

### we've set the stage to transform our 684 acre landscape

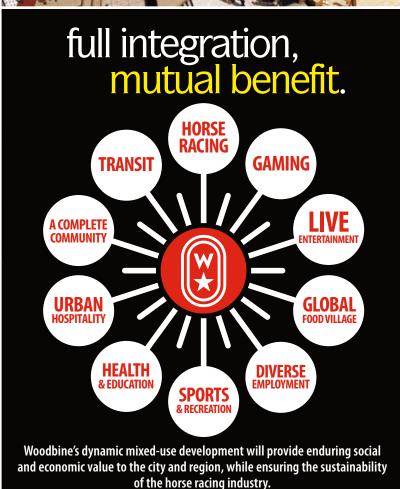


### woodbine racetrack's

privately owned 684-acre site is about to be transformed into a "city within a city" and become the urban heart of northwest Toronto. Our bold new vision is to continue to be the ultimate destination for horse racing and gaming, while integrating new expanded entertainment and cultural offerings, food and dining, hotel, shopping, office space, post-secondary education, recreation, health, wellness, and urban residential living.

The Woodbine site is comparable in size to a significant portion of Toronto's downtown. (as shown above).







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### corporateresponsibilityvision:

Leverage the power of horse racing to revitalize communities.

### corporate **responsibility** mission:

Create healthier places to play, live, work, learn and grow together.

#### values&beliefs:

Woodbine Entertainment operates according to the following values.

These enable us to achieve our goals, and drive continuing innovation for the horse racing industry.

Wow Every Guest
Own It

Listen & Connect – People Matter

**Fuel the Fun** 

Trust in Our Team

**Woodbine Cares** 

**Pursue your Potential** 

Be Bold

Be All In

# woodbine entertainment. about us

Woodbine Entertainment is the largest horse racing operator in Canada offering world class horse racing at both Woodbine (Toronto) and Mohawk (Milton) racetracks. Woodbine Entertainment also operates off-track wagering through its Champions teletheatre network, which includes WEGZ Stadium Bar in Vaughan, and Greenwood in the Beach area of Toronto. Remote wagering is also available to customers through HPIbet (formerly HorsePlayer Interactive), the company's telephone, internet and mobile account wagering service. Woodbine Entertainment also operates HPItv, a CRTC licensed digital television channel that broadcasts our racing product into homes across Canada. Through the Woodbine Cares program, we are committed to leveraging the power of horse racing to improve the quality of life in our community. Our focus is on aligning with leading organizations with whom we can make the most meaningful, measurable, and sustainable difference.

### corporatemission:

Support the foundation and lead the growth of the Ontario horse racing industry.

### corporatevision:

Share the thrill of horse racing experiences with the world.

#### mandate:

Woodbine Entertainment is an Ontario corporation without share capital, operating a multi-dimensional entertainment business committed to maximizing financial performance in order to achieve the highest quality horse racing. After paying all required taxes, the corporation invests any and all profits back into the business to promote its corporate objectives.

### governance:

The responsibility of our governance rests with our Board of Directors, which establishes our governance based on our mandate and core values. The Board is comprised of 9 members, seven men and two women. The governance structure, in which the chair is not an executive officer, includes five Board Committees: Governance and Compliance, Pension and Compensation, Audit, Thoroughbred Racing and Standardbred Racing.

### codeofethics:

Woodbine Entertainment's baseline policy is to conduct all of its activities in full compliance, and with utmost transparency, with all relevant laws and regulations. A Whistle Blower Policy allows employees to confidentially submit their concerns regarding questionable accounting, internal accounting controls, and auditing matters to an independent third-party company which reports to the Board of Directors. The Board of Directors ensures proper communication of compliance issues and oversees the review of investigation of the complaints received from internal and external sources.



# a message from our chief executive officer

#### Welcome to our 2016 Corporate Responsibility Report.

This report reinforces our commitment to responsible corporate citizenry by highlighting our actions and performance over the past fiscal year across our six core areas of focus. It also sets the stage to introduce our plans to unlock the promise of our future, as we continue to work towards delivering our mandate to sustain a vibrant horse racing industry while securing sustainable economic, social and environmental success.

Our people, industry and business partners worked together this past year in unprecedented fashion to create many innovative, bold and successful new opportunities for our company. Not surprisingly, much of that work took place behind the scenes in consultation with our key stakeholders. No project demonstrated that more than our master planning exercise to optimize land development, creating our dynamic "city within a city" master plan to transform 684-acres at Woodbine. Master planning is now underway at our Mohawk property as well to optimize the land use and introduce more people to the sport of horse racing. Horse racing will always remain at the core of our business.

We understand that as times change, our business must adapt.

As a result, we remain deeply committed to bring-to-life our vision for a sustainable model for horse racing. All the while, we will honour and advance our rich and proud history, and continue to earn the respect and recognition we've achieved to date as a responsible, progressive and trusted horse racing operator, entertainment leader, and community champion.

I am extremely proud of all we have achieved this past year. In many ways, our performance highlights on the following pages speak for themselves.

But we will do more, and by working together today, we will create even better opportunities, and a brighter tomorrow for our employees, our horse people and our community.



JAMES J. LAWSON, chief executive officer



our 2016 **highlights** 

# our 2016 **highlights**



Completed highest and best-use property development studies for our two racetrack properties, and unveiled a "city within a city" master plan to unlock the value of the undeveloped land at Woodbine.



Invested in a new racehorse owner recruitment program, supported by an 'Owner Concierge Program'.



Introduced a 'Horsemanship Training Program' in partnership with the Horsemen's Benevolent Protective Association of Ontario.



Achieved all-sources pari-mutuel wagering records on the Pepsi North America Cup, The Queen's Plate, Woodbine Mile and Pattison Canadian International.

celebrated the first harvest from our Community Food Garden and provided local families in-need with 1,500 lbs of fresh and rnational.

Celebrated the first harvest from our Community Food Garden and provided local families in-need with 1,500 lbs of fresh and healthy produce.



Improved 'New Hire Orientation Program', and launched 'Re-Boarding Sessions' to provide employees with an improved hands-on introduction to our business, values and beliefs.



\$1 = \$11.40 Social value of every WEG dollar donated.



Earned Recycling Council of Ontario's '3R Certification' at Woodbine.



Received Canadian HR Award Mohawk Racetrack, Greenwood for 'Best Employer Branding'. Teletheatre and WEGZ Stadium Ba

Teletheatre and WEGZ Stadium Bar join Woodbine Racetrack in achieving '100% waste diversion'.

### direct economic activity

|  | 2015          | 2016        |
|--|---------------|-------------|
| Payments to Government Agencies  | 79,523,130    | 82,918,894  |
| • Federal taxes & regulatory levy 1  | 18,731,873    | 17,388,457  |
| <ul> <li>Provincial taxes &amp; regulatory levies<sup>1</sup></li> </ul>                               | 36,414,793    | 37,018,114  |
| <ul> <li>Joint federal/provincial payroll taxes<br/>(employer &amp; employee contributions)</li> </ul> | 15,081,687    | 18,563,300  |
| <ul> <li>Municipal charges &amp; their utilities</li> </ul>  | 9,294,778     | 9,949,023   |
| Purses on Races at Woodbine and Mohawk <sup>2</sup>  | 137,940,869   | 127,690,968 |
| Payments to vendors & suppliers  | 97,383,928    | 99,683,151  |
| Annual payroll & benefits <sup>3</sup>   | 65,563,472    | 69,457,140  |
| Racing industry contributions  | 2,102,162     | 1,962,554   |
| Payments to charitable causes/In-kind contribut  | ions⁴ 986,513 | 796,817     |
| Annual Debt Payments (principal & interest)  | 0             | 0           |
| Capital Expenditures   | 16,854,877    | 11,032,335  |
|  |               |             |

- . Some levies fund regulatory expenses while the provincial Horse Improvement Program levy, net of oversight costs, is returned to various industry stakeholders. Woodbine Entertainment contributes a larger share of levies than it receives, resulting in it subsidising the Canadian racing industry.
- 2. Gross purses paid from all sources to owners of horses who, in turn pay their agriculture-related expenses such
- as farm costs, labour costs, transportation, feed, blacksmiths, veterinarians, trainers, jockeys & drivers. . Excludes payroll for employees of trainers working in the Woodbine/Mohawk barn areas, many of whom are housed in Woodbine Entertainment dormitories.
- Includes contributions to registered charities caring for retired racehorses funded from Woodbine purse accounts. Includes \$439K received from the OLG, administered and paid by Woodbine Entertainment to Long Run and OSAS.









a "city within a city" master plan to unlock the value of the undeveloped land at Woodbine, and build an entertainment venue.

Entered into a long-term lease with Ontario Lottery & Gaming to help ensure that Mohawk continues to thrive as the hub of Standardbred racing in Ontario.



2016



7.1% crease in all-sources



8.5%
Growth on Internation
wagering on Woodbin
Thoroughbred Racing



18.5% Increase in all-sourc wagering on Mohav Standardbred Racin



# a dynamic plan for driving economic sustainability

Like many other industries, horse racing has become increasingly global. Along with recent changes to the traditional funding streams for Ontario horse racing, it has also seen increased competition from other forms of gaming and entertainment.

In 2014, a five-point Strategic Plan was adopted to respond to these challenges and fuel our growth and stakeholder prosperity. A key component of this plan was to optimize land development.

In 2016, we completed highest and best-use property development studies for our two racetracks, and in 2017, unveiled a "city within a city" master plan to unlock the value of the undeveloped land at Woodbine. This large scale and mixed-use plan illustrates an unprecedented vision for a vibrant gaming, entertainment and horse racing destination. Bold and innovative, it represents a unique legacy opportunity that can offer enduring long-term social and economic value to the city and region while ensuring the sustainability of the horse racing industry.

The beauty of the horse will be at the core of Woodbine Entertainment's re-development plan. As Canada's largest horse racing operator, we will continue to lead and boldly re-imagine what is possible to attain sustainable growth by responsibly leveraging our real estate assets, expanding our business units, and diversifying and expanding our visitor base and revenue streams to deliver an unparalleled horse racing experience to the world.

### creating**opportunities**: 2017 goals

Enhance new guest experiences to stimulate growth through new and repeat visitors and optimized race cards and purses to achieve world-class racing; accelerate digital capabilities to establish a leadership position in North America; optimize land development to achieve its highest and best use; and shift corporate culture to improve trust and employee engagement.



"Our master plan for Woodbine keeps the beauty of the horse at the core."

**GARTH ESSERY**, vice-president, property development



# Where champions become legends

Sir Dudley Digges wins The Queen's Plate.

Betting Line captures the Pepsi North America Cup, Canada's richest harness race.

Tepin wins the Ricoh Woodbine Mile on a day that sets a race-day wagering record of \$9,638,444, surpassing the \$7,187,062 set in 2015.

Erupt, arriving from France,
wins the \$1-million
Pattison Canadian International
on a day that sets another
race-day wagering record of
\$9,212,804 vs. the
\$6,476,316 set in 2015.







Introduced a

'Horsemanship Training Program'
in partnership with the Horsemen's
Benevolent Protective Association
of Ontario to teach those interested
in learning the skills of a groom
and hot walker, and earn future
employment in Woodbine's
backstretch community.

Invested in a new racehorse owner recruitment program, supported by an 'Owner Concierge Program.'





# ensuring our legacy of world class horse racing

Woodbine and Mohawk are proud to have earned the reputation as destinations for world class horse racing.

Through the uncompromising leadership and commitment of our employees, horse racing participants, and regulatory partners, we have achieved this distinction over the years in many ways, including: consistently attracting the best from across the country, continent and around the world to compete in our signature championship races, The Queen's Plate, Ricoh Woodbine Mile, Pattison Canadian International, and Pepsi North America Cup; hosting the Breeders' Cup and Breeders' Crown world championships; and providing first-class racing amenities including a modern backstretch at Woodbine, complete with over 2,100 stalls and multi-surface training tracks, a new synthetic main track (Tapeta) and our renowned E.P. Taylor Turf Course.

As importantly, world class horse racing requires an unwavering commitment to protect the health and welfare of horses, jockeys and drivers. That is why we maintain full accreditation with the *National Thoroughbred Racing Association's (NTRA) Integrity and Safety Alliance*. Certification compliance focuses on six areas: injury and reporting; creating a safer racing environment; aftercare and transition of retired racehorses; uniform medication and testing; safety research, and wagering security. In addition, Woodbine has received 'Best Practice' distinction within numerous sections of the NTRA's *Code of Standards*. In 2016 — and for the third consecutive year — Woodbine posted a lower catastrophic breakdown rate than the North American thoroughbred industry average, further cementing our standing as one of the world's safest racetracks.

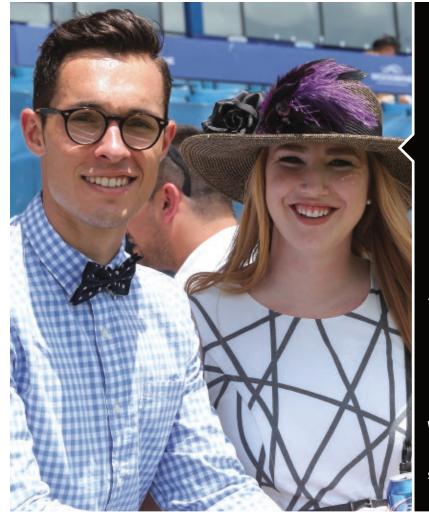
### creating opportunities in 2017

Maintain Woodbine's reputation as a destination for world-class horse racing; support Ontario standardbred and thoroughbred racing by optimizing race cards, purse management and improving our condition books; maintain NTRA Safety and Integrity Alliance accreditation; continue to acquire new customers by increasing the profile (locally and globally) of horse racing at Woodbine; and explore ways to generate new revenue streams to deliver our corporate mission of supporting the foundation and leading the growth of the Province's horse racing industry.



"Creating new opportunities doesn't change tradition. It strengthens it."

JONATHAN ZAMMIT, vice-president, thoroughbred racing



### Queen's Plate Day

featuring great parties, food, fashion, a new post-race concert, and Canada's most prestigious horse race, sets attendance record (37,063), all-sources wagering record of \$11.8-million - up 7% from 2015 - and draws 1.2-million viewers on CTV and TSN.

You play. We pay. Our popular 'Your First Bet is on Us!" campaign continues to resonate with fans, and attract new guests to both our racetracks contributing to over 21,000 new guest acquisitions.

We're betting on excitement to win. A record crowd of 17,602 attended setting a record wagering handle of \$5.2-million, up 22% from 2015.



### **BetShare**

'Horse Racing 3.0 Changing the Game' challenge with an exciting new video

streaming concept designed to bring new players to horse racing.





Milton Transit announced a new pilot program to provide bus service

to Mohawk Racetrack.







'Ride with the Jockeys', the Starting **Gate experience and Announcer Booth Tours.** 



### every day is an opportunity to create a winning guest experience

Exciting races. Smiling faces. Each and every day.

That's what the guest experience at our racetracks is all about

Here's how we do it: promise to 'WOW every guest' and make every visit the most enjoyable and memorable as possible; create exciting new events and promotions to attract new and repeat visitors; deliver service excellence; provide a safe, family-friendly atmosphere; and maintain a secure pari-mutuel wager experience.

In 2016, a series of Woodbine Weekend initiatives were introduced to provide guests with the opportunity to get closer to live horse racing action than ever before. Highlights included: Ride with the Jockeys, Starting Gate Experience and Announcer's Booth Tours. Along with our popular Paddock and Backstretch Tours, and Your First Bet is On Us campaign, these new events helped acquire 21,628 new customers. To help new guests better understand a race program and how to place a bet, wagering education 'Tip Sheets' and a 'Simple Bets' video were produced. For our more advanced horseplayers, we partnered with The Hong Kong Jockey Club to allow Canadian customers to wager directly into the popular HKJC betting pools.

Delivering a thrilling experience for all guests continues to be a catalyst for growth in attracting new fans to horse racing. The synergy created amongst our internationally trained culinary team, on-trend events team, superior guest experience team and our dynamic marketing and sales teams are defining an everyday and special event on-site experience that is well positioned to dramatically grow our fan base.

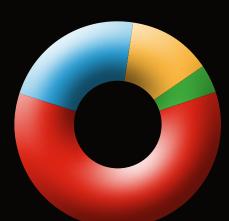
### creating opportunities in 2017

Develop a Woodbine 'new guest app'; strengthen and expand digital capabilities; and continue to identify and deliver innovative opportunities to stimulate visits and wagering growth to re-affirm our leadership position in North America.



"A day at the races is a truly unique experience."

TOM VIA, senior vice-president, operations



- 48 % female
- 52 % male
- 10 average length of service in years per employee
- 991 full-time
- 371 part-time
- 217 casual
- 70 management



### Canadian HR Award for 'Best Employer Branding



Racing to make a difference, mployees along with their families and community members participated in the

and helped raise \$13,093 for the United Way Toronto & York Region.





### employees volunteered a total of

1400 hours

the equivalent to 175 business days

in support of charitable causes, with a 'Volunteer of the Year' award presented annually, received by Kaneisha DeLeon (left) in 2016.



# unlocking employee potential creates an empowering workplace

There are one thousand, six hundred and forty-nine reasons driving our success.

They are our people.

That is why we are constantly exploring new opportunities for our employees to grow, evolve and contribute.

We do so by: fostering an empowering engagement culture where our people can 'pursue their potential' and take an active role in shaping their careers and our future; creating a safe, inclusive and diverse workplace; providing leading educational and ongoing training programs; and supporting passionate volunteerism in our community and for local charities.

To reinforce our commitment to cultivate trust and unlock potential, our Human Resources department was re-branded 'People Experience'. Championing this shift were employee-led 'Culture Squads' hosting over 20 events and engaging hundreds of fellow employees, and improvements to four employees zones. A 'Leadership Day' and 'Professional Development Day' for supervisor-level employees were also held. Additionally, to provide new employees with an improved hands-on introduction to our business, values and beliefs, our 'New Hire Orientation Program' was improved.

A workplace with engaged, driven and team-oriented people is paramount for our success. That is why we will continue to encourage all of our 1,649 employees to take pride in their role — and in their company — to help achieve our mission of supporting the foundation and leading the growth of Ontario's horse racing industry.

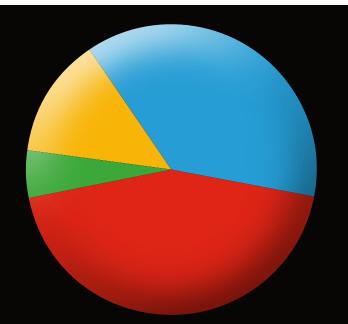
### creating opportunities in 2017

Increase participation in 'Great Places to Work' survey and achieve a 2% increase for the trust index score; expand goal setting process to all non union employees; introduce 'Woodbine University' (leadership development program) and 'Manager 101' program to improve manager performance; and launch a new employee intranet.



"When people feel great about where and how they work, magic happens."

TANIA CAZA, senior vice-president, people experience



### 2016 charitable donations by category

includes cash and in-kind contributions - \$

Children & Youth 68,185

Building Healthy Communities & Celebrating Heritage 214,968

Horse Welfare & Responsible Gaming\*

Environment 47,500 **TOTAL 796,817** 

466,164

\* Includes purse monies.

As a member of Imagine Canada, a national program that promotes public and corporate giving, volunteerism and support to the community, Woodbine Entertainment is a "Caring Company" that donates 1% of pre-tax profit to charities.





Hosted the 3rd annual
Rexdale Summer Games
at Woodbine in partnership with
the Rexdale Community Health
Centre and Playing for Keeps
Foundation.

Every Holiday Season, we help make spirits bright by supporting CTV's Toy Mountain campaign.







Hosted for the second consecutive year 'Road Hockey to Conquer Cancer' at Woodbine, attracting over 1,700 participants and helping raise \$2.5-million for the Princess Margaret Cancer Centre.

Celebrated the first-ever harvest from our Community Food Garder and donated of 1,500 lbs of fresh, healthy produce to local community groups.



# doing good by being good to serve our community

Long recognized as a strong community partner, we are committed to supporting the local communities in which we live and work. Through our 'Community Investment Program', we assist numerous charitable organizations and causes that make a meaningful and measurable difference in our neighbourhoods. We focus our involvement in the following areas: building healthy and vibrant communities; celebrating culture & heritage; educating and empowering youth; protecting the welfare of our racehorses; responsible gambling; and protecting the environment.

We've long embraced the principle that local needs - such as ending hunger in our neighbourhoods and increasing access to healthy food - require local solutions. That is why we planted an organic *Community Food Garden* in the heart of Rexdale at Woodbine. The garden's first harvest produced a bountiful 1,500 lbs of food produce.

To help support two of our longstanding industry partners, 'Announcer's Booth Tours' were introduced. For a donation to either the Jockey's Benefit Association of Canada or the LongRun Thoroughbred Retirement Society, race fans could join track announcer Robert Geller in his announcer's booth as he called a live Thoroughbred race.

To recognize the many WEG-supported community organizations that contribute so much to the life, health and vibrancy of our neighbourhoods, we held our 3rd annual Woodbine Cares Week celebration. Sixteen community partners were profiled, and racing fans and customers could vote for their favourite cause. Youth Without Shelter was the winner of a \$7,500 donation and the Racetrack Chaplaincy of Canada was runner-up, earning a \$2,500 donation.

### creating opportunities in 2017

Harvest 5,000 lbs of produce from our Community Food Garden; continue the Horsemanship Training Program to increase the number of graduates and fill more skilled hot walker and groom positions in our backstretch; and continue to drive awareness of Woodbine Entertainment supported community and charitable organizations through major race events.



"We're always harvesting new opportunities to create healthier places to grow."

JESSICA BUCKLEY, vice-president, community relations & corporate affairs

Mohawk Racetrack, Greenwood
Teletheatre and WEGZ Stadium Bar
join Woodbine Racetrack in
achieving 100%
Waste diversion.

Produced 1,424 MT of energy recovered; 3,600 MT of greenhouse gas emission reduction, and sold 205,000 KwH of electricity to the grid.







Earned '3R Certification' at Woodbine Racetrack from the Recycling Council of Ontario.

### Recycled 68.137 M<sup>3</sup> of water through

68,137 M³ of water through Woodbine's storm water ponds.

Installed two electric vehicle charging stations in Woodbine's parking lot.



### Reducing our Footprint

| Our Environmental Responsibility         | 2015      | 2016      | UNIT           |
|--|-----------|-----------|----------------|
| Direct Energy Consumption                |           |           |                |
| by Primary Source                        |           |           |                |
| Natural Gas                              | 103,277   | 100,814   | GJ             |
| Indirect Energy Consumption              |           |           |                |
| by Primary Source                        |           |           |                |
| Electricity                              | 39,545    | 115,834   | GJ             |
| Total Water/Sewage Withdrawal            |           |           |                |
| Surface Water                            | 405,552   | 414,166   | M³             |
| Total Water Withdrawal                   |           |           |                |
| Ground Water                             | 84,406    | 82,374    | M <sup>3</sup> |
| All Sources                              | 489,958   | 496,540   | $M^3$          |
| Total Weight of Non-Hazardous Waste      |           |           |                |
| Total Waste                              | 13,392.00 | 19,487.85 | MT             |
| Total Recycled                           | 753       | 1,005.63  | MT             |
| Total Disposed                           | 1,918     | 294.793   | MT             |
| Total Reused                             | 11,222    | 18,187.59 | MT             |
| Total Weight of Recycled Organic Waste   | 185       | 271.71    | МТ             |
| Total Weight of Hazardous Waste          |           |           |                |
| Recycled Electronics                     | 2,802     | 4,695     | kg             |
| Recycled Batteries                       | 124       | 200       | kg             |
| Total                                    | 2,926     | 4,895     | kg             |
| Total Indirect/Direct Greenhouse Gas     |           |           |                |
| Emissions by Weight                      |           |           |                |
| Facility Energy & Electricity (Indirect) | 1,938     | 1,609     | tC02e          |
| Natural Gas (Direct)                     | 5,794     | 5,656     | tC02e          |
| Fleet & Other Equipment (Direct)         | 739       | 719       | tC02e          |
| Total                                    | 8,471     | 7,984     | tCO2e          |



# shrinking our footprint to protect the environment

To advance a sustainable environmental mandate, we have embraced a five-point policy to guide our conduct, shape our decisions and drive our actions. By doing so, we can build a healthier future for our company, our employees and their families, our industry and our community.

Our policy includes: measuring and monitoring the impacts of our operations; integrating environmental priorities into our core business activities; identifying and implementing best practices; educating and encouraging our employees and stakeholders to make more sustainable choices; and communicating our performance internally and externally.

In 2016, Woodbine Racetrack earned '3R Certification' from the *Recycling Council of Ontario* for leadership in waste reduction and diversion. We continued to advance the highest standards in waste minimization by achieving 100% waste diversion at Mohawk Racetrack, Champions Teletheatre and WEGZ Stadium Bar — a distinction previously attained at Woodbine — through our category-leading 'Zero Waste to Landfill' program.

To further our commitment to renewable energy sources and improve the customer experience, two curbside electric vehicle charging stations were installed at Woodbine.

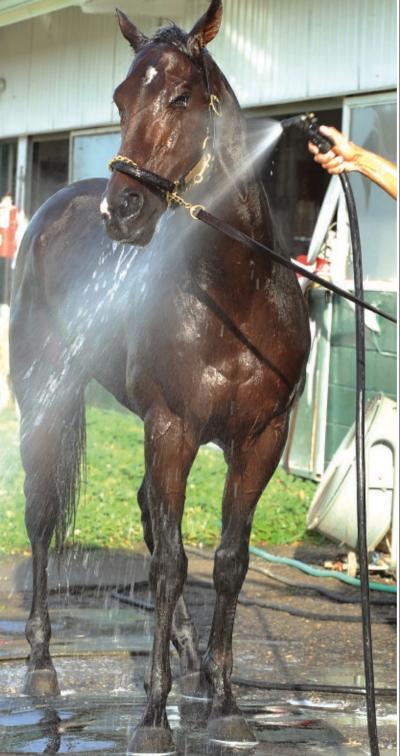
While horse racing is at the core of our development plans, we are not losing sight of our tie to our agricultural roots. Plans for Woodbine Racetrack (developed in consultation with the *Toronto Region Conservation Authority*) focus on a walk-able city concept, including pedestrian walkways and bike paths as well as increasing connectivity with the natural environment and the surrounding Humber River and Mimico Creek through a green corridor connection across the site. Development at Mohawk Racetrack, located within the Niagara Escarpment (a protected area within the *UNESCO World Biosphere Reserve*) will undergo thorough community involvement including leadership from *Conservation Halton*, the region's Conservation Authority to ensure minimal environmental impact.

### creating opportunities in 2017

Complete a Biogas Feasibility Study; continue to replace all fluorescent lights with LED lighting at Woodbine to become a mercury-free facility; and achieve 3R Certification at all our venues.

"Every day is an opportunity to minimize our impact on the environment."

MURRAY DEA, vice president, property & facilities



### Charting our Water Performance

|        |                                   |                      | M          | Average<br>easurement |        | Number of ceedences | Ni<br>samples | umber o<br>from site |
|--------|-----------------------------------|----------------------|------------|-----------------------|--------|---------------------|---------------|----------------------|
| ė      | Parameter                         | Provincial Guideline | 2015       | 2016                  | 2015   | 2016                | 2015          | 2016                 |
|        | Storm Water - Mohawk              |                      |            |                       |        |                     |               |                      |
| ı      | <b>BOD</b> (Biological Oxygen Dem |                      |            |                       |        |                     |               |                      |
| ı      | Channel Up                        | none                 | 2          | 2                     | 0      | 0                   | 10            | }                    |
| •      | Channel Down                      | none                 | 2          | 2                     | 0      | 1                   | 11            | }                    |
| Н      | Infield                           | none                 | 2          | 3.3                   | 3      | 5                   | 9             |                      |
| -      | Drain Up                          | none                 | 2          | 2                     | 0      | 0                   | 2             |                      |
|        | Drain Down                        | none                 | 2          | 2                     | 0      | 0                   | 2             |                      |
|        | TSS (Total Suspended Solids)      |                      | 2.5        | 2.7                   | -      | •                   | 10            |                      |
|        | Channel Up<br>Channel Down        | none                 | 3.5<br>3.8 | 2.7                   | 5<br>5 | 0                   | 10<br>11      |                      |
|        | Infield                           | none                 |            | 5.7                   | 5<br>4 | 5<br>0              |               |                      |
|        |                                   | none                 | 8.5        | 6.8                   | 1      | -                   | 9<br>2        | Č                    |
|        | Drain Up<br>Drain Down            | none                 | 15.4       | 5.3<br>4.1            | 1      | 2<br>2              | 2             |                      |
| ri.    |                                   | none                 | 11         | 4.1                   |        | 2                   | 2             |                      |
|        | TP (Total Phosphorus)             |                      | 0.03       | •                     | 2      | -                   | 10            |                      |
|        | Channel Up                        | none                 | 0.03       | 0                     | 2      | 5                   | 10            |                      |
| ı      | Channel Down                      | none                 | 0.03       | 0                     | 2      | 4                   | 11            |                      |
| 4      | Infield<br>Due in the             | none                 | 0.05       | 0                     | 3      | 8                   | 9             | Č                    |
| ١      | Drain Up<br>Drain Down            | none                 | 0.03       | 0                     | 0      | 2                   | 2<br>2        |                      |
|        | Drain Down                        | none                 | 0.05       | 0.1                   | 1      | 5                   | 2             | -                    |
| 4      | Sewage System Efflue              | nt- Mohawk Racet     | rack       |                       |        |                     |               |                      |
| -      | BOD                               | 15 mg/L              | 2.2        | 5.2                   | 0      | 0                   | 7             | ,                    |
|        | TSS                               | 20 mg/L              | 10.5       | 7.3                   | 1      | 0                   | 7             |                      |
| V      | TP                                | .5 mg/L              | 0.03       | 0.07                  | 1      | 0                   | 7             | ,                    |
| 1      | <u></u>                           | .5 mg/E              | 0.03       | 0.07                  | •      | •                   |               |                      |
| 1      | Potable Water- Mohaw              | vk Racetrack         |            |                       |        |                     |               |                      |
| 1      | Coliform (Raw Water)              |                      |            |                       |        |                     |               |                      |
| ı      | Well #1 (Deep)                    | none                 | 1          | 0                     | 0      | 0                   | 26            | 25                   |
| ı      | Well #2 (Gudi)                    | none                 | 52         | 130                   | 0      | 0                   | 26            | 25                   |
| ı      | E.Coli (Raw Water)                |                      |            |                       |        |                     |               |                      |
|        | Well #1 (Deep)                    | none                 | 0          | 0                     | 0      | 0                   | 26            | 2.5                  |
|        | Well #2 (Gudi)                    | none                 | 0          | 2                     | 0      | 0                   | 26            | 25                   |
|        | Water (Raw)                       |                      |            |                       |        |                     |               |                      |
|        | Well #1 (Deep)                    | 1309 cm3             | 212        | 217                   | 0      | 0                   | 52            | 52                   |
| à      | Well #2 (Gudi)                    | 654 cm3              | 28         | 19                    | 0      | 0                   | 52            | 52                   |
|        | - W - W - W                       |                      |            |                       |        |                     |               |                      |
| 8      | Storm Water - Woodbi              |                      |            |                       |        |                     |               |                      |
| Y      | BOD Irrigation Pond               | 15 mg/L              | 5          | 6                     | 3      | 1                   | 10            | 10                   |
| -      | TSS Irrigation Pond               | 15 mg/L              | 14         | 13                    | 5      | 5                   | 10            | 10                   |
|        | TP Irrigation Pond                | No Limit mg/L        | 0.2        | 0.2                   | 3      | 0                   | 10            | 10                   |
| 2      | PH Irrigation Pond                | 6.0-9.5              | 8.1        | 8.0 - 8.5             | 5      | 0                   | 10            | 10                   |
| in the | E. Coli Irrigation Pond           | 200 cfu/100 mL       | 207        | 36                    | 3      | 3                   | 10            | 10                   |
| 100    |                                   |                      |            |                       |        |                     |               |                      |

storm Water used for irrigation of grounds and track surfaces. Sample Points: Channel Up, Channel Down, Infield, Drain Up, Drain Down.



# our role in water stewardship

With strong ties to agriculture, we understand that water is a precious resource.

Clean water and proper sanitation is vital to our racing and food & beverage operations, and as importantly, for the health of the communities in which we proudly operate.

That is why, as we set the stage to transform our 684-acres at Woodbine and pursue development plans for Mohawk, we will continue to ensure all our operations use water safely and efficiently.

- \* reducing water consumption across all our facilities
- \* recycling water through our storm ponds at Woodbine
- ★ consulting with leading community and local planning groups such as Conservation Halton and the Toronto Region Conservation Authority

Furthermore, we will continue to conduct and report on our annual stormwater and potable water testing at both our racetracks in full compliance with provincial regulatory policies and guidelines.

The majority of stormwater runoff from Woodbine Racetrack flows into the Humber River via storm sewers and quality reports are submitted annually to the regulating authority. Stormwater run-off from Mohawk Racetrack drains into a small tributary of Killbride Creek and contributes to a provincially significant wetland, which then contributes flow to cold water fish habit. The facultative sewage lagoon system serving Mohawk consists of two cells, 4.69ha in size and 77,475 cubic metres by volume. Effluent from ongoing operations is treated, tested and discharged twice a year. The well-supply system servicing Mohawk is monitored weekly for the quality of treated (chlorination and ultraviolet) water at two pump houses and bi-weekly for the quality of raw water from two wells.

All told, we are committed to enhancing the commercial viability of our racetracks in an environmentally sustainable manner and through the efficient use of water that benefits the agricultural community, reduces operating costs, and minimizes impact on the water table.







### Charting our Performance

#### 2015 Corporate Goal

| Enhance new guest experience to stimulate growth through      |            |
|---|------------|
| new and repeat visitors                                       | Continuous |
| Invest in the recruitment of race horses and new owners to    |            |
| achieve world-class racing                                    | Continuous |
| Expand technology and product distribution to attract and     |            |
| retain repeat horseplayers                                    | Continuous |
| Optimize land development to achieve its highest and best use | Continuous |

Shift our culture to improve trust and employee engagement Continuous

#### **World Class Horse Racin**

| Implement a horsemanship training program | Complete  |
|---|-----------|
| Maintain best-in-class NTRA accreditation | Continuou |
| Increase Mohawk racing program            | Complete  |

#### Guest Experien

| Completed   |
|-------------|
| Ongoing     |
| In Progress |
| Continuous  |
| Completed   |
|             |

### **Employee**:

| Continue roll-out of 'CARE' coaching system | Completed   |
|---|-------------|
| Update the company's corporate intranet     | In Progress |
| Increase leadership visibility              | Continuous  |
| Upgrade an additional employee zone         | Completed   |

Completed

#### Serving our Communi

| Plant a community food garden at Woodbine Racetrack         |
|---|
| Maintain Imagine Canada 'Caring Company' Status             |
| Increase customer awareness of our community and charitable |
| partners though major racing events                         |

### **Protecting the Environmen**

| Complete a biogas feasibility study                           | In Progre |
|---|-----------|
| Achieve Recycling Council of Ontario '3R Waste Certification' |           |
| at Woodbine   | Complete  |
| Implement a waste-to-energy program across all facilities     | Complete  |
| Install solar panels on stable roofs at Woodbine              | Deferre   |
| Become mercury free at Woodbine by 2019                       | Continuo  |



# doing what you love is the **best reward of all**

At Woodbine Entertainment we're passionate about doing better.

For us, creating meaningful, measurable and sustainable results — for ourselves and all our valued stakeholders — is its own reward. But it's nice to be recognized by leading private and public sector organizations for our efforts.

We're proud to have received many such honours over the years, and are pleased to share the following awards we and our people received in 2016.

- **ptimity Award** for Best Employer Branding at the 2016 Canadian HR Awards
- ★ Three **Standardbred Canada Media Excellence Awards**:

#### **Outstanding Written Work** — Keith McCalmont

for "Remembering Those Lost" which paid tribute to those lost in the tragic barn fire at Classy Lane Training Centre

#### **Outstanding Broadcast** – Woodbine Entertainment

for our 60-minute HD special on the Pepsi North America Cup. The award was our fifth such honour in the past six years

### **Outstanding Photography** — Clive Cohen

for his photo taken on October 1, 2016, at Mohawk Racetrack, and published later that night on Woodbine Entertainment's standardbred Instagram feed

- ★ For the eighth consecutive year, Woodbine Racetrack received the *Top Choice Award* as Entertainment Complex of the Year
- ★ WEGZ Stadium Bar earned the *Top Choice Award* as Best Sports Bar (Vaughan) for the fifth straight year

### Engaging our Stakeholders

| How We Engage  | How Often  |  |
|--|--|--|
| Community Partners  Meeting with all charitable and community partners  Partner agencies are invited to attend WEG fundraising events  Human Resources employees participate in community job fairs  and career days  Employees volunteer on local hospital Board Committees | Annually<br>Annually<br>By Invitation<br>Regularly                   |  |
| Employees attend fundraising events<br>Employees participate in United Way's Days of Caring<br>Employees attend AGMs<br>Employees tour local agencies  | By Invitation<br>Annually<br>By Invitation<br>As Requested           |  |
| Customers Customer Service Desk at both racetracks Customer Feedback System ensures all comments, questions, suggestions, or complaints are captured and responded to in a professional, timely manner   | Continuously   |  |
| Exit Interviews at both racetracks Focus groups and qualitative research studies   | Regularly<br>As needed   |  |
| Employees Bulletins and updates on corporate intranet Employee newsletter Employee Engagement Survey (Great Places to Work) Town Hall meetings with the CEO and Senior Executives Health & Safety Committee  | Continuously<br>Continuously<br>Annually<br>3x per Year<br>Regularly |  |
| Horse Industry & Business Partners Industry association/conference meetings Horse industry associations Development Partners   | Regularly<br>Regularly<br>Continuously                               |  |
| Government & Regulators<br>Meetings<br>Lobbying  | Regularly<br>Regularly   |  |
| Media<br>Interviews<br>Press releases<br>Media Events  | Continuously<br>Continuously<br>Regularly                            |  |
| Sponsors Meetings to review contracts Invited to attend media events at racetracks   | Annually<br>Regularly  |  |
| Unions:<br>Meetings<br>Labour Management Meetings<br>Bargaining  | Regularly<br>Regularly<br>Regularly                                  |  |
|  |  |  |

Stakeholders were identified during the materiality assessment as any person or group that has direct dealings with our facilities, or has any influence over or is impacted by our operations.





# about this report

The 2016 Woodbine Entertainment Corporate Responsibility Report describes our performance and efforts across all our facilities for our stakeholders during the 12-month fiscal period of April 1, 2016 to March 31, 2017. Our previous report covered our 12-month fiscal year from April 1, 2015 to March 31, 2016.

Operating as a for-profit company, Woodbine Entertainment remains an Ontario corporation *without* share capital which will invest any and all profits back into the business to promote our corporate objectives with no change to the corporate structure.

This report was prepared following the *Global Reporting Initiative* (GRI) G4 Sustainability Reporting Guidelines which provides the internationally recognized framework for corporate responsibility reporting.

All information in this report focuses on the facilities and operations owned and/or operated by Woodbine Entertainment head-quartered at Woodbine Racetrack in Toronto, Ontario, Canada.

The metrics and goals in this report are established and measured by the internal operational departments that are responsible for achieving them. To provide a meaningful context of our performance, our internal as well as external stakeholders are consulted. Our management team follows a strict system of internal controls, including verification by internal subject-matter experts where applicable, to ensure that this report fairly and accurately represents our results.

A materiality assessment was completed by Woodbine Entertainment's departmental leaders to determine what is material, or important, to the company and what the 2016 report should focus on. This was conducted considering government policy changes, related stakeholder group input, as well as corporate risk management and strategic plan documents. Stakeholder group consultations were not designed specifically for the purpose of corporate responsibility reporting, however stakeholder consultations proved valuable in providing an overview of key concerns. The materiality assessment prioritized the report's topics based on their importance to the stakeholder and the company. The report contains information relating to topics listed in the adjacent matrix as these were identified as the most material.

PHOTO CREDITS: Pictures on page 26 courtesy of the Canadian Horse Racing Hall of Fame. Back cover photo by Clive Cohen. All other racing photos by Michael Burns.

### ourHistory

1881 The Ontario Jockey Club (OJC) was founded to improve the quality of horse racing in the City of Toronto.

As the newly appointed director of the OJC, Edward Plunket Taylor embarked on a bold plan to bring horse racing in the Toronto area up to the same standards as leading racetracks in North America.

Woodbine Racetrack opens, sparking an evolution and growth that forever changes the landscape of the Canadian horse racing industry.
 The OJC opens Mohawk Racetrack in Campbellville, ON for harness racing.

1964 Northern Dancer makes history and a nation proud becoming the first Canadian-bred horse to win the Kentucky Derby.

1973 Secretariat, called the greatest horse of all-time, races for the last time at Woodbine before retiring, winning the Canadian International.

1982 The OJC introduces the first simulcast wagering in North America when live racing at Fort Erie is broadcast via satellite back to Woodbine.

1996 Woodbine becomes the first and only racetrack outside of the United States to host the prestigious Breeders' Cup World Championships.

2001 The OJC changes its corporate name to Woodbine Entertainment Group (WEG) to better reflect its growing multi-dimensional entertainment business.

Woodbine Racetrack becomes the first racetrack in Canada to install a "polytrack" synthetic racing surface to improve horse and rider safety.

2007 Emma-Jayne Wilson becomes the first female jockey to win the Queen's Plate.

2010 Her Majesty Queen Elizabeth II and His Royal Highness The Duke of Edinburgh attend their fourth Queen's Plate, following previous visits in 1959, 1973 and 1997.

Woodbine is ranked the second safest racetrack in North America based on a three-year (2009-2011) Jockey Club Equine Injury Database report.

Ontario Lottery & Gaming (OLG) announces the termination of the Slots at Racetracks program resulting in a year of unprecedented change and uncertainty for the entire horse racing industry in Ontario.

2013 Mohawk Racetrack celebrates its 50th anniversary and the 30th running of the Pepsi North America Cup with Ontario Premier Kathleen Wynne in attendance.

The Horse Racing Partnership Plan - the Ontario government's five-year blueprint to invest up to \$500-million to support the horse racing industry in the province - is announced.

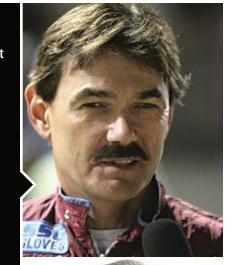
2015 Toronto City Council votes in favour of expanded gaming at Woodbine Racetrack. Woodbine Entertainment announces its intention to build a 165,000 square foot concert and entertainment facility at Woodbine Racetrack.

2016 Woodbine Racetrack celebrates its 60th anniversary. Best-use property development studies completed for Woodbine and Mohawk. Dynamic 'city within a city' master plan unveiled to unlock the value of Woodbine 684-acres of undeveloped land.



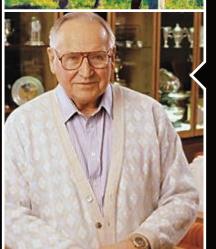
E.P. TAYLOR was the chief architect of the modern evolution of Canadian thoroughbred horse racing and breeding.

JOHN 'MERLIN' CAMPBELL is regarded as one of the greatest harness drivers in history, winning the North America Cup a record six times.



DAVID S. WILLMOT, past Chairman and CEO of Woodbine, built Kinghaven Farms with his father into a premier breeding and racing stable, winning five Queen's Plate titles and the Canadian Triple Crown twice.

CONN SMYTHE, who built Maple Leaf Gardens, won his first of two Queen's Plate trophies in 1958.



CHARLES ARMSTRONG grew
Armstrong Farms into a breeding
and racing dynasty, and was
inducted into the Canadian Horse
Racing Hall of Fame in the
Standardbred Builder category
in 2015.

SANDY HAWLEY, one of the greatest jockeys of all-time, has won 6,450 races, including four Queen's Plates, was twice named Canada's Top Athlete and has received the Order of Canada.





### corporate information

#### woodbineentertainment:

Head office address: 555 Rexdale Boulevard, P.O. Box 156, Toronto, Ontario, Canada M9W 5L2 Telephone: 416.675.7223 / Toll Free: 1.888.675.7223 / Web: www.woodbineentertainment.com

#### officers:

James J. Lawson, Chief Executive Officer
Jamie Martin, Executive Vice-President, Racing
Joe Aschaiek, Senior Vice- President, Finance
Tania Caza, Senior Vice-President, People Experience
Bill Ford, General Counsel and Secretary
Chris Lush, Senior Vice-President, Information Technology
Tom Via, Senior Vice-President, Operations

### regulatorycompliance:

To provide all its guests with a safe and secure gaming environment, Woodbine Entertainment maintains licenses with the *Canadian Pari Mutuel Agency* to offer pari-mutuel wagering on live horse racing at all its venues. It complies with the *Accessibility for Ontarians with Disabilities Act*, and maintains *Electrical Safety Authority* certification and *Code Compliance* certification by the *Technical Standards and Safety Authority* at all its facilities. Know When to Take the Reins is the company's responsible gambling policy. It promotes our policies and programs to help ensure we continually provide a positive gambling experience to all eligible wagering customers (18 years of age or older) at all our venues. Managed in partnership with the *Responsible Gambling Council of Ontario*, this program incorporates customer service staff training on policies and procedures, and includes an information brochure available from customer service staff, at point of sale terminals throughout our facilities, and on our website. By doing so, we make sure important information and resources are available to customers to help them make informed decisions about their gambling practices.

### wewelcomeyourfeedback:

Please direct your inquiries to Emily Mallin at: emallin@woodbineentertainment.com

This report is also available as a PDF and can be downloaded from our website at: www.woodbineentertainment.com

