

Enriching the lives of Manitobans

2018/19 Corporate
Responsibility Report

Available in
alternate formats
upon request



Introduction

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

About this report

This is our second corporate responsibility report, covering business activities in our liquor, cannabis, gaming and entertainment lines of business during our 2018/19 fiscal year that ended on March 31, 2019. All financial data are in Canadian dollars.

We are reporting in accordance with the Global Reporting Initiative (GRI) Standards Core option. The Standards are widely used around the world to help organizations report consistently and transparently on their most critical economic, environmental and social priorities, performance and impacts. A [GRI content index](#) is included in this document for easy reference to specific topics within the report and on our website. In addition to

disclosures developed by the GRI, we have included disclosures that are specific to our sector and reflect metrics we use to measure our continued progress.

For more information, please see our 2018/19 Annual Report, available on our [website](#).

Front cover:
Supporting employee
volunteerism throughout
our communities.



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Links to external websites throughout this document are provided as a convenience. Inclusion of a link does not imply our endorsement of the linked site.

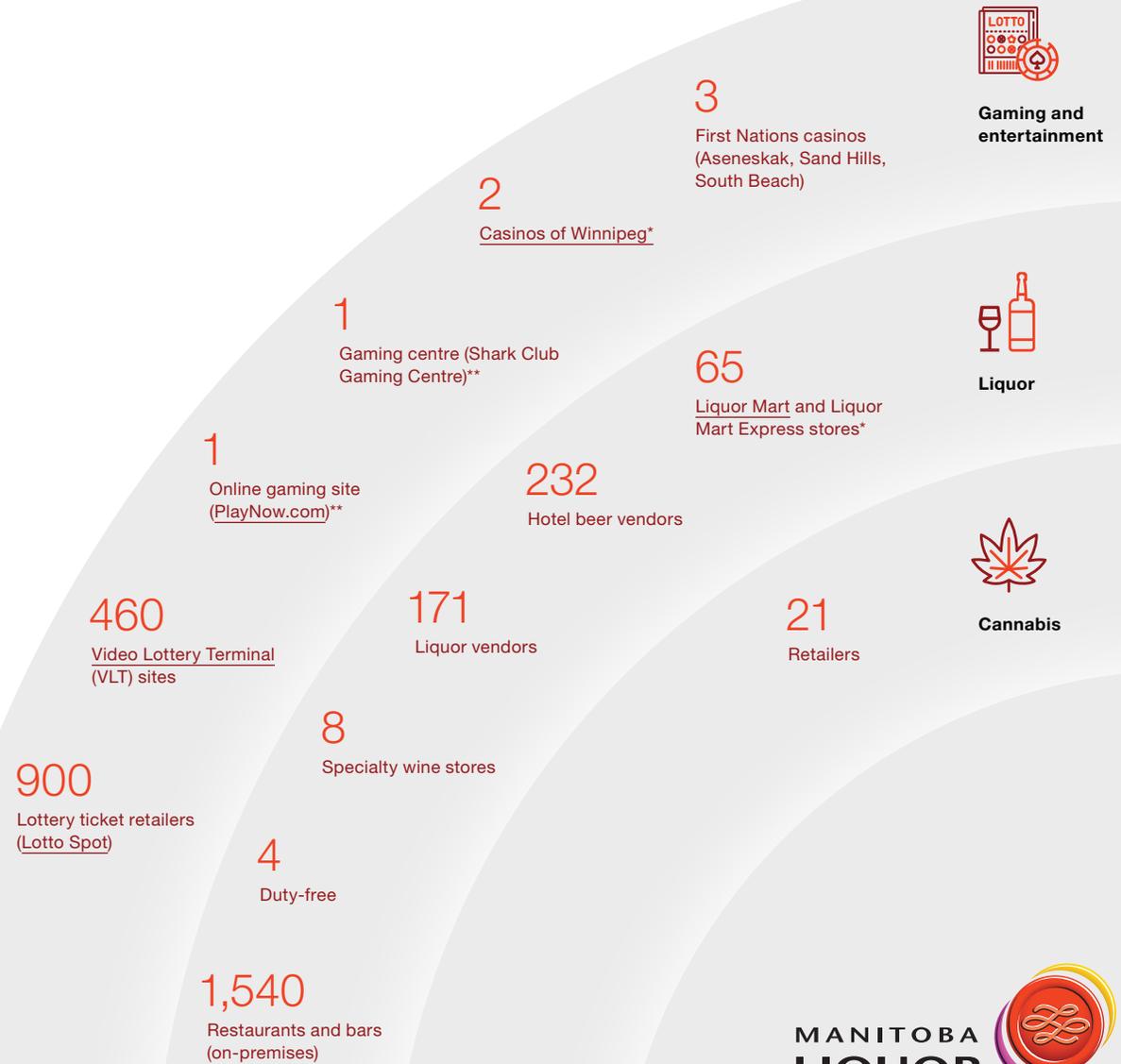
About us

Manitoba Liquor & Lotteries is a Crown corporation of the Province of Manitoba.

We distribute and sell liquor, provide gaming and entertainment experiences in Manitoba, and source and distribute non-medical cannabis to private retailers in the province.

Our core mandate is to provide revenue to the Province of Manitoba to support provincial programs and initiatives in areas such as health care, education, social services, housing and infrastructure.

We employ more than 3,300 people in Liquor Marts, Casinos of Winnipeg, Shark Club Gaming Centre, our liquor distribution centre, multi-use warehouses and corporate offices in Winnipeg, Brandon and Morris.



Gaming and entertainment



Liquor



Cannabis



* Owned/leased, staffed and operated by Manitoba Liquor & Lotteries

** Staffed and operated in part or whole by Manitoba Liquor & Lotteries

Accreditations and memberships

Accreditations/designations



CERTIFIED
WLA RESPONSIBLE GAMING
FRAMEWORK
LEVEL 4 / VALID UNTIL 2020

Memberships

Advertising Association of Winnipeg

BOMA Manitoba

Business Chambers

- Aboriginal Chamber of Commerce
- Assiniboine Chamber of Commerce
- Manitoba Chamber of Commerce
- St. Boniface Chamber of Commerce
- Winnipeg Chamber of Commerce

Canadian Association of Importers
& Exporters

Canadian Association of Liquor
Jurisdictions

Canadian Centre for Diversity and
Inclusion

Canadian Country Music Association

Canadian Malting Barley Technical Centre

Canadian Partnership for Responsible
Gambling

Canadian Payroll Association

Gaming Security Professionals of Canada

Gaming Standards Association

Gartner

Governance Professionals of Canada

Information and Communication

Technologies Association of Manitoba
Institute of Corporate Directors – National
& Provincial Chapter

International Entertainment Buyers
Association

Interprovincial Lottery Corporation (ILC)

ILC Canadian Responsible Gambling
Association

Manitoba Employment Equity Practitioners
Association

Manitoba Music

Manitoba Restaurant and Foodservices
Association

Manitoba Safety Council

Master Brewers Association of the
Americas

Multi-Material Stewardship Manitoba

QNET Manitoba Quality Network

Quest International User Group

Restaurants Canada

Retail Council of Canada

Skål International Winnipeg Chapter

Message from the President & CEO

I am very pleased to present our second corporate responsibility report. It's been a year with some notable achievements, including our new designation as a Fair Trade Workplace from Fairtrade Canada, and once again recognition as one of Manitoba's top employers. These accomplishments are a credit to our organization, a reflection of the public's confidence in what we do, and an indication of what can be achieved when we all pull together to ensure we are living up to our promise of enriching the lives of Manitobans.



Peter Hak
President & CEO

A significant challenge in 2018/19 was the introduction of non-medical cannabis into our product portfolio. Our new cannabis department worked diligently to build relationships with cannabis producers, retailers and Health Canada, and to expand our relationship with the Liquor, Gaming and Cannabis Authority of Manitoba (LGCA). I congratulate our management team, and their teams, for pulling together to realize this significant milestone for our business.

Manitoba Liquor & Lotteries has a strong track record in building productive and collaborative relationships with its partners. This year was no exception. As you'll read in this report, our Liquor Mart team did excellent work to support the growth of local businesses. Our community relations team continued to find creative ways to let our communities know how much they matter to us through sponsorships such as Pride Winnipeg, Festival du Voyageur, TD Winnipeg International Jazz Festival and Dauphin's Countryfest. Our social responsibility team executed meaningful ways to share GameSense and DrinkSense information to our customers. These are just a few examples that illustrate the power of taking a strategic and integrated approach to corporate responsibility.

Even before I took the position as President & CEO, I was proud to be part of an organization that so readily embraced the principles and practices of corporate responsibility. Through the policies and governance structure that are now in place, I am confident the organization's corporate responsibility commitments will carry on after I depart this year and allow the organization to make a lasting and positive impact in the lives of Manitobans.

Peter Hak
President & CEO

Message from the Chair

I am honoured to be the new Chair of Manitoba Liquor & Lotteries, an organization that I have long respected for its commitment to corporate responsibility and accountability. We have a mandate and responsibility to make the greatest possible contribution to the economic and social well-being of our province, and in this way, enrich the lives of Manitobans. I am very proud that every dollar we generate in profit is a dollar that can be invested by the Province of Manitoba into programs supporting health care, education and other key services.



Randy Williams
Chair, Board of Directors

We inform our customers on how to use our products and services in a responsible manner, build strong business partnerships, engage in meaningful ways with communities across the province, provide a healthy workplace and learning opportunities for employees and ensure our environmental footprint is as small as possible. These are not only civic responsibilities, they are foundational aspects of a sustainable business. It's a big challenge, and I have every confidence the management team will continue to execute on our strategic plan to deliver on our promises to Manitobans.

Achieving our goals requires a steady focus on customer satisfaction, fiscal responsibility and continuous improvement. These are key priorities for the board of directors going forward.

I look forward to working with the management team to make our corporation – and our province – even stronger and to keep Manitobans' trust and confidence in everything we do.

Randy Williams
Chair, Board of Directors

Materiality and boundaries

This report is structured around seven areas that are material to our business. We identified these areas for our first corporate responsibility report last year after consulting with a wide range of stakeholders.

Materiality

The following material aspects present the greatest potential impacts to our business:



Operating responsibly



Making significant economic contributions



Strengthening local communities



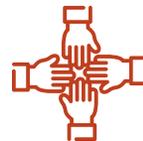
Focusing on customer well-being



Being good business partners



Reducing our environmental footprint



Being a great place to work

Engaging stakeholders

We engage regularly with a wide variety of Manitobans to ensure we're focused on the right things – appreciating that different groups have different priorities and have different expectations of us. A summary of our 2018/19 engagement activities and key topics can be found on [page 48](#). We also held our three annual public meetings in Winnipeg, Portage la Prairie and Swan River to report on our activities and answer questions from the communities we serve. This meets *The Crown Corporations Governance and Accountability Act* and gives us the opportunity to engage directly with Manitobans.



Operating responsibly



We allocate 2% of anticipated annual net income to social responsibility initiatives that promote responsible gambling, liquor and cannabis consumption, as well as research and treatment programs.

This is a great place to work!

I care about our customers!

Our approach

We work to earn the trust and respect of customers, business partners, employees and the public through responsible business decisions and corporate commitments.

We consider the impacts of our economic, social and environmental activities and aim to continuously improve our performance.

To honour this commitment:

- we adopt leading practices and standards validated by audits and accreditations;
- we conduct research on an ongoing basis to ensure our products, services, marketing and advertising respond to consumer expectations for choice, quality, value and social responsibility, and reflect current and evolving market trends; and
- we promote a culture of integrity and ethical behaviour where employees are empowered to do the right thing.



The Strategic Business Planning Committee brings all corners of the corporation together to identify and prioritize initiatives.

Defining corporate responsibility

In this report, we use the term “corporate responsibility” in a broad sense to include economic, environmental and social practices and impacts. We use “social responsibility” to refer to the impact our products have on our customers. Our social responsibility includes information for customers and funding for addiction treatment and research.

Corporate responsibility committee

Our corporate responsibility committee:

- implements our corporate responsibility policy and commitments;
- coordinates an approach to corporate responsibility that aligns with our business priorities; and
- champions corporate responsibility, making it part of our corporate values and culture.

Committee members include:

- Vice President, Corporate Services (Chair)
- Chief Financial Officer
- Vice President, Marketing & Communications
- Vice President, Human Resources
- Corporate Secretary & Executive Director, Cannabis
- Director, Corporate Responsibility
- Director, Liquor Strategy & Development
- Director, Strategic Gaming Development

Governance

We distribute and sell liquor, provide gaming and entertainment experiences in Manitoba, and source and distribute non-medical cannabis to private retailers in the province.

We are a Crown corporation formed per *The Manitoba Liquor and Lotteries Corporation Act*. We operate under the conditions set by *The Liquor, Gaming and Cannabis Control Act*, and regulations including *Video Lottery Regulation* and *Liquor, Gaming and Cannabis Regulation*.

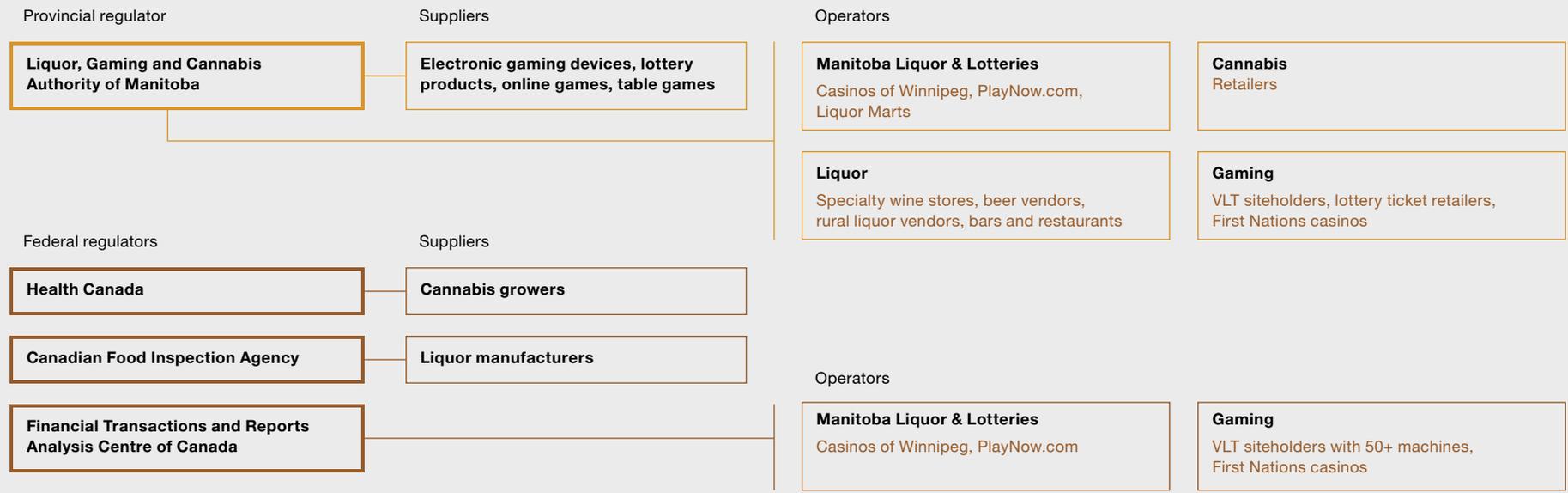
Our net income is remitted to the Province of Manitoba. To fund capital projects, we borrow from the Province under the terms of *The Loan Act*.

Through *The Manitoba Liquor and Lotteries Corporation Act* we are required to allocate 2% of annual anticipated net income to social responsibility initiatives that promote responsible gambling and responsible liquor and cannabis consumption, as well as research and treatment programs.

Our social responsibility commitment is fulfilled in several ways including:

- customer information and social responsibility marketing initiatives to inform our customers about low-risk, sensible ways to use our products;
- funding for addiction treatment and support providers such as the Addictions Foundation of Manitoba (AFM) and Marymount; and
- research related to responsible gambling and responsible liquor and cannabis consumption.

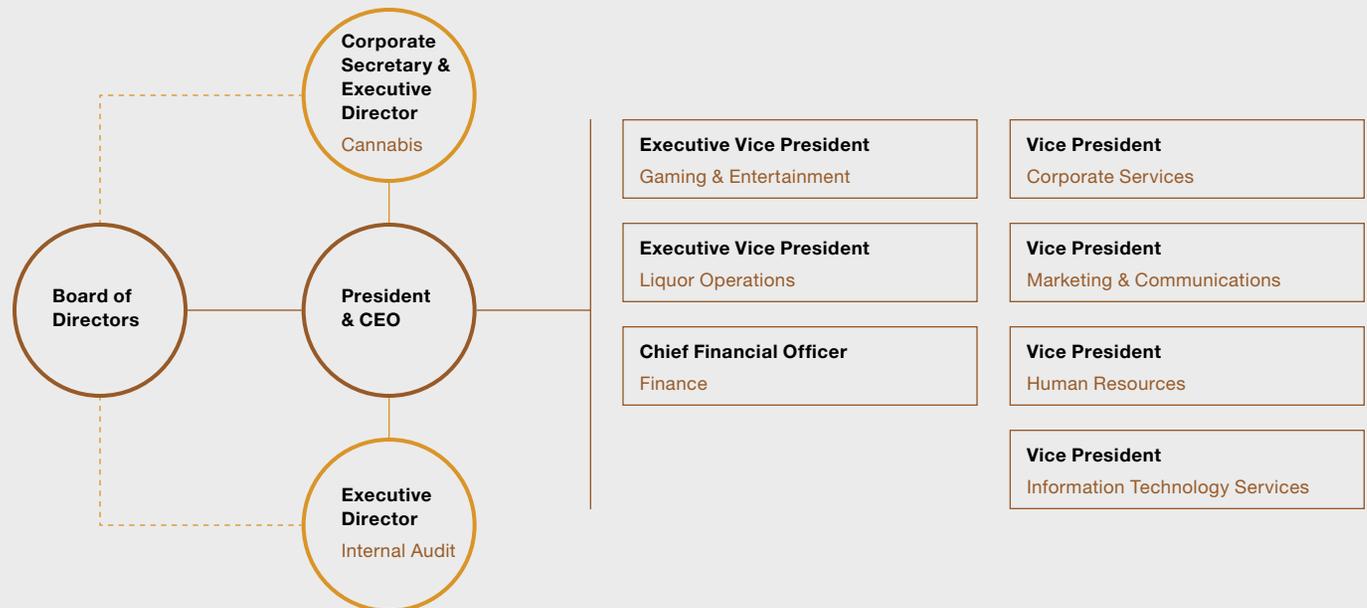
Regulatory framework



Management structure

Manitoba Liquor & Lotteries is overseen by a board consisting of at least six and not more than ten members appointed by the Lieutenant Governor in Council. Our Corporate Responsibility department is part of Corporate Services.

The corporate responsibility committee submits reports on corporate responsibility outcomes and compliance at least once a year through the strategy, planning and governance committee of the board of directors.



Our statement of purpose

Enrich the lives of Manitobans. Manitoba Liquor & Lotteries strives to make the greatest possible contribution to the economic and social well-being of our province.

Key elements

- Perform profitably and sustainably.** Sound business practices that strengthen our profitability – allowing us to maximize the funding available for health care, education and other services Manitobans rely on.
- Champion innovation.** A vibrant ownership culture that celebrates innovation – supporting and challenging our employees to continuously improve all aspects of our operations.
- Be progressive.** Products and experiences that keep pace with evolving preferences and market trends – ensuring Manitobans’ expectations for choice, quality, value and social responsibility are consistently exceeded.
- Engage Manitobans.** Meaningful relationships with Manitobans – engaging Manitobans both as customers and citizens to ensure all aspects of our operations reflect the needs, expectations and interests of those to whom we are ultimately accountable.



Our Values

We aspire to live these values in all that we do to enrich the lives of Manitobans.



Caring

Everyone matters – We care about each other, our communities and the environment by being genuine, responsible and considerate.



Committed

Keep promises – We take pride and ownership in making and meeting our commitments.



Collaborative

Better together – We work together in an open, respectful way to produce and deliver outstanding results.



Creative

Courage to explore – We foster an environment of idea sharing, continuous learning and improvement, and push beyond what we have today to what is possible tomorrow.



Customer focused

Great experiences – We listen to our internal and external customers so we can anticipate, understand and respond to their needs.

Key policies, programs and procedures

We work to protect and sustain communities and individuals that are affected by our activities.

In everything we do, we aim to do the right thing for our customers, employees, business partners, suppliers and communities across Manitoba.

Environmental and social considerations are embedded into many of our corporate policies and in departmental policies and procedures (corporate strategic plan, code of conduct, procure-to-pay policy, business planning process) to achieve environmental and social results. We also have robust policies and procedures related to cybersecurity, designed to protect our customers' private information.

Here are a few of the corporate policies, programs and procedures that guide our activities:

Key policies, programs and procedures	Description
Accessibility policy	<ul style="list-style-type: none"> Ensures equal access and participation for people with disabilities in accordance with <i>The Accessibility for Manitobans Act</i> and related regulations and current provincial legislation.
Anti-money laundering policy	<ul style="list-style-type: none"> Outlines our responsibilities under the <i>Proceeds of Crime (Money Laundering) and Terrorist Financing Act</i> for gaming and informs employees of their obligations for compliance. We are mandated to prepare large or suspicious transaction reports, which are submitted to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and to identify patrons who conduct transactions over \$10,000 in a 24-hour period.
Corporate responsibility policy	<ul style="list-style-type: none"> Commits us to apply the idea of corporate responsibility in the broadest way possible, including the need to protect and sustain: the public interest and good; communities and individuals that are directly and indirectly affected by our activities; the natural environment; employees; clients; suppliers and vendors. Requires that management report on corporate responsibility outcomes and compliance no less frequently than annually. Requires that management incorporate corporate responsibility into all business decisions, and makes the resources available to accomplish them.
Employee code of conduct	<ul style="list-style-type: none"> Sets out minimum expectations for all employees related to business ethics and integrity (including privacy and conflicts of interest), human rights, labour standards, the environment and anti-corruption. Requires that employees report all violations of the code to the person they report to, or the Vice President, Human Resources. Breach of the code may result in disciplinary action up to and including dismissal.
French language services policy	<ul style="list-style-type: none"> Sets out our requirements under <i>The Francophone Community Enhancement and Support Act</i>, which establishes administrative structures and tools used to serve the francophone community.
Procurement policies	<ul style="list-style-type: none"> Supplier code of conduct sets out the ethical work expectations for companies that supply products and services to us, and ensures they support international labour laws and human rights along the supply chain. Incorporates the principles and guidelines of the Climate and Green Plan. Procure-to-pay policy emphasizes the principles of fairness, transparency and sustainability.
Product integrity	<ul style="list-style-type: none"> We meet or exceed regulatory requirements for all products. For more information, see GRI, pages 67-68.
Public meetings	<ul style="list-style-type: none"> <i>The Crown Corporations Governance and Accountability Act</i> requires us to hold three annual public meetings to report on our activities and results and give the public the opportunity to ask questions and voice concerns.
Whistleblower protection policy	<ul style="list-style-type: none"> Includes a process through which employees can report serious and significant wrongdoings observed in the workplace without fear of reprisal.
Workplace diversity and inclusion	<ul style="list-style-type: none"> Manitoba Liquor & Lotteries is committed to having a workforce that is inclusive and represents the diversity of the population it serves. Among other things, the policy requires us to: <ul style="list-style-type: none"> identify and eliminate barriers to equal and equitable employment and career development; and advance diversity within all levels of the company by developing a corporate diversity strategy aimed at attracting and retaining employees who strengthen diversity in the corporation.



Making significant economic contributions

We are proud that our \$616.1 million contribution to the Province of Manitoba was our strongest result ever.

Our approach

We strive to make the greatest possible contribution to the economic and social well-being of our province.



Employees and their families volunteering at Winnipeg Harvest Food Bank.

All our lines of business provide revenue for the Province of Manitoba and stimulate economic activity in communities across the province. A major driver of profitability and growth in our business is our customers' disposable household income. We compete against other entertainment options available to Manitobans for those same dollars.

Beyond the revenues that we return to the government, our operations integrate local businesses in almost every Manitoba community. Products like lottery tickets and cannabis are sold through independent businesses. VLTs are found in privately-run licensed establishments. Most beer is sold through hotel beer vendors, and in some rural communities wine and spirits are sold through private vendors. There are also several private wine stores in Winnipeg. Manitoba's model has been proven to deliver competitively priced, quality products and services while maintaining social responsibility. Our point-of-sale business partners include:

- Beer vendors in hotels
- Liquor vendors in rural areas where it is not feasible for us to open a corporately-run Liquor Mart location
- Specialty wine stores and specialty food and wine stores
- Restaurants, bars and tap-rooms that serve alcohol

- Lottery retailers operating in grocery and convenience stores, kiosks, gas bars and other businesses
- Commercial VLT siteholders operating licensed beverage rooms in hotels and legions
- First Nations VLT siteholders on reserve lands
- First Nations casinos on reserve lands
- Cannabis retailers

Our success depends on the people who work for us. We provide full and part time employment opportunities for more than 3,300 people in the province, and indirect employment for hundreds of partners, suppliers and local businesses. In fiscal 2018/19, employee wages and benefits totalled \$170.6 million. We are proud to be recognized as one of [Manitoba's top employers](#).

The audit & finance committee of the board of directors reviews our financial results on a quarterly basis. Audited financial statements are included in our [annual report](#).

63%

Of Manitobans value our economic contributions to the province.

Survey conducted by Manitoba Liquor & Lotteries

Our performance

Total revenue



\$1,434.8 million
2018/19

\$1,417.7 million
2017/18

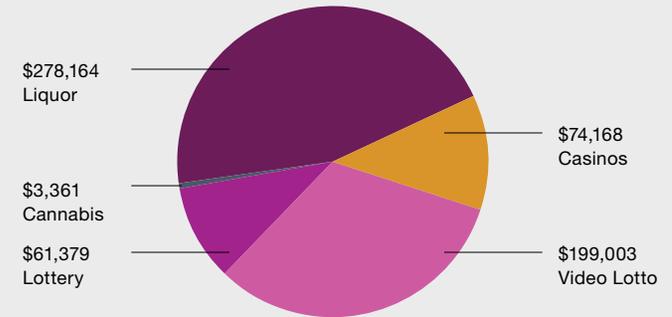
Allocation to the Province of Manitoba

\$616.1 million
2018/19

\$610.4 million
2017/18

In support of provincial programs and initiatives related to health care, education, social services, housing and infrastructure.

2018/19 Net income (in thousands)



Partners



\$98.0 million

Manitoba hotel and restaurant industry

\$61.8 million

First Nations VLT siteholders

Allocations for commissions, contributions, margins, and handling fees.

\$18.9 million

Lottery retailers

\$18.3 million

Private liquor retailers

Local communities



\$2.2 million

Community sponsorships

Social responsibility



\$12.6 million

Two percent of anticipated annual net income to support responsible gambling, responsible liquor and cannabis consumption, as well as research and treatment programs.

KEY INITIATIVES

Partnerships are a growth opportunity

There's a reason why Morley Miyake and Loretta Klassen-Miyake's lottery kiosk in the Polo Park Shopping Centre has been the top retailer in Manitoba for the past five years based on sales. Make that three reasons. Morley chalks his success up to a strong husband-wife team, a well-trained employee team, and a great account team at Manitoba Liquor & Lotteries.



Morley Miyake and Loretta Klassen-Miyake, Polo Park Shopping Centre lottery kiosk.

Morley and Loretta consider Manitoba Liquor & Lotteries to be business partners, reaching out to commercial gaming lottery representatives for help with everything from renovation advice to promotional material to the prizes they hand out on customer appreciation days.

"The commercial gaming lottery team helped us grow our business from one to seven kiosks in Winnipeg and Brandon, where we serve about 700,000 customers every year," says Morley. "We are humbled and very grateful for Manitoba Liquor & Lotteries' partnership."

Morley's sentiments are echoed by the husband and wife team at Freedom Foods in Landmark, 30 kilometres southeast of Winnipeg. Like the Miyakes, Ron and Andrea Trudeau's business has been on a growth curve since 2002, when they bought Freedom Foods from the previous owners.

"We've gone from operating a convenience store and fuel station to adding on a pizza store, coffee bistro and ice cream parlour, to renovating again last year so that we could offer our customers liquor and beer," says Andrea. "We knew nothing about selling alcohol, in what has historically been a dry part of the province. Manitoba Liquor & Lotteries' support has been priceless."

Andrea says her commercial gaming lottery representative has consistently gone the extra mile for them as they prepared to open the new part of the store. "He answered our questions about the types of products we might sell and helped us find suitable equipment. Since we opened, he visits us on a regular basis to share product updates and specials. He's doing whatever he can to help us grow our business. It's like we're all in this together."

KEY INITIATIVES

New Liquor Distribution Centre addresses warehouse capacity issues

A former grocery distribution centre will soon allow us to address the warehouse capacity shortages, and associated retail delivery challenges, of our current liquor distribution centre in Winnipeg.

The new distribution centre, located close to Winnipeg International Airport, was secured under an innovative lease agreement that allows us to expand into adjacent space when needed to accommodate future growth. The upgrades are consistent with Manitoba's green building policies.

The distribution centre is a busy place. Each year about three million cases of liquor – boxes of spirits, wine and more – are shipped to locations across the province.



WATCH THE VIDEO

On our website

Freedom Foods, Landmark Manitoba

Looking ahead

We compete for our customers’ discretionary dollars and time. There are a significant number of entertainment and leisure options like sports, theatre, special events, and travel for Manitobans to choose from. We have to work hard to earn consumers’ confidence and remain their preferred entertainment choice.

Corporate target

	2019/20	2020/21	2021/22
Increase the number of Manitobans who are aware of and value Liquor & Lotteries’ contributions to the Province of Manitoba	65%	67%	69%

Social media channels and online information sources allow consumers to educate themselves on company core values and business practices before making purchases. Increasingly, consumers expect the companies they follow online to demonstrate responsible operating practices and address social and environmental issues related to their industry.

Knowing this, our strategic planning process starts with an assessment of the current environment to understand the impacts on our business. This research, along with our statement of purpose and associated strategic elements, have been used to draft corporate goals. These goals and objectives form the basis of our annual business planning and budgeting process.

The corporate strategic plan will also incorporate direction from the Minister of Crown Services that will continue to require us “...to [work toward] reducing red tape, providing quality service, strengthening accountability and delivering value for the money that Manitobans invest in all government services.”

“Enriching the lives of Manitobans means responding to consumer interests, helping customers use products responsibly, and supporting communities in ways that go beyond returning profits to the Province of Manitoba.”

Bev Mehmel
Director, Corporate Responsibility
Manitoba Liquor & Lotteries



KEY INITIATIVES

Lift-off at Loft 180

Loft 180 at McPhillips Station Casino.

Located in McPhillips Station Casino and designed in a loft-style setting, Loft 180 is a departure from typical casino food and entertainment – offering cocktails and local craft beer, live entertainment and interactive gaming to customers who might otherwise not visit a casino. It’s a concept that’s catching on with our customers: having launched in November, it earned revenues of more than \$2.0 million by the end of the fiscal year.

Loft 180 demonstrates the same commitment to local and sustainable products as our other venues. Ninety percent of the menu contains at least one local ingredient, such as Dunn-Rite chicken, Manitoba beef and Peak of the Market vegetables. Fairtrade certified coffee, tea, sugar and chocolate are also featured.



Strengthening local communities

Fifty-seven percent of Manitobans value our support for community events across the province.

Our approach

Eighty-seven percent of our employees say they are proud that we make a positive contribution to Manitoba communities through our community investment initiatives. When Manitoba's communities are strong and vibrant, we all benefit.



Volunteers at a Manitoba Liquor & Lotteries sponsored Rainbow Stage event.

Our contribution to Manitoba's communities begins well before profits are returned to the Province of Manitoba in support of priority government programs. The odds are that we've had a hand in making one or more of your favourite community events a success through sponsorship and volunteer support. Several programs leverage our corporation's unique expertise and resources to help many things in your neighbourhood come to life.

Our community support programs fall into two program areas – sponsorships and donations. Sponsorships include everything from major international and national events hosted by Manitoba, to well-known events that are a tradition in our province, to community festivals like rodeos and agricultural fairs, plus charitable golf tournaments.

Sponsorship programs:

- General Sponsorships
- Community Festivals
- Golf Tournaments

Donation programs:

- Coin Boxes
- Employee Charity of Choice
- Used Assets
- Used Playing Cards
- Prize Donations

Registered charities and non-profit organizations in Manitoba are eligible for sponsorships. Each application is assessed for its alignment with our core business interests and capacity to promote quality of life in Manitoba through support of arts, sport, culture and community, health, social causes, sustainability, diversity and inclusion.

Our second program area, donations, sees used office equipment and playing cards go to charitable and non-profit organizations, provides for coin boxes in Liquor Marts to accept customer donations, and facilitates employee giving to charities. These programs allow us to build brand awareness, strengthen our relationships within the community, and enhance the quality of life in Manitoba.

Hear Alain Dumonceaux, Director of Food & Beverage & Events, speak about the value of volunteerism.



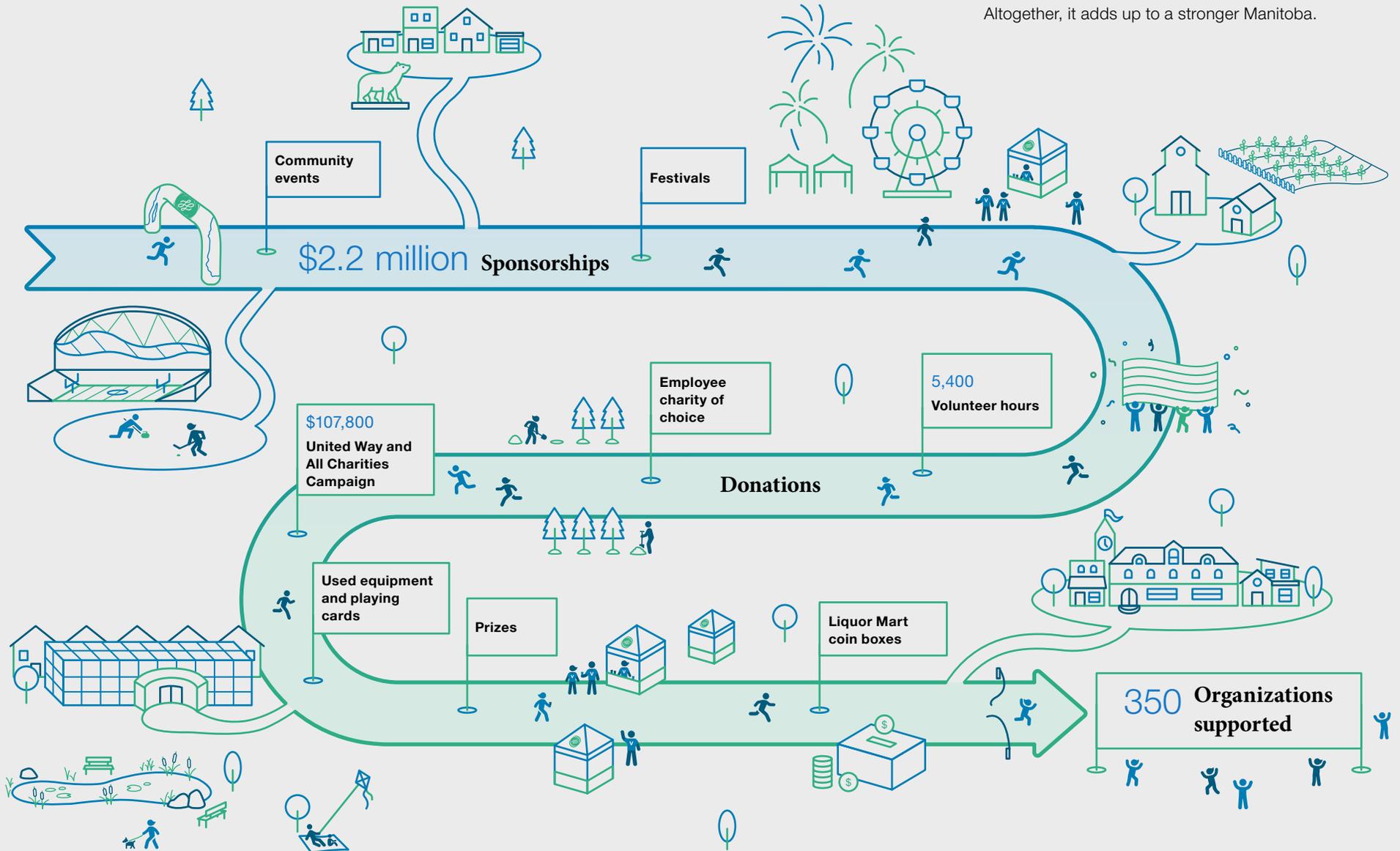
WATCH THE VIDEO
On our website



Our performance

Enriching the lives of Manitobans

We contribute to communities across Manitoba in many ways – everything from community event sponsorships to corporate and in-kind donations. Altogether, it adds up to a stronger Manitoba.



KEY INITIATIVES

Sponsorship and donation programs

Festival du Voyageur. Winnipeg Fringe Festival. Folklorama. Dauphin’s Countryfest. We are long-time sponsors of many iconic Manitoba events that have come to define the celebration of life and community in our province, as well as a long list of smaller but equally beloved festivals and gatherings. In 2018/19 we supported around 350 charitable, non-profit and community groups with \$2.2 million in sponsorships.



Manitoba Liquor & Lotteries volunteers at Folklorama.



Festival du Voyageur

Our Liquor Mart coin box program provides charities and non-profits a venue to raise funds, with all donations made by customers going to the organization. Winnipeg Liquor Marts have a central selection process where charities apply to have their coin boxes in all local stores for a month. This past winter, we improved the program to allow Liquor Marts outside Winnipeg to select charities in their local communities. The result: 25 Liquor Marts outside Winnipeg will collect donations for roughly 70 charities and non-profit groups throughout the province.

Donations are collected by local charities directly, so we don’t track the amount of money raised. The exception to that is the month of November, where all Liquor Marts collect for Mothers Against Drunk Driving (MADD) – Project Red Ribbon campaign. Factoring in our matched donation to the campaign, MADD raised \$7,000 this year.

For many years our employees have given generously to two annual fundraising drives – United Way Winnipeg and the provincial All Charities Campaign. This year the amount totalled \$107,800. Our employees also raise funds for their own employee charitable program.

The Employee Charity of Choice program supports capital projects or programs benefiting children and youth in Manitoba. We match employee donations and provide additional funding based on the volunteer efforts recorded by our employees, alumni and their family and friends. Together with our amazing employees we gave \$77,000 to three highly deserving charities.

Wherever the opportunity exists, we provide charitable and non-profit organizations with gently used items that our organization no longer needs. Sometimes there are items that cannot be donated and are therefore recycled. In 2018/19 we recycled 100,000 kg which raised \$23,000 that was then donated to charity.

Charity of Choice funds given out in 2018/19

Canadian Mental Health Association Manitoba and Winnipeg

\$27,000

Living Life to the Full (Province-wide)

Feed My Lambs Street Mission

\$25,000

Youth Crockpot Cooking Classes (Local Winnipeg)

enVision Community Living

\$25,000

School to Work Transition Program (Rural)

KEY INITIATIVES

Taking pride in Pride

Ask Barry Karlenzig how Manitoba Liquor & Lotteries supports Pride Winnipeg and he'll tell you there are too many ways to count – and they're as diverse and unique as the people who take part in the annual celebrations.

Barry is Pride Winnipeg's vice president of programming for the two-day event, working with a team that is entirely volunteer-based. "Pride is a huge production, and to pull it off, we need all the support we can get. We are really fortunate to have such a great relationship with Manitoba Liquor & Lotteries. They understand how volunteer organizations work and step in to help with everything from promotional materials for the parade and prizes for a silent auction, to employee volunteers."

In her office at Manitoba Liquor & Lotteries, Shirley Campbell, Manager of Development & Sponsorships, points to boxes of rainbow-coloured bandannas, just one of several items that Manitoba Liquor & Lotteries has offered up over the years to support the event.

"Our employees jump at the opportunity to volunteer for Pride," says Shirley. "It's team-building for them and great community outreach for our company. It's definitely a win-win. There's a lot of satisfaction in being able to help Pride Winnipeg succeed."



Corporate target			
	2019/20	2020/21	2021/22
Increase employee participation in volunteer activities by one percentage point each year.	8%	9%	10%



Focusing on customer well-being



DrinkSense.ca
Sip slowly. Snack often.

MANITOBA
LIQUOR
& LOTTERIES

We continually strive to promote the responsible use of our products. Over 46% and 31% of Manitobans are aware of our DrinkSense and GameSense brands respectively.



Our approach

We care about our customers' well-being and actively look for ways to help them use our products responsibly, reducing their risk of harm.

We want our customers to have positive experiences with our products that allow them to build a social life that includes but is not dominated by liquor or gaming. Our GameSense and DrinkSense programs deliver tips, tools and information that help our customers to adopt positive, low-risk behaviours with gambling and drinking alcohol. There are many organizations involved in public education around cannabis use, and we are not the retailers of this product. We therefore do not lead cannabis awareness programming.

We also recognize that some customers need additional support with the products we offer. That is why we actively fund a variety of treatment and support programs. One of our key partners is the AFM, which provides gambling, alcohol and drug addiction awareness and treatment services across the province for those who need it.

Employee training

We train our employees to be alert to behaviours that are consistent with problem gambling, intoxication, in-store theft and underage customers.

Our employees take social responsibility training through a combination of in-person, online and on-the-job learning opportunities. Casino staff are trained to help players get accurate information on how gaming works and answer questions about the Voluntary Self-Exclusion program and Problem Gambling Helpline. Liquor Mart staff are trained in age identification, and learn how to assess and refuse a sale to intoxicated persons and adults buying for minors. Employees are given the training they need to act with confidence and respect when answering questions, refusing service, and helping someone who may be experiencing a problem.

Employees at bars and lounges, private liquor and cannabis stores, and VLT and lottery sites are required to take the LGCA's Smart Choices training. They learn about age verification, selling responsibly, and sources of consumer information and addictions services.

Positive gaming experiences

Our approach to customer education and awareness helps players have positive and low-risk experiences when enjoying the gaming products available in Manitoba.

Our GameSense website, social media posts, customer awareness campaigns, and GameSense Info Centres are all in place to provide customers with information about how gambling really works, including teaching them about concepts such as randomness, house advantage and the importance of taking frequent breaks. For individuals who visit our casino properties, we offer the opportunity to chat in person with our GameSense Advisors. These advisors can be found at one of two GameSense Info Centres, at McPhillips Station and Club Regent casinos and are available daily.

For customers who feel they need more support than what our GameSense program can offer, advisors are able to quickly connect them with our own casino programs, such as the Voluntary Self Exclusion program or with organizations such as the AFM.

We integrate responsible gambling considerations into game design, new product development, and refreshes on existing products. Based on this multi-pronged approach to customer well-being, we earned Level 4 certification in the World Lottery Association's Responsible Gaming Framework – the highest possible level.



Our social responsibility campaigns are visible in Liquor Marts, casinos, other retail environments and public spaces.

Positive drinking experiences

The DrinkSense program is tailored to the average consumer of liquor products and delivers information that can help these individuals have a lifestyle that includes alcohol without being adversely affected.

Our DrinkSense website, social media content, awareness campaigns, and resource guides all provide customized information that can help parents, young adults, expecting families and average consumers learn how to avoid the risks that come with consuming alcohol.

DrinkSense includes four programs:

- With Child Without Alcohol: Raises awareness of the risks of consuming alcohol during pregnancy and aims to build a culture where we all support alcohol-free pregnancy.
- Little Talks Can Have a BIG Impact: Offers parents tips, tools and information for age-appropriate conversations about alcohol.
- Make it Memorable: Helps young adults understand binge and excessive drinking, and how to enjoy alcohol responsibly to create positive memories instead of regrets.
- Memorable Nights, Incredible Mornings: Shows consumers the benefits associated with moderating their alcohol consumption and introduces Canada's Low-Risk Alcohol Drinking Guidelines.

Our website also contains information about increased risks of combining alcohol and cannabis use.

Treatment and support

Gaming, drinking or cannabis use may be a normal part of socializing, entertainment and fun. However, for some, it can become a problem. We fund organizations that deliver addiction services in the province, and our employees are trained to support customers by referring them to helplines, treatment providers, debt counsellors and other support services. We also offer a Voluntary Self-Exclusion program that supports a person's decision to take a break from gambling in our facilities or on PlayNow.com.

Here are some of the programs in place for Manitobans:

- The problem gambling program at the AFM operates the 24-hour Problem Gambling Helpline. The helpline is displayed and promoted on all gambling products and at gambling sites including casinos, VLT sites, lottery ticket centres and on PlayNow.com.
- The AFM also operates alcohol and drug-related programs and services, including the Eaglewood Addictions Centre in Thompson for non-medical withdrawal services, River Point Centre that offers community-based residential treatment for men, and the Starfish program for youth living with FASD who are involved in the justice system and have substance use issues.

- Specialized services for youth with alcohol and drug abuse issues at Marymount.
- Gambling-related services of Community Financial Counselling Services (CFCS), which offers quick access to financial counselling for those experiencing negative financial effects associated with their gambling.



Our performance

We use a broad range of communications strategies to ensure our customers have the information they need to use our products responsibly. We also do extensive research to monitor customer awareness levels of our outreach.

93%

Of Liquor Mart customers satisfied overall

82%

Casinos of Winnipeg customers satisfied with the casinos

35%

VLT customers satisfied with the games they played

- Improving our awareness scores with each GameSense and DrinkSense campaign we run is a key focus for the corporation. Thirty-one percent of gamblers in Manitoba were aware of our GameSense program, up from 22% last year.
- Forty-six percent of alcohol consumers in Manitoba were aware of our DrinkSense program, up from 27% last year.



GameSense Info Centre at Casinos of Winnipeg.

Canada's Low-Risk Alcohol Drinking Guidelines

Following the guidelines, including the daily and weekly limits and having a minimum of two non-drinking days per week, helps reduce the short- and long-term risks of consuming alcohol.

- Awareness of the guidelines for weekly alcohol consumption was 54%, up from 44% and 38% in the two years prior, respectively.
- Awareness of the guidelines for daily alcohol consumption was 64%, up from 58% and 54% in the two years prior, respectively.
- Adoption of the guidelines for weekly alcohol consumption was 60% in 2019, up from 56% last year.
- Adoption of the guidelines for daily alcohol consumption was 35% in 2019, consistent with last year.
- The number of individuals who report they "never" follow the low-risk weekly guidelines has dropped significantly, from 19% in 2015 down to 10% in 2019.

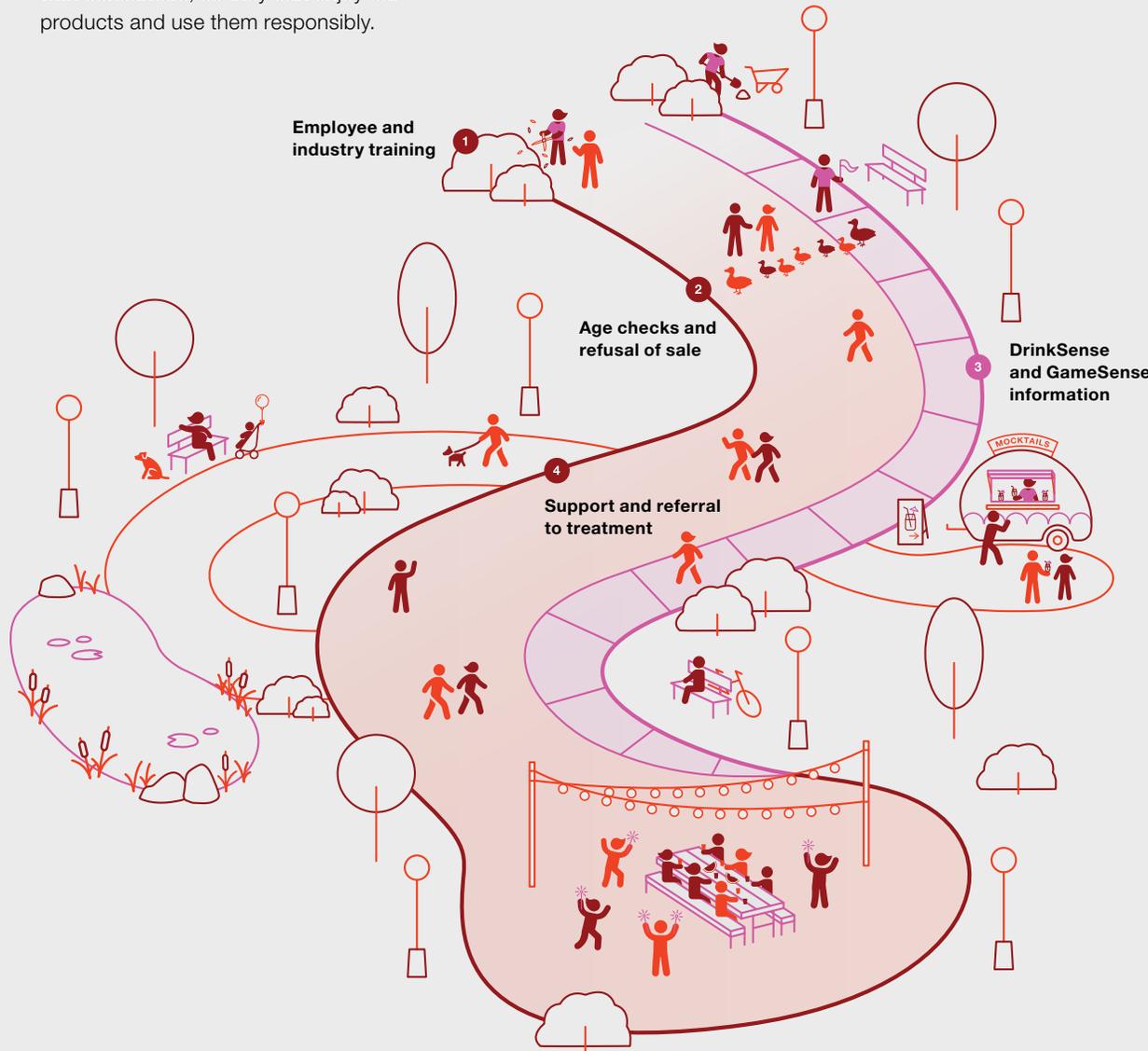
We provided funding for:

- AFM (\$5.1 million)
 - \$1.4 million for alcohol-related programs including River Point Centre, Eaglewood, and Starfish
 - \$3.7 million for gambling-related initiatives including the Problem Gambling Helpline, education, counselling, treatment and support
- Marymount (\$2.7 million)
- Community Financial Counselling Services (\$190,800)



The pathways for healthy customers

We have developed a wide variety of touch-points that allow us to engage with consumers, so they can enjoy our products and use them responsibly.



1



Employee and industry training

All casino and Liquor Mart employees take social responsibility training. Liquor vendors, beer vendors, and VLT site employees receive social responsibility training through the LGCA. Lottery retailers are trained on selling responsibly.

2



Age checks and refusal of sale

Liquor Mart	Purchase refusals
791,164	11,998
Liquor Mart ID checks	Improper or no ID
	14,244
	Showing signs of intoxication
Casino	Casino entry refusals
153,863	2,711
Casino ID checks	Improper or no ID
	386
	Minors
	295
	Showing signs of intoxication

3



DrinkSense and GameSense information

Helping our customers to have positive experiences with our products. DrinkSense and GameSense websites, awareness campaigns, resource guides and GameSense Info Centres.

4



Support and referral to treatment

Voluntary Self-Exclusion program, funding alcohol and gambling addiction services, referral to treatment and support.



KEY INITIATIVES

Tackling the financial impact of gambling addiction

John Silver knows just how overwhelming the emotional stress can be for people who are experiencing financial issues related to problem gambling.



John Silver, Executive Director, Community Financial Counselling Services

John is the Executive Director at Community Financial Counselling Services (CFCS) – a non-profit partner of Manitoba Liquor & Lotteries since 2004. During the past three years, John has seen a marked decline in the stress levels of the people who meet with CFCS counsellors, and he attributes his organization’s success in making a difference in his clients’ lives to the financial support CFCS receives from Manitoba Liquor & Lotteries.

“We’re very fortunate to have had Manitoba Liquor & Lotteries’ support for the past 15 years,” says John. “Our partnership began with a pilot project to provide financial counselling and debt management services to people experiencing issues related to problem gambling, and their families. We are an important community resource, and we now have two financial counsellors trained to deal with these issues.”

In 2018/19, Manitoba Liquor & Lotteries provided CFCS with \$190,800 in financial support (compared to \$185,400 in the previous year). A recent client survey showed that clients experiencing extreme stress from problem gambling decreased to 9% post-counselling, from 53% pre-counselling. Over 70% of respondents said CFCS had taught them valuable lessons about money management, and 64% said they learned how to spend money wisely.



KEY INITIATIVES

Supporting research and education

Since 2014, we have committed \$1.35 million to support Fetal Alcohol Spectrum Disorder (FASD) research through the Canada-Israel International Fetal Alcohol Consortium at the University of Manitoba. The research focused on better understanding who is more susceptible to having children with FASD due to genetic, nutrition and socio-economic risk to inform prevention strategies; and finding new tools for diagnosing FASD in support of earlier intervention and better outcomes.

In 2018, we provided \$13,000 to support a national symposium held in Winnipeg and organized by the Canada Northwest FASD Partnership, promoting ways of effectively communicating with Manitobans about FASD without increasing stigma for women who may have consumed alcohol during pregnancy.

Participants from across Canada brainstormed ideas for messages that promote dignity for people impacted with FASD during a symposium we supported.



KEY INITIATIVES

Serving the growing no-alcohol and low-alcohol trend

In increasing numbers, consumers around the world are seeking out no alcohol and low-alcohol products as part of a healthy lifestyle. Manitoba Liquor & Lotteries is responding by adding to the available pre-packaged products that fall into this category at Liquor Marts. Mocktail recipes continue to be promoted to support customers in choosing a wide range of entertaining options.

“We see this as part of our social responsibility mandate,” says Dan Eliasson, Manager of Social Responsibility. “It’s in the public interest. It’s also good for business, to support customers who are making healthy lifestyle choices.”

In a research study we recently conducted, 32% of Manitobans said they had consumed a non-alcoholic beer or cocktail in the past year. When asked if they would ever consider consuming a non-alcoholic beer or cocktail, 63% say they would consider it, most often as a designated



DrinkSense.ca
Mix it up with a mocktail.

Strawberry Basil Lemonade
2-3 fresh basil leaves
1 can (355 ml) sparkling lemonade
1/4 cup frozen strawberries, semi-thawed
1 tsp granulated sugar
Fresh, sliced strawberries for garnish (optional)
Crushed ice

To prepare
Muddle 2-3 basil leaves, semi-thawed strawberries and sugar.
Top with crushed ice.
Fill glass with sparkling lemonade.
Stir slightly.
Garnish with strawberries and fresh basil.



driver (60%), but also to support someone who is pregnant (56%), or to enjoy a unique or fancy drink without having to drink alcohol (53%).

“We want customers to have positive experiences with our products. Integrating zero percent beer or mocktails into their evening can help customers achieve this,” says Dan.

Kerry Wolfe, Director of Liquor Strategy & Development, says the non-alcohol category increased by 11% (in dollars) last year, and by 17% overall (in litres). Liquor Marts introduced seven non-alcohol beers and six new non-

alcohol wines. Given consumers’ growing interest in these products, in 2019 we are going to continue to look for new products to meet customer needs and expect growth in this category.

“It’s still early days for us in terms of developing a merchandising strategy that resonates with our customers, and that’s why we’re currently in the process of doing consumer research. As for any new product, we want to be sure our messaging and presentation are in lock-step with consumers’ expectations,” says Kerry.

Find some of our mocktail recipes [here](#).

To promote mocktails and the With Child Without Alcohol programming, DrinkSense brought the pop-up mocktail bar to the Forks on Mother’s Day weekend. In 10 hours over 1,200 special Mother’s Day themed mocktails were served to over 1,500 visitors.



WATCH THE VIDEO
On our website





Looking ahead

Our customers' well-being is at the heart of everything we do, whether it's keeping them safe in our stores, providing low-alcohol options in our Liquor Marts or sharing information about using our products sensibly.

Corporate targets

	2019/20	2020/21	2021/22
GameSense Awareness	35%	41%	46%
DrinkSense Awareness	51%	56%	60%

We will continue discussions with retail channel partners to determine a suitable sales and merchandising strategy to address consumers' increased interest in no-alcohol and low-alcohol options.

In late March 2019, we announced a multi-point theft reduction plan to combat thefts and robberies while protecting the safety of our employees and customers. The plan highlighted new security measures including the use of uniformed Winnipeg Police Service (WPS) special duty constables, a new trained loss prevention officer team, video displays at store entrances, bottle locks, alarm pedestals and lockable shelf cases to secure high-value targeted products as well as making high-value targeted products available on a by-request basis. In the formation of this plan, we engaged with many stakeholders including the WPS, the Manitoba Government and General Employees' Union (MGEU), the Retail Council of Canada, as well as other Canadian liquor jurisdictions. We are encouraged by positive early results

and will continue to monitor the impact of our measures and fine tune our efforts going forward. Information about security measures and ongoing arrests can be found at MBLL.ca/StopTheft.

“

We want our customers and our employees to know that we take their safety seriously and we also want to send the message that if you steal from a Liquor Mart, you will be caught.

”

Peter Hak
President & CEO
Manitoba Liquor & Lotteries

**OUR FOCUS
IS ON YOUR SAFETY.**

New Liquor Mart security measures protect customers and staff.



KEY INITIATIVES New strategy takes aim at theft reduction

Anti-theft public awareness campaign.

In 2018 we began to see an increase in the number of thefts and robberies in Winnipeg Liquor Marts. Employees and contracted security guards play an important role in observing, detecting and deterring theft in Liquor Marts. However, the level of brazenness of the thieves required further intervention. Management worked in partnership with the WPS in the identification of many of these thieves, which led to a significant number of arrests, while continuing to explore other solutions to address this issue. The theft issue persisted into 2019, and early in the year, we initiated a pilot program to hire WPS Special Duty Constables for various shifts in Liquor Marts ex-

periencing the highest rate of theft and robberies. This measure resulted in a noticeable decrease in thefts and robberies and proved to also be a deterrent to thieves.

46

Visits conducted by our Corporate Investigations team to Liquor Mart stores to discuss safety and security measures



Being good business partners

Our business partners include a wide range of local, national and international suppliers, retailers, licensees, industry associations, and First Nations.

Our approach

We have excellent business partners who share our commitment to bringing quality products to Manitobans and contributing to the economic and social well-being of our communities. We work hard to foster win-win relationships with them and our customers.



Fairtrade certified wines at our Liquor Marts.

Our business partners include a wide range of local, national and international suppliers, retailers, licensees, industry associations, and First Nations. Together, our goal is to work collaboratively for the economic and social well-being of our communities. Great partnerships are also a critical part of sustaining our own growth and overcoming some of the challenges we share. Our approach is to be fair, open and transparent in our business operations, both to industry and to the public.

We have a Supplier Code of Conduct that outlines the ethical performance expectations we have for the companies that work with us, including:

- quality, availability, price and functionality over the entire life cycle;
- resource conservation, environmental protection and reduction of waste and pollution;
- workers' rights, working conditions, poverty eradication and capacity building; and
- product and service accessibility.

We follow the vision and strategic approach of the provincial [Climate and Green Plan](#). We have also developed minimum sustainability requirements for several commonly purchased goods and services, including:

- all seafood and fresh water fish purchased have sustainable certifications/ recommendations;
- computers, laptops and multifunction devices that meet or exceed the criteria associated with EPEAT certification;
- paper products purchased that are Forest Stewardship Council certified;

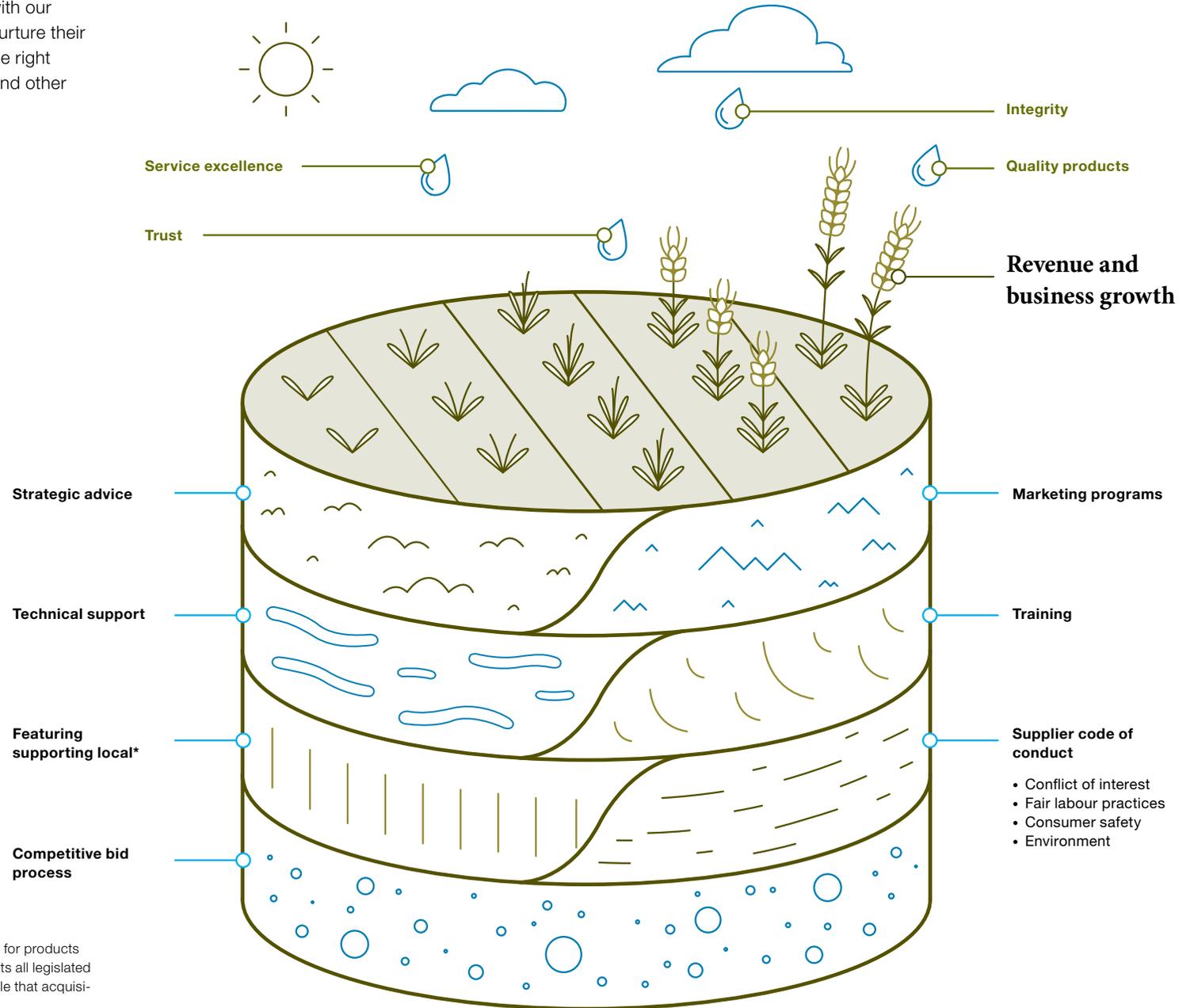
- ensure 20-25 Liquor Mart products offered to the public are Fairtrade Certified; and
- no purchase of single-use plastic items including casino restaurant drinking straws, and bags in Liquor Marts and casino gift stores.

In October 2018, Manitoba Liquor & Lotteries became the legislated distributor of non-medical cannabis on behalf of the Province of Manitoba. We secure cannabis from federally-licensed producers for shipment to LGCA-licensed private Manitoba retailers based on available supply. Our shipping model sees cannabis product go directly from licensed suppliers in Canada to stores in the province, with an emphasis on a reliable flow of in-demand products. Our reporting responsibilities include:

- meeting all federal cannabis tracking and reporting requirements established by Health Canada and Statistics Canada; and
- reporting comprehensive sales data to Health Canada and Statistics Canada on behalf of retailers.

Working productively with our partners

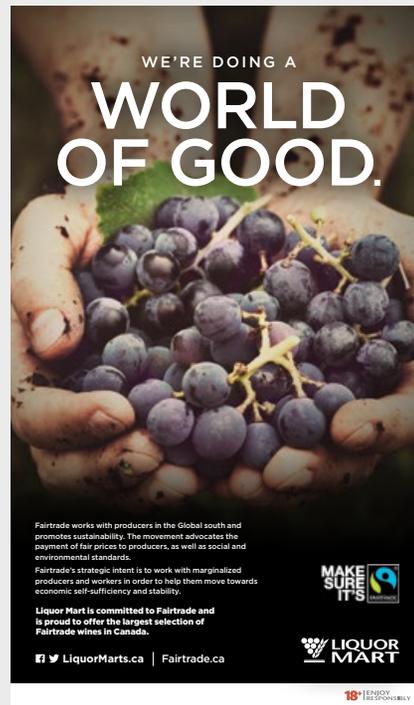
We value all of our relationships with our business partners. Like farmers nurture their crops, we work hard to provide the right conditions for economic growth and other positive results.



*Our purchasing and procurement approach for products and services is non-discriminatory and meets all legislated requirements. We operate under the principle that acquisitions should be fair, open, and transparent.

Our performance

We received our Fair Trade Workplace designation from Fairtrade Canada and are the largest workplace in Canada with this designation. This designation recognizes, among other things, that we offer a range of Fairtrade certified products.



Helping fair trade go mainstream

Ten years ago, our liquor purchasing department reached out to Fairtrade Canada asking how we could offer customers Fairtrade wine. Ten years later we're still on the phone talking – except now the conversation is about more than just wine. It's about Fairtrade certified products generally and about making fair trade practices part of a broader conversation with customers.

Fair trade is a global movement for change with a strong and active presence in Canada, represented by Fairtrade Canada. The movement works directly with businesses, consumers and campaigners to make trade fair for farmers and workers in the global south by ensuring fair, sustainable and ethical supply chains.

“It's been an ever-widening circle of discussion,” says Julie Francoeur, Fairtrade Canada's Executive Director. “Internally at Manitoba Liquor & Lotteries, there is a genuine and growing interest in fair trade and a strong corporate commitment to helping our message reach a broader audience.”

Part of getting the message out is the Fair Trade Workplace designation, which Manitoba Liquor & Lotteries achieved this year.

“Our executive team felt it was important to ensure our workplace designation included both the purchase of Fairtrade certified products such as coffee, tea and sugar within our work areas and to offer Fairtrade certified products to our customers,” says Donna Dagg, Manager of Sustainable Development. “The decision to expand our offer of Fairtrade certified products is consistent with research that shows Manitoba consumers want access to Fairtrade certified products.”

According to Julie, there is incredible value in knowing that a Crown corporation like Manitoba Liquor & Lotteries has earned the Fair Trade Workplace designation. “It tells the world that fair trade is important, and that north, south, east and west, we're all in this together.”

KEY INITIATIVES

New cannabis business launch

Introducing cannabis was a complex and multi-faceted corporate initiative involving a broad network of internal teams and external stakeholders and subject matter experts from various fields. From an operational perspective, a major project for us as the province's wholesale distributor was integrating cannabis into our digital ordering system. We formed a small cannabis department of buyers and customer service coordinators to manage suppliers and retailers respectively.



Manitoba Liquor & Lotteries tracks the supply of cannabis sold in the province.

Extensive communication, cooperation and collaboration with the LGCA, municipalities and Manitoba Growth, Enterprise and Trade was required to ensure that final inspections, licensing, retailer agreements and other approval requirements for stores were in place on time.

To mitigate potential cannabis supply issues, we conducted focus groups on non-medical cannabis products and preferences and used this information to guide our product selection and development of our listings. Our supply strategy called for a 12 to 18-month supply of cannabis flower and infused oils for Manitoba. With this, we were able to enter into contracted supply agreements with 14 suppliers.

Upon legalization we closely monitored suppliers' ability to meet their commitments. When we discovered that some suppliers were not meeting their targets, we responded with an allocation process to level out supply for each retailer.

We continually engage new suppliers to either complement the selection of products already available, or to fill gaps to meet product demand. Retailers relay their inventory levels and customer preferences so that we can adjust our ordering to meet trends. We also work collaboratively with retailers to ensure that new stores can order the stock they need to ensure adequate opening store inventory levels.

Looking ahead

The development of our cannabis business will continue to be a key priority. Our goal is to strengthen our relationships with partners in this market, and with all our business partners, for mutual benefit.

Corporate targets

	By 2022
Liquor Mart customers satisfied with their overall experience.	94%
Casinos of Winnipeg customers satisfied with the casino.	83%
VLT customers satisfied with the VLTs they played.	36%
Rural liquor vendors and hotel beer vendors are satisfied with all of the services we provide them.	61%

Cannabis wholesale supply has experienced shortages across Canada, with all provinces and territories competing for the available inventory. While we cannot directly control production volumes or the licensing of new suppliers, which falls to Health Canada, we will continue to work to secure additional licensed suppliers to service Manitoba markets.

Growth, Enterprise and Trade is transferring all existing cannabis retailer agreements to Manitoba Liquor & Lotteries on June 1, 2019. Retailer and retailer organization applicants will now enter into agreements directly with Manitoba Liquor & Lotteries, similar to the agreement process that we maintain for lottery ticket centre, VLT site and liquor vendor applicants.

“

We've worked diligently to represent the interests of Manitobans when working with suppliers and retailers through the challenges in the introduction of the legal non-medicinal cannabis industry.

”

Brent Hlady
Corporate Secretary &
Executive Director, Cannabis



Reducing our environmental footprint

We have limited the increase of direct carbon emissions even as our operations have grown.



BOTTLED BY BACARDI
BOTTLING CORPORATION
JACKSONVILLE, FL 32218
125 X 750 ML BOTTLES
35% ALC BY VOL
750 PROOF / 19 LITERS
OUR SPECIALTY
MADE IN U.S.A.



Our approach

The pressure on this planet is mounting. Governments, communities, citizens, and businesses all need to work together to protect it – for today and tomorrow.



One of our corporate offices, 1555 Buffalo Place.

Environmental and social considerations are embedded into our corporate strategic plan, as well as in departmental policies and procedures such as our code of conduct, procure-to-pay policy and business planning process. Environmental requirements are considered the responsibility of all employees within the organization, and we work hard to keep environmental considerations top of mind with employees.

Our strategic plan includes goals for reducing our water and energy use and for managing waste generation.

We compare our annual environmental metrics to determine impacts. The measurements are compared to previous years, with 2012 selected as our base year.

Water usage is monitored by building to catch anomalies so that we can quickly address potential leaks or other developing situations. We also have a target to reduce corporate GHG 10% by 2022.

The largest source of direct green house gas (GHG) emissions in our operations is natural gas used within leased and owned buildings. We've expanded by five buildings since 2012 and now operate 66 buildings – two casinos, 55 Liquor Marts, five warehouses and four corporate office locations. The total area managed in 2018/19 was 112,002 m², compared with 109,257 m² in 2012. Management includes being responsible for all aspects of the heating, cooling and electrical systems.

Our second largest direct source of GHG emissions is fleet fuel consumption. Our corporate fleet in 2018/19 was 78 vehicles including light duty vehicles for lottery ticket distribution and video lotto terminal maintenance calls, several heavy-duty service warehouse trucks, and casino shuttle buses.

Practical operational steps taken by staff to enhance fuel use efficiencies such as building heating and cooling system optimization and fleet vehicle use management have helped to stabilize our emissions even as we grow our operations.

Our largest source of indirect GHG emissions is the purchase of paper products, mainly paper used for lottery tickets and kraft bags and boxboard carriers used in Liquor Marts.

The liquor distribution centre acts as the recycling hub for all Liquor Marts in the Winnipeg region (pictured on [page 38](#)). Cardboard, shrink wrap and mixed recycling materials are returned to the distribution centre where the items are managed as commodities and sent to local recycling companies. The distribution centre sends unsaleable liquor to a processor for recycling.

The Casinos of Winnipeg kitchens use inventory management and production planning to minimize food loss. All food waste is sent to a local commercial composting facility, and used cooking oil to a recycler.



Our performance

Our Environmental Scorecard

	2012 (Base)	2018	Difference
 <p>GHG intensity</p> <p>Greenhouse gas emissions (Scope 1 + Scope 2 + Scope 3) calculated using World Resources Institute's (WRI) GHG Protocol Corporate and Accounting Standard (2018). Gross revenue adjusted for inflation using Statistics Canada, Consumer Price Index, by province (base year 2012).</p>	<p>10.40</p> <p>g CO₂e/\$</p>	<p>10.85</p> <p>g CO₂e/\$</p>	<p>↑ 4.3%</p> <p>Increase</p>
 <p>GHG absolute</p> <p>Greenhouse gas emissions (Scope 1 + Scope 2 + Scope 3) calculated using WRI's GHG Protocol Corporate and Accounting Standard (2018).</p>	<p>12,761</p> <p>Metric tons CO₂e</p>	<p>13,890</p> <p>Metric tons CO₂e</p>	<p>↑ 8.8%</p> <p>Increase</p>
 <p>Water reduction</p> <p>Actual water usage data for all metered buildings – water utility bills.</p>	<p>85,058</p> <p>m³</p>	<p>76,161</p> <p>m³</p>	<p>↓ 10.5%</p> <p>Decrease</p>
 <p>Energy use intensity</p> <p>Actual source energy use intensity trend – energy bills (electricity, natural gas and propane) benchmarked using Energy Star® Portfolio Manager.</p>	<p>3.63</p> <p>GJ/m²</p>	<p>3.30</p> <p>GJ/m²</p>	<p>↓ 9.1%</p> <p>Decrease</p>

For detailed information about our environmental performance in the broad categories of energy and waste, please refer to the GRI table on [page 58](#).

In addition to this data, we paid \$1.1 million to Multi-Material Stewardship Manitoba to cover our provincial residential waste management obligation. Regulation requires companies designated as stewards, of which we are one, to reimburse municipalities up to 80% for the packaging and printed materials distributed to customers and managed within Manitoba's municipal waste management programs.

We committed \$150,000 to continue participation in the International Institute for Sustainable Development's nutrient bioenergy project. This project assesses the viability of harvesting, drying and pelletizing cattail biomass from marsh systems and using this renewable energy source for space heating. Based on a cost of \$25 per metric ton, we offset 6,000 metric tons of our carbon emissions. This offsetting strategy is consistent with the provincial Climate and Green Plan.

Lastly, in March 2018 the Casinos of Winnipeg discontinued regular session paper bingo, significantly reducing the amount of paper consumed for bingo.



Looking ahead

The provincial *Climate and Green Plan Act* came into force November 2018, creating a requirement for the Minister of Sustainable Development to set a greenhouse gas reduction goal for the 2018-2022 period within one year of the Act coming into force. As a Crown corporation we are eager to see the goal and programs, policies and measures contemplated to ensure our sustainable efforts are aligned with the provincial strategy.

Corporate target

By 2022

Reduce GHG emissions at least 10% relative to base year. This will take our GHG emissions down to 11,485 metric tons or less.

“

We aim to achieve continuous improvement in water, waste and energy usage, reduce our operating costs, and implement proven cost-effective sustainable development leading practices.

”

Gerry Sul

Vice President, Corporate Services



KEY INITIATIVES Pilot program tests consumers' thirst for cork recycling

We began a natural cork collection pilot at six Liquor Mart locations: Kenaston, St. Vital Square, Northdale, Grant Park Mall, Madison Square and Brandon Corral Centre. The six-month pilot began in November 2018. Through this program we hope to gain insight into consumers' willingness to drop off bottle corks for recycling, diverting them from local landfills. The collected corks are sent to ReCORK, North America's largest natural wine cork recycling program. Cork stoppers can be ground down for use in a wide variety of products, replacing environmentally-harmful foams and plastics.



Being a great place to work

Seventy-eight percent of our employees are proud to work here. At seventy-one percent, engagement levels were consistent with a 2016 survey.

Our approach

Our employees help us make the greatest possible contribution to the economic and social well-being of our province.



18 hours

Of training per employee per year



71%

Employee engagement

By creating a work environment where employees can continuously learn, develop and thrive, we make a stronger business, and our province benefits from our employees' increasing capabilities and contributions.

We provide employment for more than 3,300 employees across the province. We are proud of our commitment to diversity. Within our human resources department there is a team dedicated to implementing diversity and inclusion programs. A joint diversity network made up of employees from across the organization work to bring diversity and inclusion to life.

We provide significant training and development opportunities for all stages of our employees' careers. In 2018/19, employee training totalled over 60,000 hours – an increase of 10,000 hours compared to 2017/18. This equates to roughly 18 hours per employee, per year.

Training hours include leadership and coaching training, job placement, and co-op apprenticeship and skilled trade training programs. Some of this is offered in partnership with educational institutions such as Red River College, the University of Winnipeg, and the University of Manitoba. Training is conducted both in-house and through online courses.

About 85% of our employees are represented by five unions under seven collective agreements. Two contracts were ratified in 2018, one with MGEU in May and the other with Unifor in November.

We have eight joint workplace safety and health committees that conduct inspections and investigations, helping us to identify programming needs and to monitor our progress. They also provide feedback on ergonomics and safety features during office, store and casino renovations or new builds.

We believe in inclusion and accessibility and are committed to equal access and participation for all people, regardless of their abilities. By identifying, removing and preventing barriers to accessibility and meeting the requirements of *The Accessibility for Manitobans Act*, we endeavour to treat all people in a way that allows them to maintain their dignity and independence.

When employees come to work fully engaged and committed to our corporate culture they are ideal ambassadors. In 2018 we conducted an employee survey – something we do every two years. The participation rate was 88%. The survey indicated that employee engagement levels were at 71%, consistent with the 2016 survey results. Engagement perceptions include satisfaction, commitment, pride, loyalty, personal responsibility, and willingness to advocate for the organization. Of the employees who responded, 78% were proud to say they work for our organization.

Although we received a good engagement response, we identified areas that need improvement. When asked if they felt that Manitoba Liquor & Lotteries recognizes productive people, only 45% of employees agreed or strongly agreed. When asked if they felt there is open and honest two-way communication, 57% responded favourably. While the last statement is an improvement over the previous survey, there is more work to do.

Based on the results, we decided to look for ways to ensure employees feel valued and supported and to grow our corporate culture. We started with renewing and then increasing awareness of our corporate values – which we refer to as the 5Cs. The 5Cs are: caring, customer-focused, collaborative, committed and creative (see Operating responsibly, [page 11](#)). We held 20 workshops with more than 360 leaders, who then began to work with their teams to build awareness of the 5Cs and identify the small things they could do every day to live the values and grow our corporate culture.

When asked how they ranked Manitoba Liquor & Lotteries on key aspects of our corporate responsibility commitments, here's what our employees said:

Question	Favourable	Global benchmark
Manitoba Liquor & Lotteries makes positive contributions to communities in Manitoba	87%	72%
Manitoba Liquor & Lotteries makes business decisions that are socially responsible	80%	78%
Manitoba Liquor & Lotteries encourages our customers to use our products responsibly	89%	-
Manitoba Liquor & Lotteries is committed to protecting the environment	71%	76%
I am proud of Manitoba Liquor & Lotteries' reputation and involvement in the community	78%	80%

Our employee survey is conducted by an independent firm and benchmarked against their international database of 16 million respondents. (This report was originally released with incorrect figures in the table. The figures shown above are now correct.)

We are consistently ranked among Manitoba's top employers. Here's a look at what Manitoba Liquor & Lotteries has to offer:

Our workforce – Our workplace reflects the diversity of Manitobans and helps employees realize personal growth and success.

Community involvement – Volunteer opportunities, charitable giving and employee charity of choice.

Safety and health – Safety and health training, assessments, inspections, and health and wellness programs.

Employee hiring and training – Valuing diversity, and a comprehensive onboarding program.

Career development – Coaching, leadership, education and training opportunities.

Our performance

Diversity



Gender	50.5%	49.5%	
	Women	Men	
Age (in years)	21.2%	48.5%	30.3%
	< 30	30 - 50	> 50
Employment equity categories	33.3%	10.0%	5.2%
	Visible minorities	Indigenous	Persons with disabilities



Visiting our various sites to share the results of our corporate responsibility performance.

KEY INITIATIVES

Preparing for the next generation of corporate leaders

In October 2018, we launched the Emerging Leaders certificate program that offers employees exposure to practical tools, strategies and best practices for being effective leaders, preparing them for leadership roles. Forty-three employees participated in this new program.



100

Employees completed
Coaching as a Leader
program

More than 100 employees completed the Coaching as a Leader program, raising the total number of participants to 219 over the past two years. We launched the program after employees identified a need for greater effectiveness from our leaders. Some 160 employees have also participated in training on effective communications skills, emotional intelligence, and mental health.

A formal succession management program was developed and implemented for executive-level positions. This program supports the development of employees for future leadership positions.

We continued to look at ways to improve accessibility and remove barriers for new and current employees, including:

- reviewing accessibility information on corporate websites;
- redeveloping corporate websites to improve accessibility;
- reviewing job descriptions, with a view to identify and remove barriers to employment where reasonable;
- implementing interview protocols with a proactive emphasis on accessibility and meeting the accommodation needs of job applicants; and
- training employees regarding accessibility.

“

We have a great team mentality in Liquor Marts, I feel that everybody cares and we care about hiring a strong team and watching them grow. It's great seeing these newer employees grow stronger each day until one day they're the ones that are actually going to be training some of the new staff. We operate like a family within our stores, where everybody truthfully cares about one another and we take pride in the experience that we do offer to customers.

”

Chad Paulicelli, Store manager



Looking ahead

Improving employee communication, strengthening our corporate culture and working towards zero workplace incidents and injuries will be key areas of focus in the coming year.

Corporate targets

Achieve the following diversity levels:	By 2022
Women	50%
Visible minorities	30%
Indigenous	16%
Persons with disabilities	9%

We want our workplaces to be safe for our employees. Our target is zero workplace incidents and injuries. We will continue to work with operational leaders and our safety and health committees to identify and address safety issues that will help us to achieve this target. Identifying and addressing workplace hazards, and following up with relevant action planning, are important strategies. We will also continue to monitor compliance with safety and health legislation and implement control measures to prevent and reduce injuries.

Following up on the 2018 employee engagement survey and associated action plans, we'll seek employees' input about the best way to communicate with them and make plans to improve the overall effectiveness of our internal communications. We'll also strengthen our corporate culture through strategies that build trust and increase recognition for a job well done. Succession planning contributes to a vibrant corporate culture, and we will continue to identify and support employee development and advancement to leadership positions.

In the coming year, collective bargaining will continue with the unions representing employees with collective agreements that expire in 2019/20. Our objective is to ensure the agreements we reach with the unions that represent our employees are fair and meet the objectives of our business.

“

We have a diverse work force and unique work environments. Collaboration and caring go a long way to keeping our team safe, productive and engaged.

”

Marko Simonic
Manager, House & Grounds

Engaging stakeholders and GRI content index – core

Engaging stakeholders

Approach	Stakeholder Group	Group Definition	Key Topics
1: Direct correspondence (email, mail, phone) 2: Publications (intranet, websites, social media, on-site/point-of-sale material, handbooks, digital signage, advertising, job postings, MERX, news media) 3: Reports (corporate annual, corporate responsibility, cannabis tracking, FINTRAC, performance and market updates, other) 4: Requests and submissions (requests for procurement/information/quotation, cabinet submissions, Orders in Council) 5: Events (internal, invitation-only, community) 6: In person (sales service, product seminars, annual and other public meetings, presentations, working groups, employee training, visits, consultations) 7: Surveys, focus groups, other research 8: Partnerships, contracts, funding and other agreements 9: Referral			
1, 2, 6	Employees and their families	a) Employees Engagement for new employee orientation; operational and strategic news; training and development, information and access to employee programs like volunteering, benefits and retirement planning and attendance management. b) Former employees, family and friends registered as volunteers at corporate sponsored events Engagement needed to promote, recruit and coordinate volunteers for events.	Leadership changes; introducing our first corporate responsibility report; redefined corporate culture statement known as the “5Cs”; Liquor Mart thefts.
1, 6, 8	Labour Unions	Five unions representing employees Engagement needed to address issues covered under agreements, and renegotiate agreements at their end.	Employee concerns about Liquor Mart thefts. Salaries, benefits, diversity, grievances, safety and health and investigations.
1, 2, 6, 7, 9	Customers	Manitobans who gamble, buy liquor and/or cannabis Engagement needed to understand brand awareness and opinions, measure customer satisfaction; understand consumer trends, advertise new products and services; provide product education.	New bingo system, lottery games, VLT games and liquor assortment; liquor and food pairing and event planning advice; product recalls; Liquor Mart thefts; new GameSense and DrinkSense campaigns.
1, 2, 5, 6, 8	Charitable and non-profit organizations that we support	Eligible charitable, non-profit and community groups in Manitoba Engagement supports the corporate desire to enrich the lives of Manitobans by providing event sponsorships. Engagement includes responding to sponsorship questions, taking in applications, and managing the sponsorship throughout its term.	Changes in sponsorship program.
8	Advocacy Groups	Organizations with a mandate to reduce and prevent social harm resulting from gambling, liquor and cannabis use Engagement needed on safe use and consumer attitudes towards products.	Matched funding of point-of-sale coin box donations; in-store sampling of MADD products; hosted consumer awareness materials of impaired driving.

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<p>1, 2, 8</p>	<p>Municipalities/ Municipal agencies</p>	<p>Municipalities of Manitoba, civic leaders Engagement needed on community related issues (e.g. answer questions regarding new/proposed cannabis retailers).</p>	<p>Funding sherry bottle recycling and check stop programs; new liquor store development; information on cannabis rules and regulations.</p>
<p>1, 2, 3, 4, 5, 6, 8</p>	<p>Provincial Government/ Agencies</p>	<p>LGCA, Crown Services, Treasury Board, Growth Enterprise and Trade (GET), peers in other provinces Engagement on regulatory and policy changes; collaborative approach to industry changes; sharing of best practices and emerging trends; coordinating operations with LGCA licensing and inspections and share operational updates.</p>	<p>Confer with Crown Services on leadership changes; corporate initiatives; financial and other reports; mandate letters; developments related to current provincial gaming review. Federal and provincial regulatory changes and compliance. Consultation on financial requirements and for cannabis industry; transfer of cannabis retailer agreements from GET. Change of ownership of private liquor retail accounts; changes to liquor packaging and labelling specifications; new retailing formats; changes to product definitions. Product and/or retailing trends and best practices; new initiatives and priorities impacting operations across jurisdictions.</p>
<p>1, 3, 8</p>	<p>Federal Government/ Agencies</p>	<p>Federal Government, Health Canada, Statistics Canada; Canadian Food Inspection Agency; Financial Transactions and Reports Analysis Centre of Canada; law enforcement Operational reporting including cannabis tracking and suspicious gaming cash transactions; consultation on regulatory changes; share operational updates; participate in buying groups for consolidated procurements.</p>	<p>Cannabis and liquor regulations, policies and processes.</p>
<p>1, 8</p>	<p>First Nations</p>	<p>First Nations, Assembly of Manitoba Chiefs Engagement needed for technical and business support of private retail locations located on indigenous land.</p>	<p>Communication about provincial gaming review; updates on leadership changes.</p>
<p>1, 5, 6, 8</p>	<p>Private Retailers</p>	<p>a) Cannabis Retailers Engagement with private cannabis retailers to review processes, conduct product ordering, discuss product assortment, receive monthly regulatory reporting. b) VLT siteholders and lottery retailers Engagement about new games; sales development initiatives, inventory planning, merchandising. c) Liquor licensees (hotel and other vendors, specialty wine and duty free stores, restaurants and lounges) Engagement needed for operations and service delivery.</p>	<p>a) Product supply issues; recalls. b) Changes to LOTTO MAX and to bill acceptors on VLTs; sales initiatives; provincial gaming review. c) Guidance on regulatory compliance, inventory improvements; education on new and other products, sales analytics and performance, promotions, logistics issues, menu development.</p>

Approach	Stakeholder Group	Group Definition	Key Topics
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	Associations and Corporations	<p>Groups to which we belong or that are affected from a business perspective by our operational decisions. These associations represent the industries in which we work, or certain groups within those industries.</p> <p>We are a member of: a) Canadian Association of Liquor Jurisdictions, Canadian Partnership for Responsible Gambling, Interprovincial Lottery Corporation (including the ILC – Canadian Responsible Gambling Association), Inter-Jurisdictional Gaming Committee, Gaming Standards Association, Western Canada Lottery Corporation</p> <p>Engagement for inter jurisdictional collaboration on trends, revenue performance and current initiatives; overall impact of sector; developing best practices and standards; raising industry profile; identifying common challenges faced in sector.</p> <p>We have relationships with: b) Chambers of commerce, Downtown Winnipeg Business Improvement Zone, Manitoba Hotel Association, Manitoba Liquor Vendor Association, Manitoba Restaurant and Food Association, Manitoba Brewers Association, Retail Council of Canada, West End Business Improvement Zone</p> <p>Engagement on operational programs, concerns and updates; regulatory and legislative changes.</p>	<p>Updates on leadership changes; self-service improvements; national social responsibility strategy goals and initiatives; community safety.</p>

Approach	Stakeholder Group	Group Definition	Key Topics
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1, 6, 7, 8, 9	Treatment and Prevention Organizations	<p>Government and independent agencies mandated to deliver addictions treatment including AFM, Community Financial Counselling Services, Marymount</p> <p>Engagement to understand and incorporate evidence-based prevention features into products and services; collaborate on public awareness campaigns; fund support research and other programs</p>	Addictions services funding; expert opinions.
1, 2, 5	Public	<p>Manitobans 18 years of age and older who are not necessarily customers of any of our products or services</p> <p>Engagement contributes to a positive corporate reputation by informing members of the public of our involvement and support within their communities.</p>	Our involvement and contributions to Manitoba communities; our performance as a Crown corporation; our corporate responsibility commitments.

GRI content index

NON-CORE INDICATORS AND NON-MATERIAL TOPICS ARE HIDDEN

	GRI standard	Disclosure	Liquor & Lotteries response
GRI 101 Foundation	GRI 102 General disclosures	102-1 Name of the organization	<u>Manitoba Liquor and Lotteries Corporation</u>
		102-2 Activities, brands, products, and services	About us, <u>p. 03</u>
		102-3 Location of headquarters	Contact us, <u>p. 70</u>
		102-4 Location of operations	About us, <u>p. 03</u>
		102-5 Ownership and legal form	About us, <u>p. 03</u>
		102-6 Markets served	About us, <u>p. 03</u>
		102-7 Scale of the organization	About us, <u>p. 03</u>
		102-8 Information on employees and other workers	Being a great place to work, <u>p. 42</u>
		102-9 Supply chain	Being good business partners, <u>p. 32</u>
		102-10 Significant changes to the organization and its supply chain	New regulation on cannabis, <u>p. 33</u>

GRI standard	Disclosure	Liquor & Lotteries response
GRI 101 Foundation	GRI 102 General disclosures	<p>102-11 Precautionary principle or approach</p> <p>By incorporating sustainable development principles into business planning and procurement processes, we assess activities that have the potential to cause adverse impacts on the environment. We then develop strategies to mitigate these impacts. This includes measuring and reporting on key environmental metrics.</p> <p>A corporate code of conduct plus departmental policies help define our precautionary approach. The provincial <i>Climate and Green Plan Act</i> also supports the precautionary approach and lays down the foundation for low carbon government. As a Crown corporation, we ensure our sustainable efforts include the vision and strategies set out in the <i>Act</i>.</p>
		<p>102-12 External initiatives</p> <p>Key policies, programs and procedures, p. 12</p>
		<p>102-13 Membership of associations</p> <p>Accreditations and memberships, p. 04</p>
		<p>Strategy</p>
		<p>102-14 Statement from senior decision-maker</p> <p>Message from the President & CEO, Peter Hak, p. 05 Message from the Chair, Randy Williams, p. 06</p>
		<p>Ethics and integrity</p>
		<p>102-16 Values, principles, standards, and norms of behaviour</p> <p>Operating responsibly, p. 08 Key policies, programs and procedures, p. 12</p>
		<p>Governance</p>
		<p>102-18 Governance structure</p> <p>Governance, p. 10 Structure and governance, p. 10</p>
		<p>Stakeholder engagement</p>
	<p>102-40 List of stakeholder groups</p> <p>Engaging stakeholders, p. 49</p>	
	<p>102-41 Collective bargaining agreements</p> <p>About 85% of our employees are represented by five unions under seven collective agreements. Two contracts were ratified in 2018, one with MGEU in May and the other with Unifor in November. In the coming year, collective bargaining will continue with the unions representing employees with collective agreements that expire in 2019/20.</p>	
	<p>102-42 Identifying and selecting stakeholders</p> <p>Materiality and boundaries, p. 07</p>	

GRI standard	Disclosure	Liquor & Lotteries response	
GRI 101 Foundation	GRI 102 General disclosures	Stakeholder engagement	
		102-43 Approach to stakeholder engagement	Engaging stakeholders, p. 49
		102-44 Key topics and concerns raised	Engaging stakeholders, p. 49
		Reporting practice	
		102-45 Entities included in the consolidated financial statements	Manitoba Liquor and Lotteries Corporation MLC Holdings Inc.
		102-46 Defining report content and topic boundaries	About this report, p. 02
		102-47 List of material topics	Materiality and boundaries, p. 07
		102-48 Restatements of information	There was an error in the 2017/18 report regarding lottery retailer mystery shop results. Correct figures for 2017/18 are: <ul style="list-style-type: none"> • 89% compliant in verifying customer age • 85% compliant in following procedure for validating winning tickets
		102-49 Changes in reporting	No significant changes from 2017/18 report.
		102-50 Reporting period	April 1, 2018 – March 31, 2019 is the reporting period for performance data.
102-51 Date of most recent report	Most recent report April 1, 2017 – March 31, 2018.		
102-52 Reporting cycle	Annual		

	GRI standard	Disclosure	Liquor & Lotteries response
GRI 101 Foundation	GRI 102 General disclosures	Reporting practice	
		102-53 Contact point for questions regarding the report	Contact information, p. 70
		102-54 Claims of reporting in accordance with the GRI Standards	About this report, p. 02
		102-55 GRI content index	GRI content index, p. 53
		102-56 External assurance	Liquor & Lotteries has elected not to have this report or its data assured externally and does not have policies relating to Corporate Responsibility report assurance.
GRI 200 Economic standard series	GRI 103 Management approach	103 Management approach	Making significant economic contributions, p. 14
		GRI 201 Economic performance	201-1 Direct economic value generated and distributed
	Public opinion		63% of Manitobans value our economic contributions to the province.
	Manitoba hotel & restaurant industry		Making significant economic contributions, p. 14 Manitoba hotel and restaurant industry – \$98.0 million VLT commissions and contributions and hotel beer vendor margins and handling
	First Nations VLT Siteholders		Making significant economic contributions, p. 14 First Nations – \$61.8 million VLT commissions and contributions
	Lottery retailers	Making significant economic contributions, p. 14 Lottery retailers – \$18.9 million Agreements with lottery retailers	
Private liquor retailers	Making significant economic contributions, p. 14 Private liquor retailers – \$18.3 million Agreements with private liquor retailers and specialty wine stores		

GRI standard	Disclosure	Liquor & Lotteries response
GRI 200 Economic standard series	Indirect Economic Impacts	
GRI 103 Management approach	103 Management approach	Making significant economic contributions, p. 14 Strengthening local communities, p. 19 How we support communities, p. 21
GRI 203 Indirect economic impacts	203-2 Significant indirect economic impacts	Community programs – \$2.6 million of which: \$2.2 million went to community sponsorships 350 community, non-profit and charitable organizations supported 9 organizations received used asset donations \$107.8 thousand was donated by employees through annual charitable campaign 230 employees 481 total volunteers (including family and friends) 5,426 total volunteer hours (including family and friends) Funding support for social responsibility programs and addiction services – \$12.6 million. Funds support responsible gambling, and responsible alcohol and cannabis consumption programs, including research and treatment.
	Public opinion	57% of Manitobans value our support for community events across the province.
	Procurement Practices	
GRI 103 Management approach	103 Management approach	Being good business partners, p. 32 Key policies, programs and procedures, p. 12 Website: Doing Business with Us
GRI 204 Procurement practices	204-1 Proportion of spending on local suppliers	The Manitoba provincial government has made procurement commitments under several trade agreements. These agreements ensure interprovincial access to opportunities for suppliers. As a Crown corporation, we comply with the agreements and do not apply local supplier preferences in our procurements. For business reasons, our casino restaurants, a significant component of casino hospitality services, support a number of customer trends including offering local food. To ensure customer satisfaction, we request our contracted food suppliers source at least 25% of food products (based on total food spend) as local, using the “Buy Manitoba” definition of local as the criteria. In the 2018 calendar year the casino restaurants purchased approximately \$3.3 million worth of food from suppliers of which approximately 33% was sourced locally.

	GRI standard	Disclosure	Liquor & Lotteries response																																										
GRI 300 Environmental standards series	GRI 103 Management approach	103 Management approach	Reducing our environmental footprint, p. 38																																										
	GRI 302 Energy	302-1 Energy consumption within the organization	<p>Total consumption for 2018 calendar year:</p> <table border="1"> <thead> <tr> <th colspan="3">Building-related consumption</th> </tr> </thead> <tbody> <tr> <td>Natural gas</td> <td>66,806 GJ</td> <td></td> </tr> <tr> <td>Propane</td> <td>279 GJ</td> <td></td> </tr> <tr> <td>Electricity</td> <td>154,300 GJ</td> <td></td> </tr> <tr> <td>Diesel for generators</td> <td>755 GJ</td> <td>19,520 L</td> </tr> <tr> <td>Maintenance equipment gas</td> <td>144 GJ</td> <td>4,156 L</td> </tr> <tr> <td>Maintenance equipment diesel</td> <td>90 GJ</td> <td>2,316 L</td> </tr> <tr> <td>Total for buildings</td> <td>222,374 GJ</td> <td></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Fleet vehicle fuel consumption</th> </tr> </thead> <tbody> <tr> <td>Gasoline</td> <td>9,906 GJ</td> <td>285,804 L</td> </tr> <tr> <td>Diesel</td> <td>407 GJ</td> <td>10,532 L</td> </tr> <tr> <td>Ethanol</td> <td>627 GJ</td> <td>26,550 L</td> </tr> <tr> <td>Total for fleet</td> <td>10,940 GJ</td> <td></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Total (building + fleet)</th> </tr> </thead> <tbody> <tr> <td></td> <td>233,314 GJ</td> </tr> </tbody> </table> <p> <ul style="list-style-type: none"> • Diesel for back-up generators and maintenance equipment fuel data is obtained from fuel consumption invoices. • Fleet fuel consumption data is collected through GEOTAB, a fleet telematics system. • Building-related heating and cooling data is generated through ENERGY STAR@ Portfolio Manager. • Gasoline, diesel and ethanol related fuel consumption is converted to GJ using the Government of Canada, National Energy Board online Energy Conversion Tables. <p>Note: 302-1 does not include fuel consumption associated with liquor distribution from the Distribution Centre to Liquor Marts. Contracted services emissions data related to this service is included in the greenhouse gas inventory.</p> <p><i>The following content pertains to disclosure 302-1 and 302-4 (next page).</i></p> <p>We maintained operational control for 61 buildings in 2012, meaning we managed all aspects of the heating, cooling and electrical systems of these buildings. The total area associated with the buildings in our portfolio was 109,257 m². In 2018 our portfolio was comprised of 66 buildings – 2 Casinos, 55 Liquor Marts, 5 warehouses and 4 corporate office locations. The total area managed in 2018 was 112,002 m².</p> <p>Our corporate fleet in both 2015 and 2018 comprised approximately 78 vehicles. The fleet is made up of light duty vehicles used for ticket distribution, and for video lotto terminal maintenance, and several heavy duty service trucks associated with our warehouses as well as several shuttle buses used at the Casinos.</p> </p>	Building-related consumption			Natural gas	66,806 GJ		Propane	279 GJ		Electricity	154,300 GJ		Diesel for generators	755 GJ	19,520 L	Maintenance equipment gas	144 GJ	4,156 L	Maintenance equipment diesel	90 GJ	2,316 L	Total for buildings	222,374 GJ		Fleet vehicle fuel consumption			Gasoline	9,906 GJ	285,804 L	Diesel	407 GJ	10,532 L	Ethanol	627 GJ	26,550 L	Total for fleet	10,940 GJ		Total (building + fleet)		
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GRI standard	Disclosure	Liquor & Lotteries response																																																												
GRI 300 Environmental standards series	GRI 302 Energy	<p>302-4 Reduction of energy consumption</p> <p>See content in disclosure 302-1 regarding operational control.</p> <p>Liquor & Lotteries measures reductions in energy consumption using intensity-based targets for building-related heating, cooling and operations, and absolute targets for fleet fuel consumption.</p> <p>Buildings Energy intensity targets benchmarked using ENERGY STAR® Portfolio Manager (all figures in GJ/m² (weather-normalized)). Building-related energy consumption includes electricity, natural gas and propane usage.</p> <table border="1"> <thead> <tr> <th></th> <th>2012 (base year) GJ/m²</th> <th>2018 GJ/m²</th> </tr> </thead> <tbody> <tr> <td>Casinos</td> <td></td> <td></td> </tr> <tr> <td>Club Regent</td> <td>7.00</td> <td>6.21</td> </tr> <tr> <td>McPhillips Station</td> <td>6.99</td> <td>5.68</td> </tr> <tr> <td>Corporate office w/ warehouses</td> <td></td> <td></td> </tr> <tr> <td>1555 Buffalo Place</td> <td>1.49</td> <td>1.62</td> </tr> <tr> <td>Central Services</td> <td>1.94</td> <td>1.87</td> </tr> <tr> <td>VLD Brandon</td> <td>1.63</td> <td>1.35</td> </tr> <tr> <td>VLD Morris Wagon Trail</td> <td>1.41</td> <td>1.42</td> </tr> <tr> <td>Corporate offices</td> <td></td> <td></td> </tr> <tr> <td>Empress</td> <td>4.24</td> <td>3.44</td> </tr> <tr> <td>Milt Stegall</td> <td>2.43</td> <td>1.83</td> </tr> <tr> <td>St. James</td> <td>2.26</td> <td>2.27</td> </tr> <tr> <td>VLD Morris Main St</td> <td>3.52</td> <td>2.38</td> </tr> <tr> <td>Liquor Marts – average</td> <td>2.10</td> <td>2.05</td> </tr> </tbody> </table> <p>Fleet vehicles Fleet vehicle fuel consumption derived from GEOTAB, a fleet telematics system. All figures presented in litres.</p> <table border="1"> <thead> <tr> <th></th> <th>2015* (base year) litres</th> <th>2018 litres</th> </tr> </thead> <tbody> <tr> <td>Gasoline</td> <td>333,106</td> <td>285,804</td> </tr> <tr> <td>Diesel</td> <td>10,194</td> <td>10,532</td> </tr> <tr> <td>Ethanol</td> <td>30,944</td> <td>26,550</td> </tr> <tr> <td>Total</td> <td>374,244</td> <td>322,886</td> </tr> </tbody> </table> <p>Reductions in fuel consumption were attributed to changes in driver habits. Drivers focused on reducing vehicle idling time. GEOTAB metrics showed a 40% reduction in idling time from 2015.</p> <p>*Calendar 2015 was selected as the base year. Installation of telematics in fleet vehicles in 2015 allowed accurate tracking and monitoring of consumption.</p>		2012 (base year) GJ/m ²	2018 GJ/m ²	Casinos			Club Regent	7.00	6.21	McPhillips Station	6.99	5.68	Corporate office w/ warehouses			1555 Buffalo Place	1.49	1.62	Central Services	1.94	1.87	VLD Brandon	1.63	1.35	VLD Morris Wagon Trail	1.41	1.42	Corporate offices			Empress	4.24	3.44	Milt Stegall	2.43	1.83	St. James	2.26	2.27	VLD Morris Main St	3.52	2.38	Liquor Marts – average	2.10	2.05		2015* (base year) litres	2018 litres	Gasoline	333,106	285,804	Diesel	10,194	10,532	Ethanol	30,944	26,550	Total	374,244	322,886
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	302-5 Meeting Manitoba Government Green Building policy objectives	We have adopted the Manitoba Green Building Policy templates and forms for consistency with the Policy on all our capital projects. In 2018/19, in accordance with the Manitoba Green Building Policy, we are completing the construction of a 600m ² Liquor Mart in Thompson which will meet LEED Silver standards.																																																												

GRI standard	Disclosure	Liquor & Lotteries response																																						
GRI 300 Environmental standards series	Emissions																																							
	GRI 103 Management approach	103 Management approach Reducing our environmental footprint, p. 38																																						
	GRI 305 Emissions	<p>305-1 Direct (Scope 1) GHG emissions</p> <p>Scope 1 emissions are calculated on an annual basis (calendar year). The base year for emissions is 2012. Base year 2012 was selected to reflect completeness of data for the merged organization. The selected approach for consolidating GHG emissions by Liquor & Lotteries is operational control. Gases included in the CO₂equivalent (CO₂e) are CO₂, N₂O, CH₄ and HFCs.</p> <table border="1"> <thead> <tr> <th></th> <th>2012 (base year) metric tons CO₂e</th> <th>2018 metric tons CO₂e</th> </tr> </thead> <tbody> <tr> <td>Scope 1 – Direct emissions</td> <td></td> <td></td> </tr> <tr> <td>Stationary combustion – Natural gas</td> <td>3,144.84</td> <td>3,298.40</td> </tr> <tr> <td>Stationary combustion – Propane</td> <td>14.10</td> <td>17.00</td> </tr> <tr> <td>Stationary combustion – Diesel for back-up generators</td> <td>31.01</td> <td>58.28</td> </tr> <tr> <td>Stationary combustion – Maintenance fuel</td> <td>26.44</td> <td>16.03</td> </tr> <tr> <td>Mobile combustion – Fleet</td> <td>1,059.33</td> <td>856.56</td> </tr> <tr> <td>Fugitive emissions – Refrigerants</td> <td>36.24</td> <td>110.60</td> </tr> <tr> <td>Total Scope 1</td> <td>4,311.96</td> <td>4,356.87</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Methodologies – Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition. • Emission factors for natural gas and propane sourced from ENERGY STAR® Portfolio Manager/Natural Resources Canada. • Fleet fuel emission factors are based on the GLEC Framework for Logistics Emissions. Diesel and maintenance equipment fuel emission factors are based on the Climate Registry Default Emission Factors Table for transport fuels – March 2017. • Global Warming Potentials for refrigerants are obtained from the Greenhouse Gas Protocol GWP Values sheet – AR5 column and manufacturer spec sheets. <p>305-2 Energy indirect (Scope 2) GHG emissions</p> <p>Scope 2 emissions are calculated on an annual basis (calendar year). The base year for emissions is 2012. Base year 2012 was selected to reflect completeness of data for the merged organization. The selected approach for consolidating GHG emissions by Liquor & Lotteries is operational control. Gases included in the CO₂equivalent (CO₂e) are CO₂, N₂O and CH₄.</p> <table border="1"> <thead> <tr> <th></th> <th>2012 (base year) metric tons CO₂e</th> <th>2018 metric tons CO₂e</th> </tr> </thead> <tbody> <tr> <td>Scope 2 – Indirect emissions</td> <td></td> <td></td> </tr> <tr> <td>Electricity use</td> <td>148.17</td> <td>167.20</td> </tr> <tr> <td>Total Scope 2</td> <td>148.17</td> <td>167.20</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Methodologies – Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition. • Emission factors for electricity sourced from ENERGY STAR® Portfolio Manager/Natural Resources Canada. • Base year recalculation was conducted for Scope 2 in 2016 due to changes in electricity emission factors for Manitoba Hydro electricity. 		2012 (base year) metric tons CO ₂ e	2018 metric tons CO ₂ e	Scope 1 – Direct emissions			Stationary combustion – Natural gas	3,144.84	3,298.40	Stationary combustion – Propane	14.10	17.00	Stationary combustion – Diesel for back-up generators	31.01	58.28	Stationary combustion – Maintenance fuel	26.44	16.03	Mobile combustion – Fleet	1,059.33	856.56	Fugitive emissions – Refrigerants	36.24	110.60	Total Scope 1	4,311.96	4,356.87		2012 (base year) metric tons CO ₂ e	2018 metric tons CO ₂ e	Scope 2 – Indirect emissions			Electricity use	148.17	167.20	Total Scope 2	148.17
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GRI standard	Disclosure	Liquor & Lotteries response																							
GRI 300 Environmental standards series	Emissions																								
	GRI 305 Emissions	<p>305-3 Other indirect (Scope 3) GHG emissions</p> <p>Scope 3 emissions are calculated on an annual basis (calendar year). The base year for emissions is 2012. Base year 2012 was selected to reflect completeness of data for the merged organization. The selected approach for consolidating GHG emissions by Liquor & Lotteries is operational control. Through operational control, Liquor & Lotteries has an opportunity to manage or influence the GHG emissions associated with the selected Scope 3 Categories noted below.</p> <table border="1"> <thead> <tr> <th></th> <th>2012 (base year) metric tons CO₂e</th> <th>2018 metric tons CO₂e</th> </tr> </thead> <tbody> <tr> <td>Scope 3 – Upstream and downstream emissions</td> <td></td> <td></td> </tr> <tr> <td>Cat. 1 – Purchasing goods & services (paper products)</td> <td>5,274.10</td> <td>7,424.00</td> </tr> <tr> <td>Cat. 5 – Waste generated in operations (landfilled waste from buildings)</td> <td>1,781.00</td> <td>286.08</td> </tr> <tr> <td>Cat. 6 – Business travel (employee vehicle and air travel)</td> <td>292.05</td> <td>180.52</td> </tr> <tr> <td>Cat. 9 – Transportation & distribution of liquor from Distribution Centre (DC) to Liquor Marts</td> <td>862.68</td> <td>1,204.65</td> </tr> <tr> <td>Cat. 12 – End-of-life treatment of sold products (paper products landfilled)</td> <td>91.00</td> <td>270.21</td> </tr> <tr> <td>Total Scope 3</td> <td>8,300.83</td> <td>9,365.46</td> </tr> </tbody> </table> <p>Methodologies and guidance for calculating Scope 3 emissions are based on WRI's Technical Guidance for Scope 3 Emissions.</p> <p>Emission factors</p> <ul style="list-style-type: none"> Under Scope 3 Category 1, all paper products distributed to the public (e.g. lottery products, Liquor Mart checkout bags, thermal paper), as well as paper products used internally are included in calculating GHG emissions associated with purchasing goods and services. Base year recalculation for Scope 3 Category 1 – In 2018, the Paper Calculator, a calculator endorsed by the Environmental Defense Fund and used for calculating GHG emissions associated with paper products, was updated to reflect more accurate and comprehensive climate change impacts in line with other models and the IPCC report regarding irreversible climate change by 2030. Solid waste emissions were calculated using the EPA WARM model v14, March 2016 (solid waste emissions not available using Environment Canada's GHG Emissions Calculator). Brady Road Landfill upgraded to include a methane collection system for flaring in 2014. Therefore, Landfill Gas Recovery with Flare is selected through the model for current inventory year. Air travel emissions calculated using the ICAO calculator include assumed stopovers for that flight (when direct flights are not available). Emissions calculated are based on one passenger. Assume all flights are round trip. Fuel consumption was divided based on Statistics Canada's 2009 Canadian Vehicle survey. Calculating GHG emissions for freight forwarding and logistics services in accordance with EN 16258. GLEC Framework for Logistics Emissions Methodologies. <p>Note: All liquor distribution trucks are assumed to use diesel fuel only and therefore will use the CO₂e Well-to-Wheel (WTW) emission factor for diesel/biodiesel.</p> <p>Downstream transportation mission – trucks for rural Liquor Marts are assumed to have a 30/70 ratio for city and highway driving.</p> <p>Delivery schedules are based on the Liquor & Lotteries master schedule provided by Liquor & Lotteries Replenishment and Logistics.</p>		2012 (base year) metric tons CO ₂ e	2018 metric tons CO ₂ e	Scope 3 – Upstream and downstream emissions			Cat. 1 – Purchasing goods & services (paper products)	5,274.10	7,424.00	Cat. 5 – Waste generated in operations (landfilled waste from buildings)	1,781.00	286.08	Cat. 6 – Business travel (employee vehicle and air travel)	292.05	180.52	Cat. 9 – Transportation & distribution of liquor from Distribution Centre (DC) to Liquor Marts	862.68	1,204.65	Cat. 12 – End-of-life treatment of sold products (paper products landfilled)	91.00	270.21	Total Scope 3	8,300.83
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GRI standard	Disclosure	Liquor & Lotteries response																															
GRI 300 Environmental standards series	Emissions																																
	GRI 305 Emissions	<p>305-4 GHG emissions intensity</p> <p>CO₂e/\$</p> <table border="1"> <thead> <tr> <th></th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> </tr> </thead> <tbody> <tr> <td>Total greenhouse gas emissions (Scope 1 + Scope 2 + Scope 3) (g)</td> <td>12,760,967,044</td> <td>13,398,357,124</td> <td>12,786,297,095</td> <td>14,386,589,667</td> <td>12,968,517,461</td> <td>13,157,543,469</td> <td>13,889,526,835</td> </tr> <tr> <td>Revenue adjusted for inflation (base year 2012 = 100%)</td> <td>\$1,227,546,000</td> <td>\$1,204,050,881</td> <td>\$1,216,783,862</td> <td>\$1,248,822,412</td> <td>\$1,261,166,823</td> <td>\$1,306,611,624</td> <td>\$1,280,034,173</td> </tr> <tr> <td>g CO₂e/\$</td> <td>10.40</td> <td>11.13</td> <td>10.51</td> <td>11.52</td> <td>10.28</td> <td>10.07</td> <td>10.85</td> </tr> </tbody> </table> <p>Note: Adjusted for inflation using Statistics Canada, Consumer Price Index, by province (Manitoba) base year 2012.</p> <ul style="list-style-type: none"> • GHG emissions intensity ratio for the organization: grams/dollar revenue generated • Organization-specific metric (the denominator) chosen to calculate the ratio: revenue generated • Types of GHG emissions included in the intensity ratio: all Scope 1, 2 and 3 emissions • Gases included in the calculation: CO₂e <p>305-5 GHG emissions</p> <p>Since 2012 base year, greenhouse gases associated with operations has increased as follows:</p> <p>Scope 1 45 metric tons Scope 2 19 metric tons Scope 3 1,065 metric tons</p>		2012	2013	2014	2015	2016	2017	2018	Total greenhouse gas emissions (Scope 1 + Scope 2 + Scope 3) (g)	12,760,967,044	13,398,357,124	12,786,297,095	14,386,589,667	12,968,517,461	13,157,543,469	13,889,526,835	Revenue adjusted for inflation (base year 2012 = 100%)	\$1,227,546,000	\$1,204,050,881	\$1,216,783,862	\$1,248,822,412	\$1,261,166,823	\$1,306,611,624	\$1,280,034,173	g CO ₂ e/\$	10.40	11.13	10.51	11.52	10.28	10.07
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GRI standard	Disclosure	Liquor & Lotteries response																																										
GRI 300 Environmental standards series	Effluents and Waste																																											
	GRI 103 Management approach	103 Management approach Reducing our environmental footprint, p. 38																																										
GRI 306 Effluents and waste	306-2 Waste by type and disposal method	<p>Liquor & Lotteries has a number of waste minimization and collection programs at the Casinos, Liquor Marts, Corporate Office and Warehouse locations. In addition to the mixed recycling programs in the office areas, we have specific collection programs to manage the materials generated through liquor distribution, sales and casino operations. The table below provides the weight of both the hazardous and non-hazardous materials of significance generated from liquor and gaming operations.</p> <table border="1"> <thead> <tr> <th colspan="2">D.C. unsellable liquor recycling program</th> <th>2018 calendar year</th> </tr> </thead> <tbody> <tr> <td>Unsellable Liquor</td> <td></td> <td>124,258 L*</td> </tr> <tr> <td>Glass (associated with unsellable liquor)</td> <td></td> <td>32.3 metric tons</td> </tr> <tr> <td>Aluminum cans (associated with unsellable liquor)</td> <td></td> <td>1,311 kg</td> </tr> </tbody> </table> <p>*9,816 litres of ethanol was produced of which 6,315 litres was used to make windshield wiper fluid. All ethanol production effluent is processed through a wastewater treatment system.</p> <table border="1"> <thead> <tr> <th colspan="2">Single stream collection programs</th> <th>2018 calendar year annual weight</th> </tr> <tr> <th colspan="2"></th> <th>metric tons</th> </tr> </thead> <tbody> <tr> <td>Cardboard (restaurant supplies and liquor distribution/sales)</td> <td></td> <td>654</td> </tr> <tr> <td>Electronics</td> <td></td> <td>5.2</td> </tr> <tr> <td>Light bulbs</td> <td></td> <td>1.0</td> </tr> <tr> <td>Scrap metals</td> <td></td> <td>57.9</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Composting program</th> <th>2018 calendar year annual weight</th> </tr> </thead> <tbody> <tr> <td>Organics collection for casino restaurants and corporate offices</td> <td></td> <td>169</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Landfill</th> <th>2018 calendar year annual weight</th> </tr> </thead> <tbody> <tr> <td>Non-diverted materials</td> <td></td> <td>568</td> </tr> </tbody> </table> <p>• No other disposal methods such as reuse, energy recovery, deep well injection, or incineration are applicable to our operations. • Lightbulb weights were estimated using the Table of Volume to Weight Conversion of Recyclable Materials, California Integrated Waste Management Board, 2007. • Liquor & Lotteries also established collection and recycling programs to capture all depleted batteries, spent cooking oil, pens and cigarette butts. No weight metrics are available for these programs. We also have an asset and item disposal program to manage surplus and end-of-life items such as furniture.</p>	D.C. unsellable liquor recycling program		2018 calendar year	Unsellable Liquor		124,258 L*	Glass (associated with unsellable liquor)		32.3 metric tons	Aluminum cans (associated with unsellable liquor)		1,311 kg	Single stream collection programs		2018 calendar year annual weight			metric tons	Cardboard (restaurant supplies and liquor distribution/sales)		654	Electronics		5.2	Light bulbs		1.0	Scrap metals		57.9	Composting program		2018 calendar year annual weight	Organics collection for casino restaurants and corporate offices		169	Landfill		2018 calendar year annual weight	Non-diverted materials		568
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	GRI standard	Disclosure	Liquor & Lotteries response
GRI 300 Environmental standards series	Environmental compliance		
	GRI 103 Management approach	103 Management approach	Reducing our environmental footprint, p. 38 Key policies, programs and procedures, p. 12
	GRI 307 Environmental compliance	307-1 Non-compliance with environ- mental laws and regulations	Management is expected to be compliant with the laws and regulations applicable to their areas of responsibility. An annual compliance assessment is performed by management. There were no significant fines or non-monetary sanctions for non-compliance with environmental laws and/or regulations during the 2018/19 year.
GRI 400 Social standards series	Employment		
	GRI 103 Management approach	103 Management approach	Being a great place to work, p. 42
	Occupational health and safety		
	GRI 103 Management approach	103 Management approach	Being a great place to work, p. 42
	GRI 403 Occupational health and safety	403-4 Worker participation, consultation, and communica- tion on occupa- tional health and safety	Liquor & Lotteries has eight joint Workplace Safety and Health Committees with representation from the applicable bargaining units. The committees aid Liquor & Lotteries in the prevention and reduction of injuries to employees and customers. They assist in identifying hazards, recommend and monitor safety and health programming initiatives, while conducting inspections and investigations into incidents within our properties as required. They meet quarterly to discuss progress made on these initiatives. As such, members have a heightened awareness of safety, health, and site-specific presences. An employee co-chair is selected by the employee members on the committee, and management representation is assigned by the site locations for proactive participation in safety and health matters. Additionally, Liquor Mart's workplace safety and health representatives conduct these duties within the storefront.

GRI standard	Disclosure	Liquor & Lotteries response												
GRI 400 Social standards series	Training and education													
	GRI 103 Management approach	103 Management approach												
	GRI 404 Training and education	404-1 Average hours of training per year per employee												
		<p>Being a great place to work, p. 42</p>												
		<table border="1"> <tr> <td>Total employees (full time, part time and casual)</td> <td>3,395</td> </tr> <tr> <td colspan="2" style="text-align: right;">Total hours of training for all employees</td> </tr> <tr> <td>Gender</td> <td></td> </tr> <tr> <td>Female</td> <td>30,997</td> </tr> <tr> <td>Male</td> <td>29,998</td> </tr> <tr> <td>Total</td> <td>60,995</td> </tr> </table> <p>Employee data management system does not support function to break down training by category.</p>	Total employees (full time, part time and casual)	3,395	Total hours of training for all employees		Gender		Female	30,997	Male	29,998	Total	60,995
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	404-2 Programs for upgrading employee skills and transition assistance programs	Liquor & Lotteries offers a number of training courses to support ongoing development of employees in their current positions and readiness for potential career advancement opportunities. Courses include those focused on: leadership and coaching; effective communication; process improvement; computer and occupation specific skills; as well as health, safety and wellness. Employees can also access our educational assistance program, which provides financial support to qualifying employees completing courses, through accredited educational institutions, that are related to their positional requirements and/or our corporation's needs and goals.												

GRI standard	Disclosure	Liquor & Lotteries response	
GRI 400 Social standards series	Diversity and equal opportunity		
	GRI 103 Management approach	103 Management approach	
	GRI 405 Diversity and equal opportunity	405-1 Diversity	Being a great place to work, p. 42
			Total employees (full time, part time and casual) 3,395
Diversity numbers (as at March 31, 2019)			
		Gender %	
		Female 1,713 50.5	
		Male 1,682 49.5	
		Age	
		<30 719 21.2	
		30-50 1,647 48.5	
		>50 1,029 30.3	
		Employment Equity Categories	
		Visible minority 1,131 33.3	
		Indigenous 339 10.0	
		Persons with disabilities 175 5.2	
	405-2 Ratio of basic salary and remuneration of women to men	The ratio is balanced. All positions are placed into pay bands based on roles and responsibilities, with gender not playing a role.	
Local Communities			
GRI 103 Management approach	103 Management approach	Making significant economic contributions, p. 14 Strengthening local communities, p. 19 How we support communities, p. 21	
GRI 413 Local communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	Our products can impact society so it is important to have programs in place to mitigate any potential negative impacts on customers and communities. DrinkSense, GameSense, community engagement and contributions, employee engagement in the community and environmental initiatives all contribute to customer and community well-being. Focusing on customer well-being, p. 24	

GRI standard	Disclosure	Liquor & Lotteries response
GRI 400 Social standards series	Customer health and safety	
	GRI 103 Management approach	103 Management approach
GRI 416 Customer health and safety	416-1 Assessment of the health and safety impacts of product and service categories	<p>Electronic Gaming LGCA requires electronic gaming devices and progressive and/or community bonusing configurations be tested and certified by an independent laboratory and to meet technical standards.</p> <p>Liquor & Lotteries must verify all critical files as indicated in the independent laboratory certification prior to being offered for play. Successful test results must be provided to the LGCA within 5 business days of the testing:</p> <ul style="list-style-type: none"> • 100% of casino and VLT games are independently certified. • 100% of casino and VLT games are approved by LGCA. <p>Lottery Western Canada Lottery Corporation (WCLC) develops, tests, and audits (internal and external) lottery games (Draw-Based, Scratch 'n Win, and Sports products) to ensure the technical/game integrity for all products.</p> <p>PlayNow All games managed by PlayNow.com meet LGCA requirements, as well as British Columbia Gaming Policy Enforcement Branch (GPEB) requirements. These games are certified by an independent laboratory and meet strict technical standards.</p> <p>Liquor The Canadian Food Inspection Agency (CFIA) legislation requires producers to be responsible for the safety of all consumables, compliant with labeling guidelines and the effective recall of non-compliant items:</p> <ul style="list-style-type: none"> • Tamper-proof seals are used during transport and Liquor & Lotteries is notified when there is an issue. • There is an inspection of product from affected loads to ensure product has not been tampered with or damaged. • The carrier is responsible for the investigation. <p>The Purchase Order Terms and Conditions outline several points related to safety of products:</p> <ul style="list-style-type: none"> • Labeling must be CFIA compliant. • Product must be compliant with Health Canada and the <i>Food and Drugs Act and Regulations</i>. • The producer/supplier warrants and certifies that the beverage alcohol does not contain any contaminants, chemical or otherwise, or foreign materials which render the product unacceptable by Canadian standards. <p>Liquor & Lotteries has a comprehensive Quality Control program in place:</p> <ul style="list-style-type: none"> • When quality concerns arise Liquor & Lotteries will work with the supplier and local agent to take corrective action. • When safety concerns arise Liquor & Lotteries will work with Health Canada, the supplier, and local agent to take corrective action. <p>Liquor & Lotteries has access to third party product testing on an ad hoc basis.</p> <p>Liquor & Lotteries performs visual inspections at receipt for nonconformities.</p> <p>Liquor & Lotteries participates in industry training and conferences related to quality assurance and quality control.</p>

GRI standard	Disclosure	Liquor & Lotteries response	
GRI 400 Social standards series	Customer health and safety GRI 416 Customer health and safety	<p>416-1 Assessment of the health and safety impacts of product and service categories</p> <p>Cannabis</p> <ul style="list-style-type: none"> • Licensing to cultivate, sell and research cannabis from Health Canada. • Mandatory third party product testing for the presence of pesticide active ingredients in all cannabis products before products can be sold. • Packaging and labelling requirements for cannabis products designed to: <ul style="list-style-type: none"> - 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 • Cannabis Tracking and Licensing System enabling the tracking of cannabis preventing illicit cannabis into and out of the legal supply chain. <p>Liquor & Lotteries has implemented the following measures to ensure product quality:</p> <ul style="list-style-type: none"> • Licensed cannabis retailers must adhere to a Retailer Agreement and Retailer Directives in which retailers must develop and implement programs ensuring front-line employees meet customer expectations relating to service and product knowledge as well as responsible use of cannabis. • Licensed suppliers must adhere to purchase order terms and conditions in which suppliers must comply with the <i>Cannabis Act</i> ensuring product is tested and meet packaging and labelling requirements. • Liquor & Lotteries has also implemented processes to meet all federal cannabis tracking and reporting requirements. Liquor & Lotteries reports on behalf of Manitoba retailers ensuring retailers are compliant with the requirements established by Health Canada and Statistics Canada. 	
		Customer behaviours	53% of Manitoba gamblers can identify (unaided) at least one valid strategy for gambling responsibly. 70% of Manitoba alcohol consumers can identify (unaided) at least one strategy they use to reduce alcohol-related risks.
		Identification checks and intoxication (Casino and Liquor Mart)	<p>Casinos</p> <p>153,863 casino ID checks 2,711 persons refused due to improper or no identification 386 minors refused entrance 295 persons showing signs of intoxication refused entrance</p> <p>Liquor Mart</p> <p>791,164 Liquor Mart ID checks 11,998 persons refused due to improper or no identification 14,244 persons showing signs of intoxication refused service 98% compliant in asking for ID through Mystery Shops 19 unsuccessful liquor home deliveries due to improper or no identification, and intoxication</p>
		Lottery retailer Mystery Shop results	59% compliant in verifying customer age 74% compliant in following procedure for validating winning tickets Liquor & Lotteries has notified lottery retailers of the decline in compliance from 2017/18 to 2018/19 and will be working with them to address age verification and validation processes.
		GameSense info centre visitation	822 information visits 1,609 basic interactions 235 support option interactions 319 staff visits 3,411 special event attendees
		GameSense and DrinkSense awareness	To learn more about the GameSense and DrinkSense programs, see Focusing on customer well-being , page 24 . 31% of Manitoba gamblers are aware of the GameSense brand (aided). 46% of Manitoba alcohol consumers are aware of the DrinkSense brand (aided).
		Customer satisfaction	93% of Liquor Mart customers satisfied with their overall experience. 82% of Casinos of Winnipeg customers satisfied with the casino. 35% of VLT customers satisfied with the VLTs they played.

GRI standard	Disclosure	Liquor & Lotteries response	
GRI 400 Social standards series	Marketing and labeling		
	GRI 103 Management approach	103 Management approach	Focusing on customer well-being, p. 24
	GRI 417 Marketing and labeling	417-1 Requirements for product and service informa- tion and labeling	All Liquor & Lotteries' point of sale have GameSense and DrinkSense information. All product advertising has social responsibility message (18+ Enjoy Responsibly) on products, as required by LGCA.
	Customer privacy		
GRI 103 Management approach	103 Management approach	Key policies, programs and procedures, p. 12	
GRI 418 Customer Privacy	418-1 Substantiated complaints concerning breaches of cus- tomer privacy and losses of customer data	Zero complaints concerning breaches of customer privacy. Zero identified leaks, thefts, or losses of customer data.	
Socioeconomic compliance			
GRI 103 Management approach	103 Management approach	Key policies, programs and procedures, p. 12	
GRI 419 Socioeconomic compliance	419-1 Non-compliance with laws and regulations in the social and economic area	Management is expected to be compliant with the laws and regulations applicable to their areas of responsibility. An annual compliance assessment is performed by management. There were no significant fines or non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area during the 2018/19 year.	

ContactUs@mbl.ca

830 Empress Street
Winnipeg, Manitoba
R3G 3H3
204-957-2500

