

# ARISTOCRAT

## ARISTOCRAT LEISURE LIMITED NOTICE OF 2024 ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

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Thursday, 22 February 2024 at 11.00am (Sydney time)



# How to participate in the 2024 AGM

The AGM will be held as a hybrid meeting and shareholders may attend in person or online.

## BEFORE THE AGM



### AGM Notice of Meeting

- Access online at <https://boardroomlimited.com.au/agm/aristocrat2024agm>
- Request a hard copy by phone: 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia)
- Request a hard copy by email: [aristocrat@boardroomlimited.com.au](mailto:aristocrat@boardroomlimited.com.au)



### Appoint a proxy

- Shareholders who are unable to attend the AGM are encouraged to appoint a proxy to attend and vote on your behalf. If you direct your proxy how to vote, your votes will be cast at the Meeting in accordance with your directions
- Appoint a proxy online at <https://boardroomlimited.com.au/agm/aristocrat2024agm> or return a hard copy proxy form



### Ask a question

- Shareholders are encouraged to submit questions in writing to the Company or auditor in advance of the Meeting
- Submit a question online at <https://boardroomlimited.com.au/agm/aristocrat2024agm> or via email to [aristocrat@boardroomlimited.com.au](mailto:aristocrat@boardroomlimited.com.au)
- Questions should be submitted by no later than 11.00am (Sydney time) on Thursday, 15 February 2024

To be valid, your proxy form must be received by no later than 11.00am (Sydney Time) on Tuesday, 20 February 2024

## AT THE AGM



### Attend online

- Access the AGM online platform: <https://boardroomlimited.com.au/agm/aristocrat2024agm>
- Select "Access AGM" and then your registration type: guest, shareholder (including body corporate representatives and attorneys) or proxyholder
- Shareholders will need the following information to access the AGM:
  - AGM meeting ID: 363-811-616
  - Voting Access Code: located on your proxy form or AGM notification email
  - Password: your postcode registered on your holding if you are an Australian shareholder. Overseas shareholders should refer to the AGM User Guide
- If you are a proxyholder, you will need your proxy log-in details to participate. Please contact Boardroom before the AGM on 1300 737 760 or +61 2 9290 9600 or send an email to [proxy@boardroomlimited.com.au](mailto:proxy@boardroomlimited.com.au) to obtain details



### Attend in person

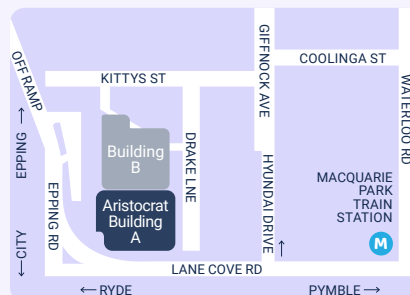
- Shareholders can attend the AGM in person at: Aristocrat Head Office, Building A, Pinnacle Office Park, 85 Epping Road, North Ryde, NSW 2113
- If you have a hard copy proxy form, please bring it to the AGM to assist with registration

#### Public Transport

- The Aristocrat Head Office is less than a five minute walk from Macquarie Park station (Sydney Metro Northwest line)
- Macquarie Park is also serviced by over 30 bus routes

#### Parking

- Metered street parking is available on Giffnock Avenue and Coolinga Street. Limited free parking is also available on Drake Lane



### Vote

- Only shareholders, proxyholders, body corporate representatives or attorneys can vote
- For shareholders attending online, once you have registered via the AGM online platform, the resolutions and voting choices will appear once the Chairman declares the polls open
- For shareholders attending in person, once you have registered at the venue, you will be provided details on how to vote



### Ask a question

- Shareholders, proxyholders, body corporate representatives and attorneys will have a reasonable opportunity to ask questions. Those attending online can ask questions using the text or audio function during the AGM in real time via the AGM online platform



### AGM User Guide

- More information about how to use the AGM online platform is set out in the AGM User Guide, which is available at <https://boardroomlimited.com.au/agm/aristocrat2024agm>

# Chairman's Message

Dear shareholder,

## 2024 Annual General Meeting

On behalf of the Board, I am pleased to invite you to attend the 2024 Annual General Meeting (**AGM** or **Meeting**) of Aristocrat Leisure Limited (**Company** or **Aristocrat**), which has been scheduled as follows:

**Date: Thursday, 22 February 2024**

**Time: 11.00am (Sydney time)**

**Registration opens from 10.00am**

This year, the Company is holding a hybrid Meeting, meaning that shareholders can attend in person or online via the AGM online platform.

If you are attending in person, the Company's showroom will once again be open from 10.00am and I invite you to come and see the exciting range of games that will be on display.

The Notice of Meeting in the following pages details the business of the Meeting and, together with the Explanatory Statement, contains important information in relation to the matters that will be put to shareholders.

If you are unable to attend the Meeting either in person or online, we encourage you to appoint a proxy to vote on your behalf and submit any questions that you have in advance of the Meeting. Further information can be found on page 13.

In the event that it is necessary for the Company to give further updates or make alternative arrangements for the holding or conduct of the Meeting, information will be provided on the Company's website and lodged with the Australian Securities Exchange (**ASX**).

## Overview of the year ended 30 September 2023

We are proud of the high-quality result that Aristocrat delivered for the 2023 financial year. Strong revenue and profit growth reflected the ongoing resilience, scale, competitiveness and diversification of our portfolio, and sound fundamentals in the markets in which we operate.

Aristocrat's normalised Group profit result of around \$1.3 billion represented an increase of 21% in reported terms, and 13% in constant currency, compared to the corresponding 2022 result.

Strong operating cash flows and superior financial fundamentals were also maintained, with a strong balance sheet and ample liquidity, resulting in a net cash position of \$809 million and liquidity of \$3.9 billion as at 30 September 2023. Cash of \$811 million was appropriately returned to shareholders through dividends and on-market share buy-back, in line with the Group's capital allocation framework.

Outstanding operational performance was delivered in the Gaming business in 2023, particularly in North America. Our mobile publishing business, Pixel United, delivered resilient performance for the year, despite mixed conditions across mobile gaming. Anaxi delivered our market entry commitments and we accelerated implementation of our "build and buy" strategy to grow in online RMG.

We completed the acquisition of Roxor and successfully integrated this core product technology into the Anaxi business. We expect the NeoGames transaction to close in the first half of calendar 2024, bringing technology, distribution, new capabilities, and talent to Aristocrat.

Across the year, Aristocrat made significant steps forward in delivering our ambitious sustainability commitments. Responsible Gameplay remained Aristocrat's highest sustainability leadership priority. Among other highlights, we completed Australia's first cashless gaming trial and post period end, Aristocrat submitted robust Science-Based emissions reduction Targets for our global enterprise to the SBT initiative. We anticipate validation of these targets in the first half of calendar 2024.

Throughout 2023, we also continued to foster a 'People First' mindset, with the launch of a number of additional initiatives to further enhance the wellbeing, engagement and development of all team members. Supporting our colleagues in Ukraine and, post period end, in Israel was a particular focus, and a moving demonstration of our values in action.

## Ongoing Board renewal and succession planning

The Board seeks to have an appropriate and diverse mix of skills and experience to discharge its responsibilities, appropriately monitor risk management and add value. We adopt a structured approach to Board succession planning which includes ensuring that we appoint directors who have skills and experience that the Board considers necessary or desirable to further supplement its overall skills matrix.

The Board has continued to implement an orderly renewal process with the nomination of Jennifer Aument as a Non-Executive Director (Elect) on 11 April 2023. Jennifer was formally appointed to the Board on 1 August 2023, and shareholders are being asked to elect Jennifer at the Meeting.

Jennifer Aument has more than 25 years of business experience, including holding leadership roles in large US and Australian publicly listed companies 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.

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In summary, fiscal year 2023 has been another successful and rewarding year at Aristocrat and I wish to thank you – our shareholders – for your ongoing interest and support.

Yours sincerely



**Neil Chatfield**  
Chairman

# Business of the Meeting

## Financial Report, Directors' Report and Auditor's Report

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the year ended 30 September 2023.

### Resolution 1:

#### Re-election of Director – Mr Neil Chatfield

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

***"That Mr Neil Chatfield is re-elected as a Director of the Company."***

Note: Information about Mr Chatfield appears in the Explanatory Statement to this Notice of Meeting.

### Resolution 2:

#### Election of Director – Ms Jennifer Aument

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

***"That Ms Jennifer Aument is elected as a Director of the Company."***

Note: Information about Ms Aument appears in the Explanatory Statement to this Notice of Meeting.

### Resolution 3:

#### Approval for the grant of Performance Share Rights to the Chief Executive Officer and Managing Director under the Long-Term Incentive Program

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

***"That Mr Trevor Croker, Chief Executive Officer and Managing Director, be granted 137,871 Performance Share Rights pursuant to the Company's Long-Term Incentive Program, in the manner set out in the Explanatory Statement to this Notice of Meeting and that this be approved for all purposes, including for the purpose of ASX Listing Rule 10.14."***

Note: Information on the proposed grant of Performance Share Rights to Mr Croker appears in the Explanatory Statement to this Notice of Meeting.

#### Voting exclusion:

The Company will disregard any votes cast on Resolution 3:

- in favour of the resolution by or on behalf of Mr Croker or any of his associates, regardless of the capacity in which the vote is cast; and
- as a proxy by a member of the Company's Key Management Personnel (**KMP**) at the date of the Meeting or their closely related parties,

unless the vote is cast on Resolution 3:

- as proxy or attorney for a person entitled to vote on the resolution in accordance with a direction given to the proxy or attorney to vote on the resolution in that way; or

- as proxy for a person entitled to vote on the resolution by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy as the Chairman decides; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### Resolution 4:

#### Approval of Non-Executive Director Rights Plan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***"That approval is given for all purposes, including for the purpose of ASX Listing Rule 10.14, for the grant of share rights, and the allocation of shares in the Company on exercise of those share rights, to all Non-Executive Directors who choose to salary sacrifice a portion of their fees during FY2025, FY2026 and FY2027 under the Non-Executive Director Rights Plan (NED Rights Plan) as described in the Explanatory Statement to this Notice of Meeting."***

Note: Information on the NED Rights Plan appears in the Explanatory Statement to this Notice of Meeting.

#### Voting exclusion:

The Company will disregard any votes cast on Resolution 4:

- in favour of the resolution by or on behalf of each Non-Executive Director (being the only Directors of the Company eligible to participate in the NED Rights Plan) or any of their associates, regardless of the capacity in which the vote is cast; and
- as a proxy by a member of the Company's KMP at the date of the Meeting or their closely related parties,

unless the vote is cast on Resolution 4:

- as proxy or attorney for a person entitled to vote on the resolution in accordance with a direction given to the proxy or attorney to vote on the resolution in that way; or
- as proxy for a person entitled to vote on the resolution by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy as the Chairman decides; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

# Business of the Meeting continued

## Resolution 5:

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### Adoption of Remuneration Report

To consider, and if thought fit, pass the following non-binding resolution as an ordinary resolution:

***“That the Remuneration Report for the Company (included in the Directors’ Report) for the year ended 30 September 2023 be adopted.”***

Note: Information on the Remuneration Report appears in the Explanatory Statement to this Notice of Meeting.

### Voting exclusion:

The Company will disregard votes cast on Resolution 5:

- by or on behalf of a member of the Company’s KMP whose remuneration details are included in the Remuneration Report for the year ended 30 September 2023, or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a member of the Company’s KMP at the date of the Meeting or their closely related parties,

unless the vote is cast as a proxy for a person permitted to vote on Resolution 5:

- in accordance with a direction on the proxy form; or
- by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy, even though Resolution 5 is connected with the remuneration of the Company’s KMP.

The Explanatory Statement forms part of the Notice of Meeting.

By order of the Board.



**Kristy Jo**  
Company Secretary

22 January 2024

# Explanatory Statement

This Explanatory Statement is intended to provide shareholders of the Company with information to assess the merits of the proposed resolutions in the accompanying Notice of Meeting.

The Directors recommend that shareholders read the Explanatory Statement in full before making any decision in relation to the following resolutions.

## Financial Report, Directors' Report and Auditor's Report

This item of business calls for shareholders to formally receive the Financial Report for the year ended 30 September 2023 (which includes all the financial statements and notes), Directors' Report and the Auditor's Report. The Financial Report, Directors' Report and Auditor's Report are set out in the Company's Annual Report. The Annual Report is available from the Company website, [www.aristocrat.com](http://www.aristocrat.com).

While shareholders are not required to vote on the Financial Report, Directors' Report and Auditor's Report, there will be reasonable opportunity at the Meeting to raise questions and make comments on the reports and the management of the Company. The Auditor will be in attendance at the Meeting and can answer questions on the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

## Resolution 1:

### Re-election of Director – Mr Neil Chatfield

Mr Neil Chatfield is submitting himself for re-election at the Meeting.

Brief biographical details of Mr Chatfield are set out below:

#### Academic and professional qualifications:

Master of Bus (Fin and Acct); Fellow CPA and Fellow of Australian Institute of Company Directors.

Mr Chatfield was nominated to be a Director of the Company in December 2017, appointed effective February 2018 and was elected at the Company's 2018 AGM. He became Chairman in February 2019.

The Board considers that Mr Chatfield is an independent Director.

An established and experienced Executive and Non-Executive Director, Mr Chatfield has more than 40 years' experience in global business across diverse industries.

He is currently Non-Executive Chairman of Costa Group Holdings Limited and was previously Non-Executive Chairman of Virgin Australia Holdings Ltd and Seek Ltd, and a Non-Executive Director of Transurban Group, Recall Holdings Ltd and Iron Mountain, Inc.

Mr Chatfield is a member of the People and Culture Committee, the Audit Committee and Regulatory and Compliance Committee.

#### RECOMMENDATION

The Directors (with Mr Chatfield abstaining) support the re-election of Mr Chatfield as a Director of the Company and recommend that shareholders vote in favour of Resolution 1.

## Resolution 2:

### Election of Director – Ms Jennifer Aument

Ms Jennifer Aument is submitting herself for election at the Meeting.

Brief biographical details of Ms Aument are set out below:

#### Academic and professional qualifications:

B.S., MBA and Member of Australian Institute of Company Directors.

Ms Aument was nominated to be a Director (Elect) of the Company from 11 April 2023, subject to the receipt of the relevant regulatory pre-approval. This regulatory pre-approval was subsequently received and Ms Aument's appointment as a Non-Executive Director was confirmed on 1 August 2023, subject to shareholder approval at the 2024 Annual General Meeting.

The Board considers that Ms Aument is an independent Director.

Appropriate checks into Ms Aument's background and experience were conducted and these checks did not reveal any information of concern.

Ms Aument has served as a senior executive in large, publicly traded companies listed in the US and Australia that operate in global and regulated environments. She was the global chief executive for transportation for AECOM, President & CEO of Transurban's North American business, and served on the Board of Commissioners of one of the largest shipping enterprises in the US.

Ms Aument brings a valuable understanding of the complexity of global supply chains and delivery of major infrastructure projects, as well as strong digital technology, government relations and public affairs capabilities and experience. With more than 25 years' of business experience, she brings deep experience in managing professional teams across multiple geographies.

She is a Non-Executive Director for private companies in the infrastructure space, serves on Boards of major not-for-profit trade associations and industry groups and is a visiting professor and advisory board member at Cornell University.

#### RECOMMENDATION

The Directors (with Ms Aument abstaining) support the election of Ms Aument as a Director of the Company and recommend that shareholders vote in favour of Resolution 2.

# Explanatory Statement continued

## Resolution 3:

### Approval for the grant of Performance Share Rights to the Chief Executive Officer and Managing Director under the Long-Term Incentive Program

#### CEO remuneration

Mr Croker's remuneration arrangements for FY2024 as CEO and Managing Director (CEO) are as follows:

	USD
Fixed Remuneration	\$1.44m
Short Term Incentive (at target)	\$1.62m
Long Term Incentive (at target and maximum)	\$3.65m
Total Target Remuneration	\$6.71m

The Board continues to review the CEO's remuneration arrangements to ensure these are globally competitive and effectively incentivises Mr Croker to deliver Aristocrat's growth strategy and drive sustainable financial performance, in the interests of shareholders.

#### Overview of the Long-Term Incentive Program (LTIP)

Aristocrat's remuneration principles include a 'pay for performance' philosophy and links rewards to business results and strategy and alignment to shareholder interests and sustainable shareholder returns. As a truly global organisation, the LTIP is also used to attract, retain and motivate appropriately qualified and experienced executives in the global markets in which Aristocrat operates and competes for talent.

Consistent with this policy, the Board believes that it is in shareholders' interests to provide the CEO with an equity-based long-term incentive to ensure there is alignment between returns to shareholders and the rewards for the CEO.

In the same way as for other LTIP participants, the CEO's long-term incentive will be awarded in the form of Performance Share Rights (PSRs) which may vest subject to the terms of Aristocrat's LTIP rules and subject to applicable vesting conditions, as set out in Appendix A to this Explanatory Statement.

#### Approvals sought

Shareholder approval is being sought for the grant of 137,871 PSRs to Mr Croker under the Company's LTIP. Approval is being sought for all purposes, including for ASX Listing Rule 10.14, which requires that shareholder approval is obtained for the acquisition of securities by a director under an employee incentive scheme.

While the Board intends to source any Aristocrat shares allocated to Mr Croker on vesting of his PSRs through on-market purchases (which are excluded from the operation of ASX Listing Rule 10.14), it is nevertheless seeking shareholder approval in the interests of transparency and good corporate governance, and to preserve flexibility if the Company decides at the time of vesting that it is more appropriate to issue Aristocrat shares.

If shareholder approval is obtained, it is intended that the PSRs will be granted to Mr Croker shortly after the Meeting, and in any case within 3 years of the Meeting. If shareholder approval is not obtained, the Board will consider alternative arrangements to appropriately remunerate and incentivise Mr Croker.

#### Specific terms of the CEO's LTIP grant

The Board proposes that the CEO be granted 137,871 PSRs under the LTIP for his 2024 award.

The Board has determined Mr Croker's long-term incentive opportunity for the 2024 award is USD\$3.65 million (LTI Opportunity) representing 54% of his total target reward for that year.

The actual number of PSRs to be granted to Mr Croker was determined by:

- calculating the 'face value' of the Company's shares based on the volume-weighted average price for the 5 trading days up to and including 30 September 2023 (the day before the start of the performance period) which was \$41.15 per share (Face Value). This is the same face value methodology that was used to calculate the number of PSRs awarded to other executives as part of the Company's LTIP;
- converting the Face Value into USD using the 1 October 2023 Group fx rate of 0.6434; and
- dividing the LTI Opportunity by the Face Value (as converted) and rounding down to the nearest whole figure.

#### Overview of key terms of Aristocrat's LTIP and PSRs granted under LTIP

The LTIP provides eligible employees an opportunity to receive fully-paid ordinary shares in Aristocrat on vesting of PSRs, subject to certain vesting conditions being met within a set performance period.

The key terms of PSRs granted under the LTIP are set out below:

<b>Vesting conditions</b>	– Vesting conditions will apply to the PSRs as outlined in Appendix A to this Explanatory Statement.
<b>Performance Period</b>	– Each of the vesting conditions will be tested over a performance period of three years.
<b>Testing and vesting</b>	– The vesting conditions will be tested at the end of the performance period. No retesting will occur. If the relevant vesting conditions are satisfied at the end of the performance period then the PSRs will vest. – Each PSR generally entitles Mr Croker to one fully-paid ordinary share in the Company on vesting. However, the Board retains discretion to make a cash equivalent payment in lieu of an allocation of shares. No amounts will be payable by the participants upon vesting of the PSRs.

# Explanatory Statement continued

## Resolution 3: continued:

### Testing and vesting continued

- If the relevant vesting conditions are not satisfied at the end of the performance period then the PSRs will lapse.
- Once the PSRs have vested, the Board will decide at that time whether to purchase the shares required on-market or to issue new shares.

### Ranking of shares

- Upon vesting of the PSRs, shares received by participants will rank equally with ordinary shares currently on issue.

### Voting and dividend rights

- PSRs do not carry any voting rights and participants are not entitled to dividends until PSRs have vested and converted into ordinary shares.
- Shares allocated on vesting of the PSRs will carry full dividend and voting rights from the date of allocation.

### Change of control event

- There is no automatic vesting of PSRs on a change of control. The Board will (in its discretion) determine the appropriate treatment of PSRs in the event of a change of control.
- Where the Board does not exercise this discretion, there will be a pro-rata vesting of PSRs based on the proportion of the performance period that has passed at the time of the change of control event.

### Reorganisation event

- In the event of any reorganisation of the issued ordinary capital of the Company, PSRs will be reconstructed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

### Participating in capital raising

- A participant may only participate in new issues of securities if ordinary shares have been allocated to the participant in accordance with the LTIP Rules, before the date for determining entitlements to the issue.

### Cessation of employment

- If a participant ceases employment with the Company within 12 months of the start of the performance period for any reason, all unvested PSRs will lapse on or around the date of cessation of employment with the Group.

### Cessation of employment continued

- If the participant ceases employment more than 12 months after the start of the performance period and before the vesting conditions are tested, and is (i) a 'qualifying leaver', then any unvested PSRs with financial performance vesting conditions will be pro-rated for time served and will remain on foot (subject to testing in the ordinary course), unless the Board determines otherwise; or (ii) not a 'qualifying leaver', then all unvested PSRs will automatically lapse on or around the date of cessation of employment with the Group, unless the Board determines otherwise.

### Clawback

- In the event of a material misstatement of performance, or where vesting is not justified, appropriate or supportable in the opinion of the Board, including if a participant joins a competitor, the Board has the discretion to lapse unvested PSRs. The clawback policy that applies to vested incentives permits clawback of any shares allocated on vesting of the PSRs, as well as cash payments received on vesting of PSRs or proceeds from the sale of shares.

### Trading restrictions

- A participant may not sell, transfer, mortgage or otherwise deal with or encumber any PSRs.
- Shares allocated on vesting of the PSRs will be subject to the Company's share trading policy.

A more detailed summary of the terms of the Company's LTIP is contained in the Company's Remuneration Report.

Disclosures made for the purposes of the Listing Rules:

- 1,781,036 PSRs have previously been allocated at no cost to Mr Croker under the LTIP.
- The price payable on the issue of each PSR is nil.
- The Company uses PSRs because they create alignment between executives and ordinary shareholders but do not provide the executives with the full benefits of share ownership (such as dividend and voting rights) unless and until the PSRs vest.
- Mr Croker is the only Director entitled to participate in the LTIP.
- There is no loan in relation to the proposed award of PSRs to Mr Croker.
- Details of any securities issued under the LTIP will be published in the Company's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.



# Explanatory Statement continued

## Resolution 3: continued:

- g. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the LTIP after the resolution is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under that rule.

### RECOMMENDATION

**The Directors (with Mr Croker abstaining) recommend that shareholders vote in favour of Resolution 3.**

## Resolution 4:

### Approval of Non-Executive Director Rights Plan

The Company is seeking shareholder approval for the grant of share rights under the Non-Executive Director Rights Plan (**NED Rights Plan**) to the Non-Executive Directors during plan years FY2025, FY2026 and FY2027. The NED Rights Plan gives Non-Executive Directors the opportunity to salary sacrifice a portion of their fees into share rights and be allocated Aristocrat shares on vesting of those share rights.

Shareholder approval was last obtained at the 2021 AGM for all purposes for the grant of share rights, and the allocation of shares in the Company on exercise of those share rights, under the NED Rights Plan.

### Rationale for NED Rights Plan

Aristocrat operates the NED Rights Plan to encourage and facilitate share ownership in Aristocrat by Non-Executive Directors. Share rights are used to support Non-Executive Directors to build their shareholdings in the Company and as a means of enhancing the alignment of interests between Non-Executive Directors and shareholders generally. The NED Rights Plan also supports Non-Executive Directors in satisfying the requirements of the minimum shareholding policy for Non-Executive Directors.

As the NED Rights Plan involves salary sacrificing, it does not result in any increase to Non-Executive Directors' fees.

Share rights granted to Non-Executive Directors under the NED Rights Plan will not be subject to performance conditions or service requirements which could result in potential forfeiture. This is in line with best practice governance standards which recommend that Non-Executive Directors generally should not receive equity with performance hurdles attached as it may lead to bias in their decision making and compromise their objectivity.

### Why approval is needed

ASX Listing Rule 10.14 requires that shareholder approval is obtained for the acquisition of equity securities by a Non-Executive Director under an employee incentive scheme (as that term is defined in the ASX Listing Rules).

Although the Company currently intends to source the shares allocated on exercise of the share rights through on-market purchases, which are excluded from the operation of Listing Rule 10.14, the Board is nonetheless seeking shareholder approval to preserve flexibility in case it is ultimately considered in the Company's best interests to issue shares rather than source them on-market. The Board also considers that seeking shareholder approval enables transparency and is in line with good corporate governance practices.

### Summary of terms

The plan rules for the NED Rights Plan have not changed since approval was sought at the 2021 AGM. The summary below follows the summary provided to shareholders in connection with the 2021 AGM.

Under the NED Rights Plan, each Non-Executive Director may choose to sacrifice a portion of their base director's fees, which will be used to acquire share rights. Australian resident Non-Executive Directors will be granted share rights which will vest and be automatically exercised (and converted into shares in the Company) around 6-12 months after they are granted. United States resident Non-Executive Directors will also be granted share rights that will vest around 6-12 months after they are granted, although they will not be entitled to exercise their share rights until at least 3 years from the beginning of the relevant financial year to which the share rights relate. The shares may generally be received by the Non-Executive Director in their own name, or the name of a nominee entity.

Share rights will be granted following announcement of the full-year results for the previous financial year.

The number of share rights granted will be calculated in accordance with the following formula:

$$\text{Number of share rights} = \frac{\text{Fees sacrificed}}{\text{Value per share right}}$$

Where:

- fees sacrificed = the dollar value of the Non-Executive Director's fees which have been sacrificed in respect of the relevant period to acquire share rights; and
- value per share right = the volume weighted average price of the Company's ordinary shares traded on the ASX over the 5 trading day period ending on (and including) the day prior to the date the rights are granted to the Non-Executive Director.

# Explanatory Statement continued

## Resolution 4: continued:

For each grant of share rights made to Non-Executive Directors under the NED Rights Plan, it is intended that share rights will vest in two equal tranches. The first tranche will vest shortly after the release of the Company's half year results (provided the relevant Non-Executive Director remains a Director of the Company as at the Business Day following the release of those half year results). The second tranche will vest shortly after the Company's full year results (provided the relevant Non-Executive Director remains a Director of the Company as at the Business Day following the release of those full year results).

For Australian resident Non-Executive Directors, the vested rights will convert into shares in the Company soon after each tranche vests. In the case of the United States resident Non-Executive Directors, the vested rights will not convert into shares until the end of a nominated restriction period of between 3 and 15 years from the beginning of the relevant financial year to which the share rights relate.

Aristocrat has a global Board with half of the Non-Executive Directors based in the US. The NED Rights Plan has been structured this way to ensure consistency (insofar as possible) between the outcomes for the Australian resident and United States resident Non-Executive Directors due to differences between the tax and regulatory frameworks in Australia and the United States.

For each of FY2025, FY2026 and FY2027 plan years, upon transfer to the relevant Australian Non-Executive Director, the shares will be subject to disposal restrictions until the earlier of:

- the Non-Executive Director ceasing to be a director of the Company;
- 3 years from the date of grant of the share rights or such longer period nominated by the Non-Executive Director at the time of the offer (up to a maximum 15 years from the start of the relevant financial year or other period); or
- the Company being subject to a change of control.

Each share right is an entitlement to receive one fully-paid ordinary share in the Company.

Directors do not have dividend or voting rights with respect to share rights until they are exercised. Following exercise, shares acquired by Non-Executive Directors will rank equally (in relation to dividend and other rights) with other fully-paid ordinary shares.

Upon ceasing to be a Director of the Company, Non-Executive Directors are entitled to retain any share rights which have vested but not been exercised. A pro rata number of unvested share rights, based on the number of weeks in the relevant financial year that have elapsed at the time the Non-Executive Director leaves the Company, will also vest. Any remaining unvested share rights will lapse without any payment.

If at any time the Board determines that the allocation of share rights or shares would result in the Company breaching the Company's Constitution, Group policy, the ASX Listing Rules or any other applicable laws, or where the compliance with any applicable law would in the opinion of the Board be unduly onerous or impractical, the Board may defer the allocation of rights or shares until a more suitable time and in compliance with any applicable laws.

## Additional Information

The Company provides the following additional information in respect of the potential grant of share rights to current Non-Executive Directors under the NED Rights Plan including for FY2025, FY2026 and FY2027 plan years.

- The maximum number of securities that may be acquired by current Non-Executive Directors cannot be precisely calculated at present as it depends on:
  - the amount of fees the relevant Non-Executive Director elects to sacrifice to acquire share rights; and
  - the share price in the five trading days leading up to (but not including) the time when share rights are granted to Non-Executive Directors.

However, assuming that: (1) an Australian Non-Executive Director elects to sacrifice their full base fee (and, for the purposes of the example, it is assumed to be A\$250,000); and (2) the applicable 5 day VWAP to the date the rights are granted to the Non-Executive Director is A\$40 per share, a worked example of the formula outlined on page 7 for calculating the number of share rights granted is outlined below:

$$\begin{aligned} \text{Number of share rights to be granted} &= \frac{\text{Fees sacrificed}}{\text{Value per share right}} \\ &= \frac{\text{A\$250,000}}{\text{A\$40}} \\ &= 6,250 \text{ share rights to be granted} \end{aligned}$$

# Explanatory Statement continued

## Resolution 4: continued:

- b. The FY2023 Non-Executive Directors fee structure and fees received by Non-Executive Directors are included in Tables 7 and 13 of the Remuneration Report for the year ended 30 September 2023, respectively, and also set out in the tables below. The total Non-Executive Directors fees for FY2024, including any share rights granted to Non-Executive Directors for that period, will be included in the Remuneration Report for the year ended 30 September 2024. The total Non-Executive Directors fees for FY2025, including any share rights granted to the Non-Executive Directors for that period, will be included in the Remuneration Report for the year ended 30 September 2025.

**Table 7 of the Remuneration Report - Non-Executive Director fees payable during the Reporting Period**

Board / Committee <sup>1</sup>	Chairman fees	Member fees
Board	A\$695,000	A\$250,000 / US\$220,000
Lead US Director	—	Additional US\$50,000
Audit Committee	A\$60,000 / US\$50,000	A\$27,500 / US\$22,500
People & Culture Committee	A\$60,000 / US\$50,000	A\$27,500 / US\$22,500
Regulatory & Compliance Committee	A\$40,000 / US\$35,000	A\$20,000 / US\$15,000

1. Cap of two committees fees per Non-Executive Director. The Chairman of the Board does not receive separate Committee fees.

**Table 13 of the Remuneration Report - Details of Non-Executive Director remuneration for the Reporting Period**

Non-Executive Directors	Year	Short-term benefits	Post-employment benefits		Share based payments	Total \$
		Cash salary and fees <sup>1</sup> \$	Super-annuation <sup>2</sup> \$	Retirement benefits <sup>3</sup> \$	PSRs \$	
Neil Chatfield	2023	667,500	27,500	—	—	695,000
Kathleen Conlon	2023	345,627	6,875	—	—	352,502
Philippe Etienne	2023	286,118	27,500	—	—	313,618
Patrick Ramsey	2023	458,881	—	—	—	458,881
Sylvia Summers Couder	2023	399,087	—	—	—	399,087
Arlene Tansey	2023	330,453	13,198	—	—	343,651
Bill Lance <sup>4</sup>	2023	345,259	—	—	—	345,259
Jennifer Aument <sup>4</sup>	2023	162,926	—	—	—	162,926
<b>Total</b>	<b>2023</b>	<b>2,995,851</b>	<b>75,073</b>	<b>—</b>	<b>—</b>	<b>3,070,924</b>

1. Amounts shown as cash salary and fees include amounts sacrificed in lieu of other benefits at the discretion of the individual. To the extent that any non-monetary benefits are subject to Fringe Benefits Tax (FBT), amounts shown include FBT.

2. Superannuation contributions include amounts required to satisfy the Group's obligations under applicable Superannuation Guarantee legislation.

3. Non-Executive Directors are not entitled to any retirement benefits.

4. Bill Lance and Jennifer Aument were nominated as a Non-Executive Director on 19 October 2022 and 11 April 2023, respectively. The table includes details of fees paid to Bill Lance and Jennifer Aument from those dates.

# Explanatory Statement continued

## Resolution 4: continued:

- c. To date, the following share rights have been issued to Philippe Etienne under the NED Rights Plan:
- 1,118 for the FY2022 plan year at \$45.54 per right; and
  - 1,388 for the FY2023 plan year at \$36.02 per right.
- d. Non-Executive Directors in office from time to time may participate in the NED Rights Plan. Current Non-Executive Directors are Neil Chatfield, Kathleen Conlon, Arlene Tansey, Sylvia Summers Couder, Pat Ramsey, Philippe Etienne, Bill Lance and Jennifer Aument. Executive Directors, including the Managing Director, are not eligible to participate in the NED Rights Plan.
- e. No loans will be made available in relation to the acquisition of share rights or shares under the NED Rights Plan.
- f. As at the date of publication of this notice, management are in the process of obtaining a new class ruling from the Australian Taxation Office to confirm the tax treatment of participation in the NED Rights Plan for the Australian resident Non-Executive Directors – in respect of the plan years for FY2025, FY2026, FY2027 and beyond.
- g. If the tax treatment of participation in the NED Rights Plan differs materially from the intended outcomes for Non-Executive Directors, Aristocrat may decide not to grant rights to Non-Executive Directors under the NED Rights Plan. Similarly, if a new class ruling is not obtained, Aristocrat may decide not to grant rights to Non-Executive Directors under the NED Rights Plan for FY2025, FY2026, FY2027 and beyond.
- h. If Resolution 4 is approved, it is anticipated that Non-Executive Directors will be able to participate in the NED Rights Plan for plan years FY2025, FY2026 and FY2027. New securities will only be issued under the NED Rights Plan for plan years FY2025, FY2026 and FY2027 within three years of shareholder approval (i.e. before 21 February 2027), unless shareholder approval for the issue of securities under the NED Rights Plan is again refreshed prior to that date. If Resolution 4 is not approved, Non-Executive Directors will not have the opportunity to be issued shares under the NED Rights Plan in respect of their participation in the plan for FY2025, FY2026 and FY2027.
- i. Details of any securities issued under the NED Rights Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the NED Rights Plan after this resolution is approved, and who were not named in the Notice of Meeting, will not participate in an issue of securities until approval is obtained under that rule.

### RECOMMENDATION

**Each Non-Executive Director abstains from providing a recommendation in respect of Resolution 4 due to their interest in the outcome of the resolution. The remaining Director recommends that shareholders vote in favour of Resolution 4.**

## Resolution 5:

### Adoption of Remuneration Report

The Remuneration Report for the year ended 30 September 2023 is set out in the Directors' Report which forms part of the Annual Report. It is also available on the Company's website, [www.aristocrat.com](http://www.aristocrat.com).

Shareholders of the Company are asked to adopt the Remuneration Report, which sets out, in detail, the Company's policy for determining the remuneration for its Directors and other KMP, including:

- executive remuneration philosophy and framework;
- an explanation of the Board's policies in relation to the objectives and structure of remuneration;
- remuneration outcomes in FY2023 and links to business strategy and Group performance;
- detailed summary of vesting conditions, why they were chosen and how performance is measured against them; and
- the remuneration details for each Non-Executive Director and for each of the Executive KMP of the Company.

In accordance with the *Corporations Act 2001* (Cth) (the **Corporations Act**), this resolution is advisory only and does not bind the Company or the Directors. However, the Board will take the outcome of the vote into consideration in future reviews of the remuneration policy for Non-Executive Directors and Executive KMP.

### RECOMMENDATION

**The Directors recommend that shareholders vote in favour of Resolution 5.**

# Appendix A

## Vesting conditions for the grant to be made to the Chief Executive Officer and Managing Director

The Board has determined that the following vesting conditions should be applied to the 2024 grant to Mr Croker, as the CEO and Managing Director:

- total shareholder return (**TSR**) of the Company relative to the return of the constituents of the S&P/ASX 100 Index at the commencement of the performance period (**Relative TSR**) – in relation to thirty percent (30%) of the PSRs granted;
- growth in earnings per share (**EPS**) of the Company compared to targets set by the Board (**Relevant EPS**) – in relation to thirty percent (30%) of the PSRs granted; and
- an individual performance based vesting condition that the relevant participant achieves or outperforms against objectives and key results (**OKRs**) over the entire course of the three-year performance period – in relation to forty percent (40%) of the PSRs granted.

At the appropriate time, the vesting conditions will be measured to determine the proposed vesting amounts, which will then be considered and determined by the Board.

The Board selected **Relative TSR** as a vesting condition on the basis that it:

- ensures an alignment between comparative shareholder return and reward for the executive;
- provides a relative, external, market-based performance measure against those companies with which the Company competes for capital, customers and talent; and
- is widely understood and accepted by key stakeholders.

The Board selected **Relevant EPS** as a vesting condition on the basis that it:

- is a relevant indicator of increases in shareholder value; and
- is a target that provides a suitable line of sight to encourage executive performance.

Aristocrat is one of a small group of ASX listed companies that derives the majority of its revenues from overseas markets and is genuinely global in its structure and operations. Aristocrat's senior leadership is majority US based, and the business must increasingly attract, retain and motivate leaders in the US market with technology and global management skillsets, which reinforces the need for Aristocrat's remuneration structures to evolve and take into account global pay philosophies, particularly those in the technology industry, while also being regionally appropriate.

In that context, the Board selected an **individual performance based** vesting condition on the basis that it aligns with US practice and ensures that Aristocrat's LTIP is competitive relative to global and US peers who have elements of service based vesting (restricted stock). Importantly, this is a performance based hurdle requiring that an executive achieves or outperforms against objective balanced scorecard OKRs over the entire course of the three-year performance period in addition to continuous service for the performance period.

Vesting of this tranche requires consistent and sustained individual performance for three years in a row – if OKRs are not met in any one year then the entire tranche is forfeited. There is no catch-up or retesting.

The OKRs are aligned to supporting Aristocrat's longer-term strategy and driving continued sustainable growth.

This hurdle allows the Board to take into account behaviours and conduct relating to risk management in determining outcomes relating to this hurdle. The balanced scorecard approach ensures that safeguards are in place to protect against the risk of unintended and unjustified outcomes.

### Relative TSR Vesting Condition (30% of total PSRs)

Relative TSR will be assessed over a three year performance period, which will commence on 1 October 2023 until 30 September 2026.

TSR measures the growth in the price of shares plus cash distributions notionally reinvested in shares.

In order for any of the PSRs to vest pursuant to the Relative TSR vesting condition, the Company's compound TSR must be equal to or greater than the median ranking of the constituents of the S&P/ASX 100 Index, defined at the commencement of the performance period (**Comparator Group**).

The link between the Company's TSR performance and the percentage of the PSRs which will vest pursuant to the Relative TSR vesting condition is represented in the following table:

Company TSR ranking against the Comparator Group	PSRs subject to Relative TSR vesting condition that vests (%)
Below the median ranking	0%
At the median ranking	50%
Above the median ranking but below the 75 <sup>th</sup> percentile	Between 50% and 100%, increasing on a straight line basis
At or above the 75 <sup>th</sup> percentile	100%

The Board may adjust the TSR vesting conditions to ensure that an executive is neither advantaged or disadvantaged by matters outside of management's control that affect achievement of the vesting conditions. The Board may also exercise its discretion to ensure that the TSR vesting conditions are adjusted to reflect sustainable growth outcomes aligned to the interests of shareholders.

### Relevant EPS Vesting Condition (30% of total PSRs)

The Relevant EPS vesting condition is measured by comparing the Company's compound annual EPS growth rate (**CAGR**) over a three year performance period (1 October 2023 to 30 September 2026) against the 'minimum' EPS growth and the 'maximum' EPS growth thresholds, as set by the Board at the beginning of the performance period.

Relevant EPS performance will be measured using the most recent financial year prior to the award as the base year (FY2023), and the final financial year in the three-year performance period as the end year (FY2026).

# Appendix A continued

Relevant EPS will be calculated by dividing the Company's normalised profit after tax (**NPAT**) for the relevant reporting period by the weighted average number of ordinary shares of the Company for that period. NPAT will be determined in accordance with the Group's current accounting practices.

The EPS growth thresholds set by the Board for the performance period are considered commercially sensitive by the Board and will accordingly be disclosed in the Remuneration Report published in respect of the year in which the vesting condition is tested.

As the Relevant EPS component is determined as the compound EPS growth over a three year performance period, the extent of vesting of the Relevant EPS component of the LTI cannot be determined until the conclusion of the three year performance period.

The link between the Company's CAGR and the percentage of the PSRs which will vest pursuant to the Relevant EPS performance condition is represented in the following table:

<b>Company Relevant EPS performance</b>	<b>PSRs subject to the Relevant EPS vesting condition that vests (%)</b>
Less than the minimum EPS growth threshold	0%
Equal to the minimum EPS growth threshold	50%
Greater than the minimum EPS growth threshold, up to the maximum EPS growth threshold	Between 50% and 100%, increasing on a straight line basis
At or greater than the maximum EPS growth threshold	100%

The Board may adjust the EPS vesting conditions to ensure that an executive is neither advantaged or disadvantaged by matters outside of management's control that affect achievement of the vesting conditions.

## **Individual performance based vesting condition (40% of total PSRs)**

This element of the LTIP will only vest if Mr Croker meets or exceeds against a set of challenging objective-balanced scorecard OKRs set by the Board over the entire course of the three year performance period, in addition to continuous service for the performance period.

Vesting of this tranche requires consistent and sustained individual performance for three years in a row – if OKRs are not met in any one year then the entire tranche is forfeited. There is no catch-up or retesting.

Vesting outcomes in connection with this tranche will be disclosed in the Remuneration Report published in respect of the year in which the vesting condition is tested.

# Voting instructions & notes

## Participating in the AGM

Shareholders are invited to attend the AGM in person at Aristocrat Head Office, Building A, Pinnacle Office Park, 85 Epping Road, North Ryde, New South Wales, 2113 or online by entering <https://boardroomlimited.com.au/agm/aristocrat2024agm> into a web browser and following the instructions.

If you are unable to attend the AGM, we encourage you to appoint a proxy. Please lodge your proxy online at <https://boardroomlimited.com.au/agm/aristocrat2024agm> or complete and return a hard-copy proxy form to our share registry, Boardroom Pty Ltd, so that it is received prior to 11.00am (Sydney time) on Tuesday, 20 February 2024.

Shareholders who cannot attend the Meeting are also invited to submit questions online at <https://boardroomlimited.com.au/agm/aristocrat2024agm> or via email to [aristocrat@boardroomlimited.com.au](mailto:aristocrat@boardroomlimited.com.au). Questions must be submitted by no later than 11.00am (Sydney time) on Thursday, 15 February 2024. The more frequently raised relevant shareholder issues will be addressed by the Chairman during the course of the Meeting. However, there may not be sufficient time available at the Meeting to address all of the questions raised. Please note that individual responses will not be sent to shareholders.

## Technical difficulties

Technical difficulties may arise during the course of the Meeting. The Chairman has discretion as to whether and how the Meeting should proceed in the event that a technical difficulty arises. In exercising his discretion, the Chairman will have regard to the number of shareholders impacted and the extent to which participation in the business of the meeting is affected. Where he considers it appropriate, the Chairman may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to lodge a directed proxy by 11.00am (Sydney Time) on Tuesday, 20 February 2024 even if you plan to attend the Meeting.

## Determination of entitlement to attend and vote

For the purposes of determining an entitlement to vote at the Meeting, persons who are registered as shareholders at 7.00pm (Sydney time) on Tuesday, 20 February 2024 will be entitled to vote in respect of shares held at that time.

## Proxies

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. If a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes.

An instrument appointing a proxy must be signed by the shareholder appointing the proxy or by the shareholder's attorney duly authorised in writing or, if the shareholder is a corporation, in accordance with the Corporations Act and the shareholder's constitution. A proxy need not be a shareholder of the Company and may be an individual or body corporate.

A proxy has the same rights as a shareholder to speak at the Meeting, to vote (but only to the extent allowed by the appointment) and to join in a demand for a poll.

Where a shareholder appoints an attorney to act on his/her behalf at the Meeting or a proxy form is signed under power of attorney, such appointment must be made by a duly executed power of attorney. The power of attorney (or a certified copy) must be given to Boardroom by 11.00am (Sydney time) on Tuesday, 20 February 2024, unless it has previously been provided.

Where more than one joint holder votes, the vote of the holder whose name appears first in the register of shareholders shall be accepted to the exclusion of the others.

Shareholders who have appointed a proxy may still attend the Meeting and ask questions. However, the proxy's right to speak and vote is suspended while the shareholder is present at the meeting.

The Company encourages all shareholders who submit proxies to direct their proxy whether to vote for or against or to abstain from voting on each resolution.

## The Chairman of the Meeting intends to vote all available undirected proxies in favour of all resolutions.

If you appoint the Chairman as your proxy but do not direct the Chairman on how to vote, then by completing and submitting your voting instructions you are expressly authorising the Chairman to vote in that manner, even where a resolution is directly or indirectly connected to the remuneration of a member of the Company's KMP.

An instrument appointing a proxy must be lodged as follows by no later than 11.00am (Sydney time) on Tuesday, 20 February 2024 in order to be effective:

- online at <https://boardroomlimited.com.au/agm/aristocrat2024agm> and following the instructions on the proxy form;
- by mail, addressed to Aristocrat Leisure Limited, C/- Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001, Australia;
- by fax to the share registry, Boardroom Pty Limited, at (61) 2 9290 9655; or
- by hand at Boardroom Pty Limited, Level 8, 210 George Street, Sydney, NSW 2000, Australia.

## Corporate Representatives

A body corporate which is a shareholder or which has been appointed as a proxy may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should provide Boardroom with evidence of his or her appointment prior to the Meeting, including any authority under which it is signed, unless it has previously been provided to and been accepted by the share registry.

If such evidence is not received prior to the commencement of the Meeting, then the individual will not be permitted to act as the shareholder's representative or representative of the shareholder's proxy.

## Voting

Voting on resolutions set out in this Notice of Meeting will be conducted by poll. Upon a poll, every shareholder who is present in person or by proxy, representative or attorney will have one vote for each share held by that shareholder.



Aristocrat Leisure Limited  
Building A, Pinnacle Office Park  
85 Epping Road, North Ryde NSW 2113, Australia

**[aristocrat.com](http://aristocrat.com)**