

Modern Slavery Statement FY23

Victoria Amateur Turf Club (incorporating the Melbourne Racing Club)
ABN 96 267 203 634 (Melbourne Racing Club)



MRC
Melbourne Racing Club



Introduction

This statement covers all activities of the Victoria Amateur Turf Club (incorporating the Melbourne Racing Club), and its related entities (in this statement, defined together as the “Melbourne Racing Club”), dedicated to understanding and actively engaging in measures to reduce the risk of modern slavery within our operations and supply chains.

This is the fourth modern slavery statement prepared by the Melbourne Racing Club in accordance with the Modern Slavery Act 2018 (Cth) (the “Act”) and applies to the financial year ending 30 June 2023.

Modern slavery, as defined by the Act, manifests in various insidious forms such as slavery, human trafficking, forced marriage, forced labour, debt bondage, child labour and deceptive recruitment for labour or services. At Melbourne Racing Club, we uphold a zero-tolerance policy towards any and all forms of modern slavery in our operations and supply chains. Our commitment is not merely to comply with the law but to be proactive in safeguarding human rights.

Our Business

The Melbourne Racing Club, beginning in 1875, is a not-for-profit members' club with excess of 13,000 racing members. The Melbourne Racing Club conducts over 70 thoroughbred race meetings annually across three racetracks in greater Melbourne - Caulfield, Mornington, and Ladbrokes Park (Sandown).

In addition to horse racing, the Melbourne Racing Club also holds functions and events across its venues, including lifestyle and leisure shows, music and food festivals, trade shows and motorsport racing.

The Melbourne Racing Club also has interests in property development, including involvement in the Caulfield Village development and masterplan projects at Caulfield.

The Melbourne Racing Club controls the Pegasus Leisure Group, which operates a portfolio of hotel

and club venues located across greater Melbourne. Lastly, the MRC Foundation, established in 2014, is the Melbourne Racing Club's philanthropic arm. The MRC Foundation assists a diverse range of groups and organisations, particularly those within the local areas of the Melbourne Racing Club's racecourses, Pegasus Leisure Group Venues and participants within the racing industry. The MRC Foundation engages the Melbourne Racing Club's customers and the broader Victorian community in raising charitable funds and providing various forms of support to individuals and worthwhile causes.

About 2,300 staff, including 369 permanent staff, are employed by the Melbourne Racing Club, peaking at approximately 2,000 staff during Spring Carnival.

All operations of the Melbourne Racing Club take place in Victoria, Australia.





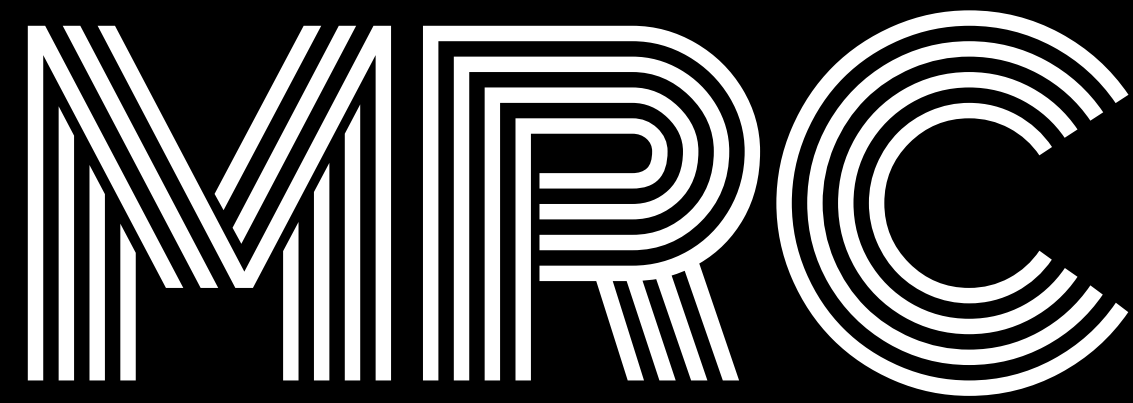
Our Structure, Operations & Supply Chains

Throughout the reporting period, the reporting entity, Victoria Amateur Turf Club (incorporating the Melbourne Racing Club) (“the VATC”) operated its various business arms as set out below pursuant to a group organisational structure including its key subsidiaries, being Melbourne Racing Club F&B

Limited, MRC Investments Pty Ltd, Yadnum Pty Ltd and MRC Foundation Limited.

The key operations of the Melbourne Racing Club’s businesses and its associated major supply chains are set over the following pages.

Structure



Melbourne Racing Club

Entity:

Victoria Amateur Turf Club (incorporating the Melbourne Racing Club)

Operations

- Facilitating thoroughbred race meetings across three racecourses, at Caulfield, Ladbrokes Park (Sandown), and Mornington (including Spring Racing Carnival events)
- Operating thoroughbred training facilities
- Promoting, carrying on and encouraging the racing of thoroughbred horses in Victoria
- Management and operation of public entertainment events and festivals
- Hiring of its venues to external parties to host functions and events
- Property development, including the Caulfield Village development and Caulfield Masterplan activities.

Supply Chain

- Food and beverage suppliers (which operate in industries including agriculture, meat processing, viticulture) - approx. 315 suppliers
- Services provided by external suppliers including cleaning, waste removal, security, maintenance, construction, and external advisors – over 350 suppliers
- Supply of general operational goods and infrastructure equipment (including hires) - over 180 suppliers
- Supply of merchandise – approx. 15 suppliers
- Horticultural suppliers for the maintaining of racetracks, including labour- approx. 20 suppliers
- IT services and office consumables – approx. 35 suppliers

Structure



Entity:

Victoria Amateur Turf Club (incorporating the Melbourne Racing Club)

Melbourne Racing Club F&B Limited

Melbourne Racing Club Investments Pty Ltd

Yadnum Pty Ltd

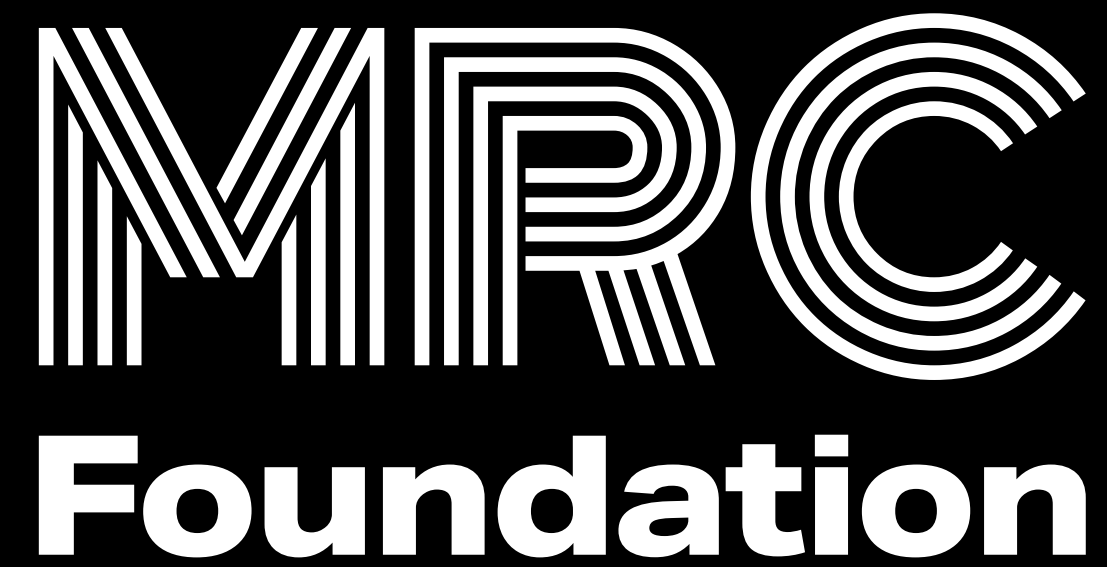
Operations

- Management of 14 hotel and club venues (as of 30 June 2023)
- Providing gaming services as well as food and beverage offering at each venue

Supply Chain

- Food and beverage suppliers (which operate in industries including agriculture, meat processing, viticulture) – approx. 63 suppliers
- Operational requirements including regular servicing of equipment as well as repairs and maintenance requirements – over 54 suppliers
- Supply of general operational goods – over 65 suppliers
- Services provided by external companies including gaming, security, waste removal, cleaning, and external advisors – approx. 41 suppliers

Structure



Entity:

MRC Foundation Limited as trustee for MRC Foundation

Operations

- Hosting of events to raise funds for allocation and donation to charities

Supply Chain

- Sourcing of goods and services to host events to raise monies
- Suppliers of sponsored programmes

Collaborative Approach

As referred to above, VATC is the only entity within the Melbourne Racing Club group required to produce a modern slavery statement pursuant to the Act.

However, the VATC and its subsidiaries share common committee members, boards, and executives across the Melbourne Racing Club. In addition, there are several shared services departments across the Melbourne Racing Club that work for all entities, included but not limited to procurement, legal, risk management, P&C, IT and finance.

Therefore, while the VATC is the primary reporting entity for this statement, it's

important to underscore that this report is the culmination of a comprehensive collaborative effort. All entities under VATC's ownership or control have been actively involved in both the assessment and preparation phases of this statement. This inclusive approach ensures that the statement comprehensively addresses modern slavery risks across the entire spectrum of the Melbourne Racing Club's operations and supply chain, emphasizing a unified and thorough commitment to ethical practices throughout our collective entity.



Potential Risks of Modern Slavery

The Melbourne Racing Club has performed a comprehensive assessment on its key areas of expenditure within the supply chain across all areas of its operations to identify any areas that could be considered as vulnerable to modern slavery risk.

Melbourne Racing Club has a predominantly Australian-based supply chain made up of approximately 1,600 direct suppliers, with payments being made by Melbourne Racing Club to 1,200 suppliers in FY23. Over 98% of these suppliers are concentrated in Australia.

Melbourne Racing Club has identified that some areas of its supply chain, that are direct contracted suppliers to Melbourne Racing Club, may be at risk of modern slavery practices due to the nature of the

goods and services to be purchased. These include security services, cleaning services, purchase of electrical and technology (hardware, software, and cloud services), and merchandise and clothing. We have identified approximately 65 suppliers within these sectors in FY23.

The Melbourne Racing Club is steadfast in its commitment to continuous improvement, constantly evolving our processes and systems to more effectively identify and address modern slavery risks. Each year, we strive to enhance our capabilities in this critical area, ensuring that our response to modern slavery risks is not only proactive but also increasingly robust and effective.

Our Actions in Addressing the Risk of Modern Slavery

Our approach to mitigating the risks associated with modern slavery is multi-faceted and comprehensive, guided by four key pillars:

Governance:

This encompasses the implementation of robust internal policies and standards, carefully drafted contract terms, and the active involvement of our dedicated Modern Slavery Working Group. These measures collectively ensure a structured and policy-driven approach to managing modern slavery risks.

Empowerment:

We are committed to empowering our staff through extensive training programs and awareness initiatives. This empowers our team to identify, understand, and take appropriate actions against modern slavery practices.

Collaboration and Remediation:

Our strategy involves proactive engagement with our suppliers to address supply chain responsibility. This includes open dialogue and collaborative efforts to ensure sustainability and ethical practices, focusing on modern slavery and other ethical concerns. We work towards not just identifying, but also rectifying any issues discovered in our supply chain.

Due Diligence:

We conduct due diligence on our major suppliers. This process includes the implementation of supplier scorecards and audits to assess compliance and risk levels.



Actions Taken in FY23

This section outlines the Melbourne Racing Club's proactive steps in FY23 to assess and mitigate the risk of modern slavery in our supply chain. Our primary focus has been the continuous review of our supplier base, primarily through the distribution of a Modern Slavery Survey.

Surveying our Suppliers

In order to enhance our capability to identify and evaluate potential risks within our supply chain and to form effective strategies to mitigate the risks of Modern Slavery, the Melbourne Racing Club introduced a Modern Slavery survey to its suppliers starting in FY22. The survey is issued to both major suppliers and any supplier that had been designated as having a higher risk of modern slavery. The survey has found that our key suppliers have undertaken a review of their supply chains and in many cases have implemented process and policies in relation to Modern Slavery within their supply chains.

Building on the policy and approach from the prior year, we are continuing the practice that all new primary suppliers under the categories of medium or high risk must complete the Modern Slavery Survey or provide a Modern Slavery policy in FY23. The survey results are assessed prior to final approval for these suppliers to commence work with the Melbourne Racing Club.

Understanding the Risk

Our interactive training program on modern slavery, launched in FY21, is now an integral part of our staff's annual training schedule, with refresher courses mandated each year. This training module is also a key component of our new staff onboarding process.

The procurement department actively participates in key training and seminars to stay abreast of the requirements of the Act. Furthermore, our Modern Slavery Working Group, established in 2020, continues to play a vital role in ensuring compliance and discussing strategies to address modern slavery risks.

Actions Taken in FY23

Policies

To uphold ethical business practices and human rights, the Melbourne Racing Club has implemented several key policies, including:

- Code of Conduct Policy
- Purchasing Policy
- Discrimination, Bullying and Harassment Policy
- Equality and Equal Employment Opportunity Policy
- Safety Policy
- Whistle-blower Policy

Contracts

The Melbourne Racing Club continues to incorporate obligations in all new formal contracts entered into between the Melbourne Racing Club and suppliers with a risk of modern slavery within its supply chain. These obligations are related to the reduction of modern slavery in its supply chain and compliance with the Act (where applicable).

Labour

The Melbourne Racing Club seeks to ensure ongoing compliance with the requirements of the Labour Hire Licensing Act 2018 (Vic), by putting processes in place to ensure all current and new suppliers of the Melbourne Racing Club's labour hire providers are appropriately licensed.

Future Actions

Looking beyond 2023, our plans to continuously identify and manage risks of modern slavery in our supply chain and operations include:

- Utilising Eftsure for verifying suppliers compliance with our policies and certificates
- Industry engagement to collaborate with key partners for best practices
- Comprehensive reviews of key categories
- Ongoing management of suppliers that are deemed high risk

Assessing the Effectiveness of Our Actions

The Melbourne Racing Club is committed to not only complying with the Modern Slavery Act but also actively addressing potential modern slavery issues within its supply chain. To this end, an internal working group, comprising senior executives, was established in 2020. This group plays a pivotal role in ensuring that our initiatives against modern slavery continue to evolve and do not become static.

Significant strides have been made in raising awareness about modern slavery issues among our staff since our initial reporting period under the Act. The concerted efforts in internal and external staff training, along with the development of robust internal processes, have markedly enhanced our ability to identify and understand potential modern slavery risks across our operations and key supply chains.

While acknowledging the progress we have made, the Melbourne Racing Club also recognizes the necessity for continual improvement. Moving forward, our focus will be on developing

a more concrete and measurable framework. This framework will be aimed at managing modern slavery risks more effectively and assessing the impact of our actions to date in a quantifiable manner.

This statement was approved by the Committee, the principal governing body of the Victoria Amateur Turf Club (incorporating the Melbourne Racing Club), which serves as the reporting entity. The approval was granted on 30 November 2023.

Matthew Cain



Melbourne Racing Club Chairman
30 November 2023