

Modern Slavery Statement – FY21

Mulawa Holdings Pty Ltd

Introduction

This is the second Modern Slavery Statement published pursuant to the *Modern Slavery Act 2018* (Cth) (Act) by 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 remains fully supportive of the Act and this second statement reinforces its continued commitment 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 located 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 21 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

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.

During this second reporting period, Federal Group continued to monitor and review the likely risks of modern slavery practices across our operations and supply chain. Federal Group recognised that the vulnerability of workers to modern slavery practices may have increased as a result of the COVID-19 pandemic with global challenges to business continuity for different tiers of our supply chain. It is expected that these challenges will continue in some circumstances and Federal Group will pay close attention to these matters throughout the next reporting period and beyond.

Federal Group businesses have been influenced or affected by the following over the last financial year, including:

- changes made to the way we operate to ensure alignment with government COVID-19 directions and guidance, to ensure best practice occupational health and safety;
- delays in supply chains;
- an increased demand for consumables associated with the COVID-19 pandemic, particularly across high demand items such as Personal Protective Equipment; and
- lockdowns, border closures and travel uncertainty have meant that training that may have been undertaken was either conducted remotely or postponed.

However, the risks of modern slavery practices in Federal Group's operations and supply chains is assessed as being substantially the same as it was in 2020.

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.

Federal Group will continue to work with its suppliers to build meaningful relationships. Particularly in these COVID-19 times, Federal Group promotes the use of Tasmanian produce and purchasing from local partners and suppliers for its Tasmanian based businesses, as it has done for many years, and actively demonstrates its 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, results in supportive working relationships with suppliers, 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

In our first statement, Federal Group committed to implementing a Modern Slavery Policy and this Policy was released on 1 August 2021. This Group-wide Policy conveyed to all Federal Group businesses that Federal Group is committed to taking all reasonable measures to ensure its businesses address the risk of modern slavery practices in their dealings with suppliers, contractors and other business partners.

The Policy requires Federal Group businesses to acknowledge they are accountable for addressing modern slavery risks and to map their supply chains to assess any identified risks. The principles of the Policy must be incorporated into all Federal Group business's policies, guidelines and procedures and include:

- conducting business operations in accordance with high ethical standards;
- compliance with all applicable laws, regulations and sanctions;
- the mapping and understanding of supply chains; and
- commitment to working with our suppliers to assist, educate and remedy as applicable.

Breaches of this Policy will be taken seriously and may result in dismissal for an employee or preventing further engagement if the breach is by a supplier.

Federal Group has identified a need for employees involved in procurement decisions to be trained in identifying risks relating to modern slavery within supply chains. Federal Group will be providing training to key procurement staff and suppliers to incorporate and mitigate these risks in Federal Group procurement practices.

Federal Group continues to take 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.

Initial mapping and risk assessment of supply chains is continuing, leading to the development of a plan that will incorporate elements including a supplier questionnaire and more detailed risk assessments that will see actions and mitigation strategies allocated to suppliers based on risk. This will lead to the finalising of a Federal Group Supplier Code of Conduct, which will be required to be agreed to by all our suppliers and will become part of our procurement processes.

Reference to the Federal Group Modern Slavery Policy has started to be included in new clauses in our goods and services agreements. Federal Group's sensitive freight company, COPE, previously had a Modern Slavery Policy Statement which is now supplemented by the Federal Group Policy. COPE now also includes in all its customer contracts the clause:

MODERN SLAVERY

COPE is committed to adhering to ethical practices and does not tolerate any form of modern slavery such as slavery, forced labour, child exploitation and debt bondage. COPE pays in accordance with Australian Law and ensure all contractors & suppliers do the same.

Due to the nature of its industry and its dealings with international businesses, COPE has noted that in the last 12 months, there has been an increase in their customers asking for COPE's position on modern slavery. This has reinforced to COPE the importance of modern slavery to its customers. COPE's next priority is making modern policy considerations a standard part of their supplier engagement.

Federal Group's ability to identify and respond to human rights issues is reliant on employees and suppliers 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.

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.

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 recommendations on investigation findings to the Federal Group Audit and Risk Committee.

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 already sees clauses relating to modern slavery and the requirement for a policy in our third party agreements which is reassurance of the importance and visibility of modern slavery to our suppliers and customers.

The Federal Group Modern Slavery Policy defines roles, responsibilities and accountabilities within our businesses. There have been no reported instances of reporting of issues of risk of modern slavery from either within our employees or via our whistleblowing mechanism. The next step is reviewing the risk mapping of the supply chain to develop 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.

An effective way to measure the effectiveness of any actions taken will mean asking and then making changes based on the findings, questions such as:

- Do our suppliers and customers understand what modern slavery is and what we expect from them?
- Are our due diligence processes robust enough to identify issues so that they can be addressed?
- Are the actions we implement really going to ensure that an issue has been dealt with and cannot occur again?
- Are disclosers comfortable to use our whistleblower process?

This will enable Federal Group to identify key performance metrics to monitor the effectiveness of our actions and identify areas which will require further work in the future.

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 21 December 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)