

# VGW MODERN SLAVERY STATEMENT



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## INTRODUCTION

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This statement has been developed in accordance with the requirements of the Australian *Modern Slavery Act 2018* (Cth) (**Act**). It outlines the actions taken by VGW Holdings Limited (ACN 147 193 511) (**VGW** or **we**) and its wholly owned and controlled entities (referred to collectively as **VGW Group**) to identify, assess and reduce the risk of modern slavery practices in its operations and supply chains during the year ending 30 June 2020.

The VGW Group is committed to identifying and eradicating any modern slavery practices in its operations and supply chains. In support of this commitment VGW will continuously improve its approach to addressing modern slavery risks, including by implementing and enforcing effective systems and controls.

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## STRUCTURE AND OPERATIONS

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VGW is an Australian public company which operates from and has its registered office in Perth, Western Australia. VGW has subsidiaries in Australia, the United States of America (**US**), Canada and Malta. As at 30 June 2020, VGW Group employed approximately 533 employees.

The VGW Group is an online social gaming provider and its key operating activities comprise:

**Direct employment of personnel:**

The VGW Group employs personnel such as engineers, developers, designers, data analysts, mathematicians, marketing specialists, managers, compliance officers, human resources advisors, accountants and lawyers across its offices. The recruitment process of VGW Group personnel is predominantly conducted from VGW's office in Perth, Western Australia.

**Provision and delivery of online services:**

The VGW Group offers online social gaming services and promotions to customers located in certain territories in the US and Canada.

**Research and development:**

Personnel within the VGW Group engage in research and development to produce new offerings and games as well as improve on existing offerings.

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## SUPPLY CHAINS

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As an online social gaming provider, the VGW Group's supply chains consist of the following key categories:

**Consulting:**

Consulting services supplied to the VGW Group include product development and brand and design consultancy services.

**Customer Service:**

Customer services supplied to the VGW Group include responding to customer queries, addressing complaints, troubleshooting issues and complying with anti-fraud and anti-money laundering requirements.

**Finance and tax:**

Financial and tax services supplied to the VGW Group include payroll, auditing and advisory services.

**Legal:**

Legal services supplied to the VGW Group include legal advisory services relating to employment, intellectual property, marketing and promotions, and branding.

**Marketing:**

Marketing services supplied to the VGW Group include promotional and advertising services.

**Payments:**

Payments services supplied to the VGW Group include the processing of payments and other payment related services.

**Technology:**

The VGW Group procures software to support its operations as well as hardware such as laptops, monitors, computer accessories, conferencing equipment and printers/copiers.

In addition to the above key categories, services such as catering, cleaning, utilities, travel, and production of branded merchandise are included in the VGW Group's supply chains.

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## RISKS OF MODERN SLAVERY PRACTICES

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### **Direct Operations**

Given the industry in which the VGW Group operates (online social gaming) and the location of its offices in low-risk jurisdictions (Australia, US, Canada and Malta), we have assessed the risk of modern slavery practices within the VGW Group's direct business operations as low. VGW Group entities are either directly responsible for their own recruitment of personnel and management of office facilities or obtain support for these functions from VGW.

The engagement of independent contractors in the Philippines to deliver customer support services and in Romania to work on product development was identified as a potential issue as these are higher risk jurisdictions based on information sourced via the Global Slavery Index.

The risk in respect of contractors in the Philippines is mitigated significantly because they are engaged by VGW Group entities rather than through a third party. VGW is therefore able to directly monitor the arrangements to ensure that its contractors received fair service fees and are not subject to modern slavery practices.

VGW Group contractors in Romania are engaged by an external third party based in Romania. There is no indication that Romanian contractors are subject to modern slavery practices, but VGW will undertake detailed due diligence in relation to the third party provider to further assure itself that such practices do not exist.

### **Supply Chains**

We are of the view that the VGW Group's supply chains are predominantly low risk, taking into account the industry in which it operates and the nature of the goods and services it procures. However, the potential for modern slavery to exist is recognised, particularly in the VGW Group's extended supply chains and higher risk categories or locations.

The following procurement categories have been identified as having a higher risk of modern slavery:

- Technology infrastructure and hardware
- Facilities service providers (e.g. cleaning and premises maintenance)
- Merchandise supply chains (e.g. production of branded clothing and other items)

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## ACTIONS TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

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VGW's commitment to identifying and eradicating modern slavery in its operations and supply chains is reflected in the following initiatives that had been implemented across the VGW Group as at 30 June 2020:

### **Code of Conduct and Other Policies**

- The Code of Conduct (**Code**) applies to all VGW Group personnel, including employees, contractors, managers and directors.
- The Code describes the practices and behaviours necessary to maintain confidence in the integrity of the VGW Group and makes clear the behaviours expected of VGW personnel to strengthen the internal culture of the business. This includes behaving ethically and complying with the law.
- The VGW Group also has other policies to help guide the behaviour of its personnel, including an Anti-Money Laundering Policy and Diversity Policy.

### **Whistleblower Policy**

- The Whistleblower Policy provides VGW Group personnel, suppliers and associates (as well as relatives of each of those persons) with assurance that if they disclose wrongdoings they can do so safely, securely and with confidence that they will be protected and supported.
- Whistleblowers can make a disclosure through the FairCall service (provided by an external third party intermediary appointed by VGW to receive disclosures) or to one of the whistleblower protection officers at VGW.
- A whistleblower may choose to remain anonymous throughout the entire process.

### **OneTrust System**

- The VGW Group uses the OneTrust system to assist with its assessment and management of vendors/suppliers. Most VGW Group vendors/suppliers are assessed via OneTrust prior to entering into a business relationship with them.
- The assessment currently focuses on security, data and privacy, but will soon include specific due diligence in relation to modern slavery risks.

### **Recruitment and terms of employment contracts**

- The majority of recruitment for the VGW Group is conducted by personnel located in Perth. VGW is therefore able to ensure that the process is conducted in an ethical and transparent manner and that employment contracts contain fair and just terms in relation to wages, working hours and other working conditions.
- This oversight aids in curbing any direct instances of modern slavery practices within the VGW Group's operations.

### **Centralised technology procurement function**

- VGW has a centralised process for all software procured by the VGW Group which consults each of the Group's technology, privacy, security, legal and contract management functions.
- This centralised process provides VGW with oversight over all technology procured by the VGW Group and provides a good foundation for undertaking due diligence and assessing those supply chains from a modern slavery perspective.

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## ASSESSMENT OF EFFECTIVENESS

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VGW is in the process of putting in place a formal modern slavery framework that will enable it to more comprehensively assess and mitigate the risks of modern slavery in the VGW Group's operations and supply chains. We will continue to make further improvements to the VGW Group's processes and procedures, including those described in the **OTHER RELEVANT INFORMATION** section of this Statement.

As VGW's modern slavery framework becomes more sophisticated, we plan to develop a program of monitoring and auditing, including reviewing targeted suppliers. We aspire to continuously improve our approach to modern slavery risks.



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## CONSULTATION

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Global policies and procedures, including those relating to modern slavery, are implemented across the entire VGW Group. As the entities within the VGW Group operate in the same industry and share common directors, they adhere to and observe common policies and processes, including those described in this Statement.

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## OTHER RELEVANT INFORMATION

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As part of VGW's commitment to identify and eradicate modern slavery practices in its operations and supply chains, a range of additional actions have either commenced or are planned and will be reported in subsequent statements. These include:

### **Modern Slavery Due Diligence Questionnaire (Questionnaire)**

- The Questionnaire will:
  - assist the VGW Group to identify and assess the risk of modern slavery practices occurring in its supply chains
  - comprise a set of questions contained within OneTrust as a separate modern slavery component that suppliers will be asked to complete and
  - be rolled out in stages, starting with high value and perceived higher risk suppliers. Progress will be reported in future statements.

### **Modern slavery clauses in contracts**

- The VGW Group is preparing to include clauses in contracts with suppliers (where possible) containing representations and obligations in relation to:
  - the supplier's commitment to preventing modern slavery practices
  - co-operating with VGW by providing information required to assess modern slavery risks in their operations and supply chains.

### **Modern Slavery Policy**

- A Modern Slavery Policy will be implemented across the VGW Group. The policy will:
  - solidify the VGW Group's commitment to identifying and addressing risks of modern slavery occurring in its operations and supply chains
  - set out the standards of behaviour expected of VGW Group personnel in identifying and addressing modern slavery risks.

### **Implementation of Contracts Management System**

- VGW is implementing a contracts management system that will act as an efficient mechanism to track all VGW Group vendors/suppliers.
- The contracts management system will complement the OneTrust system and together both systems will equip VGW with ability to efficiently analyse and monitor modern slavery risks within the VGW Group's supply chains.

### **Anti-Bribery and Corruption Policy**

- An Anti-Bribery and Corruption Policy was adopted during the year ending 30 June 2021, adding to the VGW Group's suite of policies that guide the behaviour of its personnel.

### **COVID-19 response**

VGW acknowledges that COVID-19 may have an impact on modern slavery risks within VGW Group's supply chains. We will strive to ensure that any COVID-19 related modern slavery risks are identified and addressed accordingly.

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APPROVAL

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This Statement was approved by the board of directors of VGW Holdings Limited on 24 March 2021.



**Laurence Escalante**  
Director  
VGW Holdings Limited

24 March 2021