

# Enriching the Lives OF MANITOBANS

## 2019/20 CORPORATE RESPONSIBILITY PERFORMANCE MEASURES



Our strong commitment to corporate responsibility drives everything we do – from how we run our business, to how we serve our customers and communities. In alignment with Global Reporting Initiative (GRI) standards, this report provides our economic, social and environmental measures for the fiscal year ending March 31, 2020.



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

## MATERIAL TOPICS

GRI Standard	Disclosure	Liquor & Lotteries Response
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### GRI 200: ECONOMIC STANDARD SERIES

GRI 201 Economic Performance	201-1	<p>Direct economic value generated and distributed</p> <p>Revenue – \$1,462.3 million            Operating costs – \$69.0 million            Employee wages and benefits paid to over 3,000 employees – \$167.3 million            Allocation to the Province of Manitoba – \$606.3 million</p> <p>For provincial programs and initiatives related to health care, education, social services, housing and infrastructure, please see the <a href="#">Manitoba Liquor &amp; Lotteries 2019/20 Annual Report</a></p>
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## GRI 200: ECONOMIC STANDARD SERIES (CONTINUED)

Making significant economic contributions	<p>Total revenue of \$1,462.3 million was up 1.9% from 2018/19, due to the following:</p> <ul style="list-style-type: none"> <li>• Cannabis revenues increased by \$24.5 million (90.7%)</li> <li>• Casino revenues decreased by \$8.6 million (-3.4%)</li> <li>• Video Lotto revenues decreased by \$1.3 million (-0.4%)</li> <li>• Liquor operations revenues increased by \$13.0 million (1.6%)</li> </ul> <p>Allocation to the Province of Manitoba: \$606.3 million, down 1.6% from 2018/19</p>
Public opinion	66% of Manitobans are aware of and value Liquor & Lotteries' contributions to the Province of Manitoba.
Manitoba hotel & restaurant industry	<p>\$92.2 million</p> <p>VLT commissions and contributions and hotel beer vendor margins and handling fees</p>
First Nations VLT Siteholders	<p>\$63.3 million</p> <p>VLT commissions and contributions</p>
Lottery retailers	<p>\$16.2 million</p> <p>Agreements with lottery retailers</p>
Private liquor retailers	<p>\$19.5 million</p> <p>Agreements with private liquor retailers and specialty wine stores</p>

## GRI 200: ECONOMIC STANDARD SERIES (CONTINUED)

GRI 203 Indirect Economic Impacts	203-2	Significant indirect economic impacts	<p>Community Programs \$2.1 million of which:     \$1.6 million in community sponsorships     \$525,000 in other community funding 514 community, non-profit and charitable organizations supported 43 organizations received used asset donations</p> <p>\$100,400 was donated by employees through annual charitable campaign *More than 190 employees volunteered *More than 350 volunteers, including employees and alumni and their family and friends *More than 5,900 volunteer hours, including employees and alumni and their family and friends *Total volunteer numbers and hours for fiscal 2019/20 are incomplete because the submission deadline was extended to the end of 2020/21 during the COVID-19 pandemic. The final totals will be updated in 2021.</p> <p>Funding support for social responsibility programs and addiction services – \$12.9 million. Funds support responsible gambling, and responsible alcohol and cannabis consumption programs, including research and treatment.</p>
		Public opinion	58% of Manitobans are aware of and value Liquor & Lotteries' contributions to communities.
GRI 204 Procurement Practices	204-1	Proportion of spending on local suppliers	<p>The Manitoba provincial government has made procurement commitments under several trade agreements.</p> <p>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.</p> <p>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.</p> <p>In calendar year 2019 the casino restaurants purchased approximately \$3.1 million worth of food of which 33% was locally sourced.</p>

## GRI 300 ENVIRONMENTAL STANDARDS SERIES

GRI 302  
Energy

302-1

Energy consumption  
within the organization

Total consumption for 2019 calendar year:

Building-related consumption:

Natural gas: 67,956 GJ

Propane: 185 GJ

Electricity: 151,810 GJ

Diesel for generators: 520 GJ (13,348 L)

Maintenance equipment gas: 138 GJ (3,979 L)

Maintenance equipment diesel: 113 GJ (2,917 L)

Total for buildings: 220,722 GJ

Fleet vehicle fuel consumption:

Gasoline: 8,984 GJ (295,207 L)

Diesel: 283 GJ (7,328 L)

Ethanol: 568 GJ (24,079 L)

Total for fleet: 9,835 GJ

Total (building + fleet): 230,557 GJ

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

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 (Scope 3).

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 m<sup>2</sup>. In 2019 our portfolio was comprised of 66 buildings - (2 casinos, 57 liquor marts, 4 warehouses and 3 corporate locations). The total area managed in 2019 was 112,666 m<sup>2</sup>.

Our corporate fleet in both 2015 and 2019 was comprised of 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 shuttle buses used at the casinos.

## GRI 300 ENVIRONMENTAL STANDARDS SERIES (CONTINUED)

302-4 Reduction in energy consumption

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

Buildings:  
Energy intensity targets benchmarked using ENERGY STAR® Portfolio Manager (all figures in GJ/m<sup>2</sup> (weather-normalized)). Building-related energy consumption includes electricity, natural gas and propane usage.

		2012* (base year) GJ/m <sup>2</sup>	2019 GJ/m <sup>2</sup>
Casinos	Club Regent	7.00	6.17
	McPhillips Station	6.99	5.77
Corporate Office with Warehouses	1555 Buffalo Place	1.49	1.55
	Central Services	1.94	1.87
	VLD Brandon	1.63	NA**
	VLD Morris Wagon Trail	1.41	1.38
Corporate Offices	Empress	4.24	3.49
	Milt Stegall	2.43	1.89
	St. James	2.26	NA**
	VLD Morris Main St	3.52	2.38
Liquor Marts - Average		2.10 (44 LMs)	2.03 (52 LMs)

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

\*\* No longer part of Liquor & Lotteries' building portfolio.

Liquor & Lotteries continues to improve the efficiency of building through renovations, preventive maintenance, equipment upgrades and optimization (e.g. adding sensors/controls) and energy-use monitoring. Conservation and efficiency initiatives are budgeted and implemented by Property Services and recorded by Sustainable Development.

## GRI 300 ENVIRONMENTAL STANDARDS SERIES (CONTINUED)

Fleet Vehicles:  
Fleet vehicle fuel consumption derived from GEOTAB, a fleet telematics system.  
All figures presented in litres.

	2015 (base year) Litres*	2019 Litres
Gasoline	333,106	295,207
Diesel	10,194	7,328
Ethanol	30,944	24,079
Biodiesel	204	150
TOTAL	374,448	326,764

Reductions in fuel consumption were attributed to changes in driver habits. Drivers focused on reducing vehicle idling time. GEOTAB metrics showed a 48% reduction in idling time from 2015.

\*Calendar year 2015 was selected as the base year. Installation of telematics in fleet vehicles in 2015 allowed accurate tracking and monitoring of consumption.

302-5  
Reductions in energy  
requirements of products  
and services

We have adopted the Manitoba Green Building Policy templates and forms for consistency with the Policy on all our capital projects. In 2019/20, in accordance with the Manitoba Green Building Policy, we have completed the construction of a 600m<sup>2</sup> Liquor Mart in Thompson which will meet LEED Silver standards.

## GRI 300 ENVIRONMENTAL STANDARDS SERIES (CONTINUED)

GRI 305  
Emissions

305-1

Direct (Scope 1) GHG  
emissions

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 CO<sub>2</sub>equivalent (CO<sub>2</sub>e) are CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub> and HFCs.

Scope 1 - Direct emissions	Metric tons CO <sub>2</sub> e 2012 base year	Metric tons CO <sub>2</sub> e 2019
Stationary combustion - Natural gas	3,144.84	3,355.10
Stationary combustion - Propane	14.10	11.30
Stationary combustion - Diesel for back-up generators	31.01	53.23
Stationary combustion - Maintenance fuel	26.44	24.30
Mobile combustion - Fleet	1,201.37	936.85
Fugitive emissions - Refrigerants	36.24	198.56
<b>Total Scope 1</b>	<b>4,454.00</b>	<b>4,579.34</b>

- 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 calculation are based on the GLEC Framework for Logistics Emissions. Emission factors for fleet and maintenance fuel usage were obtained using the 2019 GREET model, selecting fuel sourced from Alberta oil sands.
- Global Warming Potentials for refrigerants are obtained from the Greenhouse Gas Protocol GWP Values sheet – AR5 column and manufacturer spec sheets.

## GRI 305 ENVIRONMENTAL STANDARDS SERIES (CONTINUED)

305-2 Energy indirect (Scope 2) emissions

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 CO<sub>2</sub>equivalent (CO<sub>2</sub>e) are CO<sub>2</sub>, N<sub>2</sub>O and CH<sub>4</sub>.

	Metric tons CO <sub>2</sub> e 2012 base year	Metric tons CO <sub>2</sub> e 2019
Scope 2 - Indirect Emission		
Electricity Use	104.95	39.22
TOTAL SCOPE 2	104.95	39.22

- Methodologies – Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition.
- Base year recalculation was conducted for Scope 2 in 2019 due to the recommendation from the Provincial Low Carbon Government Office to no longer use ENERGY STAR® Portfolio Manager's emission factors and instead use Manitoba Hydro's yearly published emission factor. Manitoba Hydro's emission factor does not account for transmission and distribution losses.
  - > The reductions in emissions associated with electricity consumption are due to modifications in Manitoba Hydro's generation of electricity not due to a reduction in consumption at Liquor & Lotteries (e.g., closure of coal fired power plants in 2015/16).



## GRI 300 ENVIRONMENTAL STANDARDS SERIES (CONTINUED)

305-3 Other indirect (Scope 3) GHG emissions

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.

## Scope 3 - Upstream and Downstream Emissions

	Metric tons CO2e 2012 base year	Metric tons CO2e 2019
<b>Cat. 1 – Purchasing Goods and Services</b>		
Paper products	5,274.10	6,459.75
Animal based protein	1,630.38	1,118.87
<b>Cat. 4 - Upstream Transportation and Distribution</b>		
Distribution to Liquor Marts	364.96	462.78
Distribution to commercial customers	163.88	253.91
Distribution to lottery retailers and account customers	13.81	15.60
<b>Cat. 5 - Waste generated in operations (landfilled waste from buildings)</b>		
	1,781.00	249.59
<b>Cat. 6 - Business travel (employee vehicle and air travel)</b>		
	292.05	121.68
<b>Cat. 12 - End-of-life treatment of sold products (paper products landfilled)</b>		
	91.00	130.28
<b>TOTAL SCOPE 3</b>	<b>9,611.18</b>	<b>8,812.46</b>

**GRI 300 ENVIRONMENTAL STANDARDS SERIES (CONTINUED)**

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## Notes for 305-3

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

## Emission Factors

- The Environmental Paper Network's (EPN) paper calculator was used to calculate emissions associated with purchasing paper products.
- Solid waste emissions were calculated using the EPA WARM model v15, May 2019 (solid waste emissions not available using Environment Canada's GHG Emissions Calculator). Brady Road Landfill upgraded to include a methane collection system for flaring in 2014. Therefore, Landfill Gas Recovery with Flare is selected through the model for current inventory year.
- Air travel emissions calculated using the 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.
- Employee vehicle travel fuel consumption was divided based on Statistics Canada's 2009 Canadian Vehicle survey.
- The DHL International's carbon calculator which is in part based on the GLEC Framework was used to estimate Category 4 emissions.

Note: All liquor distribution trucks are assumed to use diesel fuel only and therefore will use the CO<sub>2</sub>e Well-to-Wheel emission factor for diesel/biodiesel.

A base year recalculation was conducted in 2019 to reflect the inclusion of additional material emission including the purchase of animal based proteins for casino restaurants (Cat.1) and with the distribution of Liquor & Lotteries products to all channels (Cat. 4). To ensure conformance with Scope 3 reporting guidelines, the data from Category 9 was moved to Category 4 and Category 9 was removed from the inventory.

## GRI 300 ENVIRONMENTAL STANDARDS SERIES (CONTINUED)

305-4 Emissions intensity 2019 10.61 g CO<sub>2</sub>e/\$

Liquor & Lotteries g CO<sub>2</sub>e/\$ Revenue Calculation

Total greenhouse gas emissions and revenue calculated on a calendar year basis.

	2012	2013	2014	2015	2016	2017	2018	2019
Total greenhouse gas emissions (Scope 1 + Scope 2 + Scope 3) (g)	14,170,134,728	14,636,417,847	14,076,622,299	15,722,419,467	14,293,322,393	13,998,248,641	14,578,019,952	13,431,015,444
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	1,265,645,558
g CO <sub>2</sub> e/\$	11.54	12.16	11.57	12.59	11.33	10.71	11.39	10.61

Adjusted for inflation using Statistics Canada, Consumer Price Index, by province (Manitoba) base year 2012 - all items

305-5 GHG emissions

Since 2012 base year, greenhouse gases associated with operations has changed as follows:

Scope 1 - increase 125 metric tons

Scope 2 - decrease 66 metric tons

Scope 3 - decrease 799 metric tons

Changes are due to both refinement in inventory calculation methodology, resulting in base year recalculations and reductions in current year emissions as well as organic changes such as reductions in paper consumption and animal protein consumption.

Reducing our environmental footprint

Environmental Scorecard - GHG (g CO<sub>2</sub>e/\$)  
Year 2012 – 11.54g CO<sub>2</sub>e/\$  
Year 2019 – 10.61g CO<sub>2</sub>e/\$  
= 8.1% reduction

Reducing our environmental footprint

Environmental Scorecard – Water (m<sup>3</sup>)  
Year 2012 – 85,058 m<sup>3</sup>  
Year 2019 – 68,909 m<sup>3</sup>  
= 19.0% reduction

## GRI 300 ENVIRONMENTAL STANDARDS SERIES (CONTINUED)

GRI 306  
Effluents and  
Waste

306-2

Waste by type and  
disposal method

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

2019 calendar year

## Liquor Distribution Centre unsellable liquor recycling program

Unsellable liquor	126,947 litres*
Glass	23 metric tons
Aluminum cans	2,091 kg

\*10,029 litres of ethanol was produced.

\*All ethanol production effluent is processed through a waste water treatment system.

2019 calendar year  
annual weight (metric tons)

## Single stream collection programs

Cardboard (restaurant supplies and liquor distribution/sales)	688
Electronics	18.4
Lightbulbs	1.4
Scrap metals	92.2
Shrink wrap	22.6

## Composting program

Organics collection for casino restaurants and corporate offices	167
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## Landfill

Non-diverted	493
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## Construction material

Building construction materials (concrete)	62.5
Building construction materials (steel)	23

- 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 has established collection and recycling programs to capture natural corks from sold liquor products, 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.

### GRI 300 ENVIRONMENTAL STANDARDS SERIES (CONTINUED)

GRI 307 Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	The annual compliance assessment program is being revised to refocus the corporation's overall regulatory framework. During this transitional phase, there were no known significant fines or non-monetary sanctions for non-compliance with environmental laws and/or regulations during the 2019/20 year.
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### GRI 400 SOCIAL STANDARDS SERIES

GRI 403 Occupational Health and Safety	403-4	Worker participation, consultation, and communication on occupational health and safety	<p>Liquor &amp; Lotteries has eight joint Workplace Safety and Health (WSH) Committees with representation from the applicable bargaining units.</p> <p>The committees aid Liquor &amp; 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.</p> <p>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.</p> <p>Additionally, Liquor Mart's workplace safety and health representatives conduct these duties within the storefront.</p> <p>In 2020, COVID-19 has prevented our committees from meeting regularly due to temporary closure of a number of our operations during the pandemic outbreak. Our efforts have shifted resources to the pandemic planning and implementation of effective control measures to assist in managing exposures and allow Liquor &amp; Lotteries to continue to operate safely and effectively during these unprecedented times.</p>
GRI 404 Training and Education	404-1	Average hours of training per year per employee	<p>Total hours of training for 2019/20: 42,332 hours</p> <p>By gender: Female: 22,621 hours Male: 19,711 hours</p>
	404-2	Programs for upgrading employee skills and transition assistance programs	Liquor & Lotteries provides training and development opportunities to support employees in their current positions to prepare them for career advancement. This includes courses on: leadership and coaching; effective communication; process improvement; computer and occupation specific skills; as well as health, safety and wellness. Through our educational assistance program, qualifying employees also receive financial support to complete developmental courses at accredited educational institutions.

## GRI 400 SOCIAL STANDARDS SERIES (CONTINUED)

	404-3	Percentage of employees receiving regular performance and career development reviews	Percentage of total employees who received an Annual Performance Summary (APS) during 2019/20 - 91%			
			Breakdown by employee category: Corporate/Operations Management - 99% Frontline Employees - 87%			
GRI 405 Diversity and Equal Opportunity	405-1	Diversity	Total employees (full-time, part-time, casual) 3,205			
			Gender	Female	Male	
				1,600	1,605	
				49.9%	50.1%	
			Age	<30	30-50	>50
				543	1,596	1,066
				16.9%	49.8%	33.3%
			Employment Equity Categories	Visible minority	Indigenous	Persons with disabilities
				1,086	322	169
				33.9%	10.0%	5.3%
	405-2	Ratio of basic salary and remuneration of women to men	The ratio of basic salary remuneration of women to men is the same. All positions are placed into pay bands based on roles and responsibilities.			
GRI 413 Local Communities	413-2	Operations with significant actual and potential negative impacts on local communities	Our products may impact customers and communities which is why we have a range of initiatives to prevent and/or mitigate potential negative impacts. Initiatives like consumer awareness (DrinkSense & GameSense), funding addictions treatment and support programs, community sponsorships and volunteerism which contribute to enriching the lives of Manitobans and environmental initiatives to reduce our waste, water and energy impacts all contribute to customer and community well-being.			

## GRI 400 SOCIAL STANDARDS SERIES (CONTINUED)

GRI 416 Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	<p><b>Gaming Integrity</b></p> <p><b>Electronic Gaming:</b> The Liquor, Gaming and Cannabis Authority of Manitoba (LGCA) requires all electronic gaming devices to be tested and certified by an independent laboratory and to meet LGCA technical standards. Liquor &amp; Lotteries must verify all critical files as indicated in the independent laboratory certification prior to being offered for play. Successful test results must be provided to LGCA within 5 business days of the testing. 100% of casino and VLT games are independently certified. 100% of casino and VLT games are approved by LGCA.</p> <p><b>Lottery:</b> 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><b>PlayNow:</b> 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><b>Liquor Quality</b> 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"> <li>• Tamper-proof seals are used during transport and Liquor &amp; Lotteries is notified when there is an issue.</li> <li>• There is an inspection of product from affected loads to ensure product has not been tampered with or damaged.</li> <li>• The carrier is responsible for the investigation.</li> </ul> <p>The purchase order terms and conditions outline several points related to safety of products:</p> <ul style="list-style-type: none"> <li>• Labeling must be CFIA compliant.</li> <li>• Product must be compliant with Health Canada and the Food and Drugs Act and Regulations.</li> <li>• 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.</li> </ul> <p>Liquor &amp; Lotteries has a comprehensive Quality Control program in place.</p> <ul style="list-style-type: none"> <li>• When quality concerns arise Liquor &amp; Lotteries will work with the supplier and local agent to take corrective action.</li> <li>• When safety concerns arise Liquor &amp; Lotteries will work with Health Canada, the supplier, and local agent to take corrective action.</li> </ul> <p>Liquor &amp; Lotteries has access to third party product testing on an ad hoc basis. Liquor &amp; Lotteries performs visual inspections at receipt for nonconformities. Liquor &amp; Lotteries participates in industry training and conferences related to quality assurance and quality control.</p>
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## GRI 400 SOCIAL STANDARDS SERIES (CONTINUED)

### Cannabis Quality

Industry must follow:

Licensing to cultivate, sell and research cannabis from Health Canada.

Mandatory third party product testing for the presence of pesticide active ingredients in all cannabis products before products can be sold.

Packaging and labelling requirements for cannabis products designed to:

- protect against accidental consumption
- ensure products are not appealing to children and youth
- provide consumers with information they need to make informed decisions before using cannabis
- ensure products are produced and purchased from an authorized source
- ensure products have not been opened or tampered with, by intact excise stamps.

Cannabis Tracking and Licensing System enabling the tracking of sale and movement of all cannabis products, with the goal of preventing illicit cannabis from diverting into or out of the legal supply chain.

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

- Licensed cannabis retailers must adhere to a Retailer Agreement and Retailer Directives in which retailers must develop and implement programs ensuring front-line employees meet customer expectations relating to service and product knowledge as well as responsible use of cannabis.
- Licensed suppliers must adhere to purchase order terms and conditions in which suppliers must comply with the Cannabis Act ensuring product meets: testing, packaging, and labelling requirements.
- Liquor & Lotteries 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 Stats Canada.

### Customer behaviors

55% of Manitoba gamblers can identify (unaided) at least one valid strategy for gambling responsibly.

78% of Manitoba alcohol consumers can identify (unaided) at least one strategy they use to reduce alcohol-related risks.



## GRI 400 SOCIAL STANDARDS SERIES (CONTINUED)

Identification checks and intoxication (casinos and Liquor Marts)	<p>Casinos</p> <p>154,487 casino ID checks</p> <p>2,521 persons refused due to improper or no identification</p> <p>514 minors refused entrance</p> <p>298 persons showing signs of intoxication refused entrance</p> <p>Liquor Marts</p> <p>730,147 Liquor Mart ID checks</p> <p>8,578 persons refused due to improper or no identification</p> <p>9,849 persons showing signs of intoxication refused service</p> <p>98% compliant in asking for ID through Mystery Shops</p>
Lottery retailer mystery shop results	<p>Due to issues with the supplier, there have been no lottery retailer mystery shops conducted prior to January 2019.</p> <p>Western Canada Lottery Corporation (WCLC) manages the contract for provision of lottery retailer mystery shops for Manitoba, Saskatchewan, and Alberta. A request for proposal (RFP) was completed for lottery retailer mystery shop services to commence in March 2020. Due to the COVID-19 pandemic, lottery retailer mystery shop services were put on hold.</p> <p>Updated data will be provided after lottery retailer mystery shop practices resume.</p>
GameSense info centre visitation	<ul style="list-style-type: none"> <li>• 1,672 information visits</li> <li>• 1,606 basic interactions</li> <li>• 391 support option interactions</li> <li>• 623 staff visits</li> <li>• 2,882 special event attendees</li> </ul>
GameSense and DrinkSense awareness	<p>36% of Manitoba gamblers are aware of the GameSense brand (aided).</p> <p>50% of Manitoba alcohol consumers are aware of the DrinkSense brand (aided).</p>
Customer satisfaction	<p>The Liquor Mart Satisfaction Study was not conducted in 2019/20. It will be reinstated in 2020/21.</p> <p>83% of Casinos of Winnipeg customers satisfied with the casino. This ties for a record high achieved two years ago (2017/18) and is one point higher than last year (2018/19).</p> <p>37% of VLT customers satisfied with the VLTs they played. This is up two points from 2018/19 and matches the 37% from two years ago (2017/18).</p>

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**GRI 400 SOCIAL STANDARDS SERIES (CONTINUED)**


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GRI 417 Marketing and Labeling	417-1	Requirements for product and service information and labeling	All Liquor & Lotteries' points of sale have GameSense and DrinkSense information. Product advertising has social responsibility message ( <b>18+</b>   ENJOY RESPONSIBLY ) on products, as required by LGCA.
GRI 418 Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>Zero complaints from regulatory bodies concerning breaches of customer privacy. Three complaints from outside parties concerning breaches of customer privacy. Ombudsman Office ruled in Liquor &amp; Lotteries favor (no breach of privacy) for all three complaints.</p> <p>In addition, there were three identified leaks of customer data. Breaches were reported to the Ombudsman, investigated and resolved. No complaints were lodged.</p>
GRI 419 Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	The annual compliance assessment program is being revised to refocus the corporation's overall regulatory framework. During this transitional phase, there were no known significant fines or non-monetary sanctions for non-compliance with laws and /or regulations in the social and economic area during the 2019/20 year.

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**GRI 100: FOUNDATION**


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GRI 101 Foundation	102-48	Restatements of information	<p>There was an error regarding Customer Behaviors in the Assessment of the health and safety impacts of product and service categories in the 2017/18 and 2018/19 reports.</p> <p>Correct figures for 2017/18 are:</p> <ul style="list-style-type: none"> <li>• 50% of Manitoba gamblers can identify (unaided) at least one valid strategy for gambling responsibly.</li> </ul> <p>Correct figures for 2018/19 are:</p> <ul style="list-style-type: none"> <li>• 45% of Manitoba gamblers can identify (unaided) at least one valid strategy for gambling responsibly.</li> </ul>
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