LCBO

LCBO STRATEGIC PLAN 2026-2029

TABLE OF CONTENTS

MESSAGE FROM THE PRESIDENT & CEO 3

MANDATE 4

- Legislative Mandate 4
- Government Priorities 4

VISION, MISSION, AND VALUES 6

- LCBO Vision 6
- LCBO Mission 6
- LCBO Values 6

ENVIRONMENTAL SCAN 6

- External Environment 6
- Internal Environment 8

STRATEGIC DIRECTION 11

- Priority 1: Transform And Scale Our Wholesale Business 12
- Priority 2: Craft The Retail Customer Experience 13
- Priority 3: Evolve Our Culture and Organization 15
- Priority 4: Modernize The Foundations 16

IMPLEMENTATION PLAN 18

- FSM 19
- Human Resourcing 20
- External Partnerships 22
- Enterprise Risk Management 22
- Communication Plan 23

MESSAGE FROM THE PRESIDENT & CEO

As LCBO looks ahead to the next three years, we do so with a deep sense of pride and purpose. During this time, we will celebrate the extraordinary milestone of 100 years of serving our customers, partners, and communities. This moment reminds us of our resilience, our values, and our ability to evolve through every era.

The road ahead will bring challenges and new opportunities. We will approach both with transparency and a commitment to building a strong future together. At the same time, we remain focused on modernization and transformation - strengthening our operations, investing in technology and elevating the employee and customer experience in both our B2C and B2B channels.

LCBO's continued success will be shaped by the partnerships we nurture, including with local businesses, producers, and community organizations. Through collaboration, thoughtful engagement, and meaningful initiatives, we will deepen our impact and reinforce our role as a trusted, forward-looking partner. We will focus on positioning our organization for our next chapter of business evolution.



Aaron Campbell, Interim President & CEO

MANDATE

Legislative Mandate

The Liquor Control Board of Ontario (LCBO) is one of the largest retailers and wholesalers of beverage alcohol in the world. The LCBO is established as a crown agency through the *Liquor Control Board of Ontario Act, 2019* (the Act). As articulated in the Act, the LCBO's mandate is to establish retail stores, buy and sell liquor as a wholesaler and retailer, control the importation of liquor into Ontario and to be a socially responsible retailer and wholesaler of wine, beer, and spirits. As of April 1, 2026, the LCBO is the exclusive wholesaler of beverage alcohol to thousands of points of sale, including grocery, convenience, hospitality licensees, LCBO Convenience Outlets, and duty-free stores. The LCBO generates its revenue and funds its expenses through the sale of liquor and remits its net profits to the Province of Ontario in the form of a dividend payment.

Government Priorities

The LCBO is dedicated to meet the government expectations with a focus on how the LCBO will contribute to protecting Ontario by delivering better services and driving innovation and value for money.

Protect Ontario
Expand domestic partnerships within Canada, procure from Ontario and Canadian businesses whenever feasible and freeze government fees and fares.

Deliver Better Services
Focus on a user-centered client/customer experience, identify opportunities to enhance efficiency, improve services, drive innovation, and achieve cost savings for the people of Ontario, eliminate unnecessary bureaucracy and red tape.

Drive Innovation & Value for Money

Find innovative solutions to use public resources efficiently. Manage the workforce with careful responsibility to stabilize expenditures and preserve long-term financial viability, create a span of control policy, and adhere to the OPS in-office standard of four (4) days per week effective October 20, 2025, and will work towards creating enough office space to meet the directive to achieve the five (5) days per week standard.

In addition, the LCBO is committed to supporting the Government's priorities for the sale and distribution of beverage alcohol in Ontario, including:

- Continuing to support and deliver on the government's objectives to improve choice and convenience for consumers through the modernization of Ontario's beverage alcohol marketplace, including establishing a new wholesale pricing model, opening listings opportunities, and expanding distribution opportunities for businesses in Ontario in 2026.
- Transforming the LCBO's business model to adapt and capitalize on opportunities related to its new role as the exclusive wholesaler for beverage alcohol in Ontario as of April 1, 2026, facilitating an open marketplace that maximizes opportunities for choice and competition.
- Supporting local producers by expanding the LCBO's role in helping support local products in Ontario's future alcohol marketplace to ensure at least 4.4% increase in year over year sales annually.
- Providing strategic support for the government's economic and fiscal outlook related to the beverage alcohol marketplace.
- Helping to ensure the LCBO and government meet the robust, social, and environmental objectives as they relate to the control and sale of alcohol.

LCBO's Board of Directors is accountable to the Minister of Finance who provides direction on LCBO's priorities annually, and as needed on specific initiatives. The strategic plan is guided by these priorities. In addition, LCBO acts in accordance with the Liquor Licence and Control Act, its Memorandum of Understanding with the Minister of Finance, and other applicable government legislation, regulations, policies, and directives.

To advance these priorities, the LCBO has established a strategic direction centred on modernization, transformation, and local engagement, all supported by its dedicated culture and talented workforce. The organization is firmly committed to upgrading its technology systems and platforms to better reflect the evolving beverage alcohol landscape and to meet growing market demands for expanded choice and convenience. In line with the expectation of being innovative and value for money, the LCBO is expanding digital services to simplify client interactions and facilitating data sharing with Supply Ontario to enable informed decision-making.

Demonstrating its commitment to sustainability, the LCBO is evolving its operations to maximize resource efficiency, operate within financial limits, and responsibly manage workforce size. The LCBO will continue to deliver initiatives like the Spirit of Sustainability program and the development of a comprehensive ESG strategy to enhance leadership in social and environmental responsibility. As Ontario's exclusive wholesaler, the LCBO is proactively refining its business model and developing strategies for its wholesale and retail channels, ensuring channel success that is both competitive and fair. Supporting local producers remains a key focus for the LCBO, which will continue to expand merchandising initiatives, increase shelf space, and strengthen marketing commitments for Ontario-made products.

To further ensure accountability, the LCBO is implementing outcome-based measures, strengthening data and cyber security practices, and reporting on risk and mitigation plans. In addition, the LCBO will work collaboratively with government partners to support the economic outlook in the beverage alcohol industry and optimize office space, foster diversity and inclusion, and increase alternative revenue streams as directed by government leadership. Through these efforts, LCBO is not only fulfilling its mandate but also delivering better services, protecting Ontario's interests, and driving innovation that aligns with government expectations.

VISION, MISSION, AND VALUES

As Ontario's beverage alcohol marketplace continues to evolve, the LCBO has embraced a new vision and mission that reflects its commitment to serving the diverse needs of customers, partners, and communities. The vision reflects the desired future and aspirational north star for the LCBO, and the mission statement articulates the LCBO's core purpose, what we seek to accomplish, and how we will continue to serve Ontarians.

LCBO Vision

We are the trusted source of local and global beverage alcohol products, delivering value to Ontarians.

LCBO Mission

To deliver remarkable, seamless experiences as a responsible wholesaler and retailer, supporting local communities and businesses.

LCBO Values

The LCBO's values reflect the evolving culture of the organization and provide inspiration and a shared vision. The organization fosters an inclusive environment, prioritizes customer-centricity, and promotes collaboration.

The values are:

- We put the **customer first**
- A **safe place** for all
- Every action, **for the good of Ontario**
- We **celebrate authenticity**
- We win **as one team**

ENVIRONMENTAL SCAN

External Environment

Economic Factors Influencing the LCBO

Ontario is entering 2026 with slower economic momentum. The province's economic environment continues to be shaped by trade uncertainty, persistent affordability challenges, elevated unemployment, and shifts in monetary policy. Weak productivity growth and higher U.S. tariffs have weighed heavily on investment. Growing caution among employers around hiring and expansion, combined with lower consumer demand have further contributed to rising unemployment.

In response to moderating inflation and evolving U.S. trade policies, the Bank of Canada eased monetary conditions, lowering its policy rate to 2.25% by October 2025. These rate cuts provided some relief to businesses and mortgage holders, supporting liquidity and reducing borrowing costs. However, unemployment in tariff-sensitive sectors rose sharply, highlighting persistent structural challenges in the economy that monetary policy alone cannot resolve. To counter these pressures, federal government has adopted a countercyclical fiscal stance to support stability and long-term growth. The 2025-26 budget boosts investment in infrastructure, energy, and workforce development to enhance productivity and competitiveness. While these measures aim to strengthen resilience, they will widen the federal fiscal deficit in the near term as revenues may weaken amid slower growth and trade disruptions.

Household spending is expected to remain subdued in the medium term, constrained by cost-of-living pressures and broader economic uncertainty. Although lower interest rates have alleviated some financial strain, weak retail sales and elevated unemployment signal ongoing caution among consumers.

Persistent trade tensions remain a major headwind for Canadian exporters, particularly in manufacturing sector. These challenges are eroding competitiveness and discouraging investment, while supply chain adjustments are adding costs. Without progress on trade diversification and productivity improvements, structural pressures could weigh on growth and employment over the medium term.

Looking ahead, discretionary consumer spending is projected to remain weak. While inflation has moderated, geopolitical conflicts, particularly in Ukraine and the Middle East, pose risks to energy markets. These global dynamics are likely to continue shaping consumer behaviour and spending patterns in Ontario.

Beverage Alcohol Marketplace

Ontario's beverage alcohol marketplace continues to evolve with significant expansion and regulatory changes aimed at increasing consumer choice and convenience. The sale of alcoholic beverages was expanded in 2024 to include grocery and convenience stores. These retailers are required to sell a variety of food products to be eligible for a licence from the Alcohol and Gaming Commission of Ontario (AGCO) and purchase all beverage alcohol products from the LCBO. Licensed grocery stores and convenience stores can sell eligible products and have the flexibility to determine their product assortment within the requirements of their AGCO licence. Eligible products include beer, cider, and RTD products with an alcohol by volume of less than or equal to 7.1% and wine with an alcohol by volume of less than or equal to 18%. These marketplace changes have significantly increased LCBO's role as a wholesaler and enabled customers to purchase a wider variety of alcoholic beverages from more retail locations. As of November 2025, 1,092 grocery stores and 4,691 convenience stores were actively placing orders through the LCBO.

The provincial government also announced that a new wholesale pricing model will be introduced in 2026, and the LCBO is taking the necessary steps to implement a new pricing formula that adds taxes, mark-ups, and fees to the supplier's quote. This aligns with industry best practices and will streamline and simplify LCBO's current wholesale pricing model. When this change is implemented, LCBO retail will be subject to the same wholesale pricing model as other wholesale customers. LCBO will then mark-up the product to determine the retail price in LCBO stores and LCBO Convenience Outlets (LCOs). This retail mark-up can be variable and will be set at LCBO's discretion. This brings LCBO retail in line with all other retailers that were permitted to set their retail prices as of September 5, 2024, when uniform retail pricing requirements were removed. Uniform pricing will continue to apply across LCBO's retail network. This means that the price of any given product will continue to be the same in all LCBO retail stores and LCOs.

In addition to wholesale pricing changes, LCBO is taking additional steps to enhance its wholesale business. This includes supporting wholesale customers and suppliers to bring new products to market faster and introducing an open listing process for domestic and imported products by July 1, 2026. The LCBO will also open access to products that are currently only available in LCBO retail, with the exception of spirits. In addition, LCBO is exploring changes in distribution to enable private retailers to work with alternative distributors to have their products delivered.

The LCBO's wholesale role will continue to expand in 2026 to include beer sales to bars, restaurants, and all LCOs. At that time, the LCBO will become the exclusive wholesaler for all retailers, bars and restaurants selling alcohol, offering a wide selection of domestic and imported products.

Changing Consumer Expectations

Per capita alcohol consumption in Ontario continues to decline, reflecting a broader trend toward moderation and health-conscious choices, particularly among younger generations. Between FY2020 andFY2026, per capita alcohol consumption is expected to decrease by approximately 14%, driven in part by rising health awareness and reinforced by Canada's updated alcohol guidelines (2 drinks per week advisory). At the same time, the consumption of ready-to-drink (RTD) beverages, including coolers and seltzers, is expected to surge by more than 100%, fueled by ongoing product innovation and growing demand for lighter, more convenient options.

Marketplace modernization has expanded access to beverage alcohol through grocery and convenience channels. Strong growth in these outlets during FY26 confirmed customers desire for increased accessibility and convenience. Looking ahead, Ontario consumers are expected to further moderate their alcohol intake, with preference increasingly focused on value, lighter formats, and low/no-alcohol alternatives. This reflects a lasting shift toward wellness-focused, socially responsible consumption patterns, alongside a desire for greater product variety.

Internal Environment

Promoting Local & our Spirit of Sustainability

The LCBO is proud to showcase Ontario's outstanding products, which it elevates through collaborative efforts and extensive product assortment in-store and online. For example, the LCBO promotes Ontario Wine by highlighting local wineries through a broad set of marketing programs and merchandising activities. The LCBO also profiles local craft cider and craft beer in their stores across the province and online in response to consumer trends and continuing demand. Local Ontario craft spirits are also featured in our stores. Additionally, as part of the government's work to promote Ontario-made products, services businesses and workers, LCBO will allocate a minimum of 25 per cent of annual advertising spending with qualified Ontario-based publishers.

Support of local Ontario product sales targets:

Support of Local Ontario Products - Sales Targets

$ 000,000s		2024/25 (Actual)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)	2028/29 (Forecast)
Ontario VQA*		184.1	268.7	276.7	285.0	293.6
	Y/Y % change	16.1%	46.0%	3.0%	3.0%	3.0%
Ontario Craft Beer		145.7	158.8	169.9	175.0	180.3
	Y/Y % change	-0.3%	9.0%	7.0%	3.0%	3.0%
Ontario Craft Cider		16.5	17.8	18.2	18.7	19.3
	Y/Y % change	-10.8%	7.9%	2.0%	3.0%	3.0%
Ontario Craft Spirits		18.3	30.3	30.9	31.2	31.5
	Y/Y % change	-15.7%	65.8%	1.7%	1.0%	1.0%
Ontario RTD Incubator		5.8	17.5	19.3	20.0	20.8
	Y/Y % change	75.8%	201.7%	10.0%	4.0%	4.0%
Total Local Products		370.4	493.1	514.9	529.9	545.4
	Y/Y % change	6.3%	33.1%	4.4%	2.9%	2.9%

*VQA: Vintners Quality Alliance

In addition to promoting local, our mandate to meet the social and environmental objectives as they relate to the sale of alcohol has positioned sustainability as a strategic priority for the LCBO. The Spirit of Sustainability platform represents our bold commitment to customers, employees, and partners to uphold higher standards while driving key environmental initiatives, social innovation, and governance efforts.

Good People, Good Planet, and Good Partnerships are the three key pillars and building blocks of our Environmental, Social and Governance (ESG) ambition:

GOOD PEOPLE

We're committed to creating an inclusive impact by improving the well-being of our customers, employees, and communities across Ontario.

GOOD PLANET

We're committed to protecting our planet by advancing practices that minimize the environmental impacts of our business.

GOOD PARTNERSHIPS

We're committed to being an influential partner to catalyze positive change within our industry.

We have expanded the material topics under our strategic pillars to include Climate Change, Waste Management & Packaging, Community Impact, DEI (Diversity, Equity, and Inclusion) & Well-Being, Indigenous Peoples Partnerships and Sustainable & Responsible Procurement. Our ESG strategy-focused commitments, ambitious targets and enterprise-wide alignment will allow us to further support our government mandate in meeting our robust social and environmental objectives as they relate to the control and sale of alcohol. For the latest on our sustainability strategy, commitments and achievements, and how we are creating a more sustainable future for Ontarians and advancing positive changes within the beverage alcohol industry, please refer to the recent Impact Report.

Supporting the modernization of LCBO and the Marketplace

The LCBO is undertaking the Future State Modernization (FSM) program to catalyze a transformation across the organization by adopting industry-leading practices and processes, simplifying end-to-end architecture, and instituting best-in-class technology. Partnering with Accenture and Deloitte, the LCBO is delivering this business transformation to support long-term, sustainable success for the organization as the beverage alcohol marketplace and customer expectations continue to evolve. LCBO is working with globally recognized solution partners, such as Adobe, Blue Yonder, GK Software, Manhattan Associates, Microsoft, Mirakl, Opterus, Pegasystems, and SAP in terms of systems implementation. Robust governance mechanisms are in place to ensure accountability and alignment with LCBO's strategic objectives from these partners, including agreed-upon deliverables (Statement of Work agreements), a clearly defined project roadmap, and regular status and budget reviews. These measures provide transparency and oversight, ensuring our partners meet standards and timelines.

A critical enabler of marketplace modernization, FSM will re-build and strengthen the foundations of our IT infrastructure, systems, business processes, and program management to create flexibility and agility to support our business model, increase efficiency, and enable our business to transform. FSM will consolidate our data and standardize our business processes and systems across functions to work efficiently, facilitate growth and improve employee and customer experience.

As Ontario's marketplace continues to evolve, the LCBO will ensure that LCBO retail spaces and wholesale services respond to the needs of customers and businesses. The LCBO will continue to modernize its offerings, both in-store and online, aligning the customer experience with the dynamic, multi-channel approach customers are looking for. Recognizing its critical role as an exclusive wholesaler, the LCBO will prioritize its efforts to build up capabilities and capacity to serve an expanded business-to-business (B2B) channel.

Providing an accessible and inclusive experience for customers, employees and suppliers continues to be our priority. This commitment includes providing LCBO goods and services in a barrier-free environment that respects the dignity and independence of persons with disabilities. This applies not only to our brick-and-mortar retail environments but also to our digital properties, which have become an increasingly popular channel. Within the organization, the LCBO champions and drives accessibility to meet and/or exceed compliance as legislated by the Accessibility for Ontarians with Disabilities Act (AODA).

In accordance with the French Language Services Act (FLSA), the LCBO continues to introduce initiatives that support delivering excellent and accessible services to Franco-Ontarians. The LCBO sees its FLSA mandate as a stepping-stone towards the promotion of diversity and inclusion in our communities and to creating a more sustainable Ontario.

Additionally, LCBO is committed to providing equitable access to our services, regardless of gender, age, sex, race, class, religion, ethnicity, ability, language, sexual orientation, or gender identity. The LCBO supports employees by engaging and mobilizing a diverse employee population who feel connected to the mission and values of their employer, are physically and mentally supported, bring their whole selves to work, take pride in their work, and are empowered to achieve and exceed their goals.

Delivering returns to the people of Ontario

The LCBO is a proud contributor to the Government and the people of Ontario. The revenues it generates support key public programs and services for Ontarians, including health care, education, and infrastructure at provincial and local levels. The LCBO will grow its sales and revenue in a socially responsible way, ensuring maximum profitability by further improving operational efficiency and tailoring product assortment and services to its customers. To support efficient operations, the LCBO will continue to invest in modernizing its technology and other critical improvements to better serve our B2C customers and B2B customers.

In fiscal 2024-2025, the LCBO returned a dividend of $2.13 billion to the Government of Ontario to support critical services like healthcare, education, and infrastructure. LCBO’s total Revenue was $7.36 billion with a Net Income of $2.17 billion.

STRATEGIC DIRECTION

The LCBO continues to evolve its operations and strategically prioritize work efforts to navigate the challenges and opportunities presented in the dynamic business environment while delivering the mandate provided by the province. In the coming years, the LCBO will focus on four strategic priorities to achieve its vision.

PRIORITY 1. TRANSFORM AND SCALE OUR WHOLESALE BUSINESS

Efficiently and rapidly scale the wholesale business by creating the right services, structure, and processes to address the needs of our customers and solidify our responsibility as the exclusive wholesaler.

PRIORITY 2. CRAFT THE RETAIL CUSTOMER EXPERIENCE

Delight our key customer base and deepen loyalty through differentiated assortment and curated services across all channels while elevating support to the local industry.

PRIORITY 3. EVOLVE OUR CULTURE AND ORGANIZATION

Build a purpose-driven, inclusive, and accountable culture where every employee feels valued and a sense of belonging, while evolving the organization to be agile, competitive, and customer-obsessed.

PRIORITY 4. MODERNIZE THE FOUNDATIONS

Continue to modernize our infrastructure, processes, capabilities, and tools to increase efficiency and flexibility, supporting our evolving business model and long-term growth.

Key Performance Indicators

Key Performance Indicators ($000,000s)						
$ 000,000s	2024/25 (Actual)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)	2028/29 (Forecast)	Rolling 3-Year Forecast 2026/27 to 2028/29
Total Revenue	7,364	7,396	7,967	8,076	8,212	24,255
COGS	3,802	3,950	4,554	4,618	4,697	13,869
Gross Margin	3,562	3,447	3,414	3,457	3,515	10,386
GM %	*48.4%*	*46.6%*	*42.8%*	*42.8%*	*42.8%*	*42.8%*
Total Expenses	1,465	1,706	1,569	1,509	1,508	4,586
as % of Total Revenue	*19.9%*	*23.1%*	*19.7%*	*18.7%*	*18.4%*	*18.9%*
Net Income	2,171	1,793	1,896	1,990	2,049	5,935
as % of Total Revenue	*29.5%*	*24.2%*	*23.8%*	*24.6%*	*24.9%*	*24.5%*
Capital Expenditures	**49**	**47**	**62**	**60**	**60**	**182**

FY2026/27 total expenses are planned at $1.57B.
Outlook is reflective of sales trends in an expanded marketplace, new wholesale pricing, open listings, direct delivery expansion to large distillers (RTD), and a reduction in LCBO's microbrewer, cider, and RTD markup rates. It also includes new sales as wholesaler of record to hospitality licensees and southern LCBO Convenience outlets.

Net Sales by Category

$ 000,000s	2024/25 (Actual)	2025/26 (Forecast)	2026/27 (Forecast)	2027/28 (Forecast)	2028/29 (Forecast)
Spirits	2,540	2,383	2,284	2,291	2,320
	-6.1%	-6.2%	-4.1%	0.3%	1.3%
Wine	2,181	2,084	2,094	2,104	2,147
	-4.1%	-4.4%	0.5%	0.5%	2.0%
Beer	1,470	1,651	2,276	2,369	2,400
	7.6%	12.4%	37.8%	4.1%	1.3%
Cider	75	59	58	58	59
	-11.0%	-20.9%	-2.3%	1.0%	1.0%
RTD	815	944	950	973	1,003
	9.3%	15.9%	0.6%	2.5%	3.1%
Other	272	253	287	261	264
	-3.7%	-7.0%	13.6%	-9.0%	1.0%
Total Net Sales	7,351	7,374	7,949	8,057	8,193
	-1.4%	0.3%	7.8%	1.4%	1.7%

table excludes delivery revenue

Capital

The LCBO's capital expenditures in the coming years will focus on continuing the modernization of its technical foundations and supporting the business transformation in the evolving market environment. Key areas of capital expenditure include store renovation and maintenance in select markets, warehouse upkeep and equipment purchases, necessary technology hardware expenditures, and Future State Modernization. The capital and operational expenditure of FSM is estimated to be $12.5M and $307.5M respectively from fiscal year 2022/23 – 2027/28, to drive operational efficiency and agility in serving B2B customers and B2C consumers.

Realty

The LCBO undergoes a continuous cycle of reviews of all of its leased and board-owned store locations for both store profitability as well as market trends and competition. As the market has expanded, the role of each store starts to take on a different shape. Both the product mix that shoppers are purchasing as well as the expectations they are looking for, in terms of service and experience, have evolved significantly. Our priority is to ensure that each store we operate delivers to the expectation of the consumer base it serves and drives value to the LCBO's profitability targets. Currently, the LCBO has no plans to expand its store count nor any real estate acquisition over the next three years. Instead, it will look at a continual investment in our current properties to ensure it we maintain and continue to deliver a world-class shopping experience.

LCBO is subject to the MBC Realty Directive, Ministry of Infrastructure's Centralization of Broader Real Estate Authority (CBREA) for office space realty, Return to Office directive and New Requirements for Capital Infrastructure and Construction Procurements directive.

Priority 1: Transform And Scale Our Wholesale Business

Efficiently and rapidly scale the wholesale business by creating the right services, structure, and processes to address the needs of our customers and solidify our responsibility as the exclusive wholesaler.

As the beverage alcohol market continues to evolve, the LCBO recognizes its critical role as the exclusive wholesaler by enhancing operational efficiency and developing tailored tools and processes. The organization aims to meet the unique needs of B2B customers. This forward-looking approach ensures agility in a modernizing marketplace while delivering increased value to business partners. The LCBO is introducing B2B customer satisfaction tracking this year to better understand evolving customer expectations. This will establish a baseline and inform clear targets over the next three years.

SUPPORTING FOCUS AREAS AND INITIATIVES

1. **Implement the new business model to strengthen LCBO's dual role in the market and drive sustainable success:** Ensure strong rollout of the critical components of the business model to reinforce LCBO's exclusive wholesale role and enable channel success.

2. **Develop and adopt robust operating processes to support the open marketplace:** Design and embed clear and efficient processes to address the evolving policy changes and support all stakeholders in the alcohol open marketplace.

3. **Initiate a phased rollout of the wholesale channel strategy to deliver best-in-class services across all B2B segments:** Apply channel strategy insights to deliver tailored services that meet the diverse needs of all B2B segments.

4. **Amplify the digital B2B platforms to provide a seamless customer experience:** Continue enhancing the functionality, user experience, and integration of B2B digital platforms to enable seamless and efficient interactions tailored to customer needs.

This priority, Transform and Scale Our Wholesale Business, directly advances the government's priorities of market modernization and transforming the business model by enabling the LCBO to respond swiftly and efficiently to ongoing changes in the beverage alcohol industry. Through the implementation of a new business model, robust operating processes that address policy changes such as open listing and new wholesale pricing model, and a phased rollout of a comprehensive wholesale channel strategy to meet the B2B customer's needs, the LCBO is positioning itself to support an open, competitive marketplace that meets the diverse needs of B2B customers. By enhancing the B2B ordering platforms and introducing customer satisfaction tracking, the LCBO is reinforcing its role as the exclusive wholesaler in Ontario through operational agility and innovation. These focus areas collectively ensure that the LCBO adapts to its new role and policy changes, deepen understanding of B2B customers, and support the government's vision for a modernized and open marketplace.

KEY PERFORMANCE INDICATORS

Target B2B Sales of $3.12B in 2028-29

Priority 2: Craft The Retail Customer Experience

Delight our key customer base and deepen loyalty through differentiated assortment and curated services across all channels while elevating support to the local industry.

As the market changes and customer behaviour evolves, LCBO is committed to refining its offerings both in-store and digitally to align with changing retail shopping needs and expectations. Prioritizing a crafted assortment that highlights local Ontario products, enabled by the Local Supports Strategy, the LCBO demonstrates its dedication to

promoting and celebrating the province's rich beverage alcohol industry. Through curated physical and digital experiences, the LCBO ensures that every customer interaction is both engaging and enjoyable.

Leveraging data and loyalty insights, LCBO aims to deliver personalized, rewarding experiences across all channels, fostering deeper customer engagement and satisfaction, and strengthening brand loyalty. Recognizing that customers today shop across retail and digital channels based on their convenience and preferences, the LCBO will strive to optimize the customer experience by creating a cohesive and seamless journey. Retail efficiency remains a focus, optimizing operations to enhance overall customer interactions.

LCBO Retail Marketing strategy is focused on differentiating the LCBO in the expanded retail marketplace, driving customer loyalty. LCBO builds awareness for our broad assortment of beverage alcohol products through seven seasonal campaigns that feature seasonal offerings, new innovations, and promotional offers, making it easy for consumers to discover and try those products. Key gifting, entertaining and everyday celebratory occasions are leveraged to drive traffic to our channels with a focus on premium products, gifting solutions, and recipe and pairing inspiration through Food & Drink magazine. Local products receive enhanced marketing support with focused communication tactics and priority product integration within seasonal and gifting campaigns.

Marketing activity is both in owned and paid channels including email, in store, online, social media, digital, print, out of home and broadcast media. Twenty-five percent of all paid media is directed to qualified Ontario publishers with quarterly and annual reports provided to the ACSPB (Supply Ontario).

Currently, a quantitative Brand Health Tracking study is used to track performance in addition to internal and external media KPIs. Marketing strategy and campaign plans are shared with the ministry annually, adhering to established Ministry of Finance communications protocol and approvals process. Marketing initiatives that arise outside of the annual review are briefed in as required, according to the protocol.

SUPPORTING FOCUS AREAS AND INITIATIVES

1. Elevate local industry support through enhanced, measurable promotions, assortments, and programs, while maintaining a diverse, high-quality portfolio: Strengthen support for small and local businesses by enhancing promotional efforts, expanding product assortments, and creating tailored, measurable programs to ensure a diverse and high-quality portfolio that caters to a wide range of customer preferences across Ontario.

2. Evolve the Future Store Network to sharpen retail presence and meet consumer and customer needs: Develop a store network long-term plan to optimize the market development based on the changing customer behaviour and marketplace.

3. Reimagine the role of our stores through tailored formats, assortments and services to deepen engagement and enhance experience: Advance our retail presence through refreshed banners, curated assortments, and exceptional services to strengthen customer engagement and deliver value.

4. Create engaging and enjoyable experiences through a cohesive retail and digital model to drive loyalty and generate impact: Enhance the end-to-end customer journey and drive loyalty by integrating a data insight driven digital and in store experiences.

This priority, Craft the Retail Customer Experience, is strongly aligned with the government's priorities, particularly in supporting local industry and contributing to Ontario's economic and fiscal outlook. By elevating local industry support through measurable promotions, curated assortments, and tailored programs, the LCBO not only celebrates

local beverage alcohol producers, but also drives economic growth and job creation across the province in this industry. This strategy enhances market access for small and local businesses, driving a more resilient and diversified local economy. In addition, a cohesive retail and digital experience will not only improve the consumers' engagement and satisfaction but also support the LCBO retail business and deliver a positive financial result. By optimizing retail footprint and store operations, this priority supports broader market modernization, reinforcing the LCBO as a key economic contributor for Ontario with its dual roles. This priority reflects the LCBO's commitment to be innovative and sustainable.

KEY PERFORMANCE INDICATORS

Target B2C sales of $5.04B in 2028-29

Target B2C Customer Net Promoter Score (NPS) of 95 in 2028 - 29

Priority 3: Evolve Our Culture and Organization

Build a purpose-driven, inclusive, and accountable culture where every employee feels valued and a sense of belonging, while evolving the organization to be agile, competitive, and customer-obsessed.

The LCBO is navigating large-scale enterprise initiatives, a foundational reset of the technology roadmap, and an increasingly competitive marketplace, all of which will be met with a customer-focused approach and a commitment to fostering an adaptable, agile organizational culture. There is a commitment to aligning its workforce and resources with evolving organizational priorities in a way that ensures long-term sustainable success. This approach emphasizes supporting employees through skills development, leveraging talent effectively, and directing resources to areas of greatest impact.

As an employer of choice, the LCBO continues to attract and grow diverse talent as a "Good Place to Work" by embedding our employee value proposition into our employer brand. It also places continued importance on mental health and well-being by fostering a culture focused on reducing stigma and accessing meaningful resources. By advancing the Diversity, Equity, and Inclusion Strategy, the LCBO workplace continues to ground in equity, and respect, ensuring a safe, inclusive, and accessible environment for all employees.

Through our Spirit of Sustainability platform (SoS), the LCBO continues to amplify its social and environmental impact across all pillars within the ESG strategy while cultivating a positive and purpose-driven workplace.

SUPPORTING FOCUS AREAS AND INITIATIVES

1. **Define and drive cultural transformation to embrace greater agility, accountability, and customer-obsession:** Support cultural transformation efforts across all business areas in alignment with FSM and market modernization to ensure a unified and impactful shift.

2. **Attract, Grow, and Engage Purpose-Driven Talent through continuous development and new ways of working that empower teams:** Support and enable the business to deliver on strategies by attracting, growing, and engaging purpose-driven, diverse talent, raising the bar on leadership to empower accountability and growth for teams, and fostering a meaningful employee value proposition.

3. **Amplify a Healthy, Safe, and Inclusive Culture:** Continue to design programs, policies, and practices to build a culture where everyone brings their best selves to work, is productive and ensures that the LCBO is fostering an equitable, inclusive, accessible, anti-racist and diverse workplace.

4. **Launch a phased, five-year ESG roadmap demonstrating LCBO as an innovative industry leader:** Implement a phased five-year ESG strategy that evolves our Spirit of Sustainability platform, positions LCBO as an innovative industry leader, align with government priorities, and bring forward industry collaboration opportunities.

This priority, Evolve Our Culture and Organization, is a foundational enabler in delivering the transformation that supports the government's priorities. By advancing diversity, equity, and inclusion, and investing in employee well-being and development, the LCBO is not only creating a safe and accessible environment for all employees but also strengthening its ability to attract and retain diverse talent, which is a key driver of Ontario's economic resilience. The focus on cultural transformation, agility, and customer-obsession ensures the organization remains competitive and responsive to changing market dynamics. The phased, five-year ESG strategy roadmap is designed to closely align with the government's focus in the robust, social, and environmental objectives. It prioritizes industry collaboration and innovation, positioning the LCBO as a leader in sustainable business practices and reinforcing government efforts to modernize local industry and promote responsible growth. Through these coordinated efforts, the LCBO demonstrates its commitment to government goals while delivering lasting social, environmental, and economic benefits across the province. Delivering these focus areas enables the LCBO to meeting the government's expectations of being sustainable and accountable.

KEY PERFORMANCE INDICATORS

Target Employee Net Promoter score above 0% by 2028-29[1]

Target Top Employer award by 2028-29

Achieve by 2030 in senior management: gender parity (50% women and/or non-binary people) and 30% in under-represented groups

Facilitate the investment of $40 million between 2025 and 2030 to support the health and wellbeing of Ontarians

Priority 4: Modernize The Foundations

Continue to modernize our infrastructure, processes, capabilities, and tools to increase efficiency and flexibility, supporting our evolving business model and long-term growth.

The LCBO continues to make progress on the Future State Modernization (FSM) program, a multi-year engagement that will rebuild and strengthen the foundations of our IT infrastructure. FSM outcomes will be realized by leveraging a phased release approach. The scope of each release considers dependencies on system functionality, impacts to stakeholders and resourcing to support the release. The program is governed by four guiding principles, which are considered when making decisions about which applications to consider, which processes to prioritize and streamline, which business practices to adopt. The guiding principles are:

[1] The range for Employee Net Promoter Score is between -100 to +100. Employee experience research from McLean & Company, Qualtrics, and generally accepted best practice indicates that any score above zero is acceptable. For that reason, the LCBO has chosen a target of 0 or higher.

- Retail and wholesale industry best practices- Is the change we are considering a best practice?
- Business process standardization - Will the business processes we have identified as key, once they are streamlined, enhance performance and deliver value to consumers?
- Out of the box functionality – Are we leveraging the functionality that the application provides, with customization only when absolutely necessary?
- Protect our investment, evolve our investment – By following the first three guiding principles we can evolve our investment in the new systems and leverage future innovations and enhancements to evolve our capabilities

The guiding principles are leveraged to enable the following program benefits all with the objective of enhancing our employee and customer experience:

- Enhanced operational efficiency – standardized and scalable processes, informed by industry best practices and out of the box functionality
- Unified supply chain – improved supply chain visibility and collaboration through integrated systems
- Streamlined employee workflow – simplified processes and automation of manual tasks
- Tailored omnichannel experience – personalized and seamless omnichannel shopping experience
- Optimized data management- improved data governance and data availability for decision-making
- Increased speed to market – efficiently bring products to marketing quickly adapting to new policies

To ensure the long-term sustainable success of the organization, LCBO will also spend the next several years focusing on enhancing capabilities to elevate both customer and employee experiences, while driving operational efficiency through systems integrations and more flexible and streamlined business processes.

Enterprise Data and Analytics Strategy work will enable and support this transformation. This foundational effort will harness the power of data to support informed decision-making and drive advanced analytics applications across the organization. To support Ontario's commitment to responsible Artificial Intelligence (AI), the LCBO has established a framework for ethical and accountable AI use. All AI initiatives will be assessed for risks, and controls will be put in place to comply with Ontario's Directive on Responsible AI Use and relevant legislation, while adhering to the guiding principles of transparency, data privacy, and human oversight. By embedding these principles into AI practice, the LCBO seeks to foster trust, innovation, and compliance in the adoption of transformational technology within its modernization initiatives. The platforms invested in as part of the FSM program will have AI embedded solutions, and as part of evolving our investment, the LCBO will continuously evaluate relevant AI solutions, including the associated benefits and risks. Microsoft Copilot Chat was launched and communicated across the organization in July 2025, to support daily work, with ongoing training and feedback to encourage responsible use. A limited test of Microsoft 365 Copilot is also underway with a small group of employees, with strict controls to prevent access to highly sensitive data during the test.

Supply Chain capability is foundational for the success of the LCBO as a retailer and wholesaler. Despite faced with unprecedented complexity from technology evolution, market modernization, workforce changes, and the global economic and geo-political challenges, the LCBO is committed to strengthen and streamline its distribution network, creating a more flexible, resilient and cost-effective supply chain that adapts the rapidly changing needs of the market.

SUPPORTING FOCUS AREAS AND INITIATIVES

1. **Successfully deliver on the Future State Modernization transformation and achieve the value realization:** Successfully complete and implement FSM program according to the roadmap and achieve the business benefits.

2. **Enhance and expand our digital capabilities to drive success for both employees and customers:** Improve and broaden the digital tools, platform, and technologies beyond the FSM scope, delivering impactful solutions that drive success for our internal and external user base.

3. **Drive operational efficiencies and streamline processes across the organization to optimize financial returns:** evolve business processes and workflows, enhancing operational efficiencies, reducing costs, and strengthening the LCBO's long-term financial performance.

4. **Evolve the distribution network and capabilities to drive a flexible and cost-efficient supply chain:** Review and optimize supply chain network and enhance capabilities and flexibility to better meet the changing market dynamics and customer preferences.

5. **Explore and evaluate new business opportunities to drive profitability:** Identify and assess the new sources of incremental business opportunity for profitable growth of the organization.

This priority, Modernize the Foundations, directly address the government's mandate by investing in modern infrastructure and responsible technology that improves decision-making, speed to market and transparency. Through the Future State Modernization (FSM) program and responsible adoption of AI, the LCBO is establishing a robust foundation for greater operational efficiency, flexibility, innovation and scalability. These efforts support government objectives to modernize the organizations and the industry, ensure fiscal responsibility, and promote sustainable, equitable practices. By strengthening distribution capabilities, streamlining processes, and optimizing cost-effectiveness, the LCBO is well-positioned to serve as the exclusive wholesaler, delivering seamless and efficient services to B2B customers. In addition, these initiatives support the government's expectation of being innovative and accountable.

KEY PERFORMANCE INDICATORS

Target total expenses as 17.9% of Revenue in 2028-29

Target inventory turns of 5.5 in 2028-29

Target Sales per Productive Hour of $515 in 2028-29

IMPLEMENTATION PLAN

Through a disciplined and transparent approach, the LCBO will ensure the implementation of this Strategic Plan and the proposed outcomes through:

- Detailed operational plans by function, including roadmaps and milestones, objectives and key results (OKR), clearly connected to strategic priorities.
- Quarterly progress updates to the LCBO leadership team that are outcome-focused, measuring performance to plan.
- Visible governance of major initiatives by senior executives, ensuring timely decision-making and accountability across the organization.

- Conduct regular assessments of the Future State Modernization program implementation and impact, ensuring alignment with the original business case intent, led by the Value Realization Office
- Prioritization reviews to ensure the appropriate commitment of resources to the most critical activities.
- Regular, clear, and transparent communication to key stakeholders as progress is made.

The immediate focus of the implementation plan for the strategic priorities is the delivery the Future State Modernization (FSM) program, with the most foundational release on April 1st, 2026. This release is critical for transforming the wholesale business and preparing the organization for its role as an exclusive wholesaler, along with setting the organization up for achieving efficiency longer term. In addition, in the first year of this plan (FY2027), the implementation emphasizes the evolution of its business model and refreshing retail strategy in a modernized open market. Delivery of policy changes is also a focus for the first year. As the plan moves into year two (FY2028), implementation will concentrate on further enhancing and scaling the wholesale business, while simultaneously transforming the retail business and optimizing its network footprint. Launching the ESG roadmap to ensure sustainable practices are embedded from the outset and will continue to be an implementation priority. Over the longer term of year three and beyond, the organization will focus on completing FSM roadmap, realizing the value from scale and operational efficiency, and positioning itself for sustained growth and success in an evolving market.

FSM

The program scope will be delivered in five phased releases.

Release 1 is the foundational release, which establishes the Work Force Management, Task Management, Pricing, core Finance, Master Data Management, Order Management, New Vendor Portal (LCBO Gateway), PO Management + Creation, and Warehouse and Transportation Management capabilities.

Release 2 reimagines the customer experience by enabling targeted offers, tracking loyalty redemptions and have customer sentiment embedded in the customer profile.

Release 3 optimizes our supply chain by building on the foundational release with improvements to optimizing order management and inventory management processes and will enhance the new vendor portal (LCBO Gateway) for collaboration.

Release 4 integrates our business planning which enables merchandising capabilities including space planning, category and assortment management, pricing and promotions planning, and merchandise financial planning.

Release 5 transforms our store operations by deploying new capabilities to the LCBO Retail stores delivering a full-fledged in-store transformation, including a new Point of Sale system (POS).

Each release will be structured using the following workstreams and have targeted key milestones leading up to completion that are tracked on a weekly basis:

- Design and build – where system configurations are reviewed to confirm they will meet business requirements
- Testing – there are four components of testing that must be completed to ensure system readiness: Preparation, system integration testing, user acceptance, end-to-end and focus area testing
- Organizational Change Management/ Organizational Design/ Business Transformation - activities to prepare stakeholders for changes, include organizational design reviews, business process walkthroughs,

new ways of working sessions, regular communications, change impact assessments, monthly change network meetings, and training

- Deployment and Cutover – key cutover activities are mapped, dry runs of system launches, timing for data/ order freeze and conversions are determined, as well as cutover activities to transition to new systems are completed

Each release will impact different stakeholders. Leveraging the Change Impact Assessment, targeted communications and change management deliverables will be developed to share pertinent information, tailored to prepare each stakeholder for changes. Overall, the FSM program will impact all employees, with larger changes within IT, Finance, Supply Chain & Wholesale, Retail operations & stores, Marketing & Omni, Merchandising, and our Master Data teams, with smaller changes for our HR, Legal + Procurement teams. In addition to our employees, key stakeholders include our retail and wholesale customers, as well as our vendors/ suppliers as well as their associations.

Human Resourcing

To support the successful execution of strategic projects, market modernization, and priority initiatives, the LCBO conducts an annual workforce and talent review to assess critical organizational capabilities and key talent. Change management, communication, and training are deployed for large-scale initiatives to support significant organizational or work process changes. LCBO will monitor and adjust its staffing requirements to meet its business needs. This plan is subject to change as the LCBO continue to transform its business model to serve the expanded beverage alcohol marketplace. The LCBO may engage external contractors or service firms to supplement its own teams for one-time projects that do not merit additional permanent hires, or for long-term initiatives, such as the Future State Modernization program, when highly specialized expertise is required and optimal organizational design is ongoing.

The current LCBO and Ontario Public Service Employees Union (OPSEU) three-year collective agreement that expires on March 31, 2027, sets out the terms and conditions of employment, including wages and benefits, for unionized employees, who make up approximately 86% of LCBO's workforce. Over the two years, the general increase compensation plan for our non-union non-executive population (management/excluded employees) has mirrored the general increases negotiated with OPSEU on behalf of our unionized employees.

The LCBO has a compensation framework for its executive employees that follows the *Broader Public Sector Executive Compensation Act, 2014* requirements as set out by the Government of Ontario, and it continues to administer executive compensation within all legislative requirements.

Eligible non-unionized and executive employees participate in a performance-based pay program. This comprehensive program aligns organizational success with individual accomplishment and is an important tool for driving LCBO results. This program measures organizational outcomes and individual performance. Non-Unionized employees can progress through the salary ranges and/or receive lump sum payments based on all the performance measures. Eligible executives are only eligible to receive lump sum payments based on their performance and in compliance with legislation.

The LCBO participates in several benchmarking surveys and exercises focussing on other public sector organizations and in addition, retail and wholesale industries. Benchmarking surveys give insight into the competitiveness of the LCBO compensation and benefit programs. The benchmarking data suggests that the LCBO undertake a total rewards maturity assessment in the coming fiscal year. This assessment will clearly identify the LCBO's market position and develop plans to address discrepancies. In addition to its compensation programs, the LCBO provides a

suite of benefits to its permanent full-time, seasonal and casual (part-time) employees that meet specific thresholds. These benefits are 100% employer paid. Permanent Part-Time employees can opt to receive benefits and is partially employer paid. Additionally, employees are eligible to participate in a suite of optional benefits at their own expense. The LCBO also offers programs for short- and long-term disability as well as a comprehensive Employee & Family Assistance Program.

The LCBO's structure will evolve towards a clearer distinction between the Wholesale and Retail channels with defined leadership and accountability, and guided by strong compliance measures and defined boundaries. Overall, the organization will move towards a model that reflects the changing marketplace and position the LCBO to operate with greater clarity, accountability and flexibility.

External Partnerships

As a major wholesaler and retailer, the LCBO has deep and longstanding relationships with a wide range of external stakeholders and partners within Ontario and abroad. Through these relationships, the LCBO helps support the evolution of Ontario's beverage alcohol marketplace, contributes to the growth and success of Ontario's economy and social causes, and fulfills its own mandates and strategic priorities.

The LCBO is an active collaborator with government agencies as well as beverage alcohol, hospitality and retail industry associations and government agencies in Ontario and beyond, including: the AGCO, Beer Canada, Canadian Federation of Independent Grocers (CFIG), Convenience Industry Council of Canada (CICC), Drinks Ontario, Ontario Convenience Store Association (OCSA), Ontario Craft Brewers (OCB), Ontario Craft Cider Association (OCCA), Ontario Craft Distillers Association (OCDA), , Ontario Craft Wineries (OCW), Ontario Restaurant Hotel Motel Association (ORHMA), Ontario Wine Appellation Authority (OWAA), Restaurants Canada, Retail Council of Canada (RCC), Spirits Canada, and Wine Growers of Ontario (WGO), and many others. Strong relationships with trade and industry groups are necessary to support customer convenience and choice and the ongoing health of the beverage alcohol industry.

In addition to maintaining strong relationship with the trade, LCBO also partners with charitable organizations with a strong track record of driving meaningful community impact across the province. Through the Spirit of Sustainability and thanks to the generous donations made by our customers, dedicated employees and our trade partners, LCBO provided over $12.5 million last year to support the health and well-being of Ontario's diverse communities through 27 charitable partners including partners such as Tree Canada, Women's College Hospital Foundation, Rainbow Railroad, SickKids and more.

Enterprise Risk Management

The LCBO's ERM program ensures that risks are identified, assessed, and mitigated. The LCBO reviews its entire risk profile quarterly to ensure that known risks are being mitigated and that new and/or evolving risks are identified, re-assessed, and mitigated.

Six risks have been identified and assessed as having the highest impact to the LCBO's ability to achieve its strategic objectives and consequently, each risk has a range of mitigation strategies in place to limit their impact. The top risks for the LCBO currently are:

Cyber Disruption – The cyber threat landscape continues to evolve with the widening utilisation of artificial intelligence by threat actors which requires the LCBO to adapt its security stance and respond as needed. Mitigations in place to minimize the impact of this risk include security monitoring and reporting, incident response

planning and testing, the LCBO cyber response plan, crisis management processes in place, and security awareness training for all LCBO employees.

Change Management, Public Perception, and Business Continuity – These three risks are grouped together as they are elevated as a result of the LCBO undertaking substantial business transformation through the Future State Modernization (FSM) program to address legacy technology debt and to enable the business to fulfill its government appointed mandate. The FSM program has implemented extensive mitigation strategies to address these risks including full program governance, incident and issue management processes, change and release processes, change management programs, operational readiness and contingency planning, as well as extensive training for LCBO staff and impacted stakeholders.

External Pressures – The LCBO operates in an environment that is marked by government policy initiatives that require agile operational responses as well as a global economy that continues to experience uncertainty. The LCBO mitigation strategy is to remain responsive to change through close monitoring of its operating environment and to provide proactive transparent communication to the government, its partners, and stakeholders about the impact of those changes to ensure there is clarity on the nature of products and services being supplied across Ontario.

People – The LCBO is not immune to the people challenges that are present in the current talent environment, including the ability to attract and retain team members with high-demand skill sets, which is further complicated due to our limited flexibility in adjusting compensation. Mitigations in place to limit these impacts include the integration of a LCBO Employee Value Proposition to drive candidate attraction strategies, establishment of a Talent Acquisition Centre of Expertise, leadership development programs as well as a high focus on delivering an inclusive, safe and healthy work environment which is evidenced by the recent Platinum status award by Excellence Canada in recognition for achieving high standards of work place safety and mental health practices.

Communication Plan

The LCBO is committed to timely, effective, and transparent communications with all stakeholders, including employees, wholesale and retail customers, the media, industry partners, and the provincial government.

Communications for LCBO's Strategic Plan are designed to:

- Share the LCBO's vision, mission, and strategic priorities with a consistent voice and brand identity.
- Inspire and compel action among employees, ensuring they understand their role in delivering on the plan.
- Increase awareness and understanding of external audiences of the LCBO's evolving role and strategy.
- Contribute to the overall transformation of the LCBO.

Sharing the plan with internal stakeholders

The LCBO ensures employees across the head office, supply chain and wholesale, and retail store locations understand their role in supporting our Strategic Plan. and to reinforce how it guides decision-making.

To achieve required levels of internal awareness, the LCBO implements a coordinated internal communications approach to support understanding and alignment with the Strategic Plan. Information is shared with employees through established internal channels including internal briefings, management cascades, intranet postings, divisional meetings, and targeted email communications. Messaging is designed to be clear, timely and consistent, emphasizing organizational priorities. Communications products may include key message documents, leadership messages, presentations, FAQs, corporate videos, and other visually designed materials (e.g. one-page overviews

and infographics) that present key priorities and information in accessible and easy-to-reference formats. The rollout begins annually upon government approval of the Strategic plan and is phased/ maintained year-round.

Sharing the plan with external stakeholders

To support external engagement with industry partners, communications related to corporate priorities may contain a reference to the Strategic Plan so that intended audiences understand the purpose behind the LCBO's actions.

External communication follows a planned, measured rollout. LCBO shares the Plan using all appropriate channels, including LCBO.com, DoingBusinesswithLCBO.com, and in industry and customer-engagement sessions. Communications products may include a public-facing version of the Plan, summary materials, and stakeholder briefings to ensure transparency and clarity. Timing of external release is coordinated with approvals and internal communications, and reinforcement of the Plan and its priorities are included in all annual communications and touchpoints. LCBO's approach is to ensure relevant industry groups and customer associations are engaged prior to broader release. All external communications comply with accessibility and language requirements.

All internal and external communications and marketing campaigns adhere to established Ministry of Finance communications protocol and approvals process.