



THE STAR

ASX Announcement

2 August 2022

PROPOSED REFORMS TO NSW CASINO REGULATORY FRAMEWORK

The Star Entertainment Group Limited (ASX code: SGR) (**The Star**) notes the media release issued today by the Minister for Hospitality and Racing, the Hon. Kevin Anderson MP, in relation to proposed reforms to the NSW casino regulatory framework.

The media release notes that the reforms are proposed to be introduced into Parliament next week and address all 19 recommendations of the Bergin Inquiry and certain additional proposed measures. A copy of the media release is attached to this announcement.

The Star has previously indicated its support for the recommendations of the Bergin Inquiry. The Star will review the details of the proposed reforms and the potential implications for its operations once available.

Authorised by:

Ben Heap
Interim Chairman

For more information contact:

Financial analysts	Mark Wilson General Manager Business Development and Investor Relations	Tel: +61 407 145 501
Media	Peter Jenkins Group Executive External Affairs	Tel: +61 439 015 292



Kevin Anderson
Minister for Lands and Water
Minister for Hospitality and Racing

MEDIA RELEASE

Tuesday, 2 August 2022

CASINOS TO FACE \$100M FINES FOR MISCONDUCT UNDER NEW REFORMS

The new NSW Independent Casino Commission (NICC) will have powers to fine operators up to \$100 million and hold individual board members and executives liable for serious wrongdoing, under legislation to be introduced to Parliament next week.

Minister for Hospitality and Racing Kevin Anderson said the NICC will be given new powers to investigate wrongdoing and enforce compliance with tough new controls targeting money laundering and other criminal activity.

“Reforms to be introduced to Parliament next week deliver on all 19 recommendations of the Bergin Inquiry and introduce additional measures to strengthen casinos’ compliance requirements, including some key recommendations from the Victorian Royal Commission into Crown Resorts,” Mr Anderson said.

“The new regulator will be truly independent, and will be directly funded by the Casino Supervisory Levy paid by both casinos, with independent decision-making on licensing and disciplinary matters.

“With all penalties under the Casino Control Act to be increased at least tenfold and a new maximum fine of \$100 million for disciplinary action, the NICC will have scope to deal appropriately with serious misconduct of the type uncovered by various recent inquiries.

Mr Anderson said new executive liability powers will hold individual directors of casino operators accountable for serious wrong doing they facilitated or knew about but failed to stop.

This will enable the NICC to take direct disciplinary action against individuals, not just casino operators as is currently the case.

Mr Anderson said other key reforms in the legislation include:

- Regular reviews of casino licences to be conducted as public inquiries with Royal Commission-like powers;

- Casino operators to be compelled to provide full and frank disclosure of requested information and notify the NICC of any breach or likely breach of the law;
- Appointment of independent compliance auditors who will report to NICC on casino operators' compliance with their regulatory obligations;
- Cash transactions of more than \$1,000 per patron per day to be phased out as cashless gaming is introduced at both casinos;
- Transition to mandatory carded play which will require gamblers to use cards which will identify them and track their play, to assist with financial crime monitoring and prevention;
- A new requirement for applicants who want to become close associates of a casino to demonstrate they are suitable;
- Increased scope for probity assessments of a casino operator's related entities within the same group, such as its holding company; and
- Casinos required to give regulators continuous access to gaming data, as pubs and clubs have done for many years.

A multi-agency coordination committee with NSW Police and the NSW Crime Commission will be set up to guide the regulatory efforts of NICC and identify potential law enforcement collaborations, in areas such as money laundering.

Mr Anderson said the NICC will continue the on-going process of assessing Crown Sydney's suitability to hold a casino licence.

"Crown has implemented a considerable reform agenda with wholesale staff and system changes under the oversight of ILGA and its independent monitor," Mr Anderson said.

"The conditional gaming period will enable the NICC to closely monitor Crown's operations and ensure that the reform agenda is completed to the regulator's satisfaction."

Liquor & Gaming NSW's regulatory responsibilities and operational functions will be expanded to support the operation of the NICC and implementation of the casino reforms.

MEDIA: Louise Donnelly | 0438 627 163