

Fighting Against Forced Labour and Child Labour in Supply Chains Report

Annual Report 2025/2026

Background

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Supply Chains Act**”) came into force on January 1, 2024. The Supply Chains Act requires certain entities to report annually on the measures taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere, or in goods imported into Canada.

This is the joint annual report of the British Columbia Lottery Corporation (“**BCLC**”) and B.C. Lottotech International Inc. (“**Lottotech**”) for the reporting year April 1, 2025 to March 31, 2026, prepared in accordance with Part 2 of the Supply Chains Act.

STEPS TAKEN TO PREVENT AND REDUCE THE RISK THAT FORCED LABOUR AND CHILD LABOUR ARE USED IN THE SUPPLY CHAIN

During the reporting year, BCLC took the following steps to prevent and reduce the risk that forced labour and child labour are used in its supply chain:

- Enhanced the [Supplier Code of Conduct](#) to clarify and strengthen its scope and expectations, and to add reporting, governance and oversight provisions.
- Refreshed training content and delivered targeted training to all Corporate Procurement employees and select employees outside Corporate Procurement to strengthen awareness and accountability.
- Initiated an analysis of vendors to assign a forced labour and child labour risk rating based on the category of goods being provided.
- Reviewed reports filed under the Supply Chains Act by select vendors to assess alignment with BCLC’s expectations.
- Conducted targeted vendor outreach to confirm awareness of, and compliance with, legislative requirements of the Supply Chains Act.

- Implemented measures to track key performance indicators (KPIs) established during the previous reporting year.

COMPANY STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

BCLC is a Crown corporation of British Columbia which conducts and manages provincial gambling on behalf of the Provincial government. Gambling activities include lottery, casino, bingo, and internet gambling. BCLC has approximately 1335 employees.

Lottotech is a wholly owned subsidiary of BCLC. The primary business of Lottotech is the purchase of capital assets for lease to BCLC. The financial operations, management and oversight of Lottotech are consolidated within BCLC operations. References to BCLC in this report also include Lottotech.

BCLC's primary categories of goods subject to the Supply Chains Act are listed in the table below.

Category of Goods	Tier 1 Supplier Location
<i>Lottery Terminals</i>	<i>United States</i>
<i>Lottery Ticket Slips and Rolls</i>	<i>Canada</i>
<i>Scratch Tickets and Pull Tabs</i>	<i>Canada</i>
<i>Bingo Paper</i>	<i>Canada</i>
<i>Electronic Gaming Devices</i>	<i>Canada, Mexico, Australia</i>
<i>Ticket Redemption Machines</i>	<i>Canada</i>
<i>Casino Signage</i>	<i>Canada</i>
<i>IT Server, Storage and Network Infrastructure</i>	<i>Canada</i>
<i>Desktop Computing Equipment</i>	<i>Canada</i>

POLICIES AND DUE DILIGENCE RELATING TO FORCED LABOUR AND CHILD LABOUR

BCLC has policies and processes in place that relate to forced labour and child labour risks within its supply chain. These include:

- *Supplier Code of Conduct*: Includes prohibitions on forced labour and child labour in suppliers' supply chains.
- *Standards of Ethical Business Conduct*: Requires all BCLC employees and contractors to conduct business with professionalism, honesty and integrity, adhering to all applicable laws and the Human Rights Code of BC.
- *Social and Sustainable Procurement Policy*: Requires employees and contractors to consider social impacts and ethical compliance when undertaking procurement activities.
- *Environmental, Social and Governance (ESG) Policy*: Requires that BCLC manage its operations in ways that are environmentally, socially and economically sustainable and integrate ESG considerations into procurement activities.
- *Enterprise Risk Management Policy*: Requires comprehensive risk assessments for all significant business decisions that might materially impact BCLC's purpose, financials, stakeholder relations, or reputation.
- *Vendor Risk Management Program*: Assesses inherent risk and conducts additional due diligence for medium and high-risk vendors. One element of inherent risk is ESG, including risks related to forced labour and child labour.
- *Vendor Evaluation and Selection Criteria*: BCLC includes a standard ESG questionnaire and evaluation criteria in its competitive bid processes. Where the scope of goods or services includes higher-risk categories, BCLC includes specific criteria/risk screening questionnaire designed to identify and mitigate the risk of forced and child labour.

BUSINESS AND SUPPLY CHAIN AREAS THAT CARRY A RISK OF FORCED LABOUR AND CHILD LABOUR

Analysis conducted during the reporting year identified categories of goods that have a potentially higher risk of exposure to forced labour and child labour in BCLC's supply chain.

These include:

- *Electronics*, including gaming equipment, digital signage, and information technology hardware.
- *Paper Products*, including lottery ticket slips and rolls, scratch tickets and pull tabs, and bingo paper.
- *Promotional Products*, including hard goods, apparel and textiles, and electronics.

In the next reporting year, BCLC intends to undertake a more detailed review of the measures implemented by vendors supplying these goods to assess and mitigate the risks of forced labour and child labour within its supply chain.

STEPS USED TO MANAGE BUSINESS AND SUPPLY CHAIN RISKS

BCLC has an established Enterprise Risk Management program that applies an enterprise-wide integrated approach for the management of risk. Risk assessments must be conducted on significant new ventures and activities including programs, projects, processes, systems and commercial activities.

BCLC also has an established Vendor Risk Management (VRM) program that applies a systematic approach to identify, assess, and manage risk associated with vendors. Due diligence assessments are conducted for medium to high-risk vendors.

MEASURES TAKEN TO REMEDIATE FORCED LABOUR AND CHILD LABOUR

BCLC has not identified any instances of forced labour or child labour within its supply chain during the reporting year and therefore has not taken remediation measures.

MEASURES TAKEN TO REMEDIATE THE LOSS OF INCOME TO THE MOST VULNERABLE FAMILIES

As no instances of forced labour or child labour have been identified within BCLC's supply chain, no measures related to the remediation of loss of income to vulnerable families have been required.

TRAINING PROVIDED TO EMPLOYEES ON FORCED LABOUR AND CHILD LABOUR

During the reporting year, BCLC refreshed its training materials to strengthen organizational awareness of forced labour and child labour, provide an overview of the Supply Chains Act, clarify how the Supply Chains Act applies to BCLC, and reinforce BCLC's role in mitigating related risks within its supply chain, including actions taken to date.

The training was delivered to all Corporate Procurement and Sustainability employees, as well as select employees responsible for vendor relationships involving goods categories identified as having a potentially higher risk of exposure to forced labour and child labour.


MONITORING THE EFFECTIVENESS OF EFFORTS

BCLC monitors the effectiveness of its efforts to prevent and reduce the risk of forced labour and child labour using key performance indicators (KPIs). Early in the next reporting period, BCLC will compile the following KPIs based on data from the current reporting period:

- Number of vendors that have signed BCLC's Supplier Code of Conduct
- Number of competitive bid processes screened for risk of forced labour or child labour
- Number of vendors assigned a forced labour or child labour risk rating
- Number of employees that have completed training on forced labour and child labour

ATTESTATION

In accordance with the requirements of the Supply Chains Act, and in particular section 11 thereof, I attest that the BCLC Board of Directors has reviewed the information contained in the report for the entity or entities listed above and approved the report pursuant to section 11(4)(b)(ii). Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Supply Chains Act, for the reporting year listed above.


Per: _____
Authorized Signatory
Name: Pat Davis
Title: CEO _____
Date: May 21, 2026 _____

I have authority to bind BCLC and Lottotech.