



Endeavour 2022 AGM report

ASX code	EDV
Meeting date	18 October 2022
Type of meeting	Hybrid (webcast)
Monitor	Julieanne Mills
Pre AGM-meeting	With chair Peter Hearl, INED Joanne Pollard, Investor Relations Sean O'Sullivan and Anna Collins.

Meeting Statistics

Number of holdings represented by ASA	223
Number of shares represented by ASA	2,116,574
Value of shares represented by ASA	\$14.964 million
Total number attending meeting	Awaiting co. response - approx. 150 in the room
Market capitalisation	\$12.48 billion
ASA open proxies voted	on a poll. ASA voted in favour of all the resolutions

Back to normal with a live AGM that was also webcast to shareholders and open to questions and voting online. The meeting was well attended with the large room over half full and refreshments and access to directors and executives after the meeting. It was a very well run meeting with the chair taking control of questions but allowing reasonable debate.

The meeting opened with a welcome to country. The Chairmans address focused on the progress that had been made during a year of constant disruption and unpredictability. The work that had been done to establish appropriate governance systems and frameworks in its first year as a separately listed company. A lot of focus was placed on responsibility "striving to build a culture" and "leaving a positive imprint" as if they were apologising for their gambling and alcohol sales. Corporate social responsibility is becoming particularly important part of corporate governance for Endeavour.

First quarter results were released on the day of the AGM and they showed Hotels recovering well with a 91% increase in sales to \$538million. Retail is returning to pre-COVID levels with a 6.2% decrease in sales at \$2.49 billion. Overall, the first quarter saw 3.1% increase in Revenue to \$3.02billion.

The demerger has allowed Endeavour to invest in their own business and this has occurred with investments in new wineries, hotels, continuing renewals, and upgraded pokies. It seems to be paying off and there will be more to come.

The chairman and CEO address can be found here:

<https://www.endeavourgroup.com.au/investor-relations>

ASA asked about the pokies' revenue and money laundering. There have been no reported incidents raised to the board level. There is extensive Anti Money Laundering and Counter Terrorism Financing training in the hotels and breaches are reported to AUSTRAC. The chair maintained that information about revenue from gambling was commercial in confidence, was not something they reported, and is only one of the streams of revenue for hotels along with food and beverage, entertainment, and accommodation. We asked about cashless gaming machines, which would help at least with money laundering, and the chairman supported the implementation.

The other question we raised was around cyber security and privacy with the increased growth in Endeavour X. The board and management are very aware of the dangers and are actively engaged in addressing this. Endeavour is investing heavily in IT to get away from Woolworths legacy systems.

The CEO approached us after the AGM and we had further discussions around our concerns with their "leading in responsibility" we now feel more confident that the company is genuinely attempting to do just that. It will not be an easy task with pokies.

A search is underway for an additional independent director which will improve independence on the board especially once non-independent director, Bruce Mathieson Jnr, passes the probity review.

All Directors up for election spoke to the meeting and received support for their re-election with all resolutions carried with support from 98% of votes.

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