

ARISTOCRAT

2023 Corporate  
Governance Statement

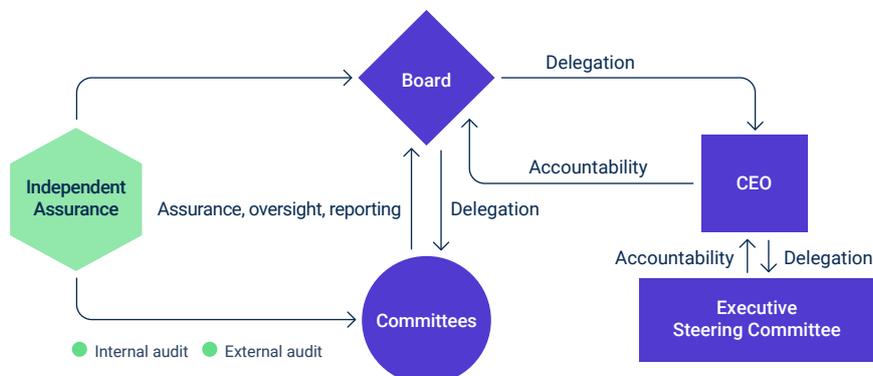


# Corporate Governance Statement

## Our approach to Corporate Governance

The Board of Aristocrat Leisure Limited (**Aristocrat** or **Company**) is committed to maintaining high standards of effective corporate governance arrangements to help create, protect and enhance shareholder value and the future sustainability of the Company. Aristocrat's strong governance framework provides a solid structure for effective and responsible decision making and setting a culture of integrity, transparency and accountability that flows throughout the Aristocrat Group (**Group**).

Corporate Governance Framework



## Compliance with ASX Corporate Governance Principles

Aristocrat has followed the 4<sup>th</sup> Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles**) throughout the 2023 financial year (the **Reporting Period**). This Corporate Governance Statement sets out key features of the Company's governance framework and compliance with the ASX Principles.

This statement has been approved by the Board and is dated 15 November 2023.

## Aristocrat's 2023 Areas of Governance Focus

During the year, the Board provided strategic guidance and effective oversight of management in its implementation of Aristocrat's objectives and instilling its values and desired culture.

### Board and Executive Succession and Renewal

- The Board continued to implement and deliver on its orderly renewal process with the nomination of Bill Lance and Jennifer Aument as a Non-Executive Director (Elect) in October 2022 and April 2023, respectively.
- Sally Denby was promoted to Chief Financial Officer in November 2022, and Tracey Elkerton, Chief Compliance Officer, elevated to the Executive Steering Committee in February 2023, further evidencing the careful succession planning and ongoing investment in developing senior executive talent and leadership bench strength.
- After four years as CEO, Pixel United, Michael Lang departed the business in September 2023. He remains available to Aristocrat through to mid-December 2023.

### Governance & Culture

- The Board regularly reviews Aristocrat's governance policies and practices to ensure that they remain appropriate in light of changes in corporate governance expectations and developments. The Board approved updates to two key Governance Policies – the Share Trading Policy and Code of Conduct. In addition, Group-wide policies around use of Generative AI and Responsible Gameplay were launched.
- Mechanisms used by the Board to monitor culture included visits to Aristocrat's global offices and operations and business immersion sessions with management (including on observations from 'Pulse' employee surveys).
- Continued strategic oversight of Aristocrat's M&A and capital management programs, with appropriate Board oversight and governance through committee and reporting structures. This framework was in place throughout the Reporting Period for the Board to oversee implementation of the Anaxi 'build and buy' strategy and the Group's proactive capital management strategy.

### Effective Risk Management

- Review and refresh of business impact analyses and business resilience plans for all major business units and tabletop exercises.
- Enactment of crisis and resilience management frameworks to respond to economic and political volatility in Ukraine, and more recently in Israel.
- Significant progress towards submitting a Group-wide, science-based emissions reduction target to the Science-Based Targets Initiative (**SBTi**) organisation by the end of calendar year 2023, in line with the commitment to decarbonise the business and grow value. Post period end, Aristocrat submitted its draft targets to SBTi and anticipates obtaining the required SBTi approval in the first half of calendar 2024.
- The independent maturity assessment of the Privacy Program and Cyber Security Program indicated strong progress against its respective multi-year Roadmaps, reflecting further investment in policies, tooling, processes and capabilities.

# Corporate Governance Statement

## 1.0 The Board

### 1.1 The Role of the Board

The Board's primary role is to demonstrate leadership, provide overall strategic guidance and effective oversight of management in implementing Aristocrat's objectives and instilling its desired values and culture.

The roles and responsibilities reserved for the Board are set out in the Board Charter and include responsibilities relating to:

- leadership, strategy and oversight;
- governance, including monitoring the adequacy and effectiveness of Aristocrat's Environmental, Social and Governance framework;
- appointment, remuneration and performance of the Chief Executive Officer (CEO) and the CEO's direct reports;
- financial and risk management matters;
- people and culture including overseeing Aristocrat's workplace health and safety measures; and
- legal and compliance.

A copy of the Board Charter is available in the Governance section of the Company's Investor Centre at [www.ir.aristocrat.com](http://www.ir.aristocrat.com)

The Board reviewed and updated its Charter during the Reporting Period to ensure the role, responsibilities and accountabilities of the Board remain appropriate and reflect a high standard of corporate governance.

The Board has authorised the CEO to oversee the day-to-day business and operations, within the limits of specific authorities set out in the delegations approved by the Board. The CEO has, in turn, approved sub-delegations of authority that apply to management.

The CEO is accountable to the Board. The Board monitors the decisions and actions of the CEO and the Group's progress on achieving the short, medium and long-term objectives as set by the Board.

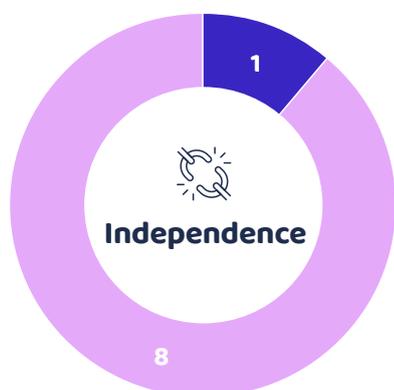
### 1.2 The Board Is Structured to Add Value

As at 30 September 2023, the Board comprised eight independent Non-Executive Directors and the CEO and Managing Director, who is an Executive Director.

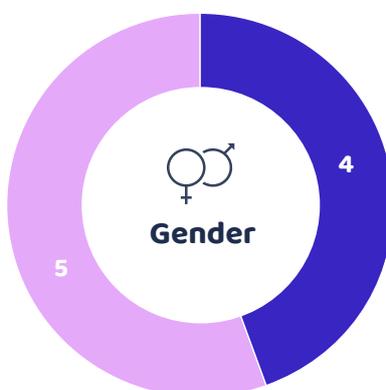
The names of the Directors and their respective qualifications, experience and responsibilities are set out in the Directors' Report within the Annual Report.

The Board's approach to its composition and renewal is determined using the following principles:

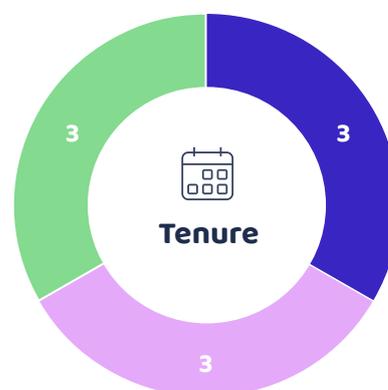
- **Skills and Experience:** A relevant blend of skills, expertise and experience to enable it to deal with current and emerging opportunities and risks, and to effectively review and challenge the performance of management. As an organisation with diverse global operations, the Board considers it important that it has members with experience in the major jurisdictions in which the Group operates, as well as having members with global business experience.
- **Independence:** The Board considers that all of its Non-Executive Directors, including the Chairman, were independent during the year and continue to be independent.
- **Diversity:** The Board has a diversity objective that includes geographical, gender and skills diversity to effectively discharge its responsibilities.
- **Tenure Profile:** The Board balances the length of service of each of its Non-Executive Directors so that it is appropriately balanced and Board succession and renewal planning is managed over the medium to longer term.



● CEO ● Independent



● Female ● Male



● 0-4 years ● 4-7 years ● 7+ years

# Corporate Governance Statement

## 1.0 The Board **continued**

### 1.3 Board Skills and Experience

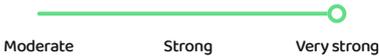
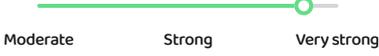
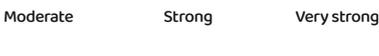
The Board seeks to have an appropriate and diverse mix of skills, experience, expertise and diversity (including geographical, gender and skills diversity) to effectively discharge its responsibilities, appropriately monitor risk management and add value to the Group.

The Board has identified the following strategic priorities for the Group to drive sustained shareholder value:

- financial performance and sustainable profitability by expanding into adjacent markets and driving continued share growth in various markets within a framework of effective controls and risk management.

- execution of strategic priorities, including developing and delivering on a sustainable strategic framework for the business.
- continue to embed effective risk management throughout the organisation, with a focus on business resilience, cyber security and privacy maturity.
- technology and hardware innovation, quality and delivery, great game content and customer centricity.
- driving leadership effectiveness and a high performing culture through development, retention and succession planning across all management levels and for creative talent.

The following table sets out the mix of skills and experience represented on the Board as at 30 September 2023:

SKILLS AND EXPERIENCE	COLLECTIVE
 <b>EXECUTIVE LEADERSHIP</b> Significant experience at a senior executive level	
 <b>CAPITAL MANAGEMENT AND CORPORATE FINANCE</b> Senior experience in capital management strategies and corporate finance	
 <b>GLOBAL BUSINESS EXPERIENCE</b> International business experience	
 <b>RISK MANAGEMENT</b> Senior experience in financial and non-financial risk management	
 <b>FINANCIAL REPORTING AND MANAGEMENT</b> Senior experience in financial management, reporting and audit	
 <b>CORPORATE GOVERNANCE, LEGAL AND REGULATORY</b> Commitment to the highest standards of corporate governance and legal compliance, including experience with an organisation that is subject to rigorous governance and regulatory standards	
 <b>DIGITAL TECHNOLOGY</b> Senior experience in technology, especially in digital, software or computer industries and oversight of implementation of major technology projects	
 <b>INDUSTRY KNOWLEDGE AND EXPERTISE</b> Senior executive or Board level experience in the land-based and/or digital gaming industry, including an in-depth knowledge of product and markets	
 <b>REMUNERATION AND PEOPLE</b> Board remuneration committee membership or management experience in people management, succession planning and remuneration policy	

# Corporate Governance Statement

## 1.0 The Board continued

### 1.4 Director Independence

All Directors, whether independent or not, are expected to bring an impartial judgement to bear on Board decisions and are subject to the Board's policy regarding management of conflicts of interest, as well as common law and Corporations Act requirements.

Each year, the Board assesses whether each of the Non-Executive Directors are independent. In making such an assessment, the Board considers a range of factors which are set out in the Board Charter.

During the 2023 financial year, the Board reviewed each Non-Executive Director's independence and concluded that each Non-Executive Director is independent.

The Board considers Pat Ramsey to be an independent Non-Executive Director, notwithstanding his previous employment with Aristocrat. Pat Ramsey was employed by Aristocrat for approximately nine months in the role of Chief Digital Officer prior to his appointment as a Non-Executive Director effective 1 October 2016. The Board considers that the short length of his employment, the position he held within Aristocrat, and the fact that it has been over seven years since Pat Ramsey held his executive role, means that his independence is not compromised, and the Board is confident that he brings objective and independent judgement to the Board's deliberations.

Details, including the term of office, qualifications, experience and information on other directorships held by each member of the Board can be found in the Directors' Report within the Annual Report.

### 1.5 Non-Executive Director Selection and Succession Planning

The Board adopts a structured and rigorous approach to Board succession planning. The Board regularly evaluates and reviews its succession planning process to ensure the progressive and orderly renewal of Board membership.

Before a candidate is nominated by the Board, the candidate must confirm that they will have sufficient time to meet their obligations to Aristocrat and that they expect to meet all gaming licensing and regulatory approval conditions.

In addition, because Aristocrat operates in a highly regulated environment, comprehensive background and reference checks are undertaken on candidates – further information is set out in section 1.6 of this Corporate Governance Statement.

An election of Non-Executive Directors is held each year. Any new Non-Executive Director nominated during the year is known as a Non-Executive Director (Elect), subject to receipt of all relevant regulatory pre-approvals. Until the receipt of all necessary regulatory pre-approvals, a Non-Executive Director (Elect) may attend all Board and any Committee meetings of the Company but will have no entitlement to vote on any resolutions proposed at any meeting of the Board or any Committee.

Upon regulatory pre-approval, the Board will confirm the appointment of the Non-Executive Director (Elect) as a Director of Company. The Non-Executive Director will stand for election by shareholders at the subsequent Annual General Meeting (AGM).

Aristocrat has appropriate procedures in place to ensure that material information relevant to a decision to elect or re-elect a Non-Executive Director (including whether Directors, with the relevant candidate abstaining, support the election or re-election), is disclosed in the notice of meeting provided to shareholders. Non-Executive Director candidates are also invited to address the meeting and provide details of the relevant qualifications, experience and skills they bring to the Board.

The Board has continued to implement and deliver on its orderly renewal process with the nomination of Bill Lance and Jennifer Aument as a Non-Executive Director (Elect) on 19 October 2022 and 11 April 2023, respectively.

Bill Lance has decades of experience as a major gaming operator and a Tribal leader of national standing in North America. He brings valuable new perspectives to the Board's deliberations and further strengthens the customer focus of the Group as a whole. Bill Lance received all relevant regulatory pre-approvals and the Board confirmed his appointment as a Director on 4 January 2023. He was elected by shareholders at Aristocrat's 2023 AGM.

Jennifer Aument has more than 25 years of business experience, including holding leadership roles with large US and Australian publicly listed companies operating in global and regulated environments. She brings a valuable understanding of the complexity of global supply chains and the development and delivery of major infrastructure projects, as well as strong digital technology, government relations and public affairs capabilities and experience. Jennifer also brings deep experience in managing professional teams across multiple geographies. Jennifer Aument received all relevant regulatory pre-approvals and the Board confirmed her appointment as a Director on 1 August 2023. She will stand for election at Aristocrat's 2024 AGM and further information will be available to shareholders in the notice of meeting.

### 1.6 Background Checks

As Aristocrat operates in a highly regulated environment and is required to be licensed by gaming regulatory authorities in more than 325 jurisdictions, the Company undertakes comprehensive background checks prior to the appointment of a new Non-Executive Director or Executive to demonstrate that the individual is suitable to be associated with the gaming industry. Non-Executive Directors and certain Executives and senior management are required to be licensed in over 45 jurisdictions.

Background checks include employment, criminal history, bankruptcy and disqualified company director and officer checks. In addition, gaming regulators conduct detailed background investigations on Non-Executive Directors and those Executives and senior management undergoing licensure, requiring them to disclose historical and current personal and financial information and records and participate in interviews. For certain roles, personal appearances must be made (required in Nevada and may be required in Mississippi) and because the formal meetings are predetermined by each regulatory authority, the candidate has very little control of the dates of these appearances and typically require separate overseas trips to attend the appearances.

# Corporate Governance Statement

## 1.0 The Board **continued**

### 1.6 Background Checks **continued**

While spouses are not required to be licensed, they are required to provide certain personal and financial information which will be supplied to gaming regulators; this also applies to all children living with the candidate under the age of 18.

The process for applying for gaming licenses is lengthy, complex and time-consuming and there is an ongoing obligation to keep the regulators notified of any material changes, such as a change of address or purchase of new property within the timeframe required by the regulator. As a result, Non-Executive Directors and those Executives and senior management undergoing licensure are required to provide financial statements and other requested records regularly to the Aristocrat licensing team to ensure ongoing regulatory requirements are fulfilled (which includes the renewal of licences and compliance with conditions of their licences).

### 1.7 Appointment Terms

New Non-Executive Directors receive a letter of appointment and a deed of access and indemnity. The letter of appointment outlines the Company's expectations of Non-Executive Directors with respect to their participation, time commitment and compliance with the Company's policies and regulatory requirements.

Each Executive enters into a service contract which sets out the material terms of employment, including a description of position and duties, reporting lines, remuneration arrangements and termination rights and entitlements. Key contract details of those Executives who are KMP<sup>1</sup> are summarised in the Remuneration Report within the Annual Report.

In addition, given the detailed background investigations on Non-Executive Directors and those Executives and senior management undergoing licensure (as set out in section 1.6), a deed of indemnity for identity theft is also offered to those undergoing licensure.

### 1.8 Induction and ongoing Professional Development Opportunities

New Non-Executive Directors joining the Board participate in a comprehensive induction program (which includes meeting with the Chairman and Executives) and are provided with the Director's Handbook which, among other things, outlines the governance principles under which the Board acts and their key responsibilities and legal duties. Given the geographic diversity of the Board and Group operations, induction for US based Non-Executive Directors include specific sessions targeted to Australian corporate governance and the program also includes site and office visits to some of the Group's key jurisdictions.

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. Recognising the importance of providing continuing education, Non-Executive Directors take part in a range of training and continuing education programs which are conducted by internal and external experts. Topics covered include anti-money laundering, responsible gameplay, cyber security, digital disruption and technology, the macroeconomic and geopolitical environment and crisis response table-top exercises.

Non-Executive Directors also receive regular business briefings at Board meetings on each area of the Group's business, in particular regarding performance, key projects, risks and strategies for growth. In addition, Non-Executive Directors have unfettered access to Executives and are encouraged to meet with the Executives to further their knowledge and understanding of the Group's businesses.

All Aristocrat Directors become members of the Australian Institute of Company Directors (**AICD**) and are encouraged to further their knowledge through participation in seminars hosted by the AICD and other forums sponsored by professional, industry, governance and Government bodies.

Non-Executive Directors are also generally encouraged to attend one major gaming trade show each year and broaden their knowledge of the business by visiting offices and attending customer visits in different locations.

### 1.9 Access to Information and Independent Advice

Directors are entitled to the following:

- unrestricted access to employees and records, subject to law; and
- independent professional advice at Aristocrat's expense, where reasonable and necessary to fulfil their duties and subject to prior consultation with the Chairman, and for the Chairman, prior consultation with the Chairman of the Audit Committee.

In addition, Directors are emailed copies of all market announcements released on the ASX to ensure timely visibility of the nature and quality of the information being disclosed to the market and the frequency of such disclosures.

### 1.10 The Role of the Company Secretary

The Company Secretary is accountable directly to the Board, through the Chairman, for the proper functioning of the Board and facilitating Aristocrat's corporate governance processes. Each Director is entitled to access the advice and services of the Company Secretary.

In accordance with the Company's Constitution, the appointment or removal of the Company Secretary is a matter for the Board as a whole. Details of the Company Secretary are set out in the Director's Report within the Annual Report.

1. "KMP" means Key Management Personnel, being those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the relevant reporting period as determined by the Board of Aristocrat.

# Corporate Governance Statement

## 2.0 Board Committees

During the Reporting Period, the Board had three principal Committees to assist in carrying out its responsibilities. These are the:

- Audit Committee;
- People and Culture Committee; and
- Regulatory and Compliance Committee.

The composition of each Committee and the number of meetings held and attended by each member of the Committee during the year can be found in the Directors' Report within the Annual Report.

Further sub-committees of the Board may be convened to confer on particular issues from time to time.

A copy of each current Committee Charter is available in the Governance section of the Company's Investor Centre at [www.ir.aristocrat.com](http://www.ir.aristocrat.com)

### 2.1 Audit Committee

The Audit Committee comprises at least three Non-Executive Directors, a majority of whom must be independent, and is chaired by an independent Non-Executive Director who is not the Chairman of the Board.

All members of the Audit Committee are financially literate, and the Committee possesses sufficient financial expertise and knowledge of the industry in which the Group operates.

Members of the Group's internal and external audit firms attend Audit Committee meetings by invitation, together with the Chief Financial Officer (CFO), internal Group Head of Risk and Audit and relevant senior finance management.

The Audit Committee assists the Board in discharging its duties in relation to oversight of financial risk management of the Group, the integrity of the Group's financial reporting, effectiveness of the Group's systems of risk management and internal controls, the independence, objectivity and competence of the external and internal auditors, and compliance with legal and regulatory (non-gaming) obligations. The Audit Committee Charter includes a more detailed description of the duties and responsibilities of the Committee.

#### Internal Audit Function

Aristocrat has a dedicated Internal Audit team which provides independent and objective assurance on the adequacy and effectiveness of Aristocrat's internal control environment, together with recommendations to improve the efficiency of the relevant systems and processes.

The Internal Audit function operates under a separate Charter approved by the Audit Committee, which defines the role, organisational status, authority, responsibilities and scope of activities of the function. The Internal Audit function is authorised to have full, free and unrestricted access to the Audit Committee, all functions, premises, assets, personnel, records and other documentation required to fulfil its role.

Aristocrat has adopted a co-source model to internal auditing, with the internal core team and primary co-sourced partner (Protiviti), jointly performing the internal audit function in accordance with the Internal Audit Plan that is approved annually by the Audit Committee. The co-source model enables a balance of external specialist input and experience and internal knowledge.

To ensure independence, Internal Audit reports functionally to the Chairman of the Audit Committee and administratively to the CFO via the Senior Vice President, Group Finance. The results of internal audit activities are reported to the Audit Committee.

The Audit Committee is responsible for the approval of the appointment and removal of the co-sourced partner.

#### Selection of external auditor

The Audit Committee is responsible for reviewing the procedures for selection and appointment of the external auditor, and for the rotation of external audit engagement partners. This process includes making a recommendation to the Board on the selection or removal of the external auditor.

The Audit Committee is also responsible for reviewing the performance, independence and objectivity of the external auditor at least annually. In addition, the Audit Committee regularly reviews the broader practices of the external auditor firm to satisfy itself that the engagement of the external auditor continues to be appropriate.

#### Auditor independence

The Group's policy on auditor independence restricts the types of non-audit services that can be provided by the external auditor. In addition, any non-audit services which are to be provided by the external auditor need to be pre-approved by the Chairman of the Audit Committee or the CFO (based on fee quantum).

The Audit Committee requires the external auditor to confirm annually that it has complied with all professional regulations or guidance issued by the Australian accounting profession relating to auditor independence and reviews the independence of the auditor annually. The Group requires the lead external audit partner to rotate every five years.

PricewaterhouseCoopers (PwC) continued in office as the Company's auditor during the Reporting Period. PwC is engaged on low value assignments in addition to their statutory audit duties where PwC's expertise and experience with the Group are important.

#### Attendance of auditor at AGMs

The external auditor attends the AGM and is available to answer questions from shareholders on:

- conduct of the audit;
- preparation and content of the auditor's report;
- accounting policies adopted by the Group in relation to the preparation of the financial report; and
- independence of the auditor in relation to the conduct of the audit.

# Corporate Governance Statement

## 2.0 Board Committees **continued**

### 2.2 People and Culture Committee

The People and Culture Committee comprises at least three Non-Executive Directors, a majority of whom must be independent, and is chaired by an independent Non-Executive Director.

The Committee advises the Board on governance and oversight responsibilities in relation to the Group's people strategy, diversity, organisational culture and employee engagement, remuneration of Non-Executive Directors, the performance, remuneration and incentives of the CEO and direct reports to the CEO, succession and talent development planning processes, attracting, retaining and motivating high calibre employees and Directors, and compliance with applicable laws and regulations relating to remuneration frameworks and disclosure.

### 2.3 Regulatory and Compliance Committee

The Regulatory and Compliance Committee comprises at least three Non-Executive Directors and one member of management who is primarily responsible for Group gaming compliance. The majority of members of the Committee must be independent.

In addition, A.G. Burnett was appointed as an independent voting member of the Regulatory and Compliance Committee in March 2021. Having served as Chairman of the Nevada Gaming Control Board (**NGCB**) from 2012 to 2017, among other appointments, A.G. Burnett is highly regarded for his leadership in developing strong frameworks for the gaming industry and provides his expert input to support the Regulatory and Compliance Committee's deliberations.

The Committee assists the Board to fulfil its oversight responsibilities relating to the compliance by the Group with gaming laws and regulations, the effectiveness of the Group's systems designed to ensure compliance with all aspects of the Approved NGCB Compliance Plan, the suitability of key associates and compliance training and education programs.

Once a year, representatives of the NGCB attend a meeting of the Regulatory and Compliance Committee and all directors (even those that are not Committee members) are encouraged to attend that meeting.

This Committee also maintains oversight over the Quarterly Compliance Assurance Statements made by the Board, Executives and various licensed individuals across the Group. The Statement includes representations made by the individual with regards to compliance with laws, breaches of the Aristocrat Code of Conduct and other requirements under the NGCB Compliance Plan.

### 2.4 Risk Responsibilities

Being a truly global company, Aristocrat's enterprise risks are often interrelated, complex and cross-jurisdictional and are more appropriately overseen by the full Board, with the entire and diverse skills set of the Board being applied. While the Board does not have a designated risk committee, under the Company's Risk Management Framework, the Board is responsible for overseeing the establishment and implementation of the risk management framework and internal control systems for the Group.

The Audit Committee and Regulatory and Compliance Committee assist the Board in discharging its functions in relation to risk management:

- the Audit Committee assists the Board in discharging its duties in relation to oversight of:
  - financial risk management of the Group;
  - the integrity of the Group's financial reporting;
  - effectiveness of the Group's systems of risk management and internal controls; and
  - the Group's compliance with non-gaming laws and regulations.
- the Regulatory and Compliance Committee assists the Board in discharging its duties in relation to oversight of the Group's compliance with gaming laws and regulations.

The Risk Management Framework supports the following:

- identification, evaluation, treatment/control, monitoring, reporting and escalation of risks;
- continued strong risk governance and oversight;
- embedding of risk culture across the organisation, including in decision-making processes; and
- embedding risk in Board discussions regarding strategy and execution and consideration of risk appetite as part of decision-making.

The Global Risk Management Policy, Board Charter, Audit Committee Charter and Regulatory and Compliance Committee Charter include more detailed descriptions of the Board and Board Committees' duties and responsibilities in relation to financial and non-financial risk management.

**These documents are available  
in the Governance section of the Company's  
Investor Centre at [www.ir.aristocrat.com](http://www.ir.aristocrat.com)**

Further information about Aristocrat's risk management framework is set out in section 4.

# Corporate Governance Statement

## 2.0 Board Committees **continued**

### 2.5 Nominations Responsibilities

While the Board does not have a designated nomination committee, the full Board is responsible for and oversees nominations and governance, including in respect of the following functions:

- determining the Board size and composition and approving the nomination and appointment of Non-Executive Directors;
- considering board succession planning to ensure membership of the Board is skilled, experienced and appropriate for the Group's needs;
- where there is a need for a new Director appointment, identifying candidates with the appropriate skills, experience and expertise to maintain the necessary Board skill mix;

- periodically reviewing whether there is a need for Non-Executive Directors to undertake professional development and whether the Board collectively has the skills, knowledge and experience to deal with new and emerging business and governance issues; and
- developing and approving succession plans for the CEO and reviewing and approving succession plans for Executives.

This structure is working efficiently and effectively and there is adequate governance in relation to the elements set out above, however the Board continues to assess this on an ongoing basis.

## 3.0 Performance Evaluation and Remuneration

### 3.1 Board Performance Evaluation Process

The Board (with assistance, where necessary or appropriate, from external consultants) regularly carries out a review of the performance of the Board, its committees, and each Director. As a detailed and externally facilitated Board review was undertaken during the last reporting period, an internal Board review was undertaken this Reporting Period.

The review assesses, amongst other things:

- the effectiveness of the Board and its Committees and whether the Board and each Committee has members with the appropriate mix of skills and experience to properly perform their functions;
- the contribution made by each Director at meetings and in carrying out their responsibilities as Directors generally; and
- whether the content, format and timeliness of agendas, papers and presentations provided to the Board and each Committee are adequate for them to properly perform their functions.

The Board establishes the procedures for, and oversees, the assessment program. The results and any key opportunities following the assessment are documented, together with actions to be undertaken in response to those areas for development that are agreed by the Board.

The Board also undertakes regular reviews of its structure and composition, to manage retirements and succession planning in an orderly way and to ensure the Board continues to have the appropriate overall skill set.

Directors are encouraged to raise any issues of concern regarding the performance of any other Director with the Chairman, or if the concern relates to the Chairman, with the Chairman of the Audit Committee.

### 3.2 Executive Performance Evaluation Process

Each year, the Board approves performance targets and key accountabilities for the CEO and the CEO's direct reports.

Performance against these targets is assessed periodically throughout the year and a formal executive performance evaluation is completed for the year end. Further details are set out in the Remuneration Report contained within the Annual Report.

Performance evaluations of the CEO and his direct reports took place in the 2023 financial year in accordance with the processes described above.

### 3.3 Remuneration

Details of the principles and amounts of remuneration of Directors and Executives who were KMP during the 2023 financial year are set out in the Remuneration Report contained within the Annual Report, which also includes disclosures on equity-based remuneration provided by the Group.

### 3.4 Minimum Shareholding Policies

The Board has endorsed a minimum shareholding policy for Non-Executive Directors under which they must acquire (within a five year period commencing on the later of November 2018 or date of their appointment) a minimum shareholding equivalent in value to their annual base fee. Bill Lance and Jennifer Aument, both of whom were appointed to the Board during this Reporting Period, have five years from their respective appointment dates to meet their minimum shareholding requirement under the policy. All other Non-Executive Directors have met their minimum shareholding requirement under the policy.

The Board also endorsed in September 2022 a minimum shareholding policy for the CEO and Executives to promote the alignment of executive interests with the long-term interests of shareholders and support long-term sustained value creation for the Group. The CEO is required to acquire Aristocrat shares equal to 200% of pre-tax base salary and Executives are required to acquire shares equivalent to 100% of pre-tax base salary.

All Executives have a three-year period after their appointment (hire or promotion) to meet the minimum shareholding expectation.

# Corporate Governance Statement

## 4.0 Risk Framework

The Board recognises the importance of effective risk oversight, risk management and internal control for good corporate governance and is committed to embedding risk management practices to support the achievement of business objectives and fulfil corporate governance obligations.

The Group has established a formal risk management framework, which is aligned to the ASX Principles. This provides guidance on how Aristocrat identifies, evaluates, treats/controls, monitors, reports and escalates risk with the potential to impact our strategic and operational objectives.

The division of the key risk management functions is set out below.



# Corporate Governance Statement

## 4.0 Risk Framework **continued**

Aristocrat's Risk Management Framework consists of the following:

- **Global Risk Management Policy** – the Policy clearly defines Aristocrat's approach to risk management, and the role of each employee in managing risk at all levels of the organisation.
- **Risk Appetite Statements** – define and approve the level of risk and opportunity taking that Aristocrat is willing to pursue to achieve its strategic and operational objectives whilst meeting its legal requirements.
- **Risk and Opportunity Management Support Guide** – the Guide assists employees across the business to operationalise the Global Risk Management Policy and Risk Appetite Statements.
- **Significant Incidents Board Escalation Policy** – the Policy raises awareness on the types of issues that should generally be escalated through an Executive to the Board and the appropriate escalation cadence and channel.
- **Enterprise Risk Reporting** – identifies Aristocrat's key (High and Very High) strategic risks, in addition to emerging risks, that could impact the achievement of strategic objectives, in addition to key mitigants and treatment plans required to drive risks to an acceptable level.
- **Risk Appetite Metric Reporting** – indicates whether we are operating within the desired risk tolerance range approved by the Board.

The Group's Risk Management Framework is overseen by the Board. The Board reviews the Group's Framework at least annually, to satisfy itself that it continues to be sound and that the Group is operating with due regard to the risk appetite set by the Board. The Group's Risk Management Framework was reviewed during the Reporting Period.

### 4.1 Business and Sustainability Risks

Aristocrat monitors its exposure to risks, including environmental and social risks. Principal business risks (and how those risks are managed or intended to be managed) are described in the Operating and Financial Review section of the Annual Report (**OFR**), which also outlines the Group's activities, performance during the year, financial position and main business strategies. Principal business risks covered in the OFR include managing global supply chain constraints, maintaining the health and wellbeing of Aristocrat's people, cyber and data security as well as maintaining Aristocrat's social licence to operate. There are no additional material exposures to environmental and social risks in addition to those disclosed in the OFR.

Aristocrat seeks to take an industry-leadership position in promoting responsible gameplay (**RG**) and sustainability. During the Reporting Period, with the support of the NSW government and a major customer, Aristocrat's Australian-first trial of cashless Electronic Gaming Machine technology was completed, and independently assessed. Insights gained are being applied as Aristocrat develops further cashless technology, ahead of the launch of a new and larger trial sponsored by the NSW government. RG policies were refreshed and expanded this year, supported by Group-wide training. The CEO and key Executives have performance metrics addressing sustainability and RG, and a RG education program for Directors continued during the Reporting Period.

In addition, during the Reporting Period, the Group published a Modern Slavery Statement in compliance with Australia's *Modern Slavery Act 2018* (Cth) and the UK Modern Slavery Act. The Statement disclosed the actions taken during the 2022 financial year to identify and mitigate modern slavery and human trafficking in our business operations and supply chain.

Aristocrat's sustainability disclosures, which covers progress on our RG initiatives and Task Force on Climate-related Disclosures (TCFD), can be found on the Company's website [www.aristocrat.com/sustainability](http://www.aristocrat.com/sustainability)

### 4.2 Declaration

Before approving the 2023 half year and full year financial statements, the Directors received a declaration from the CEO and CFO (as required by section 295A of the *Corporations Act 2001* (Cth) and the ASX Principles) that, in their opinion, the financial records of the Company have been properly maintained and the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity, and that opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

# Corporate Governance Statement

## 5.0 Diversity

Aristocrat's workforce is made up of individuals with diverse skills, values, background and experiences, employing more than 7,800 people around the world including in Australia, the United States, New Zealand, the United Kingdom, India, Canada, Spain, Finland and Poland. Aristocrat also has employees in countries with evolving geopolitical tensions, such as Israel and Ukraine, and the wellbeing and safety of employees in those locations has been a priority for the Group.

Aristocrat is committed to creating a workforce where individual differences are valued, and all employees have the opportunity to realise their potential, and contribute to Aristocrat's success. Each Executive has a diversity and inclusion organisational key result which is cascaded to their teams.

Aristocrat's five-year Diversity & Inclusion strategy, initially set in 2020, is reviewed by the Board on an annual basis and outlines three focus areas:

- **Increasing the representation of women:** This remains a key area of focus for Aristocrat, with targets intended to further drive progress.
- **Driving an inclusive culture:** Aristocrat continues to be committed to fostering a culture of inclusion where employees feel empowered and safe to share their diverse perspectives and contribute to their full potential, enhancing our ability to attract and retain top talent.
- **Extending our diversity focus:** In recognition that diversity exists beyond gender, this focus area highlights the intention to address diversity more broadly.

During the Reporting Period, there were various programs and initiatives to foster the improvement of diversity and inclusion, including the following:

- **Summits** – The third annual Diversity & Inclusion (D&I) Summit for employees (referred to internally as "Aristocrat Together") was held across one week at the end of February 2023. Previously an online event, this year's event moved to a hybrid format and provided opportunities for employees to participate in-person across Aristocrat's various offices globally, and virtually. The event encompassed keynote presentations, panel discussions and interactive sessions for employees to learn about creating a more inclusive, diverse and welcoming organisation.
- **Ready to Rise** – Ready to Rise is a 12-month career development program continued for Aristocrat women and their allies. It aims to promote development equity, provide female employees with access to career-enhancing learning and development opportunities and foster cross-functional connections. Male employees who want to champion women's development and gender equality are welcome to participate.
- **Employee Impact Groups (EIG)** – These are voluntary, employee-led groups with the aim of fostering a diverse and inclusive workplace aligned with organisational values and goals. Each EIG is created around a demographic characteristic that is typically under-represented in the organisation.
- **Industry participation** – Aristocrat has continued to support Global Gaming Women (GGW) in North America, which supports, inspires and influences the development of women in the gaming industry. As part of GGW's expansion outside of the US this year, a GGW International Committee was formed and Aristocrat is represented on the Committee. This Committee serves to drive membership and engagement in Europe, Canada, Australia and New Zealand. Presence was established in Australia and New Zealand in 2023.

Further, in addition to Aristocrat's inclusive hiring practices, Aristocrat evolved its practices to strengthen understanding of its diverse workforce, including collecting diversity demographic data (on a voluntary basis) and external benchmarking.

Aristocrat's approach to diversity is outlined in its Diversity and Inclusion Policy which is available in the Governance section of the Company's Investor Centre at [www.ir.aristocrat.com](http://www.ir.aristocrat.com)

# Corporate Governance Statement

## 5.0 Diversity continued

The Board approves the measurable objectives for achieving gender diversity in the composition of the Board, Executives and the workforce generally. It monitors progress towards achieving these measurable objectives, in accordance with the Diversity & Inclusion Policy and, with the assistance of the People and Culture Committee, annually assessing those objectives and the progress against them.

The following measurable objectives supporting gender diversity were endorsed by the Board for 2023:

- the composition of the Board should be not less than 40% of Directors each gender.
- the composition of the Executives should be not less than 40% of each gender.
- the composition of the direct reports to the Executives (**Senior Leaders**) and direct reports of the Senior Leaders should be not less than 40% of each gender by the end of 2023.
- the composition of the Group should be to have not less than 35% of each gender by the end of 2025.

The following information is provided about the proportion of women across the Group as at 30 September 2023.



Where the total percentage does not equal to 100%, the balance is non-binary or not disclosed.

1. Executive roles include the CEO and members of the Executive Steering Committee (details of which can be found on [www.aristocrat.com](http://www.aristocrat.com)). Michael Lang has been included in the calculations for 2023, as his last day with Aristocrat is 15 December 2023. As Superna Kalle, Aristocrat's Chief Strategy & Content Officer, commenced in the role on 9 October 2023, she is not included for 2023 in the calculations.

# Corporate Governance Statement

## 6.0 Governance Policies

### 6.1 Aristocrat's Mission Statement And Values

Aristocrat's mission statement is "to bring joy to life through the power of play". Underpinning that mission statement is a shared set of values that guide and inspire the Company's employees:

#### OUR VALUES



**It's all about the player**



**Talent unleashed**



**Collective brilliance**



**Good business  
Good citizen**

More information about our mission statement and values are available in the Life at Aristocrat section of the Company's website [www.aristocrat.com](http://www.aristocrat.com)

### 6.2 Aristocrat's Governance Policies

Policies play a vital role in guiding decision making and conduct across the Group.

#### DETAILS OF ARISTOCRAT'S CORPORATE GOVERNANCE POLICIES ARE SUMMARISED BELOW

##### The Code of Conduct

The Code applies to all employees, Directors and contractors, and provides an ethical framework for the way business is conducted and contains a set of general business ethics including (but not limited to):

- to act in accordance with Aristocrat's values and in the Company's best interests at all times;
- to act honestly and with the highest standards of personal integrity; and
- to comply with all laws and regulations that apply to Aristocrat.

Any material breaches of the Code of Conduct are reported to the Board.

##### Global Whistleblower Policy

Encourages, supports and promotes honest and ethical behaviour by providing a framework for the escalation of 'reportable conduct'. This includes, but is not limited to, criminal activity (such as theft, fraud, dishonesty, corruption), illegality, a breach of law or regulation, miscarriages of justice, a serious breach of internal policy, discrimination, harassment, unethical or improper behaviour, workplace safety issues, bribery, conduct that endangers the public or the financial system, any other misconduct or improper state of affairs or circumstances in relation to an Aristocrat company, or any other conduct which may cause financial or non-financial loss to Aristocrat or otherwise be detrimental to the interests of Aristocrat and its customers, including environmentally unsound practices.

Any material incidents under the Whistleblower Policy are reported to the Audit Committee.

##### Share Trading Policy

Supports compliance with insider trading laws and protects Aristocrat's reputation in relation to trading in securities by its Directors, employees, consultants and contractors including outlining the circumstances in which prior consent or notice must be obtained or given before trading. It reflects the Corporations Act prohibition on hedging of unvested performance share rights and vested securities that are subject to disposal restrictions at all times, irrespective of blackout periods.

The NED and Executive minimum shareholding policies (further details of which can be found in section 3.4 of this statement) specifically state that all trading in Aristocrat shares must be undertaken in accordance with the share trading policy.

##### Continuous Disclosure Policy

Governs the reporting of market sensitive information and includes processes to manage confidentiality and engagements with the media and investment community.

Appoints a Management Disclosure Committee which comprises of the CEO, CFO, Chief Legal Officer and the Company Secretary. The Management Disclosure Committee has responsibility for reviewing proposed disclosures and making decisions in relation to what information can be or should be disclosed to the market.

##### Diversity and Inclusion Policy

Designed to promote a diverse and inclusive workplace, reflective of the diverse cultures and communities in which Aristocrat operates around the world. See section 5 of this Corporate Governance Statement on diversity disclosures.

# Corporate Governance Statement

## 6.0 Governance Policies continued

### 6.2 Aristocrat's Governance Policies continued

**DETAILS OF ARISTOCRAT'S CORPORATE GOVERNANCE POLICIES ARE SUMMARISED BELOW CONTINUED**

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

This policy is designed to bring awareness to all employees, Directors, officers, contractors and consultants that certain types of payments may constitute corruption, an illegal benefit or an act of bribery and that any such payments are prohibited. Aristocrat takes a "zero tolerance" approach to acts of bribery and corruption.

Any material breaches under the Anti-Bribery and Anti-Corruption Policy are reported to the Regulatory and Compliance Committee.

#### **Conflicts of Interest Policy**

The Conflicts of Interest Policy explains conflicts of interest and helps employees understand how to identify and manage conflicts.

#### **Dealing with Government Employees and Political Parties**

As a part of Aristocrat's commitment to high ethical standards, employees are encouraged to demonstrate care that their actions, regardless of intent or motive, do not to place government employees or members of political groups in a situation whereby they may be in breach of their employment regulations or duties. Contributions on behalf of Aristocrat to political parties and politicians of any kind are strictly prohibited.

#### **Anti-Modern Slavery and Human Trafficking Policy**

The Anti-Modern Slavery and Human Trafficking Policy sets out Aristocrat's approach to ethical sourcing and the prevention of worker exploitation – including modern slavery and human trafficking – within the business and global supply chain.

**The Code of Conduct, Global Whistleblower Policy, Share Trading Policy, Continuous Disclosure Policy, Diversity and Inclusion Policy and Anti-Bribery and Anti-Corruption Policy are available in the Governance section of the Company's Investor Centre at [www.ir.aristocrat.com](http://www.ir.aristocrat.com)**

# Corporate Governance Statement

## 7.0 Communications with Shareholders and Market Disclosures

### 7.1 Investor Relations Programs

Aristocrat conducts regular briefings including interim and full year results announcements, investor days, site visits, industry specific tradeshow events and virtual investors briefings to facilitate effective two-way communication with investors and other financial market participants.

Additionally, separate one-on-one and/or small group meetings are provided when requested and in compliance with governance parameters set by Aristocrat. The Company recommends investor meetings are attended by at least one of the following: Chairman, CEO, CFO or General Manager (GM), Investor Relations. Depending on resourcing and availability, Aristocrat prefers to have a minimum of two executives attend most investor meetings.

Aristocrat's objective is to provide best practice disclosure and comply with all applicable laws and Group policies. Therefore, all discussions with analysts and investors are conducted by or with the prior approval of the CEO, CFO or GM, Investor Relations, and are limited to an explanation of previously published material and general discussion of non-price sensitive information, including relevant industry insights. Any new and substantive investor or analyst presentations are released to ASX in advance of the presentation.

Unless authorised by the CFO or GM, Investor Relations, meetings with analysts will not be held between the end of the half year or full year and the date on which those results are announced. Any meetings during this period are strategic in nature only, with no financial questions specific to the pending result addressed.

### 7.2 Annual General Meeting

Aristocrat is committed to facilitating shareholder participation in shareholder meetings, and to respectfully dealing with shareholder inquiries. The Notice of AGM is published on Aristocrat's website.

Aristocrat uses technology to facilitate the participation of shareholders in meetings including online proxy voting facilities which allows shareholders to appoint a proxy ahead of the meeting without having to attend in person. Aristocrat's 2023 AGM was held as a physical meeting with shareholders able to participate in the meeting by attending in person, including having a reasonable opportunity to ask questions and make comments. Shareholder were also able to watch a live webcast of the meeting.

Shareholders are encouraged to participate in general meetings and are given an opportunity to submit questions in advance and ask questions of the Company and its auditor at the AGM.

Voting on resolutions set out in the Notice of AGM is conducted by way of a poll.

### 7.3 Communications With Shareholders

Aristocrat's website ([www.aristocrat.com](http://www.aristocrat.com)) forms a key part of the Company's communications with shareholders and the wider investment community. Aristocrat's website contains copies of announcements to the ASX, notices of meetings, annual reports, business reviews, investor presentations and financial statements as well as the key corporate governance policies and other corporate governance materials referred to in this document. The names and biographical information for each of the Directors and members of the Executive team is set out on the website.

The Company encourages investors to receive communications from and send communications to the Company and the share registry electronically.

The Company emails shareholders (who have elected to receive electronic communications) when important information becomes available such as dividend statements, notices of meeting, voting forms and annual reports.

Electronic communication allows the Company to communicate with shareholders faster and reduce its use of paper.

### 7.4 Integrity Of Disclosures in Periodic Reports

The Company produces a number of periodic corporate reports, including the annual Directors' Report, this Corporate Governance Statement and half year and full year financial statements.

There are various processes in place to review and confirm the accuracy and reasonableness of the disclosures contained in those reports, which are tailored based on the nature of the relevant report, its subject matter and where it will be published. However, the Company seeks to adhere to the following general principles with respect to the preparation and verification of its corporate reporting:

- periodic corporate reports should be prepared by, or under the oversight of, the relevant subject matter expert for the area being reported on;
- the relevant report should comply with any applicable legislation or regulations;
- the relevant report should be reviewed (including any underlying data) with regard to ensuring it is not inaccurate, false, misleading or deceptive;
- relevant reports are authorised for release by the person/body required by law or Group policy; and
- the external auditor audits or reviews the Group's full and half yearly financial reports, respectively, in accordance with auditing standards ahead of release to the market.

Finally, the Board has established a Management Disclosure Committee comprising the CEO, CFO, Chief Legal Officer and the Company Secretary to which it has delegated responsibility for overseeing the process for ensuring all ASX announcements are factual, do not omit material information and are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.



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