



The Sportsbet Group

Modern Slavery Statement

27 June 2022

Foreword from the Chairman

The Sportsbet Group is a leading Australian digital e-commerce business in the online wagering sector and is part of the global sports betting group owned by Flutter Entertainment plc (**Flutter**).

With operations in Melbourne, Sydney and Darwin, the Sportsbet Group has over 1000 employees and is committed to:

1. developing strong and lasting relationships with suppliers;
2. mitigating any risks associated with the procurement of good(s) or service(s) from a supplier; and
3. making decisions in an accountable, ethical and transparent manner.

These key attributes and values underpin what the Sportsbet Group stand for in our procurement activities and processes and informs our approach to dealing with suppliers.

Sportsbet acknowledges that modern slavery and human trafficking is a global and complex problem which requires ongoing diligence and continuous improvement to address.

As an organisation we have long taken a number of critical steps to reduce the risk of modern slavery in our supply chains and operations. This includes making the active choice to have our call centre located in Australia, in Darwin.

This modern slavery statement (**Statement**) under the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) outlines the key risks we have identified, our priority areas of focus based on our risk assessment, what we are currently doing to assess and address risks and key steps we are working towards moving forward.

Our values together with the Commonwealth Guidance for Reporting Entities issued by the Australian Border Force and the global approach to be adopted by Flutter will help to refine the approach we take in future years as we continue to develop and execute our modern slavery compliance roadmap.

Sportsbet is committed to upholding the aims and requirements under the Modern Slavery Act. We acknowledge the important role that market leading businesses, like Sportsbet, have to play in combatting modern slavery in global supply chains.

Principal Governing Body Approval

This modern slavery statement was approved by the board of Paddy Power Australia Pty Ltd (ABN 83 133 081 491) in their capacity as principal governing body of Paddy Power Australia Pty Ltd (in accordance with section 13 of the Modern Slavery Act 2018 (Cth) on 27 June 2022.

Signature of Responsible Member

This modern slavery statement is signed by Barni Evans in his role as Chairman of Paddy Power Australia Pty Ltd (ABN 83 133 081 491) (in accordance with section 13 of the Modern Slavery Act 2018 (Cth)) on 27 June 2022.


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Barni Evans, Chairman

1. Criterion 1 Identify the reporting entity

The reporting entity is Paddy Power Australia Pty Ltd (ABN 83 133 081 491), Level 17, 367 Collins Street, Melbourne VIC 3000 (referred to as **we**, **our**, **us** or **PPA** in this Statement).

PPA is a reporting entity under the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) having met the consolidated revenue threshold in the FY20 and 1 January 2021 to 31 December 2021 (**Reporting Period**).

PPA makes this Statement in accordance with section 13 of the Modern Slavery Act as a single reporting entity.

This Statement is made on behalf of PPA and its associated entities which it 'owns' or 'controls' for accounting purposes under the Modern Slavery Act (together, referred to as the **Sportsbet Group**).

Our Statement covers all of the 7 mandatory criteria for reporting as set out in section 16 of the Modern Slavery Act. In preparing this Statement, we have used the Commonwealth Guidance for Reporting Entities (**Government Guidance**) and recently issued Modern Slavery Act Supplementary Guidance to help inform and guide our approach.

2. Criterion 2 Describe the reporting entity's structure, operations and supply chains

2.1 Structure

PPA is the Australian parent company of the Sportsbet Group and is an Australian private limited company limited by shares incorporated in Australia and with registered office in Melbourne, Victoria.

While PPA 'owns' or 'controls' a number of entities for the purpose of the Modern Slavery Act, the main operating entity of the Sportsbet Group is Sportsbet Pty Ltd (**Sportsbet**) which is licensed under the *Racing and Betting Act 1983* (NT) to operate nationally across Australia. The Sportsbet Group is part of a larger global corporate group which is ultimately owned by Flutter Entertainment plc.

The Sportsbet Group has approximately 1050 employees.

2.2 Operations

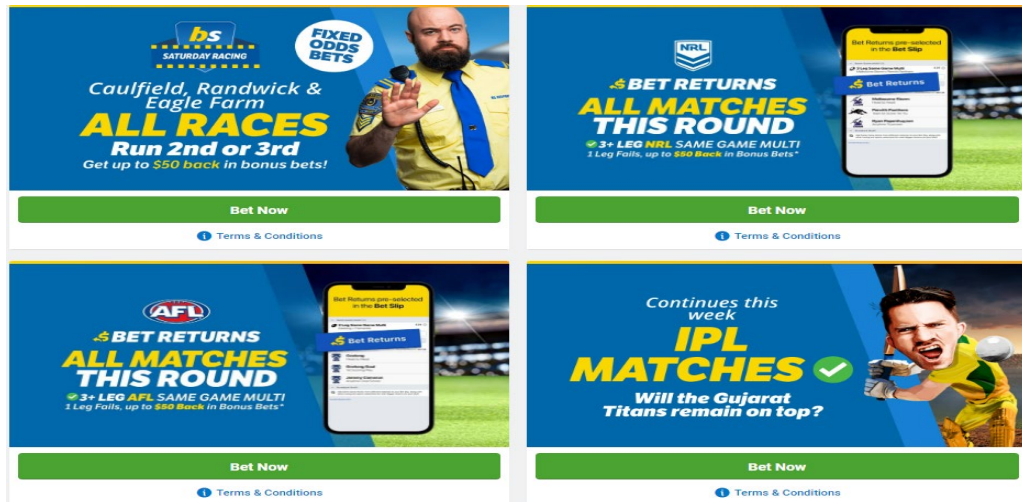
The Sportsbet Group collectively conducts business under the Sportsbet brand and is a leading Australian digital e-commerce business in the online wagering sector with over 2 million Australian customers.

We provide online wagering services to customers through an online technology platform www.sportsbet.com.au.

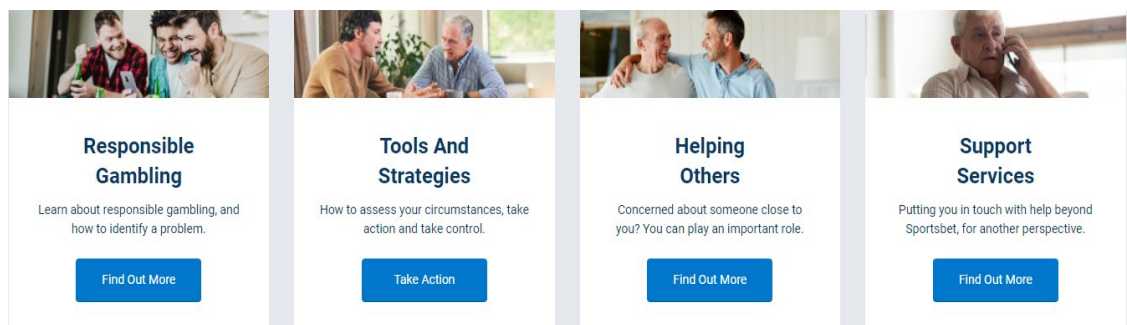
Sportsbet is a corporate sports bookmaker licensed to operate nationally across Australia. The Sportsbet Group has offices in Melbourne, Sydney and Darwin (where our call centre is located).

The Sportsbet Group has a wide range of key operations, these are:

- **Bet transactions** – our customers place bets through our online platforms (online website, mobile apps etc.) and our call centre.
- **Marketing and advertising / promotions** – our bookmaking business is supported by locally produced and distributed marketing and promotions.



- **Customer Support Services** – we operate a call centre in Darwin which supports our customers and their use of our services. The assistance we provide ranges from technical support to safer gambling support. We also provide real-time support through our Live Chat service on our Sportsbet website.
- **Safer Gambling Services** – safer gambling is a key function of our business. We provide our customers with extensive tools, resources and real-time support services to promote safer gambling.



- **Merchandise** – we locally produce a limited range of Sportsbet merchandise which is primarily available to our staff.

2.3 Supply Chain

Generally speaking, our supply chain covers the following main goods and services:

- **content services** for streaming capability, pricing updates and data feeds from local racing and sporting bodies;
- **technology services** for our software, hardware and IT support services;
- **production services** to create Sportsbet advertising content;
- **merchandise** for Sportsbet branded t-shirt, mugs and other apparel; and
- **contractors** for IT and software support services.

We have set out a high-level summary of our supply chain in the Table below.

No.	Product / Service category	Key themes
Key direct suppliers we use in relation to our core service offering		
1.	Technology and Information Services (cloud computing, data hosting etc)	<ul style="list-style-type: none"> ▪ As a technology company we procure a range of technology, software, content, payment solutions and other ICT services to support our core service offering of online wagering services. ▪ Many of these companies are large cloud based technology companies who are located in Australia and headquartered out of the United States of America (USA). ▪ Many of these entities are large global brands who have reporting obligations under the Modern Slavery Act.
2.	Payment Solutions	
3.	Software Platforms	
4.	Social media and Information Services	
5.	Content Production Supply and Services	
6.	Data Analytics Services	
7.	ID Verification	
8.	Merchandise Products	
Indirect Suppliers		
9.	Catering Services	<ul style="list-style-type: none"> ▪ To support our core online business the Sportsbet Group engages a range of other suppliers who supply goods or services that are not integrated or used in our online wagering services. ▪ These are suppliers from whom we purchase goods or services relating to, for example, utilities, facility management, office supplies and professional services and more (Indirect Sourcing). ▪ Again, many of these companies are large companies who also have reporting obligations under the Modern Slavery Act.
10.	Cleaning Services	
11.	Courier Services	
12.	Security Services	
13.	Office Supplies	
14.	Taxi Services	
15.	Real Estate and Property Management	
16.	Professional services (such as insurance providers, lawyers, accountants)	

3. **Criterion 3 Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.**

In this section we identify the ‘risks of modern slavery practices’, meaning the potential for the Sportsbet Group to cause, contribute to, or be directly linked to modern slavery through our operations and supply chains. In this context, ‘risk’ means to people, rather than the risks to the Sportsbet Group (such as reputational or financial damage).

We confirm we have not identified any specific instance of modern slavery during the Reporting Period impacting the Sportsbet Group during the Reporting Period.

During the Reporting Period, the Sportsbet Group has completed a high level scoping exercise to identify key areas of modern slavery risk in our operations and supply chain. This scoping exercise involved undertaking a high-level risk assessment of the Sportsbet Group’s main suppliers in accordance with the Government Guidance and known modern slavery indicators. We set out our initial risk assessment and high level risk mapping exercise of our operations and supply chain in the sections that follow.

The Sportsbet Group recognises that it is in the first few years of its modern slavery journey under the Modern Slavery Act and that identifying and mitigating risks is a continuous improvement process.

3.1 **Potential risks in the Sportsbet Group’s operations**

The Sportsbet Group began a risk assessment process for its own operations during the Reporting Period.

The Sportsbet Group’s employment practices, including employment of direct/permanent workers and engagement of contractors/temporary workers, was identified as an **area of focus** for risk assessment during the Reporting Period.

Critically our call centre is located on-shore in Australia in Darwin.

Employment of direct / permanent workers

We did not identify any significant risks in connection with the employment of our direct/permanent workers nor any potential for the Sportsbet Group to *cause or contribute* to modern slavery risks through its employment practices.

The majority of the Sportsbet Group’s employees are employed in Australia which has been identified in the Global Slavery Index 2018 as having a relatively low prevalence of modern slavery. Our permanent and temporary employees are engaged through individual contracts which ensure that our employees’ working conditions and pay are higher than the relevant legislated minimum pay and conditions. In this Reporting Period, we have verified our employees’ working conditions and pay through a full audit of their individual contracts. Further, our staff are generally skilled employees who work across the Sportsbet Group’s core business areas of technology, trading, marketing, corporate, operations and client services. We therefore consider our employees to work in skilled sectors which are not typically high-risk from a modern slavery perspective.

Where we do need to employ locally sourced contracted staff, we independently verify and maintain appropriate records (e.g. passport or visa) to ensure that these contractors have the legal right to work within Australia. These controls are designed to avoid modern slavery risk situations where employers have increased leverage over their employees.

Overseas contractors / temporary workers

We also use recruiters for temporary workforce from time to time. We are aware that these contractors and temporary workers may be located in countries outside of Australia (including Romania).

We intend to conduct further risk assessment on the arrangements with the software development company and recruiters given we have identified these as potentially higher risk.

3.2 Analysis of which suppliers are also reporting entities under the Modern Slavery Act

We have also undertaken a high level assessment of some of our key direct suppliers to identify which of these entities have also submitted modern slavery statements to the Australian Government run register under the Modern Slavery Act, this assessment has helped us to gain an understanding of which entities may or may not have reporting obligations under the Modern Slavery Act. A number of our suppliers are reporting entities under the Modern Slavery Act and have submitted modern slavery statements. This process has also helped inform us of our prioritised risk based approach to focus on the suppliers listed in section 3.3.

3.3 The Sportsbet Group's priorities

Based on this high level risk mapping exercise we intend to take a prioritised risk based approach as recommended by the Government Guidance.

We have considered the following well known modern slavery indicators and their inherent risks:

- sector and industry risks;
- product and service risks;
- geographic risks; and
- entity risks.

Based on these indicators, in the next few reporting periods, we will be focusing our efforts on the following key areas which we have identified as having potentially a moderate to higher inherent risk in our overall operations and supply chains:

1. **Suppliers who provide staff merchandise products** due to sector and industry risk, product and service risk and potential geographic risk. Specifically, inherent risks of modern slavery may be associated with the extended and complex apparel, uniforms and merchandise supply chain.
2. **Working with building management to better understand the risks associated with the cleaning services** used to clean our offices, call centre and premises in Australia given cleaning is a known sector risk.
3. **Working with our overseas recruitment agencies** to gain a better understanding and visibility of contractors used (such as software developers) who may be located off-shore in countries with a potentially higher risk.

We also identified that the Sportsbet Group's business involves the use of several direct suppliers who source electrical components and equipment for its supplied hardware technology (e.g. computers and servers) services and products. We have identified ICT inputs (i.e. electronic components) as having a higher sector and industry risk and product and service risk. However, as Sportsbet is one of many customers with limited direct impact over those secondary suppliers, this has not been identified as a priority for remediation.

4. **Criterion 4 Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes**

4.1 **Actions taken in the Reporting Period**

Set out below in this section is an overview of the steps we have taken during this reporting period to assess and address the risks in our operations and supply chains.

4.2 **High level risk assessment**

While we are committed to upholding the obligations of the Modern Slavery Act, we are in the early stages of our modern slavery compliance journey. As such, key stakeholders in our legal and procurement teams have worked with leading modern slavery experts in Australia to undertake a high level risk assessment of our supply chains and operations. From this risk assessment, we have identified where our modern slavery risks lie and which areas and suppliers we should prioritise based on the Government Guidance and known modern slavery risk indicators.

4.3 **Compliance controls**

As mentioned in section 3.1, we have compliance controls in place which relevantly includes an annual audit of our employees' individual contracts to ensure that their working conditions and pay are above the relevant legislated minimum.

4.4 **Policies, procedures and other modern slavery measures**

Sportsbet has in place the following current policies and procedures which help prevent modern slavery risks.

- **Whistleblower Policy** which encourages Sportsbet officers, employees and contractors to report dishonest or illegal activity by Sportsbet and its officers, employees and contractors, through the provision of education and awareness raising, procedures and protections in respect of whistleblowing. Our Whistleblower Policy is a comprehensive document which is regularly updated and approved by our CEO and General Counsel.
- **Employee Code of Conduct** which defines the actions, behaviours and practices expected of and required by Sportsbet employees.

In addition to our current relevant policies and procedures, Flutter Entertainment Plc (**Flutter**), the Sportsbet Group's ultimate parent company, is seeking to take a "group wide" approach to modern slavery compliance in the coming years.

However, the Sportsbet Group intends to supplement any Flutter group wide initiatives with local compliance measures to assess and address risks in a way which is informed by the Government Guidance issued by the Australian Border Force.

We have identified the following measures for roll out across the Sportsbet Group over the next 3 reporting periods, subject to the group-wide measures and initiatives of Flutter:

- **An Anti-Modern Slavery Policy** to make clear our expectations of staff and confirm our commitment and ensure there is a clear mechanism to raise concerns;
- **Modern slavery training** and education to raise awareness;
- **A Supplier Code of Conduct** which makes clear our expectations with suppliers;
- **The phased roll out of a comprehensive modern slavery supplier survey** to certain suppliers for areas we have identified as higher risk (in line with our key priorities);
- **Supplier pre-screening questions** in our onboarding process of new suppliers to help identify modern slavery risks with new suppliers; and
- **Inserting modern slavery contractual controls** in key agreements with suppliers.

5. Criterion 5 Describe how the reporting entity assesses the effectiveness of these actions

We intend to use key performance indicators (**KPIs**) to measure how effective we have been in identifying and mitigating modern slavery risks in our supply chain. Based on these KPIs, we will continually assess and improve our modern slavery compliance framework.

We have set out 3 KPIs we hope to achieve in FY22 and intend to develop KPIs tied to the roll-out of a modern slavery roadmap in the future:

No.	Key objective	Key performance indicator
1.	Implement and approve the Anti-Modern Slavery Policy.	Whether the Anti-Modern Slavery Policy has been approved by the PPA Board in FY22.
2.	Implement anti-modern slavery training with key staff to raise awareness of the key concepts of modern slavery and human trafficking.	The percentage of our key staff who have received the rolled out anti-modern slavery training.
3.	Monitoring the number of issues reported by our Whistleblower Policy and Employee Code of Conduct	This will be measured by how many incidents are reported and how promptly we respond.

6. Criterion 6 Describe the process of consultation with any entities the reporting entity own or controls

PPA is making a 'single statement' for the purpose of the Modern Slavery Act and is required to consult with the entities it owns and controls (i.e. members of the Sportsbet Group).

In accordance with the Modern Slavery Act and best practice guidance issued by the Australian Border Force, this single Statement has been developed in consultation with all entities in the Sportsbet Group.

As part of this consultation process, we conducted an initial threshold assessment to identify entities within the Sportsbet Group that have a reporting obligation under the Modern Slavery Act.

We have also prepared this Statement with input from our internal stakeholders, including our legal and procurement team of the Sportsbet Group who have worked with modern slavery legal experts in Australia to help develop and refine our approach.

7. Criterion 7 Provide any other relevant information

7.1 The Impacts of Covid-19

The impact of the COVID-19 pandemic on workers, government, civil society groups and organisations has been significant. We have needed to dedicate time and resources to deal with other immediate consequences of COVID-19 on our business, which has resulted in less time and resources available in this reporting period to address modern slavery risks.

7.2 A Global Approach and Looking Ahead

Flutter is looking to take a global approach to modern slavery compliance. The Sportsbet Group will be implementing global policies and procedures implemented by Flutter and intends to supplement these for local Australian requirements.

We are keeping Flutter informed of the steps the Sportsbet Group is taking and the Australian requirements.

The Sportsbet Group is looking to formalise its priorities in relation to modern slavery for the next 3 years and beyond. We are considering a strategic roadmap to address our modern slavery risks. As immediate priorities, we will focus on the key areas identified in this Statement and achieving the KPIs we have set out.

We understand the role we have to play in combatting modern slavery as a leading Australian digital e-commerce business in the online wagering sector and look forward to reporting on the steps we are taking and progress made in our next Statement.

Annexure A – Approval, Signing and Mandatory Criteria

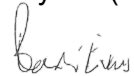
MODERN SLAVERY ACT 2018 (CTH) – STATEMENT

ANNEXURE Principal Governing Body Approval

This modern slavery statement was approved by the *principal governing body* of Paddy Power Australia Pty Ltd (ABN 83 133 081 491) as defined by the *Modern Slavery Act 2018* (Cth) (“the Act”) on 27 June 2022.

Signature of Responsible Member

This modern slavery statement is signed by a *responsible member* of Paddy Power Australia Pty Ltd (ABN 83 133 081 491) as defined by the Act.



Chairman
27 June 2022

Mandatory criteria

Please indicate the page number/s of your statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory criteria	Page number/s
a) Identify the reporting entity.	3
b) Describe the reporting entity’s structure, operations and supply chains.	3-5
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	6-8
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	8-9
e) Describe how the reporting entity assesses the effectiveness of these actions.	9
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	10
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.	Foreword 10