

TERMS OF REFERENCE: PRESIDENT & CEO

I. INTRODUCTION

These Terms of Reference for the President & CEO (the “**CEO**”) set out the duties and responsibilities of the CEO relative to BCLC governance and the Board-Management relationship. These Terms of Reference are complementary to the President and CEO job profile which sets out the job summary and key accountabilities of the CEO.

- A. The President & Chief Executive Officer is appointed by, and reports to, the British Columbia Lottery Corporation (“**BCLC**”) Board of Directors (the “**Board**”) and maintains open communication with the Board and the Board Chair.
- B. As further detailed in the job profile, the CEO is responsible for enacting BCLC’s social purpose, executing the corporate strategy, leading the Executive team, supporting BCLC’s operations, achieving financial objectives, managing risk, and implementing decisions of, and reporting to, the Board of Directors.

II. DUTIES AND RESPONSIBILITIES

A. Leadership

The CEO has the responsibility to:

- i. lead and manage BCLC within the purpose, strategies, plans, policies and other parameters established by the Board;
- ii. foster a healthy and purpose-led corporate culture that promotes ethical practices, diversity and inclusion, and encourages individual integrity, teamwork, innovation and agility;
- iii. ensure all operations and activities of BCLC are conducted in accordance with applicable laws and regulations, as well as with BCLC’s policies and practices, including its Board-approved Standards of Ethical Business Conduct; and
- iv. ensure that all reporting requirements to the Government of British Columbia (the “Government”) are met in a timely and appropriate manner.

B. Corporate Strategy, Planning and Reporting

The CEO has the responsibility to:

- i. develop, after early consultation with the Board and for later approval by the Board, strategic and service plans consistent with BCLC’s

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purpose, vision and values; the public interest; and Government's Mandate Letter;

- ii. recommend updates to the strategic plan for Board approval, as required;
- iii. develop for Board approval, and successfully implement, the annual business plan; operating and capital budgets;
- iv. review, and report regularly to the Board on, the overall progress and results of BCLC against operating, financial and social purpose objectives, as well as initiate courses of action for improvement, where required;
- v. develop for Board approval ongoing financial forecasts and projections; and
- vi. keep the Board fully informed of all significant operational, financial, risk, environmental, social, stakeholder and other matters relevant to BCLC, including external items emanating from the Government and stakeholders.

C. Policies and Controls

The CEO has the responsibility to:

- i. ensure employees' responsibilities and authorities are clearly established;
- ii. develop and implement policies to guide BCLC within the limits prescribed by the Board;
- iii. establish effective control and co-ordination mechanisms for all operations and activities; and
- iv. validate the integrity of the internal control and management systems.

D. Risk Management

The CEO has the responsibility to:

- i. set an appropriate tone for sound risk intelligence;
- ii. ensure BCLC establishes and implements an effective enterprise risk management program for the identification, assessment and management of long and short-term strategic, operational and emerging risks (e.g. social, environmental, stakeholder, technology) and opportunities;
- iii. ensure BCLC addresses its material risks and opportunities in the corporate strategic plan;
- iv. works with the Board to develop BCLC's risk culture;

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- v. escalate to the Board fast-moving risks that require immediate and strategic response;
- vi. work with the Board to agree on the corporation's risk appetite and thresholds; and
- vii. oversee BCLC's risk profile, including its ongoing and potential exposure to risks.

E. People & Culture

The CEO has the responsibility to:

- i. agree with the Board on the desired corporate culture and monitoring mechanisms, as well as foster a healthy and engaged corporate culture that enhances employee attraction, retention and motivation;
- ii. develop and maintain a sound, effective organizational structure, and obtain Board approval for any significant changes to the structure of the Vice Presidents reporting to the CEO ("**Executive Management**"), including appointments and removal of officers;
- iii. develop, maintain and annually review with the People Committee a plan for development and succession of Executive Management;
- iv. annually review with the People Committee the results of Executive Management performance evaluations;
- v. develop for Board approval BCLC's Total Compensation philosophy and principles;
- vi. annually review with the People Committee the Total Compensation of Executive Management; and
- vii. provide the Board members, at both Board and Board Committee meetings, with exposure to BCLC's key management.

F. External Relations

The CEO has the responsibility to:

- i. foster effective relationships with Government and key stakeholders;
- ii. ensure BCLC has a stakeholder engagement plan that identifies and implements future corporate objectives to be achieved with stakeholders;
- iii. oversee BCLC's external communications to confirm that they enhance public accountability and are timely, effective and appropriate;
- iv. act as the spokesperson for BCLC in accordance with the Communications Policy set out in Tab G; and

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- v. seek approval from the Board, through the People Committee, prior to acceptance of any outside commitments including acting as a director or trustee of for-profit and not-for-profit organizations.