



**Atlantic
Lottery** | **Loto
Atlantique**

Report on Fighting Against Forced Labour and Child Labour in Supply Chains

2023-24



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1. Introduction

This report is produced by Atlantic Lottery Corporation (“Atlantic Lottery”) for the Financial Year Ending March 31, 2024.

This report constitutes the first report prepared by Atlantic Lottery pursuant to Canada’s new *Fighting Against Forced Labour and Child Labour in Supply Chains Act (Act)*.


2. Addressing Forced Labour and Child Labour

Atlantic Lottery is committed to engaging in practices that meet all ethical and legal standards related to forced and child labour in the markets in which it operates.

As part of the long-term planning process, Atlantic Lottery has recently developed a new vision to capture its long-term aspirations: “Atlantic Canada’s first choice for lottery and gambling, dedicated to healthy play and maximizing community impact.”

With this new vision, Atlantic Lottery will remain focused on building stronger communities, which is the foundation on which Atlantic Lottery was formed on in 1976. Atlantic Lottery is now broadening its approach to include other social as well as environment and governance topics.

As a socially responsible corporation, Atlantic Lottery recognizes the importance of addressing forced labour and child labour risks within its supply chain. Atlantic Lottery also endeavours to be an open and transparent organization and makes many of its corporate records available to the public. Further information on our commitment to transparency is [available on our website](#).



In general terms, we took the following steps during the reporting period to prevent and reduce the risk of forced labour and child labour in our business and supply chains:

a. Engaged with Strategic and Critical Vendors: We actively communicated to raise awareness about the Act and its implications. By fostering dialogue, we encourage them to ensure their practices are aligned with expectations related to preventing and reducing the risk of forced labour and child labour.

b. Internal Awareness: Within our organization, we've shared information about the Act and its expected impact on supply chain processes. In our communications, we have emphasized the importance of compliance and ethical sourcing.

c. Enhanced Training Modules: We expanded our online Modern Slavery Catalogue by adding two new learning modules specifically addressing forced labour in supply chains. Participation in these modules will be mandatory for all members of the Supply Chain Management team. Additionally, we intend to provide targeted audiences with the relevant modules and track completion within our performance management platform.

d. Supply Chain Documentation Review: We initiated a review of all supply chain documentation, examining contracts, policies, procedures, public tender templates and vendor-tiering questionnaires to identify gaps.


e. Ethics Hotline Services: Atlantic Lottery's reputation is built on public trust and confidence. Maintaining this trust requires a commitment to act with integrity. To ensure our integrity is maintained, in 2010 Atlantic Lottery established an independent, confidential, and anonymous reporting system to provide a means to report suspected unethical, illegal, or fraudulent activities, or other serious wrongdoing. This is communicated in each publicly tendered document, highlighting three ways in which to report suspected acts of wrongdoing.

Although we have not identified any forced labour in our activities and supply chains, we remain committed to ongoing monitoring and prevention. As part of this commitment, moving forward we will be revising our existing Third-Party Risk Management module in both the tiering and risk assessment questionnaire for all future contracted suppliers. This process will provide us with better visibility into our complete supply chain, including indirect suppliers of our primary suppliers. Additionally, we are currently developing a comprehensive Supplier Code of Conduct. Both activities are scheduled to be adopted by March 2025.

3. Structure, Activities and Supply Chains

Atlantic Lottery is a publicly owned corporation, headquartered in Moncton, New Brunswick. It provides government-regulated and responsible lottery products to





adults in the Atlantic Canadian region who choose to participate. The corporation operates various lottery games, both online and through a network of retail partners, including Lotto Max, Lotto 6/49, Daily Grand, and a variety of instant win games.

In addition to these, Atlantic Lottery also operates two Red Shores horse racing and gaming venues in P.E.I., offering a range of gaming options and contributing to the diverse portfolio of Atlantic Lottery.

Atlantic Lottery's operations span across the four Atlantic provinces: New Brunswick, Prince Edward Island, Nova Scotia, and Newfoundland and Labrador. The corporation strives to create a diverse and inclusive culture everywhere it operates.

The corporation's products are distributed through a network of retail partners across the Atlantic provinces, as well as through its online platform, alc.ca. Atlantic Lottery's customer support network services the needs of players and retailers, supporting a positive and responsible gaming experience.

Atlantic Lottery's global supply chain consists of product suppliers, most notably providing such items as retail and video lottery terminals, instant win tickets, and digital gaming systems, and suppliers of non-product goods and services.


Atlantic Lottery operates under the framework of the Canadian Free Trade Agreement (CFTA) and the Comprehensive Economic and Trade Agreement (CETA), ensuring non-discrimination and commercial considerations in its operations. However, Atlantic Lottery can exercise discretion to fulfill its purpose as a monopoly or government enterprise.

Jointly owned by the four Atlantic provincial governments, all profits generated by Atlantic Lottery stay within the region, helping to fund essential services like health care, education, and infrastructure. This commitment to the community is a cornerstone of Atlantic Lottery's mandate.

4. Policies, Due Diligence Processes and Assessing Risk

The Board of Directors determines our strategic direction and corporate policies, guides business operations, and approves the annual business plan, operating and capital budgets. Assisted by the Audit Committee, the board also monitors Atlantic Lottery's internal controls and financial systems.

The Audit & Risk Committee assists the Board of Directors with Atlantic Lottery's compliance with legal, ethical, and regulatory requirements. The Internal Audit department will carry out regular audits and assessments related to the risk of forced labour and child labour in our supply chain.



The Social Responsibility & Sustainability Committee is a standing group that advocates for environmental stewardship, social responsibility, and governance oversight across all aspects of our corporation's activities. Our goal is to align their purpose with our organization's social responsibility practices and policies to ensure overall success.

5. Remediation

We did not identify any instances or allegations of forced labour or child labour within our business or in our supply chains in the reporting period, and therefore did not need to implement measures to remediate such practices or the loss of income resulting from eliminating such practices. While no reports or complaints of forced labour or child labour have been received at this time, should such circumstances arise, we are dedicated to upholding our commitments to combat these issues while working to remediate any resulting adverse impacts.

6. Training

In our commitment to combat forced labour and child labour, we recognize the importance of collaboration across departments. Below outlines the key components of our training:

1. Enhanced Training Modules


- a.** We've expanded our Online Modern Slavery Catalogue to include two learning modules specifically addressing forced labour in supply chains.
- b.** Mandatory Participation: All members of the Supply Chain Management team will be required to complete these modules.
- c.** Targeted Audiences: The modules will be extended to other relevant stakeholders as deemed necessary and completion tracked through the performance management platform.

2. Maintenance

- a.** We will actively collaborate with our Human Resources, Social Responsibility and Learning teams to keep the catalog current.
- b.** Scheduled reviews to ensure the content remains relevant.

7. Assessing Effectiveness

As Atlantic Lottery continues the development of its program to prevent modern slavery risks in 2024, it will consider and implement measures to assess the effectiveness of these processes.



8. Summary


Atlantic Lottery remains committed to preventing forced labour and child labour within our operations and our supply chain. We are committed to engaging with our employees, suppliers and stakeholders on these concerns and will continue to fortify our approach to preventing and mitigating the associated risks.


Approval and Attestation

This report was approved by the Audit & Risk Committee Chair, Shaun MacIsaac, and President and Chief Executive Officer, Patrick Daigle, on May 28, 2024, pursuant to section 11(4)(a).

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

"I/We" have the authority to bind Atlantic Lottery Corporation.

Signature: 
Full name: Patrick Daigle, CPA, CA
Title: President and Chief Executive Officer

Signature: 
Full name: Shaun MacIsaac, CPA, CA
Title: Audit & Risk Committee Chair, Board of Directors