

Fighting Against Forced Labour and Child Labour in Supply Chains 2025-2026 Report

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Land Acknowledgment

Manitoba Liquor & Lotteries (MBLL) benefits from being on the original territories of the of the Anishinaabeg, Anishininewuk, Dakota Oyate, Denesuline, and Nehethowuk Nations, lands now known as Treaties One through Five – and the homeland of the Red River Métis.

We acknowledge northern Manitoba includes lands that were and are the ancestral lands of the Inuit.

We commit to respecting the Treaties made on these territories while acknowledging the harms of the past and moving forward in partnership with Indigenous communities and a spirit of reconciliation.

While we acknowledge that territorial acknowledgements are only one step in cultivating greater respect for and inclusion of Indigenous Peoples, these words will accompany actions invested in building a future and community better for all.

Introduction

MBLL reports under Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act) which requires certain entities doing business in Canada to disclose their efforts to eradicate forced labour and child labour in their supply chains. This report covers the financial year ending March 31, 2026.

MBLL is proud of our strong commitment to corporate responsibility that drives everything we do – from how we run our business to how we serve our customers and communities. Reporting under the Act gives us an opportunity to demonstrate that we continue to be a leader in responsible business practices that strive to eradicate all forms of modern slavery, which reflects our core values of being caring, committed, collaborative, creative, and customer focused.



Structure, Activities, and Supply Chain

Our Business

MBLL is a Crown corporation of the Province of Manitoba. We distribute and sell liquor, provide gaming and entertainment experiences, and source and distribute non-medical cannabis to retailers in the province, all in a socially responsible manner.

Our profits go to the Province of Manitoba’s general revenue and support priority programming in areas like health care, education, social, and community services.

MBLL commits 2% of anticipated annual net income to responsible gambling, responsible liquor and cannabis consumption, and research and treatment programs.

Gaming

MBLL operates Club Regent Casino, McPhillips Station Casino and PlayNow.com. The province's video lottery terminal (VLT) network, managed through our Morris office, supports the province's hotel and restaurant industry. We distribute and sell Western Canada Lottery Corporation products through our network of privately-owned lottery ticket retailers.

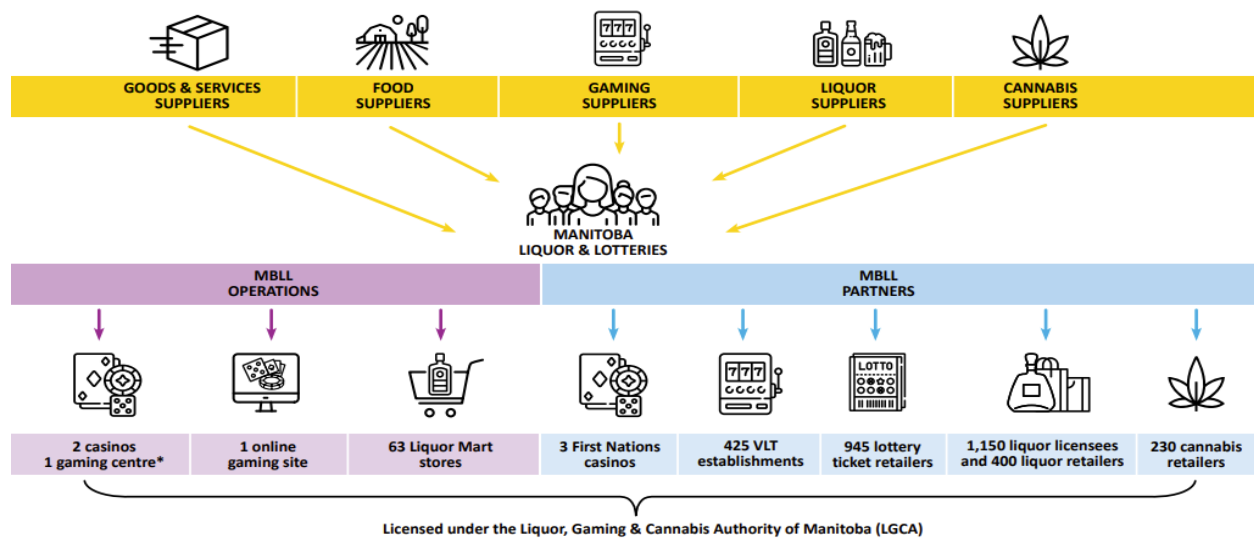
Liquor

We are one of the largest single buyers of liquor in the world as the wholesaler and distributor of liquor for Manitoba. MBLL brings an incredible array of products into our province from more than 50 countries.

MBLL's distribution centre serves approximately 1,700 privately-owned commercial customers across Manitoba including liquor vendors, hotel beer vendors, duty-free stores, specialty wine stores, and restaurants and other licensees that serve liquor. The distribution centre also supplies our own 63 Liquor Mart and Liquor Mart Express stores.

Cannabis

We source and distribute non-medical cannabis to privately-owned retailers in Manitoba. Our province uses a direct distribution model that sees cannabis ship directly from Canadian producers to retailers.



Governance and Oversight

We report to the Province of Manitoba through an appointed [Board of Directors](#). Our annual report, our environmental, social, and governance report, and our business plan are available at mbll.ca/content/reports.

We are regulated by The Liquor, Gaming and Cannabis Authority of Manitoba (LGCA), which regulates the province's liquor, gaming, cannabis and horse racing industries. Under the authority of The Liquor, Gaming and Cannabis Control Act (Manitoba) and the Criminal Code (Canada), the LGCA licenses liquor sales, service and manufacturing; gaming employees, products and operations; retail cannabis stores; and horse racing participants and ensures compliance with regulations.

Policies and Due Diligence Processes

MBLL respects and supports the fundamental human rights principles set forth in the United Nations Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights and acknowledges the risks of forced labour and child labour in the global supply chain. We are committed to continuous improvement in our due diligence processes, and to conduct assessments to investigate, evaluate and mitigate potential human rights issues.

Code of Conduct

MBLL strives to adhere to the highest standards while delivering our products and services in an ethical and socially responsible manner. Our code of conduct serves as a reliable compass for employees to follow, which helps to mitigate the risk of damaging valued relationships or harming our corporate reputation. All employees must read, understand, and comply with the code of conduct and supporting policies.

Whistleblower Protection Policy

We have a formal policy that safeguards our high standards of professional values and ethics to provide a clear process for disclosing concerns about significant and serious wrongdoings. The policy is communicated to employees annually. We have a designated officer who is responsible for managing, tracking, and reporting disclosures.

To report concerns, or disclose potential wrongdoings or misconduct, including instances of forced labour or child labour, contact our designated officer's confidential hotline at (204) 957-2500 ext. 4976 or email corporate.secretary@mbll.ca.

To date, no instances of forced labour or child labour have been reported via our reporting lines.

Procurement Policy

The procurement policy establishes rules to procure goods and services in a responsible manner that considers social, environmental, and accessibility requirements, as well as economic and fair practices. (Note: This excludes goods for resale in our highly regulated business lines of liquor, cannabis, and gaming).

During this reporting period, our procurement policy was updated to:

- Direct employees to take social procurement requirements into consideration in all procurements.
- Establish a process to support social procurement business engagement, onboarding, tracking and reporting.
- Set terms and conditions to vet direct suppliers of the final product to reduce the risk of forced labour and child labour occurring in the supply chain.
- Better define "social procurement" highlighting the social, economic, and environmental impact of every purchase, and using purchasing power to help shape inclusive, vibrant and healthy communities.

Supplier Code of Conduct

Our supplier code of conduct sets the expectation that our suppliers and their employees and subcontractors will follow ethical business practices, such as not using forced labour or child labour.

Our supplier code of conduct was updated to include principles that further strengthen accountability and transparency, including a requirement that suppliers must alert MBLL as soon as they become aware of any non-compliance. The supplier code of conduct is provided as part of all new contracts and sent out with all contracts and as they are renewed.

Standard Supplier Agreement and Terms and Conditions

Suppliers have a standard agreement and terms and conditions on all purchase orders. Purchase orders are governed by and enforced in accordance with provincial and federal laws, including those relating to forced labour and child labour.

Our standard supplier agreement and terms and conditions were updated to align with the changes to the procurement policy and supplier code of conduct to highlight the expectation of compliance with the Act.

Assessing and Managing Risk

Approximately 77% of our most at-risk goods and services (excluding goods for resale in our highly regulated business lines of liquor, cannabis, and gaming) are sourced within North America.

We align our corporate responsibility reporting to the Global Reporting Initiative (GRI) standards and International Financial Reporting Standards (IFRS). We are working to expand our reporting with reference to GRI 408: Child Labour 2016 and GRI 409: Forced or Compulsory Labour 2016.

Remediation Measures

No instances of forced labour or child labour have been identified in MBLL's supply chain to date.

Training

MBLL practices continuous improvement regarding employee understanding and compliance to policies and procedures. There is mandatory training that covers our code of conduct and supporting policies for every new employee and regular refresh training.

For our procurement professionals, we now require mandatory training from Buy Social Canada, a social enterprise that educates and consults on social procurement for a variety of social supply chain risks, including identifying and reducing risks of forced labour and child labour.

All members of the procurement department are now trained and certified as a social procurement professional under Buy Social Canada, and new members will require certification going forward.

Employees in roles outside of procurement that support the advancement of responsible procurement practices were also trained and certified this reporting period, including employees from Policy and Regulatory Compliance, Environmental Sustainability, Diversity Equity and Inclusion, and Social Responsibility.

Assessing Effectiveness

To date no assessment has taken place to determine the effectiveness of the activities detailed in this report. Using the risk assessment completed in a previous reporting period as a baseline, key metrics to evaluate and measure effectiveness are being considered for inclusion in a future reporting period.

Approval

In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Act), and in particular section 11 thereof, I, in the capacity of President and Chief Executive Officer, attest that I have reviewed the information contained in the report on behalf of the governing body of the Manitoba Liquor and Lotteries Corporation. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within this report.



Gerry Sul
President and Chief Executive Officer

Date: May 25, 2026

I have the authority to bind the Manitoba Liquor and Lotteries Corporation.