



carbon neutral action report

2012

bclc
playing it right

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IN OUR VANCOUVER OFFICE, WE'VE SAVED THE EQUIVALENT OF TWO OLYMPIC SIZED POOLS OF WATER

Executive Summary

Our Corporate Social Responsibility (CSR) Charter was endorsed by the BCLC Executive in 2010. The Charter continues to capture our intent to make CSR part of our organizational DNA and fully integrate the social, economic and environmental pillars into how we operate our business. The overarching goals set out in the Charter are used to guide us on our journey towards sustainability and in 2012 our progress continued.

We have a vision at BCLC, that “Gambling is widely embraced as exceptional entertainment through innovation in design, technology, social responsibility and customer understanding”. While climate change is addressed within our wider commitment to CSR, it is important to acknowledge the distinct emphasis we have placed on this goal since 2009. Addressing climate change involves balancing the need to reduce greenhouse gas emissions and environmental impacts while working to meet financial targets. In 2012, we introduced a sustainable procurement policy and this is another action that demonstrates our ongoing intent to reduce BCLC’s operational impact on the planet.

Our business is driven by technology and the continued growth of electricity consumption from our Data Centres reflects this dependency. In 2011, we relocated our standby Data Centre to a service provider’s building in Kamloops and we have chosen to continue reporting an estimate of the electricity

consumed by our equipment on this site despite it being outside our reporting boundary. Although there were increases in consumption in 2012, we try to limit those increases. For example, the energy efficiency of our leased Vancouver facility results in reduced natural gas consumption and in 2012, through our combined efforts and investments, the developers of the building were awarded a LEED Platinum certification, confirming the sustainability credentials of the facility.

We remain on target to reach our 2020 goal of reducing reportable greenhouse gas emissions by 33 per cent as set by a 2007 baseline. In 2012, our reportable emissions reduced again. This was partly attributable to no longer having responsibility for floor space in Richmond. We also made real reductions in our paper consumption and the reportable gas consumption of our vehicle fleet. This goal will certainly become more challenging as the easier wins are addressed. With our employees’ support, enthusiasm and innovation, we will continue to seek out ways to reduce negative impacts on the environment.

To further build upon the Charter commitments, we widened our sustainability Key Performance Indicators and now have consumption baselines for certain lottery products, water use and waste. Following 2011’s changes to our waste management, we now estimate that our Vancouver facility diverted

approximately 90 per cent of its wastes to recycling in 2012. Despite a lack of local infrastructure in Kamloops, we continued to make progress and introduced a wider ranging recycling program following the completion of a comprehensive waste audit. In 2012, we also reviewed our e-waste management processes to ensure compliance with the Province’s Recycling Regulation.

As we continue our journey to reduce our consumption of resources, we will have a positive impact on our bottom line and the planet. Our employees recognize this, and they remain our partners in identifying and implementing changes that address not just greenhouse gas emissions, but the wider range of our environmental impacts. At BCLC, we are motivated to be “Playing it Right,” which includes our corporate social responsibility to British Columbians and the environment in which we conduct our business

Marsha Walden

Vice President

Strategy, Transformation & Social Responsibility

Greenhouse Gas Emissions

In 2012, our reportable greenhouse gas emissions (GHG) were further reduced by 103 tonnes. The decrease was largely due to BCLC no longer having responsibility for the buildings and office space that were previously rented in Richmond.

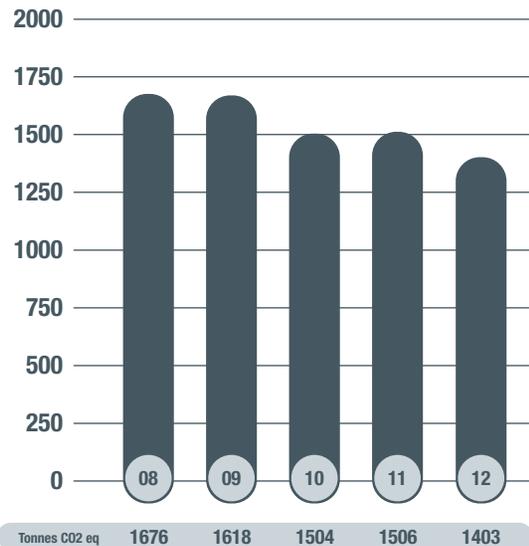
The consumption of fleet gas and office paper consumption continued a downward trend with significant progress made on reducing office paper. However, due to our high reliance on technology, electricity consumption continued to rise, although natural gas consumption declined, again due to the release of the Richmond space.

Our reportable greenhouse gas emissions, in tonnes of carbon dioxide equivalent, for 2012 are:

Electricity	231 tonnes.
Natural gas	779 tonnes.
Fleet gas	361 tonnes of which 349 tonnes must be offset.
Supplies of office paper	24 tonnes.
Diesel for building standby generators	8 tonnes.
Fugitive sources	Out of scope as these emissions comprise less than one per cent of our total inventory.
Total declared emissions	1,403 tonnes.
Total emissions for offset	1,391 tonnes.

Fugitive emissions. Although we monitor and record the amount of refrigerant added to building heating, ventilation and air conditioning systems and vehicle air-conditioning, the amount used is less than one per cent of our greenhouse gas inventory and as a result it does not qualify for disclosure and offsetting. In 2012, no building refrigerants were discharged or subject to leakage and no vehicle air-conditioning systems were topped up with refrigerant.

Following a discharge at our Kamloops Data Centre, we topped up the fire suppression system with 45 Kilograms of Novec 1230. The gas has a Global Warming Potential of one, an Ozone Depletion Potential of zero and is not reportable under the Carbon Neutral Government Regulation. The discharge resulted in approximately 45 Kilograms of greenhouse gas emissions.



Note:

1. Our year on year target was set in 2009. The target is for reducing actual reportable emissions and is not intensity based. We are not considering resetting our annual targets at this time as we believe achieving year on year reductions will become more challenging over time.

2. We were responsible for vacant floor space in Richmond from mid-December 2010 to June 2011 following our move to a new Vancouver facility. This commitment resulted in slightly increased emissions for 2011 over 2010.

Offsets applied to become carbon neutral in 2011

As required by Section 7 of the Carbon Neutral Government Regulation, BCLC has offset a total of 1,391 tonnes of carbon dioxide equivalent emissions from the following sources:

- Building operations, including the consumption of natural gas and electricity.
- Fleet gas consumption.
- Supplies of office paper.

The emissions offset does not include:

- 13 tonnes of bio carbon dioxide from fleet gas. The Province has deemed bio carbon dioxide out of scope for emissions offsets.
- A percentage of gas equal to the percentage of private kilometres driven with our fleet vehicles.
- Fugitive emissions from building and fleet refrigeration units. These sources account for less than one per cent of our total emissions inventory.

The background of the image is a dense field of stars in various colors, including blue, purple, pink, and white, set against a dark, almost black, space. The stars are scattered across the entire frame, creating a rich, multi-colored starfield. In the center of the image, there is a dark, rounded rectangular box containing white text.

IN 2012, OUR REPORTABLE GHG EMISSIONS DECREASED BY 103 TONNES

Emissions Reduction Activities

Actions Taken to Reduce Greenhouse Gas Emissions in 2012

Electricity

Our electricity consumption has increased every year since we started measuring our impact in 2007. At the same time, the number of full-time equivalents (FTEs) also increased each year. We ended 2012 with 36 more FTEs than in 2007. This year we completed renovations at our Kamloops facility to address congestion in some office areas. Bringing the renovated areas in to use will affect the electricity consumption as the loading on heating, ventilation and air conditioning (HVAC) systems increases.

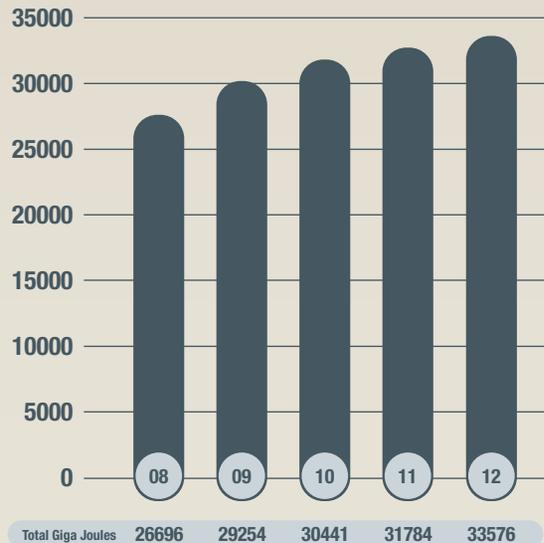
Minor building upgrades were also completed at our Kamloops facility in 2012. Whenever we undertake these HVAC upgrades we install more energy efficient equipment. We have also completed the installation of a real time monitoring system at our Kamloops facility. This system will provide valuable data for future electricity management initiatives as we will be able to view consumption patterns more accurately.

A building energy audit of the Kamloops facility was completed in 2012 and we have confirmed that our Data Centre consumes approximately two-thirds of the building electricity for operation and HVAC. As our main Data Centre is housed in a 50-year-old former department store building, compromises in design led to increased electricity consumption. More energy is used to cool the server equipment than would be used if the servers were located in a purpose-built Data Centre.

Our standby Data Centre was relocated in 2011 to a third-party facility. We are continuing to report and offset the estimated electricity consumption of our equipment, based on data provided by our supplier. The supplier is committed to providing us with a stable, energy efficient environment and this is an improvement on our old standby data centre.

Within our two office facilities we continued to run educational and behavioural change initiatives over the year that provided simple tips on how to reduce electricity use both at work and at home.

Over the last 27 years we have become more technology-dependent and we continue to seek ways to balance the need to deliver great gambling experiences to our players with energy-efficient use of technology.

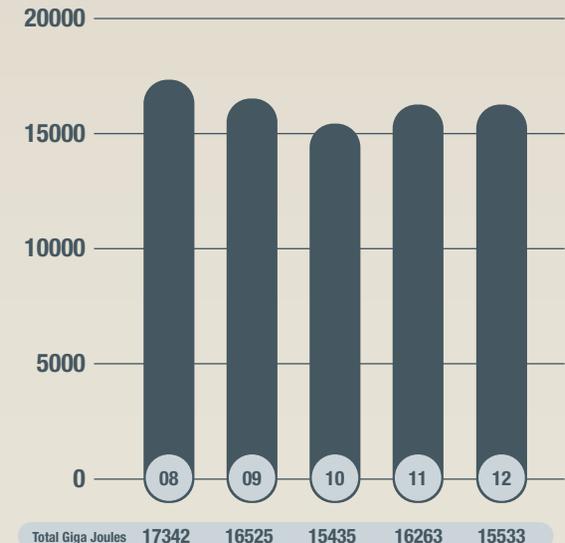


Note:
Dec 2010 to Jun 2011 BCLC was responsible for vacated floorspace in Richmond.

Natural Gas

In 2012, the consumption of natural gas decreased to near 2010 levels. This is due to no longer being responsible for floor space in Richmond and the increased efficiency of the Vancouver facility. The Vancouver facility consumes nearly 50 per cent less natural gas than our old Richmond buildings and floor space. Our Kamloops facility increased its natural gas consumption as newly renovated areas came into use. Kamloops also has a colder winter climate than Vancouver and this in turn leads to increased natural gas consumption as natural gas is the fuel source for heating our facilities. The benefits of working in a LEED rated facility are also apparent as the natural gas consumption is approximately 8.5 times lower per square metre of floor space in Vancouver.

Following a comprehensive energy audit of our Kamloops facility, a number of opportunities were identified that could lead to reduced natural gas consumption. Unfortunately, we were unable to implement two, quick payback, big impact recommendations, as the current boilers in the facility are too old to interface with control equipment that would manage the reduction in consumption. In 2013/14 we will review our ability to replace the boilers with modern, efficient alternatives that will help us to reduce our natural gas consumption.



Note:
Dec 2010 to Jun 2011 BCLC was responsible for vacated floorspace in Richmond.

Emissions Reductions Activities

Actions Taken to Reduce Greenhouse Gas Emissions in 2011

Fleet Gas

In 2012, we continued to replace all end-of-lease fleet vehicles with hybrid alternatives and recorded over 26,000 litres less gas for business-related travel than in 2011. Our reporting continues to improve and data collection is now more accurate for private use of fleet vehicles. We do not declare or offset private use of our fleet vehicles. BCLC's fleet slightly reduced in size compared to 2011 and had 96 active vehicles at the end of 2012. As with previous years, small variations of one to three vehicles occur over the year.

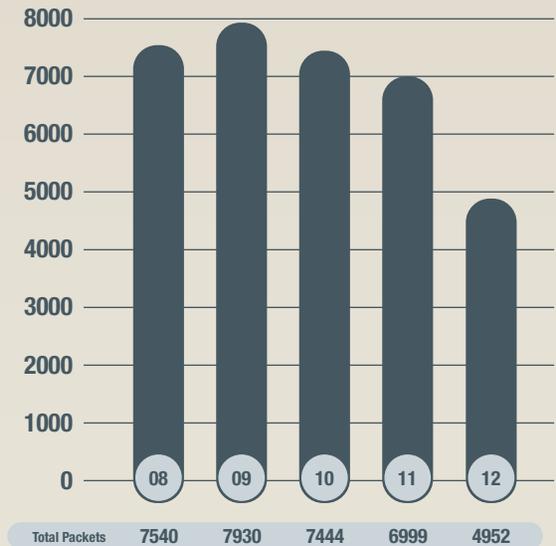


Note:
BCLC stopped accounting for private Km driven in fleet vehicles in 2009.

Office Paper

In 2012, our office paper purchases continued to decrease. Part of our approach to reducing paper use has been to rationalize printers in both our Kamloops and Vancouver facilities. Reducing the number of printers has proven successful in encouraging employees to consider alternatives before printing. In addition, our Kamloops business centre promoted their services and efficiencies in document management which contributed to a reduction of more than 2,100 packets of paper purchased at the facility.

Despite increases in full-time equivalents and improved reporting since 2007, we have achieved a real reduction in total reportable office paper purchased. Office paper now accounts for less than two per cent of our reportable emissions inventory.



Note:
BCLC accounted for Letter sized paper in 2008. From 2009 onwards BCLC has reported the purchase of 8.5" x 11" (Letter), 8.5" x 14" and 11" x 17" office paper.

Operational Changes in 2012

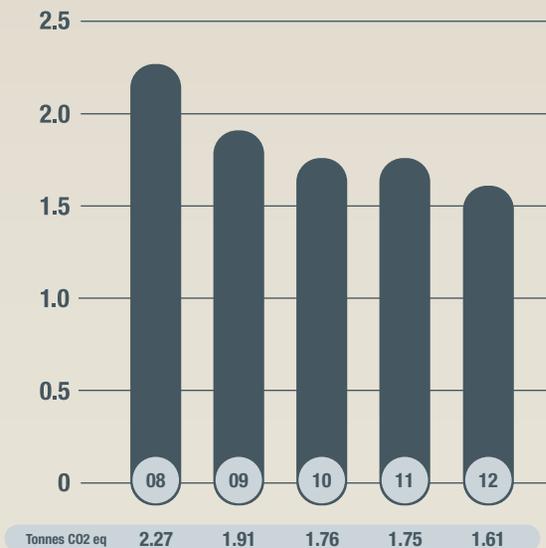
Our reportable greenhouse gas emissions decreased by 103 tonnes to 1,403 tonnes when compared to our 2011 performance, realizing the expected decrease as reported in our 2011 Carbon Neutral Action Report.

Following the relocation of our standby Data Centre from Richmond to Kamloops in May 2011, we increased the floor space used in April 2012. The standby Data Centre is in a separate building from our headquarters and although we do not control the building or thermal environment, we are continuing to report on the estimated electricity consumption based upon the number of servers we have running in standby.

In 2012, our end-of-year FTE headcount increased by 15 compared to 2011. However, our emissions per FTE have decreased every year since we started measuring our impact in 2007.

We reset our targets in 2009 to aim for smaller, incremental decreases in the early years of our emissions reductions activities. We believe meeting our long-term target of a 33 per cent reduction in emissions from a 2007 baseline year will become more challenging as the 'low-hanging' fruit disappears. Our challenge is to continue to grow BCLC while reducing actual emissions. So far we are succeeding.

Greenhouse Gas Emissions per FTE



Other Activities

In addition to reducing our reportable emissions, our employees have continued to find ways to address our wider environmental impacts. Here are some examples of their passion and innovation.

Video Conference Technology

We completed technology upgrades at our Kamloops facility, providing an improved video-conferencing experience. In 2012, we conservatively estimated that we were able to avoid approximately 195 tonnes of greenhouse gas emissions by utilizing video-conference technology to hold meetings. Its use has increased and in 2012 we recorded the most reportable hours of conferencing, the highest number of attendees and the most conferences booked since we began collecting data in 2009. The financial savings of reducing travel between Kamloops and Vancouver were also considerable.

Lottery Ticket Paper

Following a successful trial, we introduced a thinner paper stock for our lottery vending machines. The new roll will reduce the environmental impact from our traditional lottery ticket as the longer paper length will reduce the number of rolls purchased. We are continuing to track our consumption of lottery ticket paper and will expand our tracking to include scratch and win games.

Operational Waste Management:

In 2012, the Government of B.C.'s Recycling Regulation was extended and now captures our lottery vending machines and slot machines. Although we have been managing our e-waste responsibly for several years, we needed to review and amend our processes to comply. Initially we submitted a Product Stewardship Plan to the Ministry of Environment that detailed how we would manage end-of-life e-waste. Later in the year, we were able to join a new industry-led program that allowed us to remain compliant whilst streamlining administration and reducing annual costs.

The Government of B.C.'s Recycling Regulation will be expanded to paper products and packaging materials in 2014 and we are monitoring the development of a province-wide compliance program. The program will offer the most effective means of compliance for us and we have indicated our intention to become program members.

Waste Management Infrastructure

We continued our progress in diverting waste from landfill in Vancouver and in 2012 approximately 90 per cent of wastes were recycled or composted. Our head office in Kamloops continues to be a challenge given the recycling infrastructure is not as easily accessible as that of the Metro Vancouver area. A comprehensive waste audit was carried out at the Kamloops facility and we set a baseline calculated using Canadian recognized methodologies. We estimated that 16 percent of waste leaving the building is recycled. Our challenge is to find a way to divert the compostable organics which could further reduce landfill by over 60 per cent. We will continue to seek ways to reduce and divert wastes from both office locations.

Alternate Transportation

BCLC employees participated in the 2012, Spring Bike to Work Week. Unfortunately, poor weather in Vancouver meant that the number of employees participating was down compared to 2011. However, with the support of our Kamloops facility, the collective challenge of riding the equivalent distance of five Giro d'Italia stages was almost met. We revisited our support of employee transit pass programs for Kamloops and Vancouver. Despite offering the programs to employees we have not secured the interest for which we had hoped. Our commitment to offering the transit pass programs remains and we will look for ways to re-promote the programs in 2013.

Sustainable Procurement Policy

In 2012, we launched our formal sustainable procurement policy that includes commodity-specific criteria in our 'Request for Proposal' procurement processes. The policy aims to assist business divisions in making sustainable and cost-effective purchasing decisions. We will also introduce sustainability standards for vendors as part of increasing our engagement with our suppliers.

Employee On-boarding

We are developing an on-line training course for new employees. This course will contain a section on our approach to sustainability including links out to further information such as our Corporate Social Responsibility (CSR) Charter and Environment Policy.

Business Continuity Planning

As part of our Business Continuity Planning we defined what an extreme weather event would be and assessed the risks to our business. No specific actions to address potential extreme weather events were noted in 2012; however, we review our position regularly.

Service Partner Engagement

We launched a pilot project with a Community Gaming Centre and our Casino & Community Gaming Division to provide specific energy reduction opportunities to the gaming facility. We want to encourage good sustainability management practices and this project when complete will be the first step.

CSR Reporting

A Request for Proposal was developed to source a CSR reporting tool. We will use the software to track and manage a wider range of CSR/Sustainability metrics than we've been able to. This will enable us to better identify opportunities to reduce our corporate impacts and provide meaningful information across the business faster than we've been able to until now. The tool will also support our endeavour to integrate social, environment and economic performance under the umbrella of CSR. To this end, we are producing our first combined Annual and CSR Report, covering the 2012/13 fiscal year, which will become an annual reporting process.

Plans to Continue Reducing Greenhouse Gas Emissions 2013—2014

Although climate change has not been identified as a specific risk to BCLC in our latest 2013/14 – 2015/16 Service Plan, the level of reportable greenhouse gas emissions remains a distinct performance measure. The President & CEO and the Chair of our Board of Directors continue to support our efforts to pursue environmental sustainability and carbon neutrality by engaging staff through conscientious business practices. Over the next three years we will continue to improve our environmental performance by addressing our operational footprint and encouraging our employees to make sustainable choices within and outside of work.

We will continue our building upgrades at our head office in Kamloops, aiming to take advantage of current technology to reduce natural gas consumption in particular, as this is our primary source of reportable greenhouse gas emissions.

Our fleet replacement program will continue until the entire BCLC fleet consists exclusively of fuel efficient hybrid vehicles. We will also continue to monitor the growth of plug-in hybrid and full electric vehicles to assess their value in reducing gas consumption.

The Corporate Social Responsibility Committee received a presentation on recommendations taken from the ISO 26000 gap analysis. The Committee will be reviewing our CSR roadmap and setting new objectives and targets that aim to reduce our wider environmental impacts.

We will roll out our sustainable procurement policy and look for opportunities to engage select suppliers by encouraging them to reduce their own greenhouse gas emissions and other sustainability impacts.

We plan to reduce our reportable operational emissions by 33 per cent from a 2007 baseline by 2020. This remains a challenging target. However, we will continue to pursue emissions reductions to meet the Government of B.C.'s expectations.



BCLC CURRENTLY RECYCLES 37% OF IT'S OFFICE WASTE

Actions Towards Carbon Neutrality

*As of 12/31/12

The actions listed below contribute to a reduction in greenhouse gas emissions from sources for which public sector organizations are responsible under the carbon neutral government regulation of the Greenhouse Gas Reduction Targets Act.

Stationary Fuel Combustion, Electricity and Fugitive Emissions (Buildings)		ACTION	STATUS*	STEPS TAKEN (2012)	STEPS PLANNED (2013 - 2014)	START/END
Planning/ management	Reduce office space (square meters) per employee	In Development	We have standardized the work space size in the Vancouver office to 4.45934 sq. metre. (6x8 feet). In Kamloops work spaces are 3.90192 sq. metre (6x7 feet).	When office spaces are reconfigured or refurbished we will continue to apply our current standards.	2008 - Continuous	
	Install a real time metering system (e.g. Pulse, Reliable Controls, Houle Controls)	Ongoing/In Progress	We have implemented electrical energy monitoring in the Kamloops office. Real time monitoring systems were reviewed and assessed for introducing in to the Vancouver office.	We will introduce additional programming and reporting on our new Kamloops monitoring system. We are intending to install and implement real time energy monitoring in the Vancouver office.	2012 - Continuous	
Owned Buildings	Establish energy performance baseline for owned buildings	In Development	An initial review of energy requirements for the Kamloops facility was established.	We will continue to identify and develop methods to improve energy data capture.	2012 - Continuous	
	Register for performance labelling/certification for operations and maintenance of owned buildings (e.g., LEED EB:O&M)	Not Yet Evaluated	No action was taken in 2012.	We do not plan to register for LEED EB:O&M for our Kamloops facilities at this time.		
	Register for performance labelling/certification for commercial interiors of owned buildings (e.g., LEED CI)	Not Yet Evaluated	No action was taken in 2012.	We do not plan to pursue LEED CI certification for our Kamloops facility at this time.		
	Achieve LEED NC Gold certification at a minimum for new construction or major renovations	Not Applicable				
	Incorporate a refrigerant management strategy into regular building management/maintenance to reduce fugitive emissions	Ongoing/In Progress	Our fugitive emissions strategy began in the 1990's with the need to manage ozone depleting substances. In 2012, we compiled an inventory of refrigerants used in the Kamloops facility. Fugitive emissions are minimised by rigorous inspection and testing programmes. Any fugitive emissions are documented and reported as part of the Carbon Neutral Action Report.	We will continue to monitor refrigerant use and minimise fugitive emissions through our inspection and testing programme.	2012 - Continuous	
Perform energy retrofits on existing, owned buildings	Ongoing/In Progress	Although we didn't carry out significant upgrades to our Kamloops building, we made sure that all systems when upgraded/replaced were replaced with more energy efficient equipment.	Any upgrades undertaken will continue to utilize energy efficient equipment and products.	2012 - Continuous		
Retrofitting owned buildings	Upgrade mechanical systems (heating, cooling, ventilation) during retrofits	Ongoing/In Progress	Mechanical systems when upgraded/replaced maximize energy efficiency by utilising VAV, VFD and DDC technologies.	Any upgrades undertaken will continue to utilize energy efficient equipment and products.	2009 - Continuous	
	Upgrade lighting systems during retrofits	Ongoing/In Progress	Lighting systems when upgraded/replaced maximize energy efficiency by implementing leading edge technologies like LED.	Any upgrades undertaken will continue to utilize energy efficient equipment and products.	2009 - Continuous	
	Upgrade/adjust control systems during retrofits	Ongoing/In Progress	Control systems when upgraded/replaced maximize energy efficiency by replacing end of life pneumatics with state of the art electronics.	Any upgrades undertaken will continue to utilize energy efficient equipment and products.	2009 - Continuous	
	Improve building insulation (including windows) during retrofits	Ongoing/In Progress	This initiative is part of the 'big picture' facility upgrades/retrofits. No action was undertaken in 2012 and we will review the opportunities to make improvements in 2013-14.	No specific upgrades are currently planned, however, we will be reviewing opportunities to make improvements and where the business case exists, planning in those improvements.	2012 - Continuous	
Leased Buildings	Establish energy performance baseline for leased buildings	Ongoing/In Progress	We monitor the energy consumption of our Vancouver facility and estimate the electricity consumption of our standby Data Centre equipment.	We will continue to monitor the performance of our leased building and standby Data Centre floor space.	2011 - Continuous	
	Lease space with operations and maintenance performance labelling/certification (e.g., LEED EB:O&M)	Not Yet Evaluated				
	Lease space with commercial interiors performance labelling/certification (e.g., LEED CI)	Ongoing/In Progress	We submitted an application for LEED Commercial Interiors certification for our Vancouver facility.	We are hoping to receive a high LEED Commercial Interiors certification for our Vancouver facility.	2010 - 2013	
	Lease space in buildings with new construction performance labelling/certification (e.g., LEED NC)	Not Applicable				
	Develop a green lease policy that requires green features to conserve energy be included in all lease negotiations	Ongoing/In Progress	The developers of the Vancouver facility were awarded LEED Platinum certification for the Core and Shell construction of our leased building.	We will look for opportunities to include further 'green features' in the Vancouver facility. The lease is long term and we have no plans to add to our building facilities.	2010 - 2014	

Actions Towards Carbon Neutrality

Stationary Fuel Combustion, Electricity and Fugitive Emissions (Buildings). *Continued.*

IT Power Management

ACTION	STATUS*	STEPS TAKEN (2012)	STEPS PLANNED (2013 - 2014)	START/END
Install power management software which shuts down computers outside of regular business hours	In development	Our current software patching application is not currently able to utilize the 'wake on LAN' functionality to turn computers on for maintenance and updates outside of regular office hours.	As our IT systems evolve we will continue to assess our ability to implement the functionality that allows computers to be turned on remotely for maintenance and updates outside of regular office hours.	2012
Implement server virtualization	Ongoing/In Progress	An estimated 65% of our datacentre servers are now virtualized	We will continue to virtualize our servers as we expand and modernize our IT operations.	2009 - Continuous
Apply auto-sleep settings on computer monitors and CPUs	Ongoing/In Progress	Auto-sleep functionality continues to be the standard configuration setting for all personal desktop and portable computer equipment.	We will continue to configure personal desktop and portable computer equipment with auto-sleep as standard as part of our IT provisioning process.	2009 - Continuous
Remove stand-alone printers, copiers, and/or fax machines and install multi-function devices	Ongoing/In Progress	In our Kamloops facility we reduced our Multi-Function Device fleet from 20 to 15 as well as reduced the stand-alone printer fleet by from 77 to approximately 62. The Vancouver facility printer fleet was significantly downsized in 2010. This was reported in our 2011 Carbon Neutral Action Report.	We will further reduce our Kamloops facility Multi-Function Device fleet by one to 14; Stand-alone printers will be reduced from 62 to approximately 30.	2010 - 2014
Apply auto-sleep settings on printers, copiers, fax machines, and/or multi-function devices	Ongoing/In Progress	All Multi Function Devices have a sleep mode built in.	No further action is required unless equipment is replaced. If replaced, auto-sleep will be utilised.	2010 - Continuous
Replace computers with ENERGY STAR models during regular computer upgrades	Ongoing/In Progress	We estimate that approximately 95% of our computers are Energy Star compliant.	Our Procurement team will continue to work with IT and CSR to implement a Sustainable Procurement policy that includes criteria such as energy star ratings and responsible disposal.	2010 - 2013

Behaviour change program

Help staff reduce personal energy use through "workstation tune-ups"	Ongoing/In Progress	No individual workstation tune-ups have been carried out. All workstation computers and screens auto-sleep. We do not supply power-bars, however we encourage employees to switch off equipment when not in use.	We are not planning individual workstation tune-ups.	2008 - 2014
Ask staff to unplug electrical equipment or switch off power bars when not in use	Ongoing/In Progress	We do not encourage employees to switch off personal desktop and portable computer equipment as we are currently unable to remotely power up the equipment for maintenance and upgrades. Through our large screen displays we reminded employees to switch off other unused appliances or unplug items such as cell phone chargers when not in use.	We will review, update and re-run our energy savings tips.	2011 - Continuous
Ask staff to close blinds at end of work day to reduce heating/cooling demands	Ongoing/In Progress	Our employees are able to control window blinds and we have no specific policy requiring employees to close blinds at the end of the day.	We are not planning any specific campaign to ask employees to close their blinds.	2009 - Continuous
Encourage staff to use air dry setting on dishwashers	Ongoing/In Progress	In the Vancouver facility we encouraged staff to return plates and cutlery to the cafeteria to be cleaned in the more efficient industrial dish washer. There is limited use of the domestic dishwashers on each floor.	We will include appropriate dishwasher settings as part of the updated energy savings tips that we communicate to employees.	2010 - Continuous
Provide tips to staff on saving energy in the office while working outside of regular business hours	Ongoing/In Progress	Energy saving tips were displayed on the large screen displays in both offices.	We will review, update and re-run the energy saving tips.	2010 - Continuous
Encourage use of stairs instead of elevators	In Development	No specific campaign was run to encourage the use of stairs in our office facilities.	We will add the use of stairs in to our energy savings tips.	2010 - Continuous
Provide reminders for turning off lights (e.g., signs, stickers, messages)	Ongoing/In Progress	We used large screen displays to remind employees to conserve energy.	We will review, update and re-run the energy savings tips.	2010 - Continuous
Promote hot water conservation	Ongoing/In Progress	No specific hot water conservation promotion was run in 2012.	We will add hot water conservation in to our updated energy savings tips.	2010 - Continuous

Actions Towards Carbon Neutrality

Supplies (Paper)		ACTION	STATUS*	STEPS TAKEN (2012)	STEPS PLANNED (2013 - 2014)	START/END
Paper Type	Purchase 30% post-consumer recycled paper	Ongoing/In Progress	17% of office paper purchased was from 30% post-consumer recycled stock.	We will sample higher content post-consumer recycle paper (40%) for suitability to use and consider adopting 40% as revised standard for current 30% usage volumes.	2008 - Continuous	
	Purchase 40% post-consumer recycled paper	In development	We did not purchase any 40% post-consumer recycled paper in 2012.	We will look for opportunities to move 30% recycled content to 40% recycled content as a standard.	2013 - 2014	
	Purchase 100% post-consumer recycled paper	Ongoing/In Progress	68% of office paper purchased was from 100% post-consumer recycled stock.	15% of our office paper usage is from virgin, non recycled content stock. We will assess the need to use virgin stock and review possible controls for restricting use of said stock.	2008 - Continuous	
Printer/ document settings	Switch networked printers and photocopiers to automatic double-sided	Ongoing/In Progress	Our Finance and Facilities teams conducted an evaluation of printing in order to establish options to optimize how we print.	We will reduce the number of printers at our Kamloops facility and ensure the default configuration for printing is double sided and non-colour.	2014	
Electronic media in place of paper	Install collaborative software for electronic editing (e.g. SharePoint, Groove, etc.)	Ongoing/In Progress	We continued to use SharePoint for document collaboration and editing.	We will upgrade Sharepoint.	2010 - Continuous	
	Use electronic document library for filing common documents	Ongoing/In Progress	We continued to use SharePoint for document collaboration and editing as well as traditional electronic file shares.	We will carry out upgrades and maintenance of Sharepoint and other electronic file share technologies.	2010 - Continuous	
	Switch to an electronic payroll notification system in place of paper pay stubs	Completed in Previous Year				
Behaviour change program	Train staff to use collaborative software for electronic editing (e.g. SharePoint, Groove, etc.)	Ongoing/In Progress	Training continued to be available for all employees that required access to Share Point and other office applications.	We will implement Cisco Unified Communications software to integrate computing, voice and video. We will continue to promote use of these applications to encourage more collaboration.	2010 - Continuous	
	Encourage staff to hold paperless meetings or presentations (i.e., no handouts)	Ongoing/In Progress	We held a paper education campaign that included tips on how to reduce paper consumption. Paperless meetings was included.	We will continue to include paper reduction as part of our ongoing good practice tips.	2011 - Continuous	
Other Paper Supplies Actions	Reviewing lottery roll stock paper	Completed in Previous Year	We successfully piloted and then introduced a longer, thinner lottery roll stock paper. This new paper will help reduce the number of rolls we need to purchase.	We will continue to use the new lottery roll stock paper.	2012 - Continuous	

Mobile Fuel Combustion (Fleet and other mobile equipment)		ACTION	STATUS*	STEPS TAKEN (2012)	STEPS PLANNED (2013 - 2014)	START/END
Vehicle fuel efficiency	Replace vehicles with more fuel-efficient models	Ongoing/In Progress	We continued to move expired lease vehicles to hybrid models wherever possible. 71 of 96 fleet vehicles are now hybrid.	We will continue to select hybrid sedans as the first choice fleet vehicle.	2008 - Continuous	
	Replace larger vehicles with smaller models according to fleet "right-sizing" principles	Ongoing/In Progress	We continued to replace large multi-passenger vans with smaller and more fuel efficient hybrid SUV's	We will review our vehicle allocation criteria to ensure the fleet size and use is optimal.	2008 - Continuous	
	Perform regular fleet maintenance specifically to improve fuel-efficiency	Ongoing/In Progress	We require our Fleet drivers to maintain their vehicles in accordance with manufacturers specifications. Our Internal Audit team reviewed our driver maintenance records .	We will share the recommendations from the internal audit report with our fleet drivers and their managers for follow-up action.	2009 - Continuous	
Behaviour change program	Provide fleet driver training to reduce fuel use	Ongoing/In Progress	We have provided Fleet Driver Training in past. However, no training was provided in 2012.	We have no plans for changing our approach to driver training at this time.	2010 - Continuous	
	Introduce anti-idling policy and/or raise anti-idling awareness for fleet drivers (e.g., signs, stickers, messages)	Completed (in reporting year)	We now have a significant number of hybrid vehicles in our fleet. When idling, these vehicles are not using their gas engines negating the need to pursue and anti-idling policy.	We are not planning to introduce an anti-idling policy as our fleet is now mostly hybrid.	2012- 2012	
	Encourage carpooling in fleet vehicles	In development	A business case was drafted to secure funding for pool vehicle(s) that would primarily be used for inter-office travel between Kamloops and Vancouver. Pool vehicles would offer an alternative to flying and individual trips. Staff travelling at the same time or to the same destination would have an option to use a vehicle that may be more fuel efficient than their personal car.	The business case will be submitted. If approved, a pool fleet program will be implemented by the second half of the year.	2013 - 2014	
	Promote alternatives to fleet vehicle travel where possible (e.g., bicycles, public transit, walking)	Completed (in reporting year)	Our fleet vehicles are mostly used by employees that need to visit retailers across the province. Employees are encouraged to use transit when site visits are possible by means other than fleet vehicles.		2012- 2012	



In 2012, we reduced our office paper use by 30%

Actions to Reduce Provincial Emissions and Improve Sustainability

*As of 12/31/12

The actions listed below contribute to a reduction in greenhouse gas emissions from sources that fall outside of the reporting requirements defined in the carbon neutral government regulation of the Greenhouse Gas Reduction Targets Act.

Public sector organizations can optionally use this section to report on actions that will help British Columbia meet its provincial greenhouse gas reduction targets, engage the public, and improve environmental sustainability across all aspects of their organization.

Business Travel		ACTION	STATUS*	STEPS TAKEN (2012)	STEPS PLANNED (2013 - 2014)	START/END
Virtual meeting technology	Policy and budgeting	Create a low-carbon travel policy or travel reduction goal	Not Yet Evaluated			
	Virtual meeting technology	Install web-conferencing software (e.g., Live Meeting, Elluminate, etc.)	Ongoing/In Progress	We continued to make cameras available upon request and private study rooms were fitted with web-cameras.	We will use the Cisco Unified Communications program to provide additional collaboration tools.	2011 - Continuous
		Make desktop web-cameras available to staff	Ongoing/In Progress	We continued to make cameras available upon request and private study rooms were fitted with web-cameras.	Cameras will be provided to employees based on their job function and the suitability within their physical environment to use desktop video-conferencing.	2010 - Continuous
Behaviour change program	Behaviour change program	Install video-conferencing units in meeting rooms or provide mobile video-conferencing units	Ongoing/In Progress	The video-conferencing upgrade program continued in Kamloops with new equipment installed in designated meeting rooms. There are now five rooms and three portable units available in each facility and we have the ability to conduct external video conferencing with other organizations.	We will upgrade the portable video-conferencing units to high definition.	2012 - 2014
		Train staff in web-conferencing	Ongoing/In Progress	WebEx training continued available for all employees. WebEx provides access to an online 'WebEx University' once access to the service has been granted.	We will continue to make WebEx conferencing services available to employees and provide access to training in how to use the system.	2010 - Continuous
		Encourage staff to consider virtual attendance/presentation at events where possible	Ongoing/In Progress	Our use of audio and video-conferencing as well as Webex gives our employees the ability to attend meetings virtually. We provide an on line Learning Management System which enables employees to pursue their professional development without the need for travel.	We will continue to promote alternatives to attending events in person.	2009 - Continuous
		Encourage carpooling to meetings	Ongoing/In Progress	Our employees were able to make informal arrangements to carpool to offsite meetings.	Employees may continue to make informal arrangements to car pool to meetings.	2009 - Continuous
		Encourage alternative travel to meetings (e.g., bicycles, public transit, walking)	Ongoing/In Progress	Employees continued to make their own decisions on how to travel to external meetings. Where face to face meetings were held, distances travelled often precluded bicycle and walking as options.	We will introduce education and plans under the revised BCLC Wellness strategy and continue to work closely with the Green Committee to promote and support key events like the Bike to Work week.	2009 - Continuous
Education, Awareness, and Engagement		ACTION	STATUS*	STEPS TAKEN (2011)	STEPS PLANNED (2013 - 2014)	START/END
Staff Professional Development	Staff Professional Development	Create Green, Sustainability, Energy Conservation, or Climate Action Teams with executive endorsement	Ongoing/In Progress	Our Green Committee ran a spring Bike to Work Week challenge, arranged screenings of green movies, promoted Waste Reduction Week and other green events. Our Kamloops employees also maintained a community garden plot donating food grown to a local food bank.	We are planning to participate in Bike to Work Week and the Commuter Challenge and continue to look for other opportunities to promote green events such as Sweater Day. We will also grow more food for donation in our community garden plot.	2006 - Continuous
		Provide resources and/or dedicated staff to support teams	Ongoing/In Progress	We have had a full time Sustainability Specialist since May 2009 that works on corporate level initiatives and supports the Green Committee.	Our Sustainability Specialist will continue to work across the corporation providing subject matter expertise, encouraging departments to introduce sustainable business practices and supporting the Green Committee.	2009 - Continuous
		Providing behaviour change education/training to teams (e.g., community-based social marketing)	Ongoing/In Progress	We used our internal social media tool, Yammer to provide tips, promote our ride-share tool, tell the story of the green roof on our Vancouver facility and provide links to green interest stories.	We are reviewing our internal social media tool and will develop an updated strategy when the review has been completed.	2011 - Continuous
Staff awareness/ education	Staff awareness/ education	Provide green tips on staff website or in newsletters	Ongoing/In Progress	Extensive use of large screens and internal social networking has been used to convey messaging on paper use, water conservation, energy conservation, waste reduction and other sustainability items of interest.	We will continue to make use of internal social media as well as our sustainability intranet site to provide tips and information to our employees.	2009 - Continuous
		Provide sustainability education during new staff orientation	Ongoing/In Progress	Sustainability information that forms part of our employee orientation day was reviewed and updated.	We will review the employee orientation sustainability information for relevance and accuracy.	2009 - Continuous

Actions to Reduce Provincial Emissions and Improve Sustainability

Other Sustainability Actions	ACTION	STATUS*	STEPS TAKEN (2012)	STEPS PLANNED (2013 - 2014)	START/END
Water conservation	Establish a water conservation strategy which includes a plan or policy for replacing water fixtures with efficient models	Ongoing/In Progress	When we upgrade toilets and taps at our Kamloops facility they're always replaced with energy and resource efficiency in mind by utilising low flow and no touch sensor technology. Our Vancouver facility already enjoys no touch, aerated flow taps in washrooms.	We will continue to install efficient water fixtures at our Kamloops facility when replacements are required.	2009 - Continuous
	Put in place a potable water management strategy to reduce potable water demand of building-level uses such as cooling tower equipment, toilet fixtures, etc. and landscape features	Ongoing/In Progress	Our Kamloops facility does not use a cooling tower and we have drought proof plants as part of our landscaping. The Vancouver facility is leased and maintained to a high LEED standard by the property managers.	We will continue to minimise our potable water use through installing efficient replacement fixtures when required and maintaining our facilities to a high standard.	2009 - Continuous
	Introduce a stormwater management landscape strategy (e.g., vegetated roofs, permeable paving, rain gardens, bioswales)	Ongoing/In Progress	Minimal landscaping is employed at the Kamloops facility and in Vancouver is part of the facilities management plan for Broadway Tech Centre.	No specific activities are planned for 2013-14 other than ongoing maintenance of the landscaping.	2009 - Continuous
Waste reduction/diversion	Put in place an operations policy to facilitate the reduction and diversion of building occupant waste from landfills or incineration facilities	Ongoing/In Progress	We completed a waste audit of our Kamloops facility and have revised our systems to make it easier for our employees to recycle. Our Vancouver facility already employs systems to maximise recycling and diverted approximately 90% of building wastes away from landfill in 2012.	Based upon the findings of the recent Kamloops waste audit, we will identify more opportunities and develop a plan to address the gaps.	2010 - Continuous
	Implement a hazardous waste reduction and disposal strategy	Ongoing/In Progress	We managed hazardous wastes such as asbestos, fluorescent lamps and smoke detectors separately from recyclables and landfill wastes.	We will continue to manage hazardous waste separately from other wastes.	2008 - Continuous
Procurement (non-paper supplies)	Incorporate minimum recycled content standards into procurement policy for consumable, non-paper supplies (e.g., writing instruments, binders, toner cartridges, etc.)	Ongoing/In Progress	We have implemented recycled content requirements for consumable goods. All of our product categories offering sustainable products are identified on a point-of-sale, on-line catalogue. We started to develop standards on a per category/commodity basis. We developed and implemented a Corporate Policy addressing Sustainability in procurement practices.	We will continue to develop and implement tools that support sustainable vendor selection through the bid process. We will continue to develop and implement tools and standards support sustainable product selection through the bid process.	2012- Continuous
	Establish green standards for goods that are replaced infrequently and/or may require capital funds to purchase (e.g., office furniture, carpeting, etc.)	Ongoing/In Progress	All major office furniture purchased included green standards as mandatory criteria.	Any new office furniture purchased will meet the new standards that were set in 2010.	2012 - Continuous
	Implement sustainable purchasing program for cleaning products, disposable paper products and trash bags	Ongoing/In Progress	Our outsourced cleaning services vendor may utilize sustainable products.	The contract for a service vendor will be reviewed in 2013. We are planning to adopt a new business model utilizing a vendor assessed under the provinces sustainability standards.	2011 - Continuous
Building construction, renovation, and leasing	Establish a policy to reuse materials where possible and divert construction and demolition debris from landfills and incineration facilities.	Ongoing/In Progress	All renovation/improvements continue to employ re-use and re-cycling of building materials by all of our facility trades contractors.	We will continue the activities.	2010 - Continuous
	Incorporate lifecycle costing into new construction or renovations	Not Yet Evaluated			

Actions to Reduce Provincial Emissions and Improve Sustainability

Other Sustainability Actions

	ACTION	STATUS*	STEPS TAKEN (2012)	STEPS PLANNED (2013 - 2014)	START/END
Commuting to and from home	Introduce telework/work from home policy	Ongoing/In Progress	There was no change in our position. We do not have a telework/work from home policy and do not encourage employees to telework.	There are no plans to re-visit our position on telework at this time.	2009 - 2011
	Offer staff a compressed work week	Ongoing/In Progress	We do not offer a compressed work week, however, flexible hours are available for employees that want to avoid the rush-hour commute. We continued to offer access to the Jack Bell ride-share program.	We will continue to offer flexible hours to allow our employees to travel outside of rush-hour.	2009 - 2011
	Encourage commuting by foot, bicycle, carpool or public transit	Ongoing/In Progress	We were unable to attract the minimum number of employees to enroll in the Translink Employer Program and offered no additional incentives for employees to change their mode of commute. We continued to offer free parking for all employees at both our Kamloops and Vancouver facilities.	We will continue to promote ride-share and transit pass programs as well as continue support for the spring Bike to Work Week.	2009 - Continuous
	Provide shower or locker facilities for staff/ students who commute by foot or by bicycle	Ongoing/In Progress	We continued to provide twelve shower stalls in four locations, along with over 40 lockers in two locations.	We will continue to promote ride-share and transit pass programs as well as continue support for the spring Bike to Work Week.	2009 - Continuous
	Provide secure bicycle storage	Ongoing/In Progress	Our Kamloops bike barn was completed pre 2010. The Vancouver facility also has secure bike parking provided.	There are no changes planned to our secure bike parking provisions.	2009 - Continuous
Adaptation to Climate Change	Assessed whether extreme weather events and/or long term changes in climate will affect the organization's business areas	Ongoing/In Progress	As part of our Business Continuity Planning we defined what an extreme weather event would be and assessed the risks to our business. No specific actions to address potential extreme weather events were noted in 2012.	The risk rating of an extreme weather event means that it will be reviewed regularly.	2011 - Continuous
	Integrated considerations of extreme weather events and/or long term changes in climate into the organization's decision making.	Ongoing/In Progress	We did not change our rating of extreme weather events occurring in 2012.	No specific actions are planned for 2013-2014.	2011 - Continuous

Greenhouse Gas Emissions

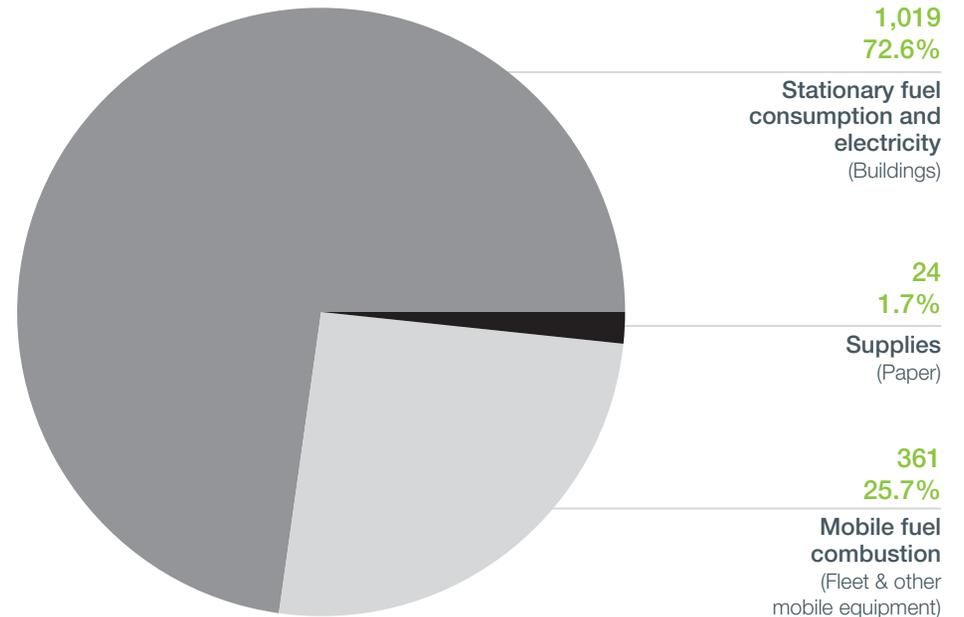
by source (tCO2e*)

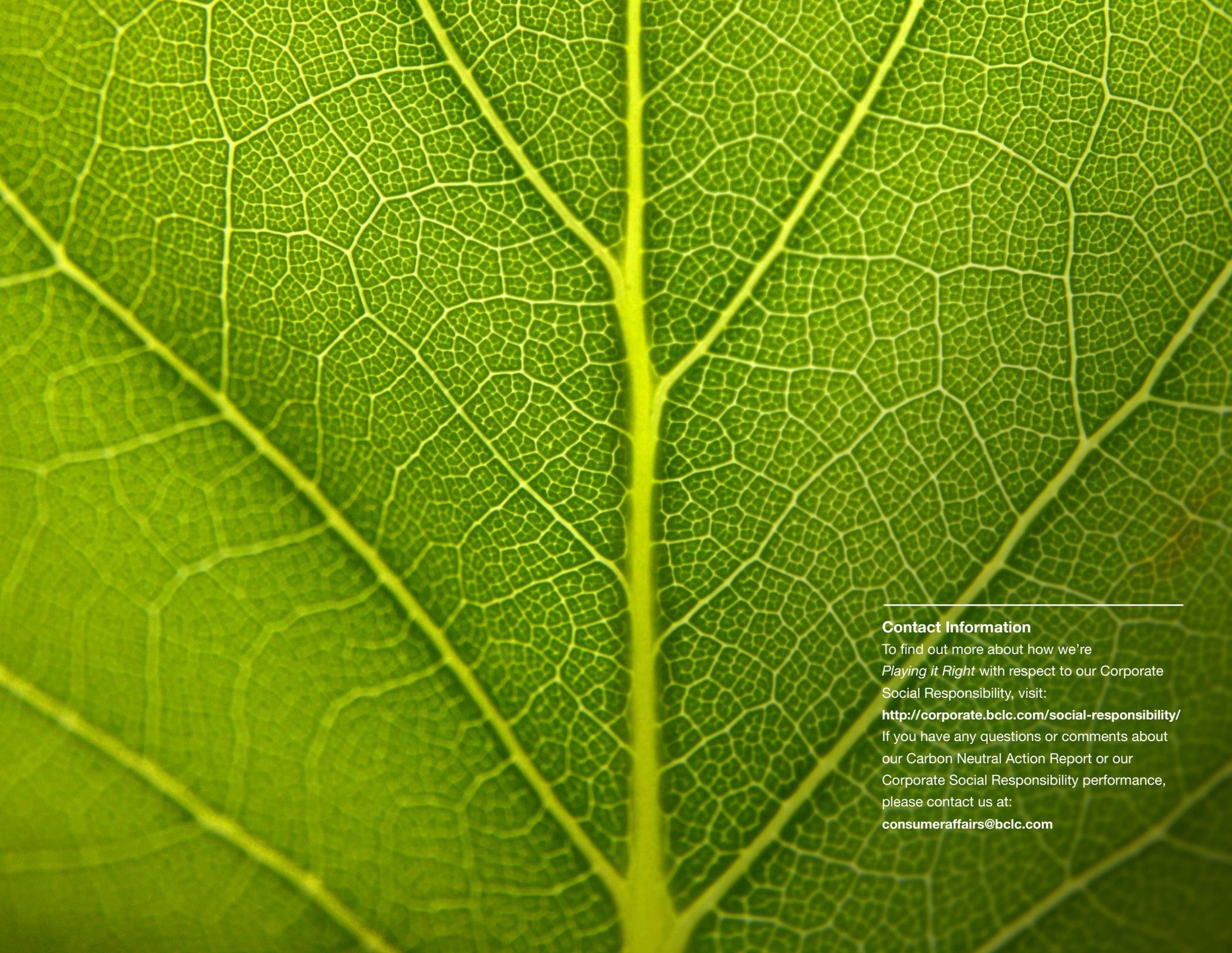
Offsets Applied to Become Carbon Neutral in 2012

Total offsets required: 1,391
 Total offset investment: \$34,775
 Emissions which do not require offsets: 13**

* Tonnes of carbon dioxide equivalent (tCO2e) is a standard unit of measure in which all types of greenhouse gases are expressed based on their global warming potential relative to carbon dioxide.

** Under the Carbon Neutral Government Regulation of the Greenhouse Gas Reduction Targets Act, all emissions from the sources listed must be reported. As outlined in the regulation, some emissions do not require offsets.





Contact Information

To find out more about how we're *Playing it Right* with respect to our Corporate Social Responsibility, visit:

<http://corporate.bclc.com/social-responsibility/>

If you have any questions or comments about our Carbon Neutral Action Report or our Corporate Social Responsibility performance, please contact us at:

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