

Corporate Anti-Human Trafficking Policy

Version	1.0	Applicability	All
Updated Date	August 2023	Owner	Legal

1. Statement Of Policy

Churchill Downs Incorporated and its subsidiaries (collectively referred to as “CDI” or the “Company”) are committed to upholding the human rights of all individuals and believe it to be our social responsibility to treat everyone with respect and dignity. Our dedication to protecting our team members and patrons, conducting all businesses ethically, legally, and safely, and complying with all applicable federal, state, and local laws and regulations to combat human trafficking is paramount to our commitment to respecting internationally recognized human rights wherever we conduct business.

As part of our commitment against human trafficking, CDI condemns all forms of Human Trafficking, which include, but are not limited to, sex trafficking, labor trafficking, and debt bondage.

All personnel are required to take reasonable and practical steps to support this Policy. Non-compliance may have serious consequences for the Company and its employees.

2. Scope

This Policy applies to “Covered Person(s),” which includes all directors, officers, and employees of the Company and its Business Units. This Policy must be read in conjunction with other relevant policies and procedures.

3. Definitions

- A.** “Human Trafficking” is a crime that trades people through force, fraud, or deception with the aim to exploiting them for profit. Trafficking of persons may involve recruitment, transportation, transfer, harboring, or receipt of victims of all genders, ages, and backgrounds, and occurs in every region of the world. Often the traffickers use violence, fake promises of educational and employment opportunities to trick, coerce and deceive their victims.
- i.** In the U.S., the trafficking violation is established when all three of the *Action-Means-Purpose (AMP) Model* are established.¹ Traffickers:
- 1.** Takes an Action (induces, recruits, harbors, transports, provides), and then
 - 2.** Employs the Means of force, fraud, or coercion
 - 3.** For the Purpose of compelling the victim to provide commercial sex acts (sex trafficking) or labor/services (labor trafficking).
- B.** “Sex Trafficking” takes place when a person is coerced, deceived, or forced into engaging in a commercial sex act. When a minor is induced to engage in a commercial sex act, the crime constitutes trafficking regardless of whether coercion, force, or fraud were used.²

¹ <https://humantraffickinghotline.org/sites/default/files/AMP%20Model.pdf>

² <https://www.state.gov/what-is-trafficking-in-persons/>

- C. “Labor Trafficking” or “Forced Labor” is a term that encompasses a range of activities involving a person using force, fraud, or coercion to exploit the labor or services of another person. Such exploitation includes recruiting, harboring, transporting, providing, or obtaining a victim through schemes such as threats of force, psychological coercion, confiscation of identify documents, and/or other forms of coercion.³
- D. “Debt Bondage” occurs when the trafficker’s primary method of coercion is through debt manipulation of the victim. Traffickers may target some individuals who may assume a debt willingly as a condition of future employment, or that the victim inherited the debt from their family and relatives. Traffickers then use these debts to manipulate and compel labor or commercial sex acts to these victims.⁴

4. Team Member Training

All Covered Persons are required to take the Company’s Anti-Human Trafficking training as well as the Code of Conduct training regarding the impact of human trafficking, how to identify potential human trafficking activities and red flags, as well as requirement to immediately report any suspected human trafficking at our facilities.

5. Human Trafficking Red Flags and Indicators

The American Gaming Association has published “Preventing and Combating Human Trafficking in the Gaming Industry,” which includes the following red flags and indicators of Human Trafficking in the casinos, card clubs, and online gaming environment⁵:

- Signs of abuse (verbal or physical)
- Signs of poor hygiene, malnourishment, or fatigue,
- Fearful, anxious, or submissive behavior,
- Victims are not allowed to control their cell phone, ID, hotel key, or money.
- Guests overly concerned about surveillance or security on premises, avoiding interactions with security personnel or the sightlines of cameras or scoping out the perimeter of the casino floor.
- Victims approaching buyers who they do not seem to know, appear inebriated, or are winning big at gaming tables.
- Individuals or group making recurring and frequent trips between the casino floor and hotel rooms.
- Rooms booked for large numbers of people and/or rooms booked in the name of guests with a local address.
- Victims meeting with their trafficker between hotel rooms and the casino floor.
- Excessive requests for sheets and/or towels.
- Multiple individuals going in and out of one room.
- Victims speaking in a scripted, repetitive manner. Refusing to cooperate with security or floor personnel when approaching, or giving evasive or non-responsive answers to questions.
- Victims of similar age, ethnicity, tattoos, or dress accompanied by a trafficker.
- Victims who appear unfamiliar with casinos, seem unsure of how games work, where to congregate or floor rules. Conversely, victims may also frequent the casino and are intimately aware of how the operation runs, show aggressive behavior in response to questions, or flee at the first sign of security or law enforcement personnel.
- Traffickers monitoring controlling the movements of a victim or using hand signals to communicate
- Multiple visits to the property by the potential victim with multiple different buyers.

³ <https://www.state.gov/what-is-trafficking-in-persons/>

⁴ <https://www.state.gov/what-is-trafficking-in-persons/>

⁵ <https://www.americangaming.org/wp-content/uploads/2022/07/AGA-AML-Best-Practices-Guide-2022.pdf>

- Disparity in age between victim and buyer.
- Traffickers dropping off or picking up victims multiple times, or waiting onsite at parking structures, facility exits or drop off locations to meet victims.

6. Internal Reporting

Team Members who become aware of potential Human Trafficking, a violation of this Policy, or any related laws or regulations must immediately report these concerns to their supervisor, Security, Compliance, or Human Resources department at their Business Units, or the Corporate Legal Department. Each Business Unit shall develop a Reporting Procedure that is accessible to all Team Members.

Alternatively, CDI has retained NAVEX Global, a third-party service provider whose staff is experienced in receiving concerns by toll free telephone, email, or the Internet. This service is known as our “Ethics and Compliance Hotline” and is available 24/7. Interpreters are available for language assistance when necessary (See the “Contacts” section below).

7. Responding to Reports (Response Plan)

Each Business Unit must establish a Response Plan for responding to and reporting potential Human Trafficking incidents that is tailored to its organizational structure. Each plan must address the following:

- Where trafficking activities may take place – consider areas such as gaming floor and hotel rooms;
- Whether the Company’s contractors/subcontractors (e.g., third-party vendors/distributors/service providers) have higher risk of Human Trafficking activities based on their base of operations (jurisdiction) or what products/services they offer;
- When to contact local law enforcement agencies – please also reference state- and local-specific laws and regulations;
- Incorporating the National Human Trafficking Hotline (See the “Contact” section below);
- Annual reviews of any updates to 1) local laws and regulations, 2) guidance issued by the American Gaming Association, 3) federal government agencies’ guidance and notices (e.g., the Department of Justice, FinCEN, and the Department of Homeland Security).

8. Team Member Responsibilities

The Company has a zero-tolerance policy for any forms of Human Trafficking activities at any of the Business Units or by any of the Team Member, agents, third-party vendor, supplier, or distributor that are part of our business. As such, all those affiliated with the Company must:

- Comply with all applicable anti-human trafficking laws and regulations
- Do not engage, support, or allow any forms of human trafficking activities
- Conduct due diligence to ensure we do not use or tolerate forced labor.
- Report “If you see something, say something”
- Ensure team members are complying with proper procedures for reporting any concerns of possible trafficking activities.

9. Violations

Failure to comply with this Policy will result in disciplinary action up to, and including, termination of employment. If a third-party vendor, supplier, or distributor is found to have violated this Policy, CDI will promptly take remedial measure to address the violation, up to and including, termination of the business relationship.

10. Contacts

Navex Global “Ethics and Compliance Hotline”	
Website: https://www.cdi.ethicspoint.com	Phone Number: 1-800-736-0485

11. Resources

U.S. National Human Trafficking Hotline	Website: HUMANTRAFFICKINGHOTLINE.ORG Email: help@humantraffickinghotline.org Phone #: (888) 373-7888 Text: “BeFree” to 233733
POLARIS	Website: POLARISPROJECT.ORG Email: info@polarisproject.org Phone #: (202) 790-6300
ECPAT-USA	Website: ECPATUSA.ORG Email: info@ecpatusa.org Phone #: (718) 935-9192
National Center for Missing and Exploited Children	Website: MISSINGKIDS.ORG Phone #: (800)-THE-LOST [(800) 843-5678] Reporting of child sexual exploitation: CyberTipline.org