

# ASX Announcement

## 2022 Annual General Meeting Chairman's Address

**Sydney: Tuesday, 18 October 2022**

The Chairman's address to be delivered today at the 2022 Annual General Meeting of Endeavour Group Limited is attached.

---

The release of this announcement was authorised by the Disclosure Committee.

**Sean O'Sullivan**

*Investor Relations*

+61 412 139 711

investorrelations@edg.com.au

**Dan Holland**

*Media*

+61 429 364 299

media@edg.com.au

## Chairman's Address

Peter Hearl, 18 October 2022

*Check against delivery*

### **Our first year as a listed entity**

F22 has been a year of great significance for Endeavour, given it was our foundational year as a standalone listed entity.

At the beginning of F22, we executed one of the largest demergers in Australian history. We have built on the foundations we laid going into our demerger: living our culture, Purpose, Values and Ways of Working; reinforcing our corporate infrastructure and governance; and embedding our customer-focused strategy.

These foundations have helped us navigate a financial year in which disruption was the only constant. I want to publicly congratulate Steve and his entire team for delivering a strong financial result and making progress against our strategy in a year marked by natural disasters, lockdowns, supply chain disruptions, labour shortages, and unpredictable market conditions. In light of these challenges, I am particularly proud of the progress that we have made in delivering our sustainability commitments.

### **Our F22 results**

Despite the challenges of the year, the business maintained Group Sales while growing Group Earnings Before Interest and Tax by 2.8% compared to F21. We delivered a Group Profit for the year after income tax of \$495 million, an increase of over 11% on F21, and an Operating Cash Flow of \$949 million dollars. We also delivered a Final Dividend of 7.7 cents per share, taking the total dividend for the year to 20.2 cents per share, fully franked.

### **Our Purpose, Values and Ways of Working**

We know that the culture of Endeavour is key to continuing to build on our success in this first year. Our Purpose, Values and Ways of Working define that culture.

We are continually striving to build a culture that activates our purpose of "Creating a more sociable future together", and we are dedicated to anchoring Our Values and Our Ways of Working in everything we do, and leaving a positive imprint on each other, our customers and the broader community.

### **Our strategy**

Our Purpose guides us to focus our strategy on what matters most: bringing people together to share memorable moments.

Our vision is to create those moments by becoming the leader in enabling social occasions. We aim to deliver strong returns for our shareholders by operating as an interconnected group, using our assets, customer understanding and industry partnerships to achieve this vision.

Our strategy to achieve our vision has three core pillars: creating leading customer offers; driving an efficient end-to-end business; and building partnerships that grow our industry.

Understanding, connecting with and meeting the needs of our customers are all key to our strategy. We will continue investing in our digital, data and insights capabilities to help us understand our existing and emerging customers. These insights help us drive engagement and create leading customer brands, omnichannel experiences, and product trends.

By optimising our business end-to end, we create customer and shareholder value, and deliver a better, more connected team experience.

Our partnerships with suppliers, other industry players and our communities will unlock outcomes that benefit our customers and drive growth across the industry.

These strategic pillars are supported by a continuous focus on acting as one team living Our Purpose and Values, to create a positive and sustainable imprint.

## **Our imprint**

This brings me to our Sustainability Strategy. We are passionate about creating a more sociable future, and equally passionate in our belief that the way we create this future matters.

Our first independent Sustainability Strategy, launched in October 2021, shared our ambition and plan to make a positive, lasting imprint in the areas of Responsibility and Community, People and Planet, with long-term goals and actionable commitments to keep us on track. We have followed that strategy with the recent launch of our inaugural Sustainability Report and Modern Slavery Statement and are making progress in each of the three pillars of our Sustainability Strategy.

Our commitment to Responsibility and Community is a cornerstone of our business. We know that our social licence to operate relies on our continued commitment to demonstrating leadership by advocating responsible choices in our communities and supporting positive change in our industry.

This year, we've continued to demonstrate leadership in the responsible services of alcohol and gaming, going above and beyond regulatory obligations by training and mobilising our team of over 28,000 to enable that leadership in responsibility. 92% of all team members including those in support office roles are now trained in "Leading in Responsibility". In addition, based on industry-leading practices and the latest

research, we developed and rolled out additional training modules for our Hotels team in responsible service of gambling and, for hotel managers, advanced responsible service of gambling training.

We are committed to ensuring our products end up in the right hands. Our ID25 program and supporting awareness campaigns helps dissuade attempted purchase of alcohol by minors. We also aim to help our customers make responsible choices. We now range over 340 low and zero alcohol products. We partnered with DrinkWise in an Australian-first pilot to investigate the role of in-store layout, category positioning and product marketing plays in changing awareness, consideration and purchase behaviours. The trial put zero, low and mid strength products at the front and centre of store design in BWS stores – improving awareness of and access to lower Alcohol By Volume and zero alcohol products available on the market.

We're also rolling out market-leading technology to help identify and support gaming customers who display potentially risky patterns of play, and making voluntary pre-commitment available on all of the gaming machines that we operate in mainland states and territories.

In the area of People, we are focused on building a positive, safe and inclusive workplace: one team with a shared purpose. Our people are listening and learning from each other and those in our communities to make meaningful strides towards true inclusion, and working collaboratively to protect human rights in our operations and supply chain.

For our shared Planet, we're making progress towards decarbonisation, and remain committed to building climate resilience through innovation and energy efficiency initiatives in our operations. In F22, we focused on getting the foundations right in this area as we work towards the targets we set in our Sustainability Strategy, including sourcing 100% renewable electricity to power our business by 2030. We now have 104 sites with solar panels installed, and our Chapel Hill and Oakridge vineyards and wineries are Sustainable Winegrowing Australia certified, something we aspire to achieve in all our Australian vineyards.

While we're proud of what we've been able to achieve in our first 12 months, we don't have all the answers. Earlier this calendar year, we established the Darwin Community Advisory Committee, a locally-based panel of diverse community leaders in a market with potentially vulnerable customers. This is just one example of our collaborative approach, addressing priority areas we can influence and emerging issues that we can address. We will continue to learn, refine and adapt our approach along the way and ensure our strategy and commitments align to community expectations and priorities.

## **Our governance**

During the year, we have continued to embed our corporate governance framework and have spent significant time on developing our Sustainability Strategy and reporting, developing our risk management practices and fostering a strong corporate culture of responsibility and accountability.

We have also had a couple of changes to the Board.

In April, Catherine West stepped down from the Board and Joe Pollard, who is seeking re-election today, took over the role as Chair of the People, Culture and Performance Committee.

In June, Bruce Mathieson Senior retired from the Board and we welcomed Anne Brennan. Anne, who is seeking election today, is an experienced public company director with deep financial and business experience across a wide-range of industries. She assumed the role of Chair of the Audit, Risk and Compliance Management Committee in August 2022.

Looking to the future. We announced in June 2022, that Bruce Mathieson Jr will join the Board once his regulatory approvals have been received. As we said at the demerger, we are focused on adhering to the highest standards of corporate governance. This includes our Board having the appropriate diversity and skills, and being comprised of a majority of independent directors. To this end, we will appoint an additional independent non-executive director to the Board and are currently undertaking an externally facilitated search to identify suitable candidates for our Board.

## **Closing**

In closing, I would again like to thank Steve, his management team, and indeed all 28,000 members of the Endeavour team, for delivering a successful first year for Endeavour Group as a listed entity. I would also personally like to thank my fellow Directors, who have been so generous with their time in this first very busy year.

We had originally scheduled 13 board meetings in F22 but in order to ensure we had a “fit for purpose” governance structure and to ensure we were collectively educated in Endeavour’s operations we actually held 20 board meetings in F22...a measure I think of the dedication and commitment of your Board to both lead and set the right tone.

Finally, but most importantly, I want to thank our customers, the communities we’re part of, and you, our shareholders, who have chosen to continue to invest with us as we work on creating a more sociable future together.

We expect F23 to be another year of both challenge and progress for Endeavour. As a company we have a clear purpose, a team of exceptional people, a customer-focused strategy, and a disciplined approach to financial management. We are well placed and stand ready to deliver for all stakeholders and shareholders.

Thank you for your time and attention so far, and I look forward to answering your questions shortly. I will now ask our CEO, Steve Donohue, to address the meeting.

-ENDS-