



# MODERN SLAVERY STATEMENT 2020

Victoria Amateur Turf Club (incorporating the Melbourne Racing Club)

ABN 96 267 203 634 (Melbourne Racing Club)



# MODERN SLAVERY STATEMENT 2020

## 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 first modern slavery statement prepared by the Melbourne Racing Club in accordance with the Modern Slavery Act 2018 (Cth) (the “Act”), and applies to its financial year ending 30 June 2020.

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 labor, debt bondage, child labor 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, with its beginnings dating back to 1875, is a not-for-profit members' club with in excess of 15,000 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 of all sizes across its venues that include 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.

During the statement period, the Melbourne Racing Club also operated three retail Gontran Cherrier stores across Melbourne, one of which included a full scale commercial bakery. These stores, which had both retail and wholesale arms, were permanently closed in April 2020.

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 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 during spring carnival.

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

## Structure, Operations & Supply Chains

The reporting entity, Victoria Amateur Turf Club (incorporating the Melbourne Racing Club) (“the VATC”) operates 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, MRC Foundation Limited and via a joint venture with Country Racing Victoria Limited, Thoroughbred Gaming Group Pty Ltd.

The table on the next page sets out the key operations of the Melbourne Racing Club’s businesses and its associated major supply chains.



## STRUCTURE

## OPERATIONS

## SUPPLY CHAIN

### Melbourne Racing Club



**Entity:**

Victoria Amateur Turf Club (incorporating the Melbourne Racing Club)

- Facilitating thoroughbred race meetings across three racecourses, at Caulfield, Sandown and Mornington (including Spring Racing Carnival events)
- Operating thoroughbred training facilities at Caulfield and Mornington racecourses
- 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

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

## STRUCTURE

## OPERATIONS

## SUPPLY CHAIN

### MRC Foundation



**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

## STRUCTURE

## OPERATIONS

## SUPPLY CHAIN

### Pegasus Leisure Group



**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

Thoroughbred Gaming Group Pty Ltd

- Management of 12 hotel and club venues (as of 30 June 2020)
- Providing gaming services as well as food and beverage offering at each venue

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

## STRUCTURE

## OPERATIONS

## SUPPLY CHAIN

### Gontran Cherrier



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**Entity:**

Gontran Cherrier Management Pty Ltd

- Located in three sites
- The baking of bread and pastries for retail sale
- Sale of coffee and products at each site
- Wholesale distribution of bakery products to the hospitality industry

- Food suppliers to produce bakery items, key items including flour and butter.
- Operational service suppliers including cleaning, maintenance of equipment, external advisors.
- Logistics supplier for delivery of product into the hospitality industry.

## 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, the assessment undertaken and information set out within 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 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 IT equipment, and merchandise and clothing.

The effects of Covid-19 substantially impacted the Melbourne Racing Club's ability to assess the full nature, context and extent of these risk areas.

## Addressing the Risk *Actions Taken to Date*

The following table sets out the actions that the Melbourne Racing Club has taken up until 30 June 2020 to assess the risk of modern slavery practices in its supply chain.

### Understanding the Risk

- Attendance at key training and seminars by members of procurement and legal department to understand requirements of the Act.
- Establishment of a modern slavery working group to ensure obligations are met and to discuss addressing modern slavery risks generally.

### Identify Areas of Risk

- A review of key supply chain categories to determine key suppliers within the supply chain that there may be a risk of modern slavery with that supply chain.

### Process and Policies

- Updating the Melbourne Racing Club's internal Purchasing Policy to:
  - ~ ensure procurement has oversight of key suppliers; and
  - ~ include reference to the Act and modern slavery risks generally, directing staff to consider the issue and engage with procurement to discuss any potential modern slavery risk with a selected supplier.
- Updating the supplier request process where questions must be answered about the potential risk of modern slavery with that proposed supplier prior to engagement, for review by procurement.

### Contracts

- All new formal contracts entered into between the Melbourne Racing Club and suppliers with a risk of modern slavery within its supply chain includes obligations in relation to reducing modern slavery in its supply chain and compliance with the Act (where applicable).

### Labour Hire licensing

- Compliance with the requirements of the Labour Hire Licensing Act 2018 (Vic), by putting processes in place to ensure all of the Melbourne Racing Club's labour hire providers are adequately licensed.

### Future Actions

- Planning for post-2020 actions to ensure continued identification and management of risks of modern slavery within its supply chain and operations.

## 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.

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 reporting period 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's progress in both assessing the full nature, context or extent of modern slavery risks in its supply chains, and implementing actual changes in respect of those risks, during the final quarter of the reporting period was dramatically interrupted by Covid-19, delaying a number of intended measures and actions.

However, 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 action 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.

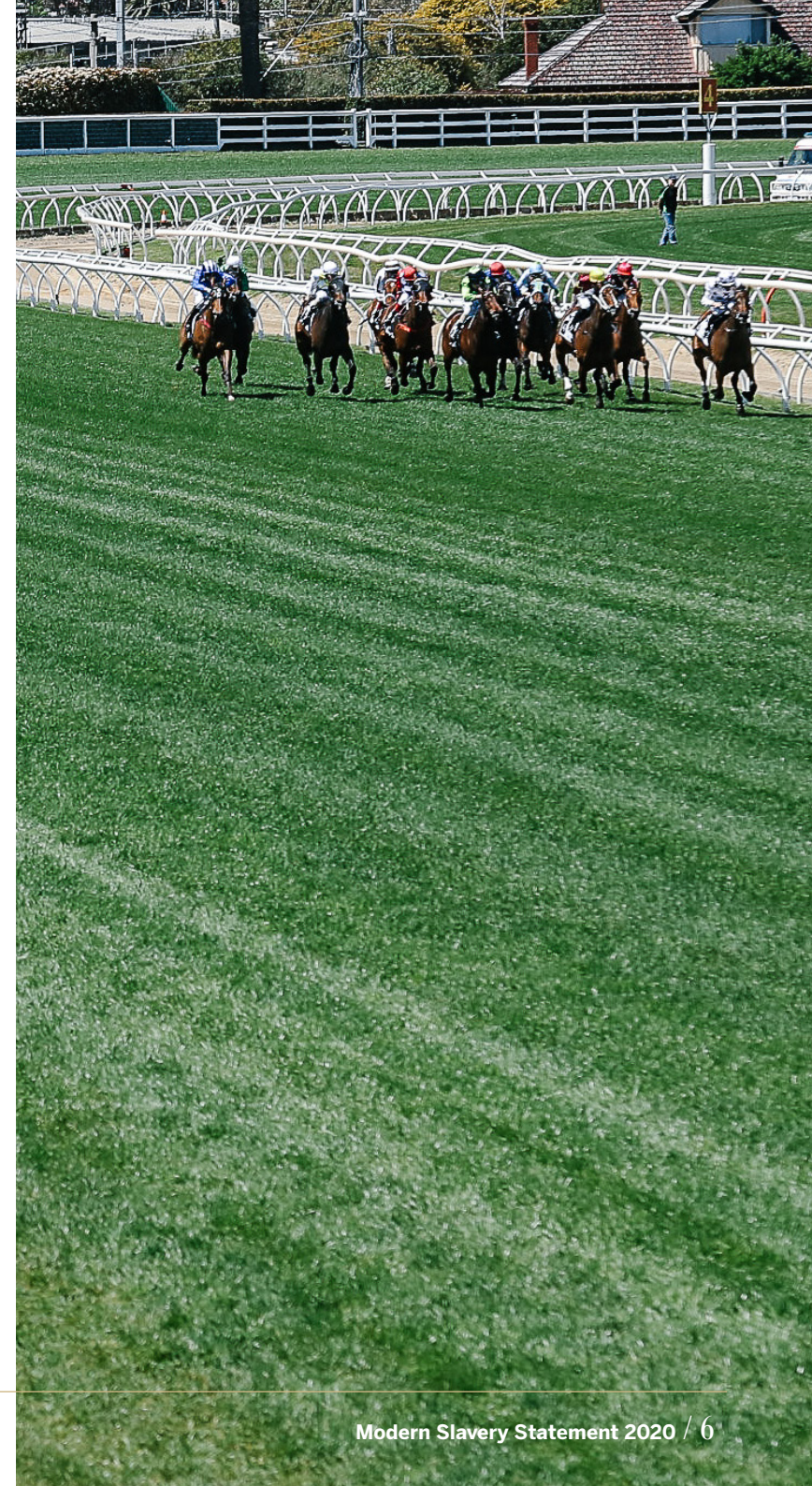
This statement was approved by the Committee, being the principal governing body, of the Victoria Amateur Turf Club (incorporating the Melbourne Racing Club) on 25 March 2021.



**Peter Le Grand**

Chairman

25 March 2021



# Melbourne Racing Club

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