



Company	The Star Entertainment Group
Code	SGR
Meeting	AGM
Date	28 October 2021
Venue	Online
Monitor	Carol Limmer and Gary Barton

Number attendees at meeting	shareholders voting: 34; non-voters & guests: 178.
Number of holdings represented by ASA	131
Value of proxies	\$2.66m
Number of shares represented by ASA	725,753
Market capitalisation	\$3.48bn
Were proxies voted?	Yes, with a poll on all resolutions
Pre- AGM Meeting?	Yes, with Board Chair, John O'Neill, and Chair of Remuneration Committee, Sally Pitkin

Star says it has been and will continue to lift their game.

SGR AGM meeting this year lasted only one and a quarter hours and was relatively benign, especially compared with that of their main competitor, Crown Resorts. Following positive changes to Remuneration arrangements a second strike was avoided.

Meeting was well handled by Chair, John O'Neill. Information available prior to the meeting clearly and simply set out AGM procedures and this was well reinforced at times during the meeting.

There were addresses by the Chair and CEO and these are available on SGR website. Among highlights in addresses were following mentions.

Mr O'Neill said that SGR demerged from Tabcorp 10 years ago, coming into existence as a pure play integrated resort company. From time to time their 3 properties (in Sydney, Gold Coast and Brisbane) have been on a journey of physical transformation and continuous improvement. SGR has high quality assets, long term leases and licences. Development of their new and significant Brisbane property at Queen's Wharf is well under way and negotiations have commenced on sale of Treasury location there.

He said that as a publicly listed company operating in a highly regulated industry and holding casino licences in NSW and Qld, they appreciate and understand the importance of effective regulatory frameworks, risk management, governance and compliance.

Mr O'Neill spoke about recent media reports, including that the NSW regulator (the Independent Liquor & Gaming Authority announced on 14 September it would commence its regular 5 yearly review of The Star Sydney as required under the Casino Control Act. This will be undertaken by Mr Adam Bell SC. On 10 October, and in days following, there were a series of media reports containing various allegations. Following those reports, the Qld regulator (Office of Liquor and Gaming Regulation) will also investigate those allegations. SGR issued 2 ASX Releases, the 1st on 11 October stating that SGR was concerned by assertions in media that it considered misleading. The 2nd on 12 October dealt specifically with media reports asserting that reports prepared by KPMG in 2018 in relation to an independent AML (Anti Money Laundering) Program review were kept secret and not adequately acted on. SGR said those assertions were incorrect.

The AML legislation provides a regular cycle of review activity directed toward continuous improvement with Independent Reviews expected to make recommendations even where controls are adequate. The Board Chair said that these reviews are not generally published or otherwise made public – for very sound reasons. Following the 2018 review SGR initiated a program to address all recommendations with that work being conducted from mid-2018 to early 2020. The most recent regular independent review was completed in July 2021 and all recommendations are being adopted by SGR (The reviewer's findings included that, in their opinion, the AML program complies and has been effectively implemented). SGR stated that other allegations concerning various individuals could not be commented on.

The Board Chair mentioned that Star Sydney has in excess of 3500 CCTV cameras and there are more than 6400 across the Group. They also have over 400 personnel in their security, surveillance and investigations teams. Facial recognition technology has been installed in Sydney and is planned for roll out in Qld.

More information on Regulatory Reform is available in the Board Chair's address with his final comments being that SGR acknowledges concerns of some shareholders regarding the impacts of recent developments on share price, that SGR is committed to keeping shareholders updated and that it remains steadfast in their belief that they are operating a well-governed and sustainable business which will create value for shareholders.

SGR is confident about the future of Australia's tourism industry when border restrictions are eased. The opportunities from the successful 2032 Olympics bid was also mentioned as was the expected transformation of their Qld properties into globally competitive entertainment destinations which is nearing completion.

The CEO/MD specially acknowledged the extraordinary agility and enthusiasm of their people during the difficult COVID -19 times as well as the assistance provided to them.

He also mentioned the sale and leaseback of the Treasury Brisbane buildings for \$248m earlier in the week.

Answers to some questions from shareholder prior to meeting were likely covered in opening presentations.

All questions raised by ASA prior to AGM were specifically acknowledged and addressed. ASA raised the lack of Dividends for 18 months (there is currently a Lending Covenant in place), whether Directors up for re-election would speak at AGM (answer was yes and both of them did personally address the meeting), update on recent allegations in media (that was

comprehensively provided), details of political donations (approx. \$49k), how Sydney location was faring following easing of restrictions (there has been a positive start), any recent developments on possible merger/takeover of any of Crown properties (still open to exploring opportunities), likelihood of future AGMs being on hybrid basis (keeping this under notice). There were a few other questions from shareholders at the meeting on VIP Rebate Model, what will happen when borders open eg with overseas/high roller markets, enhancing Anti-Money Laundering processes. One long term shareholder gave comprehensive general compliments and raised a few concerns eg IT/Data Security. Despite adequate opportunity being provided there were no questions at meeting in relation to resolutions 2,3, 4 or 5.

ASA voted all proxies held in favour of each resolution including the re-election of Ben Heap where we had an 'UNDECIDED' prior to the meeting pending any negative outcomes on recent media allegations as he had been a member of Risk & Compliance Committee for a few years and the Chair of that Committee for 6 months.

Voting overall was more positive than last year with all resolutions recording about 98% FOR. As a 2nd strike was not received on SGR's Remuneration Report the Conditional Spill Resolution in Item 6 was not required to be put to the meeting.

There was only a small amount of media coverage following the meeting.