



MINUTES
REGULAR MEETING
BOARD OF DIRECTORS

MAY 14, 2026
8:30 a.m. – 4:00 p.m.

LOCATION:

Coast Capri Hotel, Kelowna, BC

BOARD DIRECTORS PRESENT:

Greg Moore
Meena Brisard
Christine Dacre
Leah George-Wilson
Karen Horcher
Kurt Pregler
Bobbi Sadler
Bob Stamnes

Chair

(Item 1-2.9 and 5.2-8; via videoconference)

BOARD DIRECTORS REGRETS:

Gil Malfair

MANAGEMENT PRESENT:

Pat Davis
Sandy Austin
Dan Beebe
Kevin deBruyckere

President & Chief Executive Officer
Chief People Officer
Chief Operating Officer
Interim Chief Compliance Officer & Vice-President (VP),
Safer Play and Enterprise Integrity
General Counsel (Items 2.2 and 2.9)
Chief Financial Officer & Vice-President (VP), Corporate Services
Chief Information Officer & VP, Business Technology
Corporate Secretary & Director, Board Governance
Director, Data & Analytics (Item 5.3)ß
Acting Chief Social Purpose Officer & VP, Marketing
Manager, Financial Planning & Analysis (via videoconference)
Acting Assistant Corporate Secretary
Director, Audit Services

Robert Connolly
Alan Kerr
Mark Goldberg
Melissa Granum
Jeremy Hopwood
Marie-Noëlle Savoie
Cynki Taylor
Jen Viau
Rao Wandawasi

OBSERVERS/GUESTS PRESENT:

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RECORDING SECRETARY:

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CALL TO ORDER

Greg Moore assumed the Chair with^{s 22} acting as Recording Secretary. As proper notice of the meeting had been given and a quorum was present, Chair Moore declared the meeting to be regularly constituted and open for the transaction of business at 8:43 a.m.

LAND ACKNOWLEDGEMENT

Chair Moore offered a land acknowledgement.

CALL FOR CONFLICTS

No conflicts were declared.

1. AGENDA

Draft agenda for the BCLC Board of Directors Regular Meeting scheduled May 14, 2026

It was MOVED and SECONDED

That the agenda for the British Columbia Lottery Corporation Board of Directors Regular Meeting scheduled May 14, 2026 be adopted as circulated.

CARRIED

1.1 Action Items List for Reference

BCLC Board of Directors Action Items List

Provided for information.

1.2 IGCO Response to Illegal Online Gaming

With reference to a presentation titled Illegal Online Gaming Response, ^{s 22} provided an overview of Independent Gambling Control Office's (IGCO) enforcement perspective on illegal online gambling in British Columbia (BC), highlighting that any operator soliciting or facilitating play by BC residents without provincial authorization is considered illegal, with no operational distinction drawn between "grey" and "black" market activity.

An overview was provided of the IGCO and Combined Forces Special Enforcement Unit of British Columbia (CFSEU-BC) joint media campaign, Not Worth the Gamble, which ran for six weeks in February and March 2026, with reported outcomes including meaningful public reach, engagement with high-risk audiences, and behavioural impact.

2. CONSENT AGENDA

- *Item 2.1, Minutes of:*
 - *2.1.1, 5 Feb 2026*
 - *2.1.2, 19 March 2026*
- *Item 2.2, Report from Rob Connolly titled "Updated BCLC Bylaws", dated March 9, 2026*
- *Item 2.3, Report from Rao Wandawasi titled "Audit Services FY27 Annual Audit Plan", dated April 24, 2026*

- *Item 2.4, Report from Rao Wandawasi titled "Audit Services Charter", dated April 7, 2026*
- *Item 2.5, Report from Sandy Austin titled "Draft Triennial Pension Governance Review", dated April 10, 2026*
- *Item 2.6, Report from Dan Beebe and Karen Jensen titled "Contract Approval – L&W OGS Amendment (iGaming Content & Aggregation)", dated March 19, 2026*
- *Item 2.7, Report from Alan Kerr titled "Q4 Financial Statements", dated May 4, 2026*
- *Item 2.8, Report from Karen Jensen and Alan Kerr titled "Forced & Child Labour Report", dated April 8, 2026*
- *Item 2.9, Report from Rob Connolly titled "Rule-Making Delegation of Authority (2026 Refresh Under New Gaming Control Act", dated April 16, 2026*

Chair Moore advised that Items 2.2, Board Bylaws Amendments, 2.5, Draft Triennial Pension Governance Assessment, 2.6, Light & Wonder Online Gaming Service Amendment, and 2.9, Rule Making Delegation of Authority, would be removed from the Consent Agenda for separate consideration.

It was MOVED and SECONDED

That the British Columbia Lottery Corporation Board of Directors adopt the following recommendations contained within the reports under Consent Agenda 2.1, 2.3, 2.4, 2.7, and 2.8:

2.1 Minutes of

2.1.1 5 Feb 2026

That the minutes of the British Columbia Lottery Corporation (BCLC) Board of Directors Regular Meeting held February 5, 2026, be adopted circulated.

2.1.2 19 March 2026

That the minutes of the BCLC Board of Directors Regular Meeting held March 19, 2026, be adopted circulated.

2.3 Audit Services FY27 Annual Audit Plan

That the BCLC Board of Directors approve the FY2026-2027 Annual Audit Plan prepared by Audit Services.

2.4 Audit Services Charter

That the BCLC Board of Directors approve the Audit Services Charter with no changes.

2.7 Q4 Financial Statements

That the BCLC Board of Directors approve the internal unaudited financial statements for the 12 months ended

March 31, 2026.

2.8 Forced & Child Labour Report

That the BCLC Board of Directors:

- A. *Approve BCLC's FY2026 Fighting Against Forced Labour and Child Labour in Supply Chains Report, which has been reviewed by the Executive and endorsed by the Governance Committee; and*
- B. *Authorize the Chief Executive Officer, on behalf of the Corporation, to execute the report.*

CARRIED

Agenda Varied

The Agenda was varied at the meeting to consider items removed from the Consent Agenda in the following order: 2.5, 2.6, 2.2, and 2.9.

2.5 Draft Triennial Pension Governance Assessment (BOD)

Report from Sandy Austin titled "Draft Triennial Pension Governance Review", dated April 10, 2026

Pat Davis advised that the British Columbia Financial Services Authority (BCFSA) requires a triennial governance review of the Pension Plan, which is retained on file in the event of a regulatory audit. Separate sets of questions and proposed management responses had been provided to the People and Audit committees, with the materials before the Board reflecting the Board's own assessment of how oversight of the Pension Plan is exercised through its committees.

Discussion ensued during which comments were offered regarding the relationship between the various pension reports across committees and the value of a consolidated overview at the Board level; the role of the Audit Committee Board member acting as Pension Liaison, with verbal updates being provided to both the Audit and People committees; and the desirability of establishing a clear process for coordinating pension governance reporting across committees and the Board.

It was MOVED and SECONDED

That the British Columbia Lottery Corporation Board of Directors approve the proposed responses for the Board assigned questions to be incorporated into the Triennial Pension Governance Assessment (the "Assessment").

CARRIED

2.6 Light & Wonder Online Gaming Service Amendment

Report from Dan Beebe and Karen Jensen titled "Contract Approval – L&W OGS Amendment (iGaming Content & Aggregation)", dated March 19, 2026

It was noted that the Audit Committee had reviewed the proposed amendment, and that the underlying contract had previously been approved by the Board, with the amendment clarifying language relating to revenue sharing.

It was MOVED and SECONDED

That the British Columbia Lottery Corporation Board of Directors approve the amendment for Light & Wonder Canada Gaming Ltd. ("L&W") Online Gaming Services (OGS) agreement valued at \$ 17(1) as outlined in this report.

CARRIED

2.2 Board By Laws Amendments

Report from Robert Connolly titled "Updated BCLC Bylaws", dated March 9, 2026

Governance Committee Chair Karen Horcher advised that Items 2.2 and 2.9 had been on the agenda of the cancelled May 2026 Governance Committee meeting, and recommended that they receive direct Board discussion.

Robert Connolly reviewed the proposed amendments to the bylaws to align with the new GCA, noting that the principal change relates to the responsibilities of the Chief Executive Officer (CEO), with the remaining revisions characterized as housekeeping.

Discussion ensued during which comments were offered regarding the language of Section 12 of the GCA providing that the CEO may appoint officers, and whether the bylaws appropriately reflect the Board's continuing role in the appointment process; the importance of preserving the independence of the Corporate Secretary given the Corporate Secretary's reporting relationship to the Board; alternative mechanisms for documenting Board involvement in the appointment

of the Corporate Secretary, including through the bylaws, the Board Manual, or a separate resolution; and the desirability of presenting the bylaws together with the Board Manual and related policies for integrated consideration.

It was determined that the item would be deferred to the Governance Committee, in consultation with General Counsel, for further development and return to a future Board meeting.

2.9 Rule Making Delegation of Authority

Report from Robert Connolly titled “Rule Making Delegation of Authority”, dated April 16, 2026

Robert Connolly advised that the scope of BCLC’s rule-making authority is now clearly defined under the new GCA, with the appendix to the distributed report setting out the matters within scope. Several matters previously not addressed through rule-making are now contemplated within the new framework.

It was MOVED and SECONDED

That the British Columbia Lottery Corporation Board approve the updated Rule-Making Delegation of Authority resolution attached to the report from Robert Connolly titled “Rule Making Delegation of Authority”, dated April 16, 2026, which:

- A. Updates the delegation to align with section 18 of the *Gaming Control Act* (S.B.C. 2022) (the “new GCA”);
- B. Revokes and replaces the Board’s prior delegation dated October 26, 2021, while ratifying all actions properly taken under that delegation; and
- C. Takes effect upon Board approval at the May 2026 meeting, following the new GCA coming into force on April 13, 2026, and continues the Chief Executive Officer’s annual reporting obligation.

CARRIED

Agenda Varied

The order of the agenda was further varied at the meeting to consider Item 3.2. prior to Item 3.1

3. CORPORATE APPROVALS

3.2 2025/2026 Consolidated Financial Statements

Report from Alan Kerr, titled “2025/26 Draft Audited Consolidated Financial Statements”, dated May 6, 2026

Alan Kerr reviewed highlights of the draft audited consolidated financial statements.

Audit Committee Chair Christine Dacre provided highlights of the Audit Committee’s review, noting that two control deficiencies had been identified and would be brought forward to the Committee in July 2026, one which had been remediated, and the second to be reviewed again in the following year. The Anti-Money Laundering (AML) triennial audit was also discussed, with

the specialist sharing observations on the work of the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), including enterprise-wide assessment, high-risk patron reassessment, and reporting completeness. The Committee was satisfied with the audit.

It was MOVED and SECONDED

That the British Columbia Lottery Corporation Board approve the attached draft audited consolidated financial statements for the fiscal year ending March 31, 2026, subject to completion of the remaining audit procedures without any significant matters arising.

CARRIED

3.1 Preliminary 2026/27 Forecast and Projections

Report from Alan Kerr titled "Preliminary 2026/27 – 2029/30 Forecast and Projections, dated April 28, 2026

Cynki Taylor reviewed the proposed adjustments to growth assumptions for casino slots and tables, with a recommendation to reflect a two percent decline in light of economic uncertainty, tariff impacts, and cost of living pressures. Expenses were proposed to hold flat pending further direction from government following the cost-efficiency review, with guidance expected in June 2026.

Audit Committee Chair Christine Dacre advised that the Audit Committee had considered the proposed adjustments and the timing of any submission to Treasury Board (TB), recognizing that revised forecasts submitted in Q1 are subject to additional scrutiny.

s 22 provided context on TB expectations regarding mid-year forecast changes and revenue and expense management.

Discussion ensued during which comments were offered regarding the timing of any forecast revision; the materiality of the proposed revenue adjustment in the context of overall BCLC results; the importance of the work underway through the Annual Board Strategy Session to identify opportunities to grow revenue; and the appropriate sequencing of stakeholder communication and forecast updates.

Further consideration of this item was deferred to later in the meeting.

3.3 Draft Annual Service Plan Report

Report from Alan Kerr titled "Draft 2025/26 BCLC Annual Service Plan Report, dated May 4, 2026

Laura Piva-Babcock advised that edits received from CAS were not material, with one change to clarify the discussion of Problem Gambling Severity Index (PGSI) results. The report was otherwise substantially consistent with the materials distributed.

Discussion ensued during which it was noted that the Audit Committee had reviewed the report and provided recommendations to management, and that the chart in the mandate letter could benefit from inclusion of outcomes associated with the actions identified.

It was MOVED and SECONDED

That the British Columbia Lottery Corporation Board of Directors:

- A. Approve the 2025/26 BCLC Annual Service Plan Report in its draft form; and
- B. Delegate authority to the Board Chair to approve required changes prior to submitting to provincial government.

CARRIED

Health Break

The meeting recessed at 10:25 a.m. and resumed at 10:43 a.m.

4. REPORT BY CHAIR

This item was not considered.

5. REPORTS BY MANAGEMENT

5.1 Report by President and CEO

With reference to a video and a presentation titled *FY2025/2026 A Year in Review*, Pat Davis highlighted BCLC initiatives over the past fiscal year, including: the World Trade Uncertainty Index (WTUI) Global Index, illustrating an unprecedented level of macroeconomic uncertainty from January 2008 through April 2026; new products and experiences, including the Big Spin scratch-and-win ticket and the 7-Run scratch-and-win ticket available exclusively at 7-Eleven; the launch of the Greater Good Giveaway scratch-and-win ticket, the Human Connection social purpose focus, and BCLC's first Indigenous Reconciliation Action Plan; advancements in sports experiences and iGaming, including enterprise data work; introduction of the mobile Encore app and Verified Play; SP partnerships; transition activities related to the new GCA, implementation of Everi, the Not Worth the Gamble campaign, a new time and payroll system, modernization of core technology and security infrastructure, design of a refreshed culture, and leadership development programs; and the launch of the new LottoMax national lottery game.

Discussion ensued during which comments were offered regarding the design of the new
s 17(1)

and appreciation for the volume and quality of work delivered by management over the fiscal year.

Agenda Varied

The Agenda was varied to resume consideration of Item 3.1 at this point.

3.1 Preliminary 2026/27 Forecast and Projections (Continued)

Consideration of this item resumed.

It was MOVED and SECONDED

That the British Columbia Lottery Corporation (BCLC) Board of Directors has received the financial update presented by management; and directs that management arrange meetings with the appropriate representatives of the Ministry, the Deputy Minister responsible for BCLC, and the Crown Agencies Secretariat to discuss BCLC's current financial position, strategic priorities, and operating environment.

CARRIED

5.2 Management Reports

5.2.1 Finance & Corporate Services

Report from Alan Kerr titled "Management Report – Finance & Corporate Services", dated April 3, 2026

Alan Kerr reviewed the content of the report, acknowledging the contribution of staff who worked over the Easter long weekend to ensure timely and accurate delivery of materials.

Discussion ensued during which it was noted that the report referenced increasing vendor participation requirements within procurement contracts, and an inquiry was raised regarding any targeted programs to support small BC businesses. Management advised that no such targeted programs were currently in place and that a response would be provided following the meeting.

5.2.2 Operations

Report from Dan Beebe titled "Management Report – Operations", dated April 14, 2026

Received for information.

5.2.3 Business Technology

Report from Mark Goldberg titled "Management Report – Business Technology", dated April 1, 2026

Received for information.

5.2.4 People & Culture

Report from Sandy Austin titled "Management Report – People & Culture", dated December 23, 2025

Received for information.

5.2.5 Social Purpose & Marketing

Report from Marie-Noëlle Savoie titled "Management Report – Social Purpose & Marketing", dated April 14, 2026

Marie-Noëlle Savoie advised that 300 additional slots had been received for Parq Casino, reflecting the outcome of a multi-year effort by management.

5.2.6 Safer Play & Enterprise Integrity

Report from Kevin deBruyckere titled “Management Report – Safer Play & Enterprise Integrity”, dated April 15, 2026

Kevin deBruyckere highlighted work underway to implement changes in response to the new GCA.

5.3 Q4 Corporate KPI Scorecard

Report from Jeremy Hopwood dated April 17, 2026

Jeremy Hopwood presented the FY26 Service Plan and Corporate Key Performance Indicators (KPIs) Scorecard, noting that refinements to certain metrics remained underway.

Discussion ensued during which comments were offered regarding performance against the Responsible Growth new player target, noting that results materially exceeded the target and that retention of financially beneficial players remained the principal area of focus, with marketing and customer relationship management efforts contributing to performance against multiple targets; and the presentation of metrics that are measured on a bi-annual or annual basis, with a suggestion that the report be updated to clearly identify measurement frequency.

6. COMMITTEE REPORTS

6.1 Audit Committee

Audit Committee Chair Christine Dacre reported on the Committee’s meetings held April 23 and May 12, 2026, including discussion of accounting policies and reporting practices, including the format of financial statement presentation, with management to develop further options informed by review of comparable organizations in consultation with KPMG; receipt of the quarterly enterprise risk update; and receipt of the Audit Services and Pension Committee reports.

6.2 Governance Committee

Governance Committee Chair Karen Horcher advised that the May 2026 Governance Committee meeting had been postponed and that certain time-sensitive items had been brought directly to the Board, including the Rule Making Delegation of Authority and Board Bylaws amendments. The Board Manual review being conducted by Watson Advisors Inc. would be discussed in camera.

6.3 People Committee

People Committee Chair Bobbi Sadler reported that the Committee’s May 2026 meeting focused on the Triennial Pension Governance Assessment, and the Engagement Survey update, with continued Committee interest in the work underway to improve engagement scores. A further update would be provided at the July 2026 Board meeting.

7. OTHER BUSINESS

The following Information Reports, previously considered at Committee, were provided to the Board of Directors for information:

7.1 Q4 ERM Report

Report from Rao Wandawasi dated April 13, 2026

7.2 Q4 Audit Services Report

Report from Rao Wandawasi dated April 24, 2026

7.3 Pension Committee Report

Report from Alan Kerr dated April 18, 2026

8. NEXT MEETING

The Agenda noted the next meeting would be a Joint Board of Directors and Audit Committee Meeting on Thursday, June 25, 2026 to approve the Annual Financial Statements.

There being no further business, the British Columbia Lottery Corporation Board of Directors Regular Meeting held May 14, 2026, concluded at 11:14 a.m.

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Certified Correct:

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Greg Moore, Board Chair