

## **SkyCity Entertainment Group 2023 Annual Meeting**

### **Glenn Davis - Chair's Address, SkyCity Adelaide Board**

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Good morning everyone.

This time last year when I addressed you about the South Australian casino, I mentioned the ongoing inquiries being conducted by AUSTRAC and the South Australian state regulator, Consumer and Business Services (**CBS**).

As Kate has just mentioned, the AUSTRAC inquiry led to regulatory action being taken against SkyCity Adelaide Pty Limited (**SkyCity Adelaide**), which we continue to work through, and the CBS inquiry is presently on hold but in the meantime, Kroll has been appointed as an independent expert.

Whilst we work through these issues, the anti-money laundering and host responsibility enhancement programs I referred to last year continue to be embedded into operations across the South Australian business.

It's a big task, but the team is committed to the enhancement work programs, is well resourced to deliver them and we expect both programs to continue on track under constant review by the SkyCity Adelaide Board.

As a sign of our commitment, our Financial Crime team has grown from 3 to 19 and our host responsibility resources on the gaming floor have been expanded.

A new AML/CTF program has been adopted and rolled out across the SkyCity Adelaide business together with an associated new risk appetite statement, risk management policy, risk management operating methodology and a number of new standard operating procedures. At the same time, we have put in place dedicated risk management and assurance resources to assist in ongoing review of SkyCity Adelaide's operations and compliance.

In host responsibility, we are continuing our good work in further development of our enhancement program across the business and we have again rolled out significant new standard operating procedures.

We have also applied to the South Australian regulator to introduce a Focal predictive risk algorithm and facial recognition long stay technology to allow us to further work with patrons to ensure their gambling is safe. We are hopeful of receiving approvals from CBS in the not too distant future as we see the use of these technologies as

important in further improving our host responsibility performance and maintaining a safe environment for all of our patrons.

At the same time it's important we continue to focus on the SkyCity Adelaide business itself to position it for the post Covid world and the structural shift that has now occurred in the Australian casino industry.

That involves David Christian and his team working to strengthen the Adelaide property as an integrated entertainment venue and to improve the performance and contribution of all parts of the business whether that be food and beverage, accommodation or gaming.

The Riverbank precinct in Adelaide, where your property is located, continues to grow and evolve as a vibrant and busy corporate and entertainment precinct and we are working to ensure SkyCity is an integral part in that growth and evolution.

At the same time our quest for improved performance has required the team to dig deeply into the cost profile of the business with a view to make the business as efficient as it reasonably can be. That has required some changes in recent months, and I thank the entire team in Adelaide for the manner in which they have embraced those changes together with all the change associated with our anti-money laundering and host responsibility enhancement work programs.

There is still plenty of work in front of us in continuous improvement in terms of both regulatory compliance and further refinement of our operating model to position SkyCity Adelaide as a safe and admired entertainment and gaming drawcard for everyone.

The team across the entire SkyCity Group is committed to that work and we look forward to reporting further progress in due course.