

Ethics & Compliance Management Policy

POLICY #GLC-02-01

FINAL

PURPOSE

OLG is committed to acting with business integrity and having an ethics and regulatory compliance framework with programs that guide employees when making strategic and operational decisions (collectively “the Framework”). This policy describes enterprise-wide standards to promote ethical conduct and regulatory compliance using a proactive and risk-based approach.

APPLICATION AND SCOPE

This policy governs ethics and regulatory compliance programs implemented across the enterprise and applies to all employees and Board members.

POLICY STATEMENT (& GUIDING PRINCIPLES)

Ethical decision-making and compliance with Regulatory Obligations increases stakeholder confidence and builds trust in OLG’s brand while protecting against increased operational costs, regulatory sanctions or revenue loss that may erode the value of OLG’s business.

To protect OLG’s brand, every employee plays an important role to balance OLG’s commitment to high standards of business conduct with a healthy and measured approach for risk-taking to grow the business. Employees are expected to behave with integrity, protect assets and the privacy of our stakeholders, promote diverse perspectives, support social responsibility, and comply with law.

The Framework promotes an integrated approach to implement a sound control environment by embracing four principles:

- a) **ACCOUNTABILITY:** OLG needs to take risks to achieve its goals. Management must maintain an understanding of ethical and regulatory risks that impact their operations and measures to mitigate those risks to ensure business activities are conducted within OLG’s risk appetite (including activities conducted on behalf of OLG by Service Providers and Lottery Retailers).
- b) **PERFORMANCE FOCUSED:** Ethical and regulatory risk management should be integrated with OLG’s strategic planning process to support achievement of strategic goals and optimize performance. Ethics and regulatory compliance programs shall be forward-looking and dynamic, allowing the organization to be responsive to changes in the internal and external environment.
- c) **PROACTIVE & RISK-BASED:** Focus on preventive measures to avoid, detect, and address Ethical and Regulatory Misconduct. Actions will emphasize training, education, control reviews and monitoring commensurate with the risk exposure to ensure prudent use of resources.
- d) **ANTI-REPRISAL:** Open, honest, and timely communication of suspected Ethical or Regulatory Misconduct within the organization is critical. To encourage transparency, Management will listen to matters brought forward by employees and recognize the right of every employee, current or former, to report misconduct or participate in an investigation of misconduct, without fear of Reprisal.

DEFINITIONS

Control Activities: Policies, procedures, processes, and methodologies that comprise an activity or a series of activities carried out to mitigate risk.

Ethical or Regulatory Misconduct: At OLG ethical or regulatory misconduct is defined as a breach of the Code of Business Conduct, conflict of interest rules, Wrongdoing (as defined in this policy) or non-compliance with Regulatory Obligations.

Business Integrity Champions: Employees designated by Lines of Business and Shared Services to promote ethical decision-making and help business leaders supervise regulatory compliance within their respective areas.

Regulatory Obligations: Obligations prescribed by law and associated regulations, directives, guidelines, and regulatory standards.

Reprisal: Any action that adversely affects the employment, including working conditions, of an employee because they have made a disclosure of Wrongdoing to Management, Ethics Executive or to the Integrity Commissioner or has participated in the investigation of a Wrongdoing.

Wrongdoing: For the purpose of this policy, Wrongdoing is:

- a) A contravention of an Act (federal or provincial) or regulation
- b) An act or omission that creates a grave danger to life, health, or safety of persons, or to the environment)
- c) Gross mismanagement (gross waste of money, abuse of authority, abuse of public assets)
- d) Directing or counselling a person to commit a Wrongdoing listed above.

REQUIREMENTS

1. Establish Standards, Policies & Procedures (“Control Activities”)

- 1.1. Lines of Business and Shared Services must design, document, implement and maintain Control Activities in alignment with enterprise strategy, OLG policies, applicable Regulatory Obligations, and risk appetite. Lines of Business must obtain evidence that Service Providers do the same for risks that impact OLG (often through contractual provisions).
- 1.2. Lines of Business, in collaboration with Shared Services, must document Control Activities required to comply with the Registrar’s Standards for Lottery, Digital and Gaming in a Control Activity Matrix (CAM).
- 1.3. An override of a CAM control requires approval from at least two Management members (Director level or above), one of whom must have direct accountability for the Control Activity to be overridden. Approval of an override must be documented by management, be provided promptly to Compliance & Investigations, and contain:
 - the names and positions of the approvers and date,
 - the Control Activity being overridden and related AGCO Standard,
 - the duration of the Control Activity override, and
 - the reason for the Control Activity override.

2. Train and Educate

- 2.1. Management must implement training and education programs to raise awareness of ethical decision-making, Regulatory Obligations and educate employees about how to perform Control Activities properly.
- 2.2. Management must ensure that mandatory training is complete and establish open lines of

communication so that employees are comfortable bringing forward questions about ethical dilemmas and regulatory compliance matters.

2.3. Training and education programs must be commensurate with the degree of risk.

3. Monitor, Test & Audit

3.1. Management must evaluate and actively manage ethical and regulatory compliance risks for significant strategic, operational and policy decisions and when setting performance management objectives (e.g. the launch of new business lines, products, or services).

3.2. Control Activities and performance outcomes must be monitored through ongoing management supervision, Compliance/SME oversight and independent assurance (collectively “oversight” activities).

3.3. Oversight activities must be risk-based to optimize the use of resources.

4. Manage & Investigate Issues

4.1. Employees that report suspected Ethical or Regulatory Misconduct are protected from Reprisal.

4.2. Suspected Ethical or Regulatory Misconduct must be tracked and investigated by Compliance & Investigations/SMEs and remediated by Management in a timely manner to reduce the likelihood of similar occurrences. Management must ensure Service Providers do the same for risks that impact OLG.

4.3. Ethical or Regulatory Misconduct must be reported to appropriate internal and external parties according to notifications requirements prescribed by Law and OLG policy.

5. Analyze and Report Outcomes

5.1. Ethical conduct and regulatory compliance performance outcomes must be reported to Senior Management, the Executive Leadership Team (including Sub-Committees) and the Audit & Risk Management Committee of the Board to inform strategic decision-making.

5.2. Management must adjust Control Activities, when necessary, to drive continuous improvement and achievement of desired performance outcomes within risk appetite.

5.3. Records must be maintained in accordance with OLG’s EDM policies and procedures.

ROLES AND RESPONSIBILITIES

ROLE	RESPONSIBILITIES
Board of Directors	<ul style="list-style-type: none">▪ Establish tone from the top by adopting the principles of OLG’s Code of Business Conduct (“the Code”) to guide their own conduct,▪ Complete annual attestations to confirm adherence with the Board Code of Ethics, including OLG’s conflict of interest rules, and▪ Oversee organizational ethical conduct and regulatory compliance as prescribed in their respective Committee Terms of Reference.
OLG Ethics Executives	<p>The President & CEO and Board Chair, while acting as OLG Ethics Executives, are expected to:</p> <ul style="list-style-type: none">▪ Promote ethical conduct,▪ Provide direction concerning conflicts of interest, and▪ Refer significant matters to the Conflicts of Interest Commissioner, as needed.

Executive Leadership Team (ELT)	<p>To foster an organizational culture committed to business integrity, ELT and Sub-Committees shall:</p> <ul style="list-style-type: none"> ▪ Set expectations for ethical conduct by approving OLG's Code of Business Conduct, ▪ Encourage open and transparent communications about ethical conduct, including regulatory compliance matters, ▪ Evaluate ethical and regulatory compliance risks when making strategic planning and budgeting decisions, ▪ Report suspected Ethical or Regulatory Misconduct, including non-compliance to Compliance & Investigations, People & Culture and/or Legal Services, and ▪ Review compliance reports to oversee performance outcomes as it relates to ethical conduct and regulatory compliance and support Management to implement appropriate risk mitigation activities.
Line of Business and Shared Services Management	<ul style="list-style-type: none"> ▪ Create a comfortable environment for employees to disclose suspected Ethical or Regulatory Misconduct, use discretion and protect the confidentiality of individuals, ▪ Proactively engage Compliance & Investigations/SMEs to support evaluation of ethical and regulatory compliance risks, ▪ Appoint Business Integrity Champions and supervise employees to promote ethical decision-making, regulatory compliance, and performance controls, ▪ Address and report issues in a timely manner to Compliance & Investigations/SMEs and notify internal/external parties, when required, and ▪ Respond to Management Letters issued by internal auditors, external auditors and Regulators and ensure timely completion of action points/implementation plans.
Employees	<ul style="list-style-type: none"> ▪ Read, understand, and adhere to the Code, OLG policies, and functional procedures for their area of responsibility, ▪ Complete mandatory training and take reasonable measures to effectively perform Control Activities, ▪ Report suspected Ethical or Regulatory Misconduct, including non-compliance to their People Leader, People & Culture, Compliance & Investigations or confidentially through OLG's Integrity Matters program, and ▪ Comply with an investigation of Ethical or Regulatory Misconduct and not destroy, falsify, or conceal material information or direct others to do so.
Subject Matter Experts (SMEs)	<ul style="list-style-type: none"> ▪ Manage specific compliance programs and establish baseline standards, advise on the design of risk management programs and Control Activities for their area of expertise. ▪ In some cases, SMEs must oversee adherence with OLG policy and report non-compliance to Regulators given the high degree of expertise required which shall be relied upon by Compliance & Investigations.
Compliance & Investigations	<ul style="list-style-type: none"> ▪ Maintain the Ethics and Compliance Framework and manage related programs (including the Code), ▪ Advise on ethical and regulatory risks, ▪ Provide oversight to report on performance across the enterprise as set out in Appendix A (including Service Providers and Lottery Retailers),

	<ul style="list-style-type: none"> ▪ Report on Ethical and Regulatory Misconduct to management and the ARMC, as appropriate, and ▪ Advocate for regulatory change consistent with OLG's strategy and monitor the regulatory environment to advise management and the ARMC on regulatory changes.
Internal Audit	<ul style="list-style-type: none"> ▪ Evaluate whether Control Activities are appropriately designed and operating effectively as part of OLG's annual internal audit plan, and as required by AGCO standards.

RELATED POLICY INSTRUMENTS

- Code of Business Conduct and Conflict of Interest Rules
- Anti-Money Laundering and Counter-Terrorist Financing Standards
- Anti-Spam Policy (CASL)
- Enterprise Documents & Records Management
- Protection of Privacy Policy
- French Language Services Standards
- AODA Integrated Accessibility Standards
- Acceptance of Gifts Policy
- Insider Trading & Tipping Prevention Policy
- Risk Management Policy
- Fraud Management Policy

POLICY OWNER

Vice President, Compliance & Investigations

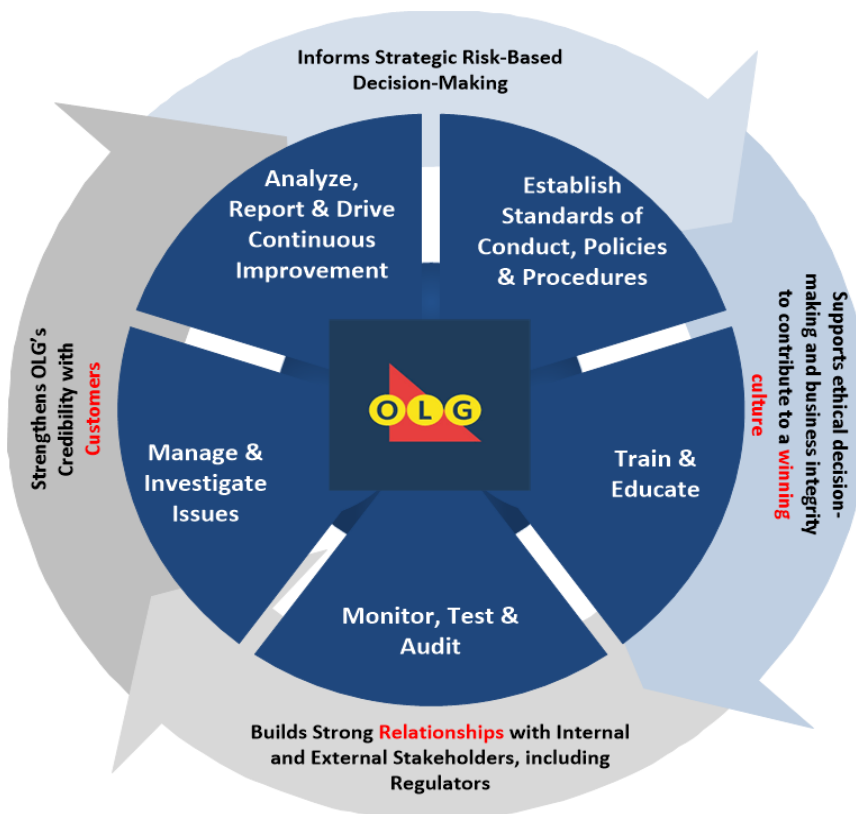
POLICY APPROVAL

Approver	Date
Risk Management Committee	March 28, 2022

REVISION / REVIEW HISTORY

Revision/Review Date	Updated By	Summary of Revision / Review
August 17, 2023	Policy Services and Ethics & Compliance Program Office	Annual Review
June 10, 2022	Policy Services	Supersedes: Enterprise Compliance Management Policy #CP-06-03-003, Management Letters Policy #FP-06-03-001, AGCO Standards Management Policy #CP-06-03-005, Regulatory Audit Management Policy #CP-06-03-004, Code of Business Conduct Policy #CP-10-01-001, Disclosure of Wrongdoing Policy #CP-03-04-010

Appendix A: Ethics & Compliance Framework



Under the Ethics & Compliance Framework, Compliance & Investigations shall oversee compliance with the following Regulatory Obligations. Subject Matter Experts throughout the organization oversee compliance with the remaining Regulatory Obligations.

Gaming Control Act (GCA) and the Registrar's Standards ¹	French Language Services Act (FLSA)
Proceeds of Crime (Money Laundering) & Terrorist Financing Act (PCMLTFA)	Ontario Lottery and Gaming Corporation Act (OLGCA)
Freedom of Information and Protection of Privacy Act (FIPPA), including Enterprise Documents & Records Management	Public Service of Ontario Act (PSOA)
Canada's Anti-Spam Legislation (CASL)	Accessibility for Ontarians with Disabilities Act (AODA)
Family Responsibility and Support Arrears Enforcement Act	Competition Act
Consumer Protection Act	OPS Advertising Content Directive
OPS Corporate Policy on Recordkeeping, Access & Privacy	OPS Visual Identity Directive
	OLG Code of Business Conduct and Conflict of Interest Rules

¹ Oversight of Service Provider (SP) compliance with the Registrar's Standards is risk-based and reflects AGCO's commitment not to hold OLG liable for SP breaches of the Gaming Control Act and Registrar's Standards, unless OLG is causes or contributes to the SP non-compliance.