

# Audit Committee Charter

## 1. Introduction

- 1.1. The Audit Committee (**Committee**) has been established as a standing committee of the Board and delegated authority to carry out the responsibilities set out in this Charter.
- 1.2. This Charter sets out responsibilities of the Audit Committee and how it will discharge its responsibilities.

## 2. Role

- 2.1. The role of the Committee is to support the Board to oversee financial reporting and the internal control framework, the external auditor and the external audit, and the internal audit and assurance function and processes for The Star Entertainment Group Limited (**The Star**) and its related bodies corporate (**The Star Group**).

## 3. Responsibilities

- 3.1. The Committee is responsible for the following.

<p><b>3.1.1. Financial reporting</b></p>	<ul style="list-style-type: none"> <li>a. Reviewing The Star’s half year and full year financial reporting and associated disclosures (including investor presentations) and assessing whether they reflect the Committee’s knowledge and understanding, and provide a true and fair view, of The Star’s financial position and performance.</li> <li>b. Recommending to the Board for approval The Star’s half year and full year financial reporting and associated disclosures (including investor presentations).</li> <li>c. Reviewing financial reporting processes, accounting policies and the application of policies and accounting treatment, particularly as they relate to unusual events or transactions, and making recommendations to the Board about their appropriateness.</li> <li>d. Receiving representations and attestations from the Group Chief Executive Officer &amp; Managing Director (<b>CEO &amp; MD</b>) and the Group Chief Financial Officer (<b>CFO</b>) (together, <b>CEO &amp; MD and CFO Representations</b>).</li> <li>e. Reviewing the processes and controls that support the CEO &amp; MD and CFO Representations.</li> </ul>
<p><b>3.1.2. External audit</b></p>	<ul style="list-style-type: none"> <li>a. Recommending to the Board the appointment and replacement (as required) of the external auditor for shareholder approval.</li> </ul>

	<p>b. Reviewing and recommending to the Board for approval the rotation of the audit partner.</p> <p>c. Reviewing and approving the external audit plan and any variations proposed to an approved external audit plan.</p> <p>d. Reviewing and approving the fees payable to the external auditor for audit and non-audit work.</p> <p>e. Annually evaluating the performance, effectiveness and independence of the external auditor.</p> <p>f. Receiving and considering reports from the external auditor prior to finalisation of the audit of The Star's half year and full year financial statements, and the final external audit reports for the audited half year and full year financial statements and associated disclosures.</p> <p>g. Reviewing and recommending to the Board the details of fees paid to the external auditors including for non-audit services to be disclosed in The Star's financial reporting for each half and full year.</p>
<p><b>3.1.3. Internal audit and assurance</b></p>	<p>a. Approving the appointment and replacement (as required) of the Group Chief Audit Officer.</p> <p>b. Reviewing and approving the Internal Audit and Assurance Charter.</p> <p>c. Reviewing and approving the internal audit plan for each calendar year and any variations proposed to an approved internal audit plan.</p> <p>d. Monitoring progress against the internal audit plan and any impediments to its delivery.</p> <p>e. Receiving and reviewing regular reports about 'Unsatisfactory' audit findings, management's responses to the findings and the actions proposed to be taken to address the findings, and the timeliness and adequacy of management's resolution of 'Unsatisfactory' audit findings.</p> <p>f. Requiring the Group Leadership Team member responsible for the function or business area in relation to which 'Unsatisfactory' audit findings have been made to attend Committee meetings to discuss the audit outcomes.</p> <p>g. Annually assessing the independence and performance of, and the adequacy of resourcing for, the Internal Audit and Assurance function, and providing feedback to management.</p>
<p><b>3.1.4. Financial risk management</b></p>	<p>a. Overseeing management's instilling of an appropriate and robust financial risk culture.</p> <p>b. Overseeing management's approach to dealing with financial, accounting and tax-related risks.</p> <p>c. Overseeing management's compliance with financial expenditure and operational decisions under delegated authority.</p>

	<p>d. Reviewing the adequacy and effectiveness of The Star’s financial and accounting controls and policies and corporate reporting processes.</p> <p>e. Obtaining regular assurances from management about the adequacy and effectiveness of the financial and accounting controls and policies and corporate reporting processes.</p> <p>f. Receiving and considering copies of, and management’s response to, correspondence relating to financial, accounting and tax matters from the Australian Securities &amp; Investments Commission, the Australian Taxation Office, the NSW or Queensland casino regulators or any other regulator.</p> <p>g. Reviewing and making recommendations to the Board about approval of finance, tax and accounting policies.</p> <p>h. Overseeing management’s implementation of financial controls for The Star Group’s operating subsidiaries and joint ventures and making recommendations to the Board as required.</p> <p>i. Reviewing any finance, tax and accounting related matters referred to the Committee by the Board or another Board Committee.</p> <p>j. Receiving reports from management about new and emerging sources of financial risk and the controls and mitigations being implemented by management to address such risks.</p>
<p><b>3.1.5. Performance assessment</b></p>	<p>a. Assessing and making recommendations to the Culture, People &amp; Remuneration Committee about:</p> <ul style="list-style-type: none"> <li>• any financial risk-related matters;</li> <li>• any internal audit findings; and</li> <li>• delivery and implementation of remedial actions and initiatives developed to address adverse audit findings,</li> </ul> <p>relevant to consideration of performance and variable remuneration outcomes for the CEO &amp; MD, senior executives and key personnel.</p>
<p><b>3.1.6. Remediation program</b></p>	<p>a. Reviewing and making recommendations to the Board about implementation of initiatives for the following Remediation Plan workstream:</p> <ul style="list-style-type: none"> <li>• 09 Internal Audit &amp; Assurance.</li> </ul> <p>b. Reviewing reports from management relating to the progress of implementation of initiatives relating to the above-listed Remediation Plan workstream.</p>

- 3.2. In performing its role and fulfilling its responsibilities, the Committee will have regard to The Star Group’s culture and suitability to hold licences to operate casinos in New South Wales and Queensland.
- 3.3. The Committee will also be responsible for any other matters delegated to the Committee by the Board from time to time.

## 4. Composition

- 4.1. The Committee will comprise at least three independent non-executive directors (**NEDs**) appointed by the Board.
- 4.2. The Committee chair (**Committee Chair**) is appointed by the Board and must be an independent NED who is not the Chairman of the Board (**Board Chairman**).
- 4.3. Committee members should have between them the accounting and financial expertise and understanding of the gaming and entertainment industry, as well as tourism, hospitality, retail, marketing and property development, to be able to discharge the Committee's mandate effectively.
- 4.4. To facilitate the flow of risk-related information between the Committee and each of the Culture, People & Remuneration Committee, the Risk & Compliance Committee, and the Safer Gambling, Governance & Ethics Committee, at least one member of the Committee will also be a member of one of the Culture, People & Remuneration Committee, the Risk & Compliance Committee, and the Safer Gambling, Governance & Ethics Committee.
- 4.5. The Group Company Secretary of The Star (or their delegate) will act as secretary for the Committee (**Secretary**).

## 5. Meetings

- 5.1. The Committee will meet at least four times each year, and more frequently if required.
- 5.2. A quorum will constitute two Committee members.
- 5.3. Meetings may be held in person, by electronic means, or by a combination of both methods, as determined by the Committee Chair.
- 5.4. Except in circumstances where there is an urgent need for the Committee to meet, Committee members must be given at least seven days' notice of scheduled meetings.
- 5.5. Each Committee meeting must have an agenda which, except in circumstances where an urgent meeting has been called, is distributed along with the papers for each scheduled meeting to each director at least seven days prior to the scheduled meeting.
- 5.6. The Committee may invite any person (including employees and contractors of The Star and any advisers to The Star) to attend meetings at its discretion.
- 5.7. The following will have a standing invitation to Committee meetings:
  - 5.7.1. the CEO & MD;
  - 5.7.2. the Manager – The Star Sydney Casino, Special Manager – Treasury Brisbane, Special Manager – The Star Gold Coast Casino;
  - 5.7.3. the CFO;
  - 5.7.4. the Group Chief Risk Officer;
  - 5.7.5. the Group Chief Legal Officer;
  - 5.7.6. the Group Chief Audit Officer; and
  - 5.7.7. the Audit Partner of The Star's external auditor.
- 5.8. The draft minutes of each Committee meeting that have been approved by the Committee Chair will be circulated to the Committee for approval at the Committee meeting immediately following each Committee meeting.

- 5.9. The Secretary is responsible for retaining and maintaining all records of the Committee, including meeting papers and minutes.

## **6. Reporting and escalation of material matters**

- 6.1. All directors will have a standing invitation to, and may attend, all Committee meetings.
- 6.2. All directors will receive Committee papers (subject to any conflict of interest with any matter being considered by the Committee).
- 6.3. The Committee Chair must provide a verbal briefing about material matters considered by the Committee and will communicate any recommendations from the Committee to the Board at the Board meeting that is scheduled immediately following each Committee meeting.
- 6.4. The Committee Chair must formally escalate and report to The Star Board via the Board Chairman any matters determined by the Committee to have or which could have a material adverse impact on The Star or The Star Group within 24 hours of the Committee meeting at which the determination was made by the Committee.
- 6.5. The Committee will refer issues and matters to another Board committee if the issue / matter:
- 6.5.1. falls within the mandate of another Board committee; or
  - 6.5.2. would be useful for another Board committee to be informed about or consider.

## **7. Access to information, personnel and resources**

- 7.1. The Committee will have access to any information (including company records), personnel and resources of The Star it requires to discharge its responsibilities.
- 7.2. The Group Chief Audit Officer will have a direct reporting line to the Committee Chair, and the Internal Audit and Assurance function will report directly to the Committee via the Committee Chair.
- 7.3. The Committee will have direct and unfettered access to each of The Star's internal auditor and external auditor without management present.
- 7.4. The Committee will regularly meet with each of The Star's internal auditor and external auditor without management present.
- 7.5. The Committee has the right to seek information and ask any questions of management, the internal auditor and the internal audit team, the external auditor and the external audit team, the CFO, and any other external / independent expert or adviser to enable the Committee to discharge its responsibilities.
- 7.6. Provided Committee members are not aware of any reasons not to do so, the Committee is entitled to rely on:
- 7.6.1. any advice, information, and assurances provided by management about matters within their respective areas of expertise; and
  - 7.6.2. the expertise of external / independent advisers and experts.

## **8. Independent advice**

8.1. The Committee may, with the prior approval of the Board Chairman, seek independent professional advice at The Star's expense.

## **9. Performance review**

9.1. The performance of the Committee and its members will be reviewed and assessed as part of the Board's annual performance review, including an external review of the performance of the Committee every three years.

## **10. Review of Charter**

10.1. The Committee will review this Charter every year, and more often if required, and make recommendations for amending the Charter to the Board for approval.



Approved on: 30 November 2023

Approved by: The Star Entertainment Group Limited Board

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