


# MODERN SLAVERY STATEMENT

2020







The purpose of this Statement is to assess, address and demonstrate Tennis Australia's responsibility under the Act and more importantly, to assist in the promotion and preservation of human rights.

#### **INTRODUCTION AND IDENTITY OF REPORTING ENTITY**

This is the first Modern Slavery Statement (Statement) issued by Tennis Australia Limited (ABN 61 006 281 125) (Tennis Australia), as a reporting entity pursuant to the Modern Slavery Act 2018 (Cth) (the Act).

Tennis Australia's purpose is to grow, manage, promote and showcase the game of tennis domestically and represent Australia's tennis interests internationally. The Australian Open is owned and organised by Tennis Australia each year at Melbourne Park, Victoria. Tennis Australia's members comprise six state and two territory tennis associations, also known as Member Associations.

The purpose of this Statement is to assess, address and demonstrate Tennis Australia's responsibility under the Act and more importantly, to assist in the promotion and preservation of human rights. Whilst confident its business operations and supply chain do not pose a high risk of exposure or opportunities for human rights abuses, Tennis Australia recognises its responsibility within these supply chains and is constantly seeking to enhance its corporate contribution.

#### **ORGANISATIONAL STRUCTURE, OPERATIONS AND TENNIS AUSTRALIA SUPPLY CHAIN**

##### **Organisational Structure**

Tennis Australia is a not for profit company limited by guarantee and registered in Australia. It has two subsidiaries:

- (a) The Australian Tennis Foundation Limited (ABN 98 138 906 797) (ATF), a charitable organisation registered with the Australian Charities and Not-for-Profits Commission; and
- (b) Tennis Nxt Limited, a company incorporated and domiciled in Hong Kong (Tennis NXT). Tennis Nxt is currently dormant, with no statement of profit or loss or other comprehensive income and statement of changes in equity prepared for the last financial year to 30 June 2020, due to there being no income or changes in equity during that year.

Neither the ATF or Tennis NXT are considered reporting entities under the Act.

##### **Tennis Australia Operations and Supply Chain**

Tennis Australia is a national sporting organisation (NSO). Tennis Australia's head office is located at Melbourne Park, Melbourne, Victoria, with the majority of its workforce located within Victoria but some team members based in other locations, primarily in states and territories of Australia.

Tennis Australia's operations are primarily based in Australia, with a significant proportion of the company's revenue and expenses directly attributable to the Australian Open Grand Slam event in Melbourne each year. Whilst a majority of suppliers are domiciled within Australia, there are still a proportion of suppliers based offshore, and some local suppliers obtain their goods from third party, offshore suppliers. Front of house and back of house operations at Melbourne Park, the venue at which the Australian Open is held, are conducted by Melbourne and Olympic Parks Trust under an operational agreement.





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#### **RISKS OF MODERN SLAVERY PRACTICES WITHIN TENNIS AUSTRALIA'S OPERATIONS AND SUPPLY CHAINS**

As an NSO, Tennis Australia undertook an initial consideration of the extent to which its operations could cause or contribute to modern slavery act risks (MSA risks). In overviews of its activities it considered:

- the degree to which its operations had exposure to vulnerable workers or vulnerable populations
- whether or not its business model as a NSO was inherently MSA high risk
- whether or not it was in a MSA high risk sector or dealt with a MSA high risk sector
- the degree to which it was exposed to emerging economy geographies that were MSA high risk.

As a result of this initial screening, Tennis Australia considers the risk of its operations directly resulting in modern slavery practices to be quite low. It also considers the risk of its supply chain contributing to any such practices to be small. However, Tennis Australia recognises that a genuine and ongoing assessment of business operations is still required to ensure the company is aware of its place within the supply chain.

Tennis Australia has identified the following streams at some degree of risk of modern slavery practices:

- (a) merchandise;
- (b) larger procurement projects (both local and offshore); and
- (c) offshore engagement in high risk jurisdictions (both suppliers and revenue partners).

#### **Merchandise**

Though not a major part of Tennis Australia's operations, merchandise is an important part of the fan experience at the Australian Open. Tennis Australia understands that social, environmental and sustainability values are important part of the consumer value proposition and it seeks to associate its brand with responsible suppliers. Whilst Tennis Australia does not source manufactured goods directly, the company recognises its leadership position as the trusted end point in the supply chain prior to merchandise (generally clothing, apparel and accessories) being on-sold to consumers. Merchandise is sold both online and via on-site purchases during the Australian Open each year. Tennis Australia engages licensees directly for the purpose of sourcing and manufacturing merchandise, whilst licensing its intellectual property in its registered trademarks to facilitate this process.

Tennis Australia previously outsourced the engagement of its licensees to a third party, but in early 2019, chose to directly engage these licensees itself, so as to ensure greater control and visibility over the engagement and management of its licensee family.

Any new licensee is required to complete a detailed and pointed supplier questionnaire as part of their approval, appointment and on boarding process with Tennis

Australia. The supplier questionnaire requires the supplier to answer a number of questions about its compliance with the Act, its manufacturing locations, and its due diligence, responsiveness and training around modern slavery. During the reporting period relevant to this Statement, Tennis Australia did not receive any supplier responses that gave rise to any concern.

As a further addition to Tennis Australia's direct engagement of its licensees, contracts were enhanced with additional provisions relevant to compliance with laws, with targeted modern slavery provisions included. The provisions require the licensee to give a number of assurances that its manufacturing and distribution practices respect all human rights, including complying with labour laws, and not using or benefiting from involuntary labour or child labour in accordance with the ILO Conventions. Verifying this will be an area of focus as part of continuous improvement in MSA compliance.

#### **Review Of Tennis Australia's Procurement Policy And Request For Tender Material**

As part of its initial consideration of MSA, Tennis Australia identified that procurement was a focus area. During the reporting period, Tennis Australia updated its procurement policy with particular attention to material that was to accompany Tennis Australia's sourcing of its larger engagements (those being supply arrangements of AUD\$200,000 or more). The policy now includes enhanced requirements and compliance statements in relation to sourcing via the Request For Tender process, with respondents needing to provide evidence and positive affirmation in relation to any supply chain and modern slavery risks.



Management and monitoring of compliance of the procurement policy sits with Tennis Australia's procurement team. The procurement team sits as an independent service to the operational part of the business and is able to provide unimpaired guidance to the operational and commercial teams.

In late 2020, Tennis Australia's Member Associations also adopted the procurement policy so as to ensure common and consistent engagement practices across the tennis family.

#### **Engagement Of Offshore Suppliers And Partners In Higher Risk Jurisdictions Offshore**

In late 2018, Tennis Australia implemented the Guidelines for Selecting Third Parties to Represent Tennis Australia (Guidelines). The purpose of the Guidelines is to outline for Tennis Australia team members:

- (a) the expected general business conduct and practices while carrying out their Tennis Australia duties; and
- (b) the requirements when selecting third parties to represent Tennis Australia.

To ensure that ethical practices are utilised in the promotion and sale of goods and services on behalf of the company, the Guidelines set out the ethical standards of business conduct and practices required of Tennis Australia team members

when carrying out their duties for the company.

In selecting third parties to represent Tennis Australia, team members are required to use appropriate due diligence, approval and contractual safe holds when selecting and engaging these third parties to ensure they are:

- (a) reputable and qualified;
- (b) able to agree to, and will, comply with, all applicable laws and Tennis Australia policies;
- (c) not on the AUSTRAC sanction list; and
- (d) in the case of any third party who:
  - (i) wishes to represent Tennis Australia in discussions or negotiations with a government or government official; or
  - (ii) is located in a jurisdiction with a CPI score of 65 or below,

that a further, in-depth and independent assessment has been conducted by an appropriately qualified third party.

(CPI means the Corruption Perceptions Index published annually by Transparency International which ranks 180 countries and territories by their perceived levels of public sector corruption according to experts and business people and uses a scale of 0 to 100, where 0 is 'highly corrupt' and 100 is 'very clean'.)

#### **Tennis Australia Policies**

Tennis Australia maintains a robust set of policies, guidelines and training for its team members, which will assist in monitoring modern slavery practice compliance, including the following:

- (a) Code of Conduct;
- (b) Whistleblower Policy;
- (c) Guidelines for Selecting Third Parties to Represent Tennis Australia;
- (d) Safeguarding Children Code of Conduct;
- (e) Tennis Anti-Corruption Policy;
- (f) Gift and Entertainment Policy; and
- (g) Procurement Policy.

Tennis Australia's policies are reviewed regularly to ensure they remain appropriate and relevant given the nature of its operations as an NSO.







Tennis Australia is committed to continuous improvement in its response to MSA risks.

#### **ACTIONS TO ASSESS AND ADDRESS TENNIS AUSTRALIA'S MODERN SLAVERY RISKS**

At present, Tennis Australia believes that it has appropriately identified the primary risks in its operations and supply chain in relation to modern slavery practices, as set out in Section 3 above. Regular engagement by the Tennis Australia Legal, Finance (primarily Procurement) and Integrity teams will continue to examine business streams and operations, particularly with new product lines and innovations being rolled out regularly across the business.

The ongoing review of Tennis Australia's policies, training programs, contracts and engagement procedures are recognised as genuine and meaningful ways in which Tennis Australia can continue to monitor its compliance with the Act.

Tennis Australia is committed to continuous improvement in its response to MSA risks. A further update to all Tennis Australia's supply contracts, not just those relevant to merchandise licensees, is intended to take place during the next reporting period. Resulting actions will be prioritised on the size of the addressable spend and the degree of the MSA risk.

#### **ASSESSING THE EFFECTIVENESS OF TENNIS AUSTRALIA'S ACTIONS**

Tennis Australia recognises the opportunity for a more targeted anti-modern slavery practices policy that practically addresses the specific nature and extent of the main MSA risks it faces as a national sporting organisation and that it can effectively influence as well as enhancing current training and onboarding practices for its workforce to assist the key departments (Legal, Procurement and Integrity) in identifying and managing these risks.

Tennis Australia has also recently implemented a more robust and responsive finance management system which will assist in providing information and data and further oversight of engagements across the company.

The reporting period covered by this Statement is for the financial year ending 30 June 2020, however, Tennis Australia will seek an adjustment to the reporting period in relation to next year's Statement to take into account Tennis Australia shifting its financial year to the period commencing 1 October and ending on 30 September.

This Statement is made pursuant to the *Modern Slavery Act 2018* (Cth) and has been approved by the Board of Tennis Australia Limited.

Signed



Jayne Hrdlicka  
Chair  
Tennis Australia Limited  
March 2021



