



## The Lottery Corporation 2022 AGM report

ASX code	TLC
Meeting date	8 November 2022
Type of meeting	Hybrid
Monitor	Kelly Buchanan assisted by Noel Ambler and Mike Stalley
Pre AGM-meeting	Yes with Chair Steven Gregg, Chair of Rem Committee Harry Boon, Head of Shareholder Relations Chris Richardson and Michael Patron, General Manager – Performance, Rewards, Systems & Analytics

### Meeting Statistics

Number of holdings represented by ASA	220
Number of shares represented by ASA	2,731,905
Value of shares represented by ASA	\$12,402,848
Total number attending meeting	135 in person and 135 online
Market capitalisation	\$10.1 billion
ASA open proxies voted	On a poll ASA voted in favour of all the resolutions

The Lottery Corporation’s inaugural AGM was held at the Brisbane Convention Centre in a theatre-style meeting room. It was probably inadvertent but the tiered, high-backed seating was less than conducive to shareholder interaction. From the outset the Chairman stated shareholders would be limited to two questions each, which seemed excessively limiting considering the small crowd.

The CEO’s address, which included updates on the company’s strong performance and increased revenue so far this financial year, gave the share price a lift on the day of the meeting.

Shareholders asked about the company’s preparedness for potential hacking attacks to which the Chairman replied they’d continue to be vigilant and that the company had insurance for such events.

As part of the establishment of this new standalone company following its demerger from Tabcorp (TAH), three new people had been chosen as directors and had been acting as observers until they cleared various government background checks. All of the observers cleared probity a week before the AGM and were able to stand for election. We were delighted that each new director spoke about their backgrounds and qualifications in the lead up to the votes.

All resolutions except those related to remuneration were passed with over 98% shareholder approval. The remuneration report and grant of performance rights to the CEO received over 97% of votes in favour.

Shareholder activist Stephen Mayne was ever present as an online questioner asking about topics as diverse as release of proxy votes prior to the meeting, restricting gambling advertising, political donations, director nominations, director recruitment process, and the tender process for a new auditor, among other topics. The Chairman kindly answered all questions and promised to engage further on the more technical questions about the company's constitution.

The ASA made a point of asking about directors' skin in the game, specifically Anne Brennan's low level of shareholding. Regrettably, the Chairman elected to answer on her behalf. In fact, he answered several questions that had been put to other directors giving the unfortunate impression that he was reluctant for them to speak.

The ASA also asked that STI incentives be made clearer so that shareholders could tell whether they were appropriate and reasonable. The Chairman promised to engage with us further on this issue and made a point of connecting me with the executives who work in that department.

Following the meeting directors mingled with shareholders over a very scant cuppa for a short time, not long enough for me to speak to many of them. Happily, the CEO stayed with shareholders the longest. Your monitor found her to be exceptionally enthusiastic about the company having worked there for over thirty years, starting in the marketing department as a new immigrant from South Africa. She stated "I love this company", which is music to any shareholder's ears.

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