

Forced Labour and Child Labour in Canadian Supply Chains

Report Summary

The Casinos are dedicated to adhering to high ethical standards in all facets of our operations. Our company practices and policies are designed to ensure we operate in an ethical and responsible manner. Our core values of Winning Attitude, Wining Culture, and Winning Energy aim to build a place of belonging that promotes diversity, inclusion, transparency, and a team centered culture to draw on the differences of who we are, what we've experienced, and how we think. We require fair and responsible labour practices throughout our companies and from our vendors.

Reporting Requirements

This report is prepared to comply with Bill S211, Fighting Against Forced Labour and Child Labour in Supply Chains Act.

This report satisfies the reporting obligations outlined by Public Safety Canada and the Government of Canada.

Reporting Year

This report is prepared for the 2023 reporting year.

Reporting Group

This is a joint report and includes the following entities which are under common control and operate under common management:

Calgary Casino LP, Calgary Casino GP o/a Ace Casino Airport
2267166 Alberta Ltd. o/a Ace Casino Blackfoot
Cash Casinos LP, 477599 Alberta Ltd. o/a Cash Casino

Collectively referred to in this report as "the Entities"

About the Entities

- The Entities operate in the highly regulated gaming sector and offer food and beverage services as well as entertainment
- The Entities are Regulated by Alberta Gaming, Liquor and Cannabis
- The Entities operate casinos located in Calgary and Red Deer Alberta

This report was approved by the Board of Directors on April 19, 2024, attestation statement is included on page 4.

Structure, activities and supply chains

Child and forced labor are pervasive problems throughout the world. We recognize that we have the responsibility to ensure all stakeholders are treated with dignity and respect.

We structure our procurement processes to ensure the following standards:

- The Entities will not tolerate the use of child or forced labor in any of its suppliers;
- The Entities will not tolerate the exploitation of children, their engagement in unacceptably hazardous work, and the physical punishment, abuse, or involuntary servitude of any worker;
- We expect the suppliers and contractors with whom we do business to uphold the same standards. Should we become aware of a violation of these standards, we will terminate the relationship and;
- For this purpose, a “child” is anyone who is less than 15 years of age.

It is our responsibility to ensure compliance with these principles in our businesses and from our suppliers.

Supply Chain Structure

The Entities are located in Canada and source the majority of their goods and supplies from within Canada. The majority of regular and recurring purchases are related to goods and supplies purchased for Food and Beverage Operations and over 99% are purchased from within Canada.

Imported goods and supplies have the following characteristics:

- Goods are imported on an infrequent and irregular basis;
- Goods imported tend to be ordered more than once tend to be from a limited number of approved vendors;
- Good imported are sold by a number different of vendors that could be evaluated, if needed;
- Goods imported are not business critical in nature.

Policies and due diligence

The Entities have written policies and conduct requirements that our employees must review annually and acknowledge compliance. These requirements are included in our Employee Handbook and include:

- Core values
- Ethics
- Conflict of interest
- Fair dealing
- Corruption
- Whistleblower
- Procurement

Any non-compliance is addressed immediately in accordance with company policy.

Risk assessment

Due to the highly regulated gaming sector in which we operate and to comply with our internal policies and processes, prior to entering a contract or agreement with any new supplier or business, we undergo an evaluation process.

We follow a strict vetting and approval process before contracting with new vendors. This includes supplier investigation via website review, internet search and risk assessment.

High risk imported items are considered as follows:

High risk factors:

- Labour intensive services
- Outsourced labour hire
- Raw material sourcing
- Migrant workers

High risk sectors:

- Cleaning and maintenance
- Electronics
- Manufacturing
- Information technology

The Entities conduct their business solely in Canada where there is a low risk of forced and child labour.

All goods imported to Canada by the Entities are ancillary goods purchased to support our business; because they are not business critical in nature, the Entities have the ability to search for suppliers and execute diligence to ensure that they meet our business values in advance of placing an order. This allows for careful compliance with our responsibilities and reduces overall risk as the Entities don't have execution or urgency pressures when evaluating vendors from outside of Canada.

We have the ability to source goods from several vendors and are not reliant on one vendor for the supply of most goods.

Imported items are from a small number of approved vendors which have been vetted prior to ordering. Imported goods over the last two years by the entities include items such as:

- Lighting and fixtures;
- Dice;
- Carpet and;
- Radios.

Remediation measures

The Entities have not become aware of any vendor, either vetted or contracted with, to have breached our policies, conduct or known to have forced or child labour in their operations. As such, no specific remedial action has occurred during the reporting period.

If we become aware of a breach in our Policies by a vendor in the future, the relationship would be discontinued immediately and additional actions taken depending on the circumstances.

Assessing effectiveness

We continue to take risk-based steps to enhance our systems and processes to mitigating forced labour risks.

Effectiveness indicators include:

- Updating and reviewing our processes and policies at least annually
- Enhancing internal awareness and training

Remediation loss of income

As noted above, there have been no instances of a vendor in non-compliance with fair labour practices. As such, there have been no cases where loss of income has arose from cutting ties from a vendor.

As noted above, the risk of forced and child labour is lower in Canada than in many other countries. Given that the Entities do not presently anticipate taking any remedial action for its operations, no loss of income to vulnerable families as a result of such actions is anticipated.

Training

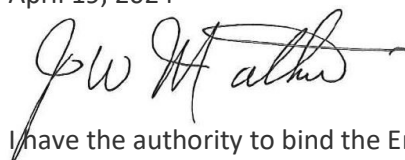
We have a small team of procurement personnel that are employed by the Entities and they are the only authorized individuals permitted to contract or engage with vendors. All procurement personnel are familiar with our process and policies and required to adhere.

Our Employee Handbook is updated annually and must be reviewed and formal written acknowledgement completed by all employees, including the procurement personnel. In order to limit risk, the Entities only allow for their procurement personal to contract or engage with vendors.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the 2023 reporting year.

John W. Mather
Director
April 19, 2024



I have the authority to bind the Entities