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Social
Responsibility
Report

Message from the CEO

Social responsibility at BCLC



I am pleased to present our 2013/14 Social Responsibility Report. This year we are reporting social responsibility metrics separately from our Annual Report as an affirmation of our long-standing commitment to integrating social responsibility into our day-to-day business activities.

We have adopted Global Reporting Initiative (GRI) guidelines to better track and understand our sustainability efforts. This formal reporting capability will help ensure BCLC's metrics and goals are consistent with internationally agreed disclosures. BCLC will work towards further aligning with new GRI guidelines in future years.

BCLC has a direct economic impact across our province and we see and hear every day how revenues from gambling make a difference in local communities. A national research study by the Canadian Gaming Association shows that of all the provinces, BCLC generates the most government gaming revenue for our province to give to non-profit community organizations. In the last year, BCLC also contributed \$86.9 million in revenue sharing agreements to thirty-one host local governments with a casino or community gaming centre to fund local programs.

We are committed to continuous improvement of our environmental practices and we made great progress this year. The Vancouver office is already diverting up to 89 per cent of its waste, and we started a compost pilot program in our Kamloops office using a small rotary composter. This compost is collected by our facilities partner and then used locally in the Kamloops community for landscaping.

In addition to improving our environmental footprint, BCLC continues to succeed in its commitment to best responsible gambling practices. We received Level 4 re-certification from the World Lottery Association's (WLA) Responsible Gambling (RG) framework. WLA Level 4 is the highest level an organization can achieve and we were recognized for two areas of best practice—responsible gambling research and player education.

We are transforming our business to adapt to a maturing market by aggressively managing our costs, but our focus on social responsibility is a key part of who we are and how we operate.

This report outlines our progress.

Jim Lightbody
Interim President and CEO

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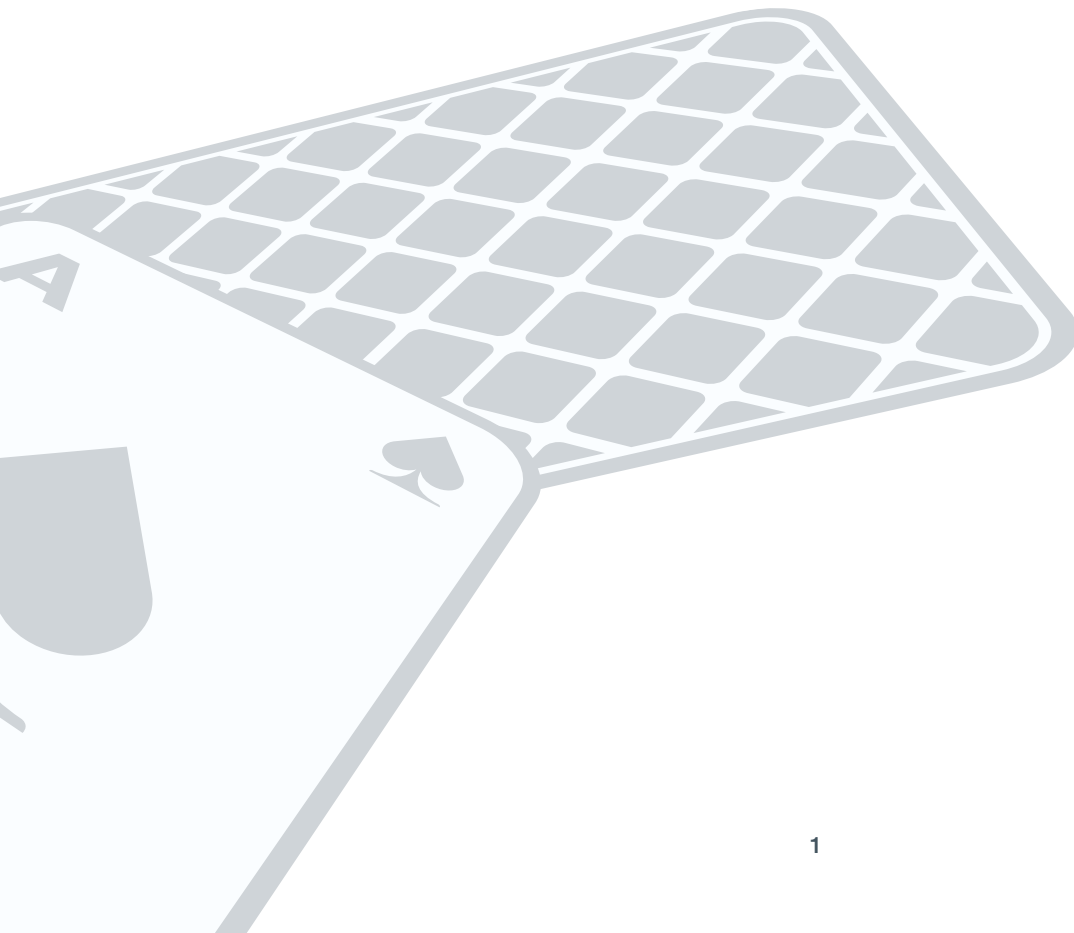
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Introduction

Social responsibility at BCLC means that we work to be a positive economic, social and environmental presence in British Columbia. It is founded upon our Social Responsibility (SR) Charter which was established in 2010. Our commitment to social responsibility is further strengthened through our employees, communities and partners every year.

Our social responsibility reporting approach is evolving. This year, we have created a separate SR report as a companion to our Annual Service Plan Report, which allows us to expand our baseline performance and our SR strategies, metrics and target discussions.



Organization Overview

Our mission

We conduct and manage gambling in a socially responsible manner for the benefit of British Columbians. We offer exceptional gambling entertainment through:

- National and provincial lotteries
- Casino gambling
- Commercial bingo
- Online gambling

Our vision

Gambling is widely embraced as exceptional entertainment for adults.

Our values

Integrity: The games we offer and the ways we conduct business are fair, honest and trustworthy.

Social Responsibility: Everything we do is done with consideration of its impact on and for the people and communities of British Columbia.

Respect: We value and respect our players, service providers and each other.

Core business areas

Gaming Facilities: BCLC conducts and manages gambling at 17 casinos (two with racetracks); 19 community gaming centres; and six commercial bingo halls. Private sector partners provide and manage the facilities, and earn a percentage of the net win.

Lottery: We sell lottery tickets through nearly 4,000 outlets, operated by private sector retailers. They earn an industry-standard commission based on their sales of lottery products.

eGaming: Our online platform, PlayNow.com, offers secure, regulated lottery games, sports betting, eBingo, eCasino and ePoker. Private sector partners who provide the software earn a licence fee and/or a commission. We also provide business-to-business services including partnering with Manitoba Lotteries to offer regulated online gambling to Manitobans.

Our headquarters in Kamloops oversees finance, administration and information technology while our Vancouver corporate office manages sales, marketing and distribution. Field staff throughout the province also support our operations.

Highlights

We aspire to improve in all areas of our social responsibility every year so every play can be a healthy play. Here's a summary of our 2013/14 social, environmental and economic achievements.

Social

Best practices and stakeholder engagement

In 2013/14 we achieved re-certification at Level 4 of the World Lottery Association (WLA) Responsible Gambling (RG) framework. The WLA identified two areas of best practice—research and player education. We have been asked to contribute case studies in these two areas for reference by gaming jurisdictions around the world. WLA Level 4 is considered a 'continuous improvement' category. It is the highest level an organization can achieve. To attain this Level 4 re-certification, we provided evidence of a strategic plan focused on continuous improvement. This included program evaluation, gap identification and commitment of resources to strengthen areas for improvement over time.

To maintain our WLA Level 4 certification and a world-class responsible gambling program, BCLC incorporates best practices from leading research findings and new developments. We hosted our second annual New Horizons in Responsible Gambling conference in Vancouver in January 2014. The three-day conference brought together academic experts, vendors in the gambling industry and treatment and prevention communities. They shared insights and new ideas, reported on research findings and generated discussion. New additions to the conference included a poster session and a bonus pre-conference sustainability workshop. The poster session highlighted novel responsible gambling research from emerging academics in the field and the pre-conference workshop provided pragmatic tips on how gambling facilities can take steps to conserve energy.

Continuing BCLC's commitment to stakeholder engagement, we also hosted six Responsible Gambling Awareness Weeks (RGAW), in six communities across the province. During these weeks, BCLC travelled to Kamloops, Langley, Greater Victoria, Richmond, Prince George and Vernon, and interacted with more than 5,000 stakeholders. We worked in partnership with staff from the B.C. Responsible and Problem Gambling Program and with local community volunteers to raise awareness about responsible gambling practices and signs of problem gambling. We also connected people with local responsible and problem gambling resources.

Responsible gambling programming

Engaging external stakeholder groups and seeking third party validation is critical to the success of our responsible gambling programs. This year we worked with the Responsible Gambling Council, an independent agency advancing problem gambling prevention in Canada to review each of our gambling facilities. The Council's criteria reflect international best practices. We checked these facilities' responsible gambling programs against the Council's standards. In 2013/14, 13 more facilities received RG Check accreditation, bringing the total number of RG Check-accredited casinos and community gaming centres to 26 (72 per cent) since the program's launch in 2011/12. All BCLC gaming facilities will go through the RG Check process over a three year cycle, at which point the certifications will expire and the process will begin again.

High performance in RG Check reflects the success of our GameSense programming. GameSense is our program combining responsible play information with information about the risks associated with gambling. GameSense Information Centres (GSICs) are located in every B.C. casino and community gaming centre. Players who visit these centres are encouraged to think about responsible gambling through fun and engaging activities. GameSense Advisors (GSAs), contracted through the Province, staff these centres at casinos to provide personalized education on responsible play strategies. In 2013/14, GSAs recorded 54,656 interactions with players about responsible gambling. This is a record, and nearly 25 per cent higher than the previous fiscal year.

This year, we developed a mobile platform for GSAs to allow them to report their player interactions in real time. This enhanced our understanding of players and allowed us to make informed programming decisions. In community gaming centres where the GameSense Information Centres are not staffed by a GSA, BCLC piloted a GameSense Ambassadors program to engage customers and staff with interactive promotional activities. These activities highlighted responsible gambling resources, educational tools and responsible

In 2013/14
GameSense Advisors
recorded more than
50,000 interactions
with players about
responsible gambling.



gambling messages. We are currently looking at ways to make this a permanent program.

To increase visibility and improve access at our self-serve centres, each location was renovated to incorporate updated GameSense branding and new digital signage.

We enhanced the GameSense features on our PlayNow.com online gaming site (including new tools to help players manage their play), and arranged information and resources so that they are more easily accessible.

We are also working on new tailored programming to connect with groups of players with unique characteristics and considerations. Our preliminary efforts in this area are focused on seniors. We developed Scratch & Learn cards to provide responsible gambling tips and encourage people to visit the GameSense Information Centre as they entered a casino. In our pilot program, over 70 per cent of customers given a card went to the GameSense information centre and engaged with a GameSense Advisor.

We pursue ongoing research to evaluate, inform and evolve our responsible gambling programs. In 2013/14 we commissioned the University of the Fraser Valley to conduct a new longitudinal study on Voluntary Self-Exclusion (VSE). This study engages VSE participants, seeking feedback on their experiences of the program and identifying additional opportunities to improve. Over the past several years, BCLC has commissioned two major independent reviews of our VSE program and initiated a number of improvements as a result.

We continue to monitor independent research on the prevalence of problem gambling to help inform our responsible gambling programming. It is estimated that 4.6 per cent of adult British Columbians are problem gamblers, including 3.7 per cent who are moderate problem gamblers and 0.9 per cent who are severe problem gamblers.¹ Results from a new problem gambling prevalence study are expected to be released later in 2014.

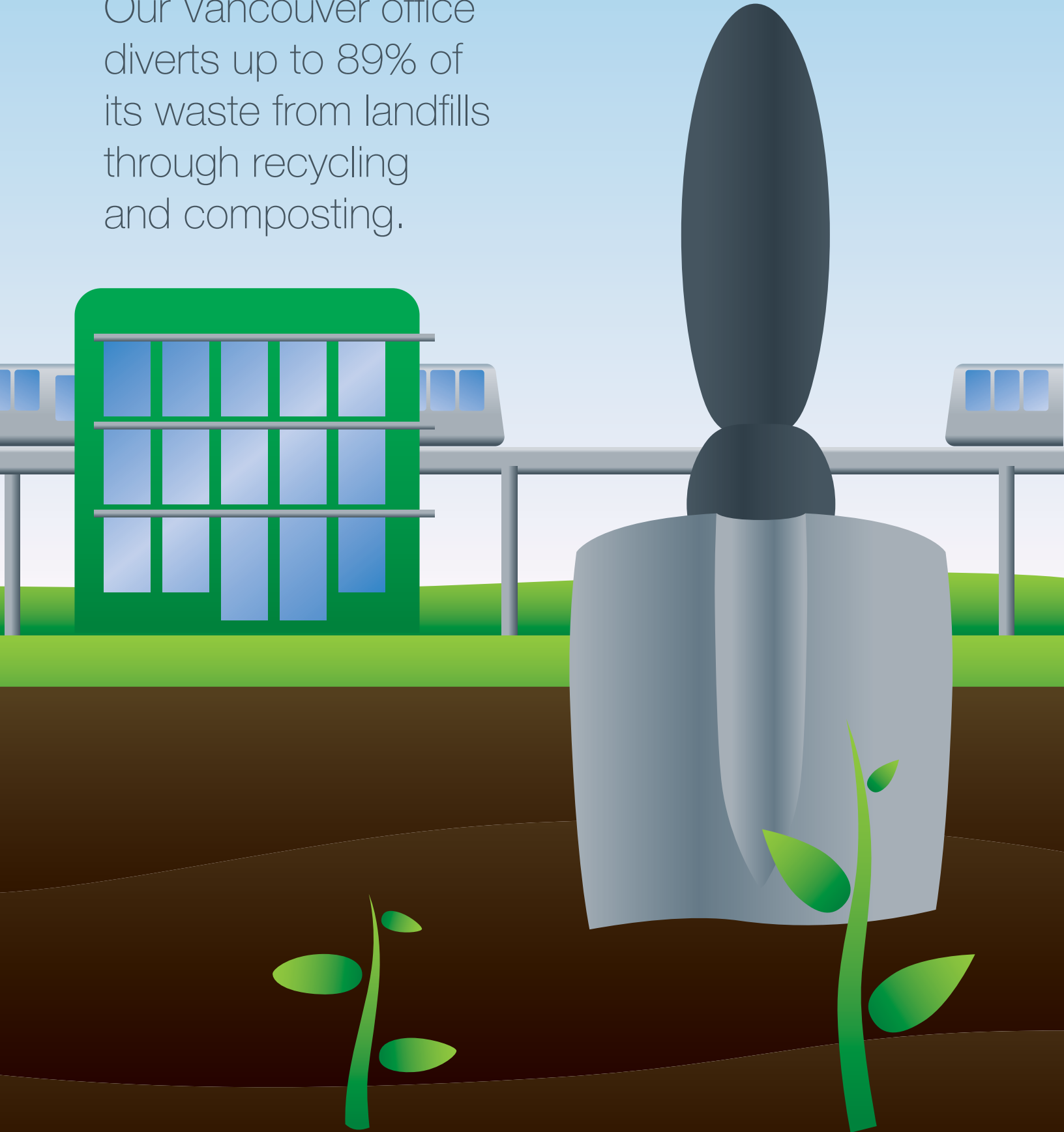
A great place to work

We provide challenging and exciting opportunities, and we are committed to helping our employees realize personal and professional growth and development. BCLC offers a number of resources, including benefits, training, skills management, and ongoing support for career development. Our workplace culture has been well reflected in strong employee engagement scores. It helps drive the success of our business. In 2014, for the seventh year in a row, BCLC has been recognized as one of B.C.'s Top Employers.

Reflecting our positive workplace culture, we are proud of the way our employees give back. In 2013/14, BCLC staff raised over \$50,000 for the United Way, donated 25 overflowing boxes to the food bank over the holiday season, and contributed \$8,600 to Christmas charities through various fundraising initiatives. In addition to their work at BCLC, employees also bring their hearts and their passion into their communities. They volunteer their time with various organizations and causes. In 2013/14, we launched our second annual BCLC Volunteers storytelling contest, celebrating those who participate in all kinds of charitable activities. Contest winners were commended for the way they assisted a diverse range of non-profit organizations, including the Heart and Stroke Foundation, The B.C. Wildlife Park and Habitat for Humanity.

¹ Source: Ipsos Reid Public Affairs and Gemini Research. "British Columbia Problem Gambling Prevalence Study." Jan 25, 2008. For more on problem gambling, visit: bcresponsiblegambling.ca/problem-gambling/ For more on underage gambling, visit: gamesense.bclc.com/kids-and-gambling/

Our Vancouver office
diverts up to 89% of
its waste from landfills
through recycling
and composting.



Environment

We're committed to improving our environmental sustainability each year. In 2013/14, BCLC made progress in a number of areas, such as reducing greenhouse gas emissions, diverting waste from landfill, involving employees in sustainable commuting and energy saving activities, and encouraging our service providers to measure their environmental impacts.

Greenhouse gas emissions

We remain on target to reach our 2020 goal of reducing reportable greenhouse gas emissions by 33 per cent compared to our 2007 baseline. In 2013, our reportable greenhouse gas emissions (GHG) were reduced by 29 tonnes. This is as a result of the B.C. Climate Action Secretariat reducing the GHG conversion factor for electricity that all public sector organizations use in their emissions calculations.

Our focus for energy reductions are our BCLC offices. In our Kamloops office, we replaced a heating ventilation and air conditioning (HVAC) fan system with modern efficient variable speed equipment. In our LEED Gold Vancouver building, we upgraded our lighting, and converted 120–50 watt bulbs to 10 watt LED fixtures. To prepare for future improvements, we evaluated our overall building energy use and installed an energy monitoring system to measure and compare energy use between our Vancouver and Kamloops offices.

For more on BCLC's progress towards greenhouse gas emissions reductions, see our 2013 Carbon Neutral Action Report.

Waste management

We achieved another environmental milestone this year with the introduction of a new composting pilot program in our Kamloops office. Our Vancouver facility already diverts up to 89 per cent of its waste from landfills through recycling and composting. However, a lack of local composting infrastructure in Kamloops has been a major barrier to achieving similar diversion rates. In early 2014, we rose to the challenge and looked for a different approach. The pilot involves a small on-site rotary composter used to collect food scraps. Fresh compost is then collected by our local facilities partner and used for landscaping around Kamloops. In 2015, we will evaluate next steps to develop a broader composting program in Kamloops.

We made good progress with our paper and packaging waste management efforts this year. To remain compliant with the B.C. Recycling Regulation we are now members of Multi-Material BC (MMBC). This means we pay MMBC to collect all our lottery products, including Lotto 6/49 tickets and Scratch & Win games, along with direct marketing to players that may end up in the public waste stream will for recycling. A MMBC membership is the most cost-effective option allowing us to

achieve and remain compliant with the regulation. In 2014/14, over 44 tonnes of BCLC's electronic and electrical equipment that had reached end-of-life status was diverted it away from landfill for recycling.

Walking our talk

We support BCLC employees' efforts to "Play it Right" in terms of being sustainable. This year we participated in the 2013 Bike to Work Week and Commuter Challenge—a friendly competition between workplaces that encourages active and sustainable transportation. A contest in the Vancouver office encouraged employees to turn off their computer monitors at night—a simple action that had a big impact on energy savings. In the contest, green balloons were tied to employees workstations when they regularly switched off their monitors. The challenge was to increase the number of balloons around the office. By the end of the challenge, the number of green balloons awarded had more than doubled, and visually represented the energy savings impact.

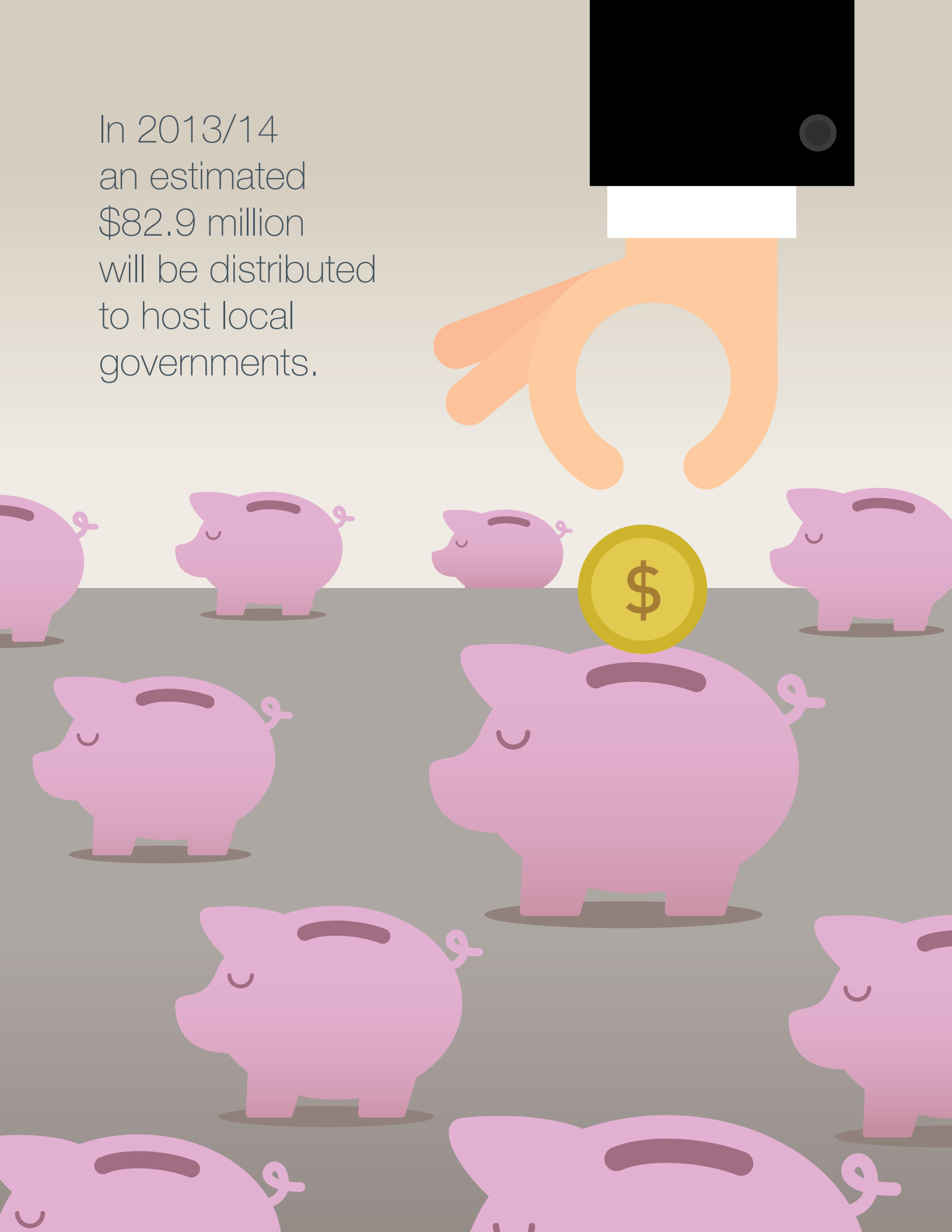
The BCLC Green Committee plays a strong role in raising awareness about environmental issues and encouraging employees to walk our talk. To celebrate Earth Day on April 22, the Green Committee organized an enthusiastic group of volunteers in Kamloops and Vancouver to participate in a Day of Caring. In Kamloops, 23 volunteers went to the Wildlife Park for a few hours to pitch in weeding flower beds, fixing fencing and installing an irrigation system. Another group of 16 volunteers in Vancouver gave a few hours of their afternoon at the Hastings Sunrise Teaching Garden to help plant seedlings, weed pathways, remove invasive species, and move soil to a new bed. Hands dirty but hearts full, everyone went home feeling good about making a difference. Volunteers had a great time working together outdoors and enjoyed the opportunity to give back to non-profit organizations.

Growing our influence

In an effort to better understand our collective SR efforts, this year we acquired and implemented new reporting software to better track our environmental and social performance. We now have fully-functioning formal SR reporting capabilities within BCLC.

We plan to leverage this platform by engaging our service providers in reducing their own environmental impacts. We expanded our SR reporting tool to six of our casino facilities (17 per cent) to help them monitor energy use in their facilities. We believe this is a good first step toward future energy reductions. We also partnered with one of our community gaming centres to assist in conducting an energy audit identifying opportunities to reduce electricity and natural gas consumption.

In 2013/14
an estimated
\$82.9 million
will be distributed
to host local
governments.



Economic

Economic benefit is one of the main pillars of SR. BCLC was created more than a quarter century ago to make a positive economic impact on British Columbians. We have succeeded in this mission every year. This year, for the fifteenth year in a row, we delivered more than \$1 billion in net income to the Province of British Columbia. From fun entertainment and great prizes to rewarding jobs and community funding, the benefits of our business are province-wide.

Benefits to B.C.

Commercial gaming in B.C. is a \$2.7-billion-a-year industry, responsible for the direct and indirect employment of an estimated 37,000 people. After paying operating costs, prizes and service provider commissions; and remitting a portion to the Government of Canada; we forward the remainder, more than \$1.17 billion in net income, to the Province of British Columbia. These revenues are used for health care, education, municipal and charitable programs. The charitable programs are community gaming grants. GPEB distributes \$135 million of this revenue through community gaming grants each year to more than 5,000 community organizations.

According to the Canadian Gaming Association's national research study, of all provinces, B.C. distributed the most government gaming revenue to non-profit community organizations. Since 2001, the Province has provided over \$1.5 billion in gaming grants to community organizations. BCLC works for British Columbians every day and it's gratifying to hear stories from communities that have benefited from gambling proceeds whether through an arena or aquatic centre, a skate park or community programming.

Host local governments


As part of our mandate to offer British Columbians safe and secure gambling entertainment, BCLC has revenue-sharing agreements with the thirty-one B.C. communities that receive host local government payments from the gaming facilities in their community (not including lottery retail outlets). A total of 31 communities host 17 casinos and 19 community gaming centres.

Sine 1999, local governments that host casinos and/or community gaming centres receive 10 percent of net gaming income from casino gaming. Host local governments can use this revenue for any purpose that benefits the local community. They report annually to the Province on how they use these funds. In 2013/14, an estimated \$82.9 million in net gaming income will be distributed to local governments that host casinos and/or community gaming centres. By the end of 2013/14, local governments that host gaming facilities will have received an estimated \$940.2 million in net gaming income since 1999.

Our winners

BCLC also brings big cheques and big smiles to players each year. Take, for example, Vernon couple Ron and Donna Ritchie. Their Saturday morning usually involved coffee, a trip to Safeway to check the previous night's lottery draw and then a grocery shop. Their routine was interrupted in March 2014 after the couple saw \$1,000,000 appear on the screen at the lottery retailer. Groceries left behind, the couple was ecstatic to celebrate a win.

Last year in British Columbia, BCLC gave away \$615.7 million in prizes to Lottery and eGaming players.

An illustration featuring several gift boxes. On the left, a tall stack of three boxes: the top one is blue with a white polka-dot pattern and a yellow ribbon bow, the middle one is teal with white diagonal stripes, and the bottom one is blue with a white polka-dot pattern. To the right, a large, stylized hand in a light orange color is shown holding a small green box with a white diamond pattern and a yellow ribbon bow. The background is a light beige color with a dark grey base.

In 2013/14
BCLC employees
contributed over
\$8,600 towards
Christmas charities.

They donated 25
overflowing boxes to
the Food Bank during
the holiday season,

and over
\$50,000 to
the United Way.

Approach

Scope

This report presents the material issues and impacts of our activities during the fiscal year that began on April 1, 2013 and ended on March 31, 2014. It covers operations under BCLC's direct control. It does not include the SR performance of facilities that are operated by our service providers: casinos, community gaming centres, bingo halls or lottery retail locations. We recognize that shared responsibility for SR is a strategic challenge: SR outcomes reflect a combined effort of BCLC, our service providers, the Government of British Columbia and players. While we have direct control over our two corporate offices in Kamloops and Vancouver, the greater impacts involve many other parties that we can only influence. We continue to support our service providers and lottery retailers' efforts to improve their SR performance.

Audience

We disclose our SR performance to demonstrate our commitment to transparency and accountability. We also want to engage the public and our employees in a dialogue about how we can work with others to advance sustainability. We have identified 16 stakeholder groups which can either influence or which are influenced by BCLC's operations. Ten groups are prioritized as the target audience for this report (in italics below):

- *BCLC employees*
- *Communities*
- *Crown corporations*
- *First Nations*
- *Local and regional governments*
- *Players*
- *Provincial government and regulator*
- *Public*
- *Public interest groups*
- *Service providers and retailers*
- SR practitioners
- Gaming grant recipients
- Lottery and gambling industry
- Media
- Public health, prevention and treatment groups
- Suppliers

Material issues

Best practice in SR reporting, according to international standards, requires companies to identify and report on their top SR issues. This is called a materiality analysis. These are topics that reflect our significant economic, environmental and social impacts, or that would substantively influence the assessments and decisions of our stakeholders. To identify BCLC's material issues, last year we engaged our SR Committee (a cross-divisional group of BCLC directors and managers), staff focus groups, and BCLC's executives for their input. This year, the SR Committee engaged in a prioritization exercise, where we have ranked each material issue based on significance to BCLC and concern to stakeholders—our results shown in the matrix below. SR Committee members have regular contact with our stakeholder groups, helping to inform BCLC's materiality analysis.

Increasing significance to the stakeholder →	Low significance to BCLC High significance to stakeholders	Medium significance to BCLC High significance to stakeholders • Community socio-economic benefits	High significance to BCLC High significance to stakeholders • Ethical conduct • Player experience • Responsible gambling • Anti-money laundering & illegal activities
	Low significance to BCLC Medium significance to stakeholders	Medium significance to BCLC Medium significance to stakeholders • Employee attraction, retention, engagement • Openness and accountability • Environmental impacts • Service provider SR role	High significance to BCLC Medium significance to stakeholders • Stakeholder engagement • Gambling expansion
	Low significance to BCLC Low significance to stakeholders	Medium significance to BCLC Low significance to stakeholders	High significance to BCLC Low significance to stakeholders
Increasing significance to BCLC →			

Strategic challenges

To demonstrate transparency and accountability, we have identified four key challenges faced this year in achieving our SR objectives. While the broad categories remain the same as last year, the ways in which each is reflected in the events, issues and circumstances of 2013/14 is new.

- **Shared responsibility for SR:** SR outcomes reflect a combined effort of BCLC, our service providers, the Government of British Columbia and players. While we have direct control over our two corporate offices in Kamloops and Vancouver, the greater impacts involve many other parties that we can only influence. We continue to support our service providers and lottery retailers' SR performance improvement through compliance and accreditation programs, such as RG Check, as well as reporting tools, such as our online SR reporting software.
- **Self-exclusion from gambling:** It is an ongoing challenge to maintain a VSE program that meets the needs of individuals who desire to control their gambling, is operationally manageable in a large and complex gambling environment, and meets public expectations. In 2013/14, a legal case was concluded which confirmed that BCLC's program meets or exceeds industry standards and duty of care requirements. While we are pleased with the outcome, this demonstrates the difficulty of balancing these various perspectives.

- **Public acceptance of gambling:** Whenever a new gambling facility is proposed, BCLC engages a number of stakeholders with diverse opinions and often competing interests. In 2013/14, interest in this issue emerged from the public health sector leading to public attention and debate.

- **Player privacy protection:** Maintaining security in the face of increasingly sophisticated cyber-attacks remains an industry-wide concern and a strategic challenge for BCLC. Player privacy protection is a high priority for BCLC and we will continue to keep our systems in line with best industry practices.

BCLC also has a formal enterprise-wide risk management policy and framework, with some overlap to our SR Strategic Challenges. For more on risk and capacity, see our Annual Service Plan Report. For more on the connections between our performance measures, material issues, stakeholders, and strategic challenges, see Appendix 2.

Performance

BCLC's Board of Directors and Senior Executive conduct an annual review of our performance framework which includes our vision, mission, our goals and objectives, performance measures and associated targets to determine how successful we are in achieving our goals. Our performance framework was identified in our 2013/14–2015/16 Revised Service Plan.

To assess our performance relative to comparable businesses, BCLC gathers benchmarking information from other gambling jurisdictions with similar operations. This benchmarking information is shown in Appendix 1 of this report.

This Annual Service Plan Report provides an overview of our performance results compared to our 2013/14 targets. It also gives an overview of BCLC's Social Responsibility (SR) performance framework outlining performance measures and related targets.

How we measure our performance

Our performance targets are set based on current performance trends, the expected impact of our programs to maintain or improve our performance, as well as the anticipated impact of external environment and market factors.

For Player Satisfaction, Player Participation, Player Awareness of Responsible Gambling Activities and Public Support for BCLC, BCLC contracts independent third-party market research professionals to conduct surveys, comparing our performance results against our targets. We assess these results on a quarterly basis, analyzing the data to see if our plans are achieving the desired results.

BCLC Employee Engagement is also contracted to an independent third-party market research firm who conducts an annual survey with BCLC employees. The data and calculations for Employee Vacancy Rate are obtained from BCLC internal records.

Data for Level of Greenhouse Gas Emissions (GHG) is obtained from reports provided by external suppliers for electricity, natural gas, fleet fuel, paper suppliers and from other internal reporting and is calculated by BCLC.

Net Win per Capita, Net Income and the Operating Costs Ratio is derived from BCLC's audited financial statements and from internal reporting. Population figures are sourced from BC Stats and Statistics Canada.

To provide insight into our level of success relative to other gambling operations, we benchmark BCLC's performance against the national average and other gambling jurisdictions. We currently benchmark to the Ontario Lottery and Gaming Corporation (OLG), Loto-Québec (LQ), the Swedish lottery Svenska Spel (Svenska) and the Canadian gambling average exclusive of BCLC's results.

Benchmark results are obtained from the publicly available, audited financial results from the comparator organizations and the Canadian Gambling Digest. BCLC reviews the performance results published by other jurisdictions annually for additional benchmarking opportunities.

2013/14–2015/16 performance framework: goals, objectives, strategies and performance measures

Corporate Goals Where we want to be	Objectives What we need to achieve and why it is important	Strategies How we will achieve our objectives	Performance Measures How we will measure our success
Player			
We will put players first to create the entertainment experiences they enjoy	<p>Delight players so they will choose BCLC gambling over other entertainment options</p> <p>Broaden and diversify the player base and spending to strengthen our business and reduce risk</p> <p>Encourage responsible play so that players make informed choices about their gambling</p>	<p>Offer customizable, player-driven experiences</p> <p>Leverage the PlayNow.com platform across all channels and devices</p> <p>Continuously improve the entertainment value and distribution convenience of our core games</p> <p>Provide education and tools supporting informed gambling choices and responsible play behaviours</p>	<p>Player Satisfaction</p> <p>Player Participation</p> <p>Player Awareness of Responsible Gambling Activities</p> <p>Net Win per Capita</p>
People			
We will think differently, work together and act fast	<p>Make BCLC a great place to work so that we feel inspired to do our best work and we are a sought-after employer</p> <p>Define our future workforce needs so we have the right people with the right skills at the right time</p>	<p>Foster innovation and simplify work processes in every area of the company to make BCLC more effective and increase job satisfaction</p> <p>Offer personal development opportunities and a competitive compensation package to retain and attract strong talent in critical roles</p> <p>Install a Human Resources Information System that creates a single, integrated view of our workforce</p>	<p>Employee Engagement</p> <p>Employee Vacancy Rate</p>
Public			
We will build public trust and support for BCLC	<p>Be a good corporate citizen so that our business is welcomed across B.C.</p> <p>Demonstrate integrity in what we deliver and how we deliver it so that the public has confidence our business is fair, safe and well-managed</p>	<p>Coordinate the many activities that contribute to our corporate reputation with a focus on key operating communities</p> <p>Build employee understanding of their role in strengthening our public trust</p>	<p>Public Support for BCLC</p> <p>Level of Greenhouse Gas Emissions</p>
Profit			
We will grow net income and invest in the long-term health of our business	<p>Grow net income from our core business</p> <p>Invest in innovative products and services that respond to consumer trends and create opportunities for growth</p> <p>Invest in infrastructure and processes to improve operational effectiveness and enable the business to get to market faster</p>	<p>Define and implement the business and technology architecture and roadmap that will help us grow</p> <p>Build our business intelligence and analytics</p> <p>Work with best-in-class partners to drive innovation in the games, amenities, social settings, services and access that players want</p> <p>Complete the casino/community gaming centre property build-outs to capture unrealized market potential</p>	<p>Net Income</p> <p>Operating Costs as a % of Net Win</p>

2013/14 social responsibility (SR) framework: strategies and performance measures

In 2013/14, we continued to build our framework shown in the table below. Our SR framework encompasses all of the corporate performance measures shown on the previous page as well as the following performance measures that are specific to BCLC's SR performance detailed in our SR report.

Corporate Goals Where we want to be	SR Strategies How we will achieve our objectives	SR Performance Measures How we will measure our success
Player		
We will put players first to create the entertainment experiences they enjoy	Maintain a world-class responsible gambling program	World Lottery Association Certification Level Achieved
	Understand and improve the player experience	Casinos and Community Gaming Centers Certified by RG Check
	Protect player privacy	Number of Player Interactions at GameSense Info Centres (GSICs)
	Support our service providers in developing effective responsible gambling practices	Pass Rate in Lottery Retail Mystery Shop Program Substantiated PlayNow.com Player Complaints BCLC's Privacy Practices for PlayNow.com are TRUSTe Compliant New Service Provider Employees who Passed Appropriate Response Training (ART)
People		
We will think differently, work together and act fast	Create a workplace culture that supports employee mental, physical, social, and financial well-being	Average Hours of Training per Year per Employee
	Promote a community investment program that supports a workplace culture of social wellness and values both corporate and individual contributions	Employees who Passed "Where's your GameSense" Course
	Create a workplace that understands, supports and is engaged in SR	Employees who Understand what Social Responsibility Means to BCLC
		Employees who Agree that BCLC is a Good Corporate Citizen
Public		
We will build public trust and support for BCLC	Engage key stakeholders in an informative dialogue	Number of Stakeholder Engagement Sessions
	Integrate SR into governance and management systems	Waste Diverted from Landfill—Vancouver Office
	Offer games and conduct business in a way that is fair, honest and trustworthy	Waste Diverted from Landfill—Kamloops Office
	Reduce energy use, reportable greenhouse gas emissions, waste to landfill, water use and paper consumption	Office Water Use (m ³ /m ²)—Vancouver Office
	Engage employees and service providers in reducing their environmental impacts	Office Water Use (m ³ /m ²)—Kamloops Office Gambling Facilities That Use SR Reporting Tool Software
Profit		
We will grow net income and invest in the long-term health of our business	We do not have any SR strategies or SR performance measures in addition to the corporate strategies and performance measures listed on page 10.	

2013/14–2015/16 performance measures: actual results, targets

The table below provides an overview of our corporate performance measures and social responsibility measures. The SR framework includes all of the corporate metrics highlighted in bold, which are reported in this Annual Service Plan Report, as well as the SR specific measures which are not highlighted in bold.

Performance Measures	2011/12 Actual	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
Player							
Player Satisfaction	83%	85%	83%	81%	83%	84%	85%
Player Participation²	62%	69%	62%	54%	57%	58%	59%
Player Awareness of Responsible Gambling Activities	80%	78%	80%	68%	68%	69%	70%
Net Win per Capita	\$450	\$450	\$467	\$468	\$454	\$457	\$464
World Lottery Association Certification Level Achieved	continuous improvement		re-certify level 4	re-certify level 4	continuous improvement		re-certify level 4
Casinos and Community Gaming Centres Certified by RG Check	25%	36%	72%	72%	97%	100%	100%
Number of player interactions at GameSense Info Centres (GSICs)	N/A	43,823	N/A	54,656	60,122	66,134	72,747
Pass Rate in Lottery Retail Mystery Shop Program ³	82%	88%	N/A	86%	N/A	N/A	N/A
Substantiated PlayNow.com Player Complaints ²	N/A	6%	N/A	16%	N/A	N/A	N/A
BCLC's Privacy Practices for PlayNow.com are TRUSTe Compliant	N/A	compliant	compliant	compliant	compliant	compliant	compliant
New Service Provider Employees who Passed Appropriate Response Training (ART)	N/A	97%	100%	96%	100%	100%	100%

² 2012/13 Player Participation results are based on survey results for the first three quarters for the year, excluding fourth quarter results due to a change in survey questions.

³ BCLC will need to collect several years of data to identify trends, hence targets for 2014/15 to 2016/17 have not yet been set.

Performance Measures	2011/12 Actual	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
People							
Employee Engagement⁴	81%	82%	80%	N/A	82%	82%	82%
Employee Vacancy Rate⁵	1.9%	4.4%	4.0%	2.7%	no longer used		
Average Hours of Training per Year per Employee	N/A	15.3	N/A	19.2	25.0	25.0	25.0
Employees who Passed “Where’s your GameSense” Course	99%	99%	N/A	100%	100%	100%	100%
Employees who Understand what Social Responsibility Means to BCLC ⁴	N/A	91%	N/A	N/A	91%	91%	91%
Employees who Agree that BCLC is a Good Corporate Citizen ⁴	N/A	89%	N/A	N/A	90%	90%	90%
Public							
Public Support for BCLC⁶	77%	80%	80%	75%	no longer used		
Level of Greenhouse Gas Emissions (CO₂e metric tonnes)	2011: 1,506	2012: 1,403	2013: 1,439	2013: 1,374	2014: 1,382	2015: 1,326	2016: 1,273
Number of Stakeholder Engagement Sessions	N/A	44	N/A	68	75	85	95
Waste Diverted from Landfill – Vancouver Office	2011: N/A	2012: 91%	2013: N/A	2013: 89%	2014: 91%	2015: 91%	2016: 91%
Waste Diverted from Landfill – Kamloops Office	2011: N/A	2012: 36%	2013: N/A	2013: N/A ⁷	2014: 50%	2015: 60%	2016: 70%
Office Water Use (m ³ /m ²) – Vancouver	2011: N/A	2012: N/A	2013: N/A	2013: 0.37	2014: 0.37	2015: 0.37	2016: 0.37
Office Water Use (m ³ /m ²) – Kamloops	2011: N/A	2012: N/A	2013: N/A	2013: 0.25	2014: 0.25	2015: 0.25	2016: 0.25
Gambling Facilities That Use SR Reporting Tool Software	N/A	0%	N/A	14%	17%	20%	23%
Profit							
Net Income (millions)	\$ 1,107.4	\$ 1,125.2	\$ 1,172.0	\$ 1,174.6	\$ 1,193.0	\$ 1,216.0	\$ 1,256.6
Operating Cost Ratio (% of Net Win)	42.0%	41.2%	42.5%	43.4%	41.9%	41.8%	41.4%

A more detailed explanation of BCLC’s performance management system and benchmarks for each measure is contained in Appendix 2.

4 BCLC will conduct the survey to measure Employee Engagement in the spring 2014 and will make results for Employee Engagement available as soon as survey results are reported. This survey also measures Employees who Agree that BCLC is a Good Corporate Citizen, as well as Employees who Understand what SR Means to BCLC.

5 Starting Fiscal 2014/15, BCLC will transition from measuring Employee Vacancy Rate to measuring Employee Turnover Rate

6 Starting Fiscal 2014/15, BCLC will transition from measuring Public Support for BCLC to measuring Public Recognition of Positive Contributions and Public Perceptions of BCLC’s Transparency.

7 BCLC was unable to estimate a diversion rate from our Kamloops facility in 2013 as we did not carry out a waste audit. A pilot compost program will begin in 2014 and we aim to audit waste at the Kamloops facility later in 2014 to estimate the diversion.

The following Social Responsibility measures were discontinued in 2013/14 and BCLC is in the process of developing improved metrics where possible, with a focus on quantifying impact.

SR Performance Measures Discontinued in 2013/14	Rationale
Recommendations Implemented to Increase Board Oversight of social responsibility	This metric is not a good measure of best practice in SR governance, as it does not show continuous improvement beyond a set of initial recommendations.
Products and Promotions Covered by a Social Responsibility Assessment	This metric is not a good measure of performance, as 100 per cent of our products and promotions are currently covered by a Social Responsibility Assessment.
Service Provider Employees who Rated ART as Good or Excellent	This metric is not a good measure of ART training quality, based on international best practices.
Employees who Entered BCLC Volunteers Storytelling Contest	This metric is not a good representation of participation in volunteerism, and we do not have an accurate way of measuring it at this time.
Average Number and Duration of Short-Term Disability Claims and the Number that Transition to Long-Term Disability Cases	This metric is not a good measure of our performance in creating a workplace culture that supports employee mental, physical, social, and financial well-being, including work-life balance and professional development. We are in the process of developing improved metrics in this area.
Agreement to the Statement "I have trust and confidence in the games offered by BCLC"	This metric is not a good measure of SR performance, as a reflection of BCLC's public reputation. We are in the process of developing improved metrics in this area.
e-Waste Recycled	This metric is not a good measure of SR performance, as 100 per cent of e-waste is recycled at end-of-life.

Player

Player Satisfaction

Player Satisfaction measures the percentage of our players expressing satisfaction with their experience in each of BCLC's gambling channels.

How achieving the target will help demonstrate success

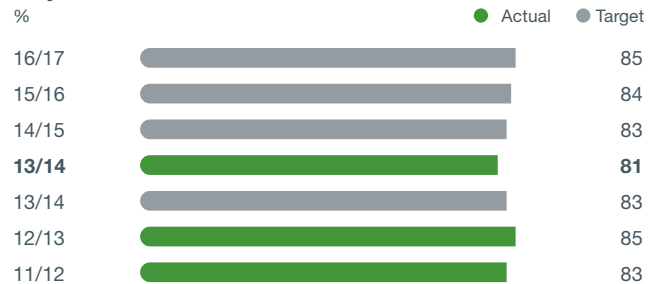
Our business is focused on our players. They have many entertainment options to choose where they will spend their discretionary time and dollars. Player Satisfaction measures BCLC's overall success in transforming to become more player-centric, to meet our players' expectations and to create outstanding entertainment experiences with our games and services.

Our performance

In 2013/14, 81 per cent of our players were satisfied with their experience. Although very positive, this result is slightly below our target due to lower satisfaction levels in the third quarter compared to other periods in 2013/14. While lottery players continue to express high satisfaction with their retail experience, one contributing factor to the lower overall satisfaction result may have been that PlayNow.com members were unable to purchase lottery games on our PlayNow.com website in December 2013 due to technical issues. Further, additional feedback from our facility customers indicates opportunities exist for BCLC to enhance the entertainment experience by enriching the play value of our games.

We will continue to listen to our players. Through active player engagement, we learn about their evolving needs and how to deliver the best player experience in the highly competitive entertainment market. This includes optimizing the player experience of PlayNow.com to deliver it through mobile devices. It also includes our new gaming management system in casinos, which is part-way through implementation. We are also exploring opportunities for growth through our casino loyalty program. In addition to these initiatives we are working with our service providers, with our retailers, and through our digital channels to enhance the player experience. We expect these enhancements will positively impact player satisfaction; increase player participation; and ultimately, help us grow our revenue.

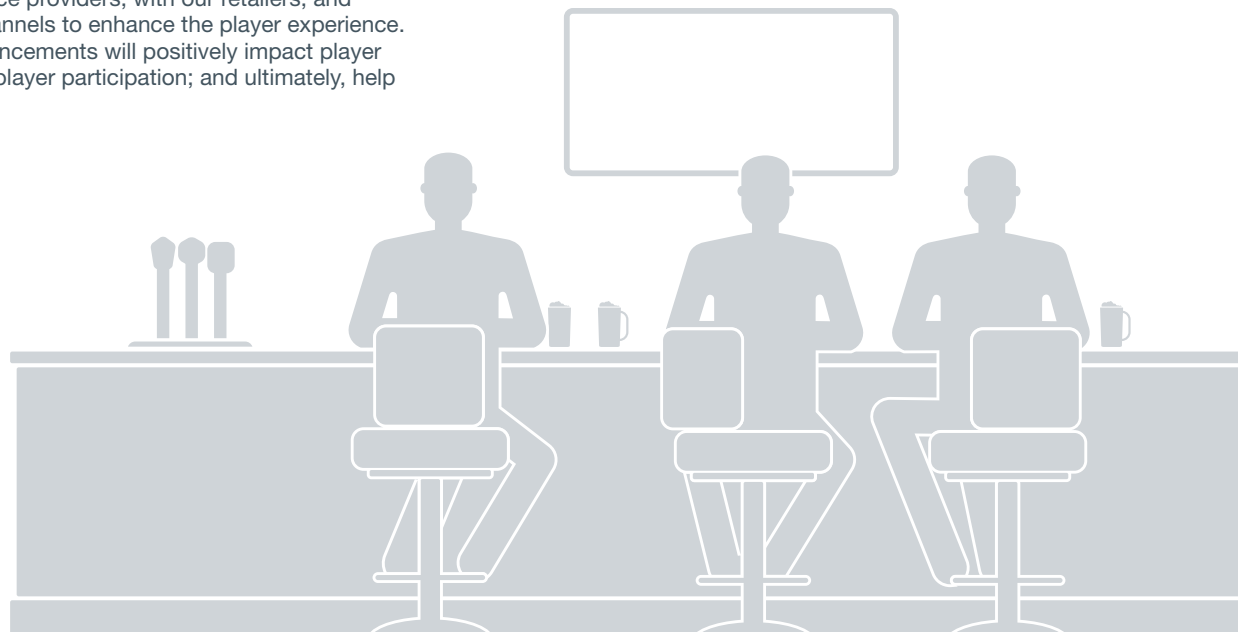
Player satisfaction



Source: Research & Incite Consultants (2011/12 to 2012/13 Quarter 3) and Ipsos Reid Corporation (2012/13 Quarter 4 onwards).

Significant changes from previous service plan

There has been no change to the measure from our 2013/14 revised Service Plan. While our results are already very high, our target is to grow the level of satisfaction in conjunction with broadening our player base.



Player Participation

Player Participation measures the percentage of adult British Columbians who play a BCLC game in any of our gambling channels at least once a month.

How achieving the target will help demonstrate success

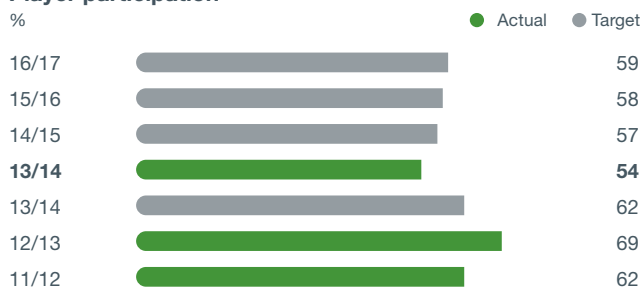
By measuring player participation, we gauge how successful we are in providing an exceptional player experience and in delighting our players. We do this to maintain existing play and to attract infrequent players to play our games.

Our performance

BCLC's 2013/14 result for Player Participation was below our target. While player participation via our PlayNow.com website has remained consistent compared to the previous year, there are a number of factors that may have contributed to lower than targeted participation results. In comparison to 2012/13, we experienced fewer high jackpot rolls on LOTTO MAX and Lotto 6/49 in the first three quarters of 2013/14. A reduction in our lottery marketing advertising budget compared to the previous year may also have negatively impacted participation results. Further, the Lotto 6/49 game was changed in the third quarter of 2013/14. While this game enhancement has positively impacted our revenue, the change may have resulted in lower participation rates as players are playing less, which may be due to the price increase.⁸

BCLC aspires to have one view of the player in all of our games and channels. We plan to enhance their entertainment experience by optimizing our marketing programs and delivering games across our distribution channels. The goal is to attract infrequent players to broaden and diversify our player base and achieve revenue growth.

Player participation



Source: Research & Incite Consultants (2011/12 to 2012/13 Quarter 3) and Ipsos Reid Corporation (2012/13 Quarter 4 onwards). 2012/13 Player Participation results are based on survey results for the first three quarters for the year, excluding fourth quarter results due to a change in survey questions.

Significant changes from previous service plan

Our targets for the next three years reflect our current lower than targeted results. They also reflect our plans to increase the entertainment value through new games and services to broaden our player base.

⁸ 2013/14 player participation results for our casino and community gaming centres channels are not comparable to the previous year due to a change in survey questions.

Player Awareness of Responsible Gambling Activities

Player Awareness of Responsible Gambling Activities measures the percentage of players in the past year who are aware of one or more of BCLC's five key responsible gambling activities. These are: a voluntary self-exclusion program which offers players the option to exclude themselves for a set period of time from entering any B.C. gambling venue that has slot machines or bingo, or accessing PlayNow.com; GameSense, a program that educates and reminds people about responsible gambling; the toll-free Problem Gambling Help Line; GameSense Information Centres in B.C. casinos and community gaming centres; and the ability to personally set a weekly wallet load limit for members of PlayNow.com.

How achieving the target will help demonstrate success

A key component of BCLC's gambling management is our commitment to strengthening responsible gambling programs and improving their delivery. This measure determines how effective we are at reaching players with our responsible gambling activities and messages so that players can make informed gambling choices.

Our performance

Player Awareness of Responsible Gambling Activities is influenced by our ability to communicate and connect with our players through appropriate programming and messaging. In 2013/14, BCLC began to target its responsible gambling activities to selected player segments while decreasing our mass media advertising about responsible gambling. Although this change reflects our continuing refinements to effectively reach our players, it may have negatively impacted our overall results as the measurement methodology is based on evaluating player awareness on a mass level.

Player awareness of responsible gambling activities



Source: Research & Incite Consultants (2011/12 to 2012/13 Quarter 3) and Ipsos Reid Corporation (2012/13 Quarter 4 onwards).

Significant changes from previous service plan

BCLC has adjusted its targets downwards based on historical and forecast information and the change in focus to reach specific population segments. Over the coming year, we will examine the need to adjust this measure so that we understand how successful we are in creating player awareness for our key responsible gambling activities.

Net Win per Capita

Net win is the calculation of sales less prizes. For lottery and bingo games, net win is calculated by deducting prizes from total sales. Casino game prizes are paid during game play. This measure is indexed to the total population allowing BCLC to benchmark to other jurisdictions.

Net win is divided by publicly reported population figures to obtain the per capita metric. Since legal gambling age varies between jurisdictions, total population figures are used. Population projections are updated based on the most recent information available.

How achieving the target will help demonstrate success

Net win per capita provides a gauge of our success in growing net win related to the provincial population. Net win per capita will not grow if the rate of population growth is higher than the rate of net win growth.

The net win per capita measure is widely used in the gambling industry so that consistent benchmarking is possible. BCLC benchmarks to Loto-Québec, Ontario Lottery and Gaming Corporation, and the Canadian average (without BCLC data). The benchmarking data is presented in Appendix 2.

Our performance

In 2013/14, BCLC's net win per capita has increased compared to the previous year and we exceeded our target of \$467 per capita. This is due to a higher rate of growth in net win compared to the rate of growth in population, increasing our results to \$468 per capita for 2013/14. BCLC's Net Win per Capita has consistently been higher compared to the benchmark organizations (please refer to Appendix 2 for more detail).

Net win per capita



Source: Audited Financial Statements and Statistics Canada

Significant changes from previous service plan

There are no changes to this measure; however the targets have been updated as a result of our latest review of our financial performance. Targets for the next three years are set based on our forecast performance against projected population growth. Our financial forecast takes into account standard economic indicators used by the Province and the planned introduction of new games, services and facility developments.

World Lottery Association Certification Level Achieved

We assess our responsible gambling programming through participation in the World Lottery Association (WLA) responsible gambling framework to determine how BCLC compares to world class standards.

How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of maintaining a world-class responsible gambling program. BCLC has been recognized by the World Lottery Association (WLA) for adopting and putting into action international responsible gambling principles aimed at protecting players in B.C. The seven principles address areas of player protection, collaboration with other stakeholders, research, promotion, informed player choice, monitoring and reporting. BCLC has set a goal to maintain Level 4 certification, the highest level in the WLA responsible gambling framework.

Our performance

We first attained Level 4 certification in 2010, demonstrating that our responsible gambling programs are well established and are among the best in the world. Certification is valid for three years and in 2013 BCLC achieved re-certification, demonstrating our commitment always work toward improvement.

Ongoing efforts to reach new levels of improvement is required in order to re-certify, and BCLC's three-year target is to maintain WLA Level 4 certification.

Significant changes from previous report

There has been no change in the way we measure WLA Certification Level Achieved. BCLC maintains the highest level of certification and has set a target to again successfully re-certify at Level 4 in 2016/17, which will require us to demonstrate continuous improvement over the next two years.



Casinos and Community Gaming Centres Certified by RG Check

RG Check is an accreditation program created by the Responsible Gambling Council (RGC) based on standards and criteria reflecting international best practices. The RGC is an independent non-profit organization dedicated to problem gambling prevention.

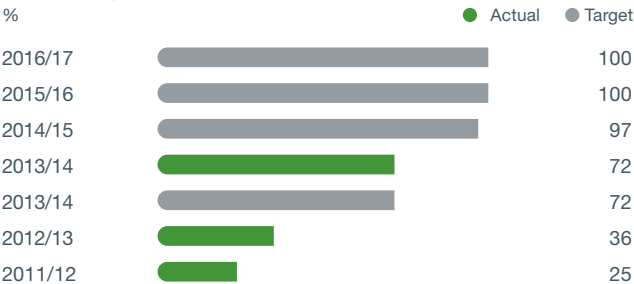
How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of supporting our service providers in developing effective responsible gambling practices. RG Check offers gambling companies the opportunity to qualify for an independent endorsement of their responsible gambling safety net. Through the certification process, RGC evaluates eight areas, including: corporate policies, self-exclusion, advertising and promotions, informed decision making, assisting patrons, access to money, game and venue features, and employee training. Certification is valid for three years. This performance measure is cumulative. We introduced the program in 2011/12 and our target is to have all BCLC casinos and community gaming centres fully certified by 2015/16 and maintain that standard.

Our performance

Since the program's launch in 2011/12, all tested BCLC facilities have passed, with 26 sites certified (72 per cent) and nine pending certification (currently completing the process). Our last site scheduled to proceed through the RG Check process will be grouped with the first round of re-certification, which begins in the fall of 2014. We also continue to implement recommendations from the RGC, identified in RG Check reports, to improve our policies and programs.

**Casinos and community gaming centres
certified by RG Check**



Source: External independent organization (RGC)

Significant changes from previous service plan

This year we changed the measurement unit from the number of sites certified to the percentage of sites certified. This is a more meaningful measure moving forward, as venues move from their initial certification to the re-certification. After all sites are initially certified, we plan to focus on maintaining 100 per cent certification.

Another change from the previous report is our plan to group the last venue to be certified with the first round of venues to be re-certified—a decision based on resource efficiency and recommended by the RGC. We revised the 2014/15 target, from 100 per cent to 97 per cent, given that our last site scheduled to proceed through the RG Check process will be grouped with the first round of re-certification and have set targets for 2015/16 and 2016/17 based on our plans to re-certify BCLC casino and community gaming centres.



Number of Player Interactions at GameSense Info Centres (GSICs)

GameSense Info Centres (GSICs) are located in every B.C. casino and community gaming centre. Visitors are encouraged to think about responsible gambling through fun and engaging activities that are complemented by takeaway information.

How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of maintaining a world-class responsible gambling program. GameSense Advisors (GSAs) are contracted through the Province. They staff the centres located at casinos to provide personalized education on responsible play strategies; support and training for venue staff to reinforce Appropriate Response Training principles; and they provide assistance related to problem gambling and completion of the Voluntary Self-Exclusion process.

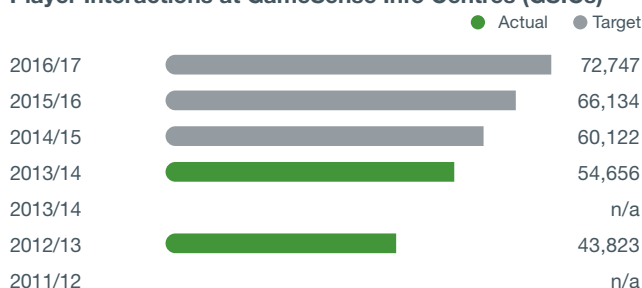
The objective of measuring the number of player interactions at GSICs is to track how many customers we are reaching with responsible gambling information. Achieving our target, to increase interactions by 10 per cent year over year from a 2013/14 baseline, will indicate that more people are learning about gambling responsibly.

Our performance

In the past year, 22 GSAs staffed GSICs in casinos and logged more than 35,000 hours. BCLC developed and oversaw the delivery of 57 educational activities to gambling facility visitors and staff. These activities were designed to increase awareness of the GameSense Info Centres, help players understand the house advantage in games of chance and how the games work, and provide them with problem gambling resources. During this year, GSAs recorded almost 55,000 individual interactions with casino visitors.

In 2013/14, BCLC also focused on increasing visibility of the self-serve GSIC booths located at all Chances locations. Each self-serve booth was modified to incorporate GameSense branding and to improve access to takeaway informational materials, and to improve digital signage. The digital signage is dedicated to displaying responsible gambling and problem gambling resource information. To further increase awareness and use of the self-serve booths, BCLC hired contractors to deliver a GameSense education outreach program. Over a five month period, the GameSense Outreach Team spent a total of 156 four-hour shifts delivering education activities for customers and site staff to showcase GSIC resources, educational tools and messages at every self-serve location.

Player Interactions at GameSense Info Centres (GSICs)



Source: BCLC internal reporting

Significant changes from previous report

In 2013/14, we have made a slight change to this measure's name, from Responsible Gambling Interactions at GameSense Info Centres to Number of Player Interactions at GameSense Info Centres to improve clarity. Further, BCLC updated how we measure and collect customer interaction data based on a new national framework. As part of that process, BCLC implemented a customer interaction database that allows GSAs to provide customer interaction information in real-time via smartphones. The new system provides instant reporting capability to BCLC and helps us accurately gauge the performance of our GSICs. The new system also tracks the success of specific promotional activities, allowing us to evaluate and adjust programming as necessary.

BCLC set targets for this measure based on historical and current data as well as our expected performance over the next three years.

Pass Rate in Lottery Retail Mystery Shop Program

Pass Rate in the Lottery Retail Mystery Shop Program measures the percent of BCLC’s lottery retailers who achieved a passing score in the Mystery Shop program.

How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of understanding and improving the player experience, as well as offering games and conducting business in a way that is fair, honest and trustworthy.

As our Mystery Shop takes place in different regions of the province each quarter and in each year, we will need several years of data to identify trends before we are able to set targets. On average, each region is mystery shopped every four years.

Our performance

In 2013/14, we measured an 86 per cent pass rate in the lottery retail Mystery Shop program. Our Mystery Shop program helps us see how retailers operate day-to-day and make sure BCLC’s standards are being met by the retailers who sell lottery products. We also confirm equipment is operating as it should and verify that communications between BCLC and retailers are working well. In 2013/14, this program was implemented with more retailers than in 2012/13.

Mystery shops determine whether lottery retailers are complying with policies and procedures that include: returning tickets and providing validation slips; checking to see if the digital displays are clearly visible; checking to see that lottery tickets remain visible to the player throughout the validation procedure; and that they are paying out correct prize amounts and following appropriate processes. Any infraction of the Lottery Retailer Agreement by a lottery retailer is investigated by BCLC. Lottery investigators and sales staff are heavily involved in providing positive feedback to retailers, contributing to our high pass rates. In addition, information is provided to retailers during site visits by territory managers as well as through our retailer e-bulletins. To increase the Mystery Shop pass rate in 2014/15, we plan to enhance our focus on compliance and security education.

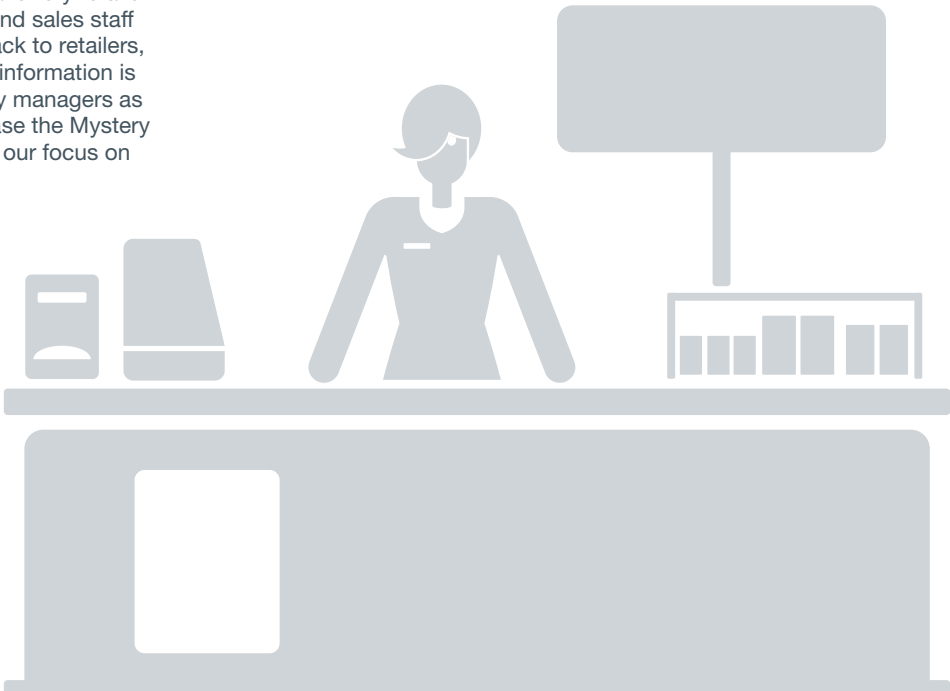
Pass rate in lottery retail mystery shop program



Source: BCLC internal reporting

Significant changes from previous service plan

There has been no change in the way we measure Pass Rate in Lottery Retail Mystery Shop Program. We have moved this measure from the Public to the Player section of our corporate goals, to better align with our SR strategies.



Substantiated PlayNow.com Player Complaints

Substantiated PlayNow.com Player Complaints measures the percent of total PlayNow.com player claims that, upon investigation, are verified as legitimate. Unsubstantiated claims, by contrast, are allegations that have not been established as truthful or valid.

How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of understanding and improving the player experience, as well as offering games and conducting business in a way that is fair, honest, and trustworthy. We aim to keep the number of substantiated PlayNow.com player complaints low by continuing to thoroughly test all games on the site prior to launch, using preventative measures to ensure the site is working at an acceptable capacity, and continuing to comply with our Regulatory Technical Standards. We keep the content and information provided on our site current, with a focus on ensuring it is clear and easily understandable.

We will be collecting several years of data to identify trends before we are able to set targets.

Our performance

In 2013/14, of the 483 player complaints received by BCLC's Investigators, 81 (16 per cent) were substantiated as relating to game, transaction or prize disputes. This was an increase of 61 (11 per cent) of total substantiated complaints over the previous year. This increase is primarily attributed to technical issues experienced by the implementation of significant additional slot games to PlayNow.com from a new vendor in late summer of 2013. Approximately 60 complaints relating to the integration of the new slot games were received relating to players having open games, compatibility and functionality issues, and error messages.

Substantiated PlayNow.com player complaints



Source: BCLC internal reporting

Significant changes from previous report

There has been no change in the way we measure Substantiated PlayNow.com Player Complaints. We have moved this measure from the Public to the Player section of our corporate goals, to better align with our SR strategies.

BCLC's Privacy Practices for PlayNow.com Registrants are TRUSTe Compliant

The TRUSTe Privacy Seal Program helps consumers identify responsible privacy practices. TRUSTe is a leading global data privacy management company that provides certification for companies who collect customer data. This certification of PlayNow.com is important way we assure our players that BCLC is protecting their information.

How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of protecting the privacy of player information. We strive to implement best privacy practices for registrants on PlayNow.com. Our goal is to maintain compliance with TRUSTe's Privacy Seal Program requirements in order to renew PlayNow.com certification.

Our performance

PlayNow.com was TRUSTe re-certified on December 31, 2013. Certification is valid for one year. BCLC plans to continue applying for certification.

Significant changes from previous report

There has been no change in the way we measure TRUSTe compliance for PlayNow.com. We set targets to reflect our plans for maintaining PlayNow.com TRUSTe compliance.

People

New Service Provider Employees Who Passed Appropriate Response Training (ART)

BCLC requires all gambling facility employees who have the potential to interact directly with visitors to successfully complete Appropriate Response Training (ART).

How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of supporting our service providers in developing and maintaining effective responsible gambling practices.

Our performance

ART is a BCLC educational program that prepares our own and service providers' employees to assist players who may be experiencing problems with their gambling. ART is mandatory for all front-line workers, management and security personnel, and refresher training is required throughout their employment. This performance measure includes Level 1 (online) and Level 2 (in-person) ART training.

This year, a total of 2,173 service provider employees registered for ART (Level 1 and 2 combined). Of this total, 2,081 passed, resulting in a 96 per cent overall achievement rate. This means that 4 per cent of service provider employees are either in process or have not yet attempted the required ART training. BCLC identifies non-compliant service provider employees and notifies site administration where training is required. We continue to work with our service providers to increase ART compliance pass rates through course completion reminders and continual communication.

New service provider employees who passed Appropriate Response Training (ART)



Source: BCLC internal reporting

Significant changes from previous report

There has been no change in the way we measure New Service Provider Employees Who Passed ART. BCLC's maintains a high level of compliance and has set targets to achieve and maintain a 100 per cent pass rate.

Employee Engagement

This performance metric measures the percentage of BCLC employees that are engaged with their work. Employee engagement is defined as the intellectual and emotional commitment employees have in an organization.

How achieving the target will help demonstrate success

Employee engagement reflects the effort and dedication employees exert to contribute to the organization's success. An inspired and engaged workforce will help drive the success of BCLC's business to deliver the great entertainment experiences our players expect.

Our performance

BCLC plans to conduct its 2013/14 Employee engagement survey in the spring of 2014, so results are not yet available. We will make the result for Employee engagement available once the survey results are reported.

Employee engagement



Source: Ipsos North America

Significant changes from previous service plan

There has been no change to the methodology used to measure Employee engagement. BCLC's employee engagement level has remained strong and we plan to maintain our strong engagement result over the next three years. Currently, BCLC is exploring the possibility of conducting its employee engagement survey every second year, which is becoming a standard industry practice for engagement surveys.

Employee Vacancy Rate

Employee vacancy rate measures the percentage of vacancies relative to BCLC’s total headcount.

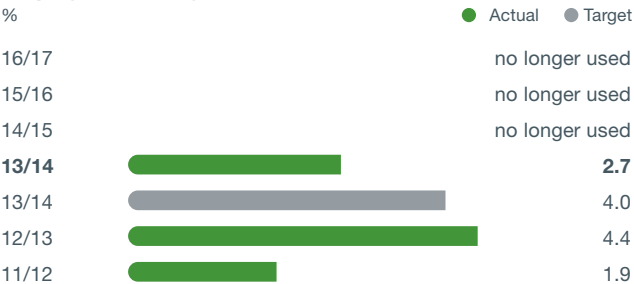
How achieving the target will help demonstrate success

As we continue to transform our business in a rapidly changing environment, our workforce needs to be able to adapt to change. Developing this capacity will require learning beyond traditional practices. Employee vacancy rate provides limited insights into how effective we are in attracting and retaining talent and developing a workforce that supports the transformation of our business. Starting in 2014/15, BCLC will use a new measure, employee turnover rate, to better gauge our competitiveness in the labour market and the effectiveness of our recruitment processes and retention programs.

Our performance

BCLC exceeded its target for employee vacancy rate in the last year by achieving a lower than targeted vacancy rate. This is due to a faster time to hire that is the result of our recruitment strategy in the market as well as fewer vacancies in the fourth quarter of 2013/14 due to cost containment measures.

Employee vacancy rate



Source: BCLC internal reporting.

Significant changes from previous service plan

There has been no change in the way we measure employee vacancy rate. Starting in 2014/15, BCLC will transition to using employee turnover rate measure as our corporate performance standard, replacing the employee vacancy rate measure.

Average Hours of Training per Year per Employee

Average Hours of Training per Year per Employee measures the total number of hours BCLC employees have self-recorded as involved in training or development, divided by the total number of BCLC employees.

How achieving the target will help demonstrate success

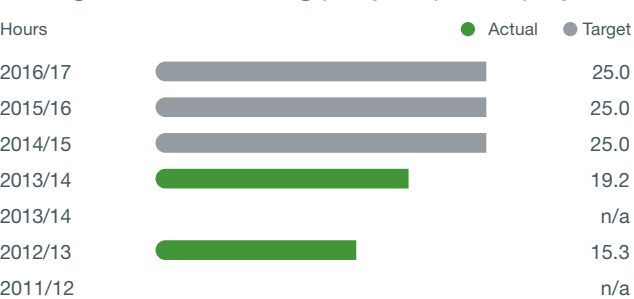
This measure tracks progress towards our SR strategy of creating a workplace culture that supports professional development. It uses best practice standards for highly effective learning organizations as measured by the American Society for Training and Development. These hours include projects and stretch assignments, mentoring, coaching and professional networking, reading and self-help as well as education, courses and conferences.

BCLC makes this investment so that our employees are keeping their skills current with what our business requires. It is also one of the ways we seek to retain employees, who are key to transforming BCLC’s business.

Our performance

This year, each BCLC employee recorded an average of 19.2 hours of training and development. Our target for training and development is for employees to spend 25 hours annually on training and development. This target is supported through continuous promotion and education about the importance of career goals, development plans and competency assessments.

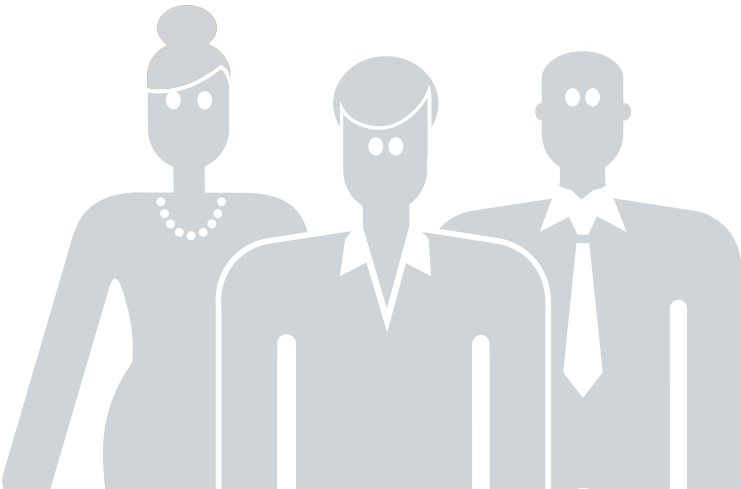
Average hours of training per year per employee



Source: BCLC internal reporting

Significant changes from previous report

There has been no change in the way we measure Average Hours of Training per Year per Employee. Our results are below the targeted average.



Employees Who Passed
“Where’s Your GameSense?” Course

Employees Who Passed “Where’s Your GameSense?” Course measures the compliance rate for BCLC’s employee responsible gambling training.

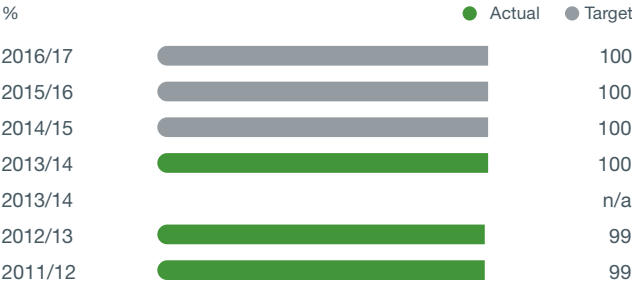
How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of creating a workplace that understands, supports and is engaged in SR, as well as integrating SR into governance and management systems. “Where’s Your GameSense” is an online training course that all BCLC employees are required to successfully complete within 30 days of being hired. The course is designed to educate employees about responsible and problem gambling, about our GameSense programming, and about how we support players in making informed decisions about gambling.

Our performance

In 2013/14, 125 new BCLC employees were registered to take the “Where’s Your GameSense” course. Of those, 125 have completed and passed, resulting in a compliance rate of 100 per cent. Next year we plan to update the course, based on feedback and identified areas for improvement.

Employees who passed “Where’s your GameSense?” course



Source: BCLC internal reporting

Significant changes from previous report

We have made a slight change to this measure’s name, to improve clarity, but the way in which it is measured has not changed. Performance remains consistent and we set the target at 100 per cent to maintain full compliance. We have moved this measure from the Public to the People section of our corporate goals, to better align with our SR strategies.

Employees Who Understand What
Social Responsibility Means to BCLC

One of the questions in BCLC’s employee engagement survey assesses agreement with the statement “I understand what Corporate Social Responsibility means to BCLC.”

How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of creating a workplace that understands, supports and is engaged in SR.

Our performance

In 2013/14, we developed and implemented an internal SR communications plan with the objective to help build understanding of what SR means to BCLC and how it is integrated into everything we do. BCLC is planning to conduct its 2013/14 employee engagement survey in the spring of 2014; hence, results for this measure are not yet available. We will make the result for this question available once the survey results are reported.

Employees who understand what social responsibility means to BCLC



Source: Ipsos North America

Significant changes from previous report

There has been no change in the way we measure Employees Who Understand What SR Means to BCLC. Our target is to maintain the high level of agreement among BCLC employees.



Public

Employees Who Agree BCLC is a Good Corporate Citizen

One of the questions in BCLC's employee engagement survey assesses the level to which staff agrees with the statement "BCLC is a good corporate citizen."

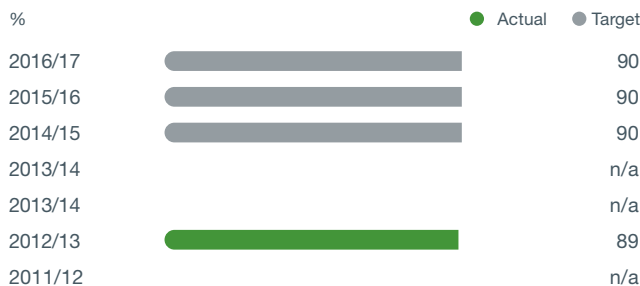
How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of creating a workplace where employees understand, support and are engaged in SR.

Our performance

In 2013/14, BCLC developed and implemented an internal SR communications plan with the objective to help build understanding of how BCLC acts as a good corporate citizen. BCLC is planning to conduct its 2013/14 employee engagement survey in the spring of 2014. This is why results for this measure are not yet available. We will make the result for this question available once the survey results are reported.

Employees who agree BCLC is a good corporate citizen



Source: Ipsos North America

Significant changes from previous report

Starting in 2013/14, this question was separated from Employees Who Understand What SR Means to BCLC, but there has been no change in the way this question is measured. Our target is to maintain the high level of agreement among BCLC employees.

Public Support for BCLC

Public support for BCLC measures the percentage of adult British Columbians who express support for BCLC.

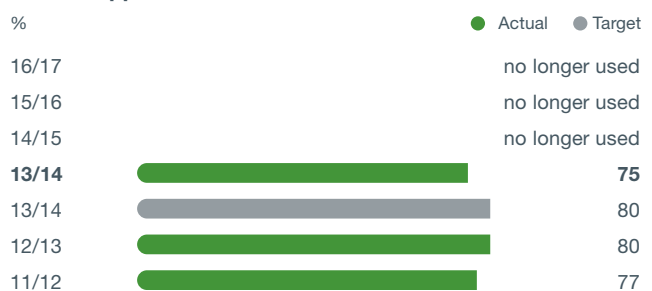
How achieving the target will help demonstrate success

Public opinion has a significant influence on BCLC's social license to operate. As we continue to transform our business to achieve our vision that gambling is a widely embraced form of entertainment, it is important the public understands both our business and the benefits it brings to British Columbians. Public support for BCLC provides limited insight into public sentiments about our organization, and the associated level of support for gambling in B.C. Beginning 2014/15, BCLC will transition to two new measures to gauge public perceptions: these will measure public recognition of positive contributions and public perceptions of BCLC's transparency.

Our performance

Our 2013/14 result for public support for BCLC is high at 75 per cent but is below our target of 80 per cent. One key driver of support for BCLC is a widespread understanding by the public of BCLC's positive impact in B.C. communities and this level of understanding could be improved. This may have contributed to our results being below target. We will continue to be open and forthcoming about our business; we will work to communicate the benefits of our business to communities in B.C. and the province; and we will continue to deliver gambling entertainment choices with integrity, social responsibility and transparency.

Public support for BCLC



Source: Research & Incite Consultants (2010/11 to 2012/13 Quarter 3) and Ipsos Reid Corporation (2012/13 Quarter 4 onwards).

Significant changes from previous service plan

There has been no change in how we measure public support for BCLC. Starting in fiscal 2014/15, we will begin using two new measures for corporate performance metrics. Over the coming year we will also explore other, yet-to-be determined metrics to improve our insight into how the public feels about our organization; the benefits our business brings to British Columbians; and the level of trust that results.

Level of Greenhouse Gas Emissions

BCLC's reportable Greenhouse Gas Emissions (GHG) are emissions from our buildings, fleet vehicles and certain office paper supplies.

BCLC uses calculations provided by the Province to convert and report our greenhouse gas emissions in a standard format. This calculation is completed and reported in metric tonnes of carbon dioxide emissions (CO₂e) by calendar year. Data is obtained from suppliers of electricity, natural gas, fleet fuel, paper suppliers and from internal reporting. To align with government's reporting cycle, our data for this metric covers the calendar year.

Since 2010, BCLC has been required to meet the requirements for carbon neutrality set out in the *Greenhouse Gas Reductions Target Act* and to pursue actions which minimize GHG emissions to meet the prescribed goal of a 33 per cent reduction in reportable emissions by 2020, from a 2007 baseline.

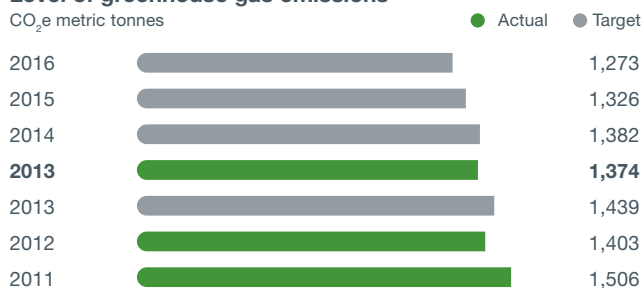
How achieving the target will help demonstrate success

We view sustainability as a key component of our SR efforts and we advocate environmentally sustainable behaviours in our organization's culture as an integral component of business modernization.

Our performance

In 2013, BCLC's reportable GHG emissions were lower than in 2012 and below the target level we had set, a better than targeted result. The most appropriate approach for reducing emissions from our Kamloops office is being assessed and we will continue to act to meet our long-term goal of a 33 per cent reduction by 2020.

Level of greenhouse gas emissions



Source: External supplier reporting and BCLC internal reporting⁹

Significant changes from previous service plan

There was no change to the way the Level of GHG Emissions is measured and reported or to our targets for this measure.

As BCLC is phasing out fleet vehicles in 2014/15, we will evaluate how this affects the calculation for this measure and the targets we have set.

Number of Stakeholder Engagement Sessions

Number of Stakeholder Engagement Sessions measures how we actively engage with those who have an effect on, or are impacted by our business. This includes sessions held with local governments, chambers of commerce, boards of trade, business and industry associations, the public health sector, and community service groups.

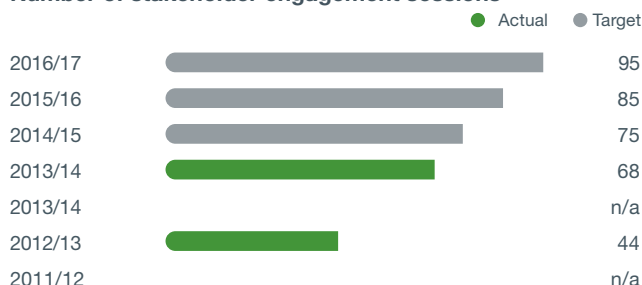
How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of engaging key stakeholders in an informative dialogue. Listening to and responding to our stakeholders helps build understanding and support for BCLC's purpose and business.

Our performance

BCLC is consistently increasing the number of sessions held with stakeholders. In 2013/14, we continued to implement our stakeholder engagement strategy and participated in a total of 68 engagement sessions. We built on the success of last year's Responsible Gambling Awareness Weeks by expanding the events from five to six B.C. communities. We also developed a qualitative evaluation of the sessions. This allowed a better understanding of the way stakeholders want to engage with us and a measurement of the success of the sessions. This work will continue and we expect to implement qualitative measures in 2014/15. We will continue to expand our stakeholder engagement program on key topics of mutual interest and we will implement our corporate reputation strategy.

Number of stakeholder engagement sessions



Source: BCLC internal reporting

Significant changes from previous report

In 2013/14, we changed the name of this measure from Community Engagement Sessions Held to Number of Stakeholder Engagement Sessions but there has been no change in the way we measure it. BCLC set targets based on past performance and our expected number of sessions held over the next three years.

⁹ This chart is also provided in BCLC's 2013/14 Annual Report. The years shown here correct the 2013/14 Annual Report version.

Waste Diverted From Landfill—Vancouver Office

We measure the percentage of waste our two offices divert from the landfill, including compost, paper and cardboard recycling, and mixed container recycling. To align with Government's reporting cycle, our data for this metric covers the calendar year.

How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of reducing BCLC's waste sent to a landfill.

Our performance

In 2013, we achieved an 89 per cent diversion rate at the Vancouver office. Our high diversion rate is attributed to good source separation of compost and recycling from general waste in the Vancouver office. We continue to seek ways to reduce and divert waste from the Vancouver office location. The diversion rate for 2013 was slightly lower than in 2012 as a result of changing a recycling supplier which resulted in retaining paper for recycling with the new supplier until early in 2014.

Waste diverted from landfill—Vancouver office



Source: External supplier reporting and BCLC internal reporting

Significant changes from previous report

While we have separated the Vancouver office and Kamloops office measures from each other, there has been no change in the way we measure Waste Diverted From Landfill in each office. Diversion at the Vancouver office remains high and we set our targets to maintain a 91 per cent diversion rate for each of the upcoming three years.

Waste Diverted From Landfill—Kamloops Office

We measure the percentage of waste our two offices divert from the landfill, including compost, paper and cardboard recycling, and mixed container recycling. To align with Government's reporting cycle, our data for this metric covers the calendar year.

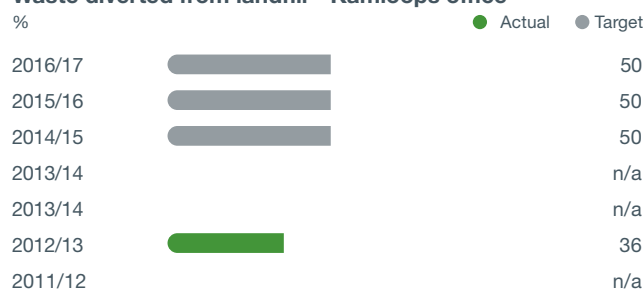
How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of reducing BCLC's waste sent to a landfill.

Our performance

BCLC was unable to estimate a diversion rate from our Kamloops facility in 2013 as we did not carry out a waste audit. A pilot compost program will begin in 2014 and we aim to audit waste at the Kamloops facility later in 2014 to estimate the diversion rate. We anticipate seeing an increase in diversion following full implementation of the pilot composting program.

Waste diverted from landfill—Kamloops office



Source: External supplier reporting and BCLC internal reporting

Significant changes from previous report

While we have separated the Vancouver office and Kamloops office measures from each other, there has been no change in the way we measure Waste Diverted From Landfill. We set targets for our diversion rate at the Kamloops office which is anticipated to improve after full implementation of the composting pilot program scheduled to begin in 2014. Our objective is to, over time, achieve the same level of waste diversion in our Kamloops office as we have in our Vancouver office.

Water Use (m³/m²)—Vancouver Office

Water Use (m³/m²)—Vancouver Office measures the total cubic metres of water consumed by BCLC's Vancouver office, divided by the number square metres of office space in that building. To align with Government's reporting cycle, our data for this metric covers the calendar year.

How achieving the target will help demonstrate success

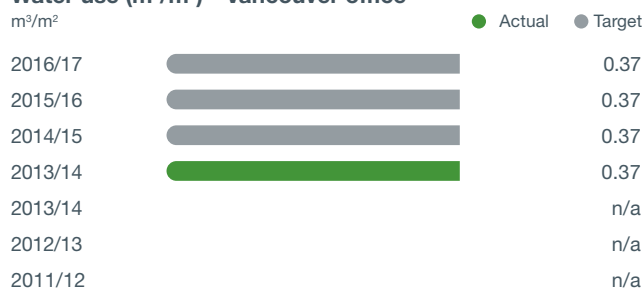
This measure tracks progress towards our SR strategy of reducing water usage.

Our performance

In our Vancouver office, we consumed 3,847 m³ of water—0.37 (m³/m²)—in 2013. This total includes an amount based upon building size and applied to site irrigation (383 m³).

The Vancouver building contains Leadership in Energy and Environmental Design (LEED) rated water saving fittings, which help to reduce consumption. Differences in water consumption between our two offices are due to the age of the Kamloops facility and its infrastructure. However, this year, the Vancouver office consumed more water because it had a sprinkler running on the roof for an extended period (under ordinary circumstances, the green roof does not require watering, but the degree of dryness in the summer of 2013 warranted some attention).

Water use (m³/m²)—Vancouver office



Source: External supplier reporting and BCLC internal reporting

Significant changes from previous report

There were two changes to this measure from last year. The first change was from total water usage to measure intensity (m³/m²) usage, making it easier to compare to industry standards. We have also separated the Vancouver office and Kamloops office measures from each another, as each location has different levels of performance. BCLC set targets based on current and historical data for our expected office water use in our Vancouver office. We continue to evaluate our water use targets, recognizing that changes in climate will likely remain a key influence on our ability to achieve a lower target.

Water Use (m³/m²)—Kamloops Office

Water Use (m³/m²)—Kamloops Office measures the total cubic metres of water consumed by BCLC's Kamloops office, divided by the number square metres of office space in that building. To align with Government's reporting cycle, our data for this metric covers the calendar year.

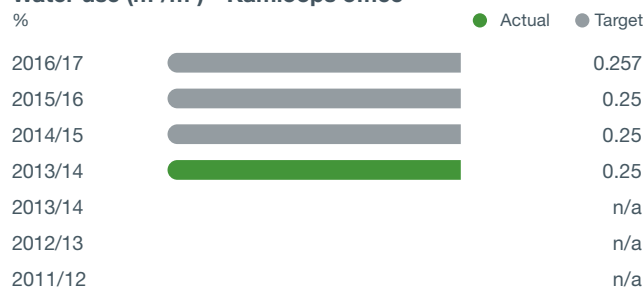
How achieving the target will help demonstrate success

This measure tracks progress towards our SR strategy of reducing water usage.

Our performance

In our Kamloops office, we consumed 3,476 m³ of water—0.25 m³/m²—in 2013. The Kamloops building is significantly older than our Vancouver office, and does not have water saving fittings that typically help to reduce consumption. As infrastructure is replaced due to end-of-life, we will strive to use more efficient fittings.

Water use (m³/m²)—Kamloops office



Source: External supplier reporting and BCLC internal reporting

Significant changes from previous report

There were two changes to this measure from last year. The first change was from total water usage to measure intensity (m³/m²) usage, making it easier to compare to industry standards. We have also separated the Vancouver office and Kamloops office measures from each another, as each location has different levels of performance.

BCLC set targets based on current and historical data and our expected office water use in our Kamloops office.

Profit

Gambling Facilities That Use SR Reporting Tool Software

Gambling Facilities That Use SR Reporting Tool Software measures the percent of our casino and community gaming centre facilities that are contributing data to BCLC's Social Responsibility reporting software.

How achieving the target will help demonstrate success

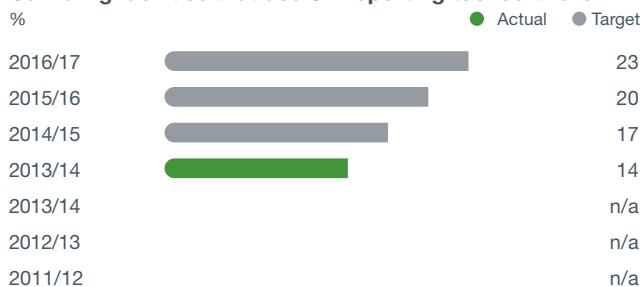
This measure tracks progress towards our SR strategy of engaging BCLC's service providers in reducing their environmental impacts. For those currently using the SR reporting software, it serves as an internal tracking tool that helps them understand their building energy trends.

Our target is to increase the number of service providers and gambling facilities that contribute data for reporting each year.

Our performance

In 2012/13, BCLC conducted a Request for Proposal process to purchase SR reporting software, which will help us monitor and report on our SR performance measures moving forward. In 2013/14, we fully implemented the software within BCLC, with five of our casino facilities (14 per cent), and they are starting to contribute data. We will continue to encourage our service provider gambling facilities to contribute data that we will track for future reports.

Gambling facilities that use SR reporting tool software



Source: BCLC internal reporting

Significant changes from previous report

We have changed this measure from a total number to a percent of total because it is more indicative of our progress compared to the total number of potential facilities that could be participating. BCLC has set targets based on past results and our expected increase in the number of service provider gambling facilities that contribute data to the system.

Net Income

Net income is the total amount of income generated from BCLC gambling and is comprised of sales less: prizes, direct expenses, gaming support costs, general operating costs, amortization and taxes. It is calculated in accordance with International Financial Reporting Standards (IFRS).

BCLC's net income is delivered to the Province and used to benefit British Columbians through funding of public health care, education and charitable and community programs. Through an agreement between the federal and provincial governments, the Government of Canada receives a portion of the net income BCLC generates.

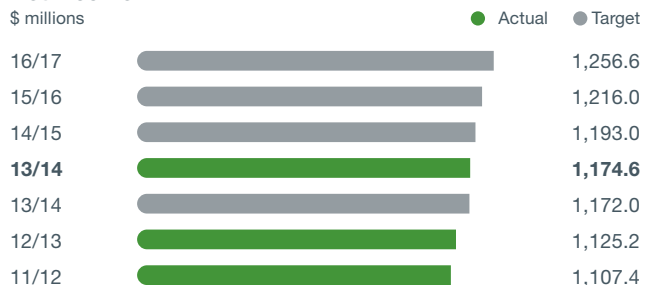
How achieving the target will help demonstrate success

This measure is a direct indicator of our success in meeting our mandate to generate income in a socially responsible way for the benefit of British Columbians.

Our performance

In 2013/14, BCLC exceeded its target and achieved a result of \$1,174.6 million in net income. The growth in net income is higher than the previous year with a 4.4 per cent increase in 2013/14 compared to a 1.6 per cent increase in 2012/13. The increase in net income growth is due to several factors including a higher net win growth (sales after prizes have been paid), an internal change in our amortization policy for slot machines, and the move from HST back to GST beginning April 1, 2013.

Net income



Source: BCLC Audited Financial Statements

Significant changes from previous service plan

Net income targets are updated based on a review of our latest financial performance and future growth opportunities. The targets are set taking into account the Province of B.C. forecasts for: population, Gross Domestic Product, and the short term interest rate.



Operating Cost Ratio

The Operating Cost Ratio is the sum of direct expenses (except prizes), gaming support costs, general operating costs and amortization, divided by BCLC's net win. We benchmark this metric to other comparable gambling jurisdictions.

How achieving the target will help demonstrate success

Our operating cost ratio is a measure of our operational efficiency. It indicates how successful we are in balancing the generation of revenue with the cost of operating our business.

Our performance

In 2013/14, BCLC's Operating Cost Ratio was 43.4 per cent. This is higher than the target of 42.5 per cent and this means BCLC did not meet its 2013/14 target. This is mainly due to BCLC undergoing a restructuring in the fourth quarter of 2013/14 which led to higher than targeted operating costs. BCLC's operating cost ratio remains below all our benchmark comparisons. For more details, see Appendix 2.

BCLC is investing in modernizing its business, replacing legacy systems and in particular, replacing the technology that supports casino and community gaming centre operations. This modernization in investment will continue. BCLC is also implementing plans to reduce the cost of operating the business in the coming year and we are committed to maintaining the operating cost ratio at a relatively constant level.

Operating cost ratio

% of net win

● Actual ● Target

16/17	<div><div></div></div>	41.4
15/16	<div><div></div></div>	41.8
14/15	<div><div></div></div>	41.9
13/14	<div><div></div></div>	43.4
13/14	<div><div></div></div>	42.5
12/13	<div><div></div></div>	41.2
11/12	<div><div></div></div>	42.0

Source: BCLC Audited Financial Statements

Significant changes from previous service plan

The operating cost ratio is updated based on a review of our latest financial performance, operational effectiveness and future growth opportunities. The forecasts take into account standard economic indicators used by the Province.















Appendix 1:

Performance Management Systems and Benchmarks

Details of how we use each measure and the targets for the next three years are in the “Our Performance” section of this report. The table below summarizes how we measure each metric, our benchmarks and what we do to check that the data is reliable.

Performance Measure	How We Measure and Benchmark	Data Reliability
Player Satisfaction	<p>A third-party research professional conducts a continuous tracking study to measure Player Satisfaction on our behalf. The survey is conducted online among a random sample of B.C. adults aged 19 and older. The sample is representative of the B.C. adult population with respect to gender, age and region. The annual target sample size is 3,000 survey participants.</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>Player responses in the top five box scores are then aggregated and expressed as a percentage to get the aggregate satisfaction.</p> <p>Player Satisfaction 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>The survey to measure Player Satisfaction is independently conducted by a third-party research firm. The survey uses market research industry standard techniques to randomize the sample, while retaining a gender, age and regional balance that is consistent with B.C.’s population figures available from Statistics Canada’s Census.</p>
Player Participation	<p>A third-party research professional conducts a continuous tracking study to measure Player Participation on our behalf. The survey is conducted online among a random sample of B.C. adults aged 19 and older. The sample is representative of the B.C. adult population with respect to gender, age and region. The annual target sample size is 3,000 survey participants.</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.</p> <p>Player Participation 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>The survey to measure Player Participation is independently conducted by a third-party research firm. The survey uses market research industry standard techniques to randomize the sample, while retaining a gender, age and regional balance that is consistent with B.C. population figures available from Statistics Canada’s Census.</p>

Performance Measure	How We Measure and Benchmark	Data Reliability												
Player Awareness of Responsible Gambling Activities	<p>A third-party research professional conducts a continuous tracking study to measure Player Awareness of Responsible Gambling Activities on our behalf. The survey is conducted online among a random sample of B.C. adults aged 19 and older. The sample is representative of the B.C. adult population with respect to gender, age and region. The annual target sample size is 3,000 survey participants.</p> <p>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. Over the coming year, we will examine the need to adjust this measure so that we understand how successful we are in creating player awareness for our key responsible gambling activities.</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>The survey to measure Player Awareness of Responsible Gambling Activities is independently conducted by a third-party research firm. The survey uses market research industry standard techniques to randomize the sample, while retaining a gender, age and regional balance that is consistent with B.C. population figures available from Statistics Canada's Census.</p>												
Net Win per Capita	<p>Net win is the revenue after prizes have been paid to players. Casino game prizes are paid during game play. For lottery and bingo games, net win is calculated by deducting prizes from total sales revenue.</p> <p>Net Win per Capita is widely used in the gambling industry. As the age at which legal gambling is permitted varies between jurisdictions, BCLC's calculation is indexed to the total population rather than specifically to B.C.'s adult population, allowing us to benchmark consistently to other jurisdictions.</p> <p>For our benchmark comparators, net win figures are taken from the most recent audited statement of accounts, as published in the annual reports of the benchmark organizations. In some instances restatement of financial information for benchmark organizations has caused changes to prior reported figures. Canada average figures are drawn from the Canadian Gambling Digest, from which BCLC data is removed.</p> <p>Video lottery terminal (VLT) revenue is included in benchmarking results from Loto-Québec (LQ) and where applicable, the Canada Average comparators, to give a complete picture of total spending on gambling. The provinces of B.C. and Ontario (OLG) do not permit VLTs.</p> <p>2011/12 Net Win per Capita</p> <p>\$</p> <table> <tr> <td>BCLC</td> <td></td> <td>450</td> </tr> <tr> <td>Canada Average*</td> <td></td> <td>395</td> </tr> <tr> <td>OLG</td> <td></td> <td>368</td> </tr> <tr> <td>LQ</td> <td></td> <td>340</td> </tr> </table>	BCLC		450	Canada Average*		395	OLG		368	LQ		340	<p>Net Win figures are taken from our audited financial statements published in our Annual Service Plan Report.</p> <p>Population figures are from Statistics Canada figures published in July each year and used as the baseline for our calculations for each of the years included in the Service Plan.</p> <p>Forecasts and targets are calculated by BCLC and are reviewed with Treasury Board prior to inclusion in the Service Plan.</p>
BCLC		450												
Canada Average*		395												
OLG		368												
LQ		340												

Performance Measure	How We Measure and Benchmark	Data Reliability
World Lottery Association Certification Level	<p>World Lottery Association (WLA) Certification is achieved following a successful third-party review of BCLC's responsible gambling policies, programs and practices by WLA. To re-certify at Level 4, BCLC must demonstrate continual improvement. Certification is valid for three years, after which BCLC must apply for re-certification to maintain level 4 status.</p> <p>BCLC is among 39 other gaming organizations world-wide that have achieved Level 4 WLA certification.</p>	WLA certification, and re-certification, is independently conducted and involves a documentation review, interviews with staff, an independent audit of evidence and recommendation by an independent assessment panel.
Casino and Community Gaming Centres Certified by RG	<p>RG Check certification for each BCLC casino and community gaming centre is determined by the Responsible Gambling Council (RGC), following an audit-type review based on standards and criteria reflecting international best practices. RGC's RG Certification is valid for three years.</p> <p>BCLC is among other gaming organizations nation-wide that use the RG Check certification program.</p>	RG Check certification, and re-certification, is independently conducted and involves a documentation review, site visit, interviews with staff and patrons, and a final evaluation by the RG Check independent assessment panel.
Number of Player Interactions at GameSense Info Centres (GSICs)	<p>Number of Player Interactions at GameSense Info Centres (GSICs) measures the total number of interactions that GameSense Advisors (GSA) have with players at casino and community gaming centre facilities about responsible gambling.</p> <p>In 2013/14, BCLC adopted a national framework for data collection at responsible gambling information centres. The national framework provided an opportunity to align data collection methods across Canadian jurisdictions. This standardization of data collections provides BCLC with the ability to benchmark our results with other Canadian jurisdictions to better evaluate the performance of our GSICs. This framework is in the process of being adopted by other Canadian jurisdictions. We are the first to have implemented it and expect preliminary benchmarking data to be available by 2014/15.</p>	In 2013/14, BCLC updated how we measure and collect customer interaction data based on a new national framework. As part of that process, BCLC implemented a customer interaction database that allows GSAs to provide customer interaction information in real-time, via smartphones and provides instant reporting capability to BCLC.
Pass Rate in Lottery Retail 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. The results are forwarded to BCLC for scoring accordingly (e.g. pass, fail, not shopped, etc.) The results of successful Mystery Shops are shared with the successful retailers, with a positive concluding letter noting the event. If required, appropriate action or discipline is taken for unsuccessful Mystery Shops.</p> <p>Retailer performance in the BCLC Mystery Shop program will be internally benchmarked on a regional basis once sufficient historical data is collected.</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 Shops information is then analyzed internally and the overall results are reported to the required stakeholders, which include GPEB and BCLC Lottery Sales.













Performance Measure	How We Measure and Benchmark	Data Reliability
Substantiated PlayNow.com Player Complaints	<p>PlayNow.com player complaints are most often received through our Customer Support Centre, and then verified by BCLC's eGaming Investigations department or Technical Support Department.</p> <p>Substantiated PlayNow.com Player Complaints are internally benchmarked on a time series basis. We do not externally benchmark, as other gambling jurisdictions and do not publish comparable information.</p>	<p>Player complaints are tracked on internal BCLC software that reports on total complaints. All Substantiated PlayNow.com Player Complaints are calculated internally by our eGaming Investigations team from the combined data.</p>
BCLC's Privacy Practices for PlayNow.com Registrants are TRUSTe Compliant	<p>BCLC has received TRUSTe's Privacy Seal signifying that our privacy practices were reviewed for compliance with the TRUSTe program. TRUSTe has re-certified that PlayNow.com's privacy practices align with its regulatory requirements.</p>	<p>TRUSTe is a third-party global data privacy management company.</p>
New Service Provider Employees Who Passed Appropriate Response Training (ART)	<p>The pass rate for Appropriate Response Training (ART) is measured by combining pass rates for Level 1 and Level 2 ART courses. To pass Level 1, the participant must complete a multiple choice exam following their online training session, and achieve a minimum score of 70 per cent. To pass Level 2, the participant must complete a multiple choice exam following their in-person training session, and achieve a minimum score of 70 per cent.</p>	<p>The online course tool for ART exams has an embedded and automatic grading system that provides the SR team with reports to monitor pass/fail compliance rates.</p>
Employee Engagement	<p>Employee Engagement is measured by an annual anonymous online survey amongst BCLC's employees, conducted by a third-party research professional on our behalf.</p> <p>The survey asks employees to rank on a six-point scale their agreement with a broad range of statements that span aspects of the workplace such as work conditions, career and development opportunities, and BCLC's goals and programs.</p> <p>The overall engagement score is an aggregate of the proportion of employees that have agreed with the statements in the top two points of the scale.</p> <p>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 a third-party research firm, using market research industry standard techniques.</p>
Employee Vacancy Rate	<p>This metric provides the number of vacant positions as a proportion of BCLC's total headcount. It is measured on a monthly basis. The year-end result is calculated by averaging the monthly vacancy rates.</p> <p>Employee Vacancy 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 Vacancy Rate is internally calculated internally by our Human Resources team. The total headcount is the total number of approved positions. The number of vacancies is the number of approved positions currently vacant in the organization.</p>

Performance Measure	How We Measure and Benchmark	Data Reliability
Average Hours of Training per Year per Employee	<p>Average Hours of Training per Year per Employee measures the total number of hours BCLC employees have self-recorded as spent in training or development activities, divided by the total number of BCLC employees.</p> <p>This measure uses North American standards from the American Society for Training and Development (ASTD) as the guideline in determining the targeted number of training hours. The ASTD best practice standard for highly effective learning organizations is an average of 20–25 hours annually. These hours include projects and stretch assignments, mentoring, coaching and professional networking, reading and self-help as well as education, courses and conferences.</p>	This measure relies on our employees to self-record their training hours in BCLC's payroll system. Data for training hours may not always be recorded, particularly for employee self-driven activities, such as on the job development that develops new skills and knowledge.
Employees Who Passed "Where's Your	<p>The pass rate for "Where's Your GameSense?" is measured by the percentage of BCLC employees who, upon completing the online course and associated multiple choice exam, achieve a minimum score of 70 per cent.</p> <p>To continue to increase best practices in Canada, which will also benefit BCLC by providing benchmarks with other Canadian jurisdictions, BCLC is working with the Interprovincial Lottery Corporation to develop national responsible gambling training standards.</p>	The online course tool for "Where's Your GameSense?" has an embedded and automatic grading system that provides BCLC's SR team reports to monitor pass/fail compliance rates.
Employees Who Understand What Social Responsibility Means to BCLC	<p>Employees Who Understand What Social Responsibility Means to BCLC is measured by an annual anonymous online survey amongst BCLC' employees, conducted by a third-party research professional on our behalf.</p> <p>The survey asks employees to rank on a five-point scale their agreement with the statement "I understand what Corporate Social Responsibility means to BCLC." Employee responses in the top two box scores are then aggregated and expressed as a percentage to get the aggregate agreement.</p> <p>Employees Who Understand What Social Responsibility Means to BCLC 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>	The survey to measure Employees Who Understand What Social Responsibility Means to BCLC is independently conducted by a third-party research firm, using market research industry standard techniques.
Employees Who Agree That BCLC is a Good Corporate Citizen	<p>Employees Who Agree That BCLC is a Good Corporate Citizen is measured by an annual anonymous online survey among BCLC' employees, conducted by a third-party research professional 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>Employees Who Agree That BCLC is a Good Corporate Citizen 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>	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.

Performance Measure	How We Measure and Benchmark	Data Reliability
Public Support for BCLC	<p>A third-party research professional conducts a continuous tracking study to measure Public Support for BCLC on our behalf. The survey is conducted online among a random sample of B.C. adults aged 19 and older and is representative of the B.C. adult population with respect to gender, age and region. The annual target sample size is 3,000 survey participants.</p> <p>Participants are asked to rate their overall impression of BCLC on a 4-point scale from “Very Favourable” to “Very Unfavourable”. Participant responses in the top two box scores, i.e. those rating “Very Favourable” and “Somewhat Favourable”, are then aggregated and reported as the aggregate percentage of support for BCLC.</p> <p>Public Support for BCLC 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>The survey to measure Public Support for BCLC is independently conducted by a third-party research firm. The survey uses market research industry standard techniques to randomize the sample, while retaining a gender, age and regional balance that is consistent with B.C. population figures available from Statistics Canada’s Census.</p>
Level of Greenhouse Gas Emissions	<p>BCLC uses standard calculations provided by the Province to calculate and report greenhouse gas (GHG) emissions in a standard format, as required by the Province. It is used by the Province to ensure BCLC is meeting the provincial reduction requirements and for benchmarking against other Crown agencies.</p> <p>BCLC obtains the required data from our suppliers of electricity, natural gas, fleet vehicle fuel and paper, and from internal procurement reporting. GHG emissions are internally benchmarked on a time series basis. Our Carbon Neutral Action Report and those of other B.C. Crown corporations are published by the Ministry of Environment annually at the end of June.</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 fuel consumption is verified from fuel consumption reporting from our fleet vehicle management company.</p> <p>Paper consumption for all types of reportable paper is measured internally each month.</p>
Number of Stakeholder Engagement Sessions	<p>Stakeholder engagement sessions are planned by our Public Affairs team both proactively and in response to queries from stakeholders. The sessions are tracked internally.</p> <p>BCLC does not externally benchmark, as other gambling jurisdictions and B.C. Crown corporations do not publish equivalent figures.</p>	<p>Our Public Affairs team tracks sessions held throughout the year and checks and reports on the data internally.</p>
Waste Diverted from Landfill—Vancouver Office	<p>Waste Diverted from Landfill—Vancouver Office is measured by taking the weight of waste streams diverted from landfill (recycled paper, cardboard, recyclable containers, metals, glass, and compost) as a percent of the total weight of all streams in our Vancouver building.</p> <p>BCLC is currently in the process of determining the appropriate industry benchmarks for waste diversion performance at each office.</p>	<p>BCLC receives monthly reports from our external waste management contractors, detailing the actual weights of general garbage, recycled paper and cardboard. We also receive estimated weights for our compostable materials and recyclable containers made from plastics, metal or glass.</p>

Performance Measure	How We Measure and Benchmark	Data Reliability
Waste Diverted from Landfill—Kamloops Office	<p>Waste Diverted from Landfill – Kamloops Office will be by estimates taken from a waste audit. The process will sample wastes leaving the facility, split the wastes in to categories, weigh the materials and extrapolate to estimate weights for one year. The calculation will be made by taking the weight of waste streams diverted from landfill as a percent of the total weight of all categories.</p> <p>BCLC is currently in the process of determining the appropriate industry benchmarks for waste diversion performance at each office.</p>	Our waste contractors in Kamloops do not provide weights for any of the wastes or recycling that leaves our office, so we rely on waste audits—a somewhat less accurate alternative—to internally calculate and report on our diversion rate.
Water Use (m ³ /m ²)—Vancouver Office	<p>Water Use (m³/m²)—Vancouver Office measures the total cubic metres of water consumed by our Vancouver office, divided by the number of cubic metres of office space in that building.</p> <p>BCLC benchmarks against industry standards, represented in BOMA—the Building Owners and Managers Association of British Columbia—which has the leading environmental certification program for existing buildings in Canada. BOMA water consumption intensity from the BOMA Best Energy and Environmental Report, 2011:</p> <ul style="list-style-type: none"> • Top performing 25 per cent of buildings consumption = 0.2–0.39 m³/m² • Upper middle 25 per cent of buildings consumption = 0.4–0.74 m³/m² <p>In 2013/14, BCLC’s water use in the Vancouver office was within the range of the top performing 25 per cent of buildings water consumption as indicated in the chart below.</p> <p>Water Use (m³/m²)—Vancouver Office</p> <p>Upper middle 25 per cent of building consumption</p> <p>Top performing 25 per cent of buildings consumption</p> <p>0.37m³/m² BCLC Vancouver</p> <p>0 0.2 0.4 0.6 0.8</p>	BCLC receives monthly reporting from Bentall, the building owner of our Vancouver office. The report shows the metered total, plus a percentage for grounds watering based upon the building floor space compared to the rest of the Broadway Tech Centre Bentall property.

Performance Measure	How We Measure and Benchmark	Data Reliability
Water Use (m ³ /m ²) —Kamloops Office	<p>Water Use (m³/m²)—Kamloops Office measures the total cubic metres of water consumed by our Kamloops office, divided by the number of cubic metres of office space in that building.</p> <p>BCLC benchmarks against industry standards, represented in BOMA—the Building Owners and Managers Association of British Columbia—which has the leading environmental certification program for existing buildings in Canada. BOMA water consumption intensity from the BOMA Best Energy and Environmental Report, 2011:</p> <ul style="list-style-type: none"> • Top performing 25 per cent of buildings consumption = 0.2–0.39 m³/m² • Upper middle 25 per cent of buildings consumption = 0.4–0.74 m³/m² <p>In 2013/14, BCLC's water use in the Vancouver office was within the range of the top performing 25 per cent of buildings water consumption as indicated in the chart below.</p> <p>Water Use (m³/m²)—Kamloops Office</p> <p>Upper middle 25 per cent of building consumption</p> <p>Top performing 25 per cent of buildings consumption</p> <p>0.25m³/m² BCLC Kamloops</p> <p>0 0.2 0.4 0.6 0.8</p>	BCLC receives an annual report from the City of Kamloops which uses metering to measure the total water consumption of our Kamloops office.
Gambling Facilities That Use SR Reporting Tool Software	<p>Gambling Facilities That Use SR Reporting Tool Software measures the number of casinos and community gaming centres that contribute data (e.g. to track energy use in their buildings) to BCLC's internal reporting software. We do not externally benchmark as other gambling jurisdictions and B.C. Crown corporations do not publish comparable information.</p>	The number of gambling facilities that use BCLC's SR reporting tool software is internally tracked by our SR team.
Net Income	<p>Net Income is the calculation of total sales after prizes, direct expenses, gaming support costs, general operating costs, amortization and taxes have been deducted and are reported using financial information from BCLC's publicly reported financial statements.</p> <p>BCLC's net income is analyzed on a time series basis and is not benchmarked with other jurisdictions due to differences in the types of gambling offered by the jurisdiction, differing gaming models and population levels. In some instances restatement of financial information by benchmark organizations has caused changes to prior reported figures.</p>	<p>Net income figures are taken from our audited statement of accounts, as published in our Annual Service Plan Report. Forecasts and targets are calculated by BCLC in accordance with International Financial Reporting Standards (IFRS) and are reviewed with the Treasury Board prior to inclusion in BCLC's Service Plan.</p>

Performance Measure	How We Measure and Benchmark	Data Reliability												
Operating Cost Ratio	<p>Our Operating Costs Ratio is the sum of our direct expenses (except prizes), including BCLC private sector service provider commissions and ticket printing, gaming support costs, general operating costs and amortization, divided by our consolidated net win and expressed as a percentage.</p> <p>Including private sector service provider commissions in our direct expenses more closely normalizes BCLC to the different operating models of other jurisdictions (i.e., instead of operating our gambling facilities directly, BCLC pays commissions to private sector service providers). Ticket printing is also included, as many other gambling jurisdictions do not separate this cost from their consolidated operating costs.</p> <p>BCLC's operating costs ratio remains below our benchmark comparators. Swedish lottery Svenska Spel offers a similar gambling mix to BCLC, but derives more of its net win from video lottery terminals and internet gambling, both of which have lower operating costs than more traditional facilities-based casino gambling, from which BCLC derives the majority of its net win.</p> <p>2011/12 Operating Costs Ratio (% of Net Win)</p> <p>% of net win</p> <table> <tr> <td>BCLC</td><td></td><td>42.0</td></tr> <tr> <td>LQ</td><td></td><td>44.8</td></tr> <tr> <td>Svenska Spel</td><td></td><td>48.0</td></tr> <tr> <td>OLG</td><td></td><td>54.0</td></tr> </table>	BCLC		42.0	LQ		44.8	Svenska Spel		48.0	OLG		54.0	<p>Direct expenses, gaming support costs, general operating costs and amortization are taken from our audited statement of accounts as published in our Annual Service Plan Report. All figures are determined in accordance with International Financial Reporting Standards.</p> <p>Figures for forecasts and targets are calculated by BCLC and are reviewed with the Treasury Board prior to inclusion in the Service Plan.</p> <p>Benchmark comparators net win and comprehensive operating cost figures are taken from the audited statements of accounts, as published in the annual reports of the comparator organizations.</p>
BCLC		42.0												
LQ		44.8												
Svenska Spel		48.0												
OLG		54.0												

Appendix 2:

Performance Measures, Material Issues, Stakeholders, and Strategic Challenges

The table below provides an overview of our corporate performance measures and Social Responsibility (SR) measures, in relation to our material issues, key stakeholders, and strategic challenges. The SR framework includes all corporate metrics highlighted in bold, reported in our Annual Service Plan Report, as well as the SR specific measures, which are not highlighted in bold.

Player

Performance Measures	Material Issues	Key Stakeholders	Strategic Challenges	Page
Player Satisfaction	Player experience; service provider SR role; stakeholder engagement	Players; public; BCLC employees; provincial government and regulator; service providers and retailers	Player privacy protection	19
Player Participation	Player experience; stakeholder engagement	Players; public; BCLC employees; provincial government and regulator; service providers and retailers		20
Player Awareness of Responsible Gambling Activities	Responsible gambling; player experience; stakeholder engagement	Players; public; BCLC employees; provincial government and regulator; public interest groups; service providers and retailers	Shared responsibility for SR; self-exclusion from gambling; public acceptance of gambling	20
Net Win per Capita	Player experience; community socio-economic benefit	Players; public; BCLC employees; communities; provincial government and regulator; public interest groups; service providers and retailers	Public acceptance of gambling	21
World Lottery Association Certification Level Achieved	Responsible gambling; stakeholder engagement	Players; public; BCLC employees; provincial government and regulator; public interest groups; service providers and retailers	Shared responsibility for SR; self-exclusion from gambling; public acceptance of gambling	21
Casinos and Community Gaming Centers Certified by RG Check	Responsible gambling; service provider SR role; stakeholder engagement	Players; BCLC employees; provincial government and regulator; public interest groups; service providers and retailers	Shared responsibility for SR; self-exclusion from gambling; public acceptance of gambling	22
Number of Player Interactions at GameSense Info Centres (GSICs)	Responsible gambling; player experience; service provider SR role; stakeholder engagement	Players; BCLC employees; provincial government and regulator; public interest groups; service providers and retailers	Shared responsibility for SR; self-exclusion from gambling; public acceptance of gambling	23
Pass Rate in Lottery Retail Mystery Shop Program	Responsible gambling; service provider SR role; stakeholder engagement	Players; provincial government and regulator; public interest groups; service providers and retailers	Shared responsibility for SR; public acceptance of gambling	24

Performance Measures	Material Issues	Key Stakeholders	Strategic Challenges	Page
Substantiated PlayNow.com Player Complaints	Player experience; openness and accountability	Players; BCLC employees		25
BCLC's Privacy Practices for PlayNow.com are TRUSTe Compliant	Player experience; openness and accountability	Players; BCLC employees	Player privacy protection	25
New Service Provider Employees who Passed Appropriate Response Training (ART)	Responsible gambling; player experience; service provider SR role; stakeholder engagement	Players; BCLC employees; provincial government and regulator; public interest groups; service providers and retailers	Shared responsibility for SR; self-exclusion from gambling	26

People

Performance Measures	Material Issues	Key Stakeholders	Strategic Challenges	Page
Employee Engagement	Employee attraction, retention, engagement; stakeholder engagement; ethical conduct	BCLC employees; provincial government and regulator		26
Employee Vacancy Rate¹	Employee attraction, retention, engagement	BCLC employees; provincial government and regulator		27
Average Hours of Training per Year per Employee	Stakeholder engagement	BCLC employees		27
Employees who Passed "Where's your GameSense" Course	Responsible gambling; stakeholder engagement	Players; BCLC employees	Shared responsibility for SR; self-exclusion from gambling	28
Employees who Understand what Social Responsibility Means to BCLC	Employee attraction, retention, engagement; openness and accountability; responsible gambling; stakeholder engagement; ethical conduct	BCLC employees		28
Employees who Agree that BCLC is a Good Corporate Citizen	Employee attraction, retention, engagement; openness and accountability; responsible gambling; stakeholder engagement; ethical conduct	BCLC employees		29

¹ Starting Fiscal 2014/15, BCLC will transition from measuring Employee Vacancy Rate to measuring Employee Turnover Rate

Public

Performance Measures	Material Issues	Key Stakeholders	Strategic Challenges	Page
Public Support for BCLC²	Community socio-economic benefits; openness and accountability; player experience; responsible gambling; anti-money laundering and illegal activities; stakeholder engagement; gambling expansion; ethical conduct	Public; players; BCLC employees; communities; Crown Corporations; First Nations; local and regional governments; provincial government and regulator; public interest groups; service providers and retailers	Shared responsibility for SR; self-exclusion from gambling; public acceptance of gambling; Player privacy protection	29
Level of Greenhouse Gas Emissions (CO₂e metric tonnes)	Environmental impacts	Provincial government and regulator; public; public interest groups; Crown Corporations	Shared responsibility for SR	30
Number of Stakeholder Engagement Sessions	Community socio-economic benefits; openness and accountability; stakeholder engagement; gambling expansion	BCLC employees; communities; local and regional governments; public; public interest groups; service providers and retailers	Shared responsibility for SR	30
Waste Diverted from Landfill—Vancouver Office	Environmental impacts	BCLC employees; public	Shared responsibility for SR	31
Waste Diverted from Landfill—Kamloops Office	Environmental impacts	BCLC employees; public	Shared responsibility for SR	31
Water Use (m ³ /m ²)—Vancouver Office	Environmental impacts	BCLC employees; public	Shared responsibility for SR	32
Water Use (m ³ /m ²)—Kamloops Office	Environmental impacts	BCLC employees; public	Shared responsibility for SR	32
Gambling Facilities That Use SR Reporting Tool Software	Environmental impacts; service provider SR role; stakeholder engagement	Service providers and retailers	Shared responsibility for SR	33

² Starting Fiscal 2014/15, BCLC will transition from measuring Public Support for BCLC to measuring Public Recognition of Positive Contributions and Public Perceptions of BCLC's Transparency.

Profit

Performance Measures	Material Issues	Key Stakeholders	Strategic Challenges	Page
Net Income (\$ millions)	Player experience; community socio-economic benefits; gambling expansion	Players; BCLC employees; communities; provincial government and regulator; public; public interest groups; service providers and retailers	Public acceptance of gambling	33
Operating Costs Ratio (% of Net Win)	Player experience	Players; BCLC employees; provincial government and regulator; public; public interest groups; service providers and retailers	Public acceptance of gambling	34

Appendix 3:

Social Responsibility Expert Panel Statement

BCLC sought feedback on an early draft of its report from Social Responsibility (SR) experts representing a range of organizations, including private companies, municipal government, a British Columbia Crown Corporation, a co-operative, and a peer in the gambling industry. The SR experts commented on:

- Whether the report would give stakeholders the information they need to assess BCLC's SR performance;
- How well the report presents BCLC's SR performance in relation to broader provincial, national and global SR issues;
- Whether the SR content seems accurate, complete and balanced;
- Whether the SR content and format of the report allows for comparability to other Crown corporations and gambling companies; and
- Presentation clarity.

The following is a list of SR experts who provided feedback on the draft report and a summary of their key comments. They did not represent their organizations, and they were not asked to endorse or validate claims in the report. BCLC was able to make some but not all of the changes recommended; the feedback will also guide the development of future reports. For BCLC's response, see the table below.

Panel Members

- Jodie Bezdietny, Manager, Social Responsibility, Manitoba Lotteries
- Donna Dagg, Sustainable Development Coordinator, Manitoba Lotteries
- Dara Edmonds, Sustainability Programs Officer, Teck
- Brenda Goehring, Manager in Corporate Safety, Health and Environment, BC Hydro
- Nicole Gordon, Environmental Specialist, Corporate Social Responsibility, Port Metro Vancouver
- Leslie Ng, Sustainability Specialist, City of Vancouver
- Valerie Presolly, Specialist, Accountability and Sustainability Integration, MEC
- Julia Robbins, Senior Associate, Accountability Reporting, Vancity

Overall the panelists commented that it was a good second SR Report, that the material issues were identified and that there was comprehensive disclosure of BCLC's SR performance. The table below provides an overview of the panel's feedback on improving the report and BCLC's response. Where we have not been able to include this content in our current report, we have provided this information on our website or linked to other reports with more detailed context. We also note where we are unable to address a recommendation from the panel this year, but plan to consider these issues in future years as we continually improve our approach to SR reporting.

Topic	SR Panel Feedback	BCLC Response
Material issue identification and validation	Describe how internal process accounts for stakeholder interests in identifying material issues; pursue stakeholder validation of material issues	Included further explanation of material issues identification process; will pursue stakeholder validation in future years
Relevance of material issues	Explain why material issues are important to BCLC and stakeholder groups	Included table showing connections between performance measures, material issues, stakeholder groups, and strategic challenges
Presentation of integrated approach	Enhance connections between material issues, risk, strategic challenges, stakeholders' perspectives, and performance measures	Included table showing connections between performance measures, material issues, stakeholder groups, and strategic challenges; included link to risk analysis in Annual Service Plan Report
Linkages to other reports and website	Provide links to BCLC's Annual Service Plan Report, Carbon Neutral Action Report, and website, to provide more detail and context, where appropriate	Included links to BCLC's Annual Service Plan Report, Carbon Neutral Action Report, and website, throughout the report, where appropriate
Organizational context and scope	Include overview of BCLC (e.g. core business areas, vision, mandate); distinguish areas where BCLC exercises "control" from "influence" in the scope of SR reporting	Included BCLC overview page from Annual Service Plan Report for context; clarified control versus influence in approach section of report
Context for strategic challenges	Provide more information on strategic challenges and issues for context and to help dispel myths (e.g. problem gambling prevalence rates)	Provided problem gambling prevalence rate and link to research report; provided further information on strategic challenges where available
Performance measures	Describe target setting process; only report performance measures that reflect material issues; describe management approach in place of measures that are not meaningful represented as just a number; distinguish new versus mature measures	Described target setting process; will remove measures that do not reflect material issues, provide management approach description for removed measures and indicating maturity of measures in future years
Comparability to industry standards	Provide more benchmarking data, where available, to give readers a sense of the broader regional, national, and international contexts	Will pursue more benchmarking of performance measures in future years
Implementation strategies and plans	Connect performance measures to employee performance management or management approach; describe pursuit of impact measures	Described link between performance measures and employee management; reference ongoing work on impact measures
Clarity of charts	Provide more context for Global Reporting Initiative appendix; use colors to differentiate actuals from targets; cluster actuals and targets together in charts	Described Global Reporting Initiative appendix in more detail; used color to distinguish targets from actuals; unable to change chart format, as it must remain consistent with our Service Plan

Appendix 4:

Global Reporting Initiative Index

BCLC aligns our SR reporting with the Global Reporting Initiative (GRI) principles. The table below shows where to find core standard disclosures and indicators from GRI's G3.1 Guidelines. We seek to improve our GRI alignment, working towards GRI G4 Guidelines in future years. This report has not been externally assured by GRI.

(Note: AR refers to BCLC's Annual Service Plan Report.)

Standard Disclosure

		Page
1.1	Statement from the most senior decision maker of the organization about the relevance of sustainability to the organization and its strategy	i
2.1	Name of the organization	1
2.2	Primary brands, products, and/or services	2
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	2
2.4	Location of organization's headquarters	2
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	N/A
2.6	Nature of ownership and legal form	AR 1
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	AR 1
2.8	Scale of the reporting organization, including: number of employees, number of operations, net revenues, quantity of products or services provided	AR 1
2.9	Significant changes during the reporting period regarding size, structure, or ownership, such as the location of or changes in operations	N/A
2.10	Awards received in the reporting period	AR 25
3.1	Reporting period (e.g. fiscal/calendar year) for information provided	11
3.2	Date of most recent previous report (if any)	N/A
3.3	Reporting cycle (annual, biennial, etc.)	11
3.4	Contact point for questions regarding the report or its contents	Inside Back Cover
3.5	Process for defining report content, including: determining materiality, prioritizing topics within the report, and identifying stakeholders the organization expects to use the report	11
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint venture, suppliers)	11
3.7	State any specific limitation of the scope or boundary of the report	11
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability	11

		Page
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers, acquisitions, change of base years, nature of business, measurement methods)	N/A
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	N/A
3.12	Table identifying the location of the Standard Disclosures in the report	50–51
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	AR 30–33
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement)	AR 30
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members	AR 30
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	AR 30
4.14	List of stakeholder groups engaged by the organization	11
4.15	Basis for identification and selection of stakeholders with whom to engage	11–12

Indicators

		Page
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	AR 52–84
EN3	Direct energy consumption by primary energy source	bcllc.com/ggc
EN8	Total water withdrawal by source	32
EN16	Total direct and indirect greenhouse gas emissions by weight	30
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	30
EN22	Total weight of waste by type and disposal method.	bcllc.com/waste
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	bcllc.com/workplace
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region	bcllc.com/workplace
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	bcllc.com/workplace
LA10	Average hours of training per year per employee, by gender, and by employee category	27
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	bcllc.com/workplace
LA12	Percentage of employees receiving regular performance and career development reviews, by gender	bcllc.com/workplace
LA15	Return to work and retention rates after parental leave, by gender	bcllc.com/workplace
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	19–20

Head Office

74 West Seymour Street
Kamloops, B.C. V2C 1E2
Telephone: 250.828.5500
Fax: 250.828.5631

Vancouver Office

2940 Virtual Way
Vancouver, B.C. V5M 0A6
Telephone: 604.215.0649

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

