakeholders, so it is important that we listen to them and look for ways that we can continue to improve their experiences at work. One way we do this is through our employee engagement survey. This year, our work to build a strong culture was well reflected in the results of this survey, which showed an increase from 83 per cent to 87 per cent in our overall engagement score.

“
Creating
a fun and
engaging
work
environment
with a strong
culture.”

Employee Attraction, Retention and Engagement

We aim to provide a fun and engaging work environment with a strong culture based on trust and collaboration because we know that an inspired workforce will drive the success of our business. At BCLC, we support our employees through our Total Rewards program. This program includes a comprehensive benefits package, pension plan, as well as career milestone and employee recognition programs. Offering a Total Rewards program like this is one of the reasons we were selected as a [Top Employer in B.C.](#) for the ninth consecutive year.

Diversity & Inclusion

As part of our commitment to building a strong culture, we are focusing on diversity and inclusion. In order to make decisions that reflect the wants and needs of the public and our players we need to invite a range of perspectives that represent the diverse population of B.C. We believe that having a diverse and inclusive workforce is one way to do this. This year, in addition to becoming a member of the [Canadian Centre for Diversity and Inclusion \(CCDI\)](#), we worked with experts to better define what diversity and inclusion means for BCLC. We also established a Diversity and Inclusion Committee which includes managers and directors of various departments. Through these discussions, we have begun to develop a framework for a formal diversity and inclusion strategy. This includes exploring and implementing new methods of recruitment and employee development practices, as well as workplace improvements, such as accessibility.

Training & Development

Talent is a strategic area of focus for us. In order to deliver on our mission, we must attract and retain the right employees. We have developed a “grow your own” philosophy. As such, we offer a breadth of training resources and development opportunities and programs to help our employees grow and develop professionally



while contributing to our corporate goals. In addition to more than 1,000 on-demand online training courses, we offer three key leadership programs.

The Emerging Leaders program helps build skills and capabilities for employees who have shown potential for and aspire to leadership roles. Leadership Essentials is for people who already manage teams, but are looking to enhance their leadership skills. Finally, we also offer a Business Leadership program in partnership with the UBC Sauder School of Business, which focuses on strengthening leadership skills and business acumen among our managers and directors.

Advisory Committee of Employees

Our Advisory Committee of Employees (ACE) consists of employees of all levels and functions of the organization (excluding management). ACE empowers employees to bring forward concerns, new ideas and solutions to potential issues and ensures they are heard and given full consideration at the Executive level. In 2016, the Committee provided feedback on improvements to our recognition program and communications. The Committee meets monthly to provide Human Resources with important perspective from our people.

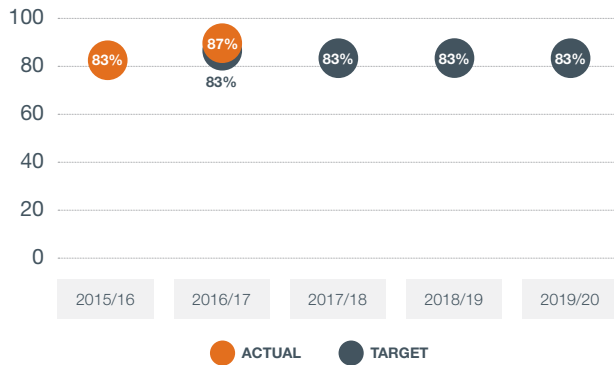


Acts of Kindness, Inspire and Mentor

On International Women's Day, we celebrated the first anniversary of AIM (Acts of Kindness, Inspire, and Mentor). What started as a grassroots development and mentorship initiative for women, and men who wish to support them, has grown into an organized group of over 160 members that offers valuable development opportunities for themselves and their growing membership.



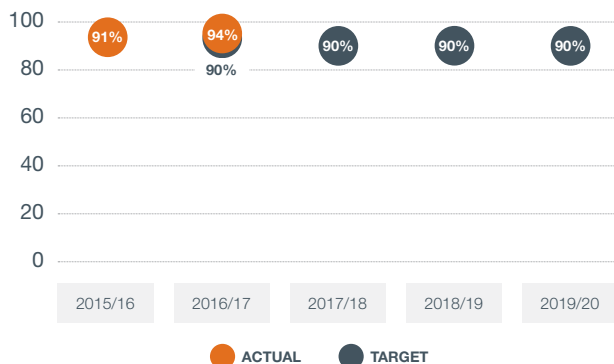
Employee Engagement



Average Spend on Training per Employee



Employees who agree that BCLC is a Good Corporate Citizen



Playing it Forward

Our employees are passionate about giving back to their communities. To support them in this, in 2015, we created a volunteer program called Play it Forward that allows employees to use up to 7.5 work hours to volunteer in the community. Over 1,380 hours have been logged against the program since inception in April 2015. Last year, the hours were used to volunteer at the following organizations: Greater Vancouver Food Bank, Kamloops Food Bank, International Ice Hockey Federation Women’s World Championship, Kamloops International Bantam Hockey Tournament, and St. Francis Xavier School in Vancouver.

In addition to volunteering through our Play it Forward program, employees invest their own time to various good causes. For example, in 2016, a group of BCLC employees volunteered 610 hours at the Greater Vancouver Food Bank earning them the top spot on the list of corporate teams for that year.

Playing it Right eCourse

Last November, we launched a new eCourse for employees called “Playing it Right” that explains why social responsibility is one of our three core values and why it’s embedded in our mission statement. Through the course, staff learn how their role contributes to our social purpose and success.



ESTABLISHED 1982
charitable model
temporary solution
to hunger crisis
emergency food
provision
OUR BEGINNINGS

OUR APPROACHES

- ON the GROUND**
Empowering markets, volunteers, agency and community partners
- UPSTREAM**
Collaborating with government, charity, community and educational organizations
- LEADERSHIP**
Supporting like-minded food organizations in making the difference
- EVALUATION**
Celebrating success with shared learning

OUR FOOD PHILOSOPHY

- PASTA
- SAUCE

Thank You
for your food donation

food bank

WE WASH all high protein, low salt foods like...

- ✓ canned soups, stews
- ✓ canned meats, fish
- ✓ canned beans, lentils
- ✓ boxed macaroni & cheese
- ✓ boxed soups
- ✓ boxed pasta
- ✓ boxed rice
- ✓ boxed cereal
- ✓ boxed oatmeal
- ✓ boxed instant noodle soups
- ✓ boxed instant ramen
- ✓ boxed instant noodle cups
- ✓ boxed instant noodle bowls
- ✓ boxed instant noodle packs
- ✓ boxed instant noodle cups
- ✓ boxed instant noodle bowls
- ✓ boxed instant noodle packs

MISCELLANEOUS

KRAFT

Goldfish

Public Trust

Building a foundation of trust and accountability with the people we serve is a core element of social responsibility.

Transparency

We listen to our stakeholders and facilitate informative dialogue with individuals and organizations that are impacted by our business. In addition to this Social Responsibility Report, we publish a number of other reports to be transparent and accountable to our stakeholders. These reports include:

- Annual Retail Compliance Report
- Annual Service Plan Report
- Carbon Neutral Action Report
- Community Impact Report
- Financial Information Act Report
- Public Sector Executive Compensation Report
- Quarterly Freedom of Information (FOI) Request Report
- Report on Multiculturalism to the B.C. Government
- Report on Voluntary Self-Exclusion (VSE) enrollment and tracking
- Service Plan
- Service Provider Commission Report

In 2017, as part of our openness and accountability initiative, we will create a new corporate information [landing page](#) on our website. This page will consolidate all corporate reports and disclosures in a logical and easily accessible manner.

Expression of Interest (EOI) process

Our EOI process gives communities the opportunity, before any formal proposals are made to local governments, to let us know if they would be interested in hosting a gambling facility. Anytime we engage with a community, we always ensure it understands the ultimate decision on a gambling facility rests with them.

This process was formally launched in October 2015 in Greater Victoria where we determined there was market opportunity for a facility. Through the EOI process, we asked six local governments to indicate their interest and received five interested responses.

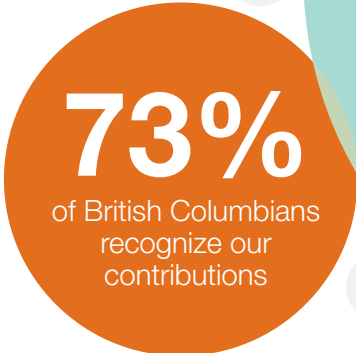
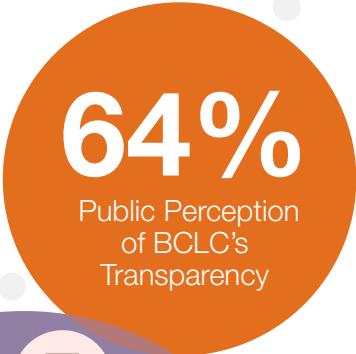
“
*Supporting
our
communities,
nurturing
partnerships
and cultivating
sustainable
actions.*
”

A BCLC committee, with oversight from a third-party fairness advisor, conducted an internal assessment of the responses and based on the analysis chose the City of Victoria and the District of Saanich as the preferred potential locations for a gaming facility. On July 9, 2016, BCLC announced that, after reviewing additional information from Saanich and Victoria, the selection committee had chosen the City of Victoria as the preferred Host Local Government for a potential gaming facility.

We are now in the process of selecting a Service Provider in Victoria to contract with BCLC to develop and operate the new facility. We are expecting to conclude this process within fiscal year 2017/18.

Community Consultations

Every spring, our Public Affairs team travels across the province to meet with municipal government councillors, mayors and senior staff at their regional conferences, which we have sponsored for over a decade. Last year, we engaged with thousands of elected government officials when they met in Nanaimo, Kelowna, Dawson Creek, Whistler, Fort St. John and Victoria. 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 which will in turn help drive our success.



Whistleblower Policy

Our Whistleblower Policy and procedures provide employees with a confidential process to raise concerns about leadership and ethical conduct. This framework allows employees to feel confident that they can raise concerns about leaders, or other employees, without the fear of retaliation. Complaints filed through our Whistleblower Policy are handled by an independent third party who specializes in employee relations issues. The independent specialist works with our Board Governance Chair to ensure all complaints are addressed and resolved appropriately.

Ethical Conduct

We depend on public confidence in the security of the systems and the people involved in providing our products and services. Therefore, we need to conduct our business with the highest level of honesty and integrity. Our Standards of Ethical Business Conduct embed our core values of integrity, social responsibility and respect. All our employees are required to fulfill our ethical promise to conduct our business with professionalism, honesty and integrity at all times.

For a number of years after the Ombudsperson's report into the lottery prize payout process in 2007, we commissioned and published a research report into retailer play and win rates. Those reports indicated that our retailer win rate was statistically in line with non-retailer win rates in the province. As such, we ceased commissioning the research report. We have continued reporting retailer wins to GPEB and have, since 2007, added a number of layers of security to increase the security and integrity of the lottery. From 2016 onwards, we are committed to reporting on all prize claims over \$2,000. In 2016, we had 66 retailer prize claims out of a total of 5,418 prize claims over \$2,000, which accounted for 1.2 per cent of total prize claims.

Doing Business With Us

As a Crown corporation, we follow strict rules when working with external vendors or suppliers. We abide by relevant trade agreements and specific processes and procedures when seeking potential vendors and suppliers. We, along with all other government organizations, post bid invitations and all the documentation required for a successful bid, such as a Request for Proposal, Request for Information, Invitation to Quote or Request for Qualification on B.C. Bid.

Our Procurement Department sources goods and services through qualified suppliers using transparent, equitable, fair and ethical bidding processes. Purchasing decisions are made to provide the best life cycle value for dollars spent, while giving the best possible service to internal and external customers.

Supporting communities through sponsorships

For 24 years, BCLC has sponsored Music in the Park – a nightly outdoor summer music festival. This is the longest running free music festival in B.C. and brings arts to the forefront in Kamloops. In conjunction, for the last four years, BCLC has hosted a Midsummer Music Jam, a special community concert.

Supporting local students is another way we give back. For the past 25 years, BCLC has employed and supported students from Thompson Rivers University (TRU) through co-ops and career fairs. Currently, we're evolving the co-op program to an internship to further enrich the experience.

We have also partnered with TRU to host the Technology and Innovation Speaker Series. This investment in the hi-tech community offers premium presenters and content to academic and business leaders alike. The Speaker Series is gaining momentum with repeat attendees and a growing audience base. It provides the community with an opportunity to learn about technology trends, meet community leaders and enjoy a meal – all free of charge.

In fiscal 2016/17, we supported numerous community organizations and initiatives in addition to the above. For a full list, see appendix 5. For those interested in having BCLC sponsor an event, please visit: <https://corporate.bclc.com/social-responsibility/sponsorship/criteria-and-application.html>



Vancouver Startup Week Hackathon

Content innovation is an important part of creating a sustainable business and ensuring we are developing new games that appeal to a wider audience. One way we are doing this is by reaching out to the tech community to find new ideas. For example, this past September, we headlined the sponsorship of the Vancouver Startup Week Hackathon, where we challenged more than 200 local innovators to 'Shake Up Gambling by Creating The Next Innovative Game.' Participants had 48 hours to send us their concepts. In total, we received 12 submissions. Our Content Innovation team recently launched a new website as a means to generate new ideas on how we can improve our customers' experiences. The website will speak to and celebrate innovation, as well as serve as a platform to hear people's ideas around how we can do things better.



Carbon Neutral Action

“
 We care about our environmental impact and encourage sustainability among our employees, service providers, retailers and stakeholders.
 ”

At BCLC, we've been carbon neutral since 2009 and we're proud to be part of the Carbon Neutral Government in the Province of British Columbia. All of our environmental sustainability initiatives have a goal of reducing our overall carbon footprint, which includes greenhouse gas (GHG) emissions from our building energy consumption, fleet vehicles and office paper usage.

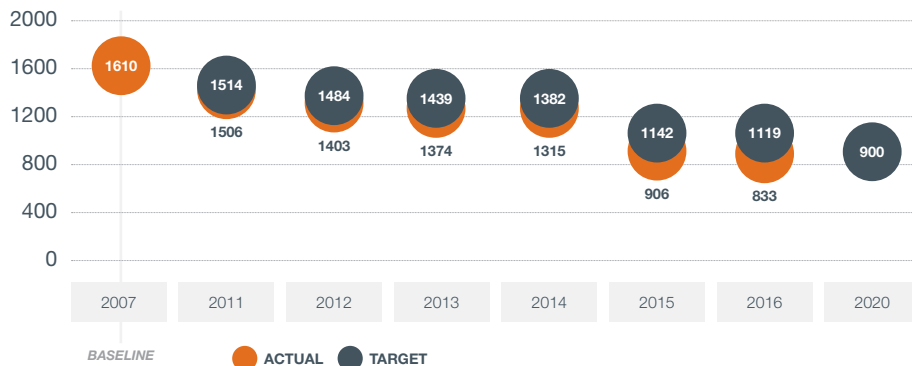
We also track our office building waste diversion rates and pay fees on the amount of paper sold as lottery tickets to fulfill environmental product stewardship commitments. This section reports on our environmental sustainability activities and performance from the 2016 calendar year (January 1 to December 31, 2016).

Greenhouse Gas Emissions

Overall, our reportable GHG emissions decreased by eight per cent in 2016 to 833 tonnes of carbon dioxide equivalent (tCO₂e). This decrease is due in large part to warmer spring and fall temperatures in Kamloops, resulting in reduced office building heating requirements. Paper usage also fell in 2016, while we increased the use of fleet cars for trips between Kamloops and Vancouver in an effort to reduce travel costs from flights.

BCLC has purchased 831 offset credits as two tonnes of our carbon footprint is deemed biogenic and part of the natural carbon cycle.

Annual GHG Emissions (tonnes CO₂e)



2016 Reportable GHG Emissions:

Emissions Source	2015	2016	% Change
Natural Gas	747	661	-12%
Electricity	91	86	-5%
Fleet Gas	34	51	+50%
Office Paper	29	27	-7%
Diesel Generators (back-up)	6	7	+17%
Fugitive Sources	0	0	-
Total Declared Emissions	906	833	-8%

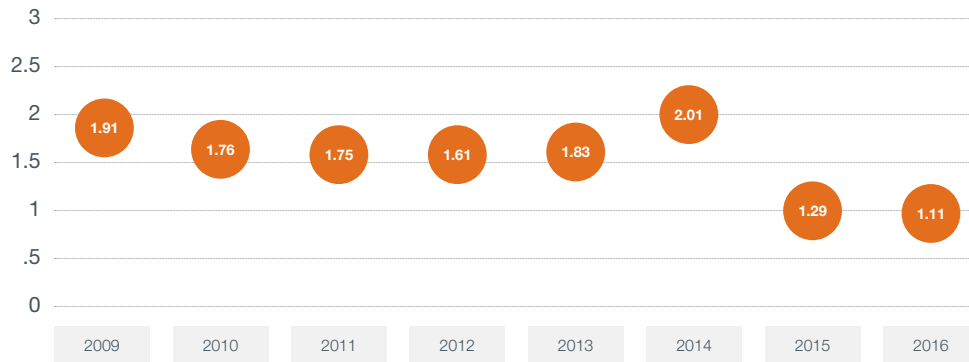
(All values are in tonnes carbon dioxide equivalent - tCO₂e)

Summary of Activity Data

YEAR	2009	2010	2011	2012	2013	2014	2015	2016
Natural Gas (GJ)	16,525	15,435	16,263	15,533	16,240	16,901	15,092	13,260
Electricity (GJ)	29,254	30,441	31,784	33,576	33,783	32,889	32,522	28,712
Fleet Gas (L)	232,716	211,846	175,518	149,208	160,979	121,027	14,017	21,030
Office Paper (packets)	7,930	7,444	6,999	4,952	5,973	6,133	4,616	3,740

Our Carbon Neutral Action Report (CNAR) is a required submission for the Government of British Columbia under the Greenhouse Gas Reduction Targets Act. More information can be found on the B.C. Climate Action Secretariat's [website](#).

GHGs per Employee (Tonnes CO₂ eq.)



Note: December 2010 to June 2011 BCLC was still responsible for vacated floor space in Richmond.

Actions Taken to Reduce Greenhouse Gas Emissions in 2016

Buildings

Currently, natural gas consumption in our Kamloops office building accounts for 75 per cent of our overall carbon footprint. However, heating energy requirements will be reduced through our plans to modernize and/or replace the Kamloops location with a LEED Gold-compliant office building in the coming years. In 2016, natural gas consumption decreased in our offices by 12 per cent, largely due to warmer weather in the spring and fall of 2016. Electricity also decreased by 12 per cent due to reduced power demand from our data centre and enhanced employee awareness. In Kamloops, we continued our ongoing evergreen program in the data centre that is converting legacy equipment to higher density and solid state storage to reduce power consumption. As well, employee awareness initiatives keep our power demand low, which include decals in all meeting rooms to remind staff to turn off the lights, drawing blinds in the summer months to help keep buildings cool at night and over weekends, as well as reminders on hallway monitors for staff to turn off computers when leaving work.

Fleet Gasoline

After our major fleet reduction initiative in 2014, we now operate seven hybrid vehicles and one gasoline delivery van. Since last year, we consumed 50 per cent more gasoline due to a cost containment measure that encouraged staff to drive fleet cars between Kamloops and Vancouver instead of taking flights between our two offices. When travel between offices is necessary, carpooling is encouraged and both of our offices are equipped with video-conferencing equipment to help reduce our fleet emissions as much as possible.

Office Paper

In 2016, our paper consumption reduced by seven per cent as compared to 2015, representing a general trend towards digital forms of communications. Corporate reports are posted online, and information is commonly presented on-screen in meetings instead of using print-outs. When hard copies are necessary, default settings on printers are set to double-sided printing.

Waste Management

In-house waste reduction and recycling programs:

Recycling and composting programs are in place in both corporate facilities to handle multiple waste streams responsibly including landfill garbage, organics, mixed container recyclables, office paper and unsold ticket inventory. In 2016, our waste diversion rates were:



Our Kamloops diversion rate increased in 2016 since the composting program was in place for a full year, compared to only the last quarter of 2015 when we became the first company in the city to implement office composting. The Vancouver diversion rate includes the shredding of unsold Scratch & Win tickets and was unchanged from the previous year.

Some of the initiatives in place to keep our diversion rates high include:

- Reusable mugs, silverware and ceramic plates used in our cafeterias.
- Centralized waste stations throughout the offices, eliminating garbage bags used to line waste buckets at each workstation.
- Large recycling buckets and small garbage containers at each workstation to encourage the reduction of landfill waste.

Recycling Stewardship Programs

We are a steward of two provincial programs that help us meet our obligations for B.C.'s Recycling Regulation – [Electronic Products Recycling Association \(EPRA\)](#) and [Multi-Material British Columbia \(MMBC\)](#). In 2016, we recycled 255 tonnes of electronic equipment through the EPRA program, including slot machine parts, computers, and lottery equipment.

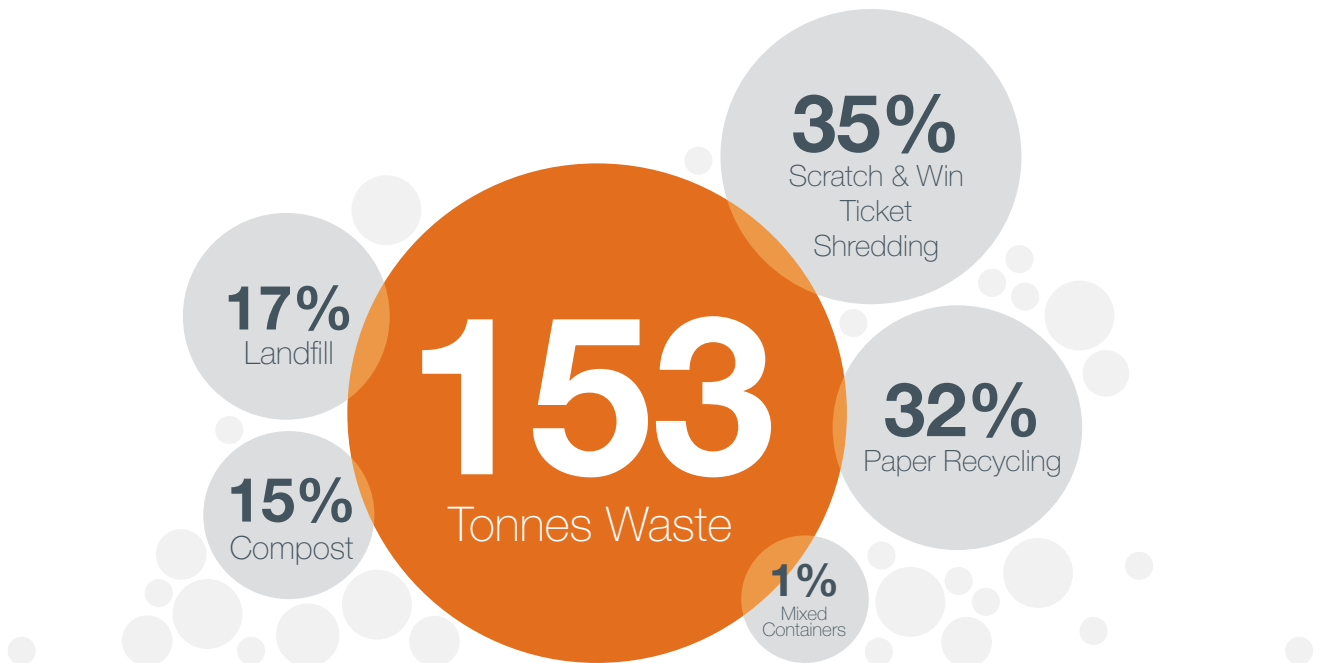
As a registered B.C. Environmental Product Steward, we file reports with MMBC on the amount of paper sold as lottery and scratch tickets, in addition to other paper and packaging materials used by our business. Fees that we pay on these amounts help fund downstream waste management and recycling programs. In 2016, we reported more than 570,000 kilograms of paper and packaging material, as follows:

Materials	Amount in Tonnes
Lottery ticket paper	288.3
Instant tickets (Scratch & Win, pull tabs)	282.3
Other Paper and Packaging	1.7
Total	572.3



Environmental Remediation at the New Kamloops Office Site

Our current head office in Kamloops is over 50 years old and we are in the process of assessing a long-term solution to develop an open, flexible, accessible and environmentally friendly office space. As a result, we have conducted an environmental assessment of BCLC owned properties and immediately adjacent lands to understand the migration of any contamination from prior businesses that included laundry cleaners and battery operators among others. We are now developing a remediation strategy to address contamination migration.



Plans to Continue Reducing Greenhouse Gas Emissions in 2017-18

Our reportable greenhouse gas emissions decreased from 906 tonnes in 2015 to 833 tonnes in 2016. This is well below our target of 1,119 tonnes for 2016-17. Reportable greenhouse gas emissions remain a distinct corporate performance measure that we continuously track. Our focus will be to reduce energy use at our two offices, and in particular the data center, where additional energy saving measures are planned, such as possibly using cloud services to reduce the number of servers on-site. Having already met our goal of reducing emissions by 33 per cent by 2020, we will look for incremental efficiencies to further lower emissions, including encouraging employees to make sustainable choices every day.

Green Committee Initiatives

Our company has an active employee-driven Green Committee that helps raise awareness of environmental issues and engages staff in activities designed to promote environmental consciousness. Following were our key initiatives from 2016:

Earth Day 2016 – Every year, leading up to Earth Day on April 22, our green committee conducts a week of fun and engaging awareness building activities. This includes trivia and tip sharing on how employees can make more sustainable choices both at work and in their personal life and screening insightful documentaries.

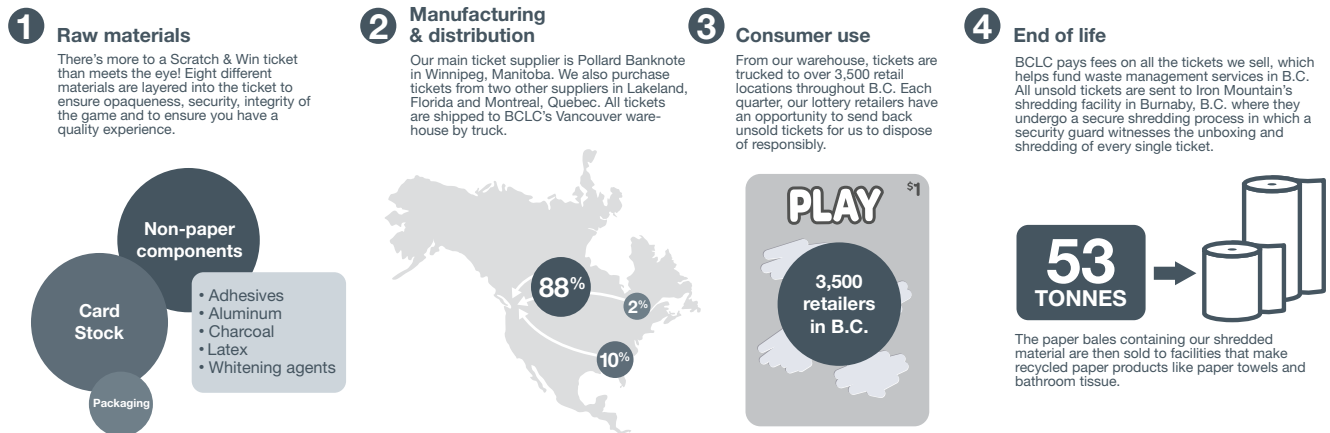
United Way Day of Caring – The Green Committee at the Kamloops office participated in a United Way Day of Caring and helped the Boys and Girls Club to build planter boxes to create more space to grow and harvest vegetables in their courtyard. Boys & Girls Club is an organization whose mission is to provide a safe, supportive place where children and youth can experience new opportunities, overcome barriers, build positive relationships and develop confidence and skills for life.

Commuter Challenge – This is a week long event during the Canadian Environmental Week to encourage people to use active and sustainable forms of transportation instead of driving the car. It is organized by the non-profit ‘Commuter Challenge’ as a friendly competition between Canadian cities and workplaces. Diverse modes of transportation such as walking, cycling, carpooling/ride-sharing, taking transit and telecommuting are all rewarded with prizes like bike tune-ups, gear and gift certificates.

Neighbourhood Cleanups - Our Green Committee members have led numerous initiatives over the past year including ‘Adopt-a-Road’ and ‘Keep Vancouver Spectacular’ events, where volunteers spend a few hours at lunch to clean up the streets around their respective offices.

Scratch & Win Lifecycle

Ever wonder what’s in a Scratch & Win ticket? This past year, we wanted to answer that question, and find out where our unsold tickets go after they’re shredded. By studying the life cycle of Scratch & Win tickets, we have confirmed that they don’t contain any toxic materials, and we found out our unsold tickets are ultimately used in the manufacturing of recycled paper towels and other paper products.





Community Impact

The Province of B.C. created BCLC 32 years ago with the purpose of giving back to British Columbia and helping communities grow. Thanks to our players, more than \$20 billion has been delivered to support communities, provincial programs and services, charities and major events that have helped shape B.C.

“
Generating economic activity and creating benefits for British Columbians.”
”

Centennial Pool, Campbell River

Centennial Pool's annual operation costs are supported by a portion of provincial gaming revenue that the City of Campbell River receives for hosting Chances Campbell River. Every week, lifeguards at the downtown outdoor pool host themed swims, designed to encourage at-risk youth to participate in positive activities, get some exercise and build relationships with role models. Young swimmers flock to the pool donning costumes, ready to participate in fun competitions, play games and see the friends and lifeguards that they've gotten to know week after week.

“These activities help youth at-risk and give them something to do,” said lifeguard Dayna Stevenson. *“We see the same kids coming back and playing – it gives them something to do in the summer that they wouldn't be able to do elsewhere, and it allows them to build positive relationships with one another and the lifeguards.”*

Chilliwack Bowls of Hope, Chances Chilliwack

Chances Chilliwack is making a difference through its support of Chilliwack Bowls of Hope. Every second week, a small army of Chances Chilliwack staff volunteers its time to help sort and deliver fruit for the Feed the Children Program, an initiative that delivers soups, hot lunches, milk and fruit to up to 680 children in need at local schools each day. Not only do the children benefit from much needed nourishment, the result is improved behaviour and cognitive focus, which benefits everyone in the schools. Along with its regular volunteer efforts, Chances provides valuable financial support to Chilliwack Bowls of Hope through fundraising efforts and donations.

“Each year Chances Chilliwack generously donates towards our program and also encourages other organizations to contribute,” said Chilliwack Bowls of Hope Managing Director, Mandy McMahon.



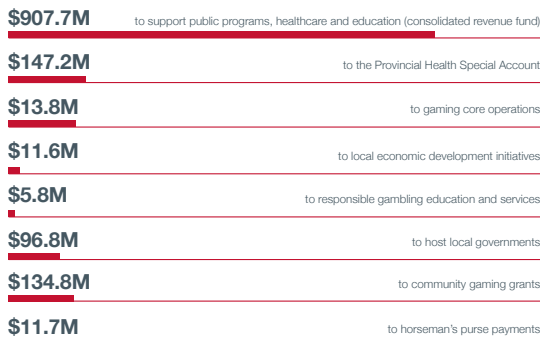
Community Benefits

BCLC is built on giving back and playing it forward to help communities grow. Today, \$0.88 of every dollar played goes back into the Province.

In 2016/17, BCLC generated **\$3.1 billion** in gambling revenues (total)



In 2016/17, BCLC generated **\$1.3 billion** in net income for the Province of B.C.



37,000

people work in B.C.'s gambling industry.

\$695M

in prizes to Lottery and eGaming players.

5,000+

organizations received Community Gaming Grants from the Province of B.C.

75%

of B.C. adults gambled last year.

3,500

lottery retailers in the Province of B.C.

Host Local Government Payments for Fiscal Year 2016/17

Each year, local governments that host casinos receive a share of net gaming income generated by those facilities. The following charts show Provincial payments made to Host Local Governments in 2016/17. 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.

BCLC games offered in 32 communities across B.C.



Host Local Government Share of Casino Revenue

(in thousands of dollars rounded)

LOCAL GOVERNMENT	CASINO	TOTAL 2016/17	TOTAL 2015/16
Burnaby	Grand Villa Casino	\$ 10,876	\$ 10,573
Coquitlam	Hard Rock Casino Vancouver	8,180	7,316
Kamloops	Cascades Casino Kamloops ¹	1,821	1,817
Kelowna	Lake City Casino Kelowna	1,915	1,938
Ktunaxa/Kinbasket Tribal Council Society	Casino of the Rockies	1,060	1,136
Langley City	Cascades Casino	6,943	6,621
Nanaimo	Casino Nanaimo	2,673	2,494
New Westminster	Starlight Casino	6,381	6,581
Penticton	Lake City Casino Penticton	1,687	1,653
Prince George	Treasure Cove Casino	2,640	2,598
Quesnel	Billy Barker Casino	479	468
Richmond	River Rock Casino Resort	16,972	18,896
Surrey	Elements Casino ²	4,103	3,331
Vancouver	Edgewater Casino	8,548	8,307
	Hastings Racecourse Casino	1,109	1,097
Vancouver Total		9,657	9,404
Vernon	Lake City Casino Vernon	1,962	2,016
View Royal	View Royal Casino	4,307	4,112
Total		\$ 81,656	\$ 80,954

¹ Lake City Casino Kamloops was replaced by Cascades Casino Kamloops during FY2015/16
² Fraser Downs Racetrack and Casino was rebranded during the year to Elements Casino during FY2015/16

“Thanks to revenue from View Royal Casino, the Town has become a co-owner of the regional library system, which made it possible for all of our residents to get a library card – at no charge.”

Mayor Screech, Town of View Royal

“The gaming revenue from Starlight Casino has been a huge benefit to New Westminister. It’s helped to fund new parkland and a trail network in Queensborough that have really allowed residents to experience their city better—and connect with their waterfront.”

Mayor Coté, City of New Westminister

**Host Local Government
Share of Community Gaming Centre Revenue**

(in thousands of dollars rounded)

LOCAL GOVERNMENT	COMMUNITY GAMING CENTRE	TOTAL 2016/17	TOTAL 2015/16
Abbotsford	Chances Abbotsford	\$ 1,100	\$ 954
Adams Lake Indian Band	Chances Salmon Arm ¹	505	335
Campbell River	Chances Campbell River	749	691
Castlegar	Chances Castlegar	482	455
Chilliwack	Chances Chilliwack	1,775	1,502
Courtenay	Chances Courtenay	981	934
Cowichan Tribes	Chances Cowichan	774	736
Dawson Creek	Chances Dawson Creek	578	641
Fort St. John	Chances Fort St. John	774	893
Kamloops	Chances Kamloops	853	807
Kelowna	Chances Kelowna	2,132	1,935
Langley Township	Playtime Langley	-	103
Maple Ridge	Chances Maple Ridge	1,404	1,169
Mission	Chances Mission	664	586
Port Alberni	Chances RimRock	454	460
Prince Rupert	Chances Print Rupert	483	510
Squamish Nation	Chances Squamish	237	224
Terrace	Chances Terrace	632	648
Williams Lake	Chances Signal Point	588	568
Total		\$ 15,165	\$ 14,151

¹ Chances Salmon Arm opened during FY2015/16

“The Calvin Kruk Centre for the Arts has been an amazing addition to our city. Thanks to players at Chances Dawson Creek, our community’s quality of life is enhanced with a state-of-the-art facility for the performing arts.”

Mayor Bumstead, City of Dawson Creek

“We wouldn’t have the South Okanagan Events Centre if we didn’t have gaming. There’s a real phenomenal mix of events here, including concerts from international superstars. We’re the envy of a lot of communities to have a state-of-the-art facility like this.”

Mayor Jakubeit, City of Penticton

Casino Revenue for Fiscal Year 2016/17

BCLC casino revenue charts show all revenue generated by B.C. gambling facilities on behalf of BCLC for 2016/17. Slot machine and table game revenue is recorded as “net win,” which is revenue after prizes are paid. Bingo revenue is recorded as “sales,” which is revenue before prizes are paid.

BCLC Casino Revenue

CASINO	SERVICE PROVIDER	NO. OF SLOT MACHINES*	SLOT MACHINE REVENUE 2016/17	NO. OF TABLES	TABLE GAME REVENUE 2016/17	TOTAL CASINO REVENUE 2016/17	TOTAL CASINO REVENUE 2015/16
Billy Barker Casino	585 Holdings Ltd.	122	8,296	4	178	8,474	8,227
Cascades Langley Casino	Gateway Casinos and Entertainment Limited	943	102,129	28	24,512	126,641	120,044
Casino Nanaimo	Great Canadian Casinos Inc.	400	41,243	11	4,373	45,616	42,179
Casino of the Rockies, Cranbrook	SEM Resort Limited Partnership	229	10,996	5	823	11,819	12,524
Edgewater Casino	Edgewater Casino ULC	559	67,395	75	98,432	165,827	159,409
Elements Casino (formerly Fraser Downs)	Orangeville Raceway Ltd.	548	60,916	24	12,505	73,422	59,722
Grand Villa Casino	Gateway Casinos and Entertainment Limited	1,153	129,910	64	75,499	205,409	198,829
Hard Rock Casino Vancouver	Great Canadian Casinos Inc.	919	102,960	48	49,888	152,848	138,814
Hastings Racecourse Casino	Hastings Entertainment Inc.	535	20,370	-	-	20,370	20,056
Cascades Kamloops Casino	Gateway Casinos and Entertainment Limited	442	30,454	17	3,798	34,252	32,604
Lake City Casino Kelowna	Gateway Casinos and Entertainment Limited	435	29,904	17	6,054	35,958	35,981
¹ Lake City Casino Penticton	Gateway Casinos and Entertainment Limited	300	27,646	7	1,573	29,219	28,446
Lake City Casino Vernon	Gateway Casinos and Entertainment Limited	400	33,262	6	1,562	34,823	35,318
River Rock Casino Resort	Great Canadian Casinos Inc.	1,109	158,731	129	178,990	337,721	365,530
Starlight Casino	Gateway Casinos and Entertainment Limited	944	82,785	54	38,098	120,882	123,674
Treasure Cove Casino	Treasure Cove Casino Inc.	540	44,294	11	2,087	46,381	45,726
View Royal Casino	Great Canadian Casinos Inc.	555	65,216	13	9,751	74,966	71,794
Total		10,133	1,016,506	513	508,123	1,524,629	1,498,878

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

¹ The number of slot machines was updated from 116 to 300 on September 6, 2017 since 300 reflects the number of slot machines in place for the majority of the year. This casino was in the process of relocating on March 31, 2017 and 116 reflects the number of slots leading up to the closing of the casino.

“The funds raised by Chances Signal Point are what we use to support not-for-profit programs. Without those, we’d be a lesser community.”

Mayor Cobb, City of Williams Lake

BCLC Community Gaming Centre Revenue

COMMUNITY GAMING CENTRE OR COMMERCIAL BINGO HALL	SERVICE PROVIDER	NO. OF SLOT MACHINES	SLOT MACHINE REVENUE	NO. OF TABLES	TABLE GAME REVENUE 2016/17	BINGO REVENUE 2016/17	TOTAL COMMUNITY GAMING REVENUE 2016/17	TOTAL COMMUNITY GAMING REVENUE 2015/16
¹ Bingo Esquimalt	Kingsnorth Gaming Entertainment Inc.	-	-	-	-	3,107	3,107	3,407
Chances Abbotsford	Playtime Peardonville Ventures. Ltd	186	18,871	-	-	211	19,081	16,676
Chances Campbell River	Playtime Community Gaming Centres Inc.	145	13,066	-	-	720	13,785	12,822
Chances Castlegar	Terrim Properties	100	8,491	-	-	263	8,754	8,126
Chances Chilliwack	Great Canadian Entertainment Centres Ltd.	255	30,141	-	-	4,912	35,054	30,370
Chances Courtenay	Playtime Community Gaming Centres Inc.	194	17,124	-	-	829	17,953	17,062
Chances Cowichan	Duncan Dabber Bingo Society	155	13,346	-	-	1,441	14,788	14,291
Chances Dawson Creek	Great Canadian Entertainment Centres Ltd.	148	10,359	-	-	472	10,831	11,754
Chances Fort St. John	243045 Alberta Ltd.	143	13,080	9	1,220	207	14,507	16,448
Chances Kamloops	Enterprise Entertainment Ltd.	200	14,999	-	-	3,393	18,392	17,414
Chances Kelowna	Goldwing Investments (Saskatoon) Ltd.	326	36,029	-	-	8,098	44,126	40,304
Chances Maple Ridge	Great Canadian Entertainment Centres Ltd.	200	23,847	-	-	2,460	26,307	22,411
Chances Mission	Gateway Casinos and Entertainment Limited	125	11,432	-	-	724	12,156	10,918
Chances Prince Rupert	0733244 BC Ltd.	102	8,594	-	-	1,185	9,780	10,041
Chances RimRock, Port Alberni	Alberni Valley Gaming Association	100	7,903	-	-	919	8,821	8,881
Chances Salmon Arm	Terrim Properties	104	8,785	-	-	671	9,456	6,054
Chances Signal Point, Williams Lake	Lucky's Venture Ltd.	123	10,262	-	-	1,330	11,592	10,977
Chances Squamish	Gateway Casinos and Entertainment Limited	95	4,431	-	-	385	4,816	4,562
Chances Terrace	Fort St. John Gaming Centre and Hotel Limited Partnership	75	10,638	-	-	966	11,604	11,959
Fairweather Bingo	Terrim Properties	-	-	-	-	0	0	802
Harbour City Bingo	Harbour City Bingo Inc.	-	-	-	-	5,471	5,471	5,242
Newton Community Gaming Centre	Gateway Casinos and Entertainment Limited	-	-	-	-	5,160	5,160	5,175
Planet Bingo	Community Gaming Management Association	-	-	-	-	7,377	7,377	7,337
² Playtime Langley	Playtime Community Gaming Centres Inc.	-	24	-	-	5,676	5,700	7,415
Playtime Penticton	Playtime Community Gaming Centres Inc.	-	-	-	-	2,145	2,145	2,393
Playtime Victoria	Playtime Community Gaming Centres Inc.	-	-	-	-	3,379	3,379	3,448
Treasure Cove Bingo	Treasure Cove Casino Inc.	-	-	-	-	9,416	9,416	9,291
Total Community Gaming Centres & Commercial Bingo Halls		2,776	261,422	9	1,220	70,915	333,558	315,580
Paper Bingo Distribution Revenue		-	-	-	-	203	203	206
Total		2,776	261,422	9	1,220	71,118	333,761	315,786

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

¹ Kingsnorth Gaming Entertainment Inc. was purchased by Great Canadian Gaming Corp. July 21, 2016

² Slots were removed from Playtime Langley April 5, 2016

About the Report

This report covers the activities and operations of BCLC during the fiscal year period which commenced on April 1, 2016 and ended on March 31, 2017. We have identified and reported on material issues that are of particular importance to BCLC and our stakeholders. Excluded from the scope of this report are the operations and activities of the broader gambling industry in British Columbia. This includes our service providers, retailers and suppliers. While BCLC acknowledges the leadership role that we play in encouraging socially responsible behaviour throughout the industry, overall performance outcomes reflect a shared effort.

Changes to the Report in 2016-17

As part of our ongoing efforts to improve accountability and transparency, we recently completed a thorough review of our Social Responsibility metrics. We have identified key performance indicators that we will use in order to measure and track our progress. These metrics are reported as [Our Performance in 2016](#). In addition, we will also continue to disclose data on several indicators aligned with our initiative to be an open and transparent organization. This data is reported under Additional Disclosures (Appendix 1).

Global Reporting Initiative

We support the Global Reporting Initiative's (GRI) framework for sustainability reporting. GRI has been a part of our reporting platform since 2012-13. The report has been organized based on the different categories under the GRI G4 guidelines, which includes General Standard Disclosures such as our organizational profile, strategy and analysis, our material aspects and stakeholder engagements. The report also includes Specific Standard Disclosures on management approach and economic, environmental, and social categories. Please refer to our GRI index for further information. In acknowledgement of the evolving landscape of sustainability reporting, we have begun assessing the GRI Standards, released in October 2016, to understand the new requirements and guidelines. Please refer to the [GRI website](#) for more information about the GRI.

This Report is organized and presented in accordance with the core GRI G4 framework.

Audience

Our Social Responsibility Report is a platform for us to reach out and communicate with our stakeholders. Through the report we want to demonstrate transparency and accountability, in relation to all aspects of our business, our accomplishments and the challenges we face. This report 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

Regulator

(Gaming Policy Enforcement Branch – GPEB)

Stakeholder Engagement

We consider it vital to our continued success to listen to our stakeholders, address their concerns and learn from their perspectives. We work with our stakeholders to help them build an understanding of our business and social purpose. Our stakeholders also help us identify trends and issues that we need to be aware of to ensure we continue to grow our business in a socially responsible way. Our approach to stakeholder 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 coherent, timely and appropriate manner.

Measurable

We track the quality, responsiveness and outcomes of our engagements.

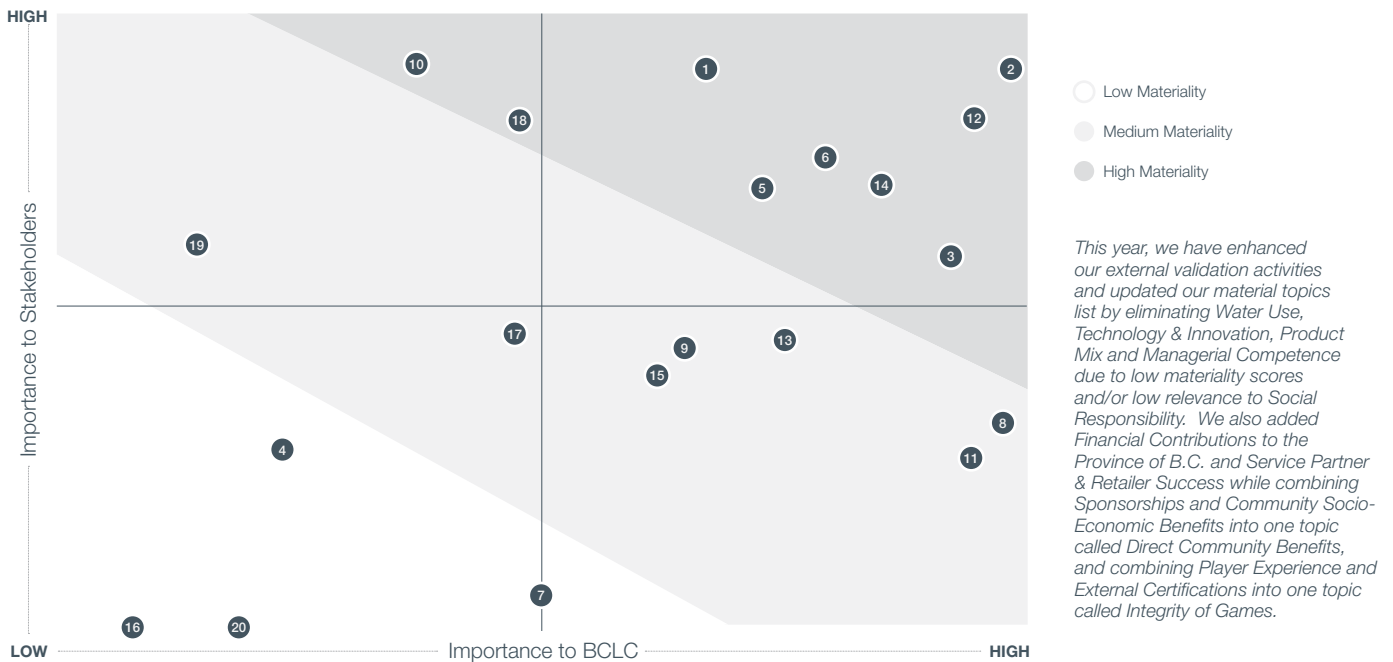
The following table summarizes key issues identified by our external stakeholders in 2016 at engagements that are conducted on an ongoing basis with varying frequency based on the stakeholder group. This table does not include players, employees and the general public. More information about these groups can be found in the report under player health, player experience, employee engagement, and public trust.

KEY TOPICS	STAKEHOLDER GROUPS	TYPES OF ENGAGEMENT
Reducing Gambling-Related Harm (Player Health)	Provincial government Local governments Host local governments First Nations Regulator (GPEB) Health authorities Service providers Academia Community organizations	New Horizons Conference 2016 Health Impact Assessments of three markets in collaboration with Medical Health Officers Through an Expression of Interest process for potential Meetings with local representatives Research projects with academia
Direct Community Benefits	Provincial government Local governments First Nations Service providers Community organizations General public Business organizations Academia	Local government conferences Meetings with representatives Play it Forward campaign Community sponsorships (Music In The Park, Thompson Rivers University Speaker Series, etc.) Outreach to support Community Impact Report
Transparency and Ethical Conduct	Provincial government Local governments First Nations Service providers Community organizations Business organizations	Presentations and discussions to support proposed new and expanded facilities Disclosure through various external reports (see Transparency)
Financial Contributions to British Columbia	Provincial government Host Local Governments	Local government conferences Meetings with representatives Outreach to support Community Impact Report

Materiality

At BCLC, we report on issues that have a significant social, economic or environmental impact on our business or to our stakeholders. In 2016, we updated our materiality matrix to reflect the latest trends, risks and opportunities. Starting with our [Social Responsibility Charter](#) we worked to build a universe of topics across the four principles described in it. We then ranked all the different topics based on feedback from different stakeholders including, the Social Responsibility Committee, players, employees, general public and other external stakeholders. The entire process is informed by GRI G4’s principles on materiality, stakeholder inclusiveness, sustainability context, and completeness.

FOCUS AREA	FOCUS AREA	MATERIAL TOPIC
Player	Reduce Gambling-Related Harm (Player Health)	1. Problem Gambling 2. Responsible Gambling
	Player Experience	3. Anti-Money Laundering 4. Broadening gambling participation 5. Integrity of Games 6. Player Privacy 7. Safety & Security
People	Employee Engagement	8. Attracting & Retaining Talent 9. Diversity & Inclusion 10. Fair Compensation 11. Training & Development
Public	Public Trust	12. Ethical Conduct 13. Stakeholder Engagement 14. Transparency
	Environment (Carbon Neutral Action)	15. Climate Change 16. Sustainable Procurement 17. Waste Management
Profit	Community Impact	18. Direct Community Benefits 19. Financial contributions to Province of B.C. 20. Service Partner and Retailer success



Independent Assurance Statement

To the Board Members and Management of British Columbia Lottery Corporation ("BCLC").

Scope of our engagement

We have been engaged to provide limited assurance on the selected assertions and performance information below included in the BCLC Social Responsibility Report for the year ended 31 March 2017 (the "Report"). Our limited assurance engagement was performed in accordance with the International Standard on Assurance Engagements 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE 3000") and the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements 3410 ("ISAE 3410"). This engagement was conducted by a multidisciplinary team including assurance practitioners and environmental scientists.

Selected assertions

Subject matter 1: BCLC's assertion regarding the following Specified Performance Indicators as defined by the Global Reporting Initiative G4 Sustainability Reporting Guidelines ("GRI G4 Guidelines") for the calendar year ending 31 December 2016:

1. EN15: Direct greenhouse gas ("GHG") emissions (Scope 1)
2. EN16: Energy indirect GHG emissions (Scope 2)
3. EN23: Total waste by weight and disposal method

Subject matter 2: BCLC's assertion regarding the following Specified Internal Performance Indicators for the fiscal year ended 31 March 2017:

1. Number of player interactions at GameSense Info Centres
2. Percent pass rate in the lottery Mystery Shop program
3. Average spend on external training per employee per year
4. The following metrics measured through BCLC's Employee Engagement Survey:
 - Employee engagement score
 - Percentage of employees who say BCLC is a good corporate citizen
5. The following metrics measured through an independent online survey:
 - Player awareness of responsible gambling activities
 - Player awareness of the Voluntary Self-Exclusion Program
 - Public perception of BCLC's transparency
 - Public recognition of BCLC's positive contributions

Criteria

Subject matter 1: GRI G4 Guidelines, as well as the GHG calculation requirements of the SMARTTool produced by the Province of British Columbia (specifically, the 2016/17 B.C. Best Practices Methodology for Quantifying Greenhouse Gas Emissions).

Subject matter 2: Criteria internally developed by Management as defined in the Report.

British Columbia Lottery Corporation Board and Management's Responsibilities

The Report was prepared by the management of BCLC, who is responsible for the integrity of the assertions, statements, and claims made therein (including the Specified Performance Indicators and Specified Internal Performance Indicators over which we have been engaged to provide limited assurance), the collection, quantification and presentation of the Specified Performance Indicators and the Specified Internal Performance Indicators, and the selection of, and adherence to, the stated criteria. In addition, BCLC management is responsible for the identification of stakeholders and the determination and prioritization of material topics based on its review of the business and the views and expectations of its stakeholders in accordance with the GRI G4 Guidelines.

BCLC management is responsible for maintaining adequate records and internal controls that are designed to support the reporting process and ensure that the Report is free from material misstatement whether due to fraud or error.

The Governance & Corporate Social Responsibility Committee is responsible for reviewing the Report, providing advice to management and making recommendations, as appropriate, to the Board.

Our Independence and Quality Control

In accordance with Canadian Standard on Quality Control 1, EY maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and ethical requirements of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Limitations

Our scope of work did not include providing conclusions in relation to:

- The completeness or accuracy of information in the Report relating to areas other than the subject matters.
- Information reported by BCLC other than in its Report, such as information contained on its website.
- Management's forward-looking statements.
- Any comparisons made by BCLC against historical data.
- The appropriateness of definitions for internally developed criteria applied to the Specified Internal Performance Indicators assertions.

- The Report being in accordance with requirements of the GRI G4 Guidelines other than those contained within the scope of our work, as set out above.

Level of assurance (limited vs. reasonable)

The procedures performed in a limited level assurance engagement vary in nature and timing from and are less in extent than those in a reasonable level assurance engagement. Consequently, the level of assurance obtained in a limited level assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable level assurance engagement. Accordingly, we do not express a reasonable assurance opinion that the Specified Performance Indicators and the Specified Internal Performance Indicators in the Report have been fairly presented, in all material respects, in accordance with the criteria.

Assurance procedures

Our assurance procedures for the Subject Matters included but were not limited to:

- Interviewing selected personnel to understand the reporting process and organizational boundary.
- Interviewing selected personnel responsible for the Specified Performance Indicators and the Specified Internal Performance Indicators, to understand the collation and reporting processes.
- Where relevant, performing walkthroughs of systems and processes for data aggregation and reporting.
- Undertaking analytical procedures and testing on a limited sample basis over the Specified Performance Indicators and Specified Internal Performance Indicators.
- Assessing whether data and statements had been correctly transcribed from corporate systems and/or supporting evidence into the Report.
- Assessing key assumptions and the evidence to support the Specified Performance Indicators and the Specified Internal Performance Indicators.

Our conclusion

Subject to the section on limitations above and on the basis of our procedures for this limited assurance engagement, we conclude that nothing has come to our attention that causes us to believe that Subject Matter 1 and Subject Matter 2 are not, in all material respects, fairly presented in accordance with the stated criteria.

Ernst & Young LLP
Chartered Professional Accountants
Vancouver, Canada
13 June 2017

Appendices

Appendix 1: Additional Disclosures

INDICATOR	2015/2016	2016/17
Player awareness of Voluntary Self Exclusion program	46%	51%
Player satisfaction	77%	80%
Player participation (at least monthly)	51%	53%
Customer satisfaction score	75%	74%
PlayNow.com web experience score	76%	73%
Rate of products/promotions labelled Risk Recorded	-	3%
Total number of employees (No.)	888	920
Female	41%	42%
Male	59%	58%
Employee turnover	9.6%	5.5%
Absenteeism rate	5.8%	5.4%
Rate of retailer prize claims	-	1.2%
Percentage of B.C.-based suppliers	-	63%

Appendix 2: Employees by Gender and Location

The table below summarizes the headcount at BCLC as of December 31, 2016.

WORK STATUS	KAMLOOPS	VANCOUVER	FIELD	TOTAL
FULL-TIME	363	319	170	852
PART-TIME	32	7	0	39
ON CALL	26	3	0	29
TOTAL	421	329	170	920

Employees by Location

GENDER	KAMLOOPS	VANCOUVER	FIELD
FEMALE	199	176	10
MALE	222	153	160

Employees by Management

GENDER	CEO	VPs	MANAGERIAL	ALL OTHER EMPLOYEES
FEMALE		4	69	312
MALE	1	4	93	437

Employees by Contract

GENDER	PERMANENT	TEMPORARY
FEMALE	369	16
MALE	521	14

Full-time - An employee who works a 37.5 hour work week – equal to 1.0 FTE
 Part-time - An employee who has a scheduled number of hours per week, less than 37.5 hours
 On Call - An employee who is utilized on an as-needed basis with no predefined work schedule

Appendix 3: Performance and Disclosure Methodology

The table below summarizes how we measure [our performance](#) metrics, our benchmarks and information on the reliability of the data we collect.

Performance Metric	How We Measure and Benchmark	Data Reliability
Player awareness of Responsible Gambling activities (%)	<p>Survey participants are asked to indicate their awareness of five of BCLC’s responsible gambling activities. The result is a net percentage of BCLC players who are aware of at least one of the five initiatives.</p> <p>Player Awareness of Responsible Gambling Activities 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>	<p>Continuous online survey independently conducted by a third-party firm with a random sample of B.C. adults aged 19 and up who have played at least one BCLC game in the past year. 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% confidence level (19 times out of 20).The figure is an average of four quarterly scores. After a player responds, they are not allowed to participate in the survey again for another six months.</p>
Player interactions at GameSense Info Centres (No.)	<p>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.</p>	<p>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. Please note we have corrected our 2015 data to be consistent with this methodology.</p>
Pass rate in lottery Mystery Shop program (%)	<p>BCLC Mystery Shops are conducted by an independent contractor who measures retailer success by assessing eight separate standard areas of compliance.</p> <p>In 2016, an additional area of compliance for ID 25 was added. However, this area is not included in reported results to maintain consistency and comparability of data with previous years. ID 25 results will be reported in the future when a full year of data becomes available.</p>	<p>After the Mystery Shop has been conducted, the results are captured in a report and shared with BCLC Lottery Investigations through BCLC’s reporting software. Any failed Mystery Shop information is then analyzed internally and the overall results are reported to the required stakeholders, which include GPEB and BCLC Lottery Sales.</p>
Employee engagement score (%)	<p>Each year, a third-party research firm conducts an anonymous online survey amongst BCLC’s employees on our behalf. The survey asks employees to rank on a six-point scale their agreement with a broad range of statements that span different aspects of the workplace. The overall engagement score is an aggregate of the proportion of employees who agree with the eight key statements in the top two points of the scale. Employee Engagement is internally benchmarked on a time series basis. We have not externally benchmarked the measure due to the BCLC specific nature of the survey questions.</p>	<p>The survey to measure Employee Engagement is independently conducted by a third-party research firm, using market research industry standard techniques.</p>

Performance Metric	How We Measure and Benchmark	Data Reliability
<p>Employees who agree that BCLC is a good corporate citizen (%)</p>	<p>Employees Who Agree That BCLC is a Good Corporate Citizen is a specific question in the annual Employee Engagement Survey, an annual anonymous online survey among BCLC employees, conducted by a third-party research firm on our behalf.</p> <p>The survey asks employees to rank on a five-point scale their agreement with the statement “BCLC is a Good Corporate Citizen.” Employee responses in the top two box scores are then aggregated and expressed as a percentage to get the aggregate agreement.</p>	<p>The survey to measure Employees Who Agree That BCLC is a Good Corporate Citizen is independently conducted by a third-party research firm, using market research industry standard techniques.</p>
<p>Average spend on training per employee (\$)</p>	<p>Average Spend on Training per Employee measures the total amount BCLC employees have expensed for self-training or development activities, divided by the total headcount.</p>	<p>This measure relies on employees self-recording their training expenses and the total amount of training dollars spent by BCLC are audited annually by BCLC’s financial auditors.</p>
<p>Public perception of BCLC’s transparency (%)</p>	<p>A third-party research firm conducts a 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.</p>	<p>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% 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.</p>
<p>Public recognition of positive contributions (%)</p>	<p>A third-party research firm conducts a 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.</p>	<p>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% 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.</p>

Performance Metric	How We Measure and Benchmark	Data Reliability
<p>Level of Greenhouse Gas emissions (tCO₂e)</p>	<p>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 SmartTool 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.</p> <p>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.</p> <p>GHG targets have a 2007 base year and emission factors come from the 2016/17 B.C. Best Practices Methodology for Quantifying Greenhouse Gas Emissions which incorporate Global Warming Potentials (GWP) from the IPCC's fourth assessment report (AR4).</p>	<p>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.</p> <p>Fleet vehicle gasoline consumption is obtained through fuel consumption reporting from our fleet vehicle management company.</p> <p>Office paper consumption for all types of reportable paper is measured internally each month.</p>
<p>Waste diverted from landfill – Kamloops office (%)</p>	<p>Waste Diverted from Landfill is measured by taking the weight of waste streams diverted from landfill (recycled paper, cardboard, recyclable containers, metals, glass, and compostable organics) as a percent of the total weight of all waste streams collected from our Kamloops office.</p>	<p>BCLC receives monthly reports from our external waste management contractors, detailing the actual weights of general garbage, recycled paper, recyclable containers, compostable materials and cardboard.</p>
<p>Waste diverted from landfill – Vancouver office (%)</p>	<p>Waste Diverted from Landfill is measured by taking the weight of waste streams diverted from landfill (recycled paper, ticket shredding, cardboard, recyclable containers, metals, glass, and compost) as a percent of the total weight of all waste streams collected from our Vancouver office.</p>	<p>BCLC receives monthly reports from our external waste management contractors, detailing the actual weights of general garbage, recycled paper, shredded tickets, recyclable containers, compostable materials and cardboard.</p>

The table below summarizes how we measure [our additional disclosures](#) and information on the reliability of the data we collect.

Additional Disclosure	How We Measure and Benchmark	Data Reliability
<p>Player awareness of Voluntary Self Exclusion program</p>	<p>A third-party research firm conducts a continuous tracking study to measure Player Awareness of BCLC's VSE program on our behalf. Players are considered to be aware of the VSE program if they specifically mention the VSE program during the survey of Player Awareness of Responsible Gambling Activities.</p>	<p>Continuous online survey independently conducted by a third-party research firm with a random sample of B.C. adults aged 19 and up who have played at least one BCLC game in the past year. The survey uses industry-standard techniques to randomize the sample, while retaining a gender, age and regional balance consistent with B.C. population 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 reported figure is an average of four quarterly scores. After a player responds to the survey, they are not allowed to participate in the survey again for another six months. The indicator is also included in Ernst & Young's scope of assurance activities.</p>
<p>Player satisfaction</p>	<p>Players who played in one of BCLC's gambling channels at least once every three to five months are asked to rate their level of satisfaction with their last experience in each channel on a 10-point scale. For each player, an average satisfaction score is calculated using their satisfaction scores in all channels they play in.</p>	<p>Continuous online survey independently conducted by a third-party research firm with a random sample of B.C. adults aged 19 and up. The survey uses industry-standard techniques to randomize the sample, while retaining a gender, age and regional balance consistent with B.C. population 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).</p>
<p>Player Participation (at least monthly)</p>	<p>Participants are asked how frequently they play our games in any of BCLC's channels. The result is an aggregate score for those players who played at least once a month in any of our channels, including lottery tickets, casino games or PlayNow.com activity</p>	<p>Continuous online survey independently conducted by a third-party research firm with a random sample of B.C. adults aged 19 and up. The survey uses industry-standard techniques to randomize the sample, while retaining a gender, age and regional balance consistent with B.C. population 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).</p>
<p>Customer support satisfaction score</p>	<p>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)</p>	<p>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.</p>

Additional Disclosure	How We Measure and Benchmark	Data Reliability
<p>Rate of products/promotions labelled Risk Recorded</p>	<p>To ensure we do not put vulnerable players at undue risk for harm, all products, promotions and advertising campaigns are reviewed using a Corporate Social Responsibility Assessment (CSRA).</p> <p>Through CSRAs, initiatives are screened for responsible gambling best practices, protection of minors and compliance to advertising standards, among other considerations.</p>	<p>All new products and promotions are registered through an internal ticketing software system where the results of each CSRA is documented and tracked throughout the year.</p>
<p>Employee turnover</p>	<p>Employee Turnover 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.</p>	<p>Employee Turnover 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.</p>
<p>Absenteeism rate</p>	<p>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.</p>	<p>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.</p>
<p>Rate of retailer prize claims</p>	<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>	<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.</p>
<p>Percentage of B.C.-based suppliers</p>	<p>Percentage of B.C.-based suppliers is calculated by dividing the number of BCLC's registered vendors with a B.C. address by the total number of registered vendors.</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>	<p>BCLC's vendors are reported publicly each year in our Statements of Financial Information in accordance with the Financial Information Act, in the Schedule of Payments to Suppliers of Goods and Services. This information is audited annually by our independent third-party financial auditing firm.</p>

Appendix 4: Global Reporting Initiative Index

BCLC aligns our social responsibility reporting with the [Global Reporting Initiative \(GRI\)](#) principles. The table below indicates where to find our general and specific standard disclosures from GRI's G4 Guidelines.

General Standard Disclosure		References
Strategy and Analysis		
G4-1	A statement from the most senior decision-maker of the organization about relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	Message from the Vice President, Social Responsibility & Communications Message from the CEO
G4-2	Description of key impacts, risks and opportunities	Our Social Purpose – Opportunities, Risks and Challenges About the Report – Materiality Our Performance in 2016
Organizational Profile		
G4-3	Name of the organization	BCLC at a Glance
G4-4	Primary brands, products and services	BCLC at a Glance What We Do
G4-5	Location of the organization's headquarters	Contact Us
G4-6	Number of countries where the organization operates	BCLC only operates in British Columbia, Canada BCLC at a Glance
G4-7	Nature of ownership and legal form	BCLC at a Glance Our History Corporate Governance and Board of Directors
G4-8	Markets served	2016/17 Annual Service Plan Report 2017/18 Service Plan
G4-9	Scale of the organization	BCLC at a Glance Appendix 2: Employees by Gender and Location 2016/17 Annual Service Plan Report
G4-10	Total workforce by employment type, contract, region and gender	Appendix 2: Employees by Gender and Location
G4-11	The percentage of total employees covered by collective bargaining agreements	Zero percent
G4-12	Describe the organization's supply chain	Casino ; Lottery ; Online Gambling
G4-13	Any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	There have been no significant changes to the organization over the reporting period
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	Carbon Neutral Action – Environmental Remediation at the New Kamloops Office Site
G4-15	List of externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Social Responsibility Charter Carbon Neutral Government Program

General Standard Disclosure	References
G4-16 “List memberships of association (such as industry associations) and national or international advocacy organizations in which the organization: <ul style="list-style-type: none"> - holds a position on the government body; - participates in projects or committees; - provides substantive funding beyond routine membership dues; and - views membership as strategic” 	About the Report – Stakeholder Engagement Interprovincial Lottery Corporation World Lottery Association Canadian Gaming Association Responsible Gambling Council of Canada North American Association of State and Provincial Lotteries Kamloops Chamber of Commerce
Identified Material Aspects and Boundaries	
G4-17 Entities in the organization’s financial statements	2016/17 Annual Service Plan Report
G4-18 Process for defining report content and aspect boundaries	About the Report About the Report – Materiality Appendix 3: Performance & Disclosure Methodology
G4-19 List all the material aspects identified in the process for defining report content	About the Report – Materiality
G4-20 Aspect boundary for each material aspect within the organization	About the Report – Materiality
G4-21 Aspect boundary for each material aspect outside the organization	About the Report – Materiality
G4-22 Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	About the Report Appendix 3: Performance & Disclosure Methodology
G4-23 Significant changes from previous reporting periods in scope and aspect boundaries	This is the first year we are linking our material issues with GRI’s aspects so this indicator is not relevant to us
Stakeholder Engagement	
G4-24 List of stakeholder groups engaged by the organization	About the Report – Stakeholder Engagement Public – Stakeholder Engagement
G4-25 Basis for identification and selection of stakeholders with whom to engage	About the Report – Stakeholder Engagement Public – Stakeholder Engagement About the Report – Materiality
G4-26 Approach to stakeholder engagement , including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	About the Report – Stakeholder Engagement Public – Stakeholder Engagement Appendix 3: Performance & Disclosure Methodology
G4-27 Key topics and concerns that have been raised through stakeholder engagement	About the Report – Stakeholder Engagement About the Report – Materiality Our Social Purpose – Opportunities, Risks and Challenges

General Standard Disclosure

References

Report Profile

G4-28	Reporting period	About the Report
G4-29	Date of most recent previous report (if any)	July 21, 2016 (Social Responsibility Report 2015/16)
G4-30	Reporting cycle (such as annual, biennial)	BCLC's reporting cycle is annual
G4-31	Contact point for questions regarding the report or its contents	Contact Us
G4-32	Report the 'in accordance' option the organization has chosen Report the GRI Content Index for the chosen option Report the reference to the External Assurance Report, if the report has been externally assured	About the Report Independent Assurance Statement
G4-33	Organization's policy and current practice with regard to seeking external assurance for the report	Independent Assurance Statement

Governance

G4-34	Governance structure of the organization, including committees of the highest governance body	Our Social Purpose – Governance and Oversight Who We Are – Our Team Who We Are – Governance & Regulatory Oversight
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Ethics and Integrity

G4-56	Organization's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	Our Social Purpose Public Trust
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Specific Standard Disclosure

References

Economic

G4-EC1	Direct economic value generated and distributed	BCLC at a Glance Community Impact 2016/17 Annual Service Plan Report
G4-EC8	Significant indirect economic impacts, including the extent of impacts	Community Impact 2016/17 Annual Service Plan Report
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Appendix 1: Additional Disclosures Appendix 3: Performance & Disclosure Methodology

Specific Standard Disclosure		References
G4-EN3	Energy consumption within the organization	Carbon Neutral Action – Summary of Activity Data
G4-EN6	Reduction of energy consumption	Carbon Neutral Action – Actions Taken to Reduce Greenhouse Gas Emissions in 2016
G4 - EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Carbon Neutral Action – Natural Gas, Fleet Gas, Diesel (720 tCO₂e)
G4 - EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Carbon Neutral Action - Electricity (86 tCO₂e)
G4 - EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Carbon Neutral Action – Office Paper (27 tCO₂e)
G4 - EN18	Greenhouse gas (GHG) emissions intensity	Carbon Neutral Action – Greenhouse gas per employee
G4 - EN19	Reduction of Greenhouse Gas Emissions	Carbon Neutral Action – Greenhouse Gas Emissions
G4 - EN23	Total weight of waste by type and disposal method	Carbon Neutral Action – Waste Management

Labor Practices and Decent Work

G4 - LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	Employees by Gender and Location Appendix 1: Additional Disclosures Our performance in 2016
BCLC Specific	Employee engagement score	Our Performance in 2016 Employee Engagement
BCLC Specific	Employees who agree BCLC is a good corporate citizen	Our Performance in 2016 Appendix 3: Performance & Disclosure Methodology
BCLC Specific	Average training spend per employee	Our Performance in 2016 Appendix 3: Performance & Disclosure Methodology
G4 - LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Appendix 2: Employees by Gender & Location Appendix 1: Additional Disclosures

Specific Standard Disclosure		References
Society		
G4 - SO4	Communication and training on anti-corruption policies and procedures	Employee Engagement – Training & Development Player Experience – Safety and Security Player Experience – Training and Certification Table
BCLC Specific	Public perception of BCLC's transparency	Our Performance in 2016 Public Trust
BCLC Specific	Public recognition of positive contributions	Our Performance in 2016 Public Trust
Product Responsibility		
G4 - PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	100% - Player Health – Corporate Social Responsibility Assessments
G4 - PR2	Total number of incidents for non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	Appendix 1: Additional Disclosures – Rate of products/promotions labeled risk recorded Appendix 3: Performance & Disclosure Methodology
BCLC Specific	Player awareness of Responsible Gambling Activities	Player Health Our Performance in 2016 Appendix 3: Performance & Disclosure Methodology
BCLC Specific	Player interactions at GameSense Info Centres	Player Health Our Performance in 2016 Appendix 3: Performance & Disclosure Methodology
G4 - PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	Player Health – Corporate Social Responsibility Assessments
G4 - PR5	Results of surveys measuring customer satisfaction	Appendix 1: Additional Disclosures Our Performance in 2016 Appendix 3: Performance & Disclosure Methodology
G4 - PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	Appendix 1: Additional Disclosures – Rate of products/promotions labeled risk recorded Appendix 3: Performance & Disclosure Methodology
BCLC Specific	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	Our Performance in 2016 Appendix 3: Performance & Disclosure Methodology

Appendix 5: Fiscal 2016/17 Sponsorships

The following is a list of organizations we sponsored in fiscal 2016/17:

Thompson Rivers University Foundation
 Kamloops Bike to Work and School Week
 Kamloops Brain Injury Association - Gur Singh
 Victoria Symphony Splash
 Greater Vancouver Board of Trade
 BC Lions Football Club Training Camp
 Prince George Folkfest Society
 Gaming Security Professionals of Canada
 Western Canadian Powerlifting Championships
 Surrey Fire Fighters Association Charity Ball
 GenNext Kamloops
 Project X Theatre
 United Way of the Lower Mainland
 Kamloops North Shore Business Association
 BC Association for Charitable Gaming
 Minerva Foundation For BC Women
 Terrace & District Chamber of Commerce
 International Association of Financial Crimes Investigators
 The Citizen
 Tri-Cities Chamber of Commerce
 Southern Interior Local Government Association
 UBC Sauder School of Business
 JA British Columbia
 Union of BC Municipalities
 Lower Mainland Local Government Association
 Conference and AGM
 Association of Vancouver Island and Coastal Communities
 Kamloops Film Festival
 Canada Rugby Sevens Vancouver
 The Children's Wish Foundation of Canada
 Association of Kootenay & Boundary Local Government
 North Central Local Government Association hosted
 by the City of Terrace
 BC & Yukon Community Newspapers Association
 Special Olympics British Columbia Society
 Sport BC - Athlete of the Year Awards
 Kamloops Art Gallery
 Crime Stoppers
 Gaming Security Professionals of Canada
 Cops for Kids Kelowna
 BC Sports Hall of Fame
 BC & Yukon Community Newspapers Association
 Kamloops Music in the Park
 Kamloops Chamber of Commerce Business Excellence Awards
 Kamloops Symphony Orchestra
 Royal Inland Hospital Foundation Royal Affair
 Developing the World IT
 Western Canada Theatre
 Honour House Society
 Kamloops Food Bank
 Forum for Women Entrepreneurs
 La Fleur's Lottery World Conference
 Vancouver Startup Society Hackathon
 Surrey Board of Trade - Police Officer of the Year Awards
 Canadian Gaming Summit
 Prince George 2017 Telus Cup

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Consumer Services

Telephone: 1.866.815.0222
consumerservices@bclc.com
BCLC's Service Plan is available at
bclc.com/service-plan
Use your GameSense
GameSense.ca



play it forward

