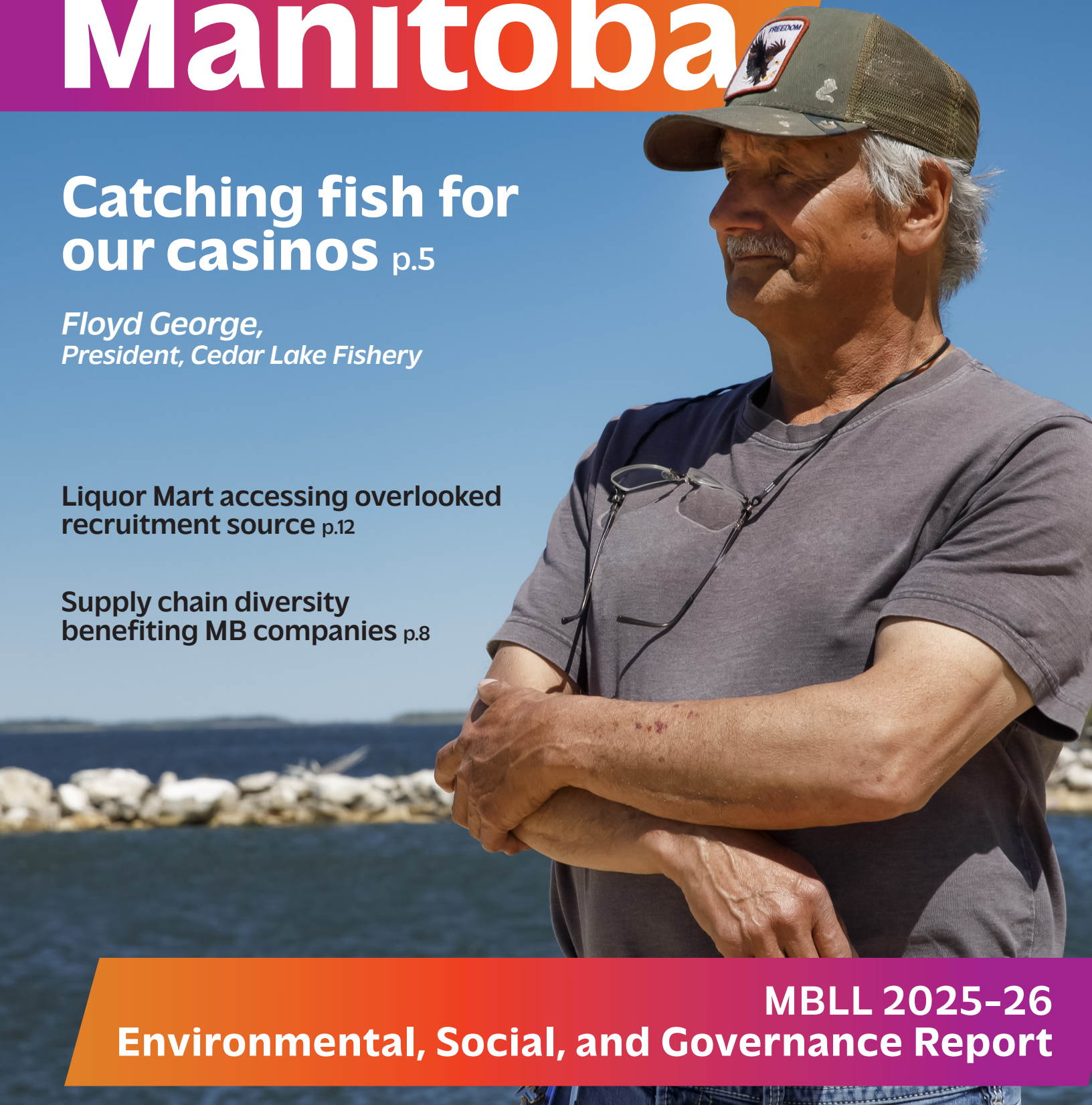
MANITOBA
LIQUOR & LOTTERIES

choosing Manitoba

Catching fish for our casinos p.5

Floyd George,
President, Cedar Lake Fishery



Liquor Mart accessing overlooked recruitment source p.12

Supply chain diversity benefiting MB companies p.8

MBLL 2025-26
Environmental, Social, and Governance Report

Land Acknowledgement

Manitoba Liquor & Lotteries benefits from being on the original territories 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.

MANITOBA
LIQUOR & LOTTERIES

Photo by Buddy Prince, a member of Brokenhead Ojibway Nation.

Choosing Manitoba

A word from our President & CEO



GERRY SUL, President & CEO

As a Crown corporation, Manitoba Liquor & Lotteries (MBLL) works for the good of all Manitobans.

The revenue our more than 3,000 employees help generate supports vital government programs including education, health care, and infrastructure.

Beyond our return of profits to the Province, MBLL affects Manitobans in other positive ways. When we serve certified Manitoba fish in our casino restaurants, purchase from a diverse local supplier, or hire a person with a developmental disability, our choices have direct and measurable benefits for Manitoba.

This 2025-26 Environmental, Social and Governance (ESG) Report details the progress we are making on many fronts for the social and economic well-being of people across the province.

Beyond our return of profits to the Province, MBLL affects Manitobans in other positive ways.

It includes our notable 26% reduction in greenhouse emissions since 2017 – accomplished in part by reducing single-use paper packaging, becoming more energy-efficient with our buildings, and steadily shifting our vehicle fleet to fully electric.

There are other exciting achievements to explore on the pages that follow. I encourage you to spend a few moments discovering how we're working with our suppliers, partners, and customers to build a better Manitoba. Truly, it's about how we're doing good together.

Our Business at a Glance

3,000 Employees
working responsibly for Manitoba

$724.1 million
to support Manitoba government programs

$14.7 million
supporting harm minimization, treatment and support programs in the areas of alcohol, gambling and cannabis.

MANITOBA LIQUOR & LOTTERIES

405 Community organizations
receiving sponsorship & funding in 2025-26

220 Manitoba companies
supplying products and services to MBLL last year worth $38.8 million

About 68% (675 tonnes)
of waste diverted from landfill; including cardboard, electronics, shrink wrap, and food waste

Liquor Operations

LIQUOR MART

64 stores
throughout Manitoba

Liquor Distribution

1,040 Licensees
Restaurants, bars, lounges

400 Private Retailers
Beer stores, rural liquor vendors, specialty wine stores, duty free stores

DRINK SENSE
Promoting responsible alcohol consumption and awareness

Gaming Operations

CASINOS OF WINNIPEG
club Regent CASINO
McPHILLIPS STATION CASINO

PLAYNOW
Manitoba's only legal online gaming site

LOTTO SPOT
960 private retailers

VIDEO LOTTO
400 VLT sites

Partner Gaming
SHARK CLUB gaming centre
3 First Nations Casinos

INFORMED GAMBLING
Providing education to help lower gambling related risks

Cannabis Operations

Wholesale cannabis purchase and distribution services

Retailer agreement management and support

249
Private Cannabis Stores

Serving Manitoba pickerel to support northern fishers, jobs

It's a seemingly small decision. But choosing to serve sustainably caught Manitoba pickerel in our casino restaurants is having a big impact for one northern Manitoba fishery and its community.

The fish comes from Easterville (Chemawawin Cree Nation), some 460 kilometres northwest of Winnipeg. The town's commercial fishery has been a mainstay of the local economy for nearly a century.

"It's our livelihood," said Floyd George, president of Cedar Lake Fishery, who believes there's big potential to grow their business. "Some of the guys don't have other jobs; they're feeding their families from the lake."

At 67, George has fished his whole life. He's seen the lake go through a voluntary commercial fishing closure after fish stocks collapsed in the 1990s. A big step forward came in 2022. That's when Cedar Lake Fishery achieved Marine Stewardship Council (MSC) certification. It's a rigorous global standard for sustainable fishing requiring dedication to environmental stewardship and continuous improvement.



ALAIN DUMONCEAUX, Director of Food and Beverage and Events

“Here’s a high-quality Manitoba product that we can encourage other hospitality partners to source and put on their menus.”

Cedar Lake Fishery and MBLL share a commitment to sustainability. Both are members of Fish Forward, a partnership of the Manitoba Fisheries Branch, Indigenous Services Canada, and international organizations working to ensure the sustainability of Manitoba’s fisheries.

Fish Forward’s goals include increasing the number of eco-certified fisheries in Manitoba by helping them promote the value and quality of their product.

This past year MBLL has been buying more fish directly from Cedar Lake, said Alain Dumonceaux, MBLL’s director of food and beverage and events.

“I can buy fish from overseas, but who are we supporting? Let’s go with the first-rate local product. Plump, white flesh fillets, stunningly beautiful. Here’s a high-quality Manitoba product that we can encourage other hospitality partners to source and put on their menus.”

Beyond Manitoba’s hospitality market, there’s growing global demand for eco-certified freshwater fish as consumers and retailers become aware of the detrimental effects of unsustainable fishing.



Back at Cedar Lake, Floyd George is eager to meet the demand, adding that MBLL’s business has helped Cedar Lake reinvest in refrigeration and processing.

“I’m proud of how we’ve managed our lake. We’d like to get bigger and get higher prices on our fish.”

See 101 Biodiversity

See 308 Supplier environmental assessment



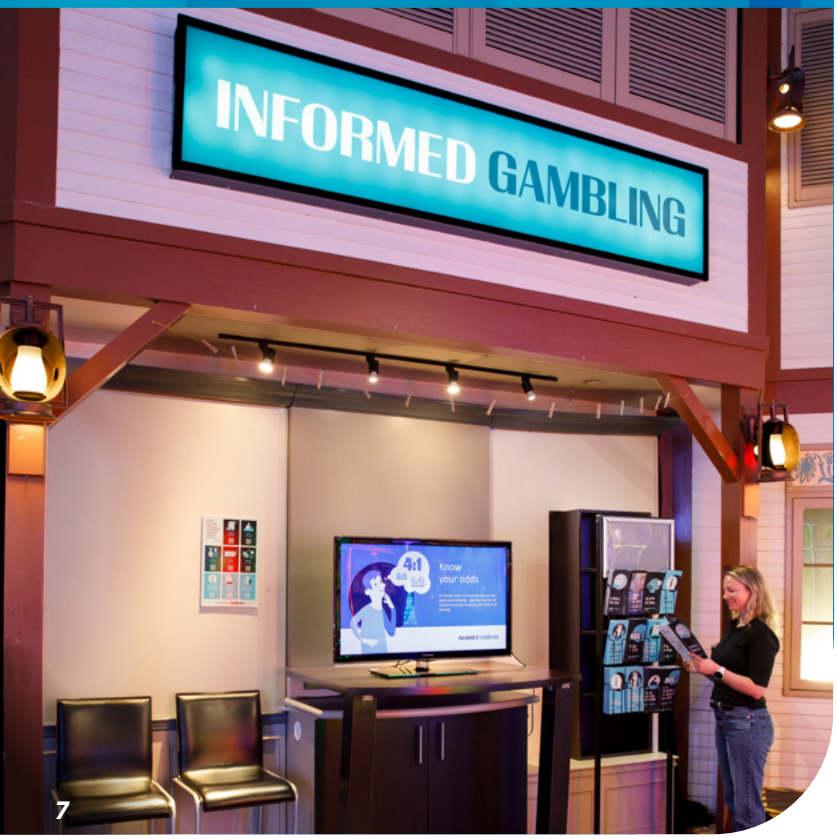
Improved casino access to Informed Gambling info

New self-service Informed Gambling kiosks are helping our casino customers manage their play better. Installed in MBLL's two Winnipeg casinos, the kiosks provide direct access to informedgambling.ca and its interactive content on gaming topics such as skill versus luck, house advantage, and randomness.

"If a player thinks a hot table or a cold dealer can influence their chance of winning, videos and other resources on the website will bust that myth," said social responsibility consultant Carin Davidson. "Customers can learn how gambling works, make good decisions, and play for fun."

While customers can still speak to an Informed Gambling advisor during a Centre's operating hours, the kiosks are always accessible for those who prefer to access information on their own.

See 416 Customer health and safety





Supplier helping reduce MBLL's carbon footprint

MBLL transportation partner Gardewine is now using an all-electric cargo van to handle a portion of liquor deliveries to our Winnipeg commercial customers such as restaurants and bars.

The use of this vehicle to support deliveries began in September 2025 following MBLL's request to our transportation suppliers to adopt low-emission delivery solutions. Gardewine uses the EV charging station at our distribution centre to charge the cargo van. Adding this van has helped reduce MBLL's total emissions for commercial deliveries in Winnipeg by about 30 tonnes this past fiscal year – an approximate 50% reduction.

See 308 Supplier environmental assessment



Newly installed cabinet in front of the McPhillips Station Casino gift shop features locally sourced Indigenous products.

Increased supply chain diversity helping local suppliers

Last year, MBLL welcomed 15 more Manitoba companies categorized as **diverse*** into its trusted supplier network. Behind these new partnerships is a bigger story about how increasing supplier diversity is helping advance MBLL's ESG strategy — enhancing our organizational resilience, driving innovation, and supporting MBLL's commitment to fair economic opportunity.

"Having a customer like Manitoba Liquor & Lotteries validates that we can really do the job."

For Jeff Wiebe, MBLL's director of corporate procurement, the value of these partnerships goes beyond transactions. "These are strong, mutually beneficial relationships," he said.

"We get to know these vendors at the grassroots level and see the alignment between our goals and values, and theirs." Wiebe points to Shortline Moving Solutions as a good example. After working with MBLL in the past, the company secured a new contract last September to provide daily deliveries to specialty wine stores. Its owner, Métis entrepreneur Alex Hupe, said Shortline's work is grounded in community, including pro bono support for organizations like The Bear Clan, The Dream Factory, and Second Harvest.

"You've got to be good to the community if they're going to be good for your business, too," said Hupe. "We're a Manitoba company, and we see so much opportunity here."

Indigenous-owned Kisik Commercial Furniture, a Winnipeg-based company that does business across Canada, provides another example.



Casinos now selling artisanal Indigenous products

Visitors to Casinos of Winnipeg gift shops will now find merchandise sourced from local Indigenous artisans. The initiative aims to create a sustainable, ethical sales model that fosters Indigenous economic inclusion.

"This is what economic reconciliation looks like," said Shelley Cook, MBLL's program manager for Indigenous relations. "It is about creating space for Indigenous makers, supporting their businesses, and honouring their work in a real and lasting way. This is more than just sales. It is a meaningful step toward doing better together."

See 414 Supplier social assessment

In early 2026, Kisik was selected to supply office seating for MBLL as well as install a new sales cabinet at McPhillips Station Casino featuring Indigenous artists. (See: related story)

"It's because of people like MBLL's procurement team that we're gaining more sales, which makes us more sustainable," said Kisik president Darrell Brown. "We're growing, we're hiring. It's a cascading effect."

Polar Building Cleaning has been keeping MBLL stores and offices tidy for more than 20 years. Owner Cindy Corbett said the relationship is a showcase for her company's capabilities.

"Having a customer like Manitoba Liquor & Lotteries validates that we can really do the job. They're a big customer whose business has enabled us to grow ours."

See 204 Procurement practices

**Buy Social Canada classifies a diverse business as at least 51% owned, managed, and controlled by equity-deserving people (Indigenous persons, women, visible minorities, persons with disabilities and those identifying as 2SLGBTQ+).*

MBLL diversity target achieved two years early

2027-28 TARGET:

$4 MILLION

2025-26 ACTUAL:

$8.5 MILLION

We've reached our three-year diversity objective for procurement in the first year. The goal was to increase both the number of diverse suppliers* that we work with, and the amount spent with them, by 2%. This target was exceeded last year with suppliers growing from 35 to 50 (up 8%) and amount spent with diverse suppliers rising to $8.5M, or 11% of our total procurement budget.

See 414 Supplier social assessment



Helping Countryfest reduce landfill waste

An MBLL-sponsored program with Dauphin Countryfest is saving the annual music festival time and resources cleaning up. Since 2022, Trash for Treats has rewarded festival campers who bring their trash to one of four collection sites before they leave. MBLL supplies many of the "treats" under the program ranging from sustainably selected reusable straws and portable cutlery up to "meet and greet" passes with the artists.

The festival reports as much as 30,997 lbs. of garbage and 2,756 lbs. of recycling have been collected in a single year under the program. Benefits include less waste going to landfill and greater engagement with attendees, who see they can reduce the event's environmental footprint.

Mapping our road to Net Zero by 2050

This year we introduced a new roadmap to help us achieve net zero emissions by 2050. The plan was developed in consultation with all MBLL departments and embeds environmental sustainability into every business decision we make. Highlights of the plan include:

- Improving our resource efficiency by shifting to paperless retail solutions, increasing recycling rigor across the business, and reducing waste overall.
- Steadily transitioning our vehicle fleet to fully electric and encouraging transportation suppliers to do the same.
- Improving building energy efficiency while developing a renewable energy strategy at our casino sites.
- Using partnerships and strategic leases to boost building performance and support net zero goals.
- Asking our suppliers to improve reporting transparency, adopt low-carbon practices and shift to more sustainable materials.
- Serving responsibly sourced and sustainably produced agricultural products in our restaurants.

See 102 Climate change

See 103 Energy



KARI DEGROOT, MBLL Community Support Manager, and
KAREN MURISON, Main Street Project Director of Emergency Services

Returning light
to the Main Street Project

MBLL is proud to have partnered with Main Street Project to improve safety and the overall mood at its emergency shelter in Winnipeg. The funding went toward the installation of new impact-resistant windows at the shelter.

"Windows were getting broken on a repeated basis," said Cindy Titus, the interim director of development with Main Street Project. "Boarded-up windows only lend to the stigma of a rough area. The windows are also above some of our shelter beds, so their being broken imposed a very immediate threat to health and safety."

Rockglass windows, a product offered by a local manufacturer, provided a more permanent solution to the problem.

"Many of our clients are facing their own challenges. Boarded-up windows keep them in the dark. These new windows give them natural light. It feels safer and more welcoming and is even nicer for our staff who do hard work."

See 413 Local communities

$313,334 contributed to 2025 Manitoba wildfire relief

Generous donations from Liquor Mart customers along with matching donations from the Governments of Canada and Manitoba, plus a contribution from MBLL's internal volunteer fund resulted in a total of $313,334 being raised for Red Cross's 2025 Manitoba Wildfires Appeal. Employees across MBLL also donated items such as toiletries, baby supplies, and clothing for evacuees.

See 201 Economic performance

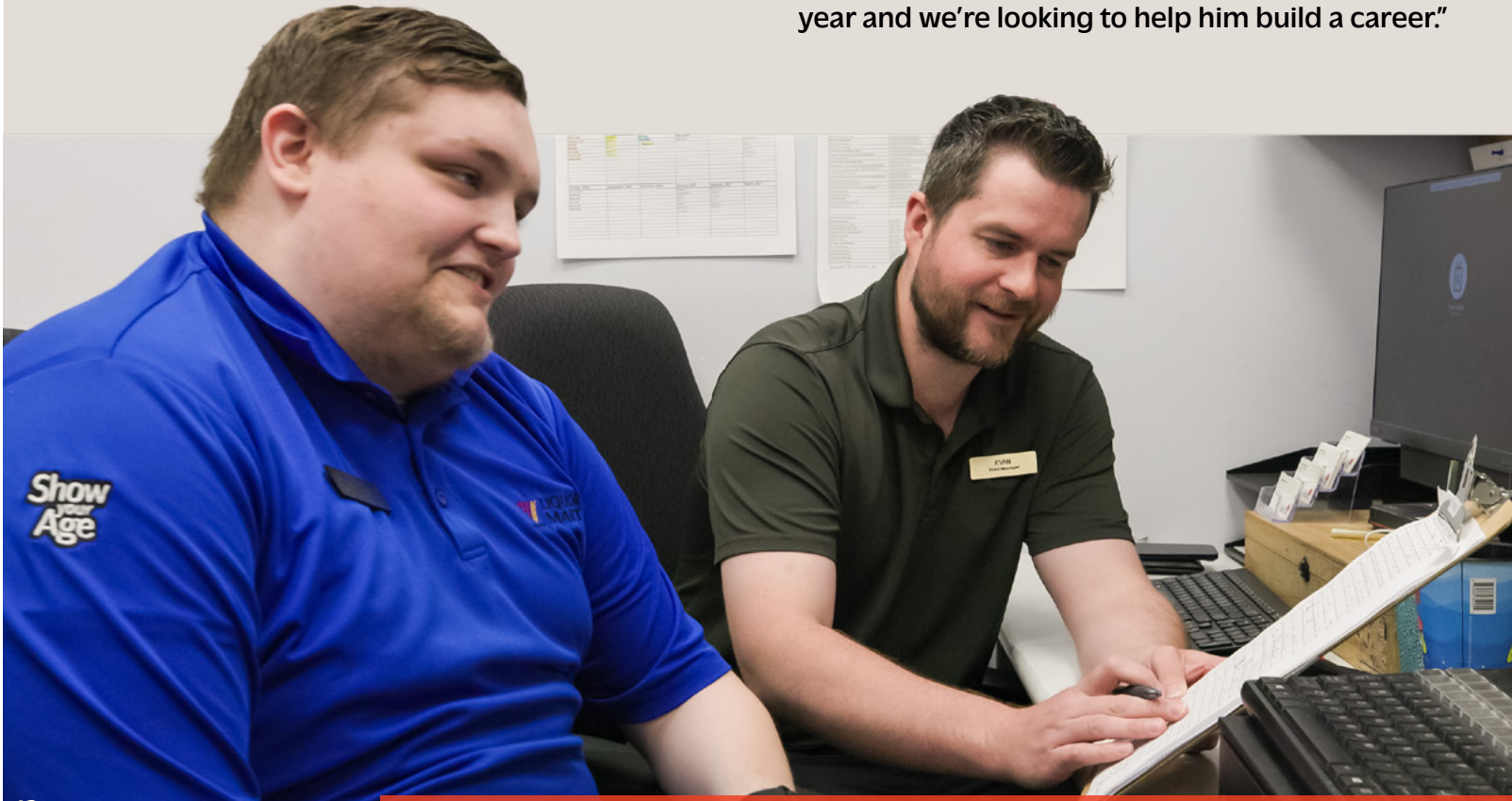
Liquor Mart helping students with developmental disabilities build work, life skills

Manitoba Liquor & Lotteries is working with SCE LifeWorks to help young people with developmental disabilities become job ready.

SCE LifeWorks's Project SEARCH program is for students in their final year of high school and on track to graduate. In the year-long program, students gain on-the-job experience through internships with partners like MBLL, which currently provides facilitated work placements at four Winnipeg Liquor Marts for students age 18 or older.

"We've had five students come through our store so far," said Portage and Burnell Liquor Mart manager Evan O'Brien. "We're a high-functioning team with a busy store. We want these students to have the best, authentic experience possible. If there's a good fit, we keep them on for summer seasonal work."

One such former student is Jackson Solinski, who's now a permanent part-time employee. "He's an awesome employee who fits right in," said O'Brien. "Jackson has been with us for almost a year and we're looking to help him build a career."

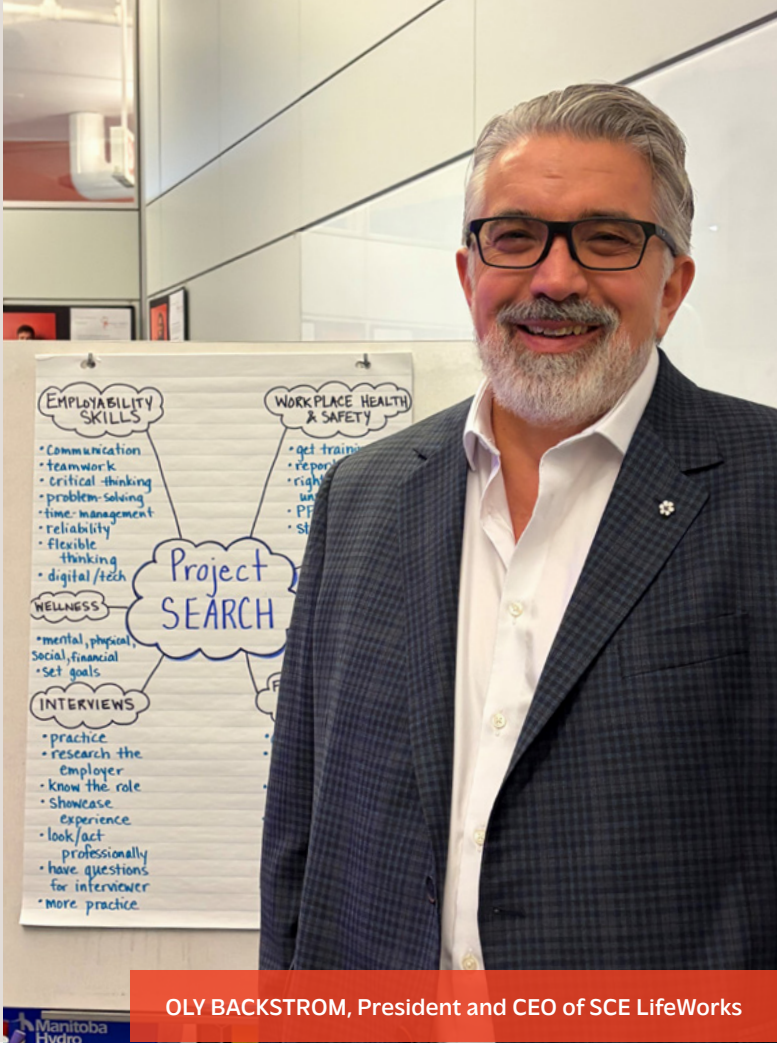


JACKSON SOLINSKI, student and Liquor Mart employee, and EVAN O'BRIEN, Liquor Mart Store Manager

Students start and finish their workday in a Project SEARCH class at Manitoba Hydro Place or HSC Winnipeg. While Project SEARCH placements take place all over the city, Liquor Marts are popular worksites within the program, noted Ashley Campbell, a teacher in the program. "The locations are near to our Hydro classroom and provide a good variety of tasks for skill-building."

Oly Backstrom, President and CEO of SCE LifeWorks, noted that it's extremely valuable for partners like MBLL to be part of the program, and he encourages other Manitoba businesses to get involved.

"For the students it can be life-changing. And for the company, it becomes a really low-risk hiring decision because they've had eyes on someone who has proven themselves. The program is creating a new point of reference and opening eyes for what people with developmental disabilities are capable of."



OLY BACKSTROM, President and CEO of SCE LifeWorks

Educating
new Canadians about alcohol



MBLL is supporting a new program to help families new to Canada better understand the health and social consequences of alcohol use, including the risks of underage drinking.

Run by the Excel Empowerment Centre, the Caring Mothers program targets Manitoba immigrants and refugees who come from cultures where alcohol consumption is less common.

Interpreters translate English workshop content into Arabic, French, Somali and other languages commonly spoken by participants.

Funding from MBLL has helped Excel hire a program coordinator, translators, and childminders, as well as provide program materials, snacks, and bus tickets for participants.

To date, Caring Mothers alcohol awareness & education workshops have helped

200 parents and youth.

See 413 Local communities



Celebrating Manitoba's trailblazing women

MBLL has helped fund through its Small Capital Sponsorship program the creation of a Winnipeg West End mural that honours the achievements of 150 Manitoba women. Legacy of Leadership: 150 Women Trailblazers of Manitoba is installed at 796 Sargent Avenue and was unveiled October 25, 2025. Its creation was spearheaded by the Nellie McClung Foundation, which hopes the artwork serves as a lasting tribute to the women who shaped Manitoba, and inspires both current and future generations to continue their legacy of leadership and equality.

See 413 Local communities



Left to right: MANDY VAN LEEUWEN, mural artist, JUDITH CHAMBERS, Nellie McClung Foundation Board Chair, and STEPHANIE KAUK, MBLL Charitable Programs Coordinator



Supporting 2SLGBTQ+ addictions treatment

MBLL funding has helped Rainbow Outpatient Addiction Recovery (ROAR) develop a treatment program specially tailored for members of the 2SLGBTQ+ community challenged by substance misuse.

JP Grimard, a registered clinical counsellor with a master's degree in counselling psychology, based ROAR on a successful program he led in Vancouver.

ROAR is run from Our Own Health Centre (OOHC), a clinic and registered charity for the 2SLGBTQ+ community in Winnipeg's Osborne Village.



DR. BRYAN MAGWOOD, President, Our Own Health Centre, and JP GRIMARD, Creator and Clinical Lead, ROAR

Maia Graham-Derham, a social responsibility consultant with MBLL, saw a natural fit between MBLL and ROAR.

"It's important for MBLL to support programs and services that serve and reflect all Manitobans. Seeing a program focusing on the 2SLGBTQ+ experience and strengths of that community, while also addressing problematic substance use, was so encouraging. The partnership exemplifies what it means to be 'good together' for Manitobans' quality of life."

See 201 Economic performance

See 413 Local communities

Improved access to FASD courses for Manitobans

Enrollment in courses offered by the Canada Fetal Alcohol Spectrum Disorder Research Network (CanFASD) has risen in Manitoba by 750%.

750% increased enrollment

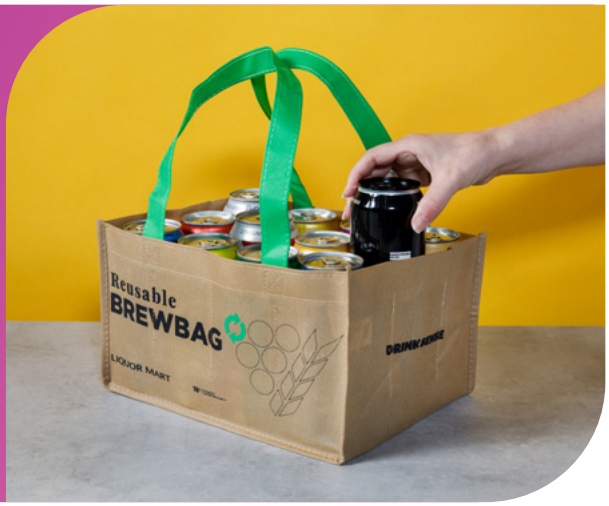
The rise is thanks to a new partnership with MBLL which has helped make the courses free for Manitoba residents.

CanFASD's Level II courses are open to anyone wishing to increase their FASD knowledge, and include specialized training for educators, community and addictions workers, as well as those involved in the justice system. Through this partnership, MBLL builds on its commitment to FASD research, prevention efforts, and support for those affected by the disorder.

See 413 Local communities

New sustainable Brewbag responsibly sourced

Liquor Mart's latest Brewbag carrier not only lets customers contribute to a greener environment – it's responsibly sourced as well. The local vendor, Friday's Apparel, sources the bags from a Canadian supplier that maintains a social compliance contract with the overseas manufacturer.





A more welcoming space for newcomers

The Immigrant and Refugee Community Organization of Manitoba (IRCOM) helps families new to Canada integrate into the wider community. With MBLL support, IRCOM has renovated the Ellen Program Room at its Ellen Street facility. Improvements include new cabinets and important functional upgrades.

Expanding our rural recycling program



It's now easier for rural Manitoba Liquor Marts to make sure bottle corks, printer cartridges, and pull-tabs from aluminum cans stay out of landfill. The items represent an expansion of an employee driven waste diversion program that began two years ago to collect and recycle plastic wrap from pallets.

The program is of special value in rural areas with few recycling options, as collected materials are shipped to Winnipeg on returning liquor delivery trucks. All materials then enter the appropriate recycling stream except for the aluminum tabs, which are donated to a charity that purchases wheelchairs and adaptive equipment for children.

Our Approach to ESG



Manitoba Liquor & Lotteries' commitment to ESG is at the core of who we are. It guides everything we do, from how we operate to the ways we support our customers and communities.

While all employees share responsibility for operating our business sustainably, leadership is provided by our President & CEO, supported by subject matter experts (SMEs) who track the corporation's impacts on the environment, economy, and people of Manitoba.

Daily oversight of ESG falls to MBLL's Corporate Accountability and Integrity division. The division collects and reports data according to the Global Reporting Initiative (GRI) Consolidated Standards (2021), used by corporations around the world to transparently measure, manage and report their impacts on the economy, environment, and people. Additionally, for financial and climate related disclosures, MBLL adheres to International Financial Reporting Standards (IFRS) S1 and S2 respectively. Relevant IFRS references are included in the **GRI index**.

While MBLL does not have a standalone ESG policy, nor external assurance for this report, the information included herein has been reviewed carefully by MBLL senior leadership and SMEs, with oversight from our Board of Directors. All relevant data is also reported, as required, to regulatory authorities, with financials audited by Ernst & Young (EY). This includes a review of internal controls, with findings shared with management and our Board.

MBLL maintains an environmental policy and has established environmental reduction targets for the corporation. Work is underway to identify social and governance targets. As our approach continues to evolve, we will further develop additional ESG goals and objectives. While not all sustainability targets are currently part of formal strategies, many departments are already working toward goals aligned with our ESG priorities.

Combined GRI-IFRS Reporting

Some GRI responses contain information that is marked by an IFRS logo and appears on a grey background, as shown in the example below. This information is required for the indicated IFRS reporting standard and is either supplementary to, or required information for, the GRI response in which it is located.

MBLL reports in alignment with four applicable industry-based IFRS S1 sustainability-related accounting standards, and IFRS S2 climate-related sustainability disclosure standards. As the province's liquor wholesaler and retailer, we report against IFRS's food retailers and distributors sustainability accounting standard. Due to our casinos' restaurant and event centre operations, we use the casinos and gaming, restaurants, and leisure facilities standards.

IFRS Sustainability

IFRS S1 Casinos and gaming

	Club Regent Casino	McPhillips Station Casino	IFRS code
Tables (traditional and electronic)	41	50	SV-CA-000.A
Slots	1,057	1,116	SV-CA-000.B
Total area of gaming floor (m^2)	5,163	5,883	SV-CA-000.D

GRI 2 GENERAL DISCLOSURES SERIES

IN THIS SECTION

1. The organization and its reporting practices
2. Activities and workers
3. Governance
4. Strategy, policies, and practices
5. Stakeholder engagement

1. THE ORGANIZATION AND ITS REPORTING PRACTICES

2-1 Organizational details

Manitoba Liquor and Lotteries Corporation (MBLL) is a Crown corporation of the Province of Manitoba. We distribute and sell liquor, provide gaming and entertainment experiences, and source and distribute cannabis to retailers in the province, all in a socially responsible manner.

Our head office is located at:
A - 1555 Buffalo Place
Winnipeg, Manitoba, Canada

All other corporate offices

2-2 Entities included in the organization's sustainability reporting

Our consolidated financial statements combine the results of MBLL and its subsidiary, MLC Holdings Inc., a controlled entity established to purchase certain capital assets for lease to MBLL at cost. MBLL and MLC Holdings Inc. are included in our sustainability reporting.

Our consolidated financial statements also include MBLL's share of the results of the operations of Western Canada Lottery Corporation (WCLC), accounted for using the equity method. Because MBLL has significant influence, but not control, over the financial and operating policies of WCLC, we do not include WCLC in our sustainability reporting.

2-3 Reporting period, frequency and contact point

This is our ninth consecutive annual ESG report, covering operations for the 2025-26 fiscal year (April 1, 2025, to March 31, 2026). This is our second year reporting environmental data in alignment with our annual financial reporting period. Previously, environmental data was reported in calendar year.

Publication date is September 2026.

Contact us by phone 1-800-265-3912 or online.

2-4 Restatements of information

Correction to *2-1 Organizational details* requires the full legal name, “Manitoba Liquor and Lotteries Corporation” and not its abbreviated form, “MBLL”.

Base year recalculations were conducted for MBLL’s Scope 1 and Scope 3 greenhouse gas inventories in 2025-26. Information is provided in 102-5 and 102-7.

2-5 External assurance

MBLL does not seek third-party verification for this report.

See Our Approach to ESG

2. ACTIVITIES AND WORKERS

2-6 Activities, value chain and other business relationships

We are a provincial Crown corporation that contributes to the general revenue of the Province of Manitoba through the sale of liquor, gaming, and cannabis within Manitoba.

The Manitoba Liquor and Lotteries Corporation Act commits 2% of MBLL’s anticipated consolidated net income towards promoting responsible gambling, responsible liquor and cannabis consumption, and research and treatment programs.

The Liquor, Gaming and Cannabis Authority of Manitoba (LGCA) regulates Manitoba's liquor, gaming, and cannabis industries. To operate in these industries, MBLL, along with other private businesses that make, distribute, provide or sell liquor and gaming or who sell cannabis in Manitoba, must obtain one or more licences from the LGCA.

Gambling

We operate two casinos in Winnipeg.

IFRS Sustainability

IFRS S1 Casinos and gaming | Leisure facilities | Restaurants – activity metrics

	Club Regent Casino	McPhillips Station Casino	IFRS code
Tables (traditional and electronic)	41	50	SV-CA-000.A
Slots	1,057	1,116	SV-CA-000.B
Total area of gaming floor (m^2)	5,163	5,883	SV-CA-000.D
Restaurants and lounges	4	3	FB-RN-000.A
Banquet facilities	3	0	
Events	89		SV-LF-000.B
Attendance	42,000		SV-LF-000.A
Event centre	1	0	
Concerts	79		SV-LF-000.B
Attendance	78,000		SV-LF-000.A

We provide online gaming to Manitoba players through PlayNow.com. This site is managed by and under agreement with British Columbia Lottery Corporation (BCLC), the operator of the platform. It offers casino-style games, bingo, head-to-head interprovincial poker, sports betting, and lottery sales.

We operate the provincial network of 6,664 video lottery terminals (VLTs) found in:

- 319 private licensed establishments
- 53 legions
- 37 First Nations sites
- Assiniboia Downs Gaming & Event Centre

We supply gaming equipment and oversight to Shark Club Gaming Centre and 3 First Nations casinos: Aseneskak Casino, South Beach Casino, and Sand Hills Casino. We have also entered into an agreement with the owner of Shark Club Gaming Centre to manage gaming operations on their behalf.

We distribute and sell lottery tickets in Manitoba as a member of WCLC and, by extension, the Interprovincial Lottery Corporation (ILC). We are the exclusive supplier of breakopen tickets and bingo paper in Manitoba. We distribute and sell WCLC products through our network of 950 privately-owned lottery ticket retailers.

Liquor

In partnership with private distributors, we support the distribution of beverage alcohol across Manitoba by sourcing products from more than 80 countries and supplying a broad network of retail and on-premises licensees.

As a retailer, we directly operate 63 Liquor Marts throughout the province, offering over 5,000 different liquor products and processing more than 9 million customer transactions annually. Some locations also act as distribution pickup points for private on-premises licensees.

MBLL distributes beverage alcohol to a variety of retail partners across Manitoba including:

- 1,040+ licensees who sell liquor on-premises
- 220+ privately owned beer vendors
- 160+ privately owned rural liquor vendors
- 8 privately owned specialty wine stores
- 3 privately owned duty-free stores

IFRS Sustainability

IFRS S1 Food retailers and distributors – activity metrics

Liquor Marts and distribution centre		
Number of retail locations (Liquor Marts)	63	FB-FR-000.A
Total area of retail space (m^2)	38,962	FB-FR-000.B
Number of distribution centres	1	FB-FR-000.A
Total area of distribution centres (m^2)	20,160	FB-FR-000.B

Cannabis

We source and distribute cannabis from nearly 150 Canadian producers to 240+ private retailers in Manitoba. In our province cannabis products are shipped directly from producers to retailers or through one of Manitoba's licensed private distributors.

See Our Business at a Glance

2-7 Employees

MBLL provides employment to 3,110 active employees in Manitoba. This includes members of the executive team, management, and employees on leave, but does not include those on contract. The number of employees has increased by 17 since 2024-25.

	2025-26	2024-25	2023-24
Employees	3,110	3,093	3,058

EMPLOYEE STATUS

Category	Employees	Female	Male	Non-binary, gender fluid, two-spirit, other	Undisclosed
Casual	321	105	110	-	103
Full time	1,576	614	695	15	252
Part time	1,205	582	426	33	164
Term	8	-	-	-	-
Total	**3,110**	**-**	**-**	**-**	**-**

- *Casual, full-time, and part-time employee numbers as of March 31, 2026.*
- *Term employees include jobs like seasonal retail workers, co-ops, and summer students as of March 31, 2026. This number does not include the large number of seasonal hires during the holiday and summer seasons which fluctuates throughout the year.*
- *A single employee can enter multiple records for gender info. Totals may not match total employee counts.*
- *If too few responses, number was not included.*

EMPLOYEE RESPONSIBILITY LEVEL

Role	Employees	Female	Male	Non-binary, gender fluid, two-spirit, other	Undisclosed
Management	450	191	205	-	50
Frontline	2,660	1,111	1,030	47	472
Total	**3,110**	**1,302**	**1,235**	**-**	**522**

- *Information by location is not published because the small numbers at certain locations would impact confidentiality.*
- *A single employee can enter multiple records for gender info. Totals may not match total employee counts.*
- *If too few responses, number was not included.*

EMPLOYMENT EQUITY CATEGORIES

	Board		Employees	
Members of racialized groups	1	11.1%	841	27.0%
Indigenous	1	11.1%	319	10.3%
Persons with disabilities	1	11.1%	153	4.9%
Bilingual (French)	-	-	172	5.5%

- *Diversity information is collected on a voluntary basis.*

EMPLOYEE WORK LOCATIONS

Location	Employees
Beausejour	7
Brandon	78
Carman	8
Dauphin	13
Flin Flon	15
Gimli	13
Killarney	6
Lac du Bonnet	10
Minnedosa	7
Morden	6
Morris	44
Neepawa	7
Pine Falls	9
Portage la Prairie	26
Roblin	5
Russell	5
Selkirk	20
Steinbach	24
Stonewall	13
Swan River	8
The Pas	12
Thompson	24
Virden	5
Winkler	12
Outside Winnipeg	**386 (12.4%)**
Winnipeg	2,724 (87.6%)
Total	**3,110**

- *Numbers not shown by gender due to confidentiality*

BOARD MEMBER LOCATIONS

Location	
Winnipeg	**6 (66.6%)**
Outside Winnipeg	**3 (33.3%)**
Total	**9**

EMPLOYEE AGES

Age	
Under 30	617
30 to 50	1,236
Over 50	1,257
Total	**3,110**

2-8 Workers who are not employees

Typically, MBLL enters into agreements with contractors to provide services on a time and materials or lump sum basis where the contractor controls and supervises the work being done based on the agreed upon scope of work. In these arrangements, MBLL does not directly control or supervise the work being done. Examples of this would be janitorial cleaning (operational) and conducting a system upgrade or implementation (project).

MBLL does contract information technology (IT) resources when specialized expertise or additional capacity is required to meet project or short-term operational demands. The work is controlled by MBLL, and the workers are directly supervised by MBLL when working on MBLL projects.

	2025-26	2024-25
IT contractors	127	135

3. GOVERNANCE

2-9 Governance structure and composition

The highest governance body is the board of directors, which must consist of no less than six and no more than ten members. There were nine board members in 2025-26.

Each board member is appointed for a term not exceeding five years. A board member continues to hold office until they are re-appointed, the appointment is revoked, or a successor is appointed.

The following committees of the board are responsible for managing the organization's impacts on the economy, environment and people, as outlined in their terms of reference:

- **The Strategy, Planning, & Governance Committee's** mandate is oversight and monitoring of MBLL's corporate governance, strategic plan, corporate responsibility including environmental, social and governance initiatives, enterprise risk management, business continuity management, and public policy in order to gain reasonable assurance on behalf of the board of directors of MBLL that effective management processes are in place and functioning in these areas.
- **The Human Resources & Compensation Committee's** mandate is oversight and monitoring of MBLL's human resources, labour and compensation activities and policies in order to gain reasonable assurance on behalf of the Board of Directors of MBLL that effective management processes are in place and functioning in a respectful and productive work environment.
- **The Audit & Finance Committee's** mandate is oversight and monitoring of annual financial reporting, business plans and budgets, internal controls, and audit and related compliance of MBLL in order to gain reasonable assurance on behalf of the Board of Directors of MBLL that effective management processes are in place and functioning in these areas.

Board of directors and their competencies relevant to the organization's impacts on the economy, environment, and people:

Chair

- Jeff Traeger is a president and CEO in the labour industry.

Vice Chair

- Tim Comack (Chair of the Strategy, Planning and Governance Committee) is a vice president in housing development and urban development. He has a bachelor of arts and master's degree in project management.

Directors

- Michelle Cameron is an owner, founder, entrepreneur and president in the promotional industry and serves on several advisory committees.
- Josiane Kroll is a senior instructor at the University of Manitoba and has a doctorate in computer sciences and information technology.
- Tannis Mindell (Chair of the Audit and Finance Committee) is a former deputy minister and worked in the administrative, governance, and financial industry.
- Sara Penner is a former vice president in the technology and finance industry and is an accounting professional.

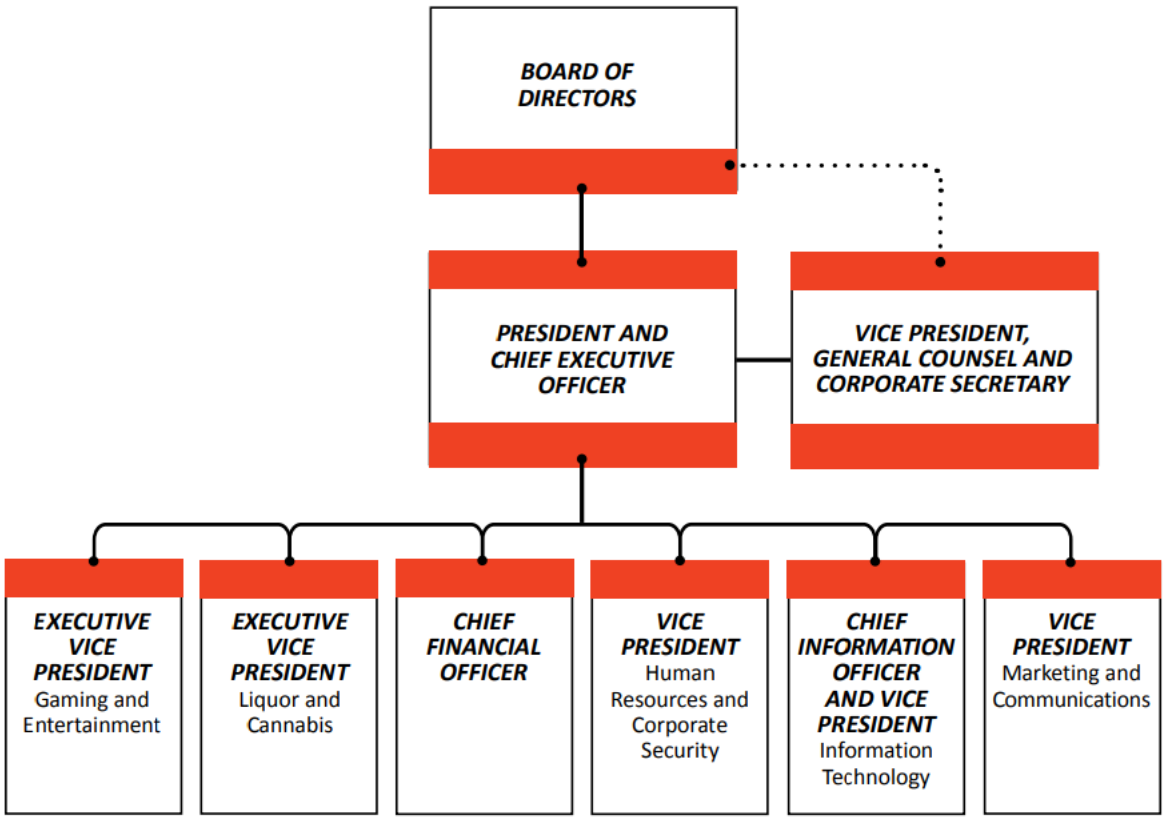
- Sarah Pinsent (Chair of the Human Resources Committee) is a counsellor with a master's degree in social work.
- Doug Ramsey works at the University of Brandon as a faculty member, with a background in rural and community development research, and serves on several advisory committees.
- Clayton Swanton is a lawyer and partner at a law office, a president in the outdoor recreation industry, and serves on several advisory committees.

See 405-1 Diversity of governance bodies and employees

The management structure at MBLL is overseen by the board.

Executive Management Committee:

- Gerry Sul – President and CEO
- James Anastasio – Executive Vice President, Gaming and Entertainment
- Tracey Bremner – Vice President, Human Resources and Corporate Security
- Robert Holmberg – Executive Vice President, Liquor and Cannabis Operations
- Danielle Rice – Vice President, Marketing and Communications
- Dan Ryall – Vice President, General Counsel and Corporate Secretary
- Kevin Trombo – Chief Information Officer and Vice President, Information Technology
- Ian Urquhart – Chief Financial Officer



2-10 Nomination and selection of the highest governance body

The board is appointed by the lieutenant governor in council as recommended by the minister responsible for MBLL. Information on the competency requirements of the board, and applications for board consideration, are accepted through the Province's website. The president and CEO is appointed as an ex officio, non-voting member of the board. The board may establish any committees it considers necessary in addition to the three mandatory committees required by legislation.

See 405-1 Diversity of governance bodies and employees

2-11 Chair of the highest governance body

The lieutenant governor in council designates one member of the board as the chair, another as vice chair, and appoints the remaining members of the board of directors. Those appointed members of the board are not members of MBLL's Executive Management Committee.

2-12 Role of the highest governance body in overseeing the management of impacts

The Crown Corporations Governance and Accountability Act (Manitoba) sets expectations and requirements of Crown boards including duties, manner of holding public meetings, reporting lines, restrictions on membership, powers, committees, conflicts of interest, and more.

MBLL's overall policy direction comes from the Government of Manitoba, as elected by Manitobans. The board acts as the link between the corporation and the government and ensures that MBLL's activities, policies, initiatives and outcomes are aligned with government policy and direction.

The minister responsible for MBLL may outline the priorities for the corporation in a mandate letter to the board chair. Mandate letters are used to communicate priorities when there is a new government, when new goals are introduced, or if policy changes significantly. Mandate letters are not provided on a particular or regular cadence, and the corporation continues to follow its most recent mandate letter until a new one is issued. The most recent mandate letter was issued to the board to guide MBLL's overall strategy.

The board must inform the minister of all business transacted at board meetings and provide any material supporting decisions made at meetings as part of its accountability to government. The various board committees provide oversight on topics and are responsible for updating the board on progress for priorities and activities. These committees are a way for the board to gain assurance of the effectiveness of MBLL's management body, and confidence in Executive Management Committee recommendations.

An annual report and annual public meeting are legislative requirements and are ways MBLL engages with the public to demonstrate progress and outcomes from the mandate letter. All financial and annual reports are publicly posted on our website. These reports are developed by Executive Management Committee and approved by the board and government before being made public.

The board meets with industry stakeholders including the LGCA board, and with various retail partners and suppliers upon request. The responsibilities of a Crown board can be found on the Government of Manitoba website and in *The Crown Corporations Governance and Accountability Act* (Manitoba).

2-13 Delegation of responsibility for managing impacts

IFRS S2 Climate-related disclosures – governance

The board is responsible for oversight of the reported ESG information. The board and its committees are governed by terms of reference that include focus on the organization's impacts on the environment and sustainability reporting.

The board has full confidence in the president and CEO and has delegated responsibility to the leadership team to manage our impacts on the economy, environment, and people, supported by departments and subject matter experts across the organization.

This includes the Corporate Accountability and Integrity Division that reports environmental data, climate related risks and opportunities, and social responsibility progress, which reflect some of the corporation's commitments and impacts on economy, environment, and people.

Certain senior executives may provide a quarterly update to the board that includes year-to-date financials, capital summary, and an update on strategy and business planning.

2-14 Role of the highest governance body in sustainability reporting

The Board places its trust in the senior executives' review of the report.

A policy on environmental sustainability requires the vice president, general counsel and corporate secretary to review and approve environmental reporting.

The director of ESG reports to the executive management committee on topics relating to the environment and people on at least an annual basis.

See 2-9 Governance structure and composition

2-15 Conflicts of interest

Board members must review and sign adherence to MBLL's conflict of interest policy annually and declare any material interests at any time that may be or may appear to be conflicts.

Our code of conduct covers conflicts of interest and applies to all employees, including officers, and the board. Conflicts of interest are reviewed by the vice president, general counsel and corporate secretary and if necessary are disclosed to stakeholders.

2-16 Communication of critical concerns

The following regularly scheduled board and committee meeting agenda items are one of the mechanisms by which concerns are brought to the attention of the board:

- Quarterly fraud awareness and the annual fraud summary report
- Quarterly CFO reports
- Updates on labour disputes
- Quarterly reports on grievances and labour relations
- Quarterly committee/board dashboard reports
- President and CEO reports

The president and CEO's board report includes an overview of any significant ongoing litigation. Lawsuits and grievances undergo a materiality review before involving the board. Items may be brought to the attention of the board due to reputational or political considerations.

In response to *The Public Interest Disclosure (Whistleblower Protection) Act* (Manitoba), MBLL has a whistleblower protection policy that establishes a process whereby employees can report serious and significant wrongdoings observed in the workplace without fear of reprisal. A designated officer conveys these reports to the president and CEO annually. There were no disclosures for this past fiscal year.

The total number and nature of critical concerns communicated are considered confidential.

2-17 Collective knowledge of the highest governance body

IFRS S2 Climate-related disclosures – governance

Criteria used to assess or evaluate board members are defined and used by the provincial government and are not typically disclosed publicly or to MBLL. Further information on the process used to appoint board members is described on the Government of Manitoba website.

See 2-13 Delegation of responsibility for managing impacts

2-18 Evaluation of the performance of the highest governance body

The board has processes in place for evaluation of the board. This may include an annual survey that it uses to guide and promote continuous improvement.

The organization undertakes a competencies analysis on a regular basis and creates a skills matrix, which can be used to make recommendations on board committee composition and is shared with government as information only.

The board may retain independent experts to assist with their performance evaluation.

2-19 Remuneration policies

Remuneration for MBLL's highest governance body, the board of directors, is in the form of fixed pay, which is determined by the provincial government through an order-in-council.

Remuneration for senior executives is in the form of fixed pay (base salary). Bonus, variable, and incentive pay are not offered. Retirement benefits (pension) are the same as for all eligible MBLL employees.

In accordance with *The Public Sector Compensation Disclosure Act* (Manitoba), within six months after the end of each fiscal or calendar year MBLL must publicly disclose any compensation $75,000 (indexed) or more provided to employees, officers, and directors. MBLL uses the calendar year for these disclosures.

Compensation for our highest-paid employees is disclosed in our Schedule of Compensation report.

See 201-3 Defined benefit plan obligations and other retirement plans

2-20 Process to determine remuneration

Remuneration and remuneration policies are developed with the support of independent remuneration consultants and are influenced by a range of factors including collective bargaining, labour market trends, and provincial government policies.

Changes to remuneration and remuneration policies are reviewed and approved by the Public Sector Compensation Committee, an independent body appointed by the Province of Manitoba.

MBLL ratified collective bargaining agreements, which included remuneration components, with all seven bargaining units. With the support of an external consulting firm, MBLL completed an out-of-scope compensation program review during the 2024-25 reporting year to increase attraction and retention of employees.

2-21 Annual total compensation ratio

Information unavailable/incomplete. This information is not calculated by MBLL. Compensation for our highest-paid employees is disclosed in our Schedule of Compensation report.

See 2-19 Remuneration policies

4. STRATEGY, POLICIES, AND PRACTICES

2-22 Statement on sustainable development strategy

IFRS Sustainability

IFRS S2 Climate-related disclosures – strategy

MBLL's vice-president, general counsel and corporate secretary oversees our ESG department including a project resource team developing the ESG program.

See A Word from our President and CEO
See Our Approach to ESG

2-23 Policy commitments

MBLL has a code of conduct for all employees, executives, and members of the board. It is approved and signed by the president and CEO and sets behaviour expectations and principles for conducting business in areas including workplace safety and health, ethics and integrity, labour, environment, anti-corruption, human rights, privacy and criminal code.

The code of conduct references Canada's Truth and Reconciliation Commission Calls to Action and the United Nations Declaration of the Rights of Indigenous Peoples. Training is provided to all employees upon hire to ensure awareness of the code. Periodic reminders, learning opportunities and campaigns are conducted internally by human resources to maintain and improve awareness.

Several mechanisms are available for individuals to seek advice or raise concerns related to conduct.

See 406-1 Incidents of discrimination and corrective actions taken

Human rights grievances are directed to the legal department which operates under the supervision of the vice president, general counsel and corporate secretary.

MBLL is subject to The Human Rights Code (Manitoba) which references the Universal Declaration of Human Rights and the Canadian Charter of Rights and Freedoms. Individuals have the right to file a complaint with the Manitoba Human Rights Commission if they believe they have been discriminated against.

2-24 Embedding policy commitments

Robust employee development, leadership development, position profiles and performance management programs and a code of conduct are in place to ensure awareness and adherence to expected business conduct standards.

The Executive Management Committee regularly reviews and updates organization strategies and annual business initiatives. Policies and procedures are regularly reviewed and audited.

Training

MBLL provides mandatory training on our code of conduct and supporting policies for every new employee, with regular refresh training.

Procurement

Procurement leadership has supported training staff to identify and mitigate supply chain social responsibility risks. As of this reporting period, the full procurement team is now trained and certified as social procurement professionals under Buy Social Canada, a social enterprise that educates and consults on social procurement. Additional staff were also certified this period, including employees from Policy and Regulatory Compliance, Social Responsibility, Environmental Sustainability, and DEI. This training is now mandatory for new procurement staff.

MBLL's 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.

Social and sustainability procurement criteria continue to evolve. Where possible, certifications and external standards (ISO, Fairtrade, B Corp, OEKO-TEX STANDARD 100, and FSC) factor into bid criteria. Information, forms, and more are provided to business partners across our lines of business on mbllpartners.ca.

Our online partners webpage has been enhanced to make it easier to access policies, supplier code of conduct and other documents applicable to our suppliers and partners, and which were updated this past year.

The updated procurement policy:

- Directs employees to take social procurement requirements into consideration in all procurements, including when selecting products or acquiring goods and services
- Implements a process to support social procurement business engagement, onboarding, tracking and reporting
- Ensures terms and conditions are in place to reduce the risk of forced or child labour occurring in the supply chain
- Adds clarifying language defining social procurement's social, economic, and environmental impact from every purchase
- Uses purchasing power to help shape inclusive, vibrant and healthy communities

MBLL updated its standard supplier agreement terms and conditions to align with the above changes and supplier code of conduct to highlight the expectation of compliance with regulations such as recent regulations in the preventions of child labour/forced labour.

See 414-1 New suppliers that were screened using social criteria
See 414-2 Negative social impacts in the supply chain and actions taken

2-25 Processes to remediate negative impacts

See 2-12 Role of the highest governance body in overseeing the management of impacts
See 2-26 Mechanisms for seeking advice and raising concerns
See 2-27 Compliance with laws and regulations
See 2-29 Approach to stakeholder engagement
See 413-2 Operations with negative impacts on local communities

2-26 Mechanisms for seeking advice and raising concerns

MBLL maintains a comprehensive employee code of conduct and a separate supplier code of conduct. Both documents set clear expectations for ethical behaviour and compliance and include several mechanisms (or avenues) for how concerns can be reported.

Employees

Training is provided to all new employees on our employee code of conduct and also our respectful workplace policy. All employees are encouraged to speak to their manager or another trusted leader first. Where this is not an option, employees may submit concerns confidentially through a dedicated phone line and email account. If the concern relates to discrimination or harassment, employees may complete a respectful workplace disclosure form and email directly to the labour relations team to determine appropriate next steps.

The corporation also adheres to *The Public Interest Disclosure (Whistleblower Protection) Act* (Manitoba) and maintains a whistleblower protection policy to provide a formal process for disclosing concerns about significant and serious wrongdoings to the vice-president, general counsel and corporate secretary who acts as the designated officer. Whistleblower disclosures are included in our annual reports.

Business Partners

Partners can access information on doing business with us, and find the Supplier Code of Conduct, on our business-to-business website. Email addresses and phone lines have been created for different categories of commercial customers to provide information or concerns.

Customers

MBLL values feedback from customers, including recommendations and concerns, and has several methods for customers to engage with the organization:

- Employees in customer-facing roles are trained to provide customer service and escalate concerns to their manager where appropriate. Those leaders will address, direct, or further escalate based on their role and training.
- Contact Us is a web-based system available in English and French for customers and the public to raise concerns or seek information.
- An accessibility coordinator is available to address related concerns, by email or phone, as described on our accessibility webpage.
- MBLL hosts annual public meetings to share information and receive questions.

The board's Strategy, Planning, and Governance Committee provides assurance to the board that related management processes are in place and functioning effectively.

2-27 Compliance with laws and regulations

There were no significant fines or non-monetary sanctions incurred in relation to non-compliance with laws and regulations.

2-28 Membership associations

We are members of various industry bodies. Here are some of our key affiliations where we hold a position, participate in projects, sit on committees, provide funding, or find strategic value:

- Asper School of Business Associates
- BOMA Manitoba
- Business chambers of commerce:
  - Indigenous Chamber
  - Manitoba Chambers
  - St. Boniface Francophone Chamber
  - Winnipeg Chamber
  - Other local chambers
- Buy Social Canada
- Canadian Association of Importers and Exporters
- Canadian Collaboration for Sustainable Procurement
- Canadian Lottery Coalition
- Canadian Research Insights Council
- Civil Service Superannuation Board
- Crisis Prevention Institute
- Fish Forward
- Food & Beverage Manitoba
- Gaming Security Professionals of Canada
- Gartner Canada
- Interprovincial Lottery Corporation (ILC)
- ILC Canadian Responsible Gambling Association
- Institute of Internal Auditors Winnipeg Chapter
- LEAF Certification
- Manitoba Restaurant and Foodservices Association
- Manitoba Safety Council
- Multi-Material Stewardship Manitoba
- QNET
- Retail Council of Canada
- Social Responsibility Committee (CALJ-SR for Canadian liquor jurisdictions)
- Tech Manitoba
- The Partnership (for Canadian gambling organizations)
- Western Canada Lottery Corporation (WCLC)
- Winnipeg Construction Association

This list is not meant to be exhaustive.

5. STAKEHOLDER ENGAGEMENT

2-29 Approach to stakeholder engagement

The Government of Manitoba

MBLL's accountability to the Province of Manitoba is set out in *The Manitoba Liquor and Lotteries Corporation Act* and *The Crown Corporations Governance and Accountability Act*. Through the minister responsible for MBLL, the Province exercises oversight with mandate letters establishing priorities and directives. The Corporation provides ongoing reporting and support to government, including preparation for Standing Committee appearances, identification of emerging issues, and advancement of complex matters that may require or inform government decision-making. MBLL also routinely provides its minister with operational context on matters that may have implications beyond the organization.

Indigenous communities

We introduced our ReconciliACTION roadmap in 2024, a living document created to guide the organization on our journey of reconciliation with Indigenous communities through a series of goals and actions. It was created in consultation and through coordinated efforts of many internal and external people, including the shared knowledge and perspectives from elders, knowledge keepers, and Indigenous employees and community leaders.

The roadmap is led by our program manager, Indigenous relations and the Indigenous Advisory Circle, alongside the president and CEO and the vice president of human resources, with input from the Diversity Equity and Inclusion department's Truth and Reconciliation subcommittee.

The president and CEO co-chairs the Indigenous Advisory Circle:

- Gerry Sul, President and CEO, MBLL (Co-chair)
- Kevin Chief (Co-chair)
- Tracey Bremner, Vice President, Human Resources and Corporate Security, MBLL
- Shelley Cook, Program Manager, Indigenous Relations, MBLL
- Jamie Dumont
- Verna Demontigny
- Alan Greyeyes
- Nikki Komaksiutiksak
- Trevor LaForte
- Melanie Larner, Director, Recruitment, Development and Inclusion, MBLL
- Norman Meade
- Gina Smoke

Local communities

We engage with Manitoba-based charitable or not-for-profit organizations through our programs:

- Sponsorship
- Festival
- Indigenous community support
- Golf
- Small capital
- Donations
- Volunteer and employee giving
- Social responsibility funding

Customers

Engagement with customers is provided through annual public meetings, satisfaction surveys, public and consumer opinion surveys, focus groups, and communication channels such as Contact Us.

Business partners

Engagement with business partners is established through many of the resources available on mbllpartners.ca and through dedicated teams of personnel whose role it is to manage specific business relationships. Examples include the general manager of commercial gaming, and the director of liquor and cannabis commercial partners, along with more specific roles reporting to these leaders. Issues are managed with escalation as appropriate up to and including our president and CEO. Partner satisfaction surveys are also conducted on a regular basis.

Employees

An employee engagement survey is conducted every two years which provides the opportunity for executive management to identify strengths and areas for improvement. The most recent survey had an 83% participation rate, higher than the benchmark of 77%.

2-30 Collective bargaining agreements

IFRS Sustainability

IFRS S1 Food retailers and distributors – labour practices

Active workforce employed under collective agreements	88%	FB-FR-310a.2
Number of work stoppages	0	FB-FR-310a.3
Total days idle	0	FB-FR-310a.3

Five unions represent 88% of employees under seven collective agreements.

Employee group	Union	Agreement expires
Liquor	MGEU	March 24, 2026
Operations Employees	Unifor	June 4, 2026
Shift Supervisors	General Teamsters	October 31, 2026
Administration	CUPE	September 30, 2027
Technical Services	IBEW	September 30, 2027
Food & Beverage Services	MGEU	March 31, 2028
Surveillance	General Teamsters	August 31, 2028

Our objective is to ensure collective agreements are fair and meet the needs of our business.

MBLL determines working conditions and terms of employment for the remaining 12% of employees who are not covered by collective bargaining agreements.

200 ECONOMIC STANDARD SERIES

IN THIS SECTION

201. Economic performance
202. Market presence
203. Indirect economic impacts
204. Procurement practices
205. Anti-corruption
206. Anti-competitive behaviour
207. Tax

201 ECONOMIC PERFORMANCE

201-1 Direct economic value generated and distributed

In $ millions, unless otherwise noted.

Economic value distributed is defined in 201-1. This is not a financial statement.

Revenue	**$ 1,754.3**
Employee benefits	187.9
Payments to government	799.6
Payments to partners	233.7
Net operating and other costs	533.1
Economic value retained	**$ 0.0**

See 2025-26 Annual Report

Payments to government

Federal	
Customs and Excise duties	$ 46.4
Goods and Services Tax	9.0
Lottery federal payment	3.1
Provincial	
Allocation of net income and comprehensive income	724.1
Interest expense on long-term debt	10.2
Municipal	
Grants in lieu of taxes	6.8
Payments to government	**$ 799.6**

Payments to partners

Manitoba hotel and restaurant industry (VLT sites, beer vendors, liquor-licensed restaurants and lounges)	$ 98.5
First Nations (VLT sites): First Nations communities are provided 85% of net win from VLTs on their respective lands as a contribution to promote sustainable, social, and economic benefits and opportunities, while 5% is provided for hosting the VLTs	63.7
Private liquor retailers (specialty wine stores, liquor vendors)	26.1
Lottery retailers	17.8
Social responsibility partners, including: • Funding to 34 third-party agencies working in treatment and support, harm prevention and minimization, and research • Internal research and program evaluation • Promotion of responsible gaming and responsible liquor and cannabis consumption among consumers, and operating expenses	14.7
LGCA through annual licence fees for employees, electronic gaming devices, and retail liquor locations. Additional amounts are directed to be paid under *The Liquor, Gaming, and Cannabis Control Act (Manitoba)*	5.2
405 community organizations including First Nations sports associations and employee charity programs	4.6
Veterans' organizations (VLT sites)	3.0
Environmental partners	0.1
Payments to partners	**$ 233.7**

MBLL also helps customers and employees contribute to the community:

- 266 employees, family, and alumni reported 11,507 volunteer hours with 54 organizations during the year.
- Employees contributed nearly $65,000 through payroll deduction to charities of their interest through the Annual Workplace Giving campaign.
- 13 organizations received used asset donations.
- Customers donated nearly $150,000 for 12 charitable organizations through coin boxes at Liquor Marts and Casinos of Winnipeg.

Overall, 434 organizations were supported through MBLL's funding and other contributions.

See Management discussion and analysis in the 2025-26 annual report for analysis of all financial results

201-3 Defined benefit plan obligations and other retirement plans

In accordance with the provisions of *The Civil Service Superannuation Act* (Manitoba), employees are eligible for pension benefits. Plan members must contribute to the multi-employer Civil Service Superannuation Fund at prescribed rates for defined benefits, while MBLL must match employee contributions.

See note 2(o) to consolidated financial statements in the 2025-26 annual report

201-4 Financial assistance received from government

MBLL did not receive any government grants or financial assistance in 2025-26.

202 MARKET PRESENCE

202-1 Ratios of standard entry level wage by gender compared to local minimum wage

MBLL has a total of seven collective agreements covering entry-level positions across the organization. Below are the lowest pay scales for each collective agreement including the one out of scope pay structure as captured on March 31, 2026. The identifying collective agreements are confidential.

IFRS Sustainability

IFRS S1 Food retailers and distributors | Restaurants – labour practices

		IFRS code
Average hourly wage	Information unavailable/incomplete. MBLL is in the process of exploring how it can report on this.	FB-FR-310a.1 FB-RN-310a.2 (1)
Percentage of restaurant, in-store and distribution centre employees earning minimum wage, by region	To be competitive, MBLL pays all employees above minimum wage, which as of October 1, 2025 is $16.00. Prior to this increase, minimum wage was $15.80.	FB-FR-310a.1 FB-RN-310a.2 (2)

Collective agreement number	Minimum	Maximum	Ratio to provincial minimum wage ($16.00)	Percentage difference
In scope				
1	$16.69	$17.86	1.043:1	4.3%
2	$17.57	$18.86	1.098:1	9.8%
3	$18.51	$23.15	1.157:1	15.7%
4	$18.63	$28.48	1.164:1	16.4%
5	$20.89	$26.21	1.306:1	30.6%
6	$21.22	$26.04	1.326:1	32.6%
7	$27.12	$32.18	1.695:1	69.5%
Out of scope				
Band	$24.02	$31.20	1.50:1	50.1%

Pay is determined by position. All employees assigned to the same position are placed in the same pay scale.

202-2 Proportion of senior management hired from local community

100% of executive management, defined as the full-time members of our Executive Management Committee, were hired from Manitoba. Our determination of local is based on whether the employee's primary address is in Manitoba.

See 2-9 Governance structure and composition

203 INDIRECT ECONOMIC IMPACTS

203-1 Infrastructure investments and services supported

Our profits go to the Province of Manitoba's general revenues, which are used for infrastructure and services. Additionally, MBLL contributed $4.6 million to help support 405 organizations through community funding and other contributions. MBLL also contributed $14.7 million to 34 community partners working in harm minimization, treatment, support, and addiction services.

203-2 Significant indirect economic impacts

See 2-6 Activities, value chain and other business relationships
See Our Business

Supply chain

- Jobs supported for suppliers of liquor, gaming, food, goods and services, and cannabis.
- Jobs supported for businesses related to MBLL's operations and maintenance of facilities, which can include construction or renovation.

Distribution chain partners

- Jobs supported for more than 3,300 private businesses in Manitoba that sell liquor, gaming, or cannabis.
- Additional revenue to help make small businesses more viable and increase economic activity especially in many rural communities. This includes hotels, restaurants, bars/lounges, lottery ticket retailers, specialty wine stores, and rural liquor retailers.

Commercial property

- MBLL holds a significant number of contracts for various land, building, and equipment leases used for operations, which have remaining lease terms from 1 to 18 years.

Product use

- The use of our products carries risks and harms that can include financial and health issues, exacerbated by the possibility of addiction. These can put strain on Manitoba's health care services or lead in exceptional circumstances to unemployment, homelessness or crime.
- As a member of the Canadian Lottery Coalition, we institute and participate in legal proceedings to combat illegal online gaming sites with little to no protections or recourse for the player. These illegal sites also divert monies that would otherwise be returned to provincial governments and directed to priority programs and initiatives that benefit Manitobans.

See 413-2 for our processes and procedures created to offset these negative impacts

204 PROCUREMENT PRACTICES

Topic Disclosure: Management approach

MBLL has four separate groups that each focuses on a specific type of procurement:

1. Liquor
2. Cannabis
3. Casino restaurant food
4. Corporate procurement and gaming and lottery products, and all other goods and services required within the organization such as distribution services, IT-related equipment, architectural services, employee uniforms, and marketing services, to name a few.

Liquor

Global suppliers can apply through MBLL's call for listing process across the categories of wine, spirits, ready to drink (RTD), and beer for one or both of public Liquor Mart and private commercial customer channels. Where appropriate, these listing processes incorporate sustainability-related criteria, including recognition of third-party certifications.

Cannabis

Manitoba cannabis retailers must purchase all cannabis products through MBLL's cannabis order desk. We source non-medical cannabis from Canadian producers. Cannabis products are highly regulated in Canada. Regulation requirements include Health Canada product testing and packaging and labelling requirements. Cannabis products are shipped directly from producers to retailers or through one of Manitoba's licensed distributors.

Casino restaurant food

We purchase food for resale in casino restaurants from local food distributors.

Corporate procurement

MBLL's corporate procurement department, which looks after all non-operational procurement in addition to gaming and lottery products, follows structured, transparent and competitive procurement processes aligned with the Manitoba government's policies and trade agreements.

Procurement is conducted through a formal documented process. Documents are posted on public tendering systems. MBLL reviews bidder responses and based on the criteria and the evaluation process a contract is awarded.

MBLL's procurement process requires business units to plan for goods and services purchasing. Business units are required to identify the need, technical specifications, sustainable specifications (e.g. environmental, social, accessibility, French language), and budget required.

See 2-24 Embedding policy commitments

204-1 Proportion of spending on local suppliers

Provincial and federal governments have procurement obligations under trade agreements that ensure suppliers can access opportunities across provinces.

Liquor

Manitoba has 49 local producers.

Category	Products	Share of local products
Wine	85	3%
Spirits	130	5%
Ready to drink	312	13%
Beer	1,934	79%
Total	**2,461**	**100%**

Cannabis

100% of the cannabis we source is Canadian.

Casino restaurant food

Local attribution is based on the Canadian Food Inspection Agency definition: food produced within the same province or territory in which it is sold, or food produced in another province or territory but sold within 50 km of the originating province or territory's border.

Casino restaurants, a significant component of casino hospitality services, support several customer trends including offering local food. To ensure customer satisfaction, contracted food suppliers are requested to locally source at least 25% of food spend (excluding non-dairy beverages).

	2025-26	2024-25
Percentage of locally sourced food purchased by casino	31.7%	25.4%

Gaming equipment, and all other corporate goods and services

48.7% of total spend through corporate procurement is with Canadian companies, 26.6% of which are Manitoba companies.

Lottery paper

100% of the lottery paper we purchase is from a local supplier. Our determination of local for this purpose is based on whether the company is headquartered or largely produced in Manitoba.

205 ANTI-CORRUPTION

205-1 Operations assessed for risks related to corruption

Assessing and Managing Risk

MBLL employees, excluding Liquor Mart employees, are assessed and licensed by our regulator, LGCA.

The management of opportunities and risks is an integral part of MBLL's business processes. Strategic decisions are made by the executive team with consideration of risk implications to the business and its stakeholders. MBLL's risk management follows the "Three Lines Model" in which operational management owns and manages risks, support functions oversee and establish policies, our surveillance department monitors operations, and Internal Audit provides independent, objective assurance and advisory services. Risks that may be material to MBLL are identified and monitored on an ongoing basis through MBLL's Enterprise Risk Management (ERM) program under the corporate risk department. MBLL's corporate risk department determines top organizational risks which get submitted to the board of directors for oversight.

Policies and Due Diligence Processes

Robust employee development, leadership development, position profiles and performance management programs, and a code of conduct are in place to ensure awareness and adherence to expected business conduct standards. Policies and procedures are reviewed and audited on a regular basis.

See 2-23 Policy commitments

Code of Conduct

MBLL strives to adhere to the highest standards while delivering our products and services in an ethical and socially responsible manner. MBLL has a code of conduct for all employees, and executives. It is approved and signed by the president and CEO and sets behaviour expectations and principles for conducting business in areas including workplace safety and health, ethics and integrity, labour, environment, anti-corruption, human rights, privacy and the criminal code. 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.

The code of conduct was written in alignment with *The Public Service Act* and references Canada's Truth and Reconciliation Commission Calls to Action and the United Nations Declaration of the Rights of Indigenous Peoples.

Conflict of Interest Policy

MBLL is committed to the highest level of honesty, integrity, and impartiality in its conduct. Employees must avoid situations which might result in a conflict of interest. The policy provides direction in identifying and managing conflicts of interest situations involving MBLL.

See 2-15 Conflicts of interest

Whistleblower Protection Policy

MBLL has 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. There is a designated officer who is responsible for managing, tracking, and reporting disclosures. To report concerns, or disclose potential wrongdoings or misconduct, employees contact the designated officer's confidential hotline at (204) 957- 2500 ext. 4976 or email corporate.secretary@mbll.ca.

See 2-16 Communication of critical concerns
See 2-26 Mechanisms for seeking advice and raising concerns

Family Personal Relationship Policy

This policy establishes principles around employees in family/personal relationships working together, to prevent real or perceived conflict.

MBLL does not prohibit the employment of more than one family member to ensure employment opportunities are available to as many residents as possible within the communities and surrounding areas where it operates.

To avoid potential conflicts of interest and maintain the integrity of its operations, the employment of a family member is subject to conditions.

Charitable Donations and Sponsorships

MBLL has policies in place to manage MBLL's charitable donations and sponsorships within a framework of consistency and fairness, to ensure they are not used as a disguised form of bribery. Regular reviews and assessments are conducted to ensure intended funding outcomes are met and resources are used effectively.

Promotions and Contest Exclusions

All corporate events are designed and operated with the highest integrity standards and must be perceived by the public to be without bias. There is a policy that defines who is excluded from participating in corporate promotions and contests intended for customers.

Community Events Ticket Policy

MBLL supports local communities, delivers net income to the Province, and enriches the lives of Manitobans by building relationships through involvement in community sponsorship of organizations or events, advertising and promotional activities. As a result, tickets to events can be included as part of an agreement or purchase. The Community Events Ticket Policy provides clear direction on the proper use and distribution of event tickets received.

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.

MBLL's Delegation of Financial Authorities (DFA) is designed to enhance the efficiency of the day-to-day operating activities of the corporation while maintaining sound financial controls. Financial authority is delegated by the Board to the CEO who in turn sub-delegates this authority to executive management and other staff as defined by position title in the DFA Schedule and Notes. Accounting and Corporate Procurement are required to verify that individuals do not exceed the authority delegated to their position.

Supplier Code of Conduct

The supplier code of conduct is incorporated as part of all new or renewed contracts. Our supplier code of conduct sets the expectation that our suppliers and their employees and subcontractors will follow ethical business practices and includes several mechanisms for how concerns can be reported.

This reporting period, 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. Email addresses and phone lines have been created for different categories of commercial customers to provide information or concerns. In addition, MBLL hosts public consultations for each business line.

Supplier Agreements and Terms and Conditions

MBLL employs standard agreements and terms and conditions on all purchase orders with suppliers. Purchase orders are governed by and enforced in accordance with provincial and federal laws.

205-2 Communication and training about anti-corruption policies and procedures

MBLL is committed to continuous improvement regarding employees' understanding and compliance to policies and procedures. All employees must read, understand, and comply with the code of conduct and supporting policies. There is mandatory training that covers our code of conduct and supporting policies for every new employee, and regular refresh training for existing employees.

Employees were prompted in fiscal 2024-25 and again in fiscal 2025-26 to disclose any conflict of interest, and to review additional policies.

Contractors are also asked to formally agree to follow the supplier code of conduct, when required.

205-3 Confirmed incidents of corruption and actions taken

MBLL has policies and processes in place to prevent corruption. Annual fraud reports are submitted to the Province of Manitoba's Insurance and Risk Management branch in compliance with *The Financial Administration Act* (Manitoba) and related guidelines set out in that branch's Risk Management Policy Manual and the Province of Manitoba's Financial Administration Manual.

206 ANTI-COMPETITIVE BEHAVIOUR

206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices

Pursuant to *The Manitoba Liquor and Lotteries Corporation Act*, MBLL has the exclusive authority to sell liquor in Manitoba and to bring liquor into Manitoba for sale in Manitoba; to conduct and manage lottery schemes for the government within Manitoba in accordance with the Criminal Code; and to source and distribute cannabis to private retailers in Manitoba.

There were no legal actions begun in 2025-26 for anti-competitive behaviour, anti-trust, or monopoly practices in which MBLL was identified as a participant.

207 TAX

Not applicable.

IN THIS SECTION

101. Biodiversity
102. Climate Change
103. Energy
301. Materials
303. Water and Effluents
306. Waste
308. Supplier Environmental Assessments

101 BIODIVERSITY

101-1 Policies to halt and reverse biodiversity loss

MBLL operates under a sustainable development policy that recognizes the environmental impacts of our operations, and our responsibility to mitigate them by:

- Integrating environmental and sustainable practices into our business decisions and strategies with the same weight as financial goals, and
- Treating environmental factors on the same basis as technical and economic factors within business processes including:
    - Procurement of goods and services
    - Departmental operations
    - Construction
    - Decommissioning and disposing of assets and equipment

The policy also defines requirements for the environmental sustainability department to assist with the development of corporate strategies to reduce the corporation's impact on the environment in line with existing legislation, emerging legislation and best practices.

Note: The policy does not reference the 2050 goals and targets in the Global Biodiversity Framework but is deemed sufficient to support our role in the protection of nature and mitigation of biodiversity impacts. MBLL's Net-Zero Emissions by 2050 Roadmap provides goals that indirectly support biodiversity.

See A Word from our President and CEO
See The road to net zero 2050

101-2 Management of biodiversity impacts

MBLL follows the biodiversity mitigation hierarchy to avoid and minimize biodiversity loss and support local conservation projects. Our ability to manage biodiversity impacts is driven through continuous business improvement processes, including responsible procurement of sustainable goods and services.

As part of the purchasing process, MBLL reviews sourcing options, engages with suppliers and manufacturers, and works to influence and take advantage of better product and service offerings with fewer environmental impacts each time we enter the market. Some examples:

- Casino restaurants
    - Buy only sustainably certified seafood and freshwater fish (e.g. Marine Stewardship Council, Monterey Bay, or Ocean Wise recommended)
    - Buy only Fairtrade Certified coffee and tea
    - Prohibit single use plastic dinnerware and bags
    - Divert food waste to licensed commercial composting facilities
    - Participate in La Table des Chefs, a food recovery program that takes kitchen prep and delivers it to the homeless through a local partner
    - Support the advancement of sustainable fisheries in Manitoba by serving and promoting local Marine Stewardship Council (MSC) certified pickerel
    - Estimate and report Scope 3 GHG emissions from animal protein on the menu (meat, dairy, eggs)
    - Partner with local conservation groups to support livestock-related land stewardship projects that both mitigate emissions associated with animal protein and habitat loss
- Liquor Operations
    - Phase out single-use paper and cardboard packaging at MBLL-owned stores by transitioning customers to reusable bags
    - Reduce receipt waste by printing store receipts only upon request
    - Transition to paperless warehouse operations like inventory counts and pick lists
    - Partner with local conservation groups and communities to support tree planting actions that advance biodiversity and climate resilience
    - Offer sustainably certified liquor in stores. Inform and promote climate and biodiverse friendly choices including Fairtrade and organic certified wines and spirits
    - Estimate, report, and reduce Scope 3 GHG emissions from paper products use
- Casino and Lottery Operations
    - Work with vendors to increase the percentage of post-consumer waste content in paper-based lottery products
    - Promote and phase in digital alternatives to paper-based lottery products
    - Use FSC certified paper in slot and VLT cash-out tickets, with the intention of eventually going paperless
    - Estimate and report Scope 3 GHG emissions associated with use of casino and lottery related paper products
    - Request information from electronic gaming vendors on efforts to reduce environmental impacts associated with the manufacture and transportation of gaming machines and offsetting for the embodied carbon associated with the gaming machines offered to MBLL.
- Overarching corporate actions
    - Net zero emissions by 2050 strategy implementation. (*See 102 Climate change*)
    - Waste minimization and waste management programs. (*See 306 Waste*)

101-3 Access and benefit-sharing

Not applicable. MBLL does not access or use genetic resources or the associated traditional knowledge in its operations. As such, Access and Benefit-Sharing (ABS) requirements under the Convention on Biological Diversity and the Nagoya Protocol are not applicable to the organization.

101-4 Identification of biodiversity impacts

MBLL identifies the sites, products, and services within its operations and supply chain that present the most significant actual or potential impacts on biodiversity through a risk-based, location-informed assessment process. This approach considers MBLL's direct operations, its upstream value chain, and product transportation reflecting the nature of its business as a retailer and distributor.

Screening of MBLL sites

MBLL's building portfolio (leased and owned properties) are in cities and towns throughout the province on lands zoned for commercial use. No locations required a provincial environmental assessment to operate or are located on or near a determined endangered species site. Biodiversity impacts associated with building site locations is considered low. MBLL considers stormwater runoff and management as well as waste generation in the management of all its facilities.

Upstream supply chain

MBLL identified and assessed its most significant biodiversity risks associated with upstream supply chain, where impacts are more likely to occur. Product and service categories were assessed based on information pertaining to:

- Liquor purchasing: Geographic origin of liquor production in areas with high risk of water scarcity and ecosystem degradation (e.g., intensive agriculture to support raw material inputs such as grains, sugar, agave, grapes)
- Paper product purchasing for gaming, lottery, and retail: Deforestation and high chemical use
- Food purchasing for casino restaurants: Intensive agriculture, deforestation, water extraction, chemical use, and land conversion

Based on our assessment, liquor, paper, and food production sourced from global suppliers have high biodiversity impacts.

The need for enhanced biodiversity and sustainability in agriculture, aquaculture, fisheries, and forestry is Target 10 within the Kunming-Montreal Global Biodiversity Framework. The target emphasizes the importance of sustainable management of these production systems to conserve and restore biodiversity and ecosystem functions. Practices on the land and where the land use is taking place have been deemed material for this disclosure.

Cannabis sourcing in Canada is associated with indoor and greenhouse cultivation. Compared to outdoor cultivation, regulated cannabis sources reduce the risk to forests, protected areas and wildlife habitat. Biodiversity risk is considered low.

Product Transportation

MBLL has identified and assessed its most significant actual and potential biodiversity impacts related to the transportation of products through a risk-based evaluation of logistics activities, recognizing that transportation represents an indirect impact pathway rather than a direct interaction with ecosystems.

MBLL relies on third-party carriers to deliver products from domestic and international suppliers to its distribution centre and warehouses, interfacility transportation and third party logistic contracted delivery and freight services.

The potential biodiversity losses associated with transportation are not site specific but rather have a systemic, cumulative impact on the environment. The indirect pathways are:

- Greenhouse gas emissions
- Air pollution
- Noise pollution

MBLL's degree of influence over the transportation impacts to its distribution centre is limited. MBLL has little to no direct control over routing and operational practices.

MBLL relies on third party carriers to transport goods from its distribution centre to retail stores and commercial customers. It relies heavily on road freight which has a higher emission intensity, wildlife collisions risk and localized air pollutions (over rail and air freight). Mitigation of risks is assessed and implemented largely through procurement standards, vendor expectations and efficiency measures.

MBLL has identified climate-related impacts from the upstream transportation emissions associated with the transportation of goods from its distribution centre to retail stores and commercial customers as a material Scope 3 emission in its greenhouse gas inventory.

See 102 Climate Change

101-5 to 101-8

MBLL has assessed the relevance of 101 Biodiversity disclosures and determined that disclosures 101-5 to 101-8 are not material.

Our operations are mainly in existing urban facilities with minimal activities that directly impact natural habitats, protected areas, or species at risk. MBLL does not engage in land development or resource extraction and therefore has limited direct interaction with biodiversity. None of our building locations are in ecologically sensitive areas. As such, biodiversity-related impacts, risks, and opportunities are considered minimal and are indirectly managed through broader environmental initiatives such as energy efficiency, sustainable procurement, and waste management.

102 CLIMATE CHANGE

102-1 Transition plan for climate change mitigation

IFRS Sustainability

IFRS S2 Climate-related disclosures – transition plan

Since 2022, MBLL has followed a near-term carbon reduction strategy with a horizon of 2032. The strategy was based on an assessment of our corporate Greenhouse Gas (GHG) inventory, and a review of emission categories that contribute most significantly to GHG emissions. It focuses on the avoidance of emissions to the greatest extent possible within these categories.

This fiscal year MBLL developed a Net Zero Emissions by 2050 Roadmap that expands the above approach to include phasing out fossil fuels and minimizing and replacing high emission sources with low carbon alternatives over the next 25 years. It incorporates the expertise of operational staff throughout the organization to focus on six pathways:

1. Supporting the circular economy
2. Decarbonization of owned building assets
3. Electrification of corporate fleet
4. Developing net zero building lease agreements
5. Avoidance of paper purchase and consumption
6. Managing the impacts of animal-based proteins (meat and dairy) served at restaurants

Our transition plan is aligned with the latest scientific evidence showing that limiting global warming to 1.5 C helps avoid the worst impacts of climate change. Our 2017 emissions inventory serves as the base year for carbon reduction targets. These are time-bound across all emission scopes and are absolute.

MBLL has established governance, strategic planning, financial planning and reporting processes to support the implementation of this roadmap. These enablers ensure GHG emission reduction priorities are understood, are a shared responsibility of all employees, embedded in day-to-day operations, and that decision-making processes are not treated as standalone initiatives.

The Corporate Accountability & Integrity Division is responsible for reporting absolute carbon reductions against strategic targets and progress against interim milestones to the board and EMC annually.

Each action in the roadmap includes an evaluation of its capital and operational expenses. Expense data is compiled and reported during business planning. Since 2024-25, we have allocated an annual budget of $650,000 to enhance energy efficiency and plan the sequence of actions required to decarbonize our building assets. This budgeting is in place for five years.

Our plan to transition to low GHG emissions and climate resilience includes meaningful dialogue and participation from potentially impacted groups including workers, communities, supply chains and consumers, and alignment with the Province of Manitoba's net zero plan. Implementing the transition plan has increased communication and

expectations with vendors to support emissions reductions associated with the goods and services they offer. We have also begun to increase engagement with architectural and construction contractors to support the emission reduction requirements of construction and renovation projects, and with property developers who manage our lease locations.

MBLL's roadmap will be reviewed every three years to reflect any changes in legislative requirements, climate risks, and advancements in emissions reduction technology.

See The road to net zero 2050

102-2 Adaptation Plan

IFRS Sustainability

IFRS S2 Climate-related disclosures – adaptation, risk management

MBLL faces climate-related risks across operations and its global supply chain. A climate risk registry to assess vulnerabilities and opportunities is scheduled for completion by the corporation on a three-year cycle within the corporation's enterprise risk management framework. The scheduled assessments are needed to determine changes in global and local climate situations that may impact MBLL business and to re-evaluate risk level associated with mitigation actions underway to reduce previously defined climate-related risks.

Climate risks are assessed using Task Force on Climate-related Financial Disclosures aligned risk assessment methodology principles, the Canadian and Prairie Climate Atlas, provincial recommendations to assess climate risks, and discussion with staff in key business areas to understand current and foreseeable climate risks impacting people, planet and finance.

Representative concentration pathway (RCP) 4.5, low carbon scenarios (approximately 1.5 C by 2050) and RPC 8.5 (approximately 2.0 C by 2050) for 2021-2050 modelled and provided by the Canadian and Prairie Climate Atlas are used to determine potential physical impacts on capital asset (building) portfolio.

MBLL identified five key risks arising from the physical effects of climate change and environmental degradation, and seven risks arising from policy action taken to transition the economy off fossil fuels and failing to transition to global low carbon economy. These are in relation to liquor, cannabis, and gaming operations, as well as property management requiring assessment by the corporation.

Physical risks due to climate change and extreme weather events:

- Key global suppliers unable to maintain production, especially goods originated through agricultural production
- Unavailable essential transportation infrastructure
- Damaged, disrupted, or restricted utility infrastructure (e.g. electricity, internet, water)
- Damaged or inaccessible MBLL facilities
- Degraded employee health and safety (e.g. heat stress, mental health)

Transition risks related to climate mitigation and adaptation:

- New or changing legislation related to climate change
- Availability of capital for corporate initiatives redirected to low carbon initiatives
- Capital investments directed to sub-optimal solutions if desired technology does not reach the market in a timely manner
- Service providers misaligned with our low carbon emissions needs or expectations
- Stranded assets (when the equipment is no longer supported)
- Real or perceived view that MBLL is not moving quickly enough to reduce carbon emissions
- Higher costs for energy-intensive operations due to overall demand for green energy sources in the province

Directors and managers across all lines of business assess these risk statements every three years. Financial, environmental, reputational, legislative and labour considerations associated with each risk statements are assessed qualitatively and quantitively using the corporation's risk assessment methodology scoring for inherent risk.

MBLL, through its climate related vulnerability risk assessment process quantifies risks in environmental and financial terms and prioritizes by probability. Risks determined to be "significant and severe" or "likely and almost certain" require management action and are prioritized.

The near horizon risks (2-3 years) are managed through departmental operational and process changes. Mid horizon risks (3-10 years) are managed through corporate strategic and business planning processes.

Distant horizon risks (beyond 10 years) are assessed through annual situational analysis exercises to determine government policy, global and climate risk trends.

MBLL's Net Zero Emissions by 2050 Roadmap includes requirements to advance infrastructure-related adaptation and resilience. It will be reviewed every three years to ensure additional adaptation requirements are included with emission reduction actions.

102-3 Just transition

A new program manager for sustainable infrastructure reports to the director of corporate property services. They ensure leased and owned properties remain operational without service disruptions, managing and implementing MBLL's Carbon and Energy Reduction Initiative (CERI) and advancing climate resiliency in alignment with MBLL's Net Zero Emissions by 2050 Roadmap.

A new environmental consultant provides expertise to continue ongoing development and implementation of MBLL's environmental stewardship strategy. The position reports to the program manager for environmental sustainability and supports the implementation and monitoring of the corporation's net zero emissions by 2050 roadmap and climate resiliency.

New employees recruited to support climate transition plans	Full-time	Female	Male
Program Manager	1	1	0
Environmental Consultant	1	0	1
Total	**2**	**1**	**1**

Employees redeployed to support climate transition plans	0
Workers who are not employees whose work was terminated as a result of climate transition	0

102-4 GHG emissions reduction targets and progress

IFRS Sustainability

IFRS S2 Climate-related disclosures – metrics and targets

Target	Percentage of base year	CO_2e (t)
Short Term (2027)	28%	4,040
Medium Term (2032)	43%	6,200
Long Term (2050)	92%	13,280

The targets include all applicable Kyoto Protocol greenhouse gases: CO_2, CH_4, N_2O, HFCs. All gases are converted to CO_2 equivalent (CO_2e) using accepted global warming potentials. Biogenic CO_2 emissions are included in our targets and are reported separately and transparently.

MBLL's net zero emission by 2050 roadmap aligns with the principles within the Science Based Targets initiative (SBTi) and federal and provincial climate targets.

These targets cover 100% of Scope 1, Scope 2 and the following material Scope 3 emissions as reported in Disclosures 102-6. MBLL included Scope 3 emissions targets with Scope 1 and 2 as over 65% of base year emissions are attributed to Scope 3. GHG removals, trades, or avoided emissions for Scope 1, Scope 2 and Scope 3 are excluded.

MBLL's Scope 2 emissions are a municipal source derived from hydro electricity. The emission calculations are location-based method, reflecting Manitoba's grid emissions profile.

MBLL's Scope 3 emissions are:

Scope 3 Categories	
1	Purchased goods and services • Liquor retail (paper checkout bags, beer carriers, receipt paper); casino (bingo paper, electronic gaming cashout tickets); lottery (scratch 'n win, breakopen, national lotteries on thermal paper) • Restaurant related purchase of animal protein (meat, dairy, eggs)
4	Distribution of products to Manitoba Liquor Marts and commercial customers Distribution of products to lottery retailers and account customers
5	Landfilled waste generated in operations
6	Business travel (employee vehicle use, casino taxi program, and air travel)
8	Upstream lease assets
9	Liquor Mart home delivery
12	End of life treatment of sold products (paper)

MBLL has selected 2017 as its base year since it is the most recent year with complete emissions data and is representative of operational conditions.

Base year 2017 CO_2e (t)	Updated	Previously reported
Scope 1	3,374.6	3,444.7
Scope 2	51.5	51.5
Scope 3	10,978.6	10,856.8
Biogenic	31.7	-
Total	**14,436.4**	**14,353.0**

Recalculations are conducted in accordance with the GHG Protocol to ensure consistency and comparability over time. In 2025-26, a base year recalculation was conducted for Scope 3, Categories 4 and 6 due to enhanced quality of data from vendors.

	CO_2e (t)
Base year 2017	14,436
2025-26	10,720
Absolute reductions 2025-26	**3,716 (26%)**

Absolute emissions reductions as of 2025-26 are associated with the following programs:

- Reduction of Liquor Mart single-use paper packaging (carrier and kraft bag) and promoting the use of reusable bags and carriers: 1,713 t CO_2e in Scope 3, Cat. 1
- Modifications to the size, paper type and percentage recycle content of breakopen and scratch 'n win tickets: 1,005 t CO_2e in Scope 3, Cat. 1
- Support fleet driver non-idling mandate, removal of casino shuttle buses, and begin transitioning to electric and hybrid vehicles: 394 t CO_2e in Scope 1
- Improve fleet vehicle efficiencies: 600 t CO_2e in Scope 1

MBLL's GHG inventory and target tracking are prepared in accordance with:

- GHG Protocol Corporate Accounting and Reporting Standard
- GHG Protocol Scope 3 Standard
- Applicable Canadian and provincial guidance

Calculation tools and methodologies are provided in Disclosure 102-5, 102-6 and 102-7.

102-5 Scope 1 GHG emissions

IFRS Sustainability

IFRS S2 Climate-related disclosures – metrics and targets

Scope 1 - Direct emissions		Base year 2017* (t CO_2e)	2025-26 (t CO_2e)
Stationary combustion	Natural gas	2,084.5	1,389.0
	Propane	N/A *Previous 38.3*	N/A
	Diesel for backup generators	37.2	33.8
	Maintenance fuel	20.2	29.8
Mobile combustion	Fleet	1,162.4	557.0
Fugitive emissions	Refrigerants	70.4	103.3
Biogenic emissions	Biomass in diesel and gasoline	31.7	31.8
Total Scope 1		**3,406.4** *Previous 3,444.7*	**2,143.7**

* *A base year recalculation was conducted in 2025-26 for Scope 1, propane under stationary combustion. Propane use from leased assets was erroneously reported under Scope 1 in previous years and is now being reported under Scope 3, Cat. 8.*

Methodologies:

- *The selected approach for consolidating GHG emissions by MBLL is operational control.*
- *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition*
- *Gases included in the carbon dioxide equivalent (CO_2e) are carbon dioxide (CO_2), nitrous oxide (N_2O), methane (CH_4), and hydrofluorocarbons (HFCs).*
- *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 2022 GREET model, selecting fuel sourced from Alberta oil sands.*
- *Global warming potentials (GWP) for refrigerants were obtained from California Air Resource Board, IPCC Fifth Assessment Report (AR4), 100 years.*

IFRS S1 Food retailers and distributors standards – air emissions for refrigeration

Liquor Marts and liquor distribution centre		IFRS Code
Gross Scope 1 emissions from refrigerants	57.8 t CO_2e	FB-FR-110b.1
Percentage of refrigerants consumed with zero ozone-depleting potential	N/A*	FB-FR-110b.2
Average refrigerant emissions rate	N/A*	FB-FR-110b.3

* *Information unavailable. There are no refrigeration units within our distribution centre. Refrigeration is minor in Liquor Marts.*

102-6 Scope 2 GHG emissions

IFRS Sustainability

IFRS S2 Climate-related disclosures – metrics and targets

Scope 2 – Indirect Emissions	2017 base year ($t CO_2e$)	2025-26 ($t CO_2e$)
Electricity use	51.5	189.8
Total Scope 2	51.5	189.8

- *No base year recalculations were conducted for Scope 2 emissions in 2025-2026.*

Methodologies:

- *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition.*

102-7 Scope 3 GHG emissions

IFRS Sustainability

IFRS S2 Climate-related disclosures – metrics and targets

The selected approach for consolidating GHG emissions by MBLL is operational control. Through operational control, MBLL has an opportunity to manage or influence these emissions.

Scope 3 – Upstream and downstream emissions		Base year 2017 ($t CO_2e$)	2025-26 ($t CO_2e$)
Cat. 1 Purchasing goods and services	Paper products	7,672.5	4,680.4
	Animal-based proteins	1,230.8	768.3
Cat. 4 Upstream transportation and distribution	Distribution to Liquor Marts and commercial customers	709.0* *Previous 648.4*	1,001.1
	Distribution to lottery retailers and account customers	17.6	10.5
Cat. 5 Waste generated in operations (landfilled waste from buildings)		240.5	240.8
Cat. 6 Business travel (employee vehicle and air travel)		200.1* *Previous 160.0*	151.9
Cat. 8 Upstream leased assets		781.1* *Previous 760.0*	1,486.2
Cat. 9 Liquor Mart home delivery (Estimated. Delivery introduced after base year.)		N/A	16.3
Cat. 12 End-of-life treatment of sold products (landfilled paper products)		127.0	30.9
Total Scope 3		**10,978.6** *Previous 10,856.8*	**8,386.4**

* *Base year recalculations conducted in 2025-26:*

- *Cat. 4, Distribution of products from distribution centre to Manitoba Liquor Marts and commercial customers: Delivery data for Winnipeg commercial customers was added to the category due to improve data quality from the delivery vendor.*

- *Cat. 6, Business Travel: Business travel related to the casino employee taxi chit program was added to the category.*
- *Cat. 8, Upstream Leased Assets: Propane usage from leased assets was erroneously reported under Scope 1 in previous years. 2017 base year propane emissions are based on the 2017–20 average, consistent with the methodology used to calculate base year emissions for this Scope 3 Category.*

Methodologies:

- *Guidance for calculating Scope 3 emissions is based on World Resource Institute Technical Guidance for Scope 3 emissions.*
- *The Environmental Paper Network's Paper Calculator (4.1) 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 v16 2023 (solid waste emissions not available using Environment Canada's GHG emissions calculator).*
- *Landfill gas recovery with flare 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, round trip.*
- *Employee vehicle travel fuel consumption was estimated based on Statistics Canada's 2024 vehicle registrations data.*
- *Transportation carrier distance data was provided by vendors and Distribution Centre route estimations. SmartWay carrier emissions ranking data was obtained from Natural Resources Canada. Emission factors for fuel usage were obtained using the 2022 GREET model, selecting fuel sourced from Alberta oil sands.*

102-8 GHG emissions intensity

Building-related fuel combustion emission intensities	Base year 2017 (Kg CO_2e/m^2)	2025-26 (Kg CO_2e/m^2)
Scope 1 – Fuel combustion for owned buildings	43.9	29.8
Scope 3 – Fuel combustion for leased buildings	23.6	27.3

Includes GHGs from natural gas, propane, maintenance equipment, and diesel consumption.

Fuel combustion for fleet vehicles emission intensities	Base year 2017 (Kg CO2e /km)	2025-26 (Kg CO_2e /km)
Scope 1 – Fuel combustion for fleet vehicles	0.50	0.37

102-9, 102-10 GHG removals in the value chain and carbon credits

Not applicable. Our activities do not result in GHG removals within the value chain, nor do we purchase carbon credits or offsets. In alignment with MBLL's Net Zero Emissions by 2050 Roadmap, MBLL is focused on direct reductions and advancing the transition to renewable energy sources, with carbon credits or offsets used for residual emissions from our operations nearer to 2050.

103 ENERGY

103-1 Energy policies and commitments

MBLL is committed to reducing GHG emissions and progressing toward achieving net zero emissions by 2050. As part of this commitment, MBLL is working on a strategy that prioritizes enhanced energy efficiency as the first step in decarbonizing owned buildings and developing criteria to support net zero building lease agreements.

The strategy will outline activities tailored for each owned and leased location with implementation timelines, and energy reduction targets in alignment with the goal to achieve net zero emissions by 2050. In addition, we support circular economy principles in construction and renovation projects to reduce embodied carbon of building materials (design, manufacturing, transportation, energy efficiency, etc.) and minimize waste in our supply chains (repairability, durability, supplier/community recycling programs, etc.).

Since 2024-25, we have allocated an annual budget of $650,000 to enhance energy efficiency and plan the sequence of actions required to decarbonize our building assets. This budgeting is in place for five years. In 2025-26, our Corporate Property Services team increased internal expertise to support the development of this strategy.

MBLL also prioritizes the purchase of electric vehicles at the time of fleet vehicle replacement and when available in the marketplace. Currently many EV fleet models do not align with our fleet operational requirements (e.g. insufficient cargo space). If electric vehicles are not feasible, we review hybrid options as a second option and gasoline vehicles with best-in-class fuel efficiency as the last resort. In 2025-26, we had six electric vehicles and two hybrid vehicles within a fleet of 97 vehicles.

As MBLL progresses toward net zero, initiatives related to energy reduction and the renewable energy transition will be implemented with consideration of economic, environmental, and social impacts, including our employees and communities. These transition risks are taken into consideration during annual business planning.

IFRS S1 Food retailers and distributors | Casinos and gaming | Leisure facilities | Restaurants - energy management

The selected approach for consolidating GHG emissions by MBLL is operational control. Through operational control, MBLL has an opportunity to manage or influence these emissions.

Casino*		Base year 2017 (GJ)	2025-26 (GJ)	IFRS code
Club Regent				
Total energy consumed	Electricity	54,373	46,449	SV-CA-130a.1
	Natural Gas	15,331	14,375	FB-RN-130a.1
	Total	**69,704**	**60,824**	SV-LF-130a.1
Percentage grid electricity		78.0%	76.3%	SV-CA-130a.1 FB-RN-130a.1 SV-LF-130a.1
Percentage renewable**		~78%	~76%	SV-CA-130a.1 FB-RN-130a.1 SV-LF-130a.1
McPhillips Station				
Total energy consumed	Electricity	48,787	44,187	SV-CA-130a.1 FB-RN-130a.1
	Natural Gas	14,678	9,202	
	Total	**63,465**	**53,389**	
Percentage grid electricity		76.9%	82.8%	SV-CA-130a.1 FB-RN-130a.1
Percentage renewable**		~77%	~83%	SV-CA-130a.1 FB-RN-130a.1
Liquor distribution centre* **		**Base year 2021 (GJ)**	**2025-26 (GJ)**	**IFRS code**
Total energy consumed	Electricity	7,150	6,405	
	Natural Gas	18,702	17,097	FB-FR-130a.1
	Total	**25,852**	**23,502**	
Percentage grid electricity		27.7%	27.3%	FB-FR-130a.1
Percentage renewable**		~28%	~27%	FB-FR-130a.1
Liquor Marts		**Base year 2017 (GJ)**	**2025-26 (GJ)**	**IFRS code**
Owned				
Total energy consumed	Electricity	1,456	1,267	
	Natural Gas	383	373	FB-FR-130a.1
	Total	**1,839**	**1,640**	
Percentage grid electricity		79.2%	73.3%	FB-FR-130a.1
Percentage renewable**		~79.2%	~73.3%	FB-FR-130a.1
Leased				
Total energy consumed	Electricity	24,515	25,804	FB-FR-130a.1
	Natural Gas	12,427	9,821	
	Propane	142	339	
	Total	**37,084**	**35,964**	
Percentage grid electricity		66.1%	71.7%	FB-FR-130a.1
Percentage renewable**		~66%	~72%	FB-FR-130a.1

* *There is one electricity meter and one natural gas meter at each of Club Regent Casino and McPhillips Station Casino. The energy metrics reported are aggregated at the facility level and are not separated by restaurant operations (i.e. no sub-metering for restaurant locations).*

** *MBLL purchases all its electricity from Manitoba Hydro. Manitoba Hydro's generation portfolio is composed predominantly of renewable hydroelectric power. During periods with low water levels, a portion of the electricity provided may come from a thermal generating plant (natural gas).*

*** *There is one electricity meter and one natural gas meter at our Liquor Distribution Centre. MBLL's distribution centre was not part of the building portfolio in base year 2017. The first full year of energy data available is calendar year 2021.*

103-2 Energy consumption and self-generation within the organization

Renewable energy sources	Base year 2017 (GJ)	2025-26 (GJ)
Building-related consumption – Owned assets		
Electricity	109,944	96,269
Total	**109,944**	**96,269**

Non-renewable energy sources	Base year 2017 (GJ)	2025-26 (GJ)
Building-related consumption – Owned assets		
Natural gas heating	34,655.0	27,725.0
Propane heating	-	-
Back-up generators – diesel	525.0	350.3
Back-up generators – biodiesel	N/A*	15.2
Maintenance equipment – gasoline	84.5	25.0
Maintenance equipment – ethanol	4.8	1.7
Maintenance equipment – diesel	176.9	297.5
Maintenance equipment – biodiesel	N/A*	11.9
Building-related total	**35,446.2**	**28,426.6**
Fleet vehicle fuel consumption – Owned assets		
Gasoline	10,842.0	5,429.0
Diesel	535.6	113.1
Ethanol	621.4	366.5
Biodiesel	N/A*	4.9
Fleet vehicle total	**11,999.0**	**5,913.5**
Total	**47,445.2**	**34,340.1**

* *GJ for biodiesel not calculated in 2017.*

Total for owned assets	Base year 2017 (GJ)	2025-26 (GJ)
Renewable	109,944	96,269
Non-renewable	47,445	34,340
Total energy consumption	**157,389**	**130,609**

- *MBLL's owned building portfolio has changed since 2017. Divested buildings were removed from the base year. Since 2017, MBLL has not purchased any new buildings. In 2025-26, the total floor area associated with MBLL's owned building portfolio was 48,818 m² (11 locations).*
- *In base year 2017 there were 82 fleet vehicles (79 gasoline and 3 diesel) versus 97 vehicles (6 electric, 2 hybrid, 3 diesel, and 86 gasoline) in 2025-26.*
- *MBLL does not generate any energy within the organization.*

Data sources, conversions, and notes:

- *Back-up generator and maintenance equipment diesel data: Fuel consumption invoices.*
- *Building-related heating and cooling consumption data: generated through ENERGY STAR Portfolio Manager.*
- *Fleet metrics: Fleet telematics software GEOTAB.*
- *Gasoline, diesel and ethanol related fuel consumption is converted to GJ using the Government of Canada, National Energy Board online energy conversion tables.*
- *MBLL purchases all its electricity from Manitoba Hydro. Manitoba Hydro's generation portfolio is composed predominantly of renewable hydroelectric power. During periods with low water levels, a portion of the electricity provided may come from a thermal generating plant (natural gas).*
- *Except for three properties in MBLL's owned building portfolio, all electricity consumption is attributed to non-heating activities such as lighting, HVAC, equipment, etc. These three locations consume less than 1% of the total electricity use.*

103-3 Upstream and downstream energy consumption

MBLL's building portfolio only includes upstream leased assets.

Renewable energy sources	Base year 2017 (GJ)	2025-26 (GJ)
Building-related consumption – leased assets		
Electricity	24,515	32,210
Total	**24,515**	**32,210**

Non-renewable energy sources	Base year 2017 (GJ)	2025-26 (GJ)
Building-related consumption – leased assets		
Natural gas heating	12,569	27,257
Propane heating	142	331
Total	**12,711**	**27,588**

Total for leased buildings	Base year 2017 (GJ)	2025-26 (GJ)
Renewable	24,515	32,210
Non-renewable	12,711	27,588
Total energy consumption	**37,226**	**59,798**

- *In base year 2017, total leased floor area was 33,056 m² (47 locations). In 2025-26, the total floor area associated with MBLL's leased building portfolio was 54,352 m² (50 locations).*
- *Compared to 2017, total energy consumption associated with leased buildings increased mainly due to the addition of 1000 King Edward Street Warehouse (19,056 m²).*
- *Building-related heating and cooling consumption data is generated through ENERGY STAR® Portfolio Manager.*
- *MBLL purchases all its electricity from Manitoba Hydro. Manitoba Hydro's generation portfolio is composed predominantly of renewable hydroelectric power. During periods with low water levels, a portion of the electricity provided may come from a thermal generating plant (natural gas).*
- *Apart from four properties in MBLL's leased building portfolio, all electricity consumption is attributed non-heating activities such as lighting, HVAC, equipment, etc. These four locations consume less than 6% of the total electricity use.*
- *Fuel consumption associated with transportation and distribution of liquor and lottery products is not included. Currently, fuel consumption data is not provided by third-party vendors conducting delivery services for MBLL.*

103-4 Energy intensity

Buildings

Energy-use intensity is calculated using ENERGY STAR Portfolio Manager (data is site weather-normalized, which does not include generation and transmission of energy). Building-related energy consumption includes electricity, natural gas and propane use.

Buildings	Address	Base year 2017 (GJ/m²)	2025-26 (GJ/m²)	Percentage change
Owned				
Casinos	1425 Regent Avenue West, Winnipeg	3.59	3.03	-15.6%
	484 McPhillips Street, Winnipeg	3.94	2.85	-27.7%
Corporate office with warehouses	1390 Pacific Avenue, Winnipeg	1.21	0.98	-19.0%
	2 Wagon Trail, Morris	1.02	1.01	-1.0%
Corporate office	223 Main Street, Morris	1.37	1.12	-18.3%
Liquor Marts	Average of owned locations*	(6) 1.20	(6) 1.08	-10.0%
Leased (Upstream Leased Assets)				
Corporate office	1000 King Edward Street, Winnipeg**	1.42	1.26	-11.3%
Liquor Marts	Average of leased locations	(46) 1.15	(49) 1.08	-6.0%

* *Number of locations averaged is shown in brackets.*

** *The first full year of energy data available for 1000 King Edward Street is 2021.*

Fleet Vehicles

	Base year 2017	2025-26
Gasoline, Diesel, and Hybrid		
Number of vehicles*	82	91
Distance driven (km)	2,327,339	1,401,809
Total fuel use (GJ)	11,999	5,913
Fuel efficiency (GJ/100 km)	0.52	0.42
Percentage change		**-19.2%**
Electric		
Number of vehicles	-	6
Distance driven (km)	-	80,471
Total electricity use (GJ)	-	115.4
e-Fuel efficiency (GJ/100 km)	-	0.14
e-Fuel change since base year	-	N/A

* *2025-26: Includes 2 hybrid, 3 diesel, and 86 gasoline vehicles.*

- *Installation of telematics in 2015 allowed accurate tracking and monitoring of fuel efficiency. All fleet vehicles are owned by MBLL.*
- *In 2025-26, MBLL has six electric vehicles in its fleet inventory. As electric vehicle technology advances, MBLL will monitor vehicle efficiency associated with fleet electrification through telematics and will use 2025-26 as our base year.*

103-5 Reduction in energy consumption

Owned and leased buildings

In reference to GRI 103-4 Energy Intensity, MBLL has made efficiencies that reduced energy use intensity for all owned buildings and most leased locations. Efficiencies were achieved mainly through HVAC and lighting upgrades and optimizations. MBLL continues to conduct energy use monitoring to determine options to improve the efficiency of buildings through renovations, preventive maintenance, equipment upgrades and optimization.

However, based on weather-normalized data, there has not been a material change in total energy consumption for MBLL's entire building portfolio (owned and leased) since 2017. While total energy consumption for our owned buildings decreased, the addition of the King Edward Distribution Centre to our leased asset portfolio in 2020 increased total consumption for leased buildings. Based on Energy Star Portfolio Manager's benchmarking model, the energy use intensity for this warehouse is approximately 50% higher than the Canadian national median for warehouses.

Weather-normalized energy consumption	Base year 2017 (GJ)	2025-26 (GJ)
Owned buildings	237,932	205,392
Leased buildings	58,327	86,768
Total energy consumption	**296,259**	**292,160**
Change since base year	**-4,099 GJ (-1.4%)**	

- *Includes energy used for electricity and heating sources*

Fleet Vehicles

In reference to 103-2 Energy Consumption and 103-4 Energy Intensity, reductions in fuel consumption were largely attributed to the removal of casino diesel shuttle buses and ongoing efforts to encourage fleet vehicle operators to reduce idling time and driving speed. In addition, MBLL has begun electrifying its light-duty fleet and currently has six electric and two hybrid vehicles within its fleet inventory of 97 vehicles in 2025-26. In preparation for future electric vehicles, a bank of 10 level two charging stations was installed at 1390 Pacific Avenue.

301 MATERIALS

Not applicable. 301 is most applicable to primary manufacturers (raw materials into the production of goods) or organizations where materials, especially packaging and own-brand products, are a material impact.

302 ENERGY

See 103 Energy

303 WATER AND EFFLUENTS

Topic Disclosure: Management approach

MBLL has assessed water consumption and effluent discharge as not material to its operations. MBLL operates in a region with abundant freshwater resources, and water use is limited to facility operations such as guest services, sanitation, food and beverage activities, corporate offices, and retail stores.

The organization does not engage in water-intensive production processes nor discharge industrial effluents. All wastewater is managed through municipal systems in compliance with local regulations. Additionally, water availability does not pose a significant operational or financial risk.

MBLL incorporates water efficient fixtures in all its buildings and supports water efficient landscaping. Work is underway to retrofit monitoring devices to advance water leak detection at the casinos.

Based on its low environmental impact, minimal risk profile, and stakeholder prioritization, water-related impacts are not considered material at this time.

IFRS Sustainability

IFRS S1 Restaurants – water management

Casino water withdrawn and consumed*	Base year 2017 (m^3)	2025-26 (m^3)	IFRS Code
Club Regent Casino	29,853.9	23,963.0	FB-RN-140a.1
McPhillips Station Casino	26,662.5	19,202.9	FB-RN-140a.1

* *There are two main water meters at Club Regent Casino and two at McPhillips Station Casino. The water metrics reported are aggregated at the facility level and are not separated by restaurant operations (i.e. no sub-metering for restaurant locations). In addition, the restaurant patrons use washrooms in common areas of the casinos. Casino water fixtures are water efficient and aligned to building code. Water is provided by the City of Winnipeg as a municipal water source. Effluent discharge from the casinos is directed to the City of Winnipeg municipal wastewater system.*

305 EMISSIONS

See 102 Climate Change

306 WASTE

306-1 Waste generation and significant waste-related impacts

MBLL manages waste materials from its lottery and VLT product lines, liquor distribution, and liquor retail; supports the downstream management of packaging waste associated with the retail sale of liquor, cannabis and lottery products; and works with contracted construction project managers to divert construction-related materials associated with owned and leased building assets from the landfill.

Significant waste-related impacts associated with operations include:

- Corrugated cardboard and shrink wrap from liquor purchasing and distribution
- Electronics such as business electronics, slots and VLTs, and security equipment
- Food waste from casino restaurants
- End-of-life management of purchased assets
- Construction and renovation related building material

As a steward under the *Packaging and Printed Paper Stewardship Regulation* (Manitoba), MBLL supports the waste management of retail packaging of products sold to residential customers.

306-2 Management of significant waste-related impacts

MBLL promotes circularity by diverting materials from landfill through commercial recycling and organic waste collection programs, conducting audits to identify and implement waste reduction strategies, supporting the management of retail product packaging waste, and regularly updating requirements for the procurement of goods and services to include new standards and best practices.

Key initiatives include:

- $3.6 million in 2025-26 – MBLL maintains a refundable deposit system for beer containers via redemption at hotel beer vendors. Funding is provided to vendors to support the collection of beer containers through a refundable deposit system.
- $2.3 million in 2026 – As a steward under Manitoba's Packaging and Printed Paper Stewardship Regulation, MBLL funds the recovery and recycling of liquor containers and cannabis packaging, lottery materials, marketing materials, and other packaging collected within the residential recycling system through Multi-Material Stewardship Manitoba (MMSM).
- Commercial waste management – Contracted services manage municipal solid waste, cardboard, and co-mingled recyclables for casinos, Liquor Marts, warehouses, offices.
- Liquor distribution centre and Winnipeg Liquor Marts recycling – Cardboard and shrink wrap are collected and sent to a recovery facility and sold to recyclers.
- Organic waste diversion – Casinos collect all kitchen and plate waste from food operations for composting and through vendor services send organics to a commercial composting facility.
- Asset disposal – End of life electronics, uniforms, furniture and more are donated, recycled in whole or in part, or sent to the landfill as the last resort.
- Electronic waste – Spent electronics are processed through Manitoba's Recycle My Electronics program. Gaming equipment not included in this program is handled by a licensed recycler.
- Metal recycling – A significant amount of metal associated with the disposal of assets is sent to contracted metal recyclers.
- Specialized recycling – Additional recyclers are contracted for lightbulbs, batteries, restaurant oil and other materials.
- Construction waste management: project managers and contractors identify, track and divert renovation and demolition waste wherever possible.

306-3, 306-4 Waste generated and diverted

Waste generated and diverted – organizational activities

Service type	Material collected	Waste generated (t)	Landfill (t)	Diverted (t)
Garbage collection	Municipal solid / bulky waste	478.5	478.5	
	End of life assets	7.2	7.2	
Single stream collection	Cardboard	414.8		414.8
	Electronics	19.2		19.2
	Lightbulbs	0.6		0.6
	Scrap metals	67.0		67.0
	Ballasts	0.3		0.3
	Shrink wrap	23.9		23.9
Composting	Food waste	123.5		123.5
Mixed recycling		25.6		25.6
Total		**1,160.6**	**485.7**	**674.9**
Percentage diverted				**58.2%**

- *The total weights in 2025-26 are estimated using a combination of vendor-supplied actual weight data and estimated weight based on bin sizes and type of material collected in the bins.*

IFRS S1 Restaurants – food and packaging waste management

			IFRS code
Total amount of waste (t)	485.3		FB-RN-150a.1 (1)
Percentage food waste	25.4%	(123.5 t)	FB-RN-150a.1 (2)
Percentage diverted	34.3%	(156.9 t)	FB-RN-150a.1 (3)

- *The Casino restaurants are equipped with cardboard, mixed recycling, organics (food waste) and garbage collection bins. Organics collected are sent to a commercial compost facility and converted to compost via microbes and the finished product is applied to land.*
- *The waste metrics represent total operations across the entire casino facility and are not broken down by restaurant operations.*

		IFRS code
Total weight of packaging	Information incomplete. MBLL is in the process of collecting this information and will have it available in the 2026-27 ESG Report.	FB-RN-150a.2 (1)
Percentage made from recycled or renewable materials*	100% renewable material	FB-RN-150a.2 (2)
Percentage that is recyclable, reusable, or compostable*	100% compostable	FB-RN-150a.2 (3)

* *Beverages and take-out food offered on the casino floor (coffee and tea service and bar service areas) are provided using certified compostable dinnerware (compostable cups, food containers, stir sticks, napkins).*

Supplemental table

Casino	Landfilled (t)	Cardboard recycled (t)	Mixed recycled (t)	Organics collected (t)	Total	Percentage diverted
Club Regent	166.4	9.5	13.6	76.5	**266.0**	**37.4%**
McPhillips Station	152.0	8.3	12.0	47.0	**219.3**	**30.7%**
Total	**318.4**	**17.8**	**25.6**	**123.5**	**485.3**	**34.4%**

- *Data is compiled using vendor-supplied waste and recycling data as well as invoice service information. When material weight data was not provided by the waste collection vendor, volume-to-weight was estimated based on the known capacity of the yardage bin, using volume-to-weight conversion factors provided by the waste collection vendor and or by internal waste audit evaluations.*

Waste generated and diverted – downstream residential

MMSM category	Material	Total 2025-26 (t)	Recycled (t)	MMSM 2023 recovery rate
Printed Paper	Magazines, catalogues	0.1	0.1	98.0%
	Other printed material	336.3	284.8	84.7%
Paper Packaging	Beverage containers	4.4	2.4	54.1%
	Kraft bags	25.4	24.8	98.0%
	Corrugated cardboard	429.6	421.0	98.0%
	Paperboard/Boxboard	113.7	73.8	64.9%
Plastics	PET containers and bottles	496.1	343.3	69.2%
	HDPE bottles	3.3	2.3	69.6%
	Other plastic	35.5	16.6	46.6%
	Polystyrene	0.5	0.1	24.1%
	Plastic laminates	88.7	10.3	11.6%
Aluminum	Beverage cans	720.2	325.5	45.2%
Steel	Packaging	2.7	1.7	63.7%
Glass	Clear (flint) beverage bottles	7,686.4	5,930.1	77.2%
Total		**9,950.5**	**7,439.0**	**74.8%**

- *The total weight of packaging and printed material distributed through retail sales and managed in residential communities is provided.*
- *Materials recycled in the community are estimates based on the 2023 recovery rates published by MMSM.*

Waste generated and diverted – construction materials

Five construction projects were completed or near completion in 2025-26. Renovation-based construction waste includes corporate, retail and casino spaces.

Material types	Salvage (t)	Recycled (t)	Returned (t)	Landfilled (t)	
Metals	-	54.6	-	-	54.6
Wood	2.4	-	-	2.2	4.6
Carpet	-	-	0.1	-	0.1
Gypsum board	-	-	-	8.4	8.4
Concrete	-	-	-	2.0	2.0
Fixtures	-	-	-	0.3	0.3
Building materials (mixed)	-	-	-	11.8	11.8
Cardboard	-	0.1	-	-	0.1
Shrinkwrap	-	0.02	-	-	0.02
Total landfilled				**24.7**	**24.7**
Total diverted	**2.4**	**54.7**	**0.1**		**57.2**
Percentage diverted	**3.0%**	**66.8%**	**0.0%**		**69.8%**

- *Materials returned to MBLL are either reused or shipped to the vendor for recycling*

306-5 Waste directed to disposal

All waste directed to disposal are sent to municipal landfills within the province of Manitoba:

- Total estimated weight of waste associated with organization activities and disposed in landfills is 485.7 t.
- Total estimated weight of downstream waste materials disposed in landfills is 2,511.5 t.
- Total estimated weight of construction materials disposed in landfills is 24.7 t.

Central Services department is registered as a hazardous waste generator with the Manitoba government to manage hazardous wastes, should they be deposited at any one of our sites (e.g. left behind by contractor). When required, a hazardous waste manifest is generated, and a licensed hazardous waste handler is used to pick up and dispose of the waste.

308 SUPPLIER ENVIRONMENTAL ASSESSMENT

Topic Disclosure: Management approach

See 204 Procurement practices

308-1 New suppliers that were screened using environmental criteria

To reinforce the inclusion of environmental performance in all purchases, MBLL has reiterated requirements in its sustainable development policy and its procurement policy. These policies require employees to take environmental sustainability and social procurement requirements into consideration in all procurements. This includes seeking direction from the program manager for environmental sustainability when required. Once a preferred supplier is selected, contracts are formalized with defined terms and conditions, including compliance with MBLL policies, regulatory requirements, and, where applicable, environmental and social expectations. Ongoing contract management ensures supplier performance is monitored, risks are mitigated, and opportunities for continuous improvement are identified, supporting both operational effectiveness and responsible procurement objectives.

MBLL's Corporate Procurement teams work alongside the Environmental Sustainability team to review all business unit corporate goods and services requests. The intent of the review is to conduct research and advance sustainable criteria for the goods and services required and to ensure the procurement conforms with sustainability commitments made by the corporation such as mandatory use of certified third-party environmental labels for a wide variety of goods purchased.

Corporate Procurement and Liquor and Cannabis Operations ensure procurement and sourcing specifications are aligned with requirements set out in the Net Zero Emissions By 2050 Roadmap and designations obtained such as Fairtrade Workplace.

308-2 Negative environmental impacts in the supply chain and actions taken

MBLL does not conduct comprehensive supplier audits and does not track quantitative data related to negative environmental impacts in the supply chain and action taken. Through screening and during contracting we make sure vendors meet the mandatory sustainability requirements outlined in the bid documents, which for various goods and services, include third-party environmental certifications. MBLL has also established a list of goods and services requiring third-party certifications to guide purchasers and procurement staff (e.g., casino food purchasing, electronics, cleaning products, construction materials, clothing, etc.).

For high-risk vendors such as distribution services, electronic gaming equipment, cloud services and uniform purchasing, we communicate with the vendor during the life of the contract to obtain sourcing data and determine opportunities to reduce emissions and/or advance sustainability of their product or service in line with our Sustainable Development Policy and Net Zero Emissions by 2050 Roadmap.

IFRS Sustainability

IFRS S1 Food retailers and distributors – management of environmental and social impacts in the supply chain (liquor operations)

		IFRS code
Revenue from products third-party certified to environmental or social sustainability sourcing standards	Revenue from Fairtrade certified liquor products is recorded – see response below. MBLL is in the process of exploring how it can report on revenue from other third-party certified products.	FB-FR-430a.1
Percentage of revenue from (1) eggs that originated from a cage-free environment and (2) pork produced without the use of gestation crate	Not applicable. Liquor retailer and distributor.	FB-FR-430a.2
Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	For environmental risks: *See response below.* For social risks: *See 408 Child labour, 409 Forced labour, 414 Supplier social assessment*	FB-FR-430a.3 FB-RN-430a.3
Discussion of strategies to reduce the environmental impact of packaging	*See response below.*	FB-FR-430a.4

Supplier engagement and certified product offerings

Global suppliers of beverage alcohol products apply for listing consideration through MBLL's call for listing process across wine, spirits, ready to drink (RTD), and beer categories to support and enhance Liquor Mart and commercial customer assortments in Manitoba. Where appropriate, these listing processes incorporate sustainability-related criteria, including recognition of third-party certifications. MBLL recognizes and promotes third party

certifications and industry best practices associated with sustainable sourcing and packaging, including:

- Agricultural sourcing
  - Organic certifications (e.g. Canada Organic, EU Organic)
  - Fairtrade certification
  - Sustainable winegrowing certifications (e.g. Sustainable Winegrowing Ontario)
  - Regenerative farming conservation certifications (e.g. Regenerative Organic Certified)
- Packaging and materials
  - Forest Stewardship Council certified paper and cardboard for secondary and brand packaging
  - Lightweight glass and packaging formats (aligned with leading jurisdictional standards, such as LCBO and SAQ)

Given its limited ability to directly influence supplier packaging, MBLL collaborates with partners across Canada to drive broader change. MBLL is also a member of the National Quality Assurance Committee, where it works with regulators and industry leaders to promote best practices in packaging, sustainability, and certification standards across the liquor sector.

Fairtrade product offering and customer engagement

MBLL has offered Fairtrade-certified wines since approximately 2010 and promotes the associated environmental and social benefits. These include climate resilience in agricultural production, improved income stability for producers, and adherence to labour standards that prohibit forced and child labour.

We continue to offer a variety of Fairtrade certified wines at our Liquor Marts. In 2025-26, we sold approximately $240,000 of Fairtrade product with a total volume of approximately 11,600 litres. This represents less than 1% of wine sales at Liquor Marts.

Customer awareness is supported through in-store digital screens, product tastings, and other retail promotions. End cap displays are used to increase sustainable product visibility and encourage customer consideration.

Performance and forward-looking approach

MBLL monitors the number of certified SKUs offered, but revenue associated with products carrying third party agricultural and packaging certifications is not tracked and is considered immaterial compared to total liquor sales. As a result, formal tracking processes have not been implemented.

MBLL intends to advance sustainability considerations in future calls for listings, including requesting preference for organically certified products and lightweight, circular packaging formats. These efforts support the organization's broader objective of advancing circular materials and contributing to its *Net Zero Emissions by 2050 Roadmap*.

MBLL engages with other Canadian liquor jurisdictions to align on the certification standards, reporting, and tracking processes to assist with the identification and validation of supplier management processes around certified product status.

Climate-Related Supply Chain Risk Assessment

MBLL conducts a climate-related vulnerability risk assessment every three years to identify and evaluate potential impacts within the liquor supply chain. This assessment provides insight into climate-related risks associated with beverage alcohol production and sourcing, including exposure to environmental changes affecting agricultural inputs.

The results inform actions to support producers in minimizing environmental impacts and strengthening supply chain resilience. These actions may include encouraging sustainable production practices and integrating climate considerations into procurement and supplier engagement processes.

See 102 Climate change

IFRS S1 Restaurants – supply chain management and food sourcing

		IFRS code
Percentage of food purchased that (1) meets environmental and social sourcing standards, and (2) is certified to third-party environmental or social standards	For environmental metrics, see response below. MBLL is in the process of exploring social sourcing standards.	FB-RN-430a.1
Percentage of (1) eggs that originated from a cage-free environment and (2) pork that was produced without the use of gestation crates	Information incomplete. MBLL is in the process of collecting this information and will have it available in the 2026-27 ESG Report.	FB-RN-430a.2

Food Sourcing and Supplier Engagement

Food sourcing for casino-related food services at restaurants, venues and entertainment areas is primarily conducted through large scale food distributors, complimented by direct chef-driven procurement (20% by dollar value) to support flexibility and specialized sourcing.

To support sustainable purchasing, the large-scale distributors are requested to provide:

- At least 20% of annual food spend as buy-local, as defined by the Canadian Food Inspection Agency
- Only seafood sustainably caught (MSC, ASC, Oceanwise, BAP, and Montrey Bay Seafood selection guide)
- Only freshwater fish locally sourced and MSC certified

A separate vendor provides coffee and tea products and services to the casinos:

- Only Fairtrade certified coffee, tea and sugar can be offered
- All paper based products for coffee and tea service on the casino floor must be FSC certified or UL Ecologo certified, and all cups must be compostable (BPI certified)

Direct chef purchasing allows for the additional promotion of buy-local and to source from diversity and equity-focused suppliers.

Performance

Local food purchased by casinos	2025-26	2024-25
Percentage based on spend	31.7%	25.0%

Local and MSC certified freshwater fish purchased by casinos	2025-26	2024-25
Weight	3,390 kg	4,950 kg
Percentage	100%	100%

Fairtrade certified products sourced in 2025-26	Quantity	Spend ($)
Wine	149 L	$ 971
Tea	28,528 bags	8,723
Hot chocolate	1,177 kg	10,041
Sugar – granular and sugar packs	5,910 kg	47,528
Coffee	11,751 kg	291,685
Total		**$ 358,948**

Riders have been added onto existing large scale food distributor contracts with extra terms and conditions pertaining to the following:

- Animal welfare reporting protocol
- Eggs – Report the number of eggs purchased and the sales from eggs that originated from cage-free (including free-range) environments. Evidence or certifications to be provided. Preference for local and cage free eggs.
- Pork – Report weight and sales of pork produced without the use of gestation crates. Evidence includes audit statements where applicable. Preference for pork products that are both local and gestation crate free.

Climate-Related Supply Chain Risk Assessment

MBLL conducts a climate-related vulnerability risk assessment every three years to identify and evaluate potential impacts on its food and beverage supply chain. This assessment provides insight into climate-related risks associated with sourcing, including exposure to environmental changes affecting agricultural inputs.

The results inform actions to support producers in minimizing environmental impacts and strengthening supply chain resilience. These actions may include encouraging sustainable production practices and integrating climate considerations into procurement and supplier engagement processes.

See 102 Climate change

IN THIS SECTION

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401 EMPLOYMENT

401-1 New employee hires and employee turnover

Each chart in this section encompasses employees throughout all MBLL work locations across Manitoba. To maintain privacy, we have not included exact work locations in the following tables. Manitoba is considered a single region and data from 2-7 Employees is used to calculate rates of hires and turnovers, where available.

By age group

	Hires	Rate	Turnover	Rate
Under 30	177	N/A	308	N/A
30 to 50	124	N/A	182	N/A
Over 50	47	N/A	146	N/A
Total	**348**		**636**	

By gender

	Hires	Rate	Turnover	Rate
Female	185	14.2%	345	36.5%
Male	158	12.8%	288	23.4%
Non-binary, gender fluid, two-spirit, other	5	10.4%	3	6.3%
Total	**348**		**636**	

IFRS Sustainability

IFRS S1 Restaurants – labour practices,
(1) voluntary and (2) involuntary turnover rate for employees

	IFRS code
Information incomplete. MBLL is in the process of collecting this information and will have it available in the 2026-27 ESG Report.	FB-RN-310a.1

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

All employees (full time, part time, term) include employees located at all MBLL work locations across Manitoba. To maintain privacy, we have not included exact work locations in the following tables. For the purpose of this standard, Manitoba is considered a single region.

MBLL offers a comprehensive benefit package to both full-time and part-time employees per the terms of the applicable collective bargaining agreement as well as for all exempt employees. Both groups are eligible for health and dental, life insurance, parental leave, and participation in the pension plan. Temporary, seasonal, and casual employees are ineligible for benefits until such time as they become permanent employees.

Depending on the bargaining unit, part-time employees may be ineligible for short- and long-term disability. Stock ownership is not offered to employees, as MBLL does not issue shares.

Existing collective bargaining agreement payment bands:

See 202-1 Ratios of standard entry level wage by gender compared to local minimum wage

401-3 Parental leave

Any employee who becomes a parent of a child is entitled to parental leave, according to provincial employment standards.

Parental leave is an insured benefit through federal employment insurance, meaning employees can apply for financial assistance of up to 55% of earnings. The employee must have at least six months of continuous service.

One out of the seven collective agreements requires the employee to have seven months of continuous service to be eligible for parental leave. Employees may take up to 63 weeks of unpaid parental leave.

MBLL offers a top up on parental leave for birthing parents specific to an employee's collective bargaining agreement. All except one collective agreement offers birthing parents the option to receive a 93% top up for 17 weeks of maternity leave, subject to the employee returning to work for at least six months or, in the case of a part time employee, one year.

Status	Employees	
On leave during the fiscal year	28	-
Remained on leave at end of the fiscal year	16	57.1%
Returned from leave during the fiscal year	11	39.3%
Returned from leave and left organization during the fiscal year	1	3.6%

- *Of the 28 employees on leave, 12 identified as female, 11 as male, and 5 were undisclosed.*
- *The rate of employees who returned from leave during this reporting period is 91.7%.*
- *The rate of employees who returned from leave in 2024-25 is 88%.*

402 LABOUR/MANAGEMENT RELATIONS

402-1 Minimum notice periods regarding operational changes

MBLL has seven collective agreements. Minimum notice periods can be found in the collective agreements for specific operational changes. Any notice period that is not covered by a collective agreement is covered by corporate policy or employment standards.

IFRS Sustainability

IFRS S1 Food retailers and distributors – labour practices

		IFRS code
Work stoppages	0	FB-FR-310a.3(1)
Days idle	0	FB-FR-310a.3(2)

403 OCCUPATIONAL HEALTH AND SAFETY

403-1 Occupational health and safety management system

MBLL's safety and health program is aligned with *The Workplace Safety and Health Act* (Manitoba), associated regulations and codes of practice. Legislation such as the Manitoba building, fire and electrical codes are also included in the safety and health program.

The safety and health program is comprehensive and covers all work performed by workers and contractors. Components of the program also address the safety and health of visitors to our sites. The program is managed by the safety and health team who have experience and education in this field. The overall performance of the safety and health program is assessed based on legislative compliance and incident/injury statistics. The management system is modified based on these assessments.

403-2 Hazard identification, risk assessment, and incident investigation

Hazard identification and control is one of the eleven elements of a safety and health program outlined in *The Workplace Safety and Health Act* (Manitoba). To meet this requirement MBLL has systems to identify, control and eliminate hazards in the workplace.

Hazard identification is conducted through risk assessments and inspections that are conducted by workers, leaders, safety and health committee representatives, and the safety and health team. Assessments and inspections are done before starting new or amended tasks, when equipment changes, as part of daily operations, and as part of safety and health committee meetings. Deficiencies identified by the risk assessments and inspections are actioned by the department leader or safety and health team resulting in appropriate control measures being implemented.

The safety and health team regularly assesses processes and equipment as part of the corporate risk mitigation program and to ensure compliance with legislation.

Workers who identify a workplace hazard work with their leader or the appropriate department to rectify the hazard. Workers may also bring concerns to a safety and health committee member or representative.

Workers who report hazards are protected from reprisal under MBLL's respectful workplace policy and Manitoba legislation. Workers have the right to file a complaint with the Manitoba Human Rights Commission or the Manitoba Workplace Safety and Health Branch.

The Workplace Safety and Health Act provides workers with fundamental rights including refusing dangerous work and protection from reprisal. Work refusals follow the process outlined in the legislation. At any time, persons involved in the investigation may contact the Workplace Safety and Health Branch during the refusal.

All incidents are investigated by the department leader in conjunction with the worker to identify what happened, contributing factors, and corrective actions required. The safety and health team and safety and health committees and representatives review all incidents. This ensures that the control measures are effective and are risk appropriate.

The primary risk to workers at all sites is musculoskeletal injury and slips and falls.

IFRS S1 Casinos and gaming – smoke-free casinos

		IFRS code
Percentage of gaming staff who work in areas where smoking is allowed	0%	SV-CA-320a.2

403-3 Occupational health services

MBLL has a dedicated employee wellness and workplace accommodation team whose responsibility includes managing occupational and non-occupational related injuries and illnesses and supporting accommodation. They liaise with key interested parties like insurers, health care providers, leaders, workers, and unions.

The team:

- Identifies top worker health and injury trends in the workplace and implements mitigation programs.
- Adheres to *The Personal Health Information Act* (Manitoba) when collecting, using, and disclosing personal health information.
- Receives all notices of workplace health or injury related incidents and manages the process from time of injury to resolution of the matter. This may include the involvement of insurers or developing modified return to work placements.

We adhere to the *Workers Compensation Act* (Manitoba) for reporting, processing, and adjudicating workplace injuries. Where required, workers access external health services. Workers are responsible for arranging the times and transportation for these appointments. The Workers Compensation Board of Manitoba supports provided are dependent on the injury claim needs.

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

MBLL follows the requirements established by *The Workplace Safety and Health Act* (Manitoba) and *The Workplace Safety and Health Regulation* with regards to safety and health committee members and representatives.

MBLL has seven safety and health committees across corporate, warehouse and casino locations. The committees are made up of workers elected by their unions, and management representatives. Each committee meets a minimum of four times a year to discuss concerns related to their respective workplace, review incident occurrences and the legislated annual violence report, and conduct workplace inspections to identify hazards.

Safety and health committees follow established rules of procedure and recommend actions to the safety and health team on safety and health matters. Minutes of meetings are posted in a prominent place in each workplace to allow workers to know the matters and concerns discussed and their resolution.

403-5 Worker training on occupational health and safety

Occupational safety and health training starts with mandatory general orientation for all new employees. Training needs are established based on a worker's role and the hazards they will encounter. Workers receive the general orientation and then receive any required department and role specific training. This training is provided and paid for by MBLL and is conducted during work hours. Retraining is conducted per legislated requirements, when their performance review shows a need, or when internal health and safety procedures change in materially significant ways. This includes online and in-person training, leaders reviewing department-specific tasks and requirements, required certifications, and training on all role-specific equipment.

MBLL has an organizational development team that organizes and tracks training provided to employees. They ensure training standards are met and maintained. In-person trainers are chosen based on their knowledge/certifications of the topic.

403-6 Promotion of worker health

Most employees have access to provincial health care and services. MBLL promotes wellness and worker health in many ways. Eligible workers have access to a comprehensive health benefits program.

The employee wellness and workplace accommodation team proactively promotes health through health fairs, on-premises seasonal vaccines, and special events. Health and wellness information is communicated on common and emerging health issues.

The safety and health team is responsible for the corporate safety and health program and ensuring compliance with all applicable legislation. This team promotes worker wellbeing through special events such as Safety and Health Week and targeted campaigns such as ergonomics and hearing assessments.

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

MBLL employees

MBLL has direct control over the work and workplace at its physical locations. Where MBLL workers work at non-MBLL workplaces MBLL controls the work that is performed. Where MBLL personnel feel they are at risk when working at an external location they have the right to leave or exercise their right to refuse. Workers will not be assigned to return to the external location until all occupational health and safety issues have been resolved.

Non-MBLL employees working in the liquor retail industry

MBLL has responded to the local impact of the rise in retail theft and vandalism across Canada, which has been felt in liquor retail more than in our other lines of business. Through collaboration with the Canadian Association of Liquor Jurisdictions (CALJ), the RCMP, local police forces, and the Retail Council of Canada, we grow our understanding of trends and best practices and share these with liquor retailers and their associations, such as the Manitoba Hotel Association.

We also share information with the Province of Manitoba, which has developed additional related supports for small businesses through such programs as the Manitoba Security Rebate Program.

403-8 Workers covered by an occupational health and safety management system

100% of MBLL workers are covered by an occupational health and safety management system based on legislative requirements. The safety and health program has many check and balance systems in place such as workplace inspections and incident/injury statistics to ensure the systems are working. Formal audits of the system are not conducted.

403-9 Work-related injuries

IFRS Sustainability

IFRS S1 Leisure facilities – workforce health and safety

		IFRS code
Total recordable incident rate (TRIR) for direct employees	Information incomplete. MBLL is in the process of exploring how it can report on this.	SV-LF-320a.1(1)
Near miss frequency rate (NMFR) for direct employees		SV-LF-320a.1(2)

MBLL documents all work related incidents, injuries and near misses. Injury statistics are shared quarterly with senior management and are reviewed with specific departments to identify hazards and reduce injuries. Injury trends and site-specific incident information is shared with safety and health committees at their meetings. All injury information relating to an injury that is shared is non-identifying to protect worker medical confidentiality.

Musculoskeletal injury and slips and falls are the primary cause of injury within the corporation. To address musculoskeletal injuries training programs and task specific stretch programs have been implemented. Managers audit employee compliance through safe lifting practices, conducting ergonomic assessments, and introducing tools/equipment to minimize risk.

Physical hazards that contribute to slips/trips have been identified and control measures implemented such as visually identifying changes in elevation, installing handrails, levelling floor surfaces.

403-10 Work-related ill health

Information incomplete. MBLL is in the process of exploring how it can report on this.

MBLL documents all work-related ill health. Injury statistics are shared quarterly with senior management and are reviewed with specific departments to identify hazards and reduce injuries. Ill health trends and site-specific incident information is shared with safety and health committees at their meetings. All ill health information is non-identifying to protect worker medical confidentiality.

404 TRAINING AND EDUCATION

Topic disclosure: management approach

MBLL provides support to employees ready to take the lead, develop new skills, or simply be their best for their current role. Employees can register for a wide range of development courses available on MBLL's training calendar – everything from problem solving, critical thinking, and time management to interview preparation and strategies for challenging conversations.

Our store management development training program is for employees who show interest and potential for running a Liquor Mart. The program includes courses on customer service, inventory management, workplace health and safety, marketing and merchandising, labour relations, and more. Through a partnership with the University of Manitoba, learners finish with a certificate in applied management. Participants learn to manage teams, plan strategically, and solve problems in a retail environment.

The company's emphasis on development includes the Emerging Leaders program. It's a 15-course program in which participants develop their personal, interpersonal, and strategic skills to grow effectively into leadership roles.

Our Women in Leadership program is offered to our female leaders to create opportunities, offer resources, and help build networks to support women in advancing to and thriving in leadership roles within the organization.

404-1 Average hours of training per year per employee

	2025-26	2024-25	2023-24
Total hours of training	**41,424**	**43,383**	**34,451**
Position			
Management	10,380	-	13,327
Employee	31,043	-	21,124
Gender			
Female	20,623	-	-
Male	20,645	-	-
Non-binary	154	-	-

- *The empty cells in 2023-24 and 2024-25 are due to the data not being collected.*

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

MBLL 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

	2025-26	2024-25	2023-24
Position			
Management	95.4%	97.9%	88%
Employee	98.8%	98.6%	98%
Gender			
Female	98.0%		
Male	97.3%		
Non-binary	75%		
Total	**97.7%**	**98.2%**	**93%**

405 DIVERSITY AND EQUAL OPPORTUNITY

405-1 Diversity of governance bodies and employees

See 2-7 Employees

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

Information is unavailable or incomplete. MBLL is in the process of exploring how it can report on this.

All positions are evaluated based on roles and responsibilities and assigned to pay scales accordingly.

406 NON-DISCRIMINATION

406-1 Incidents of discrimination and corrective actions taken

There were no adverse findings against MBLL by a judicial or quasi-judicial body with respect to allegations of discrimination in the reporting year.

All allegations of discrimination are reviewed and addressed appropriately by MBLL. The particulars and status of allegations and any actions taken by MBLL are not reported as this information is confidential or subject to legal privilege.

IFRS Sustainability

IFRS S1 Food retailers and distributors | Restaurants – labour practices

		IFRS code
Total amount of monetary losses as a result of legal proceedings associated with (1) labour law violations and (2) employment discrimination	Information unavailable or incomplete. MBLL is in the process of exploring how it can report on this.	FB-RN-310a.3 FB-FR-310a.4

407 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

MBLL is an operation that supports the rights of its workers by complying with applicable legislation and engaging in collective bargaining with the bargaining agents chosen by the workers.

408, 409 CHILD, FORCED, OR COMPULSORY LABOUR

408-1, 409-1 Operations and suppliers at significant risk for incidents of child, forced or compulsory labour

MBLL is subject to, and complies with, the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada). Under this legislation, MBLL is required to submit an annual report to the federal government outlining our efforts to prevent and address forced and child labour risks within our operations and supply chains. The report is published annually after May 31 and is available on the reports page of mbll.ca.

MBLL continues to evaluate opportunities to strengthen and evolve our approach.

See 204 Procurement practices

410 SECURITY PRACTICES

410-1 Security personnel trained in human rights policies or procedures

Casino

All casino security employees must complete numerous training courses prior to active casino-floor employment. Courses cover topics such as discrimination and harassment, de-escalation tactics and report writing.

Related training for casino security personnel	Completion rate	Retake schedule
Licensed under Manitoba Security Guard Act	100.0%	N/A
Smart Choices (LGCA)	98.4%	4 years
Serving Smart (MBLL)	64.8%	4 years
Accessible Communication and Customer Service	93.5%	4 years
Anti-racism	100.0%	Annually
5 Themes on Reconciliation	95.7%	

- *Reporting captures a point-in-time view as of March 31, 2026.*

- *100% of third-party security personnel complete Smart Choices every 5 years and are licensed under the Manitoba Security Guard Act. These personnel are contracted for concerts and events in the Club Regent Event Centre.*

Liquor Mart

Where a Liquor Mart is within a multi-tenant premises, MBLL does not maintain control over the training of the premises' security services.

411 RIGHTS OF INDIGENOUS PEOPLES

411-1 Incidents of violations involving rights of Indigenous Peoples

Total identified incidents	0

413 LOCAL COMMUNITIES

413-1 Operations with local community engagement, impact assessments, and development programs

MBLL engages with its local communities in a variety of ways.

We train all employees on offering services in French, known as an active offer, at all Liquor Marts, casinos, and the gaming centre. An active offer includes a bilingual greeting such as "Hello! Bonjour!", and visual cues, such as signs, that support this invitation.

Registered not-for-profit and charitable organizations can seek community support funding from us for smaller community-based infrastructure projects MBLL will provide up to 50% of a project's cost to a maximum of $30,000.

See 2-29 Approach to stakeholder engagement

Funding

We partner with a range of community and non-profit organizations as a means of supporting our customers and community and understanding responses and best practices related to treatment and support for problems related to consumption of alcohol or cannabis, or or participation in gambling. These also help us to tailor our consumer awareness initiatives to ensure they reflect valid strategies and incorporate non-stigmatizing approaches.

We also have a strategy to partner with Indigenous-led organizations to ensure communities play a role in programming that affects them and to ensure that it is culturally relevant.

In response to the 2015 Truth and Reconciliation Commission Calls to Action, MBLL has developed *ReconciliACTION Roadmap 2023-2026* that asks how MBLL can best support reconciliation with Indigenous Peoples and strive for a more equitable organization and community for all. The roadmap commits MBLL to specific actions with timelines, responsibilities, and approaches for this journey. The work is guided by MBLL's Indigenous Advisory Circle.

See 2-29 Approach to stakeholder engagement
See 2-16 Communication of critical concerns
See 2-25 Processes to remediate negative impacts
See 2-26 Mechanisms for seeking advice and raising concerns
See 201-1 Direct economic value generated and distributed
See 403-4 Worker participation, consultation, and communication on occupational health and safety
See 2025-2026 Accessibility Plan

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

MBLL's products may lead to addictions, which can negatively impact local communities through increased strain on health care supports, social assistance, legal aid, and the justice system. MBLL addresses these impacts through the following activities: two consumer awareness programs (DrinkSense and Informed Gambling); Informed Gambling Centres in casinos; funding for addiction treatment, support and harm reduction programs; and support for research in these areas.

Addiction

MBLL funds and supports treatment and support services for Manitobans who have concerns or problems associated with the products we sell. These services include addictions counselling, financial counselling, residential treatment, helplines, and other services.

Research

MBLL undertakes research to better understand how Manitobans use our products, their awareness of product risks and preventative strategies, and their awareness of help options. We use this information to develop campaigns, resources, and programs. Program evaluation assesses whether they are meeting their intended objectives and to develop best practices. Funding is also provided for external academic research focused on advancement of knowledge related to these products, their harms, and harm mitigation and treatment.

Prevention of Illegal Activity

MBLL has policies and processes to prevent illegal activity. We:

- Collaborate with communities to reduce bootlegging by implementing bottle limits.
- Train employees to prevent liquor sales to minors or those who appear intoxicated.
- Equip most Liquor Marts with controlled entrances that require presentation and confirmation of ID before customers may enter the store to prevent shoplifting and protect both employee and customer safety.

See 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

IFRS Sustainability

IFRS S1 Casinos and gaming – internal controls on money laundering

	IFRS Code
Description of anti-money laundering policies and practices	SV-CA-510a.1

Money laundering is the process where the identity of money obtained from criminal activity is concealed to make the funds look legitimate.

In Canada, casinos must fulfill specific obligations to help combat money laundering and terrorist activity financing within the country. To this end, Manitoba Liquor and Lotteries ensures all requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) are followed, including the establishment and maintenance of a compliance regime.

MBLL, as the reporting entity to FINTRAC for casinos, online gaming, and designated VLT sites in Manitoba, is committed to detecting and reporting potentially suspicious financial transactions.

MBLL's Anti-Money Laundering (AML) program is led by our Corporate Security team. The program employs a designated chief AML compliance officer and maintains specific internal polices and procedures, risk registers, and AML compliance training for management and staff working at the casinos as well as other employees who support the program.

- 542 MBLL employees completed anti-money laundering training
- 527 Suspicious Transaction Reports submitted to FINTRAC

		IFRS code
Total amount of monetary losses from legal proceedings associated with money laundering	$0	SV-CA-510a.2

414 SUPPLIER SOCIAL ASSESSMENT

Topic disclosure: management approach

See 204 Procurement practices

414-1 New suppliers that were screened using social criteria

Licenced gaming, cannabis, and liquor business partners in LGCA-regulated third party industry information unavailable. MBLL does not screen suppliers in these regulated industries. MBLL acts as an intermediary.

Corporate Procurement

Any purchase of goods or services that exceeds $5,000 goes through the social criteria screening process.

Empowerment and inclusion in supplier diversity is at the core of our procurement practices. The Corporate Procurement department is always working on enhancements to our procurement policy which incorporates a social procurement methodology. Social procurement is defined as every purchase having a social, economic, and environmental impact. Social procurement is about using existing purchasing to capture those impacts to achieve overarching institutional, governmental, or individual goals that helps shape inclusive, vibrant and healthy communities.

As part of the social procurement methodology supplier diversity is a major component that focuses on building relationships at the grassroots level with diverse businesses that must be at least 51% owned, managed, and controlled by equity deserving people, including Indigenous persons, women, racialized persons, persons with disabilities or persons of the 2SLGBTQ+ community, whose businesses can provide products and services to MBLL at competitive prices.

See page 8 for story: Increased supply chain diversity helping local suppliers
Currently, 50 companies or 8% of MBLL's suppliers are diverse businesses and they receive $8.5 million or 11% of MBLL's annual purchases. MBLL's three-year goal ending in 2027 is to increase at a rate of 2% annually to achieve a total number of diverse businesses of 75 and total spend $6.7 million annually.

See page 9 for story: MBLL diversity target achieved two years early
Today, we have relationships with notable organizations such as Manitoba Metis Federation, Buy Social Canada, Canadian Queer Chamber of Commerce, Manitoba Indigenous Chamber of Commerce, Canadian Community Economic Development Network, and the Canadian Aboriginal and Minority Supplier Council.

We value education, with all members of our procurement team obtaining a Social Procurement Certificate from Buy Social Canada. All new employees must obtain their certificate to increase their knowledge on social procurement.

414-2 Negative social impacts in the supply chain and actions taken

Corporate Procurement

See 414-1 New suppliers that were screened using social criteria

Liquor Supply Chain

Information unavailable/incomplete. MBLL is exploring how it can report on this.

See 408 and 409 Child, forced, or compulsory labour
See 417-2 Incidents of non-compliance concerning product and service information and labelling

415 PUBLIC POLICY

415-1 Political contributions

In Canada, corporations are prohibited from making political contributions directly to federal candidates or political parties.

416 CUSTOMER HEALTH AND SAFETY

416-1 Assessment of the health and safety impacts of product and service categories

100% of our significant product categories, gaming, liquor and cannabis, undergo health and safety impact assessments. Gaming, liquor and cannabis are highly regulated commodities in Canada and MBLL follows those regulations.

MBLL conducts consumer awareness initiatives to prevent and reduce risks associated with the products it sells. This includes consumer awareness campaigns, messaging, and events under the DrinkSense and Informed Gambling brands. In casinos, Informed Gambling Centres share information on how gambling works, what risks are associated with gambling, strategies to manage such risks, and support information when further help is needed.

Below are the standards and assessments for our three product categories (lines of business) gaming, liquor and cannabis.

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

Gaming

Informed Gambling Centre visitation	
Information visits (discussions on gambling or the centre)	1,946
Basic interactions (discussions on personal gambling behaviours, beliefs or strategies)	508
Support option interactions (discussions about gambling concerns and support services)	265
Staff visits (discussions with casino employees on responsible gambling, support for a guest, the centre or other gambling-related)	520
Visits for other or unknown reasons	12
Special event attendees (visits to responsible gambling educational events)	13,746
Total	**16,997**

Voluntary Self Exclusion

In 2025-26, there were 172 new enrollments in casino VSE.

IFRS Sustainability

IFRS S1 Casinos and gaming – responsible gaming

		IFRS Code
Percentage of gaming facilities that implement the Responsible Gambling Standards and Criteria for Venues	0%	SV-CA-260a.1
Percentage of online gaming operations that implement the Responsible Gambling Council (RGC) Standards and Criteria for iGaming	100%	SV-CA-260a.2

MBLL has developed internal Responsible Gaming (RG) standards based on the Responsible Gambling Council (RGC) Responsible Gambling Standards and Criteria for Venues and other standards and best practices. All MBLL venues abide by MBLL's internal RG standards. A review and update of these internal standards is currently underway with expected completion in 2026-27.

To date, MBLL has not formally sought RG Check accreditation associated with the RGC's standards for its venues given the time and effort required to undertake this formal process. However, MBLL has twice been awarded World Lottery Associated Level 4 accreditation for its responsible gambling program, in 2014 and 2017, at the time demonstrating a comprehensive and continuously improving RG program.

MBLL has one online gaming site, PlayNow.com, which is operated by BCLC. PlayNow.com was the first online gaming site to be accredited to RG Check in 2015 and continues to maintain its accreditation.

Electronic gaming

100% of electronic gaming devices are certified by an independent laboratory to meet LGCA technical standards. In addition to meeting LGCA requirements and standards, MBLL also screens all electronic games to meet our own requirements This includes requirements to limit speed of play.

See 417-1 Requirements for product and service information and labelling

Lottery

WCLC develops, tests, and audits (internal and external) lottery games (draw-based, scratch-and-win, and sports) to ensure the technical and game integrity for all products. Additionally, scratch-and-win games are certified by an independent laboratory and meet strict technical standards.

Lottery retailer mystery shop results

Lottery retailers are private entities who are contracted to sell lottery products. Mystery shops are conducted at random locations to ensure our partners are selling responsibly.

A passing score is achieved when the lottery retailer:

1. Requests to see ID from customers that appear under the age of 25.
2. Asks the customer to sign the ticket when presented for validation
3. Issues the correct prize amount
4. Returns the ticket intact to the customer
5. Provides a validation slip to the customer

MBLL has a dedicated compliance coordinator to lead mystery shops, document results, and work with retailers for training and retraining.

The most common reason for failing mystery shops is failure to ensure lottery tickets are signed. Therefore, MBLL has implemented corded pens in all lottery retailers to ensure compliance.

	2025-26 pass rate	2024-25 pass rate
ID checks	76% 132 mystery shops	68% 19 mystery shops
Proper ticket validation	75% 401 mystery shops	66% 368 mystery shops

PlayNow.com

All games managed by PlayNow.com meet LGCA requirements as well as British Columbia Independent Gaming Control Office (IGCO) requirements. These games are certified by an independent laboratory and meet strict technical standards.

WCLC launched e-instants in April 2026. E-Instants is an additional way to purchase Scratch & Win to be played on WCLC's Lotto Spot App.

Casinos and gaming centre

IFRS S1 Casinos and gaming – smoke-free casinos

		IFRS Code
Percentage of meal options consistent with dietary guidelines	Information incomplete. MBLL is in the process of collecting this information and will have it available in the 2026-27 ESG Report.	FB-RN-260a.1(1)
Revenue from meal options consistent with dietary guidelines		FB-RN-260a.1(2)
Percentage of children's meal options consistent with dietary guidelines for children		FB-RN-260a.2(1)
Revenue from children's meal options consistent with dietary guidelines for children		FB-RN-260a.2(2)
Percentage of advertising impressions made on children	Not material.	FB-RN-260a.3(1)
Percentage of advertising impressions made on children promoting products that meet dietary guidelines for children	Not material.	FB-RN-260a.3(2)

	Club Regent	McPhillips Station	IFRS code
Total area smoking permitted	0%	0%	SV-CA-320a.1

First Nations casinos in Manitoba are smoke-free, as are new First Nations VLT sites. Employees from our Video Lotto division may be exposed to smoke when tending to older First Nation VLT sites. The Shark Club Gaming Centre, staffed by MBLL employees but owned by a third party, is smoke-free.

IFRS S1 Leisure facilities – customer safety

		IFRS Code
Fatality rate for customers	1	SV-LF-250a.1(1)
Injury rate for customers	36	SV-LF-250a.1(2)
Percentage of facilities inspected for safety	100%	SV-LF-250a.2(1)
Percentage of facilities that failed inspection	0%	SV-LF-250a.2(1)

IFRS S1 Restaurants – nutritional content

Our casino restaurants are in adult only venues, but our Club Regent Event Centre allows minors for private functions, resulting in a very small percentage of food clientele being children. When children attend MBLL's event centre, they are offered children's menu items. The Club Regent Event Centre served 25 children's meals last fiscal.

See 2-6 Activities, value chain and other business relationships for a list of MBLL-owned restaurants

Identification checks and refusals	Casinos and gaming centre
ID checks	250,821
Refused entry due to improper or no identification	4,419
Refused entry due to signs of intoxication or improper behaviour	416

MBLL conducts mystery shops at Winnipeg casinos to ensure a high level of customer service is maintained, and that applicable policies and procedures are being followed as mandated.

Incident type	Incidents	Incidents first aid administered
Fall	6	2
Trip-fall	19	4
Slip-fall	2	-
Medical	8	3
Other	1	1
Total	36	10

- *None of these incidents resulted in insurance claims.*
- *Due to the stairs in the theater-style event centre and an elderly clientele, trip and falls has the greatest number of incidents.*

Related training for casino security personnel	Completion rate	Retake schedule
First aid (St. John Ambulance)	91.9%	3 years

- *Security staff have access to automated external defibrillators (AED) and the LUCAS 3 Chest Compression Device.*

All Liquor Marts, owned casinos and the Shark Club Gaming Centre are assessed for employee and customer health and safety as part of the MBLL safety and health program. Manitoba's Workplace Safety and Health Branch and/or Fire Commissioner conduct unannounced inspections. We receive occasional compliance orders for our sites.

Liquor

IFRS Sustainability

IFRS S1 Food retailers and distributors – product health and nutrition

		IFRS Code
Revenue for products labelled or marketed to promote health and nutritional attributes	Information is unavailable or incomplete. MBLL is in the process of exploring how it can report on this.	FB-FR-260a.1
Discuss of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers.		FB-FR-260a.2

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

Below are actions MBLL takes on this topic:

- Tamper-proof container seals are used during transport of goods inbound, and MBLL is notified when there is an issue.
- There is an inspection of product from any affected loads to ensure product has not been tampered with or damaged.

- As per the terms and conditions in the purchase order, the carrier is responsible for investigations as they relate to the condition and safety of products received.
- Labelling and packaging meet CFIA compliance.
- Product contents must be as described and compliant with Health Canada and *The Food and Drugs Act* (Canada) 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. MBLL has a comprehensive quality control program in place where testing may be conducted to validate contents.
- When safety concerns arise, MBLL works with Health Canada, the supplier and local agent to take corrective action.
- When quality concerns arise, MBLL works with the supplier and local agent to take corrective action promptly.
- MBLL 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.
- MBLL has access to third-party product testing on an ad hoc basis.
- MBLL participates in industry training and conferences related to quality assurance and quality control.

Identification checks and intoxication (Liquor Marts)

In 2019, a dramatic increase in brazen thefts and robberies in many Liquor Mart locations reached a breaking point, causing major safety concerns for customers and employees, becoming a significant burden on police services, and costing Manitobans.

Controlled entrances were introduced the following year, resulting in a major reduction in thefts and robberies.

Customers must provide valid photo identification before admittance.

Along with improved safety for customers and staff, the installation of controlled entrances has saved MBLL an estimated of 2.5 million each year in potential losses.

MBLL conducts mystery shops at Liquor Marts to ensure a high level of customer service is maintained, and applicable policies and procedures are being followed as mandated.

	Liquor Marts, controlled entrance (46)	Liquor Marts, no controlled entrance (17)
Total attendance	Data unavailable	Data unavailable
ID checks at point of sale	533	62,079
Refused sales or entry due to improper or no identification	4,353 8*	743
Refused sales or entry due to signs of intoxication or behaviour	7,481 1,265*	476

* *ID checks repeated at checkout.*

- *ID checks and sales refusals occur at checkout for Liquor Marts with no controlled entrance.*
- *ID checks and entry refusals occur at controlled entrance where they exist.*

Cannabis

The LGCA licenses cannabis distribution and retailing in Manitoba. Health Canada licenses cannabis production and collects information from retailers, via MBLL, for its Cannabis Tracking and Licensing System. Producers conduct mandatory third-party product testing for the presence of pesticide active ingredients in all cannabis products before products can be sold.

MBLL has implemented the following measures to ensure product quality:

- Licensed cannabis **retailers** must adhere to a retailer agreement, developing and implementing programs that ensure front-line employees meet customer expectations relating to service and product knowledge and responsible use of cannabis.
- Licensed **suppliers** must adhere to MBLL's purchase order terms and conditions and comply with *The Safe and Responsible Retailing of Cannabis Act* (Manitoba) ensuring product meets testing, packaging, and labelling requirements per their LGCA licence.
- Licensed cannabis **distributors** must store and ship cannabis products per their LGCA licence and the terms of MBLL's limited cannabis distribution agreement.

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

MBLL has numerous corporate policies and procedures related to food and beverage safety. Examples include procedures on handwashing, use of gloves, dealing with guest food allergies, and mitigating the risk of food contamination due to physical hazards.

There were no known incidents of non-compliance concerning the health and safety impacts of products and services during the 2025-26 fiscal year.

IFRS Sustainability

IFRS S1 Restaurants – food safety

		IFRS code
Percentage of restaurants inspected by a food safety oversight body	100%	FB-RN-250a.1(1)
Percentage receiving critical violations	0%	FB-RN-250a.1(2)
Number of recalls issued	There were no known recalls, outbreaks, investigations or incidents of non-compliance concerning the health and safety impacts of foods, products, and services during the 2025-26 fiscal year.	FB-RN-250a.2(1)
Total amount of food product recalled		FB-RN-250a.2(2)
Number of confirmed foodborne disease outbreaks		FB-RN-250a.3
Percentage resulting in public health authority investigation		

IFRS S1 Food retailers and distributors – food safety

		IFRS code
High-risk food safety violation rate	Information incomplete. MBLL is in the process of collecting this information and will have it available in the 2026-27 ESG Report.	FB-FR-250a.1
Number of recalls		FB-FR-250a.2(1)
Number of units recalled		FB-FR-250a.2(2)
Percentage of units recalled that are private-label products		FB-FR-250a.2(3)

417 MARKETING AND LABELLING

417-1 Requirements for product and service information and labelling

MBLL is compliant with regulatory requirements of the LGCA, CFIA, Ad Standards Canada's Canadian Code of Advertising Standards, The Canadian Radio-Television and Telecommunications Commission, thinktv, and any other regulatory body having related jurisdiction.

To enhance customer protections related to the potential harms of our products, MBLL product advertising and labeling must meet our internal Advertising Rules of Conduct that include responsible content and placement of all advertising.

Our casinos, gaming centre and retail operations offer factual information under our Informed Gambling and DrinkSense brands aimed at helping consumers understand the risks of our products and services and connect with tools or resources where needed.

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

Product advertising must also comply with internal rules of conduct.

To ensure product risks for the consumer are considered, new liquor products are formally screened to meet social responsibility requirements (summary available on mbllpartners.ca). A similar procedure for gaming products is being formalized.

Cannabis 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.

Health Canada's 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.

IFRS Sustainability

IFRS S1 Food retailers and distributors – product labelling and marketing

Revenue from products labelled as		IFRS code
Containing genetically modified organisms (GMOs)	Information unavailable/incomplete. MBLL is in the process of exploring how it can report on this.	FB-FR-270a.3(1)
Non-GMO		FB-FR-270a.3(2)

417-2 Incidents of non-compliance concerning product and service information and labelling

There were no known incidents of non-compliance concerning product and service information and labelling during 2025-26.

IFRS S1 Food retailers and distributors – product labelling and marketing

		IFRS code
Number of incidents of non-compliance with industry or regulatory labelling or marketing codes	0	FB-FR-270a.1
Total amount of monetary losses as a result of legal proceedings associated with marketing or labelling practices	0	FB-FR-270a.2

417-3 Incidents of non-compliance concerning marketing communications

MBLL has established internal controls to ensure all advertising complies with our voluntary Advertising Rules of Conduct, as well as regulatory compliance outlined in 417-1.

There were no known incidents of non-compliance concerning marketing communications during the reporting period.

418 CUSTOMER PRIVACY

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

There were no complaints concerning breaches of customer privacy. One outstanding investigation into breach regarding third-party software is awaiting response from the Manitoba Ombudsman's Office.

There were no identified leaks, thefts, or losses of customer data.

IFRS S1 Food retailers and distributors – data security

		IFRS code
Number of data breaches	0	FB-FR-230a.1(1)
Percentage that are personal data breaches	0%	FB-FR-230a.1(2)
Number of customers affected	0	FB-FR-230a.1(3)
Description of approach to identifying and addressing data security risks	Information incomplete. MBLL is in the process of collecting this information and will have it available in the 2026-27 ESG Report.	FB-FR-230a.2