

Community Report 2011

Pillar 1:
Responsible
Gambling

Pillar 2:
Integrity
and Security

Pillar 3:
Citizens and
Communities

Pillar 4:
Corporate
Governance

Pillar 5:
Stakeholder
Relationships

Table of Contents

Message from the Acting President & CEO 1

Pillar 1 – Responsible Gambling 2

Pillar 2 – Integrity and Security 7

Pillar 3 – Citizens and Communities 8

Pillar 4 – Corporate Governance 10

Pillar 5 – Stakeholder Relationships 12

Message from the Acting President & CEO

Five years ago, the Nova Scotia Gaming Corporation (NSGC) adopted a Social Responsibility Charter which outlined our social responsibility commitments and established them as integral elements in every aspect of the gaming business. The Charter frames social responsibility to NSGC's operations within five pillars: *Responsible Gambling, Integrity and Security, Citizens and Communities, Corporate Governance and Stakeholder Relationships*.

Each year, NSGC produces a Social Responsibility Community Report which is a report card on how we manage the gaming industry guided by the Charter. This report demonstrates our dedication to running a socially responsible gaming industry in Nova Scotia, along with our operators, Atlantic Lottery and Casino Nova Scotia, and the 1,400+ ticket and video lottery retailers. I am pleased to present this report which outlines 29 commitments that were set and achieved in 2010-11.

I hope that after reviewing this information you will have better insight into the gaming industry in Nova Scotia and understand how we have worked to serve our communities; it is a job we take very seriously. Our goal today and into the future is to ensure this industry remains responsible, sustainable and entertaining for the benefit of all Nova Scotians.

Yours very truly,

A handwritten signature in blue ink that reads "Stephen MacDonald". The signature is written in a cursive, flowing style.

Stephen MacDonald
Acting President & CEO

1. Responsible Gambling

2010-11 COMMITMENT	STATUS	OUTCOME
1. Deliver responsible gambling programming at Casino Nova Scotia.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • The Mobile Access to Responsible Gambling Information (M.A.R.G.I.), developed by the Responsible Gambling Council, is a stand-alone kiosk that provides players with interactive tools and information to assist them in making informed decisions. The kiosk has been incorporated as a key responsible gambling initiative at Casino Nova Scotia locations in Halifax and Sydney. <ul style="list-style-type: none"> – A new activity launched in 2010-11. <i>It's Your Call</i> features a Texas Hold'Em theme that shows players their hand odds so that they can make responsible, educated decisions if they choose to play. – More than 2,500 casino visitors utilized M.A.R.G.I. to learn about responsible gambling in 2010-11. • Responsible Gambling Resource Centres continued to operate within both Casino Nova Scotia locations. <ul style="list-style-type: none"> – In 2010-11, the Centres welcomed over 2,750 visitors and distributed more than 10,000 pieces of information through the Responsible Gambling Information Program. • Player's Edge, a DVD that explains odds and randomness of casino games, is available to Casino Nova Scotia patrons through the Responsible Gambling Resource Centres.
2. Sponsor and promote Responsible Gambling Awareness Week.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • October 3 to 9, 2010 marked the ninth annual Responsible Gambling Awareness Week (RGAW) in Nova Scotia. The primary goals of the Week are to increase public awareness about the importance of gambling responsibly, as well as to contribute to increasing industry knowledge about responsible gambling. <ul style="list-style-type: none"> – In 2010, activities and events were focused in the following communities: Bridgewater, Cape Breton Regional Municipality, Digby, Halifax Regional Municipality, New Glasgow, and Truro. – NSGC's Interactive Community Education Display visited shopping malls in the above communities, directly reaching more than 275 Nova Scotians. – The centerpiece of the Week was the annual Responsible Gambling Conference held October 4 and 5. The Conference attracted approximately 240 people and featured 21 world-renowned industry experts. – A survey was completed in October 2010, 84% of respondents in Nova Scotia supported RGAW. – Planning for RGAW 2011 began in January.

1. Responsible Gambling

2010-11 COMMITMENT	STATUS	OUTCOME
<p>3. Build gambling-related research expertise and capacity by supporting key initiatives.</p>	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC continued to support video lottery research through the Dalhousie Gambling Lab in 2010-11. • As part of the Interprovincial Lottery Corporation’s Sub-committee on Responsible Gambling, NSGC led an evaluation of social responsibility assessment tools used in the gaming industry around the world. <ul style="list-style-type: none"> – The specific objectives of the project were to determine what models and tools currently exist to assess gaming products from a responsible gambling perspective, the design elements of each (including the risk model used), best practices, and lessons learned from implementation.
<p>4. Identify, test and support initiatives that foster evidence-based decision-making around responsible gambling.</p>	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC’s My-Play System is a world-first video lottery information system that provides players with access to valuable information and tools that can be used as part of their video lottery play. Players can set time and spending limits as well as access their play history, providing powerful information they can use to make play decisions that are right for them. Early research indicates that the system may have benefits for a broad range of players. <ul style="list-style-type: none"> – Province-wide roll out was complete in summer 2010. – The My-Play Ambassador Program ran from April through August of 2010. Ambassadors visited video lottery locations to familiarize players and staff with the system. – As part of the 2011 Responsible Gaming Strategy, government announced enrolment in the My-Play System would be mandatory as of April 1, 2012, with light and full enrolment options available. This means players will need to have a My-Play card in order to use any VLT in the province. • <i>Know the Score 2 (KTS2)</i>, created by the Responsible Gambling Council, is an interactive peer-led program offered through community colleges and universities. It is designed to give people between the ages of 19 and 24 the facts about games of chance and to provide them with information on local resources to help them prevent or address gambling problems. <ul style="list-style-type: none"> – KTS2 visited 13 campuses and reached more than 4,700 students in 2010-11. – 97% of students thought campus programs like KTS2 were a good way to get problem gambling information to students.

1. Responsible Gambling

2010-11 COMMITMENT	STATUS	OUTCOME
<p>4. Identify, test and support initiatives that foster evidence-based decision-making around responsible gambling.</p>	<p>✓</p>	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC continued its support of <i>GamTalk</i>, the first national online peer-based support service in Canada for those with gambling problems and their families. <ul style="list-style-type: none"> – Since <i>GamTalk</i> launched in 2008, the national membership has grown to over 3,500 with more than 4,000 monthly visitors to the website. • In 2010-11, NSGC supported the development of the Responsible Gambling Impact Tool (RGIT) which brought together international knowledge and experience from a wide range of experts and stakeholders to consider the impact of various responsible gambling features for vulnerable players. <ul style="list-style-type: none"> – The tool allows gaming companies to more accurately assess the merits of different responsible gambling features and to understand which features are most beneficial for specific games. – The RGIT helps to ensure that the most objective decisions are made based on criteria established by an extraordinarily well-informed pool of experts and other key stakeholders.
<p>5. Conduct Social Responsibility Assessments for every new project, program and initiative.</p>	<p>✓</p>	<p><i>Complete</i></p> <ul style="list-style-type: none"> • In 2006, NSGC created the first Social Responsibility Assessment (SRA) model in the world. <ul style="list-style-type: none"> – The SRA Program is used to assess the social responsibility of all initiatives. If a product, project or program does not pass the assessment, it is not introduced into the market. – As part of the SRA Program, and NSGC’s commitment to continuous improvement, a Code of Advertising Standards was developed and is used in evaluating each SRA. The Code is independently reviewed by Advertising Standards Canada. – In 2010-11, NSGC completed 401 Social Responsibility Assessments, of which 384 were approved, 15 were approved with modifications and two were declined.

1. Responsible Gambling

2010-11 COMMITMENT	STATUS	OUTCOME
<p>6. Support youth prevention programming initiatives to raise awareness about the risks of gambling.</p>	<p>✓</p>	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC continued to offer <i>BetStopper</i>, a world-first Internet content-blocking software for Nova Scotia families to prevent children from accessing more than 2,000 gambling websites. <ul style="list-style-type: none"> – <i>BetStopper</i> is free to Nova Scotia families and caregivers and can be downloaded from nsgc.ca. – Through an international competitive process in 2010-11, <i>BetStopper</i> also became the provincial gambling content-blocking software for British Columbia. • <i>R U UP?</i>, a drama created by the Responsible Gambling Council, was performed for high school students to convey messages about the risks of gambling as well as information about problem gambling. <ul style="list-style-type: none"> – <i>R U UP?</i> was performed at 13 schools, reaching more than 3,100 students in 2010-11. – 92% of students and 100% of educators agreed that <i>R U UP?</i> was a good way to increase awareness of problem gambling. • NSGC continued its support of the YMCA Youth Gambling Awareness Program which is delivered to youth between the ages of 8 and 24 in schools and community organizations as well as to some teacher and parent groups. <ul style="list-style-type: none"> – In 2010-11, more than 13,000 people participated in the program which addresses attitudes and behaviours of youth gambling and helps participants understand the risk involved. – The impact of the program has been excellent to date with 91% of participants able to identify three harm reduction strategies related to gambling.

1. Responsible Gambling

2010-11 COMMITMENT	STATUS	OUTCOME
7. Ensure responsible gambling training is delivered industry-wide.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • 100% of NSGC employees received responsible gambling training in 2010-11. • In 2010-11, 100% of ticket and video lottery retailers completed the Retailer Responsible Gambling Training Program. The annual training is designed to give retailers the tools they need to be effective and responsible retailers, and to provide customers with excellent service and accurate information. <ul style="list-style-type: none"> – Ticket lottery pre-training scores averaged 78%, post-training reached 90%. – Pre-training scores for video lottery retailers averaged 74% while post-training reached 92%. • 100% of employees at Casino Nova Scotia received responsible gambling training.
8. Provide funding to the Nova Scotia Department of Health and Wellness and Gambling Awareness Nova Scotia (formerly the Nova Scotia Gaming Foundation).	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC provided the Department of Health and Wellness with \$4.1 million to fund problem gambling programs, ensuring that help is available for those affected by the 0.9% of adult Nova Scotians who are problem gamblers. • NSGC provided \$600,000 to Gambling Awareness Nova Scotia to help fund research and community grants.
9. Maintain and update key responsible gambling touch-points for players.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC's responsible gambling website, yourbestbet.ca, received approximately 2,000 unique visitors in 2010-11. The website includes facts about gambling and knowing the odds. • NSGC's corporate website, nsgc.ca, which contains information on Responsible Gambling Awareness Week in addition to products, research and answers to frequently asked questions, hosted 14,832 unique visitors in 2010-11.

2. Integrity and Security

2010-11 COMMITMENT	STATUS	OUTCOME
<p>1. Ensure that operators adhere to regulatory requirements and provide a secure environment.</p>	<p>✓</p>	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC, along with the Alcohol and Gaming Division of Service Nova Scotia and Municipal Relations and Atlantic Lottery, coordinated the development of amended regulatory retailer operating procedures and additional technical standards to ensure Atlantic Lottery and ticket lottery retailers remained compliant with amendments to the updated ticket lottery regulations introduced in October 2009. • NSGC reported 206 incidents related to Section 24(1)(e) of the <i>Gaming Control Act</i>, all of which were resolved through prescribed procedures. • NSGC corresponded regularly with Atlantic Lottery on regulatory matters and assisted in the development of a retailer regulatory compliance training DVD. • There were 52 customer complaint and retailer win reports that were reviewed by NSGC in 2010-11.
<p>2. Adhere to and ensure full compliance of operators with Freedom of Information and Protection of Privacy (FOIPOP) guidelines established by the province of Nova Scotia.</p>	<p>✓</p>	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC responded to all Freedom of Information and Protection of Privacy (FOIPOP) requests, and wherever legislation allowed, information was released to the requestor. <ul style="list-style-type: none"> – Seven FOIPOP requests were received by NSGC and there were five Nova Scotia-related requests received by Atlantic Lottery. – In addition, NSGC provided regular updates to stakeholders and members of the public and responded to routine information requests. • In 2010-11, NSGC responded to 116 inquiries made through nsgc.ca.

3. Citizens and Communities

2010-11 COMMITMENT	STATUS	OUTCOME
1. Actively seek the feedback of Nova Scotians on gaming issues.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC's Interactive Community Education Display visited eight communities in 2010-11, and staff spoke with over 300 Nova Scotians about responsible gambling. • NSGC staff participated in 12 presentations, including a Chamber of Commerce luncheon and other speaking engagements.
2. Purchase goods and services locally when possible.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC continued to purchase goods and services locally wherever possible. <ul style="list-style-type: none"> – In 2010-11, NSGC purchased goods and services from 146 Nova Scotian vendors.
3. Explore opportunities to provide world-class entertainment.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • 2010-11 was another successful year of attracting world-class entertainers to Casino Nova Scotia. <ul style="list-style-type: none"> – Mickey Rooney, Bill Cosby, Kenny Loggins, and Bret Michaels are just a few of the performers who entertained Halifax and Sydney crowds. In total, 57 acts put on 73 shows. – The highly popular New Year's Eve event in Halifax featuring <i>The Trews</i> drew almost 12,000 visitors in one night.
4. Ensure that employees' outstanding volunteer work is celebrated and supported by all staff.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • Under its Social Responsibility Ambassador Program, NSGC employees were acknowledged quarterly for outstanding volunteer contributions in their communities.
5. Support community initiatives.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • Through Community Casino Nights, NSGC and its employees worked with community organizations such as the Cape Breton Regional Hospital Foundation, Health Service Foundation of the South Shore and Festival Antigonish. • In 2010-11, NSGC provided the Harness Racing Industry in Nova Scotia with \$1 million to assist in maintaining this longstanding and traditional sporting industry. • The <i>Support4Health</i> Program continued to assist various health related organizations such as the Nova Scotia Hearing and Speech Foundation, Crosbie House Society and the Marguerite Centre.

3. Citizens and Communities

2010-11 COMMITMENT	STATUS	OUTCOME
6. Provide dedicated revenues from product sales to important causes.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC established the <i>Support4Sport</i> Program in 2006, which provides critical funding to sport across the province. These funds are used to purchase equipment, create and enhance recreation and participation programming for all ages, support performance training for competitive athletes as well as hire coaches and officials at all levels. <ul style="list-style-type: none"> – In 2010-11, <i>Support4Sport</i> generated \$3.6 million, bringing total funding to \$12.6 million since the program began. – Funding helped 157 athletes, hired 13 full-time coaches, assisted 39 coaches and officials with training, and funded 93 community and provincial sport organizations in 2010-11. – NSGC also contributed an additional \$400,000 to the <i>Support4Sport</i> Canada Games Legacy Fund in 2010-11, for a total contribution of \$1.4 million.
7. Seek opportunities to participate in community events that benefit communities and citizens.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC's <i>Support4Communities</i> Program includes its Charitable Sector Support Program which has two areas of focus: Community Casino Nights and Community Fundraising Seminars. <ul style="list-style-type: none"> – \$88,000 was raised from 10 Community Casino Nights, supporting 14 charitable organizations in 2010-11, bringing the total raised for Nova Scotia charities to \$317,000 since its inception in 2006. – Two regional fundraising seminars, one in Halifax and one in Sydney, were hosted by NSGC. These seminars connect experts and charities together for the mutual growth and benefit of the not-for-profit sector.
8. Adhere to the principles outlined in NSGC's Environmental Policy.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC continued to participate in Conserve Nova Scotia's Re-Think Greener Choices at Work Program. • For all commercial printing projects, NSGC used paper and printing products approved by the Forest Stewardship Council.

4. Corporate Governance

2010-11 COMMITMENT	STATUS	OUTCOME
<p>1. Report publicly on social responsibility performance every year.</p>	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • In July 2010, NSGC publicly released its 2009-10 Annual Report on its website and in print to approximately 2,000 stakeholders. • NSGC released its 2009-10 Social Responsibility Community Report in October 2010. • On a quarterly basis, NSGC updated its Fact Sheets, which are available on its website, nsgc.ca. They include: <ul style="list-style-type: none"> – A History of Firsts in Social Responsibility; – Gambling in Nova Scotia; – Internet Gambling; – My-Play System; – Overview of the Gaming Industry; – Responsible Gambling Programs; – <i>Support4Sport</i> Program; – Who Does What in the Gaming Industry; – Youth Prevention Programs; and – 2011 Responsible Gaming Strategy.
<p>2. Provide Board of Directors with social responsibility update twice a year.</p>	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC's Board of Directors received social responsibility updates in September 2010 and in March 2011.
<p>3. Adhere to regulations established by the Alcohol and Gaming Division of Service Nova Scotia and Municipal Relations.</p>	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • All games and facilities met the required regulatory provisions. <ul style="list-style-type: none"> – 100% of all slot machines at both Casino Nova Scotia locations were tested to ensure compliance with provincial casino regulations. – The Alcohol and Gaming Division also randomly tested slot machines and associated gaming equipment at the casinos to ensure each machine was compliant with the legislated minimum payout percentage, as well as other requirements. – Atlantic Lottery's testing and approval of all video lottery terminals met or exceeded the requirements in Section 6(2) of the Video Lottery Regulations. – Atlantic Lottery introduced a new training program for ticket lottery retailers to assist in ensuring compliance with regulatory retailer operating procedures. – Atlantic Lottery continued to develop technical standards to ensure equipment and products complied with ticket lottery regulations.

4. Corporate Governance

2010-11 COMMITMENT	STATUS	OUTCOME
4. Monitor trends in the gaming industry and provide evaluations and information to the shareholder.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC provided government with regular briefings on issues, initiatives and programs within the gaming industry.
5. Rigorously test, evaluate and monitor new games to ensure standards and regulations are met.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • New ticket and video lottery games continued to be assessed following the prescribed process and standards. All regulatory requirements were met.
6. Empower employees to promote the social responsibility agenda by being social responsibility ambassadors.	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC continued its Social Responsibility Ambassador Program and Volunteer Support Program for employees. <ul style="list-style-type: none"> – NSGC staff volunteered with 31 non-profit and charitable organizations in 2010-11. • In September 2010, NSGC staff volunteered at Seaview Memorial Park as part of the Great Canadian Shoreline Cleanup. • NSGC staff volunteered at Feed Nova Scotia in December 2010 as part of its annual Day of Giving.
7. Review Corporate Governance Policy.	✓	<ul style="list-style-type: none"> • NSGC reviewed its Corporate Governance Policy in 2010-11 to ensure it reflected best practices in board governance.

5. Stakeholder Relationships

2010-11 COMMITMENT	STATUS	OUTCOME
<p>1. Seek opportunities to engage stakeholders, business partners, municipalities, social service agencies, community organizations, and individuals.</p>	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • The My-Play Ambassador Program ran from April through August 2010. Ambassadors visited video lottery locations to engage players and staff with the system, and used feedback to inform communications. • The video lottery retailer advisory group was engaged on gaming related issues through quarterly meetings and other communications. • A Community Consultation Session was held in Bridgewater in October 2010. Attendees included elected officials, retailers and business and community leaders. <ul style="list-style-type: none"> – 83% of attendees considered themselves better informed on gambling issues in Nova Scotia as a result of the session.
<p>2. Work to identify areas of improvement in relationships with stakeholders.</p>	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • NSGC continues to develop and strengthen relationships with key stakeholders. <ul style="list-style-type: none"> – In 2010-11, regular meetings were held with the Department of Health and Wellness, retailer groups, as well as Atlantic Lottery, Casino Nova Scotia and the Alcohol and Gaming Division of Service Nova Scotia and Municipal Relations.
<p>3. Engage key stakeholders and incorporate their feedback into all new major initiatives.</p>	✓	<p><i>Complete</i></p> <ul style="list-style-type: none"> • In 2010-11, as part of the Retailer Responsible Gambling Training Program, all ticket and video lottery retailers were asked to provide feedback which will be incorporated into the refresher training program for 2011-12. • NSGC requested feedback from responsible gambling and problem gambling experts and considered their views on all major initiatives. • NSGC also continued to build its relationship with video lottery retailers by meeting regularly throughout the year, giving them the opportunity to address issues and offer important insights and feedback on any new gaming initiatives in the province.



Bank of Montreal
5151 George Street, Suite 800
Halifax, NS B3J 2Y3
www.nsgc.ca