



2022/23 CORPORATE RESPONSIBILITY REPORT

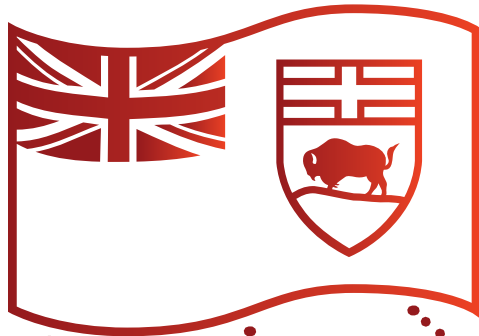
ENRICHING THE LIVES OF MANITOBANS

Manitoba Liquor & Lotteries enriches the lives of Manitobans by making the greatest possible contribution to the economic, environmental and social well-being of our province. In addition to the products and services we offer, the money we earn stays in Manitoba and is used to support provincial programs and initiatives that touch the people who live here. Our strong commitment to corporate responsibility drives everything we do – from how we run our business, to how we serve our customers and communities.

This is our sixth corporate responsibility report, covering business activities including liquor, cannabis, and gaming during our 2022/23 fiscal year that ended on March 31, 2023. All environmental data are reported in calendar year 2022. All financial data are in Canadian dollars. Available in alternate format upon request.



HIGHLIGHTS - THRIVING COMMUNITIES



PROCEEDS TO PROVINCE OF MANITOBA

► **\$740.9 million** to the Province which funds programs and initiatives related to health care, education, social services, housing and infrastructure.



ECONOMIC CONTRIBUTIONS

- **\$98.6 million** to hotel & restaurant industry.
- **\$54.3 million** to First Nations VLT siteholders.
- **\$18.7 million** to lottery retailers.
- **\$24.4 million** to private liquor retailers and specialty wine stores from commissions, contributions, margins, and handling fees.



COMMUNITY SUPPORT

\$1.9 million given to community sponsorships and funding.

► **Manitoba Liquor & Lotteries'** support of the Dauphin's Countryfest **Trash for Treats** recycling program provided festival goers the opportunity to drop off their trash, to win prizes.

Community Volunteers raised funds for their respective organizations and diverted approximately **2,100 kg** of plastic and aluminum, and **1,500 kg** of cardboard from the landfill.



EMPLOYEE DONATIONS

► **\$47 thousand** donated through annual charitable campaign and volunteered a total of **5,000 hours**

HIGHLIGHTS - ENVIRONMENTAL



PAPER REDUCTION

Fact: nearly half of the greenhouse gas emissions generated from Liquor & Lotteries' operations in 2018 were associated with paper products.

- ▶ **The Bring Your Own Bag** program at Liquor Marts reduced annual emissions associated with paper use by 34%.



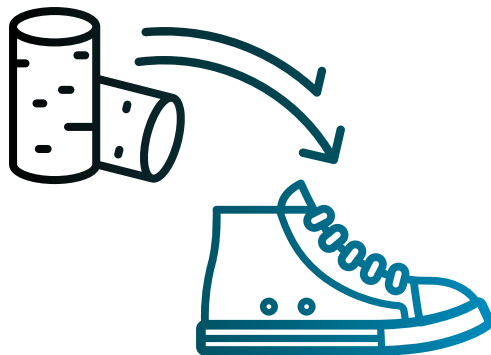
FAIR TRADE COMMITMENT

Manitoba Liquor Mart has the largest selection of fair trade wine in Canada.

- ▶ **When you buy Fairtrade certified wine** you help ensure that workers and small-scale growers behind those wines get a fair deal – we can all toast to that!

NATURAL CORK RECYCLING

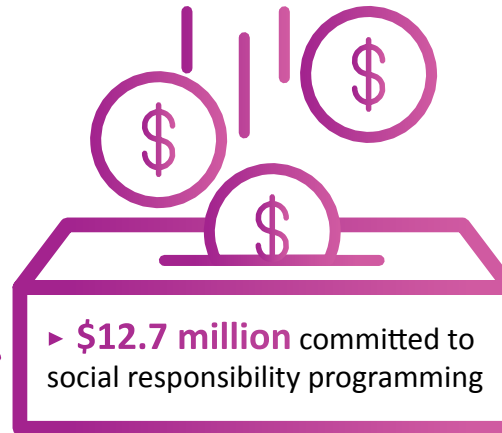
- ▶ **Over 550 kg** of natural corks were dropped off by customers and then recycled to make items such as shoe insoles.



CASINO RESTAURANTS

- ▶ **28%** of restaurant ingredients were purchased locally which equals to **\$456,400** worth of Manitoba food.

HIGHLIGHTS - SOCIAL RESPONSIBILITY



INFORMED GAMBLING

Informed Gambling Centres at both casinos provide supports and fact-based information to visitors about gambling.

► **70% of Manitoba gamblers** can identify (unaided) at least one valid strategy for gambling responsibly.



#MBLLGoodTogether

► **\$10.8 million funded** to over 40 community partners in treatment and support, FASD prevention, community safety, harm minimization, and other programs.

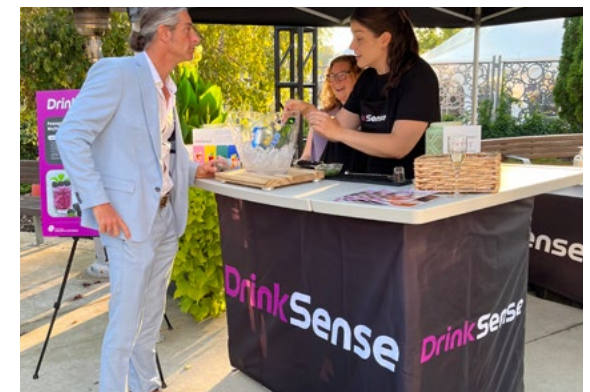
For example:

- Shared Health
- Ka Ni Kanichihk
- Operation Red Nose
- Downtown Community Safety Partnership (DCSP)
- Community Financial Counselling Services (CFCS)
- Thompson Community Safety Officer Program

DRINK SENSE

DrinkSense provides tips and tools to help Manitobans make informed choices about alcohol.

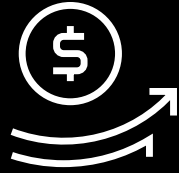
► **Free mocktail samples** served to attendees at 17 community events.



ABOUT THIS SECTION

Manitoba Liquor & Lotteries reports in alignment with the Global Reporting Initiative (GRI) Standards. The Standards are widely used around the world to help organizations report consistently and transparently on their most critical economic, environmental, and social priorities, performances, and impacts. For more information, please see our [2022/23 Annual Report](#)

GRI 200 ECONOMIC STANDARDS SERIES



201 ECONOMIC PERFORMANCE

Disclosure

Liquor & Lotteries Response

201-1

Direct economic value generated and distributed

\$1,645.5 million - Revenue
 \$79.5 million - Operating costs
 \$159.5 million - Employee wages and benefits (paid to 2,998 employees)
 \$740.9 million - Allocation to the Province of Manitoba

For analysis of all financial results:
[Manitoba Liquor & Lotteries 2022/23 Annual Report](#)

Making significant economic contributions

Total revenue of \$1,645.5 million was up 16.1% from 2021/22, due to the following:

- Cannabis revenues increased by \$17.0 million (14.9 %), with 36 new stores opening during the year.
- Casino revenues increased by \$110.7 million (93.2 %). During the year, the Casinos of Winnipeg returned to full operations, compared to 118 closed days in 2021/22 in response to the COVID-19 pandemic.
- Liquor operations revenues increased by \$10.3 million (1.2 %). This is mainly attributable to a return to normal operations for bars and restaurants after pandemic impacts in the prior year. Sales also increased with a full year of banquets, festivals, and large-scale sporting and concert events.
- Online gaming revenues decreased by \$7.5 million (9.0 %), as the casinos and VLT network returned to full operations in the year.
- Video Lotto revenues increased by \$98.0 million (43.2 %). During the year, the VLT network was fully operational after being shut down for 69 days in 2021/22.
- Allocation to the Province of Manitoba: \$740.9 million, up 23.9% from 2021/22.

Public Opinion

62% of Manitobans are aware of and value Liquor & Lotteries' economic contributions to the Province of Manitoba.

Manitoba hotel & restaurant industry

\$98.6 million - VLT commissions and contributions; hotel beer vendor margins and handling fees

First Nations VLT siteholders

\$54.3 million - VLT commissions and contributions

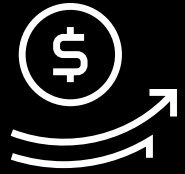
Lottery retailers

\$18.7 million - Lottery retailer commissions

Private liquor retailers

\$24.4 million - Private liquor retailer and specialty wine store margins, discounts, and rebates

GRI 200 ECONOMIC STANDARDS SERIES



203 INDIRECT ECONOMIC IMPACTS

Disclosure

Liquor & Lotteries Response

203-2 Significant indirect economic impacts

- Community programs, \$1.9 million of which:
- \$1.4 million - Community sponsorships
 - \$0.5 million - Other community funding
 - 379 - Community, non-profit and charitable organizations supported
 - 50 - Organizations received used asset donations
 - \$47.4 thousand - Donations by employees through annual charitable campaign
 - 28 - Employee volunteers
 - 4,973 – Employee volunteer hours

Social responsibility programs
\$12.7 million - Committed to social responsibility programming, including funding support for addiction services

Public opinion

53% of Manitobans value Liquor & Lotteries' contributions to communities.

204 PROCUREMENT PRACTICES

Disclosure

Liquor & Lotteries Response

204-1 Proportion of spending on local suppliers

The Manitoba provincial government and the Canadian federal government have made procurement commitments under several trade agreements.

These agreements ensure interprovincial access to opportunities for suppliers. As a Crown corporation, Liquor & Lotteries complies with the agreements and does not apply local supplier preferences in procurements.

Casino restaurants, a significant component of casino hospitality services, support several customer trends including offering local food. To ensure customer satisfaction, contracted food suppliers source at least 25% of food products (based on total food spend, not including alcohol) as local, which means the food or beverage is made entirely from or composes of more than 85% of main ingredients, and where all processing and packaging activities are in Manitoba.

In calendar year 2022 the casino restaurants purchased approximately \$1.63 million worth of food, of which 28% was locally sourced.

GRI 300 ENVIRONMENTAL STANDARDS SERIES



302 ENERGY

Disclosure

Liquor & Lotteries Response

302-1 Energy consumption within the organization

Total consumption for 2022 calendar year:

Building-related consumption

Natural gas	77,632 GJ
Propane	359 GJ
Electricity	140,809 GJ
Diesel for generators	346 GJ (8,945 L)
Maintenance equipment gas	58 GJ (1,684 L)
Maintenance equipment diesel	181 GJ (4,689 L)
TOTAL FOR BUILDINGS	219,385 GJ

Fleet vehicle fuel consumption

Gasoline	6,666 GJ (210,190 L)
Diesel	420 GJ (11,107 L)
Ethanol	421 GJ (17,866 L)
Biodiesel	9 GJ (222 L)
TOTAL FOR FLEET	7,086 GJ

**TOTAL CONSUMPTION
(BUILDINGS + FLEET)** 226,471 GJ

- Diesel for back-up generators and maintenance equipment fuel data is obtained from fuel consumption invoices.
- Fleet fuel consumption data is collected through GEOTAB, a fleet telematics system.
- Building-related heating and cooling data is generated through ENERGY STAR® Portfolio Manager.
- Gasoline, diesel and ethanol related fuel consumption is converted to GJ using the Government of Canada, National Energy Board online Energy Conversion Tables.

The total floor area associated with the building portfolio was 128,953 m².

Corporate fleet in 2022 was comprised of 77 vehicles. The fleet is made up of light-duty vehicles used for ticket distribution and for video lotto terminal maintenance, and a few heavy-duty service trucks associated with warehouse distribution activities. Liquor & Lotteries has one electric vehicle and plans to increase its electric fleet in the future.



GRI 300 ENVIRONMENTAL STANDARDS SERIES

302 ENERGY

Disclosure

Liquor & Lotteries Response

302-4 Reduction in energy consumption

Liquor & Lotteries measures reductions in energy consumption using intensity-based targets for building-related heating, cooling and operations, and absolute targets for fleet fuel consumption.

Buildings:

Energy intensity targets benchmarked using ENERGY STAR® Portfolio Manager (all figures in GJ/m² (weather-normalized)). Building-related energy consumption includes electricity, natural gas and propane usage.

*Calendar year 2012 was selected as the base year due to completeness of data for all buildings.

Building	Address	2012 base year* GJ/m ²	2022 GJ/m ²
Casinos	1425 Regent Avenue West, Winnipeg	7.00	5.02
	484 McPhillips Street, Winnipeg	6.99	5.16
Corporate office with warehouses	1555 Buffalo Place, Winnipeg	1.49	1.10
	1390 Pacific Avenue, Winnipeg	1.94	1.61
	2 Wagon Trail, Morris	1.41	1.50
	1000 King Edward Street, Winnipeg	N/A	1.72
Corporate offices	830 Empress Street, Winnipeg	4.24	3.11
	842 Milt Stegall Drive, Winnipeg	2.43	N/A
	223 Main Street, Morris	3.52	1.68
Liquor Marts	Average of all locations	2.10 (44 LMs)	1.85 (54 LMs)

Liquor & Lotteries continues to conduct energy use monitoring, to determine options to improve the efficiency of buildings through renovations, preventive maintenance, equipment upgrades and optimization (e.g. adding sensors/controls)

Note: The lease for 842 Milt Stegall Drive was not renewed in 2022.



GRI 300 ENVIRONMENTAL STANDARDS SERIES

302 ENERGY (CONTINUED)

Disclosure

Liquor & Lotteries Response

302-4 Reduction in energy consumption

Fleet Vehicles:
Fleet vehicle fuel consumption derived from GEOTAB, a fleet telematics system.
All figures presented in litres.
*Calendar year 2015 was selected as the base year. Installation of telematics in fleet vehicles in 2015 allowed accurate tracking and monitoring of consumption.

	2015 base year Litres*	2022 Litres
Gasoline	333,106	192,324
Diesel	10,194	10,844
Ethanol	30,944	17,866
Biodiesel	204	222
TOTAL	374,448	221,256

Reductions in fuel consumption were largely attributed to ongoing efforts to encourage fleet vehicle operators to reduce idling time and driving speed have contributed to this reduction. Liquor & Lotteries has one electric vehicle and plans to increase its electric fleet in the future.

Disclosure

Liquor & Lotteries Response

302-5 Reductions in energy requirements of products and services

Liquor & Lotteries ensures the objectives outlined in the [Manitoba Green Building Policy](#) are met. Checklists, templates, and forms aligned with the policy are used for all capital projects.

GRI 300 ENVIRONMENTAL STANDARDS SERIES



305 EMISSIONS

Disclosure

Liquor & Lotteries Response

305-1 Direct (Scope 1) GHG emissions

Scope 1 emissions are calculated on an annual basis (calendar year).

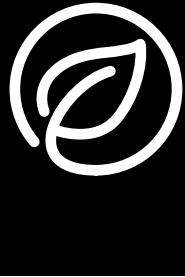
The selected approach for consolidating GHG emissions by Liquor & Lotteries is operational control. Gases included in the CO₂ equivalent (CO₂e) are CO₂, N₂O, CH₄ and HFCs.

*2018 base year was selected to reflect the year the corporate GHG hot spot analysis was completed and used to create the 2022-2032 Carbon Reduction Strategy.

Scope 1 - Direct emissions		Tonnes CO ₂ e 2018 base year*	Tonnes CO ₂ e 2022
Stationary combustion	Natural gas	2,536.0	2,109.2
	Propane	17.0	21.9
	Diesel for back-up generators	58.3	36.2
	Maintenance fuel	16.0	25.3
Mobile combustion	Fleet	1,040.9	744.2
Fugitive emissions	Refrigerants	110.6	484.0
TOTAL SCOPE 1		3,778.8	3,420.7

- Methodologies – [Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition](#)
- Emission factors for natural gas and propane sourced from ENERGY STAR® Portfolio Manager/ Natural Resources Canada.
- Fleet fuel calculations are based on the Global Logistics Emissions Council Framework for Logistics Emissions. Emission factors for fleet and maintenance fuel usage were obtained using the 2019 GREET model, selecting fuel sourced from Alberta oil sands.
- Global Warming Potentials for refrigerants are obtained from the [Greenhouse Gas Protocol GWP Values sheet – AR5 column and manufacturer spec sheets](#)

GRI 300 ENVIRONMENTAL STANDARDS SERIES



305 EMISSIONS

Disclosure Liquor & Lotteries Response

305-2 Energy indirect (Scope 2) GHG emissions

Scope 2 emissions are calculated on an annual basis (calendar year).

The selected approach for consolidating GHG emissions by Liquor & Lotteries is operational control. Gases included in the CO₂equivalent (CO₂e) are CO₂, N₂O and CH₄.

*2018 base year was selected to reflect the year the corporate GHG hot spot analysis was completed and used to create the 2022-2032 Carbon Reduction Strategy.

Scope 2 - Indirect emission	Tonnes CO ₂ e 2018 base year*	Tonnes CO ₂ e 2022
Electricity use	16.7	19.0
TOTAL SCOPE 2	16.7	19.0

- Methodologies – Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition.
- Base year recalculation was conducted for Scope 2 in 2019 due to the recommendation from the Provincial Low Carbon Government Office to no longer use ENERGY STAR® Portfolio Manager’s emission factors and instead use Manitoba Hydro’s yearly published emission factor. Manitoba Hydro’s emission factor does not account for transmission and distribution losses.

Any reductions in emissions associated with electricity consumption are due to modifications in Manitoba Hydro’s generation of electricity not due to a reduction in consumption at Liquor & Lotteries (e.g., closure of coal fired power plants in 2015/16).



GRI 300 ENVIRONMENTAL STANDARDS SERIES

305 EMISSIONS

Disclosure

Liquor & Lotteries Response

305-3 Other indirect (Scope 3) GHG emissions

Scope 3 emissions are calculated on an annual basis (calendar year). The selected approach for consolidating GHG emissions by Liquor & Lotteries is operational control.

Through operational control, Liquor & Lotteries has an opportunity to manage or influence the GHG emissions associated with the selected Scope 3 Categories noted below.

*2018 base year was selected to reflect the year the corporate GHG hot spot analysis was completed and used to create the *2022-2032 Carbon Reduction Strategy*.

Scope 3 - Upstream and downstream emissions		Tonnes CO₂e 2018 base year*	Tonnes CO₂e 2022
Cat. 1 - Purchasing goods and services	Paper products	7,424.0	4,951.6
	Animal-based proteins	1,280.4	516.0
Cat. 4 - Upstream transportation and distribution	Distribution to Liquor Marts	435.1	414.4
	Distribution to commercial customers	238.7	339.6
	Distribution to lottery retailers and account customers	16.3	13.3
Cat. 5 - Waste generated in operations (landfilled waste from buildings)		286.1	166.3
Cat. 6 - Business travel (employee vehicle and air travel)		204.0	58.0
Cat. 8 - Upstream leased assets		760.0	1,804.0
Cat. 9 - Liquor Mart home delivery (estimated)		N/A	38.4
Cat. 12 - End-of-life treatment of sold products (paper products landfilled)		156.7	68.9
TOTAL SCOPE 3		10,801.2	8,370.8

Note: Liquor Mart Home Delivery was introduced after base year.

GRI 300 ENVIRONMENTAL STANDARDS SERIES



305 EMISSIONS

Disclosure

Liquor & Lotteries Response

Notes for 305-3

Methodologies and guidance for calculating Scope 3 emissions are based on World Resource Institute Technical Guidance for Scope 3 emissions.

Emission Factors

- The Environmental Paper Network’s (EPN) paper calculator was used to calculate emissions associated with purchasing paper products.
- Emissions associated with the purchase of animal-based proteins were calculated using the CleanMetrics Food Carbon Emissions Calculator.
- Solid waste emissions were calculated using the EPA WARM model v15, May 2019 (solid waste emissions not available using Environment Canada’s GHG Emissions Calculator).
- Brady Road Landfill upgraded to include a methane collection system for flaring in 2014. Therefore, Landfill Gas Recovery with Flare is selected through the model for current inventory year.
- Air travel emissions calculated using the International Civil Aviation Organization calculator include assumed stopovers for that flight (when direct flights are not available). Emissions calculated are based on one passenger. Assume all flights are round trip.
- Employee vehicle travel fuel consumption was divided based on Statistics Canada’s 2009 Canadian Vehicle survey.
- The DHL International’s carbon calculator which is in part based on the GLEC Framework was used to estimate Category 4 emissions.
- Liquor distribution was moved from an owned facility (Buffalo Place) with operational control, to a leased building with limited operational control. The King Edward Distribution facility was added to the inventory as a Category 8 upstream leased asset in 2023.

Note: All liquor distribution trucks are assumed to use diesel fuel only and therefore will use the CO₂e Well-to-Wheel emission factor for diesel/biodiesel.

A base year recalculation was conducted in 2019 to reflect the inclusion of additional material emission including the purchase of animal-based proteins for casino restaurants (Cat.1) and with the distribution of Liquor & Lotteries products to all channels (Cat. 4).

305-5 Reduction of GHG emissions

In comparison to the 2018 base year, 2022 GHG emissions for Scope 1, 2 and 3 have decreased as follows:

- Scope 1 - decrease 358 tonnes CO₂e
- Scope 2 - increase 2.3 tonnes CO₂e
- Scope 3 - decrease 2,430.4 tonnes CO₂e

Environmental Scorecard – Water (m³)

Year 2012 - 85,058 m³
Year 2022 - 45,983 m³
46% reduction

GRI 300 ENVIRONMENTAL STANDARDS SERIES



306 EFFLUENTS AND WASTE

Disclosure

Liquor & Lotteries Response

306-2 Waste by type and disposal method

Liquor & Lotteries has a number of waste minimization and collection programs at the casinos, Liquor Marts, corporate offices and warehouse locations. This includes mixed recycling programs in the office areas and specific collection programs to manage the materials generated through liquor distribution, sales and casino operations. The tables below provide the weight of non-construction material of significance generated from liquor and gaming operations diverted for recycling and the total non-construction mixed materials sent to the landfill. Additional information is provided regarding efforts to recycle construction-related materials.

		2022 calendar year annual weight (tonnes)
Single stream collection programs	Cardboard (restaurant supplies and liquor distribution/sales)	532.7
	Electronics	12.0
	Lightbulbs	Not available
	Scrap metals	20.3
	Shrink wrap	23.3
Composting program	Organics collection for casino restaurants and corporate offices	116.0
Landfill	Non-diverted	331.0
Construction material	Concrete	
	Metal	64.1
	Clean wood	0.2
	Carpet	
	Fixtures	
	Landfill (non-diverted)	

- No other disposal methods such as reuse, energy recovery, deep well injection or incineration are applicable to operational functions.
- In 2022 the contracted light bulb recycler closed its operations. Spent bulbs were stored until options to recycle elsewhere were set up. In 2023 Liquor & Lotteries was able to secure recycling services for light bulbs and ballasts through two separate service providers.
- Liquor & Lotteries also has established collection and recycling programs to capture natural corks from sold liquor products, depleted batteries, spent cooking oil, and pens. No weight metrics are available for these programs. An asset and item disposal program is used to manage surplus and end-of-life items such as furniture.

307 ENVIRONMENTAL COMPLIANCE

Disclosure

Liquor & Lotteries Response

307-1 Non-compliance with environmental laws and regulations

There were no fines or sanctions for non-compliance with environmental laws or regulations during the 2022/23 fiscal year.



GRI 400 SOCIAL STANDARDS SERIES

403 OCCUPATIONAL HEALTH AND SAFETY

Disclosure

Liquor & Lotteries Response

403-4
Worker participation, consultation, and communication on occupational health and safety

Liquor & Lotteries has seven joint Workplace Safety and Health (WSH) Committees with representation from the applicable bargaining units.

The committees aid Liquor & Lotteries in the prevention and reduction of injuries to employees and customers. They assist in identifying hazards, recommending and monitoring safety and health programming initiatives, and conducting inspections and investigations into incidents within our properties as required. They meet quarterly to discuss progress made on these initiatives. As such, members have a heightened awareness of safety and health.

An employee co-chair is selected by the employee members on the committee, and management representation is assigned as second co-chair by the site locations for proactive participation in safety and health matters.

Additionally, Liquor Mart workplace safety and health representatives conduct these duties within their respective stores.

404 TRAINING AND EDUCATION

Disclosure

Liquor & Lotteries Response

404-1
Average hours of training per year per employee

Total hours of training for 2022/23: 37,041 hours

Breakdown by employee category:
 Corporate/Operations Management: 15,851 hours
 Frontline Employees: 21,191 hours

404-2
Programs for upgrading employee skills and transition assistance programs

Liquor & Lotteries provides training and development opportunities to support employees in their current positions and prepare them for career advancement. This includes learning opportunities focused on: leadership and coaching; diversity, equity and inclusion; effective communication; process improvement; computer and occupation-specific skills; working remotely; as well as health, safety, and wellness. Through our educational development program, qualifying employees also receive financial support to complete developmental courses at accredited educational institutions.

404-3
Percentage of employees receiving regular performance and career development reviews

Percentage of total employees who received an Annual Performance Summary (APS) during the 2022/23 fiscal period: 97.5%

Breakdown by employee category:
 Corporate/Operations Management – 96%
 Frontline Employees – 99%

GRI 400 SOCIAL STANDARDS SERIES



405 DIVERSITY AND EQUAL OPPORTUNITY

Disclosure Liquor & Lotteries Response

405-1 Diversity

Total employees (full-time, part-time, casual): 2,994

		# of employees	%
Gender	Identify as Female	1,229	41.1%
	Identify as Male	1,141	38.1%
	Identify as another gender including gender fluid, non-binary, trans man, trans woman, two spirit or self-identified		1.3%
	Chose not to disclose		13.9%
Age	Under 30	547	18.2%
	30-50	1154	38.5%
	Over 50	1273	42.5%
Employment Equity Categories	Members of racialized groups	715	23.9%
	Indigenous	305	10.2%
	Persons with disabilities	150	5.0%
	Bilingual (French)	210	5.5%

Disclosure Liquor & Lotteries Response

405-2 Ratio of basic salary and remuneration of women to men

The ratio of basic salary remuneration for all genders is the same. All positions are placed into pay bands based on roles and responsibilities.

413 LOCAL COMMUNITIES

Disclosure Liquor & Lotteries Response

413-2 Operations with significant actual and potential negative impacts on local communities

Liquor & Lotteries' products may impact customers and communities which is why the Corporation has a range of initiatives to mitigate negative impacts. These initiatives include consumer awareness programs (DrinkSense & Informed Gambling), Informed Gambling Centres in casinos, funding for treatment, support, and harm reduction programs, and support for research in these areas. In addition, community sponsorships and volunteerism contribute to enriching the lives of Manitobans, and environmental initiatives to reduce waste, water and energy impacts all contribute to customer and community well-being.



416 CUSTOMER HEALTH AND SAFETY

Disclosure

Liquor & Lotteries Response

416-1

Assessment of the health and safety impacts of product and service categories

Gaming Integrity

Electronic Gaming:

The Liquor, Gaming and Cannabis Authority of Manitoba (LGCA) requires all electronic gaming devices to be tested and certified by an independent laboratory and to meet LGCA technical standards. Liquor & Lotteries must verify all critical files as indicated in the independent laboratory certification prior to being offered for play. Successful test results must be provided to LGCA within 5 business days of the testing. 100% of casino and VLT games are independently certified. 100% of casino and VLT games are approved by LGCA.

Lottery:

Western Canada Lottery Corporation (WCLC) develops, tests, and audits (internal and external) lottery games (draw-based, scratch-and-win, and sports) to ensure the technical/game integrity for all products.

PlayNow.com:

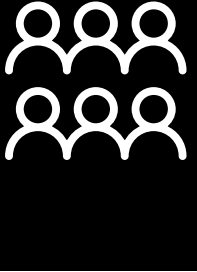
All games managed by PlayNow.com meet LGCA requirements as well as British Columbia Gaming Policy Enforcement Branch (GPEB) requirements. These games are certified by an independent laboratory and meet strict technical standards.

Liquor Quality

The Canadian Food Inspection Agency (CFIA) legislation requires producers to be responsible for the safety of all consumables, compliant with labeling guidelines and the effective recall of non-compliant items.

- Tamper-proof seals are used during transport and Liquor & Lotteries is notified when there is an issue.
- There is an inspection of product from affected loads to ensure product has not been tampered with or damaged.
- The carrier is responsible for the investigation. The purchase order terms and conditions outline several points related to safety of products:
- Labeling and packaging meet CFIA compliance.
- Products must be compliant with Health Canada and the *Food and Drugs Act* and Regulations.
- The producer/supplier warrants and certifies that the liquor does not contain any contaminants, chemical or otherwise, or foreign materials which render the product unacceptable by Canadian standards. Liquor & Lotteries has a comprehensive quality control program in place.
- When quality concerns arise, Liquor & Lotteries work with the supplier and local agent to take corrective action.
- When safety concerns arise, Liquor & Lotteries works with Health Canada, the supplier, and local agent to take corrective action. Liquor & Lotteries has access to third-party product testing on an ad hoc basis.
- Performs visual inspections at receipt for nonconformities and manages traceability in the receiving system to track production dates, expected end of life and ensure first in first out distribution.
- Participates in industry training and conferences related to quality assurance and quality control.

GRI 400 SOCIAL STANDARDS SERIES



416 CUSTOMER HEALTH AND SAFETY (CONTINUED)

Disclosure

Liquor & Lotteries Response

416-1

Assessment of the health and safety impacts of product and service categories

Cannabis Product & Service Quality

Industry must follow:

- Licensing to cultivate, sell and research cannabis from Health Canada.
- Mandatory third-party product testing for the presence of pesticide active ingredients in all cannabis products before products can be sold.
- Packaging and labelling requirements for cannabis products designed to:
 - protect against accidental consumption
 - ensure products are not appealing to children and youth
 - provide consumers with information they need to make informed decisions before using cannabis
 - ensure products are produced and purchased from an authorized source
 - ensure products have not been opened or tampered with, by intact excise stamps.
- Cannabis Tracking and Licensing System enabling the tracking of sale and movement of all cannabis products, with the goal of preventing illicit cannabis from diverting into or out of the legal supply chain.

Liquor & Lotteries has implemented the following measures to ensure product quality:

- Licensed cannabis retailers must adhere to a retailer agreement and retailer directives in which retailers must develop and implement programs ensuring front-line employees meet customer expectations relating to service and product knowledge as well as responsible use of cannabis.
- Licensed suppliers must adhere to purchase order terms and conditions in which suppliers must comply with the Cannabis Act ensuring product meets testing, packaging, and labelling requirements.
- Liquor & Lotteries reports on behalf of retailers to ensure compliance with the reporting requirements established by Health Canada.

Customer behaviours

70% of Manitoba gamblers can identify (unaided) at least one valid strategy for gambling responsibly. There was an error in the 2021/22 report regarding customer behaviours for Manitoba gamblers. The correct figure for 2021/22 is: 55% of Manitoba gamblers can identify (unaided) at least one valid strategy for gambling responsibly.

61% of Manitoba alcohol consumers can identify (unaided) at least one strategy they use to reduce alcohol-related risks.



GRI 400 SOCIAL STANDARDS SERIES

416 CUSTOMER HEALTH AND SAFETY (CONTINUED)

Disclosure

Liquor & Lotteries Response

Identification checks and intoxication (casinos and Liquor Marts)

Casinos

- 62,330 casino ID checks
- 635 instances refused entrance due to improper or no identification
- 1,533 instances refused entrance due to showing signs of intoxication

Liquor Mart ID checks

- 100% of customers entering Liquor Marts with controlled entrances have their ID checked
- 2,687 ID checks at point-of-sale at Liquor Marts with controlled entrances
- 58,694 ID checks at point-of-sale at Liquor Marts that do not have a controlled entrance

Liquor Marts refused service due to improper or no identification

- 3,192 instances refused service at controlled entrances due to improper or no identification
- 29 instances refused service at point-of-sale due to improper or no identification at Liquor Marts with controlled entrances
- 594 instances refused service at point-of-sale due to improper or no identification at Liquor Marts that do not have a controlled entrance

Liquor Marts refused service due to showing signs of intoxication or improper behaviour

- 4,566 instances refused service at controlled entrances due to showing signs of intoxication or improper behaviour
- 1,110 instances refused service at point-of-sale due to showing signs of intoxication or improper behaviour at Liquor Marts with controlled entrances
- 230 instances refused service at point-of-sale due to showing signs of intoxication or improper behaviour at Liquor Marts that do not have a controlled entrance

Lottery retailer mystery shop results

41% compliant in proper ticket validation through 216 mystery shops.

A passing score is achieved when the lottery retailer:

1. Looks for a signature on the ticket
2. Issues the correct prize amount
3. Returns the ticket intact to the customer
4. Provides a validation slip to the customer

55% compliant in asking for ID through 73 mystery shops.

A passing score is achieved when the lottery retailer requests to see ID from customers that appear under the age of 25.

Informed Gambling Centre visitation

- 732 information visits (discussions on gambling or the Centre)
- 2,156 basic interactions (discussions on personal gambling behaviours, beliefs, or strategies)
- 260 support option interactions (discussions about gambling concerns and support services)
- 2,181 staff visits (discussions with casino employees on responsible gambling, support for a guest, or other)
- 9,289 special event attendees (visits to responsible gambling educational events)



GRI 400 SOCIAL STANDARDS SERIES

416 CUSTOMER HEALTH AND SAFETY (CONTINUED)

Disclosure

Liquor & Lotteries Response

Informed Gambling and DrinkSense awareness

In 2023, 43% of Manitoba gamblers are aware of the former GameSense brand (aided) whereas 25% are aware of the newly adopted Informed Gambling brand (aided).

In 2023, 50% of Manitoba consumers of alcohol are aware of the DrinkSense brand (aided).

Customer satisfaction

- 91% of Liquor Mart customers were satisfied with their overall experience
- 80% of Casinos of Winnipeg customers were satisfied with the casino
- 19% of VLT customers were satisfied with the VLTs they played

417 MARKETING AND LABELING

Disclosure

Liquor & Lotteries Response

417-1
Requirements for product and service information and labeling

All Liquor & Lotteries casinos, Gaming Centre and retail operations have Informed Gambling and DrinkSense information.

All product advertising and information includes a social responsibility message (18+ | ENJOY RESPONSIBLY) as required by the LGCA.

418 CUSTOMER PRIVACY

Disclosure

Liquor & Lotteries Response

418-1
Substantiated complaints concerning breaches of customer privacy and losses of customer data

Zero complaints concerning breaches of customer privacy.

Zero identified leaks, thefts, or losses of customer data.

419 SOCIOECONOMIC COMPLIANCE

Disclosure

Liquor & Lotteries Response

419-1
Non-compliance with laws and regulations in the social and economic area

There were no known significant fines or non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area during the 2022/23 year.