



Minutes of the Meeting of the Board of Directors held at 9:00 am (PT) 14 January 2020

Location: Boardroom – BCLC, 2940 Virtual Way, Vancouver, BC

Board Present:

Peter Kappel	Chair
Joan Axford	
Hilary Cassady	
Fiona Chan	
Lisa Ethans	
Dusty Kelly	
Mario Lee	
Coro Strandberg	

Management Present:

Greg Moore	Interim President and Chief Executive Officer
Thomas Kay	Interim Chief Financial Officer and Vice President, Finance and Corporate Services
Alan Kerr	Chief Financial Officer and Vice President, Finance and Corporate Services
Cameron Adams	Interim Vice President, Digital and Enterprise Services
Patrick Davis	Chief Information Officer and Vice President, Business Technology
Kevin Gass	Vice President, Lottery Gaming
Robert Connolly*	Interim General Counsel (Item 8.1.1.3)
Claire Bennett*	Senior Legal Counsel (Item 8.1.1.3)
Jennifer Smith	Senior Legal Counsel
Christine Carter	Corporate Secretary
Suzanne Rowley	Assistant Corporate Secretary

Observers & Guests:

s 22	Morneau Shepell (Item 6.1)
	Morneau Shepell (Item 6.1)
	Morneau Shepell (Item 6.1)
s 14, s 22	

Peter Kappel took the Chair at 9:00 am with Christine Carter acting as recording secretary. As proper notice of the meeting had been given and a quorum was present, the Chair declared the meeting to be regularly constituted and open for the transaction of business at 9:00 am.

1 CONSENT AGENDA

1.1. *In camera* Session

1.1.1. Agenda

1.1.1.1. Action Items List for Reference

1.1.2. Minutes of 4 December 2019

The Board went *in camera* with Christine Carter for twelve minutes. The Chair proposed to move agenda item no. 1.1.4. Service Plan to agenda item no. 2. Corporate Approvals for discussion. The Chair also proposed to move agenda item no. 1.1.7. Statement of Investment Policies and Procedures ("SIPP") to

agenda item no. 6.1 Morneau Pension Presentation, so that the Board members could address questions regarding the SIPP directly to Morneau Shepell.

Finally, the Chair proposed to add agenda item no. 8.1.2.3. Termination of Suspended Privileged Services to the Consent Agenda and asked if the Board members had any other additions. The Board members concurred with the changes to the Consent Agenda and had no further additions.

On motion duly made and carried, the agenda was adopted, the minutes were approved and the resolutions in the revised Consent Agenda were adopted as follows:

1.1.3. Q3 Financial Statements

WHEREAS the Board has reviewed the financial statements for the third quarter of fiscal year 2019/2020;

AND WHEREAS the Board has received a recommendation from the Audit Committee to approve such statements;

NOW THEREFORE be it resolved that:

- 1. The financial statements for the third quarter of fiscal year 2019/2020 are hereby approved; and*
- 2. Any officer or director is hereby authorized on behalf of the Corporation to execute and deliver all such documents and instruments, and to do all such other acts and things as in his or her opinion may be necessary or desirable to give full effect to the foregoing resolution.*

1.1.5. Q3 Revised Forecast & Projections

WHEREAS the Board has reviewed the Corporation's forecast for fiscal year 2019/2020 and projections for fiscal years 2020/21-2023/24 (the "Q3 Revised Forecast and Projections");

AND WHEREAS the Board has received a recommendation from the Audit Committee to approve the foregoing;

NOW THEREFORE be it resolved that:

- 1. The Q3 Revised Forecast and Projections are hereby approved; and*
- 2. Any officer or director is hereby authorized on behalf of the Corporation to execute and deliver all such documents and instruments, and to do all such other acts and things as in his or her opinion may be necessary or desirable to give full effect to the foregoing resolution.*

1.1.6. Business Plan, Operating & Capital Budgets

WHEREAS the Board has reviewed the business plan, operating and capital budgets for fiscal year 2020/2021 (the "Business Plan and Budget");

AND WHEREAS the Board has received a recommendation from the Audit Committee to approve the Business Plan and Budget;

NOW THEREFORE be it resolved that:

- 1. The Business Plan and Budget are hereby approved; and*
- 2. Any officer or director is hereby authorized on behalf of the Corporation to execute and deliver all such documents and instruments, and to do all such other acts and things as in his or her opinion may be necessary or desirable to give full effect to the foregoing resolution.*

1.1.8. Officer Appointment

WHEREAS Alan Kerr has accepted the position of Chief Financial Officer and Vice President, Finance and Corporate Services;

NOW THEREFORE be it resolved that the appointment of Alan Kerr as an officer of the Corporation effective January 13, 2020 is hereby ratified, confirmed and approved.

1.1.9. BCLC Annual Resolution

RESOLVED that:

- 1. The following are appointed officers of the Corporation for fiscal year 2020-2021 or until their successors are appointed:*

Greg Moore, Interim President and Chief Executive Officer

Cameron Adams, Interim Vice President, Digital and Enterprise Services

Patrick Davis, Chief Information Officer and Vice President, Business Technology

Brad Desmarais, Vice President, Casino and Community Gaming and Interim Chief Compliance Officer and Vice President, Legal, Compliance, Security

Kevin Gass, Vice President, Lottery Gaming

Alan Kerr, Chief Financial Officer and Vice President, Finance and Corporate Services

John Leeburn, Interim Vice President, Human Resources

- 2. All changes to the officers' titles made by the President and Chief Executive Officer or the Interim President and Chief Executive Officer during fiscal year 2019-2020, if any, are hereby approved, ratified and confirmed.*
- 3. All acts, proceedings, and appointments made by the Audit Committee, the Governance and Corporate Social Responsibility Committee, the Human Resources and Compensation Committee and the Risk Committee during fiscal year 2019-2020 are hereby approved, ratified and confirmed.*

8.1.2.3. Termination of Suspended Privileged Services

WHEREAS the Board has discussed the termination of the privileged services that were being provided by s 22 and which the Board decided to suspend at the 6 October 2019 Board meeting;

NOW THEREFORE be it resolved that the Board Chair is hereby authorized, on behalf of the Board, to instruct s 22 to terminate the privileged services that the Board decided to suspend at the 6 October 2019 Board meeting.

2 CORPORATE APPROVALS

1.1.4. Service Plan

Greg Moore, Tom Kay, Alan Kerr, Cameron Adams, Patrick Davis, Kevin Gass, Jennifer Smith and Suzanne Rowley joined the meeting. Tom Kay and Kevin Gass presented the Service Plan. An update was provided regarding the discussions that occurred at the Audit Committee meeting on the previous day.

A discussion ensued in which Board members recommended a revision to the language on page 6 of the Service Plan to clarify that BCLC will continue to integrate player health into decisions regarding both its products and how they are delivered. Board members also recommended a revision on page 8 to clarify that improvements are being developed to help eliminate instances whereby self-excluded players access PlayNow.

On motion duly made and carried, the following resolution was adopted, subject to the two revisions recommended by Board members above:

*WHEREAS the Board has reviewed the Service Plan for fiscal years 2020/2021–2022/2023 (the “**Service Plan**”);*

AND WHEREAS the Board has received a recommendation from the Audit Committee to approve the Service Plan;

NOW THEREFORE be it resolved that:

- 1. The Service Plan, together with such changes as may be approved by the Chair of the Board, is hereby approved; and*
- 2. Any officer or director is hereby authorized on behalf of the Corporation to execute and deliver all such documents and instruments, and to do all such other acts and things as in his or her opinion may be necessary or desirable to give full effect to the foregoing resolution.*

3 REPORT BY CHAIR

The Chair provided an update on potential upcoming Board appointments.

4 REPORTS BY PRESIDENT AND MANAGEMENT

4.1 President’s Report

4.1.1 Strategic Plan (Implementation)

Greg Moore, Kevin Gass, Cameron Adams, Pat Davis and Alan Kerr presented the Strategic Plan (Implementation) and invited questions from the Board members. A discussion ensued regarding the potential risks and challenges. Board members requested that the financial modelling and partner modelling (i.e., value of the transition for both BCLC and service providers) be provided at a future meeting.

Greg Moore noted that he intended to provide the funding requirements of the strategy and a high level ROI at the July Board meeting, as well as the Social Purpose Strategy at the September Board meeting. He also noted that he would provide the P360 goals and risk plan at a future meeting.

The Chair called for a ten minute *in camera* session with Greg Moore, Jennifer Smith and Christine Carter, following which management rejoined the meeting. The Chair thanked everyone for their hard work on the Strategic Plan (Implementation).

WHEREAS the Board has reviewed the Strategic Plan (Implementation);

AND WHEREAS the Board has received a recommendation from Management to approve the Strategic Plan (Implementation);

NOW THEREFORE be it resolved that:

- 1. The Strategic Plan (Implementation) is hereby approved; and*
- 2. Any officer or director is hereby authorized on behalf of the Corporation to execute and deliver all such documents and instruments, and to do all such other acts and things as in his or her opinion may be necessary or desirable to give full effect to the foregoing resolution.*

4.2 Management Reports

4.2.1 Finance & Corporate Services

4.2.2. Casino & Community Gaming

4.2.3. Lottery Gaming

4.2.4. Digital & Enterprise Services

4.2.5. Business Technology

4.2.6. Social Responsibility & Communications

4.2.7. Human Resources

4.2.8. Legal, Compliance, Security

The Chair noted that the Management Reports were provided for information only.

4.3 Q3 Dashboard

The Chair advised that the Q3 Dashboard was provided for information only.

4.4 Q3 ERM Report

The Chair noted that the Q3 ERM Report was provided for information only.

5. COMMITTEE REPORTS

5.1 Audit Committee

5.2 Governance and Corporate Social Responsibility Committee

5.3 Human Resources and Compensation Committee

5.4 Risk Committee

In the interest of time, the Committee Chairs agreed to circulate their notes (if any) from their respective Committee meetings to the Board members after the meeting in lieu of providing verbal reports. The draft minutes of the January Committee meetings would also be circulated to the full Board for information, following review by the relevant Chairs.

6. BOARD EDUCATION

6.1 Morneau Pension Presentation

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of Morneau Shepell joined the meeting and provided the pension presentation. A discussion ensued regarding asset mix and investment managers, as well as the language used in the Statement of Investment Policies and Procedures.

1.1.7. Statement of Investment Policies and Procedures

Board members requested one revision to the Statement of Investment Policies and Procedures.

On motion duly made and carried, the following resolution was adopted:

WHEREAS the Board has reviewed the British Columbia Lottery Corporation Pension Plan Statement of Investment Policies and Procedures ("SIPP");

AND WHEREAS the Board has received a recommendation from the Human Resources and Compensation Committee to approve the SIPP;

NOW THEREFORE be it resolved that:

- 1. The SIPP is hereby approved, subject to the revision of paragraph (d) in Section E – Environmental, Social and Governance (ESG) Considerations to read as follows: "BCLC encourages its managers to use proxy votes to strengthen transparency and ESG risk management practices, where applicable."; and*
- 2. Any officer or director is hereby authorized on behalf of the Corporation to execute and deliver all such documents and instruments, and to do all such other acts and things as in his or her opinion may be necessary or desirable to give full effect to the foregoing resolution.*

7. CORPORATE OPERATIONS

7.1 Reporting to Government

The Chair noted that a paper regarding reporting to the government had been provided for information. s 14
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8. OTHER BUSINESS

8.1. In Camera Sessions

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8.1.1. Interim CEO

The Board went *in camera* with Greg Moore and Christine Carter for twenty-two minutes to discuss agenda items no. 8.1.1.2 and 8.1.1.1. Greg Moore also provided an update on executive recruitment.

8.1.1.2 Update on Risk Advisory Services Action Plan

Greg Moore provided an update on the progress against the Risk Advisory Services Action Plan.

8.1.1.1 Performance Evaluation Process Planning

The Chair of the Human Resources and Compensation Committee (the "HRCC") noted that the HRCC will drive the performance evaluation process.

8.1.2. Board

The Board went *in camera* with Christine Carter for ten minutes, following which Lisa Ethans left the meeting at 2:10 pm.

8.1.2.1 Board Manual Review (McLaughlin)

The Chair noted that an update on the Board Manual Review would be included in the Governance and CSR Committee minutes which would be circulated after the meeting.

8.1.2.2 Whistleblower Report

The Chair noted that the Whistleblower report would also be included in the Governance and CSR Committee minutes which would be circulated after the meeting.

7.1.1 Mandate Letter

Management rejoined the meeting. The Chair presented the Mandate Letter and a discussion ensued regarding player health and anti-money laundering initiatives with respect to PlayNow. Board members requested further information regarding the player health aspects of PlayNow at the next regularly scheduled Board meeting.

Greg Moore and Tom Kay introduced a Holdback Incentive Recommendation and a discussion ensued.

7.2 Suppliers of Goods and Services

Tom Kay noted that the Suppliers of Goods and Services report was reviewed by the Audit Committee at its meeting on the previous day.

7.3 Pricing of Gaming Services

The Chair noted that this item was being deferred to a future meeting.

7.4 In-House Credit

The Chair noted that this item was provided for information only.

7.5 Deloitte Report on AML

The Chair noted that this item was provided for information only.

8. NEXT MEETING

There being no further business, the meeting was terminated at 3:17 pm.

The next meeting is scheduled for 14 May 2020 in Kamloops.

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Minutes of the Meeting of the Board of Directors held at 1:30 pm (PT) 3 March 2020

Location: Boardroom – BCLC, 2940 Virtual Way, Vancouver, BC

Board Present:

Peter Kappel	Chair
Joan Axford	
Hilary Cassady	
Fiona Chan	
Lisa Ethans	
Dusty Kelly	
Mario Lee via teleconference	
Coro Strandberg	

Management Present:

Greg Moore	Interim President and Chief Executive Officer
Alan Kerr	Chief Financial Officer and Vice President, Finance and Corporate Services
Cameron Adams	Interim Vice President, Digital and Enterprise Services
John Leeburn	Interim Vice President, Human Resources
Patrick Davis	Chief Information Officer and Vice President, Business Technology
Brad Desmarais	Vice President, Casino and Community Gaming and Interim Chief Compliance Officer and Vice President, Legal, Compliance, Security
Kevin Gass	Vice President, Lottery Gaming
Peter ter Weeme	Vice President, Social Purpose & Stakeholder Engagement
Robert Connolly	Interim General Counsel & Director, Information Management
Richard Fenster	Director, Corporate Strategy
Jennifer Barbosa	Director, Enterprise Risk Management
Ryan Persaud	Director, Business Intelligence
Christine Carter	Corporate Secretary
Suzanne Rowley	Assistant Corporate Secretary

Peter Kappel took the Chair at 1:34 pm with Christine Carter acting as recording secretary. As proper notice of the meeting had been given and a quorum was present, the Chair declared the meeting to be regularly constituted and open for the transaction of business at 1:34 pm.

1 IN CAMERA SESSION

1.1 Interim VP, Human Resources

The Board went in camera with the Interim VP, Human Resources at 1:36 pm, concluding at 1:44 pm.

1.1.1. CEO Role Profile & ToR

The Human Resources and Compensation Committee ("HRCC") Chair provided an update on the discussion regarding the CEO Role Profile and Terms of Reference which occurred at the Committee meeting earlier in the day.

1.1.2. Holdback Incentive Recommendation

The Board Chair noted that the Holdback Incentive Recommendation had been discussed by the HRCC earlier in the day and had been recommended to the Board for approval. The Board members had no questions.

On motion duly made and carried, the following resolution was adopted:

WHEREAS, following the distribution of the B.C. Public Sector Employers' Guide to Accountable Compensation by the Public Sector Employers' Council Secretariat in September 2018, Management reviewed BCLC's compensation plan and has made various recommendations to the Board;

*AND WHEREAS, on January 16, 2019, the Board approved a change to the Holdback Incentive Plan such that the salary holdback incentive was included as pensionable earnings for all affected employees effective April 1, 2019 (the "**First Approval**");*

*AND WHEREAS, on July 25, 2019, the Board approved the elimination of the salary holdback incentive, such that the salary holdback amount for each impacted employee would be rolled into such employee's base salary (the "**Holdback Elimination**") effective April 1, 2020, and directed Management to develop a new compensation and performance management plan (the "**July Resolution**");*

*AND WHEREAS Management presented a new compensation and performance management plan to the Human Resources and Compensation Committee (the "**Committee**") on January 9, 2020 which is satisfactory to the Committee, subject to potential amendments which will be brought back to the Committee for consideration;*

AND WHEREAS, since Management presented a new compensation and performance management plan within the current fiscal year, the Committee has received a recommendation from Management to amend the date of the Holdback Elimination to April 1, 2019 such that it will be implemented for the current fiscal year concurrently with the First Approval;

AND WHEREAS, the Board has received a recommendation from the Committee to ratify, confirm and approve the Holdback Elimination effective April 1, 2019 and to supersede the July resolution;

NOW THEREFORE be it resolved that:

- 1. The Holdback Elimination is hereby ratified, confirmed and approved effective April 1, 2019;*
- 2. This resolution supersedes the July Resolution; and*
- 3. Any officer or director is hereby authorized on behalf of the Corporation to execute and deliver all such documents and instruments, and to do all such other acts and things as in his or her opinion may be necessary or desirable to give full effect to the foregoing resolution.*

1.1.3. CEO Salary Calculation

The Board Chair noted that the CEO Salary Calculation had also been discussed by the HRCC earlier in the day and had been recommended to the Board for approval. The Board members had no questions.

On motion duly made and carried, the following resolution was adopted:

*WHEREAS the Board has reviewed the proposed approach to the calculation of the CEO's adjustment for the fiscal year ending March 31, 2020 (the "**Salary Calculation**");*

AND WHEREAS the Board has received a recommendation from the Human Resources and Compensation Committee to approve the Salary Calculation

NOW THEREFORE be it resolved that:

- 1. The Salary Calculation is hereby approved; and*
- 2. Any officer or director is hereby authorized on behalf of the Corporation to execute and deliver all such documents and instruments, and to do all such other acts and things as in his or her opinion may be necessary or desirable to give full effect to the foregoing resolution.*

1.2. Interim General Counsel & Director, Information Management

1.2.1. Indemnity Agreement

The Board went *in camera* with the Interim General Counsel and Director, Information Management at 1:44 pm, concluding at 2:49 pm.

Board members requested confirmation that the Corporation's Director and Officer liability insurance was not applicable. They also requested that Legal Services pursue further cost containment measures, such as itemized invoices, a determination of current costs, projections for next year, and the preparation of a separate budget, if not already done.

2. CONSENT AGENDA

2.1 Agenda

2.1.1 Action Items List for Reference

2.2 Minutes of 14 January 2020

2.3 Officer Appointment

The minutes of the 14 January 2020 meeting were presented. Board members had no comments.

On motion duly made and carried, the agenda was adopted, the minutes of the meeting were approved and the following resolution was adopted:

WHEREAS Peter ter Weeme accepted the position of Vice President, Social Purpose and Stakeholder Engagement;

NOW THEREFORE be it resolved that the appointment of Peter ter Weeme as an officer of the Corporation effective February 10, 2020 is hereby ratified, confirmed and approved.

3. CORPORATE OPERATIONS

The Executive team and management joined the meeting. The Board Chair requested that agenda item no. 3.3. Update on Operations/Revenue be provided first.

3.3. Update on Operations/Revenue

Alan Kerr provided the update on operations/revenue. A discussion ensued regarding coronavirus, casino cleaning and trends in casino revenues. Board members requested that a report be provided to the Risk Committee regarding a strategy for stabilizing gaming table revenues.

3.1. Draft June Strategy Session Agenda

Greg Moore presented a draft agenda for the June strategy session. A discussion ensued regarding the order and timing of topics, as well as the hiring of a guest speaker. Board members suggested that a brief evaluation be performed after the strategy session.

3.2. Corporate Strategic Plan Update

Richard Fenster and Ryan Persaud presented the P360 goals under the corporate strategic plan and Jennifer Barbosa discussed the risk process. A discussion ensued regarding the P360 goals.

Board members requested that future updates include references to specific sections of the strategic plan, where relevant. Greg Moore provided an update on the roll-out of the strategic plan.

4. OTHER BUSINESS

4.1. In camera Session

The Board went *in camera* with the Interim President and CEO at 3:55 pm, concluding at 4:36 pm.

The Board went *in camera* with the Interim President and CEO and the newly-hired Vice-President, People and Culture, at 4:36 pm, concluding at 4:42 pm.

The Board went *in camera*, without Executives present, at 4:42 pm, concluding at 4:51 pm.

5. NEXT MEETING

The next meeting is scheduled for 14 May 2020 by teleconference.

There being no further business, the meeting was adjourned at 4:51 pm.

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Minutes of the Meeting of the Board of Directors held at 9:30 am (PT) 20 March 2020

Location: Via Conference Call

Board Present:

Peter Kappel	Chair
Joan Axford	
Hilary Cassady	
Fiona Chan	
Lisa Ethans	
Mario Lee	
Coro Strandberg	
Dusty Kelly	

Management Present:

Greg Moore	Interim President & Chief Executive Officer
Alan Kerr	Chief Financial Officer and Vice President, Finance & Corporate Services
Cameron Adams	Interim Vice President, Digital & Enterprise Services
Patrick Davis	Chief Information Officer & Vice President, Business Technology
Kevin Gass	Vice President, Lottery Gaming
Brad Desmarais	Vice President, Casino & Community Gaming and Interim Chief Compliance Officer and Vice President, Legal, Compliance, Security
Peter ter Weeme	Vice President, Social Purpose & Stakeholder Engagement
John Leeburn	Interim Vice President, Human Resources
Suzanne Rowley	Assistant Corporate Secretary

Peter Kappel took the Chair at 9:30 am with Suzanne Rowley acting as recording secretary. As proper notice of the meeting had been given and a quorum was present, the Chair declared the meeting to be regularly constituted and open for the transaction of business at 9:31 am.

1 ADOPTION OF AGENDA

On motion duly made and carried, the agenda was adopted as presented.

2 CORPORATE OPERATIONS

2.1 Current Status Update re COVID-19

Greg Moore provided an update on the procedures being implemented by BCLC in response to the current COVID-19 situation. Brad Desmarais provided an overview of the impacts to the casino business, noting that spatial distancing had initially been implemented and all marketing ceased. However, the casinos have since been closed pursuant to a Government directive.

A discussion ensued regarding proposals to increase revenue safely during the COVID-19 crisis, as well as to develop aid packages for service providers. Board members requested that they be kept informed of any cases of staff infected by COVID-19, as well as any corresponding protocols that were implemented.

Board members recommended that Management plan for potential scenarios in which player behavior changes due to COVID-19, and leverage the Enterprise Risk Management Services team as part of the crisis management process. They also recommended that Management consider redeploying GameSense Advisors to assist those who are struggling with social isolation.

Board members requested confirmation that appropriate insurance was in place to cover the situation in which the bulk of employees were working from home. They also requested that emergency succession plans for both the Board and the Executive be brought forward to the next meeting.

2.2 Revenue Impacts

Alan Kerr provided an overview of the estimated impacts of the COVID-19 situation to the FY20 Net Income. He noted that the Finance team was continuing to work on year end activities, as planned. Board members requested a thorough evaluation of current costs, as well as recommendations regarding cost containment going forward.

3 OTHER BUSINESS

3.1 *In camera* Sessions

The Board went *in camera* sequentially with the below parties at 10:05 am, concluding at 12:05 pm:

3.1.1 Executive Team - Operational Impacts/Changes

3.1.2 Interim CEO & Board

3.1.3 Board

4 NEXT MEETING

There being no further business, the meeting was terminated at 12:05 pm.

The next meeting is scheduled for 6 April 2020 via conference call.

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Chair

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