

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Tabcorp Holdings Limited

ABN/ARBN

66 063 780 709

Financial year ended:

30 June 2020

Our corporate governance statement¹ for the period above can be found at:²

- ☐ These pages of our annual report:
- ☒ This URL on our website: www.tabcorp.com.au/investors/annual-reports

The Corporate Governance Statement is accurate and up to date as at 19 August 2020 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 19 August 2020

Name of authorised officer authorising lodgement: Chris Murphy (Secretary)

¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	☒ (sections 2.1 and 2.2) and we have disclosed a copy of our board charter at: www.tabcorp.com.au/who-we-are/corporate-governance
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	☒ (section 3.5)
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☒ (sections 3.5 and 7.14)
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	☒ (section 3.10)

⁴ Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	☒ (section 7.9) and we have disclosed a copy of our diversity policy at: www.tabcorp.com.au/who-we-are/corporate-governance and we have disclosed the information referred to in paragraph (c) at: section 7.9 of our Corporate Governance Statement 2020 and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.
1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ (section 3.8) and we have disclosed the evaluation process referred to in paragraph (a) at: section 3.8 of our Corporate Governance Statement 2020 and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: section 3.8 of our Corporate Governance Statement 2020
1.7 A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ (section 7.14) and we have disclosed the evaluation process referred to in paragraph (a) at: section 7.14 of our Corporate Governance Statement 2020 and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: section 7.14 of our Corporate Governance Statement 2020

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE		
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	☒ (section 4.5) and we have disclosed a copy of the charter of the committee at: www.tabcorp.com.au/who-we-are/corporate-governance and the information referred to in paragraphs (4) and (5) at: section 4.5 of our Corporate Governance Statement 2020 and the Board and Committee meeting attendance table on page 29 of the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	☒ (section 3.3) and we have disclosed our board skills matrix at: section 3.3 of our Corporate Governance Statement 2020
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	☒ (section 3.2) and we have disclosed the names of the directors considered by the board to be independent directors at: section 3.2 of our Corporate Governance Statement 2020 and the Board of Directors section on pages 26 and 27 of the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports and, where applicable, the information referred to in paragraph (b) at: section 3.2 of our Corporate Governance Statement 2020 and the length of service of each director at: section 3.1 of our Corporate Governance Statement 2020
2.4	A majority of the board of a listed entity should be independent directors.	☒ (sections 3.1 and 3.2)
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	☒ (sections 3.1 and 3.2)

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	☒ (section 3.6)
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY		
3.1	A listed entity should articulate and disclose its values.	☒ (section 7.1) and we have disclosed our values at: section 7.1 of our Corporate Governance Statement 2020 and on page 2 of the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	☒ (section 7.1) and we have disclosed our code of conduct at: www.tabcorp.com.au/who-we-are/corporate-governance
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	☒ (section 7.2) and we have disclosed our whistleblower policy at: www.tabcorp.com.au/who-we-are/corporate-governance
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	☒ (section 7.3) and we have disclosed our anti-bribery and corruption policy at: www.tabcorp.com.au/who-we-are/corporate-governance

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS		
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	☒ (section 4.2) and we have disclosed a copy of the charter of the committee at: www.tabcorp.com.au/who-we-are/corporate-governance and the information referred to in paragraphs (4) and (5) at: the Board of Directors section on pages 26 and 27 of the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports and the Board and Committee meeting attendance table on page 29 of the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒ (section 6.2)
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	☒ (section 6.4)
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE		
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	☒ (section 7.13) and we have disclosed our continuous disclosure compliance policy at: www.tabcorp.com.au/who-we-are/corporate-governance
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	☒ (section 7.13)
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	☒ (section 7.13)

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	☒ (section 7.17) and we have disclosed information about us and our governance on our website at: www.tabcorp.com.au/who-we-are/corporate-governance
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	☒ (section 7.17)
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	☒ (section 7.17) and we have disclosed how we facilitate and encourage participation at meetings of security holders at: section 7.17 of our Corporate Governance Statement 2020
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	☒ (section 7.17)
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	☒ (section 7.17)
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK		
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	☒ (section 4.3) and we have disclosed a copy of the charter of the committee at: www.tabcorp.com.au/who-we-are/corporate-governance and the information referred to in paragraphs (4) and (5) at: section 4.3 of our Corporate Governance Statement 2020 and the Board and Committee meeting attendance table on page 29 of the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	☒ (section 5.1) and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: section 5.1 of our Corporate Governance Statement 2020

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	☒ (section 6.3) and we have disclosed how our internal audit function is structured and what role it performs at: section 6.3 of our Corporate Governance Statement 2020
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ (section 7.16) and we have disclosed whether we have any material exposure to environmental and social risks at: section 7.16 of our Corporate Governance Statement 2020 and the Material Business Risks section on pages 37 to 42 of the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports and and, if we do, how we manage or intend to manage those risks at: the Corporate Responsibility section on pages 20 to 25 of the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports and https://www.tabcorp.com.au/corporate-responsibility
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	☒ (section 4.4) and we have disclosed a copy of the charter of the committee at: www.tabcorp.com.au/who-we-are/corporate-governance and the information referred to in paragraphs (4) and (5) at: section 4.4 of our Corporate Governance Statement 2020 and the Board and Committee meeting attendance table on page 29 of the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	☒ (section 4.4) and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: the Remuneration Report on pages 46 to 70 of the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	☒ (section 7.10) and we have disclosed our policy on this issue or a summary of it at: section 7.10 of our Corporate Governance Statement 2020 and page 59 of the Remuneration Report in the Annual Report 2020 at www.tabcorp.com.au/investors/annual-reports and in our Securities Trading Policy at www.tabcorp.com.au/who-we-are/corporate-governance

Tabcorp

CORPORATE GOVERNANCE
STATEMENT

2020



1. INTRODUCTION

1.1. About this Corporate Governance Statement

This Corporate Governance Statement outlines the corporate governance framework and main governance practices and policies of Tabcorp Holdings Limited (ABN 66 063 780 709) (the Company or Tabcorp) and its subsidiaries (the Group) for the period commencing 1 July 2019 to 19 August 2020 (the reporting period).

Tabcorp complied with the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Principles and Recommendations) throughout the reporting period. This Corporate Governance Statement and the Appendix 4G discloses the manner in which Tabcorp followed the recommendations in the ASX Principles and Recommendations and where other relevant disclosures are located.

This Corporate Governance Statement is current as at 19 August 2020 and has been approved by the Board of Tabcorp.

W This Corporate Governance Statement, key policies and governance documents are available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

W The Appendix 4G is available from Tabcorp's website at www.tabcorp.com.au/investors/annual-reports.

W Tabcorp's Annual Report 2020 is available from Tabcorp's website at www.tabcorp.com.au/investors/annual-reports.

1.2. Tabcorp's corporate governance framework

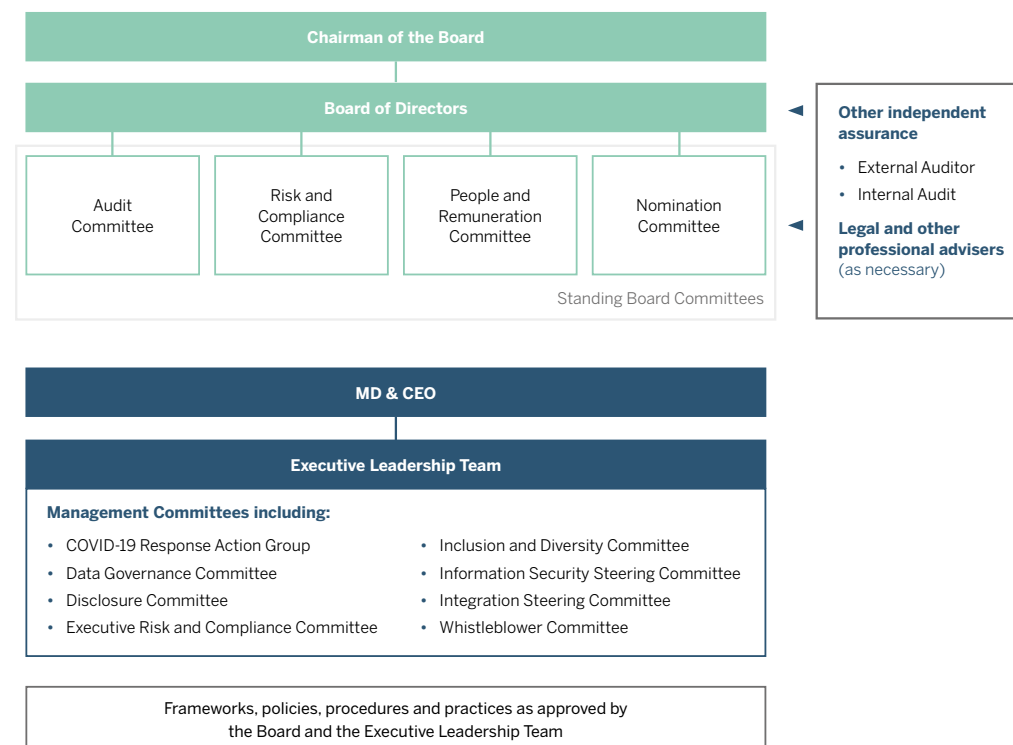
Tabcorp is committed to good corporate governance and to maintaining leading corporate governance practices which help us meet or exceed the requirements of applicable legislation and corporate governance standards. Our corporate governance arrangements are core to our vision to be **The Trusted Gambling Entertainment Company** and to building on our purpose of delivering **Excitement with Integrity**.

Tabcorp's corporate governance framework is summarised in the diagram opposite.

Tabcorp's corporate governance arrangements are regularly reviewed and revised as appropriate to reflect Tabcorp's evolving needs, changes in law and developments in corporate governance practices. Key areas of focus and change during the reporting period include the following:

- the Board continues to undertake a process for orderly and coordinated Board renewal, with succession plans for the Chairman and the Managing Director and Chief Executive Officer (MD & CEO) recently announced. Steven Gregg will succeed the Chairman Paula Dwyer who will retire from the Board on 31 December 2020. David Attenborough has announced his intention to retire as MD & CEO in the first half of calendar year 2021, and a global search for his successor is underway (refer section 3.7);

- two new independent Non Executive Directors (NED), Anne Brennan and David Gallop, were appointed and Zygmunt Switkowski retired from the Board;
- an internal assessment of the effectiveness and performance of the Board, its Committees and individual Directors was undertaken (refer section 3.8);
- the COVID-19 Response Action Group was established (refer section 5.8);
- the review and adoption of updated charters for the Board and Board Committees; and
- several key policies were updated, including the Code of Conduct (refer section 7.1), Whistleblower Policy (refer section 7.2), Anti-Bribery and Corruption Policy (refer section 7.3), Conflict of Interest Policy (refer section 7.4), and Securities Trading Policy (refer section 7.10), and the Supplier Code of Conduct was launched (refer section 7.16).



2. BOARD AND MANAGEMENT ROLES AND RESPONSIBILITIES

2.1. Board role and responsibilities

The Board Charter sets out the role, responsibilities, structure and operation of the Board as well as the function and division of responsibilities between the Board and management.

The primary role of the Board is to provide leadership for the Company and represent and protect the interests of Tabcorp's shareholders as a whole and the interests of our other relevant stakeholders. The Board has ultimate responsibility for Tabcorp's corporate governance framework and setting the Group's strategic direction. The Board, together with the MD & CEO, sets the 'tone from the top' by demonstrating behaviours that are aligned with our vision, purpose and values.

The main responsibilities of the Board include:

- selecting, appointing and evaluating the performance of the MD & CEO, and determining remuneration arrangements and succession planning for the MD & CEO;
- contributing to and approving management's development of corporate strategy and the Company's purpose, including setting performance objectives and approving operating budgets;
- monitoring corporate performance and management's implementation of strategic goals and objectives;
- overseeing systems of risk management (for both financial and non-financial risks), internal control and ethical and legal compliance;
- overseeing the Company's values and corporate governance policies (including the Diversity and Inclusion Policy and setting measurable objectives) and monitoring corporate culture;
- acting to protect and enhance the reputation of the Group;
- approving and monitoring major investments, transactions, acquisitions or divestments;
- overseeing management processes aimed at ensuring the integrity of the Group's financial and other reporting;
- overseeing the Group's external audit and internal audit activities;
- receiving, considering and approving financial reports;
- ensuring that mechanisms are in place for making timely and balanced disclosure to shareholders and the market;
- determining capital structure, funding arrangements and distribution policy;
- reviewing Board and Director performance; and
- succession planning for NEDs.

The Board Charter sets out these responsibilities in further detail and is reviewed on a regular basis to ensure the balance of responsibilities remains appropriate.

W The Board Charter is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

2.2. Management role and responsibilities

While the Board retains ultimate responsibility for the strategy and performance of the Group, the Board delegates authority for all other functions and matters necessary for day to day management of the Group to the MD & CEO, who in turn delegates to the Executive Leadership Team (ELT) and other members of senior management, as required. Tabcorp's Delegated Authorities and Approval Limits Policy sets out management's authority to undertake transactions and incur expenditure on behalf of the Group up to specified financial thresholds, and is approved by the Board. The policy is reviewed regularly and updated to reflect specific business, market and economic changes so that the effective governance of the Group is maintained.

Management provides the Board with accurate, timely and clear information on the Group's operations so the Board can effectively monitor the Group's activities and effectively discharge its responsibilities. Such reporting includes matters in relation to financial and operational performance, strategy, risk management, compliance with material legal and regulatory requirements, and other matters reserved for the Board. The Board and Committees regularly review and provide feedback on reporting received from management, and Directors may request additional information where necessary. The Board and Committees also actively challenges and holds management to account whenever required.

Members of the ELT have responsibility for supporting one or more Board Committees and meet with Directors outside of scheduled Board and Committee meetings (including regular contact between the Chairman and the MD & CEO) to assist the Board in discharging its responsibilities and to foster a strong working relationship between the Board and management.

W Details of the ELT are set out in the Annual Report 2020 on pages 30 and 31.

3. BOARD STRUCTURE AND COMPOSITION

3.1. Board structure

The Board comprises eight independent NEDs and the MD & CEO. The Chairman of the Board is an independent NED and the majority of Directors are independent (refer section 3.2). The roles of the Chairman and the MD & CEO are performed by separate individuals. The Board determines its size and composition, subject to Tabcorp's Constitution and applicable laws.

The Board is structured so that its membership provides a mix of skills, expertise and experience from a diverse range of backgrounds to enable it to discharge its responsibilities, and so that its size facilitates effective discussion and decision making. Each Director's skills, qualifications, experience and relevant expertise are set out in the Annual Report.

Each Director's length of service and when they were last elected or re-elected at the Company's Annual General Meetings (AGMs) is set out below. A Director, other than any Managing Director, may not hold office for a continuous period in excess of three years or past the third AGM following the Director's last election or re-election to the Board, whichever is the longer, without submitting for re-election.

Name	Length of service ⁽ⁱ⁾	Last election or re-election
Paula Dwyer	Chairman for nine years, from June 2011 Director for fifteen years, from August 2005	2019 AGM
David Attenborough	Nine years, from June 2011	MD & CEO is not required to stand for re-election
Bruce Akhurst	Three years, from July 2017	2017 AGM
Harry Boon	Three years, from December 2017	2018 AGM
Anne Brennan	Less than one year, from July 2020	N/A ⁽ⁱⁱ⁾
David Gallop	Less than one year, from July 2020	N/A ⁽ⁱⁱ⁾
Steven Gregg	Eight years, from July 2012	2018 AGM
Vickki McFadden	Three years, from July 2017	2017 AGM
Justin Milne	Nine years, from August 2011	2019 AGM

(i) Does not include the period that any new Director serves as an Observer while undergoing probity approval prior to formally commencing as a Director.

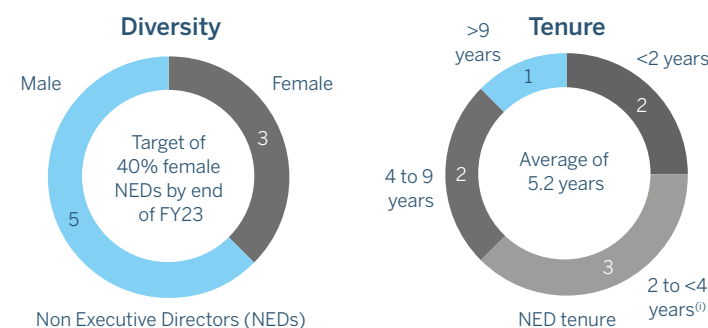
(ii) Appointed as a NED since the last AGM and accordingly will retire and stand for election at the 2020 AGM.

Zygmunt Switkowski retired from the Board on 28 February 2020 after serving as an independent NED for 13 years. Paula Dwyer will retire as Chairman and from the Board on 31 December 2020. Vickki McFadden has advised of her intention to retire from the Board at the 2020 AGM. David Attenborough has announced his intention to retire as MD & CEO in the first half of calendar year 2021, and a global search for his successor is underway. Refer to section 3.7 for further information about Board renewal and succession planning.

Tabcorp maintains a balanced Board with a mix of longer serving Directors with a deep understanding of Tabcorp's businesses and some more recent appointments. The average tenure of current NEDs is approximately 5.2 years.

Three of the eight NEDs are female, including the Chairman of the Board and the Chairman of the Audit Committee.

 The details of each Director's skills, experience, qualifications and relevant expertise are set out in the Annual Report 2020 on pages 26 and 27.



(i) Includes Harry Boon, who served as a Director and Chairman of Tatts Group Limited from 2005 to 2017.

3.2. Director independence, ethics and conflicts of interest

The Board Charter requires that the Board comprise a majority of independent Directors, including the Chairman. The Board considers an independent Director to be a NED who is free of any interest, position, or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of Tabcorp as a whole rather than in the interests of an individual security holder or other party.

A Director independence assessment is carried out by the Nomination Committee annually, on appointment of new NEDs, and whenever any new material personal interests are disclosed. The Nomination Committee makes recommendations to the Board regarding Director independence, and in doing so considers all relevant facts and circumstances in accordance with the guidelines for independence set out in the Board Charter, which have regard to Box 2.3 of the ASX Principles and Recommendations.

During the reporting period, the Nomination Committee assessed the interests, positions, associations and relationships of the NEDs, including the Chairman, and the Board considers each of them (Paula Dwyer, Bruce Akhurst, Harry Boon, Anne Brennan, David Gallop, Steven Gregg, Vicki McFadden and Justin Milne) to be independent. Dr Switkowski, who retired from the Board on 28 February 2020, was considered by the Board to be independent.

The Nomination Committee also recommended, and the Board agreed, that Ms Dwyer had not held office for such a period as to compromise her independence. In reaching this conclusion the Board noted that Ms Dwyer retained independence of character and judgement and had not formed associations with management (or others) that might compromise her ability to exercise independent judgement.

Under the Board Charter, Directors are required to act at all times with honesty and integrity, observe the highest standards of ethical behaviour and act in accordance with the Company's Code of Conduct and applicable policies.

All Directors are required to take all reasonable steps to avoid actual, potential or perceived conflicts of interests. Directors are required to disclose any material contract or relationship with the Group, including relevant interests of family companies and spouses, and any involvement with other companies or professional firms. A register of Directors' material personal interests is maintained and is regularly sent to every Director.

Where a Director discloses any actual or potential conflict or a material personal interest, a determination as to whether or not a conflict exists will be made by the Board or, if necessary, a sub-committee of the Board excluding the potentially conflicted Director. An appropriate course of action will be set based on the determination made, and such action may require the interested Director to not receive relevant papers and absent themselves from discussion and voting on the matter.

Further, where any other company or professional firm associated with a Director has dealings with the Group, all such dealings are at arms-length and on normal commercial terms.

Directors are also required to complete an annual questionnaire confirming whether there are any matters that may impact them being classified as a fit and proper person associated with the conduct of activities performed by the Group under certain gambling licences.

U Details of offices held by Directors with other organisations are set out in the Annual Report 2020 on pages 26 and 27.

W Details about the Directors' skills, experience and special responsibilities are available from the Board of Directors section of Tabcorp's website at www.tabcorp.com.au/who-we-are/our-leaders.

W The Board Charter contains additional information about Director independence and is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

3.3. Directors' skills and experience

The Board aims to ensure that collectively it has an appropriate mix of skills, knowledge and experience to discharge its duties and responsibilities effectively, having regard to Tabcorp's strategic objectives and emerging business and governance issues.

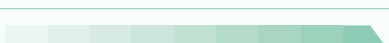
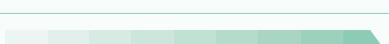
The Board has adopted a matrix setting out the key skills and areas of experience required for the Board to effectively discharge its obligations, now and in the future. The Nomination Committee undertakes regular assessments using the matrix, and provides reports and recommendations to the Board, to ensure all attributes are well represented on the Board and to identify any particular skills and perspectives that will enhance the Board's effectiveness. These skills and attributes are prioritised when identifying potential future Director candidates as part of coordinated succession planning.

During the reporting period, the Nomination Committee reviewed the matrix to ensure it reflected the Group's strategic objectives and prevailing community and regulatory expectations, and undertook a self-assessment of each Director using the matrix. The table below summarises the number of Directors demonstrating a 'developed capability' (meaning a score of at least 3 out of 5) for each skill or area of experience.

The Board considers its current membership comprises an appropriate mix of skills and experiences to enable it to discharge its obligations effectively, having regard to Tabcorp's strategic objectives. In particular, the Board considers that it has four financial experts on the Board who have relevant qualifications and/or served as either an audit partner at an accounting firm or as a senior leader in a financial institution (namely Paula Dwyer, Anne Brennan, Steven Gregg and Vickki McFadden) and a majority of the Directors (seven out of nine) have either gambling industry or other relevant complementary industry experience.

Where any criteria is not fully represented, the skills and experience of the Board are augmented through the involvement of management and external advisors, as deemed appropriate by the Board.

 The names and details of the experience, qualifications, special responsibilities (including Committee memberships), and term of office of each Director of the Company can be found in the Annual Report 2020 on pages 26 and 27.

Technical skills		Number of Directors with developed capability	
Leadership Board, CEO and/or senior executive level experience in a major organisation or listed company.		9	out of 9
Strategic and commercial acumen Experience in formulating, implementing and/or overseeing strategic business plans and developing new businesses, including start-ups, mergers and acquisitions, and divestments.		9	out of 9
Financial acumen/capital management Qualifications and/or experience in accounting and/or finance, including understanding financial statements of organisations of significant size and complexity, assessing financial performance and the adequacy of financial controls, and overseeing capital management and funding arrangements.		9	out of 9
Governance Experience in a major organisation or listed company subject to rigorous governance standards, overseeing best practice governance frameworks, related policies and processes.		9	out of 9
Legal and regulatory Experience in legal and regulatory matters, including knowledge of the environment applicable to the gambling industry. Experience in overseeing legal and regulatory frameworks, policies and processes (in the gambling industry or otherwise).		9	out of 9
Risk management and compliance Experience in risk management and compliance frameworks and related policies and processes, setting risk appetites, identifying and providing oversight of material business risks.		9	out of 9
People Experience with people matters, including assessing executive and employee performance, talent development, employee engagement, strategic workforce planning and leading organisational change, and workplace health and safety.		9	out of 9
Organisational culture Experience in organisational culture and change, including formulating and overseeing organisation-wide values and policies to protect and enhance reputation, build trust and confidence in an organisation and setting the "tone at the top".		9	out of 9
Remuneration Experience in a Board Remuneration Committee (or similar) or at a senior executive level in relation to remuneration practices, including scorecard target setting, incentive plans, superannuation, and legislative/contractual frameworks for remuneration.		9	out of 9
Government/stakeholder relations and public policy Experience in public and regulatory policy matters and stakeholder engagement, including with government, regulators and industry groups.		9	out of 9
Experience		Number of Directors with developed capability	
Gambling industry experience Experience at Board or senior executive level at a domestic or international gambling business, related racing, sport or entertainment business.		7	out of 9
Experience in other relevant industries Relevant experience at Board or senior executive level at a major organisation in other industries operating in similarly complex and highly regulated environments.		8	out of 9
International experience Experience in international markets, exposed to a range of political, cultural, regulatory and business environments.		9	out of 9
Information technology Knowledge and experience in the use and governance of critical information technology infrastructure and applications, and information security.		8	out of 9
Digital innovation Experience in leveraging digital technology to drive competitive strategies, innovation, revenue growth and business performance.		8	out of 9
Retailing, marketing and customer experience Experience at a significant retail business, including multi-channel distribution, development of winning products, customer experience, service and management strategies, and marketing to retail and online consumers.		8	out of 9
Corporate responsibility Experience in formulating, implementing and/or overseeing corporate responsibility strategy focused on conducting business responsibly and ethically, enhancing corporate social licence to operate and generating long term sustainable value for shareholders, employees, stakeholders and the community.		9	out of 9

3.4. Other directorships

Directors are required to continually evaluate the number of Boards on which they serve to ensure that they can give the time and attention required to fulfil their duties and responsibilities as a member of Tabcorp's Board. Directors must seek approval from the Chairman prior to accepting an invitation to become a Director of any other corporation, and in the case of the Chairman, seek approval from the Chairman of the Audit Committee.

The Board has adopted a policy that NEDs are permitted to hold a maximum number of five directorships of ASX listed companies, including Tabcorp, with a chairmanship equivalent to two directorships, subject to the discretion of the Chairman (or in the case of the Chairman, the Chairman of the Audit Committee). All Tabcorp NEDs comply with the policy.

U Details of the directorships for each Director, including on the Board of other publicly listed companies, are available in the Annual Report 2020 on pages 26 and 27.

3.5. Director appointments

The Board is responsible for the appointment of new Directors, reviewing and recommending the election or re-election of current Directors, the membership of each Board Committee and Board succession. In carrying out these responsibilities, the Board aims to maintain an appropriate balance of skills, experience, diversity and independence. As set out in section 4.5 and in accordance with the Nomination Committee Charter, the Committee makes recommendations to the Board regarding these matters.

Appropriate recruitment and pre-appointment screening processes are carried out prior to the appointment of a Tabcorp Director, including checks as to character, experience, education, bankruptcy history and criminal records. Prospective new Directors are required to provide details of their other commitments and an indication of time involved, and specifically acknowledge that they will have sufficient time to fulfil their responsibilities as a Director. They are also required to submit extensive personal information as part of probity investigations and clearances required by applicable gambling regulators and certain government ministers prior to appointment as a Director.

The appointment of any new Director is subject to regulatory and certain ministerial approvals. While these approvals are being sought, the person may attend Board and Committee meetings as an Observer. This assists their transition into their role, but while they are an Observer they may not vote on any matter. New NEDs must stand for election at the AGM immediately following their appointment.

Every new Director receives a formal letter of appointment that sets out the key terms and conditions of their appointment, including the Director's duties, rights and responsibilities, the time commitment envisaged, and the Board's expectations regarding involvement in Board Committees.

U Details of the Directors, their qualifications and experience are included in the Annual Report 2020 on pages 26 and 27.

W Tabcorp's Constitution is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

W The Board Charter and the Nomination Committee Charter are available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

3.6. Directors' induction, continuing education and independent advice

Every new Director participates in an induction and orientation program on their appointment to assist them to participate fully and actively in all Board and Committee decision-making at the earliest opportunity. New Directors are provided with access to relevant information and attend briefings with management to enable them to gain an understanding of the Group's businesses, operations, strategy, values, key governance and compliance policies, and key issues. The program also includes site visits and briefings on specific topics of relevance to Tabcorp.

Directors are expected to maintain the knowledge and skills required to discharge their duties and responsibilities effectively and respond to new and emerging business and governance issues. All Directors have access to a continuing education program that includes briefings and information on key developments relevant to the Group, site visits to the Group's properties and updates on risk and compliance, legal and regulatory, corporate governance and other relevant developments.

The Nomination Committee is responsible for ensuring that an effective induction process is in place and reviewing its effectiveness. The Committee is also responsible for reviewing and making recommendations to the Board regarding the continuing education program for Directors. The Company Secretary is responsible for organising and facilitating the induction and continuing education program for Directors.

Under the Board and Committee Charters, the Board, Committee or individual Directors, as the case may be, have the right to seek independent professional advice at the expense of Tabcorp.

W The Board and Committee Charters are available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

3.7. Board renewal and succession planning

The Board is responsible for maintaining the optimal composition of the Board and its Committees and for overseeing orderly and coordinated succession planning for Board membership. The Nomination Committee is responsible for reviewing and making recommendations to the Board with respect to Board succession matters, including the process for identifying suitable candidates, and the nomination, selection and appointment of NEDs.

Once the Board determines that a new Director is to be appointed, a candidate search is undertaken based on the Board's specific selection criteria and having regard to the Board skills matrix and the tenure, skills and experience of current Directors. Where required, this search process may be supported by external consultants.

The Nomination Committee is responsible for annually reviewing and making recommendations to the Board regarding the retirement by rotation and re-appointment of NEDs at the Company's AGM. The Board then reviews and approves Director elections and re-elections for the AGM, including approving a statement confirming whether or not the Board supports the election or re-election of a Director and if the Board considers a Director to be independent.

During the reporting period, Tabcorp announced succession plans for the Chairman and the MD & CEO. Steven Gregg will succeed the Chairman Paula Dwyer who will retire from the Board on 31 December 2020. David Attenborough has announced his intention to retire as MD & CEO in the first half of calendar year 2021, and a global search for his successor is underway. In the reporting period, Anne Brennan and David Gallop were appointed as NEDs, Zygmunt Switkowski retired from the Board, and Vickki McFadden has advised of her intention to retire from the Board at the 2020 AGM. Anne Brennan will succeed Ms McFadden as Chairman of the Audit Committee.

As part of ongoing Board renewal and succession planning, the Board expects to make a further announcement in the 2021 financial year regarding the appointment of an additional new NED (subject to regulatory approval) with relevant skills and experience to augment the current composition of the Board. This Board renewal process is being overseen by the Nomination Committee.

W The Nomination Committee Charter is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

3.8. Performance assessment

Each year, the Board conducts a review of its performance and of individual Directors. Outcomes from these assessments are used to enhance the effectiveness of the Board and individual Director contributions, and improve Board processes, practices and governance arrangements. The Board performance assessment process is generally conducted by a mixture of internal and externally-facilitated reviews. An external review is conducted every three years and an internal review is conducted in the alternating years.

During the reporting period, an internal assessment was undertaken of the performance and effectiveness of the Board, its Committees and each current Director, which was overseen by the Nomination Committee. The assessment involved Directors completing a questionnaire, with participants asked to consider and comment on a range of matters relating to: Board skills, experience and succession; effectiveness of the Board and Committees, meetings and processes; the relationship between the Board, Committees and management; and culture, risk and stakeholder engagement. The Chairman and Chairman of the People and Remuneration Committee provided feedback to individual Directors, and the Nomination Committee discussed the results of the assessment and endorsed a number of enhancements.

In the 2019 financial year, a comprehensive externally facilitated review of the Board, its Committee's and each Director was conducted by an independent advisory firm, and a number of enhancements were identified and implemented, including in relation to the reestablishment of the Nomination Committee, adjustments to Committee membership and Board succession.

W The Board and Committee Charters are available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

3.9. Board and Committee meetings

The Board and its Committees meet regularly to discuss matters relevant to the Group's operations and performance, with additional meetings held as and when required to address specific matters. Additional Board Sub-Committees may also be established from time to time for special purposes. During the reporting period, a number of additional Board and Sub-Committee meetings were held in response to the COVID-19 pandemic, to consider a broad range of matters, including the impacts of COVID-19 on the Group. Management also provided regular briefings to the Board on developments in relation to COVID-19 during this period.

Directors and Observers are required to attend all Board meetings, shareholder meetings and Board Committee meetings for which they are members, subject to any unusual or unforeseen circumstances which may prevent them from attending. All Directors and Observers may attend Committee meetings.

The Board also has procedures in place to ensure it operates independently of management. For example, at Board meetings the NEDs regularly meet in the absence of the MD & CEO and other executives of the Group. Where appropriate, executives are also excluded from certain Board and Committee discussions that relate to specific issues, such as executive remuneration and performance, and whistleblower matters.

All Board meetings and documents are provided to Directors in English. All Tabcorp Directors reside in Australia and are fluent in the English language.

 The number of Board and Committee meetings and the attendance of each Director at these meetings are set out in the Annual Report 2020 on page 29.

3.10. Company Secretary

The Company Secretary is responsible for coordinating and distributing materials for Board meetings, Committee meetings and shareholder meetings. The Company Secretary is also responsible for Board governance matters, monitoring Board and Committee policies and procedures, minutes of meetings, facilitating Director induction and their continuing education, communications with regulatory bodies and the ASX, and statutory and other filings. All Directors have access to the Company Secretary. The Company Secretary is accountable directly to the Board, through the Chairman and Committee Chairmen, on all matters to do with the proper functioning of the Board and Committees. The appointment and removal of the Company Secretary is a matter reserved for the Board.

4. BOARD COMMITTEES

4.1. Board structure

The Board recognises the essential role of Committees in guiding the Company on specific issues. To assist the Board in discharging its responsibilities, the Board has established the following Board Committees with delegated responsibilities:

- Audit Committee (refer section 4.2);
- Risk and Compliance Committee (refer section 4.3);
- People and Remuneration Committee (refer section 4.4); and
- Nomination Committee (refer section 4.5).

Board Committee membership is restricted to NEDs only. Observers may be invited to attend Committee meetings pending their formal appointment as a NED and Committee member following receipt of necessary regulatory approvals. Directors are appointed to each Committee having regard to each Director's skills, expertise, and specific interests, to provide optimal value to Committee discussions and to maximise the effectiveness of these Committees. During the reporting period, changes were made to optimise Committee membership and having regard to the Board succession and renewal process. The MD & CEO is not a member of any Board Committee, however the MD & CEO does attend Committee meetings as an observer.

Each Board Committee operates under a charter approved by the Board, which sets out the authority, membership and responsibilities of the Committee, together with any relevant administrative arrangements and any other matters considered appropriate by the Board. During the reporting period, each Board Committee reviewed its charter, and the Board approved and adopted changes to the Committee charters.

The role of each Committee is to advise and make recommendations to the Board. The Committees do not have decision making authority except as expressly stated in the relevant charter or as authorised by the Board.

From time to time the Board may approve the establishment of other ad hoc Board sub-committees to deal with specific matters as they arise. During the reporting period, Sub-Committees of the Board were in operation to consider a range of matters, including legal and compliance matters and the impacts of COVID-19 on the Group.

 The attendance of Directors at Board and Committee meetings is disclosed in the Directors' Report on page 29 of the Annual Report 2020.

 The details of relevant Director qualifications and experience are included in the Annual Report 2020 on pages 26 and 27.

W The Charters for each of the Board Committees are available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

4.2. Audit Committee

The Audit Committee's purpose is to assist the Board to fulfil its duties and responsibilities relating to:

- the preparation of the financial statements and associated external reports;
- oversight and monitoring of the Company's financial systems and controls;
- the Company's relationship with the external auditor and the external audit function generally, as well as its independence, objectivity and performance;
- the Company's relationship with the internal auditor and the internal audit function generally; and
- oversight and monitoring of the Company's Whistleblower Policy and Framework.

The Committee's primary roles are to review, report to, and where appropriate make recommendations to, the Board in relation to:

- the reporting of financial information;
- the appropriate application and amendment of accounting policies;
- financial risk management and internal controls;
- the appointment, independence and remuneration of the external auditor; and
- the internal audit function.

Refer to section 6 'Integrity in Financial and Corporate Reporting' for further detail in relation to Tabcorp's approach to safeguarding the integrity of corporate reports, including with respect to the external auditor and internal audit function.

The Audit Committee is comprised of at least three members (currently there are six members), all of whom are independent NEDs. The Committee Chairman is an independent NED who is not the Chairman of the Board. All members of the Committee are financially literate and have accounting and/or financial expertise and familiarity with financial management. The MD & CEO, Chief Financial Officer (CFO), Group General Counsel (GGC), Chief Risk Officer (CRO), Executive General Manager Internal Audit, external auditor and other members of management and advisors may attend Committee meetings at the invitation of the Committee Chairman.

Composition of the Audit Committee

Chairman:	Vickki McFadden
Other members:	Paula Dwyer Bruce Akhurst (until 10 February 2020) Harry Boon Anne Brennan ⁽ⁱ⁾ (from July 2020) David Gallop ⁽ⁱ⁾ (from July 2020) Steven Gregg

(i) Commenced as a Committee member following formal appointment as a Director.

W The Audit Committee Charter is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

4.3. Risk and Compliance Committee

The Risk and Compliance Committee's purpose is to assist the Board to fulfil its duties and responsibilities in overseeing activities relating to the Company's identification, assessment, management and reporting of risk (for both financial and non-financial risks) and adherence with compliance obligations.

The Committee's primary roles with respect to risk management and compliance are to review, report to, and where appropriate make recommendations to, the Board in relation to:

- the risk appetite for the Company;
- the adequacy and effectiveness of the Company's risk management framework (for both financial and non-financial risks) and supporting policies and processes to identify and manage the Company's risks;
- the Company's risk profile and reports on new and emerging sources of risks and the adequacy of risk mitigations;
- material incidents and lessons learned;
- the adequacy and effectiveness of the Company's approach to business continuity and insurance program; and
- the adequacy and effectiveness of the Company's compliance management framework and supporting policies and processes to ensure compliance with the Company's legal and regulatory obligations.

Refer to section 5 'Risk Management and Controls' for further detail in relation to Tabcorp's approach to risk management.

The Committee is comprised of at least three members (currently there are seven members), all of whom are independent NEDs. The Committee Chairman is an independent NED who is not the Chairman of the Board. The MD & CEO, CFO, GGC, CRO, Executive General Manager Internal Audit, external auditor and other members of management and advisors may attend Committee meetings at the invitation of the Committee Chairman.

Composition of the Risk and Compliance Committee

Chairman:	Bruce Akhurst
Other members:	Paula Dwyer Harry Boon Anne Brennan ⁽ⁱ⁾ (from July 2020) David Gallop ⁽ⁱ⁾ (from July 2020) Vicki McFadden Justin Milne

(i) Commenced as a Committee member following formal appointment as a Director.

W The Risk and Compliance Committee Charter is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

4.4. People and Remuneration Committee

The People and Remuneration Committee's key roles and responsibilities are to:

- make recommendations to the Board on the remuneration of NEDs and the Chairman;
- make recommendations to the Board on the performance, remuneration of, and incentive outcomes for, the MD & CEO;
- approve remuneration policies, remuneration and incentive outcomes applicable to the ELT;
- make recommendations to the Board on the Group's general remuneration framework and policies, superannuation arrangements, employee share ownership schemes and performance incentive schemes;
- oversee the Group's people strategies and policies, including talent and retention, diversity and inclusion, culture and engagement; and
- oversee the Group's health, safety and wellbeing strategy and performance.

The Committee is comprised of at least three members (currently there are four members), all of whom are independent NEDs. The Committee Chairman is an independent NED who is not the Chairman of the Board. The MD & CEO, Chief People Officer, General Manager Reward and Performance and other members of management and advisors may attend Committee meetings at the invitation of the Committee Chairman.

Composition of the People and Remuneration Committee

Chairman:	Steven Gregg
Other members:	Paula Dwyer Bruce Akhurst (from 10 February 2020) Harry Boon Zygmunt Switkowski (until 28 February 2020)

W Details regarding the Company's remuneration policies and practices, including the remuneration of NEDs, MD & CEO and other key management personnel, are set out in the Remuneration Report on pages 46 to 70 of the Annual Report 2020.

W The People and Remuneration Committee Charter is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

4.5. Nomination Committee

The key responsibilities of the Nomination Committee are to assist the Board in fulfilling its responsibilities in relation to:

- the size and composition of the Board and the development of the Board Skills Matrix;
- the selection, appointment and re-appointment of NEDs;
- reviewing the performance of the Board, Committee and individual Directors;
- evaluating the independence of NEDs;
- overseeing induction and professional development plans for Directors; and
- Board renewal and succession planning, including succession of the Chairman and MD & CEO.

The Committee is comprised of at least three members (currently there are eight members), all of whom are independent NEDs. The Committee Chairman is an independent NED and is the Board Chairman. The MD & CEO and other members of management and advisors may attend Committee meetings at the invitation of the Committee Chairman.

Composition of the Nomination Committee

Chairman:	Paula Dwyer
Other members:	Bruce Akhurst
	Harry Boon
	Anne Brennan ⁽ⁱ⁾ (from July 2020)
	David Gallop ⁽ⁱ⁾ (from July 2020)
	Steven Gregg
	Vicki McFadden
	Justin Milne
	Zygmunt Switkowski (until 28 February 2020)

(i) Commenced as a Committee member following formal appointment as a Director.

W The Nomination Committee Charter is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

5. RISK MANAGEMENT AND CONTROLS

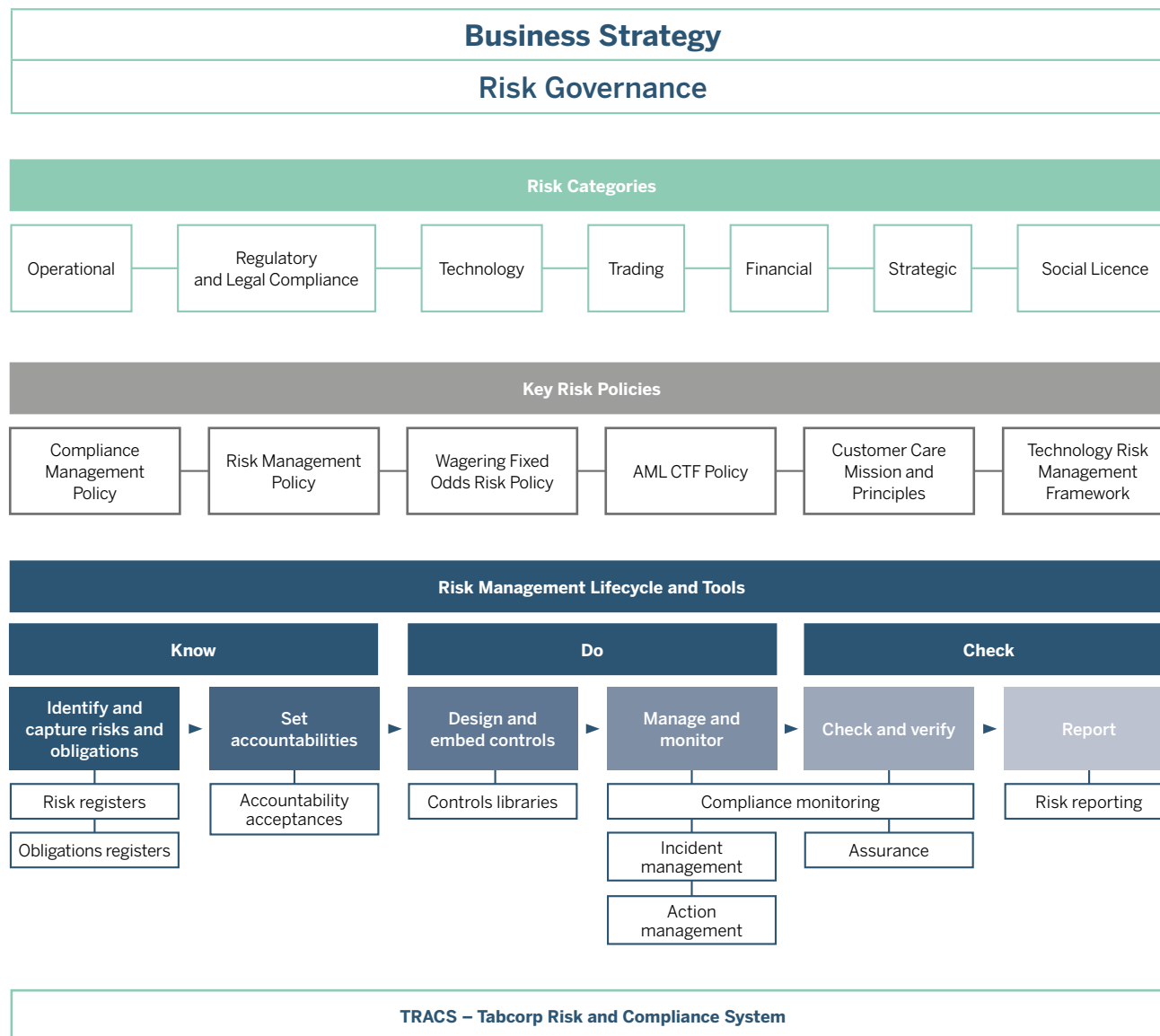
5.1. Risk Management Framework

Tabcorp's Risk Management Framework (shown opposite) summarises our approach to managing risk across the Group. This Framework is based on concepts and principles identified in the Australian/New Zealand Standard on Risk Management (AS/NZS ISO 31000:2009).

The Risk Management Framework is regularly reviewed and refined as the Group's existing operations develop and its range of activities expands. During the reporting period, a number of enhancements were made to the Framework, including revision of the Risk Management and Compliance Policies, updates to Group risk appetites, implementation of a Technology Risk Framework, updating of business continuity and disaster recovery plans in response to COVID-19 and enhancements to key risk management tools such as the Tabcorp Risk and Compliance System (TRACS).

The Risk Management Framework, including risk appetites, policies and procedures, is reviewed at least annually by the Chief Risk Officer (CRO) and the Risk and Compliance Committee to confirm it continues to be sound and is operating effectively. Such a review was undertaken during the reporting period and it was concluded the Risk Management Framework continues to be sound and that the organisation is operating with due regard to the risk appetite set by the Board.

📖 The material business risks for the Group and key mitigations are disclosed in the Directors' Report on pages 37 to 42 of the Annual Report 2020.



5.2. Governance and oversight of risk

The Risk and Compliance Committee is responsible for assisting the Board in overseeing risk management and compliance at Tabcorp. The responsibilities, functions and composition of this Committee are set out in section 4.3.

The Executive Risk and Compliance Committee, which comprises all members of the ELT, provides oversight of, and focus on, the Group's Risk Management Framework, compliance and integrity activities. This oversight enables the ELT to:

- collectively and efficiently implement and manage risk and compliance frameworks, policies and tools;
- provide timely oversight and input into key risk, compliance and integrity issues;
- regularly receive and review reports relating to risk and compliance matters, and maintain an efficient and structured reporting cycle to the Board and the Risk and Compliance Committee; and
- maintain a strong risk and compliance culture across the Group.

The Group has also established separate executive level risk and compliance committees for the Wagering & Media, Lotteries & Keno, Gaming Services and Technology divisions. These committees provide oversight of risk management and compliance matters at a business and functional unit level and ensure the appropriate escalation of matters to the Executive Risk and Compliance Committee and in turn to the Risk and Compliance Committee and through to the Board.

The Chief Risk Officer (CRO) function leads the Group's oversight of risk, financial crime/anti-money laundering and compliance activities, including responsible gambling strategy. The day-to-day management of risk is undertaken by the business units in accordance with the Risk Management Framework and policies, and using the tools established for monitoring compliance and managing risk. The CRO is a member of the ELT and reports directly to the MD & CEO and to the Risk and Compliance Committee. The CRO function operates independently of the business units, providing oversight and expertise to assist in implementing formal risk management practices and processes, capture knowledge and share experiences across the organisation. The CRO team engages with the business units to ensure a consistent approach to risk management is applied across the Group, and regularly reports to the Executive Risk and Compliance Committee and to the Risk and Compliance Committee.

Tabcorp's internal audit function provides management and the Risk and Compliance Committee with independent and objective assurance on the effectiveness of the Group's risk management and internal control processes.

W The Risk and Compliance Committee Charter is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

5.3. Recognition and management of risk

The Group's Risk Management Framework, policies and procedures set out the roles, responsibilities and guidelines for managing financial, operational and other risks associated with the Group's businesses.

Tabcorp management maintains, monitors and regularly reviews risk profiles for each of the Group's operating businesses, Technology function, and major projects (such as the Tabcorp-Tatts integration project). These profiles identify the:

- nature and likelihood of occurrence for specific or potential material risks;
- applicable risk appetite statements;
- key controls that are in place to mitigate and manage the risk;
- sources and levels of assurance provided on the effective operation of key controls; and
- responsibilities for managing these risks.

These risk profiles, including any material exceptions, are regularly reported to the Executive Risk and Compliance Committee and the Risk and Compliance Committee, and are also considered as part of the annual internal audit planning process.

The design, operation and effectiveness of controls relating to material risks is assessed primarily through semi-annual declarations by senior executives who are responsible for the operation of those controls, together with assurance activities undertaken by the CRO team, internal audit team, external auditor, and other assurance providers, where applicable.

Business continuity plans, business impact risk assessments, disaster recovery plans and crisis response and management plans are maintained for key operations and functions. These plans enable us to respond appropriately to unplanned events and minimise the likely impacts of disruption to our people, customers and operations. These are regularly reviewed and tested to ensure they remain up to date and effective, and that the appropriate personnel have the requisite knowledge and training to respond accordingly. During the period, Tabcorp's Crisis Management Framework and associated plans were used as the basis for Tabcorp to respond to the impacts from regional bushfires and the COVID-19 pandemic (refer to section 5.8).

 The material business risks for the Group and key mitigations are disclosed in the Directors' Report on pages 37 to 42 of the Annual Report 2020.

W The Risk and Compliance Committee Charter is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

5.4. Compliance management

Tabcorp's Compliance Management Policy is aligned with:

- AS/ISO 19600:2015 – Compliance Management Systems;
- applicable legislation;
- the ASX Corporate Governance Principles and Recommendations;
- the Group's organisational structure and strategy; and
- the Group's Risk Management Framework.

The Group utilises an enterprise-wide compliance system, known as TRACS, which provides a consistent platform and uniform approach to collating and reporting relevant information from across the Group. The system enables teams to capture their key obligations, risks, controls, incidents and actions, assisting them to monitor whether practices and processes designed to ensure compliance have been operating effectively. TRACS also increases the visibility of potential issues, and assists the processes for resolving issues, including audit actions. Compliance management updates and incident reports are regularly reviewed by divisional risk and compliance committees, the Executive Risk and Compliance Committee, the Risk and Compliance Committee and in turn the Board.

5.5. Internal control framework

The Group's internal control structure is overseen by the Risk and Compliance Committee and Audit Committee (having regard to their respective roles and responsibilities) and approved by the Board. This includes the roles performed by the Group's internal audit, risk management and compliance functions.

The Group's strategic plan and a detailed budget are prepared annually and subject to the approval of the Board. Forecasts for the Group and each of the operating business units are regularly updated and reported to the Board throughout the year to enable the Board to monitor performance against the annual budget.

The Group has detailed policies and guidelines for the approval of capital expenditure including annual budgeting, review and approval of individual proposals and specific levels of authority between the Board and management as set out in the Delegated Authorities and Approval Limits Policy.

Tabcorp has a Treasury Policy approved by the Board which outlines a framework for the management of financial risks and sets out processes for the investment of surplus cash, management of debt and currency, interest rate risk management and ongoing reporting requirements to the Board. Tabcorp enters into interest rate and cross currency swaps to hedge interest rate and foreign exchange risk on debt. The Treasury department, overseen by the CFO, is responsible for managing the Group's finance facilities and interest rate, credit, liquidity and currency risks in line with policies approved by the Board.

5.6. Incident reporting

Incidents of non-compliance with Tabcorp's Risk Management Framework, such as with Tabcorp's policies and legal obligations, are recorded and managed through TRACS. All businesses can log incidents, assign corrective action plans to mitigate risks and manage incidents, and monitor progress to resolve incidents. The CRO team oversees the incident management process and escalates as appropriate to senior management, and through to the Executive Risk and Compliance Committee, and the Board and its Risk and Compliance Committee.

Material breaches of key policies, such as Tabcorp's Code of Conduct and Anti-Bribery and Corruption Policy, as well as material matters reported under the Whistleblower Policy, are reported to the Risk and Compliance Committee and to the Board.

5.7. Risk culture

Tabcorp is committed to maintaining a sound risk culture, consistent with our values and purpose of ***Excitement with Integrity***. The Risk and Compliance Committee and Board actively monitor risk culture at Tabcorp and receive regular reports on a range of culture topics including key leading and lagging cultural indicators, which are designed to measure and monitor risk culture, and identify areas for further focus.

The Group has an accountability framework that clearly sets out the expectations of team members with regard to conduct and accountability, and assists management to determine the appropriate consequences for behaviours which are not in line with Tabcorp's culture, vision and purpose. Depending on the circumstances, potential consequences under the framework may include reduced remuneration outcomes, disciplinary actions and dismissal.

To maintain a strong risk culture, employees participate in ongoing training and awareness campaigns, and the CRO team works with business units throughout the annual risk management lifecycle to review and validate applicable risks, mitigating actions and controls, consider potential and emerging risks, and update the TRACS system.

5.8. COVID-19 Response Action Group

During the reporting period, the Group established the COVID-19 Response Advisory Group (CRAG) to coordinate and oversee the Group's response to the COVID-19 pandemic. The CRAG operates with regard to the Tabcorp Crisis Management Framework and consistent with Tabcorp's values to assist management to effectively identify, triage, prepare for, and respond to, COVID-19 issues, and to support business continuity. The CRAG is overseen by the Chief Risk Officer, Chief Strategy Officer and Chief People Officer, and comprises senior management representatives from the Group's business and functional units. Key decisions and matters raised through the CRAG are regularly reported to the MD & CEO and the Board, as appropriate, to promote effective oversight and decision making. The key responsibilities of the CRAG include:

- coordinating the design and implementation of short term and medium term plans in response to COVID-19, such as measures to protect the health and wellbeing of our people, customers, and the community, and ensuring continuity of operations whilst limiting business impacts where possible;
- making informed decisions to direct how our businesses best respond to government imposed restrictions, such as identifying opportunities to enhance capabilities and resources to minimise disruption, particularly with regards to technology and digital transformation to support remote working arrangements and greater customer reliance on digital channels; and
- improving Group-wide resilience and responsiveness for potential future pandemics and other crises.

6. INTEGRITY IN FINANCIAL AND CORPORATE REPORTING

6.1. External Auditor

During the period, Tabcorp's external auditor was Ernst & Young. The Audit Committee regularly reviews the effectiveness, performance and independence of Tabcorp's external auditor. If it becomes necessary to replace the external auditor for performance or independence reasons, the Committee will formalise a procedure and policy for the selection and appointment of a new external auditor.

The Corporations Act 2001 (Cth) requires the external auditor to make an annual independence declaration, addressed to the Board, declaring that the auditor has maintained its independence in accordance with the Corporations Act and the rules of professional accounting bodies. Ernst & Young has provided an independence declaration to the Board for the reporting period, which forms part of the Directors' Report in the Annual Report.

Tabcorp maintains the rotation of the lead external audit partner every five years or less, as required by the Corporations Act.

Tabcorp is committed to maintaining auditor independence and has an External Auditor Independence Policy. Under this policy, the external auditor is prohibited from providing certain services which are considered or otherwise might be perceived to impair the auditor's independence and may only provide permissible non-audit services where there is a compelling reason to do so. The provision of permissible non-audit services must be pre-approved by the Audit Committee Chairman. The CFO provides periodic reports to the Audit Committee meeting describing any permissible non-audit services approved by the Chairman since the last report.

Details of the fees paid to Ernst & Young during the reporting period, including a breakdown of fees paid for non-audit services, are set out in the Directors' Report in the Annual Report. The Board has considered the nature of the non-audit services provided by Ernst & Young during the reporting period, and has determined that the services provided, and the level of fees paid for those services, are not incompatible with the general standard of independence for auditors imposed by the Corporations Act and that the auditor's independence has not been compromised.

The lead audit engagement partner of Ernst & Young attends Tabcorp's AGM and is available to answer shareholder questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted in relation to the preparation of the financial statements, and the independence of the auditor. The Audit Committee regularly meets with the external auditor, without management present.

 Ernst & Young's independence declaration is available on page 45 of the Annual Report 2020.

 Details about the services provided by Ernst & Young and the fees paid or payable for those services are set out in the Directors' Report on page 45 of the Annual Report 2020.

 Tabcorp's External Auditor Independence Policy is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

6.2. Management assurance

At the Board meetings to approve the Group's annual and half year financial statements, the Board received a declaration from the MD & CEO and the CFO in relation to their opinion of the Group's system of risk management and internal control. The declaration stated that in their opinion the financial records have been properly maintained, and that the financial statements complied with the appropriate accounting standards and that they gave a true and fair view of the financial position and performance of Tabcorp and of the Group, and that the opinion had been formed on the basis of a sound system of risk management and internal control which is operating effectively.

6.3. Internal Audit function

The purpose of the Internal Audit function is to provide independent and objective assurance and advisory activity designed to improve Tabcorp's operations. It assists management and the Tabcorp Board to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of Tabcorp's governance, risk management and internal control processes.

During the reporting period, the Audit Committee approved the Tabcorp Internal Audit Charter, which sets out the roles, responsibilities, authority, activities, and reporting relationships of the Internal Audit function.

The Audit Committee recommends to the Board the appointment, and where appropriate the removal, of the Executive General Manager (EGM) Internal Audit, who should be suitably qualified and bring the requisite degree of skills, independence and objectivity to the role.

The EGM Internal Audit reports functionally to the Chairman of the Audit Committee and through that Committee, to the Board, and meets with the Audit Committee regularly with and without other members of management present.

The EGM Internal Audit is accountable to the Audit Committee for the effective operation of Tabcorp's Internal Audit function.

The Audit Committee annually approves an internal audit plan, as overseen by the EGM Internal Audit. The Audit Committee reviews the scope, results, adequacy, independence and effectiveness of the internal audit program of work, and the performance of the EGM Internal Audit and the internal auditor function.

6.4. Integrity of disclosures in periodic reports

Tabcorp produces a number of periodic reports, including its Annual Report, Corporate Governance Statement, Interim Financial Report and Corporate Responsibility Report. The Group has in place processes to review and confirm the accuracy and reasonableness of the disclosures contained in these reports. Management undertakes a review of the disclosures in these reports, whereby subject matter experts and the relevant executives review and approve the disclosures. A legal review is also conducted of all disclosures. The Annual Report, Corporate Governance Statement and Interim Financial Report are then presented for review and approval to the relevant Board Committee and the Board.

The annual and half year Directors' Reports, including the operating and financial review section, are reviewed by the external auditor. The annual and half year Financial Reports are audited by the external auditor. The annual and half year Directors' Reports and Financial Reports are reviewed by the Audit Committee prior to approval by the Board. The Remuneration Report is audited by the external auditor and reviewed by the People and Remuneration Committee prior to approval by the Board. The risk disclosures in the Annual Report and the Corporate Governance Statement are reviewed by the Risk and Compliance Committee prior to approval by the Board.

With respect to the annual Corporate Responsibility Report, the Group's community contributions are independently verified by the London Benchmarking Group, and disclosures are reviewed and approved by subject matter experts and the relevant executives.

7. KEY GOVERNANCE POLICIES AND PRACTICES

7.1. Code of Conduct

The Group has a Code of Conduct which is founded upon Tabcorp's values and sets out the standards of behaviour that are expected of all employees, Directors and contractors.

 Do it as One Team	 Do the Right Thing	 Explore What's Possible	 Create Awesome Moments	 Make a Difference
We are stronger together. We are inclusive, collaborative and know that amazing ideas can come from anywhere	We always act with integrity, standing up (and speaking out) for what's right	We listen. We think big. We ask 'what if'. Our curiosity for what's next will shape tomorrow	We all have the power to delight and inspire, so let's dial up the excitement and create awesome moments	We're passionate and proud about making a real change for customers, and benefiting our communities

The Code of Conduct is one of the ways we put Tabcorp's integrity and values into practice. It's built around the recognition that everything we do in connection with our work at Tabcorp should be measured against the highest standards of ethical business conduct.

The Code of Conduct sets the expected standards of professional behaviour at Tabcorp and we apply the principles of our Code to ourselves and those who work alongside us. The Code of Conduct defines desired behaviour and asks team members to use the Code to support day-to-day decision making. It includes practical guidance for team members when something doesn't feel right including how to access support. This ensures that Tabcorp continues to offer a first-class entertainment experience for our customers, supports community, creates value for our shareholders and is a great place to work.

The Board, together with the MD & CEO, sets the 'tone from the top' by consistently demonstrating behaviours that are aligned with Tabcorp's Values and Code of Conduct. The Board oversees and approves material changes to the Code and key policies. The ELT and senior managers are responsible for instilling and reinforcing Tabcorp's values, the Code and Group policies. The Code and key policies are communicated to employees and made available to new starters. Training and awareness of the Code and key policies are provided to employees, and changes are communicated when required. For some employee groups, training is mandatory for specific policies and topics. The Code and all policies are published on the Company's intranet.

Material breaches of the Code and key policies are reported to the Board or relevant Committee as appropriate.

W Tabcorp's Code of Conduct and key policies are available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

7.2. Whistleblower framework

Consistent with our commitment to maintaining a culture of honesty and integrity, Tabcorp has a whistleblower policy and framework in place to respond to any reports of actual or suspected misconduct within Tabcorp and to protect whistleblowers from detrimental conduct and breaches of their confidentiality. Matters are reported through the Tabcorp Integrity Protection Service (TIPS), an independent, anonymous and secure service delivered by Deloitte, or to any of a number of Whistleblower Report Officers who are “eligible recipients” under the whistleblower laws.

The whistleblower program is overseen by an internal whistleblower committee, chaired by the head of the Internal Audit team as Whistleblower Coordinator. This Committee has accountability and a direct reporting line to the Board Audit Committee through the Chairman of the Audit Committee, and where necessary or appropriate the Chairman of the Board, able to securely access whistleblower reports and review the action taken. Reports made under the Whistleblower Policy and the progress of actions taken and outcomes of those processes are reported to the Audit Committee.

Everyone responsible for key elements of the Whistleblower Policy receives regular training regarding their role and responsibilities. Key components of the policy are regularly communicated to all employees to raise awareness of the policy, and explain key features such as how to make a whistleblower report and the protections available to whistleblowers.

W Further information on TIPS is available from its website at www.tips.deloitte.com.au.

W TIPS is also accessible from Tabcorp’s website at www.tabcorp.com.au/who-we-are/corporate-governance.

W Tabcorp’s Whistleblower Policy is available from the Corporate Governance section of Tabcorp’s website at www.tabcorp.com.au/who-we-are/corporate-governance.

7.3. Anti-bribery and corruption

Tabcorp has an Anti-Bribery and Corruption Policy which prohibits all forms of bribery, facilitation payments, paying or receiving secret commissions and fraud. It also sets the standards required of employees and contractors when dealing with third parties, and regarding the offering and acceptance of gifts and hospitality. Tabcorp maintains a Gifts and Hospitality Register and other controls and processes to support the policy, and implements additional procedures for managing higher risk matters. All team members and Directors undertake mandatory training regarding the policy. The Board oversees changes to the policy and should investigations determine that any material fraudulent or corrupt acts have occurred in breach of the policy, these are reported to the Board. The policy was reviewed and updated during the reporting period to ensure it remained current, fit for purpose and aligned with best practice and societal expectations.

W Tabcorp’s Anti-Bribery and Corruption Policy is available from the Corporate Governance section of Tabcorp’s website at www.tabcorp.com.au/who-we-are/corporate-governance.

7.4. Conflict of interest

Tabcorp has a Conflict of Interest Policy which sets out what employees and contractors are expected to do to identify, report and avoid an actual or apparent conflict between their personal interests and the interests of Tabcorp. Activities such as personal relationships, use of Tabcorp information or resources, or acceptance of gifts or hospitality are covered by the policy. The Board approved the revised policy during the period which is supported by employee communications, an online conflict of interest declaration process and regular online learning. Tabcorp’s Conflict of Interest Policy, Code of Conduct and other policies and controls are in place to support our people to conduct themselves with integrity and avoid any undue influence or perceived influence regarding their ethical behaviour, performance or decision-making.

7.5. Responsible entertainment

The Group is committed to taking a leadership position in the responsible delivery of its gambling products and support for customers. Customer care is at the core of our approach to responsible entertainment. We are committed to complying with, or exceeding, the requirements of relevant legislation in all areas in which we operate.

The Group operates under regulator prescribed Codes of Practice or company initiated Codes of Conduct for applicable businesses. This enables the Group to maintain compliance with the specific requirements in each state or territory, while being responsive to the individual circumstances of each of its TAB, UBET, Keno and Lotteries businesses. During the reporting period, the Group also launched its new Customer Care Mission and Principles to further support our commitment to the responsible provision and use of our products. The Group will continue to work to improve the systems and processes that support its responsible gambling practices and its codes to strengthen its commitment to customer care.

The Group has an Employee Gambling Policy which is a component of Tabcorp's commitment to delivering gambling products responsibly. Directors, employees and contractors are not permitted to gamble whilst on duty, whether on Tabcorp's gambling products or those of another operator, unless it is for an "Approved Use". Gambling off duty is permissible, but only where team members are not in a position to influence the outcome of a particular Tabcorp product. The policy also requires employees to disclose details of their Tabcorp customer accounts.

 Further details about the Group's commitment to responsible entertainment are available on pages 20 and 21 of the Annual Report 2020.

W Also refer to the Responsible Entertainment section of Tabcorp's website at www.tabcorp.com.au/sustainability/responsible-entertainment.

7.6. Anti-money laundering/counter-terrorism financing

During the reporting period, and as part of integrating the former UBET business into the TAB business, the two previous anti-money laundering and counter-terrorism financing (AML/CTF) programs were combined into a single joint AML/CTF program that now applies to the TAB and Gaming Services businesses. This combined joint AML/CTF program was reviewed and updated during the reporting period and approved by the Board.

The AML/CTF program and associated systems and functions are supported by ongoing training and communications to enable employees to understand and keep up to date with their obligations. The Tabcorp Board receives AML/CTF training and regular updates relating to AML/CTF risks and Tabcorp's response to these risks. Tabcorp remains committed to achieving the highest levels of regulatory compliance and remains focused on ensuring that its AML/CTF compliance system is best-in-class.

7.7. Sports integrity and animal welfare

The Group has integrity agreements in place with all major sports bodies and racing industries across Australia. The agreements allow for the sharing of information between the Group and sports/racing industry bodies to promote high levels of integrity among sports and racing.

As a participant in the thoroughbred, harness and greyhound racing industries through the offering of wagering products, Tabcorp expects the highest standards of animal welfare and integrity and has zero tolerance to animal cruelty, in racing and in society in general. Tabcorp is committed to working in partnership with racing industries to ensure the welfare of animals is prioritised.

7.8. Political contributions

As a listed entity operating in a highly regulated environment, Tabcorp has an obligation to its shareholders and stakeholders to participate in the process of public policy development. Tabcorp is a member of various networking forums organised by political parties and Tabcorp personnel attend networking events that support political parties as they participate in the democratic system of parliamentary government in Australia – at both a Commonwealth and state/territory level. Under various Australian laws the cost of these networking forums and events is classified as a political donation.

Tabcorp takes a strict principles-based approach when making decisions about expenditure to political parties. These principles are:

- strict compliance with all laws in Australia and overseas;
- an honest and transparent approach at all times;
- no direct cash donations are to be made to any political party or affiliate;
- all political contributions must have a public policy focus with the aim of creating value for customers, partners, the community and shareholders and, where possible, demonstrate to political stakeholders Tabcorp's strong links to its industry; and
- a bi-partisan approach must be taken as much as is practicable.

The Board has oversight of Tabcorp's Political Donations Policy and approves Tabcorp's political expenditure program each year. Tabcorp discloses its political expenditure to the Australian Electoral Commission (AEC) and other bodies, as required by law.

During the reporting period, the public policy areas that Tabcorp advocated at networking events included:

- sustainable racing, wagering and lotteries sectors across Australia;
- strong responsible gambling and consumer protection laws;
- strategic priorities to create value for Tabcorp customers, partners, the community and shareholders; and,
- government responses to COVID-19 to support our employees, venues, partners and the racing industry, and minimise disruption to Tabcorp's businesses.

For the financial year ended 30 June 2020, Tabcorp's political contributions totalled \$190,445 (FY19: \$179,423⁽ⁱ⁾). These contributions were to meet the cost of memberships of political party business forums and attendance at events and party conference corporate days. No political contributions were made to overseas governments. Specific details of all political donations for the financial year ended 30 June 2020 will be provided in Tabcorp's annual disclosure report to the AEC. A link to Tabcorp's most recent AEC annual disclosure report is also available from the Tabcorp website.

(i) The FY19 contributions reported last year have been restated to accord with AEC rules relating to the timing of payments.

W Tabcorp's Political Donations Policy is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

W Tabcorp's contributions to political parties are publicly available from the AEC website at www.aec.gov.au and from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

7.9. Inclusion and Diversity

Tabcorp has an Inclusion and Diversity Strategy and Policy that is consistent with broader business and people priorities. The strategy sets out our commitment to a culture of inclusion and the creation of a bias-free workplace where all are welcomed and respected. The People and Remuneration Committee is responsible for overseeing the policy, monitoring Tabcorp's inclusion and diversity strategy and reviewing progress against measurable objectives established to achieve Tabcorp's gender diversity goals for both the Board and senior management.

The Board has introduced a target for the Tabcorp Board to comprise at least 40% female NEDs by the end of the 2023 financial year. The Board has also set a target to have at least 40% female representation in the Senior Leadership Cohort by the end of the 2021 financial year. For these purposes, the Senior Leadership Cohort comprises the ELT and the senior management team (direct reports to the ELT and their direct reports, as determined by meeting a minimum role size).

During the reporting period, Tabcorp enhanced its inclusion and diversity practices by:

- appointing an additional female Director, Anne Brennan;
- appointing two female ELT members, replacing previous females who held those roles;
- removing the qualifying period for Parental Leave;
- extending our Parental Leave Policy to include pregnancy bereavement leave entitlements; and
- launching Tabcorp Pride and Allies, our employee LGBTIQ network.

Also, our annual gender pay gap analysis found that there was no pay gap in like-for-like roles between male and females across the Group.

These initiatives have supported Tabcorp being recognised for the fifth successive year as an Employer of Choice for Gender Equality by the Workplace Gender Equality Agency.

These initiatives also helped support our gender diversity measures. As at 30 June 2020, the proportion of female employees across the Group was:

- 38% of the NEDs (up from 29%⁽ⁱ⁾);
- 30% of the ELT (unchanged⁽ⁱ⁾);
- 39% of the Senior Leadership Cohort (up from 36%⁽ⁱ⁾); and
- 43% of the entire Group (unchanged⁽ⁱ⁾).

(i) Prior year comparison as at 30 June 2019.

At the date of this statement, the target 40% female representation in the Senior Leadership Cohort had been achieved.

W Tabcorp's Inclusion and Diversity Policy is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

W Tabcorp's annual report under the Workplace Gender Equality Act is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

Diversity targets 	
40%	40%
female NEDs on the Board by the end of FY23	of females in the Senior Leadership Cohort by the end of FY21

7.10. Securities Trading Policy

During the reporting period the Tabcorp Board reviewed and approved an updated Securities Trading Policy, which applies to all Directors, employees and contractors (and their associates). The policy prohibits all Tabcorp personnel from dealing in securities at any time if they are in possession of inside information.

In addition, ELT members and their direct reports (Restricted Employees), Directors and their associates, must obtain prior approval to trade in Tabcorp securities, comply with the processes set out in the policy and are not permitted to trade during Blackout Periods.

The applicable Blackout Periods commence on:

- 1 January and end on the day Tabcorp announces its half year results (inclusively);
- 1 July and end on the day Tabcorp announces its preliminary full year results (inclusively);
- 1 October and end on the day of Tabcorp's AGM (inclusively); and
- any other period imposed by the Tabcorp Board or Chairman from time to time at their absolute discretion and without prior notice.

The policy sets out the process for Directors and Restricted Employees to obtain prior approval to trade in Tabcorp securities. Approval to trade in Tabcorp securities during a Blackout Period or within six months of acquisition will only be granted in exceptional circumstances, as set out in the policy.

The policy prohibits employees participating in any of Tabcorp's employee or executive equity or incentive plans from hedging the value of Restricted Shares or unvested Performance Rights. The policy also prohibits margin lending arrangements, short selling and engaging in speculative short term investing in relation to Tabcorp securities.

W Tabcorp's Securities Trading Policy is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

7.11. Non Executive Director Shareholding Policy

In accordance with the Non Executive Director Shareholding Policy, NEDs are required to acquire and hold a minimum shareholding in Tabcorp approximately equivalent to one times the annual NED base fee for NEDs, or two times the annual NED base fee in the case of the Chairman of the Board.

NEDs are required to reach the applicable threshold within three years from appointment, or by 14 December 2020 (the third anniversary of the Combination), whichever is the later. All NEDs satisfy the policy as at the date of this statement. The value of the Chairman's shareholding was 2.6 times the base NED fee, and the average value of other current NED's shareholdings was 1.0 times the base NED fee, where the base NED fee is \$170,000 per annum excluding superannuation (using a Tabcorp share price of \$3.56 per share as at 31 July 2020), recognising that these figures reflect a number of recent appointments and fluctuations in the value of Tabcorp shares.

 The details of Tabcorp securities held by Directors are available on page 29 of the Annual Report 2020.

W Tabcorp's Non Executive Director Shareholding Policy is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

7.12. Executive Shareholding Policy

The Executive Shareholding Policy sets mandatory minimum shareholding requirements applicable to members of the ELT. The aim of the policy is to ensure that there is an adequate level of alignment between the interests of executives, the Group and shareholders, through equity ownership.

Under the policy, the MD & CEO is required to hold the equivalent of a minimum of two times his annual fixed remuneration, while other executives are required to hold the equivalent of a minimum of one times their annual fixed remuneration in Tabcorp shares.

The minimum shareholding threshold must be achieved within five years from the date the executive is appointed into their role, or 14 December 2022 (the fifth anniversary of the Combination), whichever is the later. Performance Rights are not counted towards this threshold. All ELT members satisfy the policy as at the date of this statement. The value of the MD & CEO's shareholding is 2.2 times his annual fixed remuneration, and the average value of shareholdings held by other current executive key management personnel is 0.6 times their annual fixed remuneration (using a Tabcorp share price of \$3.56 per share as at 31 July 2020), recognising these figures reflect a number of recent appointments and fluctuations in the value of Tabcorp shares.

All purchased, restricted and unrestricted shares in Tabcorp held by the executive, or on their behalf, will count towards satisfying their minimum shareholding threshold.

 The details of Tabcorp shares held by executive key management personnel and their annual fixed remuneration are available in the Remuneration Report on pages 69 and 70 of the Annual Report 2020.

W Tabcorp's Executive Shareholding Policy is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

7.13. Continuous disclosure

Tabcorp is committed to providing the market with timely, accurate and balanced disclosure in accordance with its obligations under the Corporations Act 2001 (Cth) and ASX Listing Rules and has a Market Disclosure Policy which outlines how Tabcorp complies with its continuous disclosure obligations. Under the policy, the Board is responsible for overseeing Tabcorp's continuous disclosure obligations, including reviewing and approving disclosure of matters that are significant or within the reserved powers of the Board, including significant profit upgrades or downgrades, dividend policy or declarations, company-transforming events, significant corporate actions and matters of strategic significance. However the Board may consider any continuous disclosure matters.

A Disclosure Committee comprising MD & CEO, CFO, GGC and the Company Secretary is responsible for reviewing potentially disclosable information, referring such information to the Board or Chairman (where appropriate), overseeing announcements to the market or any other action that may be required (e.g. a trading halt request). The Company Secretary is the Disclosure Officer with responsibility for the day-to-day administration of and compliance with the policy, including coordinating the disclosure of information to the ASX. All employees are required to escalate potentially market sensitive information to a member of the Disclosure Committee or the Disclosure Officer as soon as they become aware of it.

Under the policy, only authorised spokespersons may speak on the Group's behalf to financial market participants (e.g. analysts, brokers and institutional investors). Authorised spokespersons must not disclose any market sensitive information that hasn't already been announced to the market or make comment on anything that may have a material effect on the price or value of Tabcorp's securities. Tabcorp has an External Communications Policy which covers dealing with enquiries from the media and other non-financial market external communications.

Tabcorp releases to the ASX all new investor and analyst presentation materials and AGM speeches prior to the presentations commencing. All ASX announcements made by the Company are available on Tabcorp's website and the Board promptly receives copies of all ASX announcements by email. Continuous disclosure is a standing agenda item at all Board meetings, and the Board considers whether any matters dealt with at a Board meeting require disclosure to the ASX in accordance with Tabcorp's continuous disclosure obligations.

W Tabcorp's Market Disclosure Policy is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

7.14. Executive appointment, induction, performance assessment and succession

Tabcorp has a structured recruitment process for members of the ELT and employees. ELT members and other certain employees are required to undergo probity investigation and receive approval from applicable gambling regulators and/or government ministers. As part of this process, they must undergo pre-appointment screening prior to appointment, which includes (as relevant) the provision of extensive personal information and checks as to character, experience, education, bankruptcy history and criminal records. ELT members are also required to complete an annual questionnaire confirming, among other matters, they continue to be a suitable person to be associated with the conduct of activities performed by the Group under its respective licences.

Tabcorp has a formal induction and on-boarding program for all employees, including executives. This program provides information about the structure and operations of the Group, Tabcorp's Code of Conduct, key employee policies (such as the use of Tabcorp's gambling products, harassment and bullying), occupational health and safety, and equal opportunity. In addition, employees receive orientation regarding their specific responsibilities, duties and rights, meet with executives and team members and undergo familiarisation in their workplace.

Employees have agreed position descriptions that set out their duties, responsibilities, objectives and key performance indicators. Letters of appointment or employment contracts set out other key terms of employment, including term of office, rights, responsibilities and entitlements on termination of employment.

Formal performance reviews are conducted annually for all employees, including the MD & CEO and senior executives. Individual performance is assessed using a balanced scorecard setting out specific targets spanning financial, strategic, customer, organisation and people dimensions that are aligned to, and support, the Group's annual objectives and Tabcorp's values. At the end of the financial year, the performance of the MD & CEO is reviewed by the Board, and the People and Remuneration Committee, and the MD & CEO reviews the performance of each senior executive. Performance reviews for the MD & CEO and senior executives were undertaken in relation to the end of the 2020 financial year and at other intervals during the year. For senior managers who participate in the Company's Short Term Incentive scheme, any annual short term incentive awards are linked to the outcome of their individual performance review, as well as Group performance and business unit performance (as applicable to the role).

The Group has a succession plan for members of the ELT, which identifies the suitable candidates for possible future leadership roles. The plan identifies high calibre senior managers with the requisite experience and capabilities that best meet the organisation's needs, and includes programs to further develop leadership potential to support the continuity of the ELT.

W Refer to the Remuneration Report on pages 46 to 70 of the Annual Report 2020 for further information regarding the performance outcomes relevant to senior executives who were key management personnel during the reporting period.

7.15. Data security and privacy

Tabcorp is committed to ensuring the security and protection of company information, technology systems, services and equipment, and the privacy of personal information. Tabcorp has policies, procedures, practices, frameworks and resources in place to manage data security, privacy, and related risks.

Tabcorp's Information Security Policy sets out how employees use data responsibly, maintain security and privacy of information, and protect against physical and cyber security threats. Tabcorp has a Group-wide Information Security Strategy that is endorsed by the Board and supported by the Information Security Steering Committee. The strategy is risk-based, and the key focus is the protection of customer data that is held by Tabcorp against external threats. Tabcorp's Chief Information Security Officer oversees the Group's information security arrangements and reports to the Chief Information Officer and also with a dotted reporting line to the Chief Risk Officer. Group-wide mandatory training and employee communications are regularly undertaken to improve cyber security awareness and reinforce positive messages and behaviours to support information security management.

Tabcorp's Privacy Policy complies with the *Privacy Act 1988 (Cth)* and the Australian Privacy Principles (APPs), and sets out how the Group collects, stores and discloses the personal information received from its customers, employees, suppliers and other stakeholders. The manner in which personal information is collected, stored, used, transmitted and destroyed by the Group is governed by the policy and the APPs. Tabcorp has implemented practices, procedures, training and systems across the Group that promote compliance with the policy and the APPs. Any person may contact Tabcorp's Privacy Officer to discuss any privacy related query or complaint.

Tabcorp's privacy and data security governance is overseen by a Privacy and Data Governance Working Group established under Tabcorp's Privacy Officer and as part of our Group General Counsel team. Tabcorp has also set up a Data Governance Council which oversees the management of data across the Group and is chaired jointly by representatives of our Executive Leadership Team. This Council meets periodically to review governance across Tabcorp data projects as well as considering and developing privacy and data best practice requirements across the Group and reports through to the Chief Strategy Officer team.

Data security and privacy are incorporated into Tabcorp's Risk Management Framework and TRACS, with key risks and any breaches reported to the Executive Risk and Compliance Committee, Risk and Compliance Committee and the Board as appropriate.

Tabcorp has not been subject to any material privacy data breaches during the reporting period and continues to engage closely with the Office of the Australian Information Commissioner in relation to certain matters as the need arises.

W Tabcorp's Privacy Policy and details for contacting Tabcorp's Privacy Officer are available on Tabcorp's website at www.tabcorp.com.au/privacy.

7.16. Corporate responsibility

Tabcorp is committed to the long term sustainability of its operations and industry, and aims to minimise the social and environmental impact of its operations while contributing positive economic and sustainable benefits for its stakeholders.

Our corporate responsibility strategy aims to deliver long term, sustainable value for shareholders, employees, stakeholders, and the community. The strategy aligns with Tabcorp's vision to be **The Trusted Gambling Entertainment Company**.

The key developments during the reporting period included:

- the launch of Tabcorp's Customer Care Mission and Principles for responsible gambling (refer section 7.5);
- further progress on our Inclusion and Diversity Strategy (refer section 7.9);
- the launch of Tabcorp's Supplier Code of Conduct;
- supporting our people, customers, partners and the community through the COVID-19 pandemic and bushfires; and
- a climate risk analysis undertaken to evaluate Tabcorp's current and short term climate related risks and opportunities.

Tabcorp publishes on its website an annual Corporate Responsibility Report which sets out the material corporate responsibility issues relevant to the Group. Tabcorp's Corporate Responsibility Report is prepared in accordance with the Global Reporting Initiative (GRI) Standards and sets out the extent to which Tabcorp and its stakeholders consider that the Group has any material exposure to environmental or social risks and how it manages, or intends to manage, those risks.

W Tabcorp's commitment to corporate responsibility and the progress achieved during the 2020 financial year are discussed further in the Annual Report 2020 on pages 20 to 25.

W Tabcorp's Corporate Responsibility Report is published and accessible from Tabcorp's website at www.tabcorp.com.au/corporate-responsibility.

W Details about Tabcorp's corporate responsibility practices are available from the Corporate Responsibility section of Tabcorp's website at www.tabcorp.com.au/corporate-responsibility.

W Tabcorp's Supplier Code of Conduct is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

7.17. Engaging with shareholders

The Tabcorp Shareholder Communications Policy sets out the Group's procedures and guidelines for keeping shareholders, as well as other stakeholders, informed about the Group. Tabcorp is committed to communicating openly and in a timely manner through Tabcorp's website, Annual Report, dividend mailings, email broadcasts, the ASX, social media platforms and other means where appropriate.

The Tabcorp website provides a range of information about the Group, and a facility for interested persons to receive email notifications of major Tabcorp news releases. Major announcements and presentations, such as the annual and half year results and the AGM, are webcast live on Tabcorp's website and archived for at least twelve months.

Tabcorp and its share registry provide a service for its shareholders to receive all shareholder related communications electronically, including dividend statements, notices of meeting, and the Annual Report. This email service provides a secure, quick and convenient means for receiving this information while reducing costs and being environmentally friendly. Shareholders can also use the share registry's website to lodge their proxy appointment prior to the AGM.

Dedicated shareholder relations personnel are available to assist in responding promptly to all shareholder inquiries. Shareholders can contact Tabcorp's share registry, Link Market Services Limited, or Tabcorp directly by email, phone or mail. Contact details are available on the last page of Tabcorp's Annual Report or from the Contact Us section of Tabcorp's website.

Tabcorp encourages its shareholders to participate fully at its AGM. Important issues are presented to shareholders as single resolutions and full discussion of each item is encouraged. At each AGM, shareholders have the right to vote on Director elections and re-elections, and the remuneration arrangements applicable for Director and executive key management personnel with an advisory vote on the adoption of the Remuneration Report, and a vote on the grant of any long term incentives to the MD & CEO. Explanatory memoranda, where considered appropriate, are included with the notice of AGM in respect of items to be voted on at the meeting. Also, in the notice of AGM, Tabcorp encourages shareholders to submit prior to the AGM written questions about the governance and management of the Company. All resolutions which are voted on at the AGM are decided by a poll, rather than by a show of hands, to enable all shareholders and proxyholders who cast their proxies to be included in the voting process, including those who cannot attend the AGM in person. In the event that Tabcorp does not hold a physical AGM, including as a result of the COVID-19 pandemic and related government imposed restrictions on holding large gatherings, Tabcorp will implement measures to hold a virtual or hybrid AGM using digital technology to facilitate shareholder and proxyholder participation, including watching the meeting live, submitting questions and voting during the AGM.

Tabcorp has an investor relations function that facilitates a program of engagement with institutional investors, prospective investors, broker analysts and proxy advisors. This program is aligned to Tabcorp's broader stakeholder engagement program, with a focus on providing periodic events and other forums for engagement with Tabcorp management and Directors. The Board and senior management are regularly updated regarding the progress with the investor relations program, and are informed of significant comments or concerns raised by investors, organisations that represent investors and shareholders, and proxy advisor groups.

 Shareholder related information is available at the back of the Annual Report 2020 on pages 127 and 128.

W Tabcorp's website is available at www.tabcorp.com.au.

W Shareholders can elect to receive all communications electronically by following the instructions on Link Market Service's website at investorcentre.linkmarketservices.com.au/Login.aspx/Login?issuer=TAH.

W Sign up to receive email notification of major Tabcorp news releases through the News & Media section of Tabcorp's website at www.tabcorp.com.au/news-media.

W Tabcorp's Shareholder Communications Policy is available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au/who-we-are/corporate-governance.

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