

THE STAR ENTERTAINMENT GROUP LIMITED 2022 CORPORATE GOVERNANCE STATEMENT

The Star Entertainment Group Limited's Approach to Corporate Governance

The Board of Directors of The Star Entertainment Group Limited (the **Company**) and management support the principles of good corporate governance. This is important given the highly regulated industry in which the Company and its subsidiaries and other controlled entities (collectively referred to as the **Group**) operate, and for the long-term sustainability of the Group's businesses.

The Company's corporate governance practices are reviewed regularly and will continue to be developed and refined to meet the needs of the Group, taking into account applicable legislation and recognised standards, including, but not limited to:

- Corporations Act 2001 (Cth) (**Corporations Act**);
- Australian Securities Exchange (**ASX**) Listing Rules;
- State legislation governing the licences issued to the Group to conduct its casino operations and related activities; and
- Australian Standard AS 8000 - 2003 – Good Governance Principles.

This Corporate Governance Statement outlines the Company's main corporate governance practices and policies in place during the 12-month period ended 30 June 2022, except where indicated otherwise.

This statement and other related information is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

The Company adopts the ASX Corporate Governance Council's '*Corporate Governance Principles and Recommendations (4th edition)*' which was published on 27 February 2019 (**ASX Principles & Recommendations**). The Company complies with all of the recommendations in the ASX Principles & Recommendations unless otherwise stated and has established processes to maintain ongoing compliance with the recommendations.


This Corporate Governance Statement has been approved by the Board and is current to 20 October 2022.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1 – Roles and responsibilities of the Board and Management

Board Responsibilities

The Board Terms of Reference specify the responsibilities and functions which the Board has reserved to itself or which may be delegated to one of its Committees.

 A copy of the Board Terms of Reference is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

The Board's role includes:

- defining the Company's purpose and setting its strategic objectives;
- approving and overseeing the Company's organisational culture and values, risk profile, risk appetite and risk and compliance management policies and frameworks;
- reviewing and approving the strategies, budgets and business plans prepared by management (including investments, development projects and joint venture projects);
- assuring itself of the effectiveness of arrangements for the governance of the Group including:
 - the quality of the executive team;
 - the appropriateness of organisational arrangements and structures; and
 - the adequacy of internal controls, policies, procedures and processes;
- overseeing the actions and decisions of management and performance against targets and objectives; and
- overseeing reporting to shareholders and other stakeholders on the strategic direction, governance and performance of the Group.

The appointment and removal of the Managing Director and Chief Executive Officer is a matter for the Board.

Board Committees and Membership

The Board may from time to time delegate specific functions to a Committee comprised of such number of Directors as it thinks fit.

The following standing Board Committees operate under their respective terms of reference as approved by the Board:

- Audit Committee;
- Risk, Compliance and Regulatory Performance Committee;
- Remuneration Committee (to 31 December 2021);
- People, Culture and Social Responsibility Committee (to 31 December 2021);
- Remuneration, People and Social Responsibility Committee (from 1 January 2022).

Membership of each of the Board Committees is restricted to Non-Executive Directors. Details of the membership and composition of each standing Board Committee during the reporting period are set out in the table below.

Committee Name	Members (at 30 June 2022)	Composition	Meetings held during FY2022
Audit Committee	<ul style="list-style-type: none"> • Richard Sheppard (Chair) • Gerard Bradley • Ben Heap • Michael Issenberg 	<ul style="list-style-type: none"> • At least 3 members, all of whom are Non-Executive Directors and independent • Chaired by an independent director who is not the chair of the Board • Members between them have accounting and financial expertise and a sufficient understanding of the industry in which the Group operates 	5
Risk, Compliance & Regulatory Performance Committee	<ul style="list-style-type: none"> • Ben Heap (Chair) • Richard Sheppard • Katie Lahey • Gerard Bradley • Michael Issenberg 	<ul style="list-style-type: none"> • At least 3 members, all of whom are Non-Executive Directors and independent • Chaired by an independent director • Members between them have the necessary technical knowledge and a sufficient understanding of the industry in which the Group operates 	4
Remuneration Committee (to 31/12/2021)	<ul style="list-style-type: none"> • Sally Pitkin (Chair) • Katie Lahey • Gerard Bradley • John O'Neill (ex-officio member) 	<ul style="list-style-type: none"> • At least 3 members, all of whom are Non-Executive Directors and independent • Chaired by an independent director 	2
People, Culture & Social Responsibility Committee (to 31/12/2021)	<ul style="list-style-type: none"> • Katie Lahey (Chair) • Sally Pitkin • Ben Heap • John O'Neill (ex-officio member) 	<ul style="list-style-type: none"> • At least 3 members, all of whom are Non-Executive Directors and independent • Chaired by an independent director 	2
Remuneration, People & Social Responsibility Committee (from 1 January 2022)	<ul style="list-style-type: none"> • Katie Lahey (Chair) • Ben Heap • Gerard Bradley • Michael Issenberg 	<ul style="list-style-type: none"> • At least 3 members, all of whom are Non-Executive Directors and independent • Chaired by an independent director 	2

The qualifications and experience of the members of each Board Committee are set out in the Directors' Report in the 2022 Annual Report.

Each Board Committee has terms of reference which set out the Committee's roles, responsibilities and composition. The Board of Directors Terms of Reference were last reviewed and approved by the Board in July 2021. The terms of reference for the Risk, Compliance and Regulatory Performance Committee and the Remuneration, People and Social Responsibility Committee were approved by the

Board in December 2021. The Terms of Reference for the Audit Committee was last reviewed and approved by the Board effective from 2 June 2022.

Each Board Committee has the right to access any employee or other individual (including members of management) to ask questions and/or to seek explanations and additional information, interview management, access internal and external auditors (with or without management present), and seek advice from external advisers as considered necessary or appropriate by the Committee.

☞ The terms of reference for each of the Board Committees are available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Board and Committee Meetings

The Board and its Committees meet regularly to discuss matters relevant to the Group. Additional meetings may be scheduled to address specific matters. Any Director with a material personal interest in a matter being considered by the Board must not be present when the matter is being considered and may not vote on the matter, unless all other Directors present resolve otherwise. During the financial year, there were no instances where a Director declared a material personal interest which affected his or her ability to participate in any Board or Committee meeting.

Management representatives are invited to attend meetings where matters relevant to their respective areas of responsibility are to be considered.

Directors are expected to attend all Board meetings, shareholder meetings and meetings of Board Committees of which they are members, subject to any unusual or unforeseen circumstances which may prevent them from attending. The number of Board and Board Committee meetings held during the financial year and details of Directors' attendance at those meetings are provided in the Directors' Report in the 2022 Annual Report.

Independent professional advice

An individual Director may, after discussion with the Chairman, and advising the Managing Director and Chief Executive Officer, obtain independent professional advice at the expense of the Company. Such advice is to be made available to all other Directors.

Board Committees and their members may also obtain independent professional advice, subject to the terms of reference for the applicable Committee.

During the financial year, there were no instances where an individual Director, a Board Committee or the Board sought independent advice other than in relation to a remuneration consultant engaged by the Remuneration Committee in accordance with section 206K of the Corporations Act.

☞ The terms of reference for each Board Committee are available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Management Responsibilities

To assist the Board with carrying out its responsibilities and functions, certain powers have been delegated to management, including the authority to undertake transactions and incur expenditure on behalf of the Group, within specified limits. These are referred to in the Company's Delegated Authorities Policy, which has been approved by the Board. The policy includes the financial and non-financial matters that the Board has delegated to management, the capital and operational expenditure approval limits applicable to each level of management, and specific key responsibilities within each division of the Group. During the financial year, amendments to the Company's Delegated Authorities Policy were reviewed and approved by the Board.

Recommendation 1.2(a) – Background checks on Directors and senior executives

The Board has responsibility for managing the process for the selection, appointment and re-election of Directors, including engaging external consultants to identify and propose potential candidates for directorships, and undertaking appropriate background checks on short-listed candidates.

As the Company operates in a highly regulated industry, comprehensive background checks are conducted on short-listed candidates for directorship or senior executive appointments to demonstrate that the individual is suitable to be associated with the gaming industry. Background checks include character, experience, education, criminal record, bankruptcy history and any other integrity checks considered appropriate by the Board.

The selected candidate is required to complete all necessary casino regulatory checks and obtain probity clearance before they can be unconditionally appointed as a Director or a senior executive. Such checks have been undertaken in relation to all current Directors and senior executives, and will be undertaken in respect of Anne Ward and David Foster (whose appointments as Non-Executive Directors were announced to ASX on 15 August 2022 and any future candidates prior to their unconditional appointment as a Director or senior executive.


Recommendation 1.2(b) – Information regarding election and re-election of Director candidates

The Company's Constitution requires that the number of Directors (not including alternate Directors) shall not exceed 12, nor be fewer than three. The Board has the power to appoint any person as a Director, either to fill a casual vacancy or as an addition to the Board, subject to receiving all necessary regulatory approvals, but that person must stand for election at the following annual general meeting.

A Director, other than the Managing Director and Chief Executive Officer, may not hold office for a continuous period in excess of three years or past the third annual general meeting following the Director's appointment or last re-election to the Board, whichever is the longer, without standing for re-election.

 The Company's Constitution is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Sufficient information to enable shareholders to make an informed decision on whether or not to elect a candidate or re-elect a Director will be provided in the Notice of Annual General Meeting (and in the Annual Report, for current Directors), including a biography summarising relevant qualifications, experience and skills, details of material directorships presently held, the term of office currently served by that Director, a statement as to whether the Board supports the election of that candidate or re-election of that Director and a summary of the reasons for that support. Candidates are also invited to address the Annual General Meeting and provide details of the experience and skills they bring to the Board.

 The names of the Directors, the period of office held by each Director, and biographical details are set out in the Directors' Report in the 2022 Annual Report and also on the Company's website at <https://www.starentertainmentgroup.com.au/boardofdirectors/>.

Recommendation 1.3 – Appointment Terms

New Non-Executive Directors receive formal letters of appointment setting out the key terms, conditions and expectations of their appointment.

Senior executives have letters of appointment or employment contracts that set out position descriptions, remuneration arrangements, termination rights and entitlements and other key terms of employment. Key contract details of senior executives who are key management personnel of the Company are summarised in the Remuneration Report in the Annual Report.

Recommendation 1.4 – Company Secretary

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters relating to the proper functioning of the Board, and all Directors have direct access to the Company Secretary for advice.

The Company Secretary's responsibilities include communicating with regulatory bodies and assisting the Group in complying with the statutory requirements of the Corporations Act, the ASX Listing Rules and other regulatory requirements, co-ordinating the timely completion and despatch of Board and Committee papers and ensuring that the business at Board and Committee meetings is accurately recorded.

The Company Secretary also assists with organising and facilitating the induction and professional development of Directors, and advises the Board and its Committees (through the Chair) on governance matters.

The appointment and removal of the Company Secretary is a matter for consideration by the Board.

Recommendation 1.5 – Diversity

The Group continues its focus on building talented teams to deliver on its organisational strategy. One method it uses to develop talent is to promote a diverse, inclusive workforce.

The Board approves strategies developed and implemented by management to achieve the Company's diversity objectives, and monitors and assesses progress against measurable diversity and inclusion objectives set by the Board.

The former People, Culture and Social Responsibility Committee assists and guides management's activities in achieving the Company's diversity and inclusion objectives. This is now the mandate of the Remuneration, People and Social Responsibility Committee.

Gender equality remains a priority for the Group and its progress against achieving the measurable gender diversity objectives were previously reported to the Board by the former People, Culture and Social Responsibility Committee. This is now the mandate of the Remuneration, People and Social Responsibility Committee. The other diversity areas of focus for the Group, including gender diversity, multicultural diversity, and Lesbian, Gay, Bisexual, Transgender, Queer and Intersex (**LGBTQI**) diversity, remain as priorities.

In 2021, the Company introduced Aboriginal and Torres Strait Islander People as an area of focus and continues to lead positive experiences for its Aboriginal and Torres Strait Islander team members.

The Board annually reviews and assesses the measurable objectives and monitors key performance indicators to track and verify progress towards attainment of the objectives and the success of the overall strategy.

Measurable Objectives		Details	Commentary / Update
1.	Gender Diversity	<p>To develop policies, practices and activities to provide a more inclusive workforce for female employees, as measured by 45% female and 45% male representation in the top four levels of leadership by 2023 (with the remaining 10% reflecting scope for non-binary gender identities).</p> <p>To maintain and have not less than 30% of directors of each gender by 2023.</p>	<p>The Group had 37.5% female representation in its top four levels of leadership as at 30 June 2022. The Company continues to focus on developing careers for female leaders through education, targeted recruitment practices, flexible working conditions and networking opportunities.</p> <p>The Company, through the Workplace Gender Equality Agency's 'Employer of Choice' citation, aims to align with best practice in relation to recruitment, flexible work conditions, training and communications, to achieve gender equity and 45% female leadership representation by 2023.</p> <p>As at 30 June 2022, the Board was comprised of 40% female directors and 60% male directors.</p>
2.	Multicultural Diversity	<p>To develop policies, practices and activities to provide a more inclusive workforce for team members, as measured by 20% representation of leaders of Asian ethnicity in the top three levels of leadership by 2023.</p>	<p>The Group had 13.2% Asian representation in its top three levels of leadership as at 30 June 2022. By celebrating days of significance that focus on multicultural inclusion and understanding the barriers to greater representation in leadership roles for Asian employees, the Company has built a stronger pipeline of talented individuals.</p>
3.	Lesbian, Gay, Bisexual, Transgender, Queer and Intersex (LGBTQI) Diversity	<p>To develop policies, practices and activities to provide a more inclusive workforce for LGBTQI employees, as measured by a 5% year on year increase in the Australian Workplace Equality Index (AWEI).</p>	<p>The AWEI is Australia's premier benchmarking instrument for LGBTQI inclusion in the workplace. In 2022, the Company was recognised as a Gold Employer in the AWEI.</p>


Measurable Objectives		Details	Commentary / Update
4.	Aboriginal & Torres Strait Islander Inclusion	<p>To develop policies, practices and activities to provide a more inclusive workforce for all team members, including Aboriginal and Torres Strait Islander Peoples.</p> <p>Engagement scores of First Nation team members will be measured to ensure these initiatives, policies and practices enable all team members to feel included and have a sense of belonging.</p> <p>The Company continues to build cultural competence through targeted training and other awareness building activities.</p>	<p>The Company has introduced initiatives to build cultural competency such as The BlackCard cultural competence training and activating days of significance in the Diversity and Inclusion calendar that are meaningful to Aboriginal and Torres Strait Islander team members.</p>

The Company has lodged a report on its workplace program to the Workplace Gender Equality Agency in compliance with its obligations under the Workplace Gender Equality Act 2012 (Cth) to report annually on its workplace program. A copy of the report is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

As at 30 June 2022, the Company had two female Director on the Board (representing 40% of all Directors), 24 female senior executives (representing 38.7% of all senior executives, defined as Executives and General Managers) and 3,701 female employees across the whole of the Group (representing 45.4% of all employees).

Since FY2015, the Company has conducted annual reviews of pay disparity and creates action plans to address circumstances of unexplainable pay disparity. In some cases, the issues are addressed over several pay increase periods. The review conducted in FY2022 revealed that over the past year, the overall gender gap has decreased for both annual salary and total remuneration packages.

The Group partners with a range of external organisations aligned with its diversity and inclusion activities. These organisations include Diversity Council Australia, Pride in Diversity, SageCo, Queensland Tourism Industry Council, Wear It Purple HostPlus, Asian Leadership project and Minus18. The Group has also participated in initiatives such as Harmony Day and International Women's Day.

 The Company's Diversity and Inclusion Policy is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Recommendation 1.6 – Board Performance Reviews

The Board reviews and evaluates on an annual basis or as considered appropriate by the Chairman of the Board:

- the effectiveness of the Board against the requirements of its Terms of Reference and the performance of the Board as a whole;
- the performance of Board Committees;
- the performance of individual Directors.

In addition, the Board facilitates an independent three yearly review of the performance of the Board, Board Committees and individual Directors.

An independent review of the performance and effectiveness of the Board, its Committees and individual Directors was last conducted in FY2019. Following that review, the Board has implemented various actions, including actions focused on, or directed towards:

- enhanced reporting to enable effective monitoring of operational risks and related controls by the Board and its Committees;
- enhanced forms of reporting to enable effective oversight of the Company's joint venture projects by the Board and its Committees;

- additional education for the Board in relation to relevant specialist areas (such as technology and cyber security disruptions); and
- meeting schedules that make adequate provision for Board and Committee meetings to cover new or expanded focus areas in line with the Company's strategy, and in light of the Company's business growth, development plans, joint venture projects and the growing complexity of the regulatory environment.

The Board undertakes self-assessments and reviews of the effectiveness of Board and Committee meetings, including assessing its information needs and its requirements of management for those meetings. An independent review was scheduled to be undertaken during FY2022, however the review was postponed to commence implementation of the Board renewal program during the reporting period.

During the reporting period, the Board undertook various reviews of the Board and its Committees. It is anticipated that an independent review will be undertaken following completion of the Board renewal process.

In relation to the Board and composition of its Committees, the Chairman completed an assessment during the financial year as set out on page 2 of this Corporate Governance Statement. A further review of the composition of the Board's standing Committees will be undertaken following completion of the Board renewal process.

Recommendation 1.7 – Management Performance Reviews

The Company has existing processes to annually conduct formal performance and development evaluations for each employee, including all senior executives and the Managing Director and Chief Executive Officer. Individual performance is assessed using a balanced scorecard setting out individual targets that are aligned to and are supportive of the Company's annual objectives. Individuals are also assessed on whether they have exhibited the Company's behavioural values as set out in the Code of Conduct.

During the financial year, performance and development evaluations were conducted for senior executives and the Managing Director and Chief Executive Officer in accordance with the processes described above.

PRINCIPLE 2: STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

Recommendation 2.1 – Nomination Responsibilities

All functions with respect to the selection and appointment of new Directors are handled by the Board as a whole, rather than by a separate nomination committee.

The Board considers that the efficient handling of those matters is not diminished by the absence of a nomination committee.

The Board's responsibilities include the following succession planning and nomination matters:

- developing succession plans for the Board (including for the Managing Director and Chief Executive Officer);
- developing and implementing Board succession plans to enable an appropriate mix of skills, experience, expertise and diversity on the Board to be maintained and to facilitate orderly succession of Board membership;
- considering matters relating to the composition of the Board and Board Committees, including reviewing and assessing the necessary and desirable competencies of Directors required to discharge the Board's duties and the extent to which they are represented in the composition of the Board and each Board Committee;
- undertaking Director nomination matters and managing the process for the selection, appointment and re-election of Directors, including engaging external consultants to identify and propose potential candidates for directorships and undertaking appropriate background checks on short-listed candidates;
- determining which Director/s shall stand for re-election by shareholders under the retirement by rotation provisions of the Company's Constitution.

Directors are required to regularly review the number of Boards on which they serve so that they can give the time and attention required to fulfil their duties and responsibilities as a Director of the Company. Directors are required to seek approval from the Chairman prior to accepting an invitation to become a Director of any other corporation and, in the case of the Chairman, to seek approval from the Chair of the Audit Committee.

If the Board considers that there is a need to appoint a new Director, it will undertake a search for suitable candidates and engage external consultants to assist with the selection process as necessary. The Board will consider candidates who have the appropriate range of skills, experience and diversity that will best complement Board effectiveness. Each Director has the opportunity to meet with the short-listed candidates before a new appointment is made by the Board.

The Board considers it important to have and to maintain an appropriate mix of skills, knowledge, experience and diversity in its membership to enable it to discharge its responsibilities and add value to meet the current and future needs of the Group's businesses.

Recommendation 2.2 – Board Skills Matrix

The Company's Constitution provides that the minimum number of Directors is three and the maximum is 12. As at 30 June 2022, the Board consisted of five independent Non-Executive Directors, including the Interim Chairman.

Each Director resides in either New South Wales or Queensland, the States in which the Group's properties are located. In respect of gender diversity, as at 30 June 2022, there were two female members on the Board, comprising 40% of all Directors.

As at the date of this Corporate Governance Statement, the Board consists of:

- five independent Non-Executive Directors, including the Chairman;
- two Board Observers (subject to regulatory approvals being obtained for their appointment as Non-Executive Directors); and
- the Managing Director and Chief Executive Officer (subject to all necessary regulatory approvals being obtained).

The names of the Directors, the period of office held by each Director, and details of their qualifications, skills, experience and expertise are set out in the Directors' Report and also on the Company's website at <https://www.starentertainmentgroup.com.au/meet-the-board/>.

The matrix of skills and experience which the Board currently has and is looking to achieve in its membership is described below. Each current Director possesses an adequate level of financial and business acumen, and all Directors collectively provide the necessary skills and experience to govern an ASX listed company in the gaming and entertainment industry.

Collectively, the Directors contribute the following key skills and experience, with each of the individual skill and experience sets being held by at least a majority of the current Directors.

SKILLS / EXPERIENCE	DESCRIPTION	TOTAL NUMBER OF DIRECTORS
Strategy	Strategic planning and execution capabilities and commercial acumen, including in relation to capital projects	5/5
Financial Acumen	Financial management capability, including accounting or related financial management or tax experience and qualifications, and ability to analyse and assess financial performance and financial controls	5/5
Management	General management skills and exposure	5/5
Qualifications	Accounting/financial, legal, management/business qualifications	5/5
Governance	Knowledge of, and experience with, corporate governance and compliance in listed entities	5/5
People and Culture	Experience in human resource management, including workplace culture, talent development and succession, health and safety, diversity, and remuneration	5/5
Non-Executive Director Experience	Experience as a non-executive director, including of other listed entities	5/5
Risk and Compliance Management	Risk management and compliance understanding and experience, including experience in highly regulated businesses	4/5

SKILLS / EXPERIENCE	DESCRIPTION	TOTAL NUMBER OF DIRECTORS
Industry Experience	Relevant industry experience, including in gaming and entertainment businesses, tourism, hospitality, retail, marketing and property development	4/5
Leadership	Experience as a former Chief Executive Officer, or in other executive or senior management leadership roles	5/5
Stakeholder Engagement	Experience managing external and internal stakeholders (particularly including interaction with government and regulators)	3/5
Sustainability / Corporate Social Responsibility	Experience related to environmental and social responsibility, community and public policy	5/5
Information Technology	Knowledge and experience in information technology (including digital technology, disruption and data security) and oversight and governance of major technology systems and applications	1/5

In addition to the skills and experience listed above, the Board considers that each Director has sufficient time available to undertake their responsibilities and that they each demonstrate the following personal attributes:

- honesty and integrity;
- an understanding of and willingness to commit to the highest standards of governance; and
- ability and preparedness to constructively question and challenge, and deal with complex issues.

The Board will continue to assess whether its collective levels of skills, experience and diversity remain appropriate having regard to the Group's business and strategic plans.

To the extent that any relevant skills are not directly represented on the Board, they are able to be augmented through management and external advisers.

Recommendations 2.3, 2.4, 2.5 – Director Independence

All of the Non-Executive Directors (including the Interim Chairman) have been determined to be independent.

The independent Directors and the year in which each Director was appointed to the Board are listed below.

Independent Director	Date Appointed	Length of Service
Ben Heap (Interim Chairman)	23 May 2018 (Appointed as Interim Chairman from 1 June 2022)	4 years
Katie Lahey AM	1 March 2013	9 years
Richard Sheppard	1 March 2013	9 years
Gerard Bradley AO	30 May 2013	9 years
Michael Issenberg	11 July 2022	3 months
Former Directors		
John O'Neill AO (Chairman)	28 March 2011 (Retired 31 May 2022)	11 years
Dr Sally Pitkin AO	19 December 2014 (Retired 30 June 2022)	8 years

The Board periodically assesses the independence of each Non-Executive Director. For this purpose, an independent Director is a Non-Executive Director whom the Board considers to be independent of management and free of any business or other relationship that could materially interfere with the exercise of their unfettered and independent judgment. This determination is made through both a quantitative and qualitative assessment of independence.

In assessing the independence of the Non-Executive Directors, the Board considers whether individual Directors have any interests, positions or relationships that might raise issues about their independence. The factors relevant to assessing the independence of Directors are described in the Board Terms of Reference.

Directors are required to be meticulous in their disclosure of any material contract or relationship, including relevant interests of family companies and spouses, and involvement with other companies or professional firms. Directors are required to adhere strictly to the constraints on their participation and voting in relation to matters in which they may have an interest, in accordance with the Corporations Act and the Company's policies. All independent Directors bring an independent judgment to bear on Board deliberations.

A register of Directors' material interests is maintained and is regularly sent to every Director for acknowledgement. Directors are required to advise the Board if they have any interest in a matter that could potentially conflict with the interests of the Group as a whole. If there is a change in a Non-Executive Director's interests, positions, associations or relationships that could bear upon his or her independence, the Director is expected to inform the Board at the earliest opportunity. The Board will then re-assess his or her independence as soon as practicable and if it is determined that his or her status as an independent Director has changed, that determination will be disclosed and explained to the market.

Where Directors are involved with other companies or professional firms, which from time to time have dealings with the Group, all such dealings are at arms' length and on normal commercial terms.

To assist in determining levels of materiality for assessing whether supplier, professional adviser, consultant or customer relationships affect the independence of Directors, a relationship is presumed immaterial when it generates or equates to less than 5% of the Company's revenue, expense or equity base as relevant during a 12-month period, in the absence of evidence to the contrary. In making this determination, the Board will also undertake a qualitative assessment. Specifically, the Board will consider whether there are any factors or considerations which may mean that a Director's interests, business or relationship (even if it does not trigger the quantitative requirements described here) could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

The Board also has procedures in place to enable it to operate independently of management. The Non-Executive Directors meet together regularly in the absence of the Managing Director and Chief Executive Officer and other executives of the Company. Where appropriate, executives are also excluded from Board discussions that relate to specific management issues, such as executive remuneration.

During the financial year, the Board reviewed and assessed the independence of individual Directors based on the specific disclosures made by each Director, and concluded that each Non-Executive Director remains independent.

Despite having served as a Non-Executive Director of the Company for over ten years, the Chair is still considered by the Board to be an independent Director as he remains independent from management and exercises independent judgement on all issues considered by the Board.

Recommendation 2.6 – Induction program and professional development opportunities for Directors

The appointment of any new Director is subject to regulatory approvals. While these approvals are being sought, the person, with the approval of the regulators, may attend Board and Committee meetings as an observer. This assists their transition into their role, but they may not vote on any matter considered at those meetings.

Each observer undertakes an induction program and is provided with access to Board reference documents, the Company's policies, strategic plan and other materials to assist them to participate fully and actively in all Board decision-making at the earliest opportunity. In addition, upon being invited to join the Board, every observer receives a letter of appointment setting out the key information and terms and conditions applicable to their appointment as a Director.

The Board is responsible for determining the process for the induction of new Directors and for identifying professional development and educational opportunities for Directors. The induction program aims to provide the observer with the relevant knowledge regarding Board processes, Board culture, the role and responsibilities of a Director, the Group's strategic direction, the nature of the Group's businesses, industry matters, the Group's financial position, key senior management, operational and risk management practices and the major issues facing the Group. The induction program includes meetings with each Executive Committee member and their leadership team, site

tours, and specific matters of interest to each new Director. The induction process is reviewed and revised as necessary after incorporating feedback from newly appointed Directors.

The Group has a formal induction program for all employees, including executives. This program is conducted by skilled trainers and provides information about the structure and operations of the Group, the Code of Conduct, key employee policies (such as those relating to the use of the Group's gambling products, harassment and bullying, work health and safety, and equal opportunity). In addition, employees receive orientation regarding their specific responsibilities, duties and rights, and meet with executives and team members to help them become familiar with their workplace.

Directors' continuing education

All Directors have access to continuing education to update and enhance their skills and knowledge to enable them to effectively carry out their duties as Directors in an efficient and knowledgeable manner.

The continuing education program includes information concerning key developments in the Group and the industry and environments within which it operates, including site visits to the Group's properties, updates to relevant corporate policies, briefings on material developments in laws, regulations and accounting standards relevant to the Company, corporate governance updates and other matters of interest for Directors. Directors also receive regular briefings at Board meetings on key areas of the Group's business.

The Board periodically reviews whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.

PRINCIPLE 3: INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

Recommendation 3.1 – Code of Conduct

The Company has a group-wide Code of Conduct which emphasises six guiding principles as core elements of the behavioural standards the Company has set for itself and the behaviours expected of its employees.

The Code of Conduct sets out how these principles relate to the stated values of The Star. The guiding principles are:

- We respect the community
- We are diverse
- We comply with the law
- We are ethical
- We are professional
- We work safely.

The Board last approved an updated Code of Conduct in June 2021 to include new principles focussed on human rights and safer gambling and to build better connections between the Code of Conduct and other corporate policies. The Code of Conduct is reviewed biennially and the next review is scheduled to occur in FY2023.

Compliance with the Code of Conduct and associated policies, guidelines and procedures is a requirement for all employees, Directors and contractors of the Group.

The Code of Conduct is supported by other specific policies including those regarding anti-money laundering and counter-terrorism financing, legal compliance, fraud, anti-bribery and corruption, bullying and harassment, equal opportunity in the workplace, insider trading, risk management, whistleblowing, conflicts of interest, and restrictions on the use of the Group's gambling products.

The Code of Conduct and relevant policies are included in the Group's induction program, with annual refresher training and compliance awareness conducted across the Group.

The Company has an Ethics Panel comprising executives and the Group's independent whistleblower service provider to administer the Group's conduct policies. The Board (through the People, Culture and Social Responsibility Committee to 31 December 2021 and through the Remuneration, People and Social Responsibility Committee from 1 January 2022) is kept informed of any material breaches of the Code of Conduct and receives reports from the Ethics Panel.

In addition to adhering to the high ethical standards set by the Code of Conduct, Directors and key personnel are also required to undergo extensive probity investigation and clearance by Liquor and Gaming New South Wales and the Queensland Office of Liquor and Gaming Regulation.

 The Code of Conduct is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Anti-bribery and Corruption Policy

The Company has an Anti-bribery and Corruption Policy which supports the Code of Conduct by establishing the standards of accountability related to instances of suspected bribery or corrupt practices in connection with the Group's business dealings in Australian or internationally. A breach of the Anti-bribery and Corruption Policy may be regarded as a breach of the Company's Code of Conduct.

The Anti-bribery and Corruption Policy was updated during the financial year and articulates the standards expected of everyone who performs work for and on behalf of the Group, including all Directors, employees, contractors and labour hire firms. It extends to organisations acting on behalf of the Company.

It is expected that the procurement and provision of goods and services by the Group is done in a manner that is professional, lawful, fair and transparent. The Company will not authorise the use of its resources to illegally gain a benefit or authorisation of any kind from any government or government entity.

The Board (through the Risk, Compliance and Regulatory Performance Committee) is kept informed of any material breaches of the Anti-bribery and Corruption Policy.

☞ The Company's Anti-bribery and Corruption Policy is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Whistleblower system

The Group has an independent, anonymous crime and misconduct reporting service as one of its processes to prevent, detect, and respond to crime and misconduct. The service was introduced to achieve Australian and international best practice, reflecting the Group's commitment to integrity, befitting the responsibilities of a publicly listed company. It is available 24 hours a day, 7 days a week.

The Company has a Whistleblower Policy which supports the Code of Conduct by establishing methods of reporting instances of suspected, unethical, illegal, fraudulent or undesirable conduct involving any aspect of the Group's business activities. The Whistleblower Policy also describes the risk-based approach and measures that the Company will take so that persons who make a report under the Policy may do so without fear of intimidation, reprisal or disadvantage.

A breach of the Whistleblower Policy may be regarded as also breaching the Company's Code of Conduct, depending on the circumstances in which the breach occurred.

The Board (through the People, Culture and Social Responsibility Committee to 31 December 2021 and through the Remuneration, People and Social Responsibility Committee from 1 January 2022) is kept informed of any material incidents reported under the Whistleblower Policy.

The Company's Whistleblower Policy was last reviewed and updated in September 2022 to reflect policy guidance issued by the Australian Securities and Investments Commission in Regulatory Guide 270: Whistleblower Policies, and includes information about the protections provided in the tax whistleblower regime under Part IVD of the *Taxation Administration Act 1953*.

☞ The Company's Whistleblower Policy is available from the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Securities Trading Policy

The Company has a policy regarding trading in its securities which applies to all Directors, employees and contractors (collectively referred to as **SGR Personnel**). This policy also extends to any person or entity, which may in the circumstances be reasonably associated with the Group or any Director, employee or contractor (for example, a spouse, dependent children, family trust, family company or joint venture partner) (collectively referred to as **Associates**). The Securities Trading Policy was last reviewed and updated with non-material changes, effective from 17 February 2021.

As a guiding principle, before engaging in any trading, SGR personnel should ask themselves the following questions (the **Corporate Reputation Test**):

- If the market was aware of all the current circumstances, could the proposed trading be perceived to be taking advantage of the personnel's position in an inappropriate way?
- How would it look if the transaction was reported in social media or on the front page of a newspaper?

SGR personnel and their Associates must not trade in SGR securities if the proposed transaction would not satisfy the Corporate Reputation Test.

Directors, executives reporting directly to the Managing Director and Chief Executive Officer (**Executives**), all direct reports to those Executives (**Executive Direct Reports**), executive assistants of Directors and Executives, members of the financial reporting team, other employees of the Group, and associates of any of the preceding must not trade, arrange for someone else to trade, or pass on information to someone they know, or ought reasonably to know, may use the information to trade (or procure another person to trade) in the Company's securities when they are in possession of price sensitive information relating to the Group which is not generally available to the market.


To avoid any adverse inference being drawn of unfair dealing, Directors, Executives, Executive Direct Reports, executive assistants of Directors and Executives, members of the financial reporting team, and any associates of the preceding also may not deal in the Company's securities during the applicable Blackout Periods set out in the policy or within 12 months of the acquisition of the relevant securities.

Blackout Periods are the periods between 1 January and the release of the Company's half year results, 1 July and the release of the Company's full year results, two weeks prior to the proposed date of release of a trading update and the date of release of the trading update, and any other periods determined from time to time by the Board, the Chairman, the Managing Director and Chief Executive Officer, or the Company Secretary.

If a Director or an associate of a Director wishes to trade in the Company's securities at any time, the Director must obtain prior written clearance from the Chairman (in the case of Directors other than the Chairman) and in the case of the Chairman, from the Chair of the Audit Committee. Directors are also required to notify the Company Secretary of any changes to their relevant notifiable interests in the Company's securities within 5 business days of the change occurring.

If an Executive, an Executive Direct Report, an executive assistant of a Director or Executive, a member of the financial reporting team, or any of their associates wishes to trade in the Company's securities at any time, the relevant Executive, Executive Direct Report, executive assistant or financial reporting team member must obtain prior written clearance from the Company Secretary, the Chief Financial Officer, or the Managing Director and Chief Executive Officer.

The policy also contains restrictions on margin lending. Directors, Executives and Executive Direct Reports must receive prior written clearance from the Chairman (and in the case of the Chairman, from the Chair of the Audit Committee) before entering into margin loans or similar financing arrangements.

 The Company's Securities Trading Policy is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

PRINCIPLE 4: SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

Recommendation 4.1 – Audit Committee

Details regarding the membership and composition of the Audit Committee are included in the table on page 2 of this Corporate Governance Statement (under the Board Committees and Membership heading).

The Audit Committee provides the Board with additional assurance regarding the quality and reliability of financial statements issued by the Company and of other related reporting including the Directors' Report. The Audit Committee also reviews the quality and reliability of ASX Announcements and investor presentations relating to the half year and the full year financial results.

The key responsibilities of the Audit Committee are:

- Overseeing compliance with statutory responsibilities relating to accounting, auditing and financial accounting and reporting practices, financial risk management, internal control systems, external financial reporting, and the internal and external audit functions;
- Reviewing the activities and performance of the internal audit function and the external auditors;
- Reviewing the adequacy of the Group's systems of internal, financial and accounting controls (including information technology controls) and the adequacy of the Company's corporate reporting processes;
- Monitoring the standard of corporate conduct in areas such as arm's length dealings and potential conflicts of interest; and
- Reviewing the process for providing management assurances to the Board.

The Audit Committee or the Chair of the Audit Committee is required to meet at least once annually with the external auditor, in the absence of management, and on any occasion during the year as requested by either the Chair of the Audit Committee or the external auditors.

The annual internal audit plan and the scope of work to be performed is set in consultation with the Audit Committee. The Audit Committee approves the annual internal audit plan and reviews progress and reports made pursuant to that plan.

The Audit Committee is committed to maintaining auditor independence and limiting the engagement of the external auditor for only audit related services, unless exceptional circumstances necessitate the involvement of the external auditor.

Limited authority is delegated to the Company's Chief Financial Officer for the pre-approval of audit and non-audit services proposed by the external auditor, limited to \$50,000 per engagement and capped at 40% of the relevant year's audit fee. Delegated authority is only exercised in relation to services that are not in conflict with the role of statutory auditors, where management does not consider the services to impair the independence of the external auditor and the external auditor has confirmed that the services would not impair their independence. Any other non-audit related work to be undertaken by the external auditor must be approved by the Chair of the Audit Committee.

The Company will maintain the rotation of the lead external audit partner every five successive years or less, as required by the Corporations Act.

📄 The terms of reference for the Audit Committee are available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Recommendation 4.2 – CEO and CFO Declarations

At the meetings to approve the Group's annual and half yearly results, the Board receives and considers written declarations from the Managing Director and Chief Executive Officer and the Chief Financial Officer in accordance with section 295A of the Corporations Act (**CEO and CFO Declarations**), in relation to the Group's system of risk oversight and management and internal control. The CEO and CFO Declarations are supported by written attestations provided by relevant senior executives in relation to their area of management.

The CEO and CFO Declarations state that, in their opinion, the financial records of the Company have been properly maintained, the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group, and that the opinion is formed on the basis of a sound system of risk management and internal control which is operating effectively.

Recommendation 4.3 – Integrity of disclosures in periodic corporate reports

The Company has processes in place to verify the integrity of disclosures made in periodic corporate reports released to the market that are not audited or reviewed by an external auditor. These reports include the Company's half year and full year Directors' Reports, Corporate Governance Statement, Annual Report and Sustainability Report.

The content in the reports is prepared by, or under the oversight of, the relevant subject matter expert for the relevant area being reported on, with input from the Company Secretariat team and the Corporate Finance team, as relevant. Material statements are verified by relevant business managers and senior executives review the content for accuracy and to assess whether it is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions.

Following review by management, the report is presented to the relevant Board Committee and/or the Board for review and approval prior to being released to the market.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1 – Market Disclosure Policy

The Company has a Market Disclosure Policy and procedures are in place so that information is reported to the ASX in accordance with the continuous disclosure requirements under the ASX Listing Rules and the Corporations Act. The Board reviews the Company's compliance with its continuous disclosure obligations at each of its meetings.

The Company Secretary is responsible for coordinating disclosure of information to the ASX, the Australian Securities and Investments Commission and shareholders. The Chief Legal and Risk Officer and any person holding the position of Company Secretary are referred to as the Disclosure Officer in the Market Disclosure Policy.

The Disclosure Officer must be kept informed by management of disclosure related issues, and each Executive Committee member must notify the Disclosure Officer immediately of any information that may require disclosure.

In addition to the Disclosure Officer, there are a limited number of authorised spokespersons for the Group. Only authorised spokespersons may speak on behalf of the Group to people such as investment analysts, securities brokers, journalists and shareholders, and comments must be limited to their own area of responsibility. An employee of the Group who is not an authorised spokesperson must refer any enquiry about the Group from a journalist, investment analyst or other external party to an authorised spokesperson.

Authorised spokespersons of the Group liaise closely with the Disclosure Officer to keep all proposed public comments within the bounds of information that is already in the public domain. If the Company gives a new and substantive investor or analyst presentation, a copy of the presentation materials is released on the ASX Market Announcements Platform ahead of the presentation.

Recommendation 5.2 – Material Market Announcements

Directors approve all material market announcements before they are released to the ASX.

Directors are emailed copies of all market announcements following release to the ASX, and all market announcements are made available on the Company's website.

Recommendation 5.3 – Investor or Analyst Presentations

If the Company gives a new and substantive investor or analyst presentation, a copy of the presentation material is released on the ASX Markets Announcements Platform ahead of the presentation.

🔗 The Company's Market Disclosure Policy is available from the Corporate Governance section of Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1 – Information on website

The Company's website provides stakeholders with a range of information about the Group, including its operations, values, brands, community involvement, announcements to ASX, share price performance, annual reports to shareholders, and upcoming key events.

Major announcements, such as the half year and full year financial results and the annual general meeting, are webcast live on the Company's website. Webcasts are archived and accessible on the website for a reasonable period after the webcast.

🔗 The Company's website is located at <https://www.starentertainmentgroup.com.au/>.

Recommendation 6.2 – Investor relations program

Following the release of its half year and full year financial results announcements, the Company conducts investor briefings (via an audio webcast and teleconference calls) and investor roadshows with institutional investor groups and investment analysts. These events provide an opportunity for investors and other financial market participants to gain a greater understanding of the Group's business, governance, financial performance and prospects, and to express their views on any matters of concern or interest to them.

The Company's Market Disclosure Policy sets out the procedures and guidelines relating to continuous disclosure and the communication of information to investors. This information is communicated to shareholders through ASX announcements, the Company's website, annual report, dividend mail-outs, emails and other means where appropriate.

Recommendation 6.3 – Facilitating and encouraging participation at shareholder meetings


The Company encourages its shareholders to attend its annual general meetings including when conducted in a virtual format. For each annual general meeting the Company provides a live webcast so that shareholders can hear proceedings online.

Important issues are presented to shareholders as single resolutions and full discussion of each item is encouraged. Explanatory memoranda, where considered appropriate, will be included with the Notice of Annual General Meeting in respect of items to be voted on at the meeting. All resolutions at annual general meetings of shareholders are decided by a poll.

The Company also provides a direct voting facility to allow shareholders to vote ahead of the meeting without having to attend or appoint a proxy.

Shareholders who are not able to attend the meeting can provide questions about, or make comments on the management of the company, to the Company Secretary ahead of the meeting. Where appropriate, shareholder questions are read out and answered at the meeting, or the shareholder question and answer is posted on the Company's website, or a written answer may be sent directly to the shareholder.

Dedicated shareholder relations personnel are available to assist in responding promptly to all shareholder enquiries. The Company has a Shareholder Enquiries and Complaints Policy that sets out the processes and procedures for responding to enquiries, complaints, concerns and feedback from shareholders.


 The Shareholder Enquiries and Complaints Policy is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Recommendation 6.4 – Voting on Substantive Resolutions

All substantive resolutions at the Company's Annual General Meetings of shareholders are decided by a poll rather than by a show of hands.

Recommendation 6.5 – Facilitating electronic communications

The Company (via its share registry) provides an email service for its shareholders to receive all shareholder related communications electronically, including dividend statements, notices of meeting, and the annual report. This email service provides a quick and convenient means for receiving this information while reducing costs and being environmentally friendly. Shareholders can also use the share registry's website to lodge their proxy appointments and proxy votes prior to the annual general meeting.

 Shareholders can elect to receive all communications electronically by following the instructions in the 'Become an eShareholder' section of the Investor Centre under the 'Investors' tab on the Company's website at <https://www.starentertainmentgroup.com.au/investorcentre/>.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

Recommendation 7.1 – Risk Committee

Details regarding the membership and composition of the Risk, Compliance and Regulatory Performance Committee are included in the table on page 2 of this Corporate Governance Statement (under the Board Committees and Membership heading).

The key responsibilities of the Risk, Compliance and Regulatory Performance Committee include:

- Reviewing and recommending to the Board for approval, the Group's risk management and compliance management policies and frameworks;
- Evaluating the effectiveness of the Group's risk and compliance management systems, control processes and reporting systems to confirm that they are performing adequately and that compliance requirements are being satisfied (other than the financial reporting obligations for which the Audit Committee is responsible);
- Monitoring risk and regulatory compliance culture and 'behavioural risk', including adherence to relevant systems, processes and controls, in cooperation with the Remuneration, People and Social Responsibility Committee;
- Monitoring the Company's risk profile to assess whether the Company is operating with due regard to the risk appetite approved by the Board, and bringing to the attention of the Board any matters which require the Company to operate outside of the current risk appetite set by the Board;
- Reviewing and monitoring the adequacy of the Group's processes and systems to identify, monitor and report material risks and material incidents which have the potential to compromise the Group's ability to achieve its business objectives;
- Monitoring the effectiveness of the Company's risk and compliance management policies, frameworks, and risk mitigation strategies (including disaster recovery systems and business continuity plans);
- Reviewing the adequacy of the Group's fraud and corruption control processes including monitoring compliance with relevant policies;

- Reviewing the Group's insurance program and the adequacy of its insurance policies having regard to the Group's business and the insurable risks associated with the Group's business;
- Providing strategic direction on the Company's Regulatory Performance Program, overseeing and reporting on the progress of the Program to the Board, reviewing reports from external consultants and advisers, and referring matters to other Committees or to the Board as relevant;
- Overseeing the Company's engagement strategy with relevant external stakeholders including regulators and government bodies in relation to the progress of the Regulatory Performance Program;
- Monitoring that sufficient resources are dedicated to managing risk and compliance.

🔗 The terms of reference for the Risk, Compliance and Regulatory Performance Committee are available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Recommendation 7.2 – Risk Management Framework and annual risk review

The Group has a governance framework which identifies the roles and responsibilities of the Board, Board Committees and senior management. The Group operates an integrated 'three lines of defence' model to identify and manage key risks and to provide assurance that critical controls are effective in managing those risks.

The Board requires management to design, implement and review the risk management and internal control system to manage the Group's material business risks and report to it on whether those risks are being managed effectively.

The Group has in place a Risk Management Framework, policies and procedures, which set out the roles, responsibilities and guidelines for managing financial, legal, strategic and operational risks associated with the Group's businesses. The Risk Management Framework is based on concepts and principles identified in the Risk Management Standard AS/NZS ISO 31000:2018 and its implementation and ongoing development is periodically reviewed by the Risk, Compliance and Regulatory Performance Committee.

Processes have been established to annually review the Group's risks and provide assurance that appropriate controls are in place so that potential occurrence and consequences of material business risks are effectively mitigated.

The Risk, Compliance and Regulatory Performance Committee provides oversight of the risk management process and monitors the ongoing effectiveness of the relevant internal controls considered in the annual internal audit planning process. The Risk, Compliance and Regulatory Performance Committee reviews the appropriateness of the Risk Management Framework at least annually to satisfy itself that the Risk Management Framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.

The Risk Management Policy and Risk Management Framework are reviewed by management every two years and the Risk Appetite Statement within the Framework is reviewed annually.

During the financial year, the Board (through the Risk, Compliance and Regulatory Performance Committee) reviewed and approved revisions to the Risk Management Policy and Risk Management Framework.

🔗 The terms of reference for the Risk, Compliance and Regulatory Performance Committee are available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

🔗 The standard AS/NZS ISO 31000:2009 – Risk Management is available from SAI Global's website at www.saiglobal.com.

Recommendation 7.3 – Internal audit function

The Board reviews and approves the internal control structure of the Group, including the role performed by internal audit, risk management and compliance functions.

The Group's internal audit function is resourced by employees and supplemented by relevant third party experts, and is independent of the external auditor. Internal audit reports are regularly submitted to the Audit Committee and, where appropriate, to the Board. The Audit Committee approves the annual internal audit plan.

The Group monitors whether practices and processes designed to achieve compliance have been operating effectively throughout the year.

The Company has a Compliance Policy and Framework which provides a framework for acting within legal and ethical boundaries, consistent with the values that underpin the Company's business activities and strategic objectives. The Compliance Policy and Framework is also consistent with the Australian standard AS ISO 19600:2015 Compliance management systems – Guidelines.

The Policy sets out the Company's compliance objectives and principles. It also articulates the elements of the Company's compliance management system and the roles and responsibilities of all directors, employees and other contracted providers of labour services in relation to the compliance management system.

🔗 The standard AS ISO19600:2015 Compliance management systems - Guidelines is available from SAI Global's website at www.saiglobal.com.

🔗 The Compliance Policy and Framework is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Recommendation 7.4 – Environmental or social risks

The Company monitors its exposure to all risks including environmental risks and social risks.

Environmental and Social Risks

Material environmental and social risks are described in the Company's Materiality Assessment which is conducted annually in line with best practice. The Materiality Assessment can be found in the Company's Sustainability Report and in the Sustainability section on the Company's website at <https://www.starentertainmentgroup.com.au/our-strategy/>.

The 2022 Sustainability Report also includes a summary of the Group's key sustainability objectives and actions to manage sustainability risks identified as part of the Company's annual materiality assessment and has aligned its management of material issues to its contribution towards the United Nations Sustainable Development Goals.

In 2022, the Company released its second Modern Slavery and Human Trafficking Statement which can be found in the Sustainability section of the Company's website at <https://www.starentertainmentgroup.com.au/reporting-assurance>.

In line with its Environmental Management Policy, the Company aims to minimise the adverse social, environmental and economic effects of its operations for the benefit of all stakeholders. The Company's 2022 Sustainability Report includes, at pages 33 to 58, details of the efforts made to reduce energy and water consumption, carbon dioxide emissions, and to reduce waste going to landfill. The Company recognises the recommendations of the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) and the associated framework, and has released its third Climate-related Disclosures Report which can be found on the Company's website at: <https://www.starentertainmentgroup.com.au/environment/>.

The Company is committed to a low carbon future and has a target to achieve zero Scope 1 and Scope 2 carbon emissions for its wholly owned and operated assets by 2030 as a long-term measure. The pathway to achieve this target includes the purchasing of renewable electricity and the assessment of onsite solar, continuing the Company's energy efficiency program and developing a carbon offsetting strategy which delivers environmental and social benefits. Interim carbon and water reduction targets are also in place.


The Company's pathway to zero Scope 1 and Scope 2 carbon emissions and progress against targets can be found in the Sustainability Report.

Further details on climate-related risk assessment work completed by the Company can be found in the Sustainability section of the Company's website at: <https://www.starentertainmentgroup.com.au/environment/> and <https://www.starentertainmentgroup.com.au/reporting-assurance>.

The most material social sustainability risk relates to problem gambling. Details of the Group's approach to responsible gambling practices are set out on pages 23 to 30 of the 2022 Sustainability Report. Details of the Company's Responsible Gambling Program can be found in the Responsible Gambling section of the Company's website at <https://www.starentertainmentgroup.com.au/responsible-gambling/>.

🔗 The Company's materiality assessment for 2022 can be found in the Sustainability section of the Company's website at <https://www.starentertainmentgroup.com.au/materiality>.

🔗 The Company's sustainability strategy can be found in the Sustainability section of the Company's website at <https://www.starentertainmentgroup.com.au/sustainability>.

 The Company's Responsible Gambling Codes of Practice are available from the Responsible Gambling section of the Company's website at <https://www.starentertainmentgroup.com.au/responsible-gambling/>.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY


Recommendation 8.1 – Remuneration Committee

Details regarding the membership and composition of the Remuneration, People and Social Responsibility Committee (formerly the Remuneration Committee to 31 December 2021) are included in the table on page 2 of this Corporate Governance Statement (under the Board Committees and Membership heading).

The Remuneration, People and Social Responsibility Committee has responsibility for, among other things, reviewing and making recommendations to the Board regarding:

- remuneration packages and policies applicable to the Chairman, Directors, and other key management personnel and direct reports to the Managing Director and Chief Executive Officer and any other executive or senior manager whose remuneration package is proposed to be outside the Company's Board-approved remuneration framework and policies;
- the Company's general remuneration practices and policies, including terms and conditions of any employee share ownership and option schemes, incentive performance packages, superannuation arrangements, retirement and termination entitlements;
- employee incentive plans (including option and share plans) and individual equity allocations to relevant eligible employees;
- the Company's remuneration arrangements to support achievement of the Group's gender diversity objectives; and
- minimum shareholding levels for the Non-Executive Directors, key management personnel and other executives (including monitoring changes to their shareholdings) and any required changes to the relevant Minimum Shareholding Policy.

The Remuneration, People and Social Responsibility Committee also oversees the preparation, and reviews the content, of the Remuneration Report for inclusion in the Company's Annual Report.


 The Terms of Reference for the Remuneration, People and Social Responsibility Committee are available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.

Recommendation 8.2 – Remuneration policies and practices

Details about the Company's remuneration strategy, framework, policies and practices are set out in the Remuneration Report which clearly distinguishes the structure of Non-Executive Directors' remuneration from that of the Managing Director and Chief Executive Officer and other senior executives.

Recommendation 8.3 – Policy on hedging equity-based incentive schemes

The Company's Securities Trading Policy prohibits those employees who participate in any employee or executive incentive plans from hedging the value of restricted shares and unvested performance options or rights granted under such plans. Breaches of this prohibition will result in awards being forfeited by the relevant employee.

 The Securities Trading Policy is available from the Corporate Governance section of the Company's website at <https://www.starentertainmentgroup.com.au/corporate-governance/>.