



26 February 2021

Company Announcements Platform
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Aristocrat Leisure Limited – 2021 Annual General Meeting

In accordance with Listing Rule 3.13.3, please find attached the Chairman's address.

Authorised for lodgement by:

Richard Bell
Company Secretary

ARISTOCRAT LEISURE LIMITED
2021 ANNUAL GENERAL MEETING

CHAIRMAN'S ADDRESS

26 FEBRUARY 2021

As Shareholders will be well aware, the 2020 financial year was uniquely challenging for many businesses - including Aristocrat. I therefore wish to begin by thanking our people – more than 6,000 of them around the world – whose efforts across the year were nothing short of extraordinary.

Our people responded to the challenges with resilience and goodwill. They adapted to the profound impacts wrought by the COVID-19 pandemic on their own lives, families and communities, while never failing to look out for each other, our customers, our players and our business. These efforts, together with effective leadership from our senior management and the support of an engaged Board, steered Aristocrat through the peak of the crisis with no loss of competitiveness, underlying momentum or engagement.

In conjunction with our dedicated workforce, Aristocrat committed ourselves to being a central part of the recovery process for our customers, players and partners around the world, and the communities in which we operate.

A Group NPATA result of \$476.6 million for the 2020 fiscal year was 47% lower in reported terms than the \$894.4 million delivered in 12-month period to 30 September 2019. While the Group was on track to deliver growth in line with our plans pre-pandemic, financial results for the full year were materially impacted by COVID-related customer venue closures, and the implementation of social distancing measures that have been in place across our global Gaming business.

This impact was partly offset by excellent growth in our Aristocrat Digital business, which was another tangible demonstration of the benefits of our long-term strategy to diversify our revenue base.

Despite the impacts of COVID, across the year, Aristocrat enhanced our financial fundamentals and further accelerated our underlying operational momentum. We continued to invest strongly in our competitiveness through Design & Development and User Acquisition, while also maintaining investment in strategic capabilities that will drive our future growth, which Trevor will say more about shortly.

Importantly, Aristocrat also strengthened our liquidity and balance sheet over the year, with approximately \$2 billion in available liquidity as at 30 September 2020. This positions us well to not only weather economic and industry volatility, but also to take advantage of organic and inorganic opportunities to accelerate our progress in the period ahead – in line with our refreshed strategy.

The Board's program of regular face-to-face engagement with Aristocrat's global employee and customer base naturally pivoted online in 2020, as a result of the suspension of business travel. Through frequent virtual engagement opportunities, Directors continued to receive direct feedback from employees and other stakeholders in order to effectively oversee and monitor the business, its culture and employee safety and wellbeing. The Board also revised its meeting cadence and structures, and met virtually on a more frequent basis to support and supervise the Group's COVID-19 response.

I want to thank my colleagues for their significant extra effort, energy and flexibility throughout the year.

The Board and management team voluntarily implemented a 20% reduction in their remuneration from 1 May through to 30 September 2020, with Trevor implementing a 30% reduction as CEO. A portion of the savings generated were applied to a hardship fund, to assist employees struggling with the economic impacts of the pandemic.

Throughout the year, the Board maintained its strategic focus, while ensuring Aristocrat continued to have robust corporate governance practices in place. Shareholders can be assured that our strong governance framework fosters a high-compliance culture that flows throughout the company. Effective mechanisms are in place to ensure the Board and Committees receive all relevant information and are able to uphold our responsibilities. We also have a comprehensive anti-bribery and corruption program, including mandatory training, clear policies and periodic Board and executive engagement. Aristocrat undertakes extensive background checks on all material business partners, and we periodically review our ABAC and broader governance standards against ASX and best practice benchmarks – making improvements where appropriate.

Strong competition for top talent, particularly in the US technology sector and across Digital skillsets, only intensified as a result of the pandemic. Aristocrat was quick to respond, escalating our focus on strategic recruitment and retention, and updating remuneration structures as detailed in the Remuneration Report. This intensifying war for talent is a real risk that the company faces and my colleague Kathleen Conlon will speak to this issue further in her address as Chair of the People & Culture Committee. I will say that the Board is committed to taking proactive steps to ensure Aristocrat can continue attract and retain the critical capabilities required to execute our strategy and advance shareholders' interests, recognising that we are a globally operating technology business and increasingly a market leader.

As shareholders will be aware, Aristocrat has - over the last several years – progressively expanded our public sustainability disclosures, consistent with our values, commitment to transparency and stakeholder feedback.

Building on progress made over the last two years, further sustainability disclosures pertaining to the 2020 fiscal year were published on the Group website last November. In addition to updating and expanding existing content on a range of material topics, we have also shared more insights into our management of COVID-19 across the year.

I would encourage shareholders to read our 2020 disclosures at www.aristocrat.com to learn more about our priorities and progress. I would also like to take a moment to reflect on specific subjects which are currently being heavily focused on, namely our work to promote responsible gameplay, further strengthening our diversity and inclusiveness agenda, addressing climate change initiatives and helping to combat modern slavery.

Promoting responsible gameplay is one of Aristocrat's most fundamental obligations. It's a major way that we deliver our company mission to *Bring Joy to Life through the Power of Play*. We believe it's also key to ensuring we can continue to grow our business, attract and retain great talent, and promote a sustainable games industry that's welcome in the community.

I'm pleased to say, we're continuing to make real strides towards leadership in this important area. In the 2020 fiscal year, we completed the roll out of mandatory staff training and launched a range of new resources and events to educate our people and help them become ambassadors for responsible gameplay both at work, and at home.

At the product level, we embedded refreshed marketing guidelines into our global Gaming business, invested in a further trial of machine-based responsible gameplay features in Australia and developed more 'myth busting' materials to educate players. In Digital, we launched several important initiatives to inform and empower players, particularly with respect to our social casino themed mobile games. In-app responsible gameplay resources and harmonized customer service processes were rolled out, while unified self-ban procedures were also put in place. These initiatives build on progress made in recent years, and we will continue to add to these over time.

In 2020, Aristocrat also appointed a specialist D&I enterprise leader and other dedicated staff, as we increasingly take a strategic approach to these issues. We were delighted to be recognised during the year as a top performer in the Chief Executive Women ASX200 Senior Executive Census, in recognition of both our Group Executive team and Board being over 40% female.

As foreshadowed at this meeting last year, in 2020 Aristocrat developed a response to the recommendations of the Taskforce on Climate-Related Financial Disclosures, and a timetable to progressively expand disclosures over three years to 2022. We began in 2020 with a range of disclosures spanning governance, strategy and risk management, and also committed to determining and disclosing our emissions profile and actions across scopes 1,2 and as appropriate scope 3.

This work is well underway, and we will deliver on all of the commitments we have made for 2021. We are also investing more resources to accelerate the assessment of abatement options across our global organisation, and better understand our potential pathway to 'net zero' emissions. We look forward to sharing more details as we make progress in this work.

In terms of modern slavery, we've made further strides forward in terms of diversifying our supply chain, encouraging continuous improvement among suppliers, better assessing and addressing risks and rolling out training across key functions. The business will also publish its first statement as required by the Australian Modern Slavery Act next month. The statement identifies a range of metrics the business will use to monitor and assess the effectiveness of our compliance program going forward, with appropriate Board oversight.

We will keep expanding our disclosures over time, in line with stakeholder interests and to ensure we can continue to effectively manage risks, capture opportunities and execute our strategy.

The Board recognises that many shareholders rely on dividends throughout the year. Whilst it was appropriate to cancel the interim dividend and maximise the Group's capacity to manage through an uncertain and COVID impacted period, we do want to express our thanks for shareholders' support. As a Board, we believe the final dividend we authorised of 10 cents per share in respect of the period ended 30 September 2020 was prudent and in shareholders' interests, as well as a strong demonstration of our confidence in the future, notwithstanding the ongoing uncertainty and consequences of the pandemic.

In summary, fiscal year 2020 was a year of unprecedented challenge for our business, from which the business is emerging strongly and with great belief and momentum. Your Board is fully focused on ensuring Aristocrat delivers to its full potential over the long term, consistent with your interests, and makes the most of its extraordinary strengths and opportunities at this unique time.

I wish to particularly acknowledge and thank my Board colleagues, and senior management, for their commitment, focus and leadership throughout what has been a challenging period. I'd also reiterate gratitude of myself and the whole Board to our employees, and our thanks to you - our shareholders - for your support over the year and for your confidence in our future.

It's now my pleasure to pass to Trevor Croker, CEO and Managing Director of Aristocrat, to provide further commentary on the 2020 financial year, the business' strategy and priorities over the coming period.
