

Modern Slavery Statement – FY20

Mulawa Holdings Pty Ltd

Introduction

This Modern Slavery Statement discloses the risk of modern slavery practices in the operating and supply chains of Mulawa Holdings Pty Ltd and its subsidiaries, known collectively as Federal Group, being an entity based and operating in Australia and having an annual consolidated revenue of more than A\$500 million.

Federal Group is an organisation that values a culture of mutual commitment built on the values of respect, integrity, passion and teamwork. These values extend beyond its employees across Australia to all the suppliers and service providers that Federal Group may deal with. Federal Group is fully supportive of the *Modern Slavery Act 2018 (Act)* and its intention to eliminate modern slavery in all its forms and is committed to implementing and enforcing policies, systems and controls that endeavour to identify and stop modern slavery practices occurring in its supply chains.

Federal Group's structure, operations and supply chains

Mulawa Holdings Pty Limited is the ultimate holding company in the Federal Group and is an Australian-owned private company which manages and operates casinos, hotels, gaming networks, tourist services and a national sensitive freight company.

Federal Group is Tasmania's largest private sector employer with employees located right across the entire state of Tasmania. Including COPE, a national sensitive freight company, Federal Group employs approximately 2,400 people in every State and Territory of Australia.

The hotel operations continue the proud history of Federal Group as the oldest continually operating hotel group in Australia with its origins able to be traced back to Melbourne in the 1880s.

Federal Group's operations include:

- Wrest Point – Australia's first casino that offers accommodation, dining and entertainment services;
- Country Club Tasmania – Australia's first resort-style casino development that offers accommodation, dining and entertainment services, including an 18 hole, par 72 golf course;
- Saffire Freycinet – An international award-winning luxury coastal resort that offers accommodation, a day spa and dining services;
- MACq 01 Hotel – An award-winning storytelling hotel that offers accommodation, dining and activities services;
- The Henry Jones Art Hotel – Australia's first dedicated art hotel that offers accommodation, dining and art tour services;
- Vantage Group – Operates and manages Federal Group's 12 freehold community-based hotels and 20 retail liquor stores across Tasmania providing bar, gaming, bistro, entertainment and retail goods;
- Network Gaming – Manages the distribution of gaming machines and Keno in hotels and clubs throughout Tasmania under the OASIS Gaming and TAskeno banners;
- Odyssey Gaming – A leading technology developer of programs and services which allows venues and Licensed Monitoring Operators to effectively manage and understand player activity; and
- COPE Sensitive Freight – Australia's largest independent specialist sensitive transport company that provides fragile equipment handling and distributing and warehousing services for clients across Australia.

To enable its operations, Federal Group procures goods and services from a wide variety of Australian based suppliers. This includes products provided directly to Federal Group such as food, beverages, gaming equipment, vehicles and cleaning products, services provided such as laundry, consultants and subcontractors and products and services used by indirect suppliers in Federal Group's supply chains such as fuel, components of gaming and IT equipment, furniture and fabrics. Entities within the Federal Group may also lease out parts of owned premises to a variety of commercial tenants and may purchase and dispose of land and property from time to time. Federal Group rarely purchases goods and services from non-Australian based suppliers.

Risks of modern slavery practices in the operations and supply chains

Federal Group recognises that the scope and scale of the company means that it touches many lives. As a family business, this is not something that is ever taken lightly.

Operating across such a diverse range of industries, Federal Group is well aware of the potential for Federal Group to cause, contribute to or be linked to modern slavery through our operations and supply chains. The vision for the future is to be Australia's most respected service business through an unwavering commitment to its principles. Federal Group believe that earning the respect of employees, customers, industry partners and communities will ultimately ensure the long-term success of the company.

Operations

All of Federal Group's operations are located within Australia. Although there is a risk of causing or contributing to modern slavery, this risk is decreased by all of Federal Group's employees and virtually all of its direct suppliers being based in Australia.

Supply chain

The main types of good and services that contribute to Federal Group products and services include:

- food, beverage and retail;
- utilities, rates and rent;
- consumables such as cleaning supplies;
- insurance and banking services;
- laundering, cleaning and maintenance services;
- professional services;
- repairs and maintenance services and supplies;
- vehicle fleet;
- ICT related hardware, software and services;
- marketing services;
- travel services

Federal Group recognises that the risk of modern slavery exists in its supply chain due to the sectors and industries, the types of products and services procured, the location of some of the suppliers or their suppliers/manufacturers and that some other entities may have poor governance structures in relation to modern slavery.

Working with suppliers and building meaningful relationships with them is a priority for Federal Group. It is strongly believed that for any business to be sustainable well into the future it needs to 'put back into the world' and have the support of its local community. In light of this, Federal Group strongly promotes the use of Tasmanian produce and purchasing from local partners and suppliers for its Tasmanian based businesses and for many years has actively demonstrated support for its communities through a purchasing policy that prioritises local businesses and suppliers.

This assists in the mitigation of modern slavery risks as it gives Federal Group greater visibility of its suppliers' practices and attitudes, leads to a more traceable supply chain and allows Federal Group to use their business as leverage to influence change.

Where goods and services must be procured from overseas manufacturers, for example some gaming related products, Federal Group is aware that its direct suppliers source their products and services from a wide range of vendors across the world.

Federal Group's supply chain also includes services provided by subcontractors and agents, mainly for the transport of goods through the COPE Sensitive Freight business. This business engages third parties to assist with completing these orders. COPE may have long-standing relationships with these third-party businesses, or short-term arrangements may be made based on the requirements of customers.

Actions taken to assess and address these risks

Federal Group takes a long-term systematic approach to developing and integrating an ethical supply chain framework and increasing engagement with suppliers to identify risk, assess and address modern slavery risks. This will be achieved by Federal Group's policies, practices, procedures and commercial contract terms and conditions to enable it to undertake due diligence with its existing and future suppliers and remediate where required.

Due diligence

The Federal Group Code of Conduct promotes its values of respect, integrity, passion and teamwork. The Code encourages employees to set high standards by asking questions, Compliance with the Code by Federal Group's employees is a requirement of employment.

It is intended that the behaviours in the Code of Conduct will assist in driving improvements to Federal Group practices relevant to assessing and addressing the risks of modern slavery, in areas such as:

- subcontractor management and oversight;
- consolidation of supplier information;
- supply chain auditing and due diligence;
- risk assessments in high-risk regions and functions; and
- grievance and remediation mechanisms.

Federal Group's sensitive freight company, COPE has a Modern Slavery Policy Statement which references the ten principles of the United Nations Global Compact Network and sets out the standards of behaviour expected of their businesses and employees and that it expects its suppliers to have similar values in relation to modern slavery. COPE undertakes to engage with suppliers to promote and support anti-slavery practices through the supply chain and that any breach by an employee or supplier will be taken seriously and dealt with on a case by case basis. Dependant on the breach, COPE may adopt a zero-tolerance position towards the behaviour and look at preventing further engagement with the supplier.

This Statement and a supporting Modern Slavery Policy will be developed and rolled out across all the businesses in the next 12 months. Adherence to modern slavery laws and principles will also be reflected in the Code of Conduct, other relevant policies such as the Procurement Policy, staff education and updating of template goods and services agreements.

Remediation process

As the largest private employer in Tasmania and a reputation and business presence across Australia, Federal Group understands that it can use its commercial leverage and buying power with suppliers, particularly in Tasmania, to remediate any instances of modern slavery, or the risk of modern slavery practices in its supply chain. This would involve initially a collaborative approach with any such supplier, however Federal Group would consider changing product lines or suppliers if it appears that the risk of modern slavery cannot be resolved.

Federal Group's Whistleblower Policy exists as a mechanism to allow current and former employees, Directors, contractors and suppliers (including employees of contractors and suppliers, to anonymously disclose certain categories of actual or suspected misconduct which includes modern slavery risks in Federal Group's supply chain. Whistleblowers are protected from detrimental conduct and breaches of their confidentiality. Matters are able to be reported in a number of ways to a range of eligible recipients. The whistleblower program is overseen by an internal Whistleblower Committee, which has accountability and makes recommendation on investigation findings to the Federal Group Audit and Risk Committee.

Federal Group recognises that any meaningful remediation or prevention of modern slavery risks is a long term and ongoing process. Federal Group's ability to identify and respond to human rights issues is reliant on employees identifying and reporting potential breaches. As such, it is vital that employees have a good understanding of what human rights and modern slavery issues are; how to report them and how to address them.

Federal Group has identified the areas which require analysis and development as including:

- finalisation of a Group-wide Modern Slavery Policy/Statement;
- a supplier due diligence questionnaire that will include questions about modern slavery risks;
- awareness education for procurement employees; and
- review of supplier agreements to ensure they reflect Federal Group's position and highlight modern slavery risks.

Assessing the effectiveness of these actions

Federal Group is committed to continually improving its policies, procedures, practices and commercial contract terms as its knowledge of the risks and possible remediation increases.

Federal Group will work towards engaging in further detailed risk mapping of its supply chain to identify high risk areas, identifying the types of product or service procured, the location of the supplier, where high risk business models exist and suppliers that may engage or employ vulnerable people and continue to work collaboratively with any identified suppliers. Consideration will be given as to what is the best measurement of effectiveness of Federal Group's management of modern slavery risks such as KPI's for suppliers, employee engagement and issues raised through our grievance and complaint and whistleblowing processes.

Process of consultation

This statement has been produced on behalf of all of Federal Group. It has been produced by the Federal Group Corporate Services team who perform a Group-wide function in consultation with the relevant people in each of its businesses.

This Modern Slavery Statement is approved by the Board of Directors for Mulawa Holdings Pty Ltd on 10 February 2021

Gregory Farrell
Managing Director
Mulawa Holdings Pty Ltd

Reporting Entities

The following entities are considered reporting entities under the *Modern Slavery Act 2018* (Cth) and are covered by this statement:

Mulawa Holdings Pty Ltd (ACN 000 259 834)
Janala Pty Ltd (ACN 003 672 839)
Federal Holdings Tasmania Pty Ltd (ACN 097 627 677)
Australian National Hotels Pty Ltd (ACN 009 477 552)
Tasmania Country Club Casino Pty Ltd (ACN 009 516 189)
Federal East Coast Holdings Pty Ltd (ACN 099 918 715)
Vantage Hotel Group Pty Ltd (ACN 087 546 245)
Halsata Pty Ltd (ACN 120 619 123)
Odyssey Gaming Services Pty Ltd (ACN 061 363 139)
Mulawa Arabian Stud (ACN 001 738 076)
Mulawa Management Pty Ltd (ACN 009 598 896)
FHR Support Services Pty Ltd (ACN 100 541 606)
Mulawa Superannuation Pty Ltd (ACN 070 099 375)
Mulawa Properties Pty Ltd (ACN 075 034 150)
Mosavar Pty Ltd (ACN 110 473 571)
Palborn Pty Ltd (ACN 133 698 049)
Tal Holdings Pty Ltd (ACN 002 594 121)
The Federal Hotels Pty Ltd (ACN 004 108 249)
Odyssey Gaming Pty Ltd (ACN 074 735 452)
Bounty Pty Ltd (ACN 096 276 292)
Bounty Systems Pty Ltd (ACN 090 692 489)