

Indigenous Procurement

Purpose

To align with BCLC's social purpose, foster a culture of inclusivity, and integrate BCLC's commitment to Truth and Reconciliation, this policy aims to support Indigenous economic development, foster partnerships, and ensure equitable opportunities by increasing the participation of Indigenous Owned Businesses (IOBs) in BCLC's procurement processes.

Scope

This policy applies to all employees and Contractors involved in procurement activities on behalf of BCLC, including the purchase of goods, services and capital projects.

Policy Statement

BCLC is dedicated to enhancing and increasing the participation of Indigenous Peoples in BCLC procurement opportunities. This policy's goal is to increase the number of IOBs providing goods and services to BCLC and their total share of BCLC Addressable Spend.

BCLC is committed to providing IOBs with an equitable opportunity to participate in the competitive bid process and will employ non-competitive procurement methods to increase Indigenous representation in BCLC's Vendor community.

Context

LEGAL AND POLICY FRAMEWORK

This policy has been established to act upon the 92nd Call to Action of the Truth and Reconciliation Commission, the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and the *Declaration on the Rights of Indigenous Peoples Act (Declaration Act)*. BCLC's mandate letter from the Government further directs BCLC to continue making meaningful reconciliation efforts by supporting opportunities for Indigenous Peoples.

This policy aligns with and supports BCLC's Social Purpose and Sustainable Procurement Policy and the Environmental, Social and Governance (ESG) Policy. Except where provided herein, it operates in accordance with, and does not supersede, the following BCLC policies:

- Purchasing – Vendor Selection Thresholds Policy;
- Vendor Performance Management Policy;
- Signing Authority and Initiatives Oversight Policy;

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- Contract Management and Administration Policy; and
- Purchasing Cards Policy.

Employees involved in procurement activities on behalf of BCLC, including the purchase of goods, services and capital projects, must comply with these policies and all applicable provincial, national, and international trade agreements.

Procurement Value and Trade Agreements

Procurement activities related to Indigenous Peoples are specifically exempted from the general rules prescribed in the New West Partnership Trade Agreement (NWPTA), the Canadian Free Trade Agreement (CFTA) and other relevant trade agreements and applicable laws.

Therefore, the procurement value thresholds and the requirement for a competitive process for procurements above the applicable threshold, as set out in the Purchasing – Vendor Selection and Thresholds Policy, do not apply to the acquisition of goods and services from an IOB undertaken in accordance with this policy.

Policy Details

PERFORMANCE MEASURES

BCLC has established the following performance measures for this policy:

- Increasing the number of IOBs providing goods and services to BCLC;
- Increasing the total number of IOBs as a share of all BCLC Vendors; and
- Increasing the amount spent procuring goods and services from IOBs, year over year, until IOBs represent at least 6% of BCLC's total annual Addressable Spend.

INDIGENOUS OWNED BUSINESS

BCLC generally aligns with the definition of "Indigenous-owned Business" of the National Aboriginal Capital Corporation (NACCA) in effect as of the date of this policy.

BCLC's specific definition is summarized in the table, "BCLC Criteria for Indigenous-Owned Business", below. In the event of any inconsistency between the criteria established in the table, and any subsequent definition provided by NACCA, to the extent of any such inconsistency, the criteria in the table will prevail.

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BCLC Criteria for Indigenous-Owned Business

| Type of Entity | Required Criteria |
|--|--|
| Sole Partnership | <ul style="list-style-type: none"> Entirely owned by an Indigenous person with sole responsibility for the business; and Does not have separate legal status from the business. |
| Corporation | <ul style="list-style-type: none"> At least 51% of shareholders are Indigenous People, groups or organizations, and together hold a controlling interest in the company. |
| Non-Profit/Not-for-Profit or Charitable Organization | <ul style="list-style-type: none"> At least 51% of the board of directors is comprised of Indigenous directors; and If applicable, the charity qualifies for charitable status under the federal Income Tax Act. |
| Cooperative | <ul style="list-style-type: none"> Indigenous voting members comprise at least 51% of the cooperative's members. |
| Partnership | <ul style="list-style-type: none"> The partnership agreement defines the Indigenous partner or partners as having the relevant credentials in the industry and/or experience in operating a business, at least 51% ownership, majority of realized economic and monetary benefits, and majority management control. |
| Joint Venture | <ul style="list-style-type: none"> The joint venture agreement defines the Indigenous partner or partners as having the relevant credentials in the industry and/or experience in operating a business, at least 51% ownership, majority of realized economic and monetary benefits, and majority management control. |

DIVERSE SUPPLIERS LIST

Corporate Procurement maintains a Diverse Suppliers List (DSL), which includes those businesses meeting the IOB criteria prescribed by this policy. Employees should review this list when procuring any goods and services. Organizational Units are expected to confirm that a potential Vendor meets the IOB criteria prior to purchasing from that Vendor and should direct any questions regarding the list to Corporate Procurement.

Corporate Procurement will add businesses to the DSL who meet the IOB criteria set forth in this policy and may include businesses designated by other certifying bodies including the Canadian Aboriginal and Minority Supplier Council (CAMSC) and the Canadian Council for Indigenous Business (CCIB), if those bodies define IOBs according to criteria which align with those established in this policy.

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Corporate Procurement, prior to adding a business to the DSL, or as part of a periodic review of businesses on the DSL, reserves the right to request documentation from any business to ascertain proof of ownership and Indigeneity, including either:

- Certification from a third-party certifying body (e.g. CCIB, CAMSC) utilizing similar criteria to the definition prescribed in this policy, or
- Each of the following:
 - Proof of ownership and control documents; and
 - Verification of Indigeneity, through any one of the following:
 - First Nation Certificate of Indian Status, Secure Indian Status Card or First Nation Citizenship Card;
 - Inuit Beneficiary Card;
 - Métis Citizenship Card issued by Métis Nation British Columbia, Métis Nation of Alberta, Métis Nation of Ontario, Métis Nation Saskatchewan, Manitoba Métis Federation, Alberta Métis Settlement, Northwest Territory Métis Nation, or any Métis National Council affiliate; or
 - Documented First Nation recognition of the individual under the First Nation's own Citizenship or Membership Code, or by verification in writing of recognized biological lineage from an elected leader of the First Nation and the Membership/Citizenship Clerk of the First Nation.

PROCURING FROM INDIGENOUS OWNED BUSINESSES

BCLC has committed, under the Social Purpose and Sustainable Procurement Policy, to consider Indigenous reconciliation when undertaking procurement activities. Through this policy, BCLC operationalizes this commitment by:

- Engaging with the Indigenous communities in British Columbia to strengthen the relationship and making efforts to reduce barriers IOBs face engaging with public organizations;
- Providing IOBs with an equitable opportunity to participate in the competitive bid process by notifying potential Indigenous vendors each time a competitive bid is posted;
- Prioritizing IOBs for any procurements which directly benefit Indigenous communities or serve the needs of an Indigenous nation, or are culturally specific to Indigenous Peoples; and
- Utilizing Direct Awards and Competitive Bid Alternatives, when necessary, to increase the share of the Addressable Spend on goods and services supplied by IOBs, provided that the cost of the procurement contract is broadly competitive and generally aligns with market rates for the good or service BCLC is seeking.

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An Organizational Unit may, with the required approvals as set out in the table below, proceed with a Competitive Bid Alternative to acquire goods or services from an IOB if the Procurement Value is \$5,000,000 or less. For procurements valued at over \$5,000,000, the requirement to proceed by Competitive Bid Process applies, in accordance with the Purchasing – Vendor Selection and Thresholds Policy.

Required Approvals to Authorize a Competitive Bid Alternative, by Procurement Value Category

| Procurement Value | Required Approvals |
|-------------------------------------|--|
| \$100,000 or less | <ul style="list-style-type: none"> • Manager of the Organizational Unit |
| Between \$100,000 and \$1,000,000 | <ul style="list-style-type: none"> • Director of the Organizational Unit • Director of Corporate Procurement |
| Between \$1,000,000 and \$5,000,000 | <ul style="list-style-type: none"> • Director of the Organizational Unit • Vice President of the Organizational Unit • Director of Corporate Procurement • Chief Financial Officer |

MONITORING AND REPORTING

Corporate Procurement will provide data regarding the performance measures established by this policy for inclusion in annual reports published in accordance with the Environmental, Social and Governance Policy.

Roles and Responsibilities

The Board of Directors is responsible for:

- Providing strategic oversight of this Policy; and
- Receiving reports from the Executive on the performance measures established in this policy.

Executive is responsible for:

- Communicating and promoting this policy;
- Overseeing resource management, budget, and needs-based planning to enable this policy; and
- Monitoring progress on the performance measures established in this policy.

Corporate Procurement is responsible for:

- Verifying a business satisfies the IOB criteria prescribed in this policy;
- Collaborating with Indigenous communities to promote participation of IOBs in BCLC procurement opportunities; and

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- Developing and maintaining the DSL, in collaboration with Indigenous Relations.

Social Purpose, Partnerships and Engagement is responsible for:

- Communicating this policy;
- Validating the authenticity of documentation provided by a business seeking IOB designation, when requested by Corporate Procurement; and
- Consulting with Corporate Procurement to update and maintain the DSL and other procurement tools created to improve Indigenous representation in BCLC's Vendor community.

All employees are responsible for:

- Considering IOBs when purchasing goods and services for BCLC;
- Utilizing the DSL when undertaking procurement activities; and
- Consulting with Corporate Procurement with any questions regarding this policy, as required.

Definitions

Defined (capitalized) terms used but not defined in this policy have the meaning attributed to them in the Policy Glossary.

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| Addressable Spend | Means any BCLC expenditure measured by Corporate Procurement, including all awards made through procurement processes and payments made by P-Card. It excludes employee payroll and benefits, legal fees, insurance premiums, remittances or taxes to any order of government, regulatory compliance fees, banking fees, real estate expenses, utilities, payments to lottery retailers, casino service providers or other lottery jurisdictions, sponsorship fees, dues to certifying or professional bodies and expenditures on personal health care providers. |
| Competitive Bid Alternative | Any Procurement Process that is not undertaken through a Competitive Bid Process. |
| Competitive Bid Process | A Procurement Process where a solicitation from BCLC is publicly released and available to Potential Proponents for bidding to supply BCLC with a good or service. |
| Indigenous-Owned Business (IOB) | Means any business or entity which meets the applicable requirements set out in the BCLC Criteria for Indigenous-Owned Business table provided above. |

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Procurement Process

Any process followed to acquire a good or service which is directed or guided by BCLC in some capacity.

Policy Ownership

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| Contact Position | Director, Corporate Procurement |
| Policy Owner | Vice President, Finance and Corporate Services |
| Approving Body | Board of Directors |

Revision History

| Version | Effective | Approved by | Amendment |
|---------|--------------|--------------------|------------------|
| 1.0 | Jun 16, 2025 | Board of Directors | Inaugural issue. |