

Modern Slavery Statement 2022

Victoria Amateur Turf Club (incorporating the Melbourne Racing Club)

ABN 96 267 203 634 (Melbourne Racing Club)



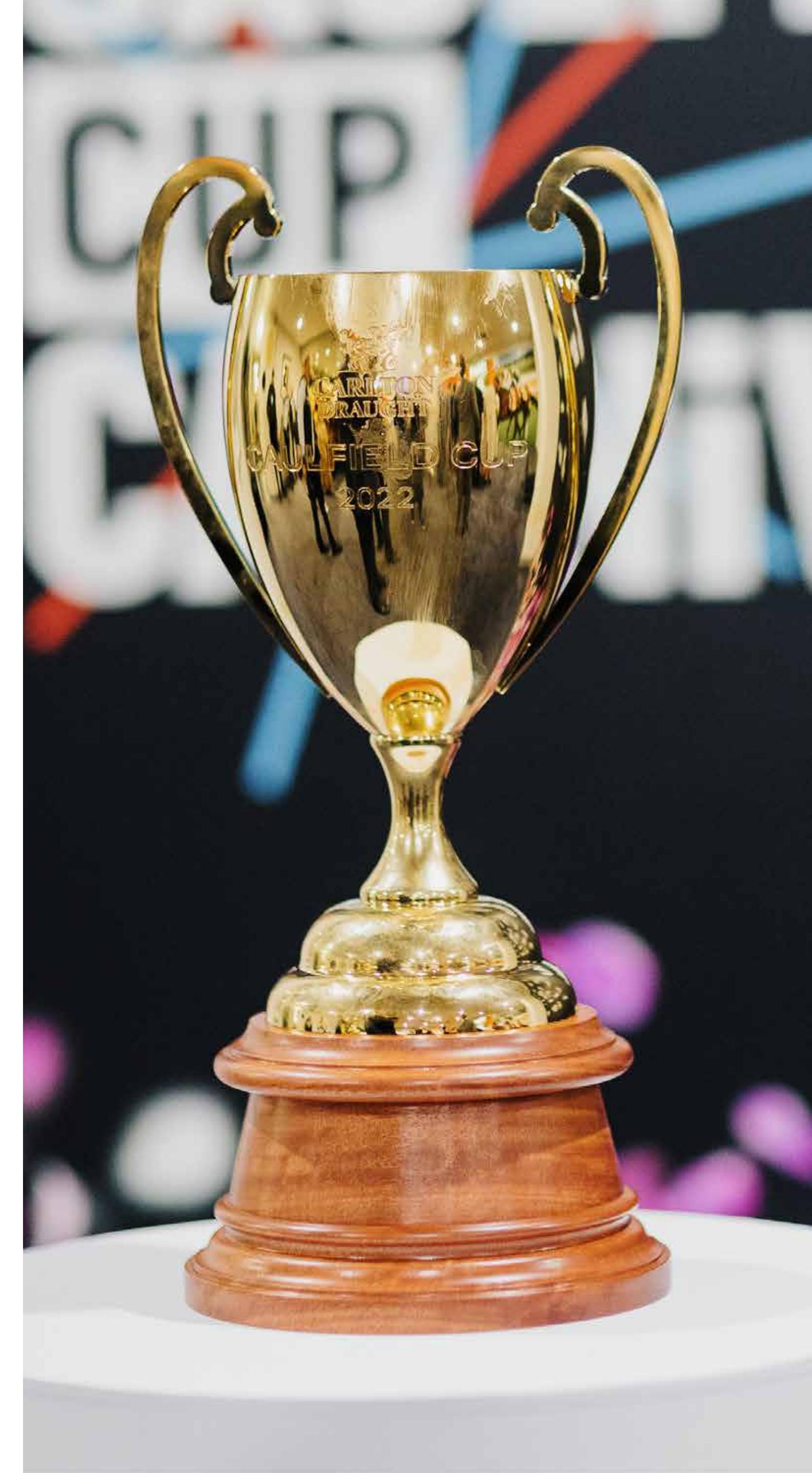
Introduction

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”), to understand and implement actions to minimise the risk of modern slavery in its operations and supply chain.

This is the third 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 2022.

The Melbourne Racing Club understands that modern slavery can occur in many forms, as defined by the Act. This can include slavery, human trafficking, forced marriage, forced labour, debt bondage, child labour and deceptive recruiting for labour or services.

The Melbourne Racing Club does not tolerate modern slavery in any form in its operations and supply chains and is responsible for being alert to such risks.





Our Business

The Melbourne Racing Club, beginning in 1875, is a not-for-profit members' club within excess of 11,000 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, through the Caulfield Village development and planned 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 wider Victorian community in generating charitable funds and other in-kind support in order to support people and causes in need.

About 2,000 staff, including 300 permanent staff, are employed by the Melbourne Racing Club, peaking at approximately 2,500 staff during spring carnival.

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

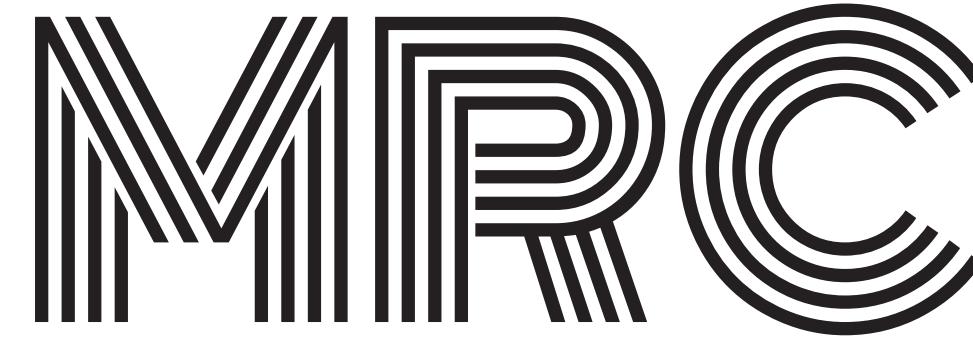


Our Structure, Operations & Supply Chains

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 out over the coming 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

Supply Chain

- Food and beverage suppliers (which operate in industries including agriculture, meat processing, viticulture) - approx. 100 suppliers
- Services provided by external suppliers including cleaning, waste removal, security, maintenance, construction, and external advisors – over 250 suppliers
- Supply of general operational goods and infrastructure equipment (including hires) - over 180 suppliers
- Supply of merchandise – approx. 10 suppliers
- Horticultural suppliers for the maintaining of racetracks, including labour- approx. 15 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

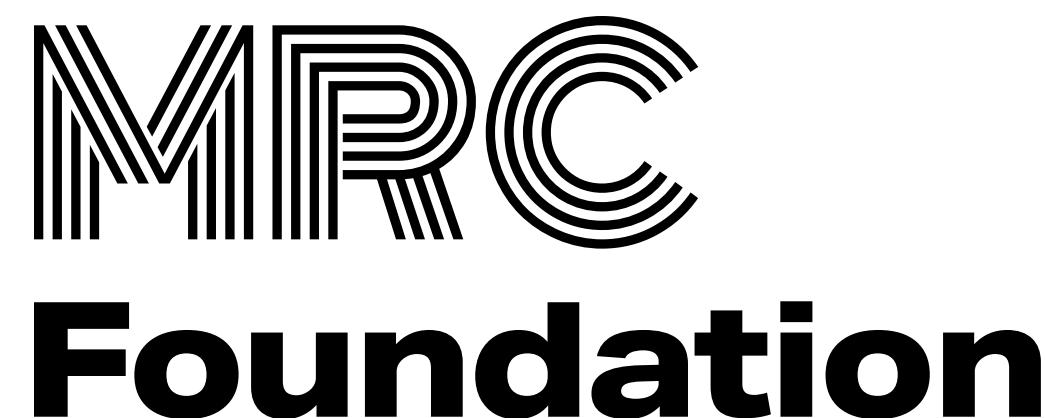
Yadnum Pty Ltd

Operations

- Management of 13 hotel and club venues (as of 30 June 2022)
- 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. 50 suppliers
- Operational requirements including regular servicing of equipment as well as repairs and maintenance requirements – over 30 suppliers
- Supply of general operational goods – over 40 suppliers
- Services provided by external companies including gaming, security, waste removal, cleaning, and external advisors – approx. 20 suppliers



Entity:

MRC Foundation Limited as trustee for MRC Foundation

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

- 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 between all entities, including but not limited to procurement, legal, risk and finance.

Therefore, while VATC is the reporting entity under this statement, all companies the VATC owns or controls were consulted during the assessment undertaken and preparation of this statement, and this statement applies to modern slavery risks in respect of the entire supply chain and operations of the Melbourne Racing Club as a whole.





Potential Risks of Modern Slavery

Melbourne Racing Club has assessed and understood its key areas of expenditure within its supply chain across all areas of its business to identify any areas that may be considered as an area of risk in relation to modern slavery.

Melbourne Racing Club has a predominantly Australian-based supply chain made up of approximately 1500 direct suppliers, with payments being made by Melbourne Racing Club to 930 suppliers in FY22. 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 50 suppliers within these sectors in FY22.

The Melbourne Racing Club aims to improve our processes and systems to identify and respond to modern slavery risks each year.

Our Actions, Addressing the Risk

Our approach to Modern Slavery is guided by the following:

- Governance: which includes internal policies, standards, contract terms and the Modern Slavery Working Group
- Empowerment: which includes staff training and raising awareness
- Collaboration and remediation: which includes our suppliers
- Due Diligence: Conduct detailed due diligence on major suppliers, including supplier scorecards and audits

Actions Taken in 2022

The following paragraphs set out the actions that the Melbourne Racing Club has taken in 2022 to assess the risk of modern slavery practices in its supply chain. The key focus for the year has been on reviewing our supplier base with the issuing of a Modern Slavery Survey to our suppliers.

Surveying our Suppliers

To better identify and assess the possible risks in our supply chain and to identify mitigation efforts to combat the risk of Modern Slavery, the Melbourne Racing Club developed and issued a survey to its suppliers.

The survey was issued to both major suppliers and any supplier that had been designated as having a higher risk of modern slavery.

The survey had over 100 supplier responses which covered in excess of \$120 million of annual supplier payments which is over 65% of annual operating costs. A promising finding from the results of the survey was that our key suppliers have reviewed their own supply chain and in many cases have put in place processes, procedures, and policies in relation to Modern Slavery within their supply chains.

Since FY22 all new supplier requests where suppliers are categorised as medium or high risk are required to complete the Modern Slavery Survey. The survey results are reviewed prior to this supplier being approved as a supplier to the Melbourne Racing Club.



Our Actions, Addressing the Risk (cont.)

Understanding the Risk

A bespoke interactive training programme on the risks of modern slavery was commissioned and rolled out to all staff in FY21. Staff that have already completed the training must now do an annual refresher training on Modern Slavery annually. This additional training commenced in FY22.

This training module has been added to the onboarding process of all new permanent staff.

Members of the procurement department are required to attend key training and seminars to understand requirements of the Act.

A modern slavery working group was established in 2020 to ensure obligations are met and to discuss addressing modern slavery risks generally.

Policies

The Melbourne Racing Club has a number of policies in place to ensure that employees and the business not only ensure ethical business practices, but also promote and support respect for human rights. These policies include:

- 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 ensure all new formal contracts entered into between the Melbourne Racing Club and suppliers with a risk of modern slavery within its supply chain include obligations in relation to reducing 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 adequately licensed.

Future Actions

The Melbourne Racing Club's planning for post-2022 actions to ensure continued identification and management of risks of modern slavery within its supply chain and operations includes:

- Creation of a Modern Slavery Policy
- Engaging within our industry to collaborate with key partners to ensure best practice
- Key Category Reviews
- On-going management of suppliers that are deemed high risk



Assessing the Effectiveness of Our Actions

To ensure the Melbourne Racing Club is both complying with the Act and addressing potential modern slavery issues within its supply chain, an internal working group, which includes senior executives, was established in 2020.

This group also ensures that progress on addressing modern slavery is continually evolving and does not stagnate.

The working group considers that the awareness of modern slavery issues across the Melbourne Racing Club staff has greatly improved in the first three reporting periods under the Act. The internal and external training of staff, and development of internal processes have allowed Melbourne Racing Club to identify and understand potential risks of modern slavery across its key supply chains.

The Melbourne Racing Club considers it has made good progress, but there is always more work to do. Moving forward, it intends to establish in a more measurable sense how we will assess effectiveness of our actions to date.

Ultimately, the Melbourne Racing Club recognises that modern slavery risks and practices are not static, and it is committed to continuing to manage and assess its effectiveness on an ongoing basis.

This statement was approved by the Committee, the principal governing body of the Victoria Amateur Turf Club (incorporating the Melbourne Racing Club), the reporting entity, on 16 December 2022.



Matthew Cain
Chairman
16 December 2022



Melbourne Racing Club