



REPORT

2024 Inquiry into The Star Pty Ltd

Inquiry under sections 143 and 143A of
the *Casino Control Act 1992* (NSW)

VOLUME 2

Report of the Inquiry under section 143 of the *Casino Control Act 1992* (NSW)

Published 31 July 2024

© State of NSW through the Inquiry under section 143 of the *Casino Control Act 1992* (NSW)

The Inquiry acknowledges the traditional owners of the land throughout the State of New South Wales and recognises their continuing connection to land, sea, culture and community. The Inquiry pays its respects to elders past and present.

Contents

Volume 1

Chapter 1	Executive Summary
Chapter 2	The Nature of this Inquiry
Chapter 3	The Test of Suitability
Chapter 4	Key Events since the 2022 Review
Chapter 5	Implementation of Recommendations of the 2022 Review
Chapter 6	Star Entertainment’s Remediation Plan
Chapter 7	Management and Governance of The Star
Chapter 8	Compliance by The Star with Relevant Internal Control Manuals
Chapter 9	Management and Governance of Star Entertainment

Volume 2

Chapter 10 Relationship with the NSW Regulator	3
Chapter 10.1 The appointment and work of the Manager	4
Chapter 10.2 Communications between Mr Foster and Mr Cooke in April 2023	5
Chapter 10.3 The Manager’s reports and meeting with the NICC in December 2023	7
Chapter 10.4 Star Entertainment’s response to the Manager’s reports in January 2024	10
Chapter 10.5 Communications between Mr Foster and Mr Cooke in early 2024	23
Chapter 10.6 Mr Cooke’s Exit Statement in March 2024	31
Chapter 10.7 Representations to the NSW regulator and to this Inquiry	38
Chapter 10.8 Conclusion	48
Chapter 11 Assessment of the Culture of The Star and Star Entertainment	59
Chapter 11.1 Introduction	60
Chapter 11.2 Third Party Culture Reviews	62
Chapter 11.3 Measuring and Changing Culture	68
Chapter 11.4 The Remediation Plan	70
Chapter 11.5 Changes in corporate values and the emergence of a new shadow value	72
Chapter 11.6 Leadership	76
Chapter 11.7 Risk Management Culture	78
Chapter 11.8 Staff Morale	79
Chapter 11.9 Assessment of Overall Progress Towards Cultural Transformation	81

Chapter 12 Suitability	97
Chapter 12.1 Present Suitability	98
Chapter 12.2 “Conditional Suitability”	104
Chapter 12.3 Assessment of the Present Situation	106

Appendices

Appendix A Instrument of Appointment	111
Appendix B Terms of Reference	112
Appendix C Document Production Guideline (Version 2): 28 March 2024	113
Appendix D Procedural Guidelines Relating to Hearings of the Inquiry into The Star Pty Ltd and The Star Entertainment Group Limited	124
Appendix E List of Key People	135
Appendix F List of witnesses and dates on which they appeared	144
Appendix G The Star Entertainment Group Limited Group Corporate Structure	145

Chapter 10
Relationship with the NSW Regulator

Chapter 10. Relationship with the NSW Regulator

Chapter 10.1 The appointment and work of the Manager

1. On 17 October 2022, the NICC appointed Mr Weeks as Manager of The Star Casino. Mr Weeks gave the following evidence about how he carried out his functions as Manager:¹

The initial appointment was for three months. That was then extended for 12 months. In that initial appointment, it was clearly – I needed to make some decisions about how I would execute that role, and on my assessment, it was impracticable to retain a large number of people to come and assist me directly. So I retained a small number of people to come and assist me to discharge that role and to rely heavily on the existing resources and management team of the casino ...

...

I tended to focus on those areas of the casino that present the most risk. So I have had my team and myself be very close to those aspects of the business that clearly required significant remediation following the initial report. So in areas such as financial crime, safer gambling, culture, governance and risk management.

2. Shortly after Mr Weeks' appointment, on 21 October 2022, Mr Cooke sent an email to all staff welcoming Mr Weeks and emphasising the importance of working in a co-operative and open manner with him. Mr Cooke wrote:²

Among other things we will be working cooperatively with [Mr Weeks], complying with his directions and keeping him fully and proactively informed about all matters relevant to the management of the Sydney Casino ...

Whilst [Mr Weeks]' role is an unusual one, I ask that you treat him as if he were one of my executive team. In assisting [Mr Weeks] in his role (and as I know you would) please be engaged, open and transparent in all your interactions – he is part of the team to bring us back to suitability.

3. Mr Weeks wrote in his report to the NICC dated 3 October 2023 that, at the commencement of his appointments in NSW and Queensland, Star Entertainment had been “cooperative and engaged constructively with us” and that “key representatives appeared willing to cooperate and engage with the form of supervision imposed by the NICC and OLGR”.³
4. In his report dated 24 November 2023, Mr Weeks wrote that Star Entertainment's “approach to regulatory engagement” had “deteriorated” since his report of 3 October 2023, as he had “observed an increasing number of instances where Star has lacked transparency, candour and rigour in its dealings with us”.⁴ That said, Mr Weeks considered that he had a strong working relationship with Star Entertainment at this time and into January 2024.

5. In his evidence to the Inquiry, Mr Weeks was shown public statements by Star Entertainment about working cooperatively with its regulator, including the NICC and the Manager. Star Entertainment’s public statements to this effect included the following:
- (a) on 19 April 2023 – “[Star Entertainment] continues to work with regulators and the NSW Manager and Queensland Special Manager to remediate its businesses, to support a return to suitability over time”;⁵
 - (b) on 29 August 2023 – Star Entertainment “works collaboratively with State and Federal regulatory authorities to ensure that applicable laws and regulations are properly interpreted and applied”;⁶ and
 - (c) on 20 February 2024 – The Star “will continue to do all in its power to work cooperatively with all its regulators including the NICC and its appointed manager”.⁷
6. Mr Weeks gave this evidence:⁸

Q: ... [I]n January 2024, did you not consider that Star’s attitude to you was one of working cooperatively as per the ASX announcements I took you to earlier?

A: Yeah. Certainly, the company in all my face-to-face meetings – and there has been many – has never suggested that had they wanted to get rid of me and, in fact, have, in most cases and many cases, expressed the fact that they feel that they have a strong working relationship with me, which is also the view that I have in relation to my relationship with the company.

Chapter 10.2 Communications between Mr Foster and Mr Cooke in April 2023

7. On 22 April 2023, the Chair of Star Entertainment, Mr Foster, sent a text message to the CEO and Managing Director, Mr Cooke, in which Mr Foster wrote:⁹

Other thing for NSW [government] is level playing field and timing on cashless and carded with pubs and clubs. Abolish NICC.

8. Mr Cooke replied “[y]ep, it is on my list”, then “[t]he carded cashless” and then later “[n]ot the NICC ...”.¹⁰ Mr Foster replied that day “[m]ight need to given independence”.¹¹
9. The next day, on 23 April 2023, Mr Foster wrote further “[a]gree as long as in context of level playing field NICC is challenge to this”.¹²
10. When asked about these exchanges, Mr Foster gave evidence of what he said was the context of these exchanges.¹³ He said that the relevant context included that:

- (a) there was an uneven playing field between club operations, on the one hand, and casinos, on the other, in terms of regulatory oversight and control (e.g. anti-money laundering and safer gaming) and the introduction of cashless and carded gaming requirements in NSW;¹⁴
 - (b) he had discussed this issue with the Chief Commissioner of the NICC and explained that a good outcome for the casino sector, from Mr Foster’s perspective, would be for the NICC, whether in its current form or in some other form, to have responsibility for both club operations and casinos, in order to ensure an even playing field;¹⁵ and
 - (c) it was in this context of having discussed and considered regulatory reform of the gambling industry that Mr Foster used the words of “Abolish NICC”, meaning (so he said) to turn it into a body with broader regulatory scope.¹⁶
11. In his submissions, Mr Foster noted that he “regrets the choice of words”, said his messages have “been interpreted without context”, and denied that his messages “indicat[e] hostility and a lack of cooperation and transparency on the part of Mr Foster”.¹⁷
12. Mr Cooke – the recipient of Mr Foster’s messages – did not make any submission about how the statement “Abolish NICC” should be understood. Mr Cooke distanced himself from Mr Foster’s statement, submitting the following:¹⁸
- Mr Cooke expressly did *not* endorse Mr Foster’s 22 April 2023 text “Abolish NICC”. He responded “Yep, it’s on my list” with respect to the part of the message that mentioned “timing on cashless and carded with pubs and clubs” and then clarified, “Not the NICC”.
13. Mr Foster accepted that he had never communicated to members of the NICC that the NICC might need to be abolished because, as he put it, of independence concerns.¹⁹ Mr Foster said that his discussions with the NICC were to the effect that Star Entertainment wanted to see the NICC’s remit broadened to encompass not just casinos but also the major clubs in NSW which, for all intents and purposes, operated as casinos.²⁰
14. It is necessary to consider the context of Mr Foster’s comment to Mr Cooke in April 2023. Mr Cooke was meeting with representatives of the NSW Government. It is understandable that Mr Foster had concerns at the time about the need to implement a level playing field in NSW between casinos and other licensed gambling venues. Mr Foster’s comment, despite its unqualified and unfortunate wording, could not be sensibly understood as

expressing a desire to abolish the regulation of casinos (as compared with abolishing the specific regulator, the NICC). Mr Foster’s explanation, to the effect that he was expressing a wish for Mr Cooke to raise with the NSW Government the prospect of a regulator having wider powers of supervision over all licensed gambling venues, is accepted.

Chapter 10.3 The Manager’s reports and meeting with the NICC in December 2023

15. The Manager provided reports to the NICC dated 3 October 2023²¹ and 24 November 2023 respectively.²² These have been referred to earlier in this Report. They were provided to Star Entertainment on 29 November 2023.²³ The covering letter from the NICC’s Chief Commissioner attaching the two reports asked that Mr Foster bring the letter to the attention of the full Board in advance of the meeting with Mr Foster and the non-executive directors scheduled for 7 December 2023.

16. As has been noted, Mr Weeks wrote in his first report that at the commencement of his appointment Star Entertainment had been “cooperative and engaged constructively”.²⁴ He also wrote in respect of Star Entertainment’s work on developing the Remediation Plan that, if implemented, the Remediation Plan was “likely to achieve the remediation of the management and operations” of Star Entertainment.²⁵ Mr Weeks warned, however, about what he called a “material execution risk” for implementation of the Remediation Plan.²⁶ Mr Weeks wrote that for implementation of the Remediation Plan to be achieved, Star Entertainment “must consistently deliver high quality work in a timely manner, which is not part of [its] culture that we have observed to date”.²⁷ Mr Weeks also wrote in his first report of “concerns” that he had about Star Entertainment’s ability to identify and manage risks adequately without supervision.²⁸ Those risks included that “[e]xecutives and the Board must stay closely involved in each stage of the plan’s execution” and “[d]elivery must be supported by an adequate budget and resources”.²⁹ On the issue of governance, Mr Weeks wrote:³⁰

Governance: The renewal of the [Star Entertainment] Board has been completed. We have observed the Board being more inquisitive, demonstrating more effective oversight and starting the process of setting an appropriate tone from the top, which are all positive developments. However, the timing, quality and content of Board reporting remains deficient. The Board have tolerated this for too long and effective oversight has been compromised as a result. Subsidiary governance arrangements are not yet operational, and the establishment of Compliance Committees is incomplete.

17. Mr Weeks also addressed executive leadership as follows:³¹

Leadership: [Star Entertainment] has recruited new executives and is establishing its leadership structure. The time taken to complete this work however has slowed the pace of reform. Nine of 12 direct reports to the CEO were senior leaders in an organisation that enabled a culture which cultivated and tolerated widespread misconduct. [Star Entertainment]’s leadership team is not yet acting as a collective and has not authentically and clearly communicated a strong tone from the top in a unified way that will ignite enterprise-wide cultural change. Such communication must be underpinned by a new organisational strategy and grounded in a revised organisational purpose, values and principles. These fundamental protocols are not yet settled. The success of the remediation plan will depend on the GLT role modelling and communicating a new vision of organisational success and overseeing the effectiveness of the execution phases of the plan.

18. Mr Weeks’ October 2023 report contained further detail about Star Entertainment’s leadership and the challenge of transformation, as follows:³²

The GLT is [Star Entertainment]’s most senior management forum. Its members are the CEO & Managing Director and 12 of his direct reports, representing the three most senior executive leaders from each of [Star Entertainment]’s casinos and leaders of central support functions. [Star Entertainment] needed to rebuild its GLT after the departure of executives following the Inquiries. This rebuild has progressed slowly and is unfinished. [Star Entertainment] has given several reasons why it has moved slowly to recruit and rebuild its executive, but none of those reasons adequately explains the slow pace of this work given the serious ongoing risks to [Star Entertainment]’s operations and the need to quickly retain expertise to develop and deliver a complex remediation program.

[Star Entertainment] has elected to rebuild its senior executive team primarily by appointing or promoting long-term [Star Entertainment] executives with nine of twelve direct reports to the CEO having considerable work history with the organisation. Those executives are:

Name	Current title	Tenure
Ms. Christina Katsibouba	Group Chief Financial Officer	8 years
Mr. Kelvin Dodt	Chief Operating Officer, The Star Brisbane	8 years
Ms. Jess Mellor	Chief Operating Officer, The Star Gold Coast	4 years
Mr. Peter Humphreys	Interim Chief Operating Officer, The Star Sydney	20 years
Ms. Paula Hammond	Group Chief People Officer	11 years
Mr. George Hughes	Group Chief Customer & Product Officer	5 years
Ms. Nicola Burke	Chief Transformation Officer	5 years

Mr. Peter Jenkins	Chief of Staff	8 years
Mr. Laurent Fresnel	Group Chief Technology & Innovation Officer	9 years

The balance of [Star Entertainment]'s executive team has been filled with executives who are new to the business.

Name	Current title	Tenure
Mr. Robbie Cooke	Group CEO and Managing Director	11 months
Mr. Scott Saunders	Group Chief Risk Officer	8 months
Ms. Betty Ivanoff	Group Chief Legal Officer	3 months
Ms. Rav Townsend	Group Chief Controls Officer	2 months

A significant majority of the GLT held senior executive roles during the period examined by the Inquiries. That is not to say that those executives were involved in misconduct during that period, it is simply the case that the majority of [Star Entertainment]'s current senior executive team were senior leaders in an organisation that enabled a culture that cultivated and tolerated widespread misconduct. In our assessment, [Star Entertainment]'s decision to retain this number of executives with long-term history with the organisation will make the task of culture reform and remediation more difficult and deprives the organisation of more diverse business experience.

The work ahead of the GLT to authentically communicate a new tone from the top is very challenging. It is made more challenging because the broader [Star Entertainment] organisation may perceive those GLT members who have been at the organisation for a long time to be complicit in the development of the culture that enabled historical misconduct. To address this challenge, the restructured GLT team must be consistent, clear, and unified in their collective rejection of [Star Entertainment]'s legacy mindsets and historical culture, and they must embrace and be forceful in support of the imperative to drive a reformed culture and new organisational strategy.

At this stage, the GLT has not forcefully and clearly communicated a consistent, unified and strong message in support of [Star Entertainment]'s transformation. Instead of a collective vision of a future organisation, the properties continue to operate in silos and without a clear and unified strategy. There are several reasons why [Star Entertainment] has made limited progress in this area. First, the GLT was only announced in July 2023, and it is still establishing itself as a collective and cohesive leadership force. Second, [Star Entertainment] has not yet finalised a new organisational purpose or values, making it challenging for this new team to role model and communicate a new way of leading. Third, [Star Entertainment]'s Group organisational strategy has not been finalised so the new GLT awaits an overarching strategy to guide [Star Entertainment] back to suitability.

The success of the remediation plan will depend on the GLT role modelling and communicating a new vision of organisational success and overseeing the effectiveness of the execution phases of the plan. The failures of [Star Entertainment] in the past were predominantly leadership failures, and nothing less

than the emergence of a new and unified leadership culture will be required to realise [Star Entertainment]’s aspirations for reform. We are yet to see consistent signs of the emergence of this new leadership culture.

19. Although Star Entertainment did not agree with observations in Mr Weeks’ second report dated 24 November 2023, Star Entertainment accepted that Mr Weeks’ first report dated 3 October 2023 was “overall useful” and Star Entertainment “agreed with many aspects” of it.³³ Ms Page described the October 2023 report as “a fair representation of where we were in our journey”.³⁴
20. On 7 December 2023, the Board of Star Entertainment, excluding Mr Cooke, met with the Manager and the NICC.³⁵ The Board communicated its thoughts on the Manager’s Reports as noted above and undertook to provide a written response to the Manager’s Reports.³⁶ The NICC communicated to Star Entertainment its view that it had lost confidence in Mr Cooke to execute the Remediation Plan.³⁷
21. The minutes of the 7 December 2023 meeting recorded the following:³⁸
 - [Mr Philip Crawford] confirmed NICC’s view that it had lost confidence in the [Star Entertainment] CEO to execute the remediation plan;
 - ...
 - [Star Entertainment] confirmed that the first of the Manager’s reports was overall useful, agreed with many aspects and noted many areas remain a work-in-progress for the business. In contrast, [Star Entertainment] found the second report from the Manager was short on examples and facts. [Star Entertainment] undertook to provide a written response to the reports;
 - ...
 - [Star Entertainment] enquired whether the NICC was aware of any specific individual who could “step-in” as CEO at short notice; NICC confirmed that while they are unaware of any particular individual, NICC reflected that senior appointments “parachuted in” (i.e. with little lead time) take place regularly in distressed organisations.

Chapter 10.4 Star Entertainment’s response to the Manager’s reports in January 2024

22. On 20 December 2023, Mr Foster circulated a draft letter to the NICC to the other members of the Board, which contained reflections on the Manager’s report and on the recent interactions with the NICC.³⁹ The draft letter outlined various actions being undertaken to address the NICC’s concerns. Each of Mr Hodgson, Ms Page, Ms Ward and Mr Issenberg provided comments on that draft letter.⁴⁰
23. An initial response to the Manager’s Reports was prepared and finalised on 22 December 2023.⁴¹ Among other things, the response outlined a list of major

workstreams the Board was working through, and foreshadowed that a more detailed response to the Manager's Reports would be provided "before the end of the month". The letter included the following:⁴²

The Board has reflected deeply on the correspondence, reports, and the frank discussions we have had. As discussed, we will provide a detailed response to the reports to detail the areas we agree with, update areas that appear dated and correct others. We will also point out areas where we disagree with the opinions formed or believe there are material omissions.

24. The final sentence of the quotation immediately above, and the following paragraph, were added at Ms Ward's suggestion:⁴³

As expressed to the NICC in our 7 December and 18 December meetings, the Board is disappointed that the NICC chose to share a number of its concerns with the media prior to giving us adequate opportunity to respond to your letter and concerns. In particular, the SMH article published late on 6 December has caused concern for [Star Entertainment] employees, investors and, damagingly, candidates for senior leadership roles with the company.

25. On 1 January 2024, Mr Cooke sent to Mr Foster an initial draft response to the 3 October 2023 report.⁴⁴ In this draft, the proposed responses of Star Entertainment were in green and entirely in bold font.⁴⁵

26. In response to a suggestion from Mr Foster that the response should show the "range of things [dealt] with in [the] first 10 months since you started", Mr Cooke revised the draft to include the paragraph headed "Recognition of Operating Environment".⁴⁶

27. On 6 January 2024, Mr Cooke sent an email to the other directors attaching a draft document responding to the Manager's 3 October 2023 report.⁴⁷ Mr Cooke stated that he had attempted "to keep the responses relatively clinical" and indicated that he was seeking "additional input / verification from some of my team".⁴⁸ The attached draft, which was different from the final version ultimately submitted,⁴⁹ included the following in its introduction:⁵⁰

The Star's comments and observations are provided not with a defensive or combative intent, but rather reflecting a spirit of openness and transparency and to provide some additional insight as to the Company's true intentions and actions that might not be fully apparent to a reader of the Report who has not had the benefit of day-to-day involvement in the operations of The Star over the last 12 months.

For the avoidance of any doubt, The Star does not take issue with the matters raised by the Manager / Special Manager and takes on board all comments and observations of the Manager / Special Manager in his Report.

28. When Mr Cooke provided the draft response to the 3 October 2023 report to the rest of the Board on 6 January 2024, he noted he was “very happy to take on board any feedback or suggestions you may have – content or approach wise”.⁵¹ His annotations remained in bold at this point.⁵² However, the 6 January 2024 draft did not contain underlining or as many statements (compared to the final version) that Mr Weeks’ opinions were “rejected”, “incorrect” or “wrong”. On 8 January 2024, Ms Page responded to the first draft (copying the other directors) “[t]hanks Robbie. I think this is looking pretty good. I have marked up a couple of comments (and a few typos where I saw them!)”.⁵³
29. At 6.12am on 11 January 2024, Mr Cooke sent an email to the other directors attaching a draft cover letter to the NICC and inviting “comments, suggestions, edits” from the Board.⁵⁴ The letter was different from the version ultimately sent. The letter included the following by way of introduction:⁵⁵
- At the outset we reiterate this letter is not provided with an argumentative nor defensive intent. Rather it is provided to place The Star’s reflections on the record and to provide some perspectives from The Star’s viewpoint given numerous conclusions made in the Manager’s Reports are stated to be based upon opinion and observation. In such circumstances we are compelled to call out those areas where we disagree with conclusions reached or consider there to be material omissions. By the same token we have identified those areas where we agree with the Manager’s conclusions and have taken on board his views.
30. At 6.30am on 11 January 2024, there was a meeting of Star Entertainment’s Board. Mr Cooke requested feedback on the draft responses to the NICC by 14 January 2024.⁵⁶ Later that day, Mr Hodgson replied to Mr Cooke’s email⁵⁷ in which Mr Hodgson:
- (a) made a suggestion to moderate the tone of the cover letter by replacing a statement that Mr Weeks’ view as to the adequacy of Board reporting was “wrong” with a statement that it was “in our view incorrect”;
 - (b) said he thought “the cover letter reads well”; and
 - (c) expressed a view that the NICC may not actually read the annotations to the report.
31. On 13 January 2024, Ms Ward sent an email containing detailed comments on the draft response to the Manager’s report, comprising more than 70 amendments or comments.⁵⁸ Among other things, in her email, Ms Ward:

- (a) introduced what she acknowledged in her evidence were the public law “terms of art” as to “complete and accurate facts, taking into account all relevant matters and not taking into account irrelevant matters”;
- (b) requested that a partner of KWM “cast his eye over the document before we send it to the NICC”;
- (c) amended one proposed response, stating that “it reads defensively”;
- (d) proposed an alternate response making a concession that The Star could have acted more quickly;
- (e) made several suggestions as to where The Star should express its agreement with views stated by Mr Weeks;
- (f) proposed that the response should express “disappointment” with the NICC’s decision to share concerns with the media prior to giving The Star adequate opportunity to respond and that the NICC “chose not to formally approve the remediation plan”;
- (g) proposed that the response should state that The Star takes “issue with the factual errors in the reports, the lack of recognition of action taken and accomplishments ... and some conclusions drawn by the Manager without full information or evidence, or taking into account irrelevant matters”;
- (h) proposed the language that “The Star is of the view that the Reports lack balance in that due recognition is not given for the considerable accomplishments The Star has achieved since October 2022” and that “many of the examples relied upon by the Manager as the basis of forming an opinion appear to be selective and incomplete”;
- (i) said that it was “essential” that The Star “state in each detailed response whether we agree or disagree” and that “the comments in the A section should do more than refer to later parts of our response, given some may read only the early part of the document”;
- (j) made various other suggested changes or comments; and
- (k) asked that it be circulated to the Board for a final read through.

32. On 14 January 2024:

- (a) Ms Page and Mr Hodgson replied to Ms Ward thanking her for her work;⁵⁹
- (b) Mr Issenberg responded also thanking Ms Ward for her work, and adding additional points in response to the Manager’s Reports;⁶⁰
- (c) Ms Thornton thanked Ms Ward for her work and added the suggestion that “we consider clarifying what appears to be a complete ‘change of landscape’ around the Remediation Plan actually delivering remediation (and therefor[e] a return of the licen[c]e) and the lack of clarity of what criteria we are ultimately being assessed on if it’s not specifically ‘the remediation plan’ as we were led to believe through this process”;⁶¹ and
- (d) Ms Ward responded, agreeing with the comments of Mr Issenberg and Ms Thornton, and noting in response to Ms Thornton:⁶²

I think our position should be that successful implementation of the [Remediation Plan] does demonstrate suitability. Let the NICC rebut this in writing. This goes to the heart of the due process point and not taking into account irrelevant matters.

33. On 15 January 2024, Mr Cooke provided to Mr Foster a draft of the response to the 24 November 2023 Addendum, noting that “I also have to factor in [Ms Ward]’s suggestions to the other document which may change some of this doc”.⁶³

34. On 16 January 2024:

- (a) Mr Cooke provided a further draft response to the 24 November 2023 Addendum to Mr Foster which he described as a “a first ‘final’ draft – subject to your ok I plan to send this to the board very much as a first draft for views / comments as to content, approach and tone...”,⁶⁴
- (b) Mr Foster responded later that day, stating, “all looking good. It is a stronger tone but so is this report relative to the first one. As we think about OLGR I think it may be worth giving them both. I suspect we will tone it down a little. I have not adjusted any see what others think first”. Mr Foster then set out a number of detailed comments to the draft, and said “[h]appy for you to send out now just make a comment about a few things to be updated etc. Content i think is good subject to a

couple of suggestions above the tone will be important for everyone to be OK with ...”,⁶⁵

- (c) Mr Cooke sent an email to the Board attaching a draft response to the 24 November 2023 Addendum.⁶⁶ Again, the draft commenced with conciliatory language disclaiming any “defensive or combative intent”. Mr Cooke’s email said “[y]ou will notice this response is more detailed and direct” and “[p]lease send me any comments, suggestions, edits etc and views on tone”.⁶⁷ The draft response attached to this email included bolded and underlined passages.⁶⁸ This was the first draft response to the 24 November 2023 Addendum received by the non-executive directors; and
 - (d) Mr Hodgson sent an email in reply emphasising the importance of the reply “sticking to facts”, complimenting Mr Cooke “on the detail”, adding his responses to various points and suggesting either a “factual refutation” of various claims or pointing out the absence of evidence of facts to support the claims.⁶⁹
35. At 7.14am on 22 January 2024, Mr Cooke sent a further email to the Board attaching revised drafts of the cover letter and the two responses.⁷⁰ These drafts contained bold and underlined passages. Among other things, the covering email indicated that the revised drafts “reflect comments provided by Board members and refinements + additions I have made separately”, were being provided to two partners of KWM “for a legal review” and that “[s]ubject to the Board’s ok” it was intended to provide the documents to the NICC and OLGR the next day.
36. At 7.17am on 22 January 2024, Mr Cooke forwarded his email to KWM “to do a legal eyes over”.⁷¹
37. At 5.38pm on 22 January 2024, KWM replied to Mr Cooke, attaching marked-up copies of the three documents.⁷² KWM’s responses included the following:
- (a) KWM noted that the responses were repetitive and could be rationalised with further time. KWM noted that, while The Star could disagree with Mr Weeks’ opinions, there was a possibility that those opinions would be shared by the NICC and so changes to the cover letter had been suggested to propose “a dialogue about a regulatory framework that could be put in place to give NICC the comfort of independent monitoring”;

- (b) the email stated that most of the suggested amendments were to the tone of the response, so as to make points “a little less stridently”;
 - (c) the email noted that KWM had not sought to verify the accuracy of the factual statements in the response and recommended that The Star should do that if it had not already done so;
 - (d) KWM suggested removing Mr Cooke’s conciliatory language as to the letter not being provided with an argumentative or defensive intent;⁷³
 - (e) KWM proposed excising from the response to the 3 October 2023 report Ms Ward’s public law “terms of art” statement;⁷⁴
 - (f) KWM suggested removing from the response to the 24 November 2023 Addendum (as part of the suggested deletion of the introductory comments at the top of the document) a number of the comments Ms Ward had suggested be included, including the public law “terms of art”;⁷⁵ and
 - (g) KWM made various suggestions for moderating the tone of the responses to the 3 Manager’s Reports.
38. At 6.29pm on 22 January 2024, Ms Ward replied to Mr Cooke’s email of 7.14am.⁷⁶ In that email, Ms Ward wrote:⁷⁷
- I have reviewed the cover letter and revised responses, and I am happy with all of them. Collectively, I think these documents make a clear case to refute much of the Managers Reports, particularly the sweeping assertions and “conclusions” he makes. The October Report is quite frankly amateurish, subjective and lacking supporting evidence. I’m interested to hear any suggestions from [KWM], but keen to get the documents out to the NICC ASAP.
- Thanks for all your work on this, it has been an excruciating but necessary task.
39. Ms Ward said in evidence that her comment about “[t]he October Report” was in fact a reference to the November report.⁷⁸
40. At 6.32pm on 22 January 2024, Mr Cooke forwarded KWM’s email to Mr Foster but not to the other directors.⁷⁹ There was no evidence provided to the Inquiry which indicates that the other directors were provided with KWM’s comments prior to Star Entertainment’s response to the NICC. Mr Cooke wrote to Mr Foster “I will work thru this tonight – the suggestion in the covering letter is an interesting one – question I have is [do] we play that card now”. Mr Cooke was referring to KWM’s suggestion to propose a dialogue with the

NICC about independent monitoring. At 6.51pm, Mr Foster replied to Mr Cooke “I’ll think about it but I think too early for that – possibly something we include in submission in March”.⁸⁰ Mr Cooke replied, “[t]hat is where my thinking is at”.⁸¹ At 6.58pm, Mr Foster replied again to Mr Cooke’s email of 6.32pm. Mr Foster wrote:⁸²

Also from a run through other than the topic you raised around alternate arrangements which I think is a later issue I did not have any issues with KWM edits – the key messages not lost just a little gentler.

41. At 2.37am on 23 January 2024, Ms Page (who was overseas⁸³) responded to Ms Ward’s email “I do worry that it will inevitably disturb the hornet’s nest regarding relationships so we need to be ready for that”.⁸⁴ Ms Page told the Inquiry that her reference to the “hornet’s nest” was intended to “send... a message” to:⁸⁵

... please, make sure that before this goes that you are happy that it’s in the right tone, in the way we intended and that it would be delivered – the relationships comment was about delivering this message, you know, either personally – or delivering it, not sending it by email, delivering it personally, relationship managing its delivery. Really, that’s what I was trying to get at. And I have probably not done that – done myself any justice in how I have worded it.

42. At 9.07am (Brisbane time) on 23 January 2024, Mr Cooke sent Mr Foster a final version of the cover letter for his approval.⁸⁶ Mr Foster replied 10 minutes later at 9.17am “where did u land with KWM softening”.⁸⁷ At 10.19am, Mr Cooke replied “[t]he letter is the softening – I have edited the submissions a little – see attached red line”.⁸⁸ The attachments to Mr Cooke’s email did not contain substantive edits to the draft responses.⁸⁹
43. At 10.23am on 23 January 2024, Mr Foster replied to Mr Cooke saying “[a]ll OK – lets hold onto our hats”. At 10.24am, Mr Cooke replied saying “[t]he fireworks will be bright and loud”.⁹⁰
44. As submitted by The Star Entities, both Mr Cooke and Mr Foster evidently appreciated that the response as submitted was liable to be incendiary to the NICC.⁹¹ However, Mr Cooke’s private communications with Mr Foster about this were no different in substance to Ms Page’s comment about disturbing “the hornet’s nest”. Mr Cooke was correct in submitting that he and Mr Foster were simply “expressly acknowledging the nature of the strategy [the Board was] executing (even if The Star later came to regret the unexpected reaction of the NICC)”.⁹²

45. Star Entertainment’s formal response to the Manager’s Reports was dated 23 January 2024 and comprised a cover letter and two mark-ups of the Manager’s Reports, with annotations in green text, sometimes in bold and underline.⁹³
46. In its cover letter, Star Entertainment outlined its main areas of disagreement with the Manager, including lack of recognition of pro-active steps, lack of recognition of the operating environment, the pace of development of the Remediation Plan, the timing of organisational restructure, the time taken to appoint key personnel, the pace of cultural reform, emphasis on regulatory priorities and the quality of Board reporting.
47. Both in the cover letter and in the response to both reports, Star Entertainment referred to the “existential threats” which it had faced since 2022. For example, in the response to the Manager’s November 2023 report, Star Entertainment stated (formatting in original):

..., there **is a lack of recognition** ... **that The Star is undertaking a complex and significant reform program** which has been compounded by an **unprecedented number of existential threats and significant challenges going to the core of The Star’s business.**

48. Whilst many of the responses to the Manager’s October 2023 report were relatively measured, examples of the tone of the response to the Manager’s November 2023 report can be seen from the following extracts (formatting in original):

- ...most of the **conclusions and observations made by the Manager are not supported by facts, misstate the position and/or are based on subjective opinion that lacks any substantive evidential base.**
- **These comments are superficial, without substance or evidence and incorrect.**
- **The absence of a Sydney CEO was not the root cause of the TICO issue and there is no evidence of a heightened risk exposure as suggested above.**
- The Manager’s suggestion that The Star is seeking “to do more with less” is **an incorrect conclusion that has no basis in fact.**

49. Star Entertainment’s responses to a comment by the Manager in the November report that recent staff surveys indicated that morale in Sydney was low and deteriorating included that (formatting in original):

- The statement ...is **factually incorrect.**
- If the reference being made by the Manager is to quantitative commentary, **to draw overall conclusions on morale, training, resourcing, senior management and/or [sic] cynicism of the Sydney operation based on selective and limited individual comments would be a misrepresentation of the data and an inappropriate extrapolation with no statistical basis.**

50. Ms Ward and Mr Foster said that the Board considered it was important to provide a comprehensive factual outline relevant to the matters the subject of the Manager's Reports and to incorporate comments on matters that Star Entertainment agreed with, to provide additional information or to clarify matters, and in other cases, respectfully to disagree with items raised in the Manager's Reports.⁹⁴
51. Mr Foster agreed that, looking back on it, there would have been a more measured and balanced response to the NICC if input from GLT members had been sought. He said "[i]t was obviously a very tense period, given a number of media announcements regarding the potential closure of the property which obviously we hadn't had any discussions with prior". Mr Foster told the Inquiry that, "on reflection, I think we could have and should have taken a more conciliatory tone in the letter that I think potentially would have been aided with some more input directly from a number of team members".⁹⁵ He explained that the GLT was not more widely consulted about the response to the Manager's Reports because the reports mentioned a number of individuals and "there was some concern that that may have adverse impacts on some of the team members".⁹⁶
52. In his submissions, Mr Foster reiterated that he "accepts that, in hindsight, the approach, in terms of the language and tone used, should have been different".⁹⁷
53. Ms Ward told the Inquiry:⁹⁸

I'm not – I wasn't happy – and reflecting on the documents now – with the tone of the responses and I'm referring particularly to bold and underlined sentences and the like which I think, in many cases, had the effect of emphasising areas where there was disagreement rather than agreement and, therefore, presented the responses as more combative than they should have been.

54. Ms Ward said later of Star Entertainment's response to the Manager's Reports, "the tone was inappropriate."⁹⁹
55. Ms Page, Mr Hodgson, and Ms Thornton agreed that Star Entertainment could and should have taken a more conciliatory tone, in particular the bold and underlined sentences.¹⁰⁰ Similarly, Mr Issenberg described the bold and underlined text as having "added an element that was certainly antagonistic and would have landed very poorly".¹⁰¹ Ms Thornton said:¹⁰²

I believe the intent of the response was to continue in a transparent manner regarding where the Board felt The Star was positioned regarding a number of those remediation activities. I would agree the end tone of the report was not helpful.

56. Ms Page, Mr Issenberg, Mr Hodson and Ms Thornton said that Star Entertainment’s ultimate response to the Manager’s Reports, as sent to the NICC, antagonised the NICC.¹⁰³ The “hold onto our hats”, “fireworks” and “hornet’s nest” comments referred to above indicate that the NICC’s response was foreseeable to at least some Board members. Mr Hodgson said the NICC’s response was “possibly” foreseeable.¹⁰⁴
57. The following language appeared in the Introductory Comments to Star Entertainment’s response to the Manager’s October 2023 report (formatting in original):¹⁰⁵

Importantly, The Star’s observations and comments are **provided to ensure that any decisions that may be taken by the NICC or OLGR are made on the basis of complete and accurate facts, taking into account all relevant matters and not taking into account any irrelevant considerations.**

58. This language was included at Ms Ward’s suggestion on 13 January 2024,¹⁰⁶ albeit Ms Ward’s email suggested that the language did not have any bold or underline. Ms Ward accepted that the suggested language comprised terms of art in public law.¹⁰⁷ When it was put to Ms Ward that her language, in the manner in which it appeared in the response, appeared as “almost intimating a legal challenge of some kind”, she said that she was “not sure about what it intimates”. She said that the language “was part of the purpose of responding to the reports, to just ... correct the record to ensure that ... it was a fulsome response and a fulsome set of facts that the NICC had before it when it was going to make decisions”.¹⁰⁸ Ms Ward accepted, however, that the bold and italics emphasised the words “in an unhelpful manner”.¹⁰⁹ She said the bold and italics were “not necessary” and “could have been read as inappropriately emphasising certain components of the letter, and I don’t think that was appropriate”.¹¹⁰
59. Other directors gave similar evidence that the *intent* of Star Entertainment’s response to the Manager’s Reports was benign, whilst accepting that it had failed in that regard. Evidence from Ms Page and Ms Thornton to this effect has already been noted. Mr Issenberg gave evidence to the same effect.¹¹¹
60. However, Mr Foster emailed Mr Cooke on 23 January 2024 that, “[i]f done right”, the reports “could be a catalyst to get rid of Weekes [*sic*]”.¹¹²
61. In his submissions, Mr Foster pointed to passages of oral evidence said to provide the proper context for his communication about “get[ting] rid of Mr [Weeks]”.¹¹³ Mr Foster said that his comment, taken in its proper context, was in fact directed at “a different structure to simplify the regulatory remediation efforts”.¹¹⁴ It is by no means clear how that

could be so. In any event, whatever the intent of Mr Foster’s comment, it jars irreconcilably with Star Entertainment’s public statements about working cooperatively with the Manager both in NSW and in Queensland.

62. On 1 February 2024, the NICC sent a letter to Mr Foster as Chairman of Star Entertainment.¹¹⁵ The NICC’s Chief Commissioner wrote to Mr Foster:¹¹⁶

The fact that you co-signed with Mr Cooke The Star’s response of 23 January 2024, aligns you as Chairman and your board with the contents of that document. The response is a comprehensive statement of The Star’s position in response to concerns of the NICC and, more particularly, the reports of the Manager.

You have made your position clear, and the NICC will give careful consideration to the matters you have raised in your correspondence. In those circumstances, we are of the view that further meetings with you are not required at this time.

63. Directors of Star Entertainment gave the following evidence to the Inquiry of their reactions to this response from the NICC:

- (a) Ms Page said of her reaction at the time to this response from the NICC:¹¹⁷

My fears had come to fruition. It had not been received as intended and so we failed in our endeavours.

- (b) Mr Issenberg said “we had failed in what we hoped was, by putting forward a comprehensive report that stated our views, we would actually have a discussion about it ... our relationship had deteriorated further with the NICC, and that was certainly not our intent.”¹¹⁸ Mr Issenberg added “[w]hat our intent was and what we set out to achieve, we did not achieve.”¹¹⁹

- (c) Mr Hodgson said “[m]y heart sank, as clearly we had antagonised the regulator.”¹²⁰ Mr Hodgson also agreed with Ms Page’s and Mr Issenberg’s comments about a feeling of having failed.¹²¹

- (d) Ms Thornton said her reaction was “[o]ne of concern” because “the regulatory relationship with the NICC is one of paramount importance.”¹²² Ms Thornton also agreed with the evidence of Ms Page, Mr Issenberg, and Mr Hodgson.¹²³

64. In their written submissions, The Star Entities accepted:

- (a) that “[a] key element in assessing the nature of the dealings between The Star and the NICC is the response to the Manager’s Report and Addendum that The Star provided to the NICC”,¹²⁴

- (b) that the “response has rightly received attention during the course of the Inquiry”,¹²⁵
 - (c) that the response’s “ultimate tone is properly to be judged as intemperate and inappropriate”;¹²⁶
 - (d) that “the tone of the cover letter and responses of 23 January 2024 was entirely inappropriate”, “unduly combative and was not conducive to the continuation of constructive communication with the NICC or with Mr Weeks”;¹²⁷
 - (e) that “a more conciliatory and respectful tone should have been adopted in The Star’s response of 23 January 2024”;¹²⁸
 - (f) that this matter reflects poorly on The Star;¹²⁹
 - (g) that “the use of bold and underlining was regrettable and unduly aggressive”;¹³⁰
 - (h) that “The Star’s response to the Manager’s Report and Addendum was an unfortunate, inappropriate and unnecessary episode”;¹³¹ and
 - (i) that “[t]he response provided on 23 January 2024 was unduly defensive and combative in tone, and was not conducive to the continuation of constructive and respectful dialogue with the NICC and Mr Weeks about areas of disagreement”.¹³²
65. In oral submissions, The Star Entities said that the responses to the Manager’s Reports “ought to be regarded as deplorable”.¹³³
66. The evidence establishes, and it was accepted by The Star Entities in their submissions, that aspects of Star Entertainment’s response to the Manager’s Reports were not conducive to the development of a strong and positive relationship with the NICC, but rather were aggressive, confrontational and inappropriate.
67. Although the evidence and submissions raised questions about who within Star Entertainment was responsible for the tone of the response to the Manager’s Reports, the Board of Star Entertainment as a whole must accept responsibility for the response in the form provided to the NICC. The evidence presented to the Inquiry indicates that the non-executive directors other than Mr Foster did not have the benefit of reading KWM’s advice, which included comments to the effect that the tone of the response could be less strident. However, all Board members either were, or had the opportunity to be, closely involved in

the process of preparing the response. They allowed Mr Cooke to be the person with principal responsibility for The Star Entities' response to the Manager's Reports.

68. Although it was not clear in the evidence to the Inquiry who was consulted or involved in making the decision, a decision was made, of which at least Mr Foster and Mr Cooke were aware, to largely exclude the members of the GLT from considering the Manager's Reports and assisting in the preparation of Star Entertainment's response. Although that decision was apparently made with good intentions, there is little doubt that Star Entertainment would have provided a far more measured and balanced response if senior management had been permitted to be involved. Further, to the extent that the Manager's Reports raised matters that needed to be addressed by The Star Entities, the members of the GLT necessarily needed knowledge of the issues in order to address them as part of their usual executive responsibilities.
69. Separately to the tone of the response, it is apparent that issues raised by the Manager were dismissed without regard to knowledge sitting within the organisation. An example of this is the statement, contrary to the findings of The Ethics Centre Culture Review, received by the Board, that "The Manager's suggestion that The Star is seeking 'to do more with less' is **an incorrect conclusion that has no basis in fact**" (original emphasis).
70. There is nothing wrong with a regulated entity expressing reasoned disagreement with its regulator, even robust disagreement. Dialogue of this nature ought not in principle be discouraged. There is no doubt that Star Entertainment's response to the Manager's Reports took place in the context of a very tense environment, as Mr Foster stated in his evidence. However, the strident and confrontational nature of Star Entertainment's response failed to take into account the wider context that in NSW, The Star's licence to operate a casino was suspended and its social licence to operate was at risk.
71. It is to be noted that the directors of Star Entertainment gave evidence to the Inquiry recognising and regretting that aspects of the responses to the Manager's Reports were inappropriate.

Chapter 10.5 Communications between Mr Foster and Mr Cooke in early 2024

72. After Star Entertainment's response to the Manager's Reports had been provided to the NICC on 23 January 2024, Mr Foster and Mr Cooke became aware of a meeting at The Star Casino involving the Manager, the NICC and lawyers that was scheduled to take place on 1 February 2024.

73. Mr Foster and Mr Cooke had this exchange on 31 January 2024:¹³⁴

[Mr Foster]: Just sent a message 2 law firms attending planning session NICC in our board room.

[Mr Cooke]: Monique just sent to me.
They are up to something.

74. Mr Foster carried out a Google search of invitees to the meeting, whose details had been sent to him.¹³⁵

75. Mr Foster and Mr Cooke then had this exchange the same day, on 31 January 2024:¹³⁶

[Mr Foster]: Ok they are prepping for war we better do the same should we talk to [KWM] tomorrow

[Mr Cooke]: ... (KWM) thinks they may be grouping to work out how to respond to our response to [Mr Week]'s reports
We are meeting Monday to get ready for war though

76. Mr Foster said that he investigated who was attending the meeting because he was “driven by curiosity”.¹³⁷

77. Mr Cooke’s evidence in relation to the circumstances was:¹³⁸

Q: So far as you're aware, how could your executive assistant come to know of the same meeting that Mr Foster was messaging you about?

A: So the meeting in question, unusually, was booked by Mr Weeks in one of my meeting rooms at the corporate office of The Star. He operates, and his team operates, from The Star Casino building. I operate from the corporate office. The meeting was booked in the room next to the boardroom, which is meeting room I use. Any meeting booked in that room automatically triggers a notification to my [Executive Assistant] and to Mr Foster's [Executive Assistant], and it will notify with a meeting heading and who's attending. So it's a diary – effectively, a diary alert to both those [Executive Assistants] that a meeting is booked in that room. And it's very unusual for a meeting to be actually held in those rooms; it's normally used by myself.

78. Mr Cooke gave the following further evidence in relation to the steps he took to learn more about the meeting¹³⁹:

Q: Mr Cooke, did you understand that this was a confidential meeting to which you were not invited?

A: No, I didn't understand it was a confidential meeting to which I wasn't invited. I was - it was sent to my [Executive Assistant]'s inbox

Q: Sorry, just to be clear, you didn't understand that this was a confidential meeting to which you were not invited; is that your evidence?

A: I understood I was not invited to the meeting. I didn't know whether it was confidential or not.

- Q: Did it occur to you that the right thing to do was not to pry, if you weren't invited to the meeting?
- A: Well, I didn't pry. All I did was saw who was on the invite and then that's all I did. I didn't pry.
- Q: And it didn't occur to you that that meeting might be confidential, even though it involved three law firms?
- A: In hindsight, it would - yes, it's fair it would be confidential.
- Q: Are you telling me that didn't occur to you at the time?
- A: Not at the time I was doing the responding to it, no, not - well, sorry, my recollection is it didn't occur to me
- Q: But sitting there now, you would appreciate that's quite obvious; correct?
- A: Yes I would.

79. In his submissions, Mr Cooke said that he “accepts with hindsight a better approach may be to have simply asked about the meeting, and that with hindsight, his immediate response to the notification was an overreaction”.¹⁴⁰

80. The next day, on 1 February 2024, Mr Foster sent Mr Cooke an extract from Mr Weeks’ Deed of Appointment which provided, in clause 4.5, that the Manager’s indemnity did not extend to claims relating to any act or omission by the Manager that was found to have breached the Manager’s duty to exercise the Manager’s powers in good faith.¹⁴¹

81. Mr Foster agreed that he had decided to do some research of the Manager’s Deed of Appointment to identify an exclusion from his indemnity.¹⁴² Mr Foster said that he had researched this issue because of complaints by employees relating to psychosocial safety as a result of interactions with a member of Mr Weeks’ team.¹⁴³

82. The day after that, Mr Foster wrote to Mr Cooke on 2 February 2024:¹⁴⁴

Another angle is establishing grounds if possible for a class action from shareholders against [Mr Weeks] and/or [NICC]

83. Mr Cooke replied on 2 February 2024:¹⁴⁵

Will run that by KWM Monday

84. In oral evidence, each of Mr Foster and Mr Cooke accepted that the class action idea was “bizarre”.¹⁴⁶

85. Mr Foster submitted that the communication should be understood as follows:¹⁴⁷

- (a) these messages were not sent to allege that any class action should or would be taken by Star Entertainment, or orchestrated by Star Entertainment, against Mr Weeks or the NICC;
 - (b) rather, the messages reflected a concern raised by Mr Foster with Mr Cooke that shareholders of Star Entertainment might somehow be able to launch a class action against Mr Weeks or the NICC;
 - (c) the messages arose in a context where Star Entertainment was considering whether there could be any potential class actions by its shareholders against the company (and by extension, Mr Weeks or the NICC); and
 - (d) Mr Foster retrieving and sending the Manager's indemnity had nothing to do with the class action idea, but rather was related to allegedly anonymous complaints made through Star Entertainment's staff survey and verbally to the People and Culture team about the conduct of a person in Mr Weeks' team.
86. Those submissions from Mr Foster do not follow from the evidence that he gave to the Inquiry. Mr Foster's evidence about the class action idea against Mr Weeks and/or the NICC was that it originated from investors, none of whom he was able to name despite being asked multiple times to do so. He did not say that there was a concern about the company itself being sued. Mr Foster's relevant evidence is reproduced below:¹⁴⁸

Q: Do you see a message? It is marked as having been read on 2 February 2024. It is from you to Mr Cooke and it says:

“Another angle is establishing grounds if possible for a class action for shareholders against NW and/or NICC.”

A: Yes.

Q: Was that your idea, Mr Foster?

A: No.

Q: Whose idea was it?

A: It's a separate issue to the prior one, but we had had a number of engagements and feedback from investors, from other people in the financial markets. And given all of the activities preceding that back from early December, there was a lot of concern and angst raised amongst that broader community and they were becoming quite frustrated and wanted to know if they could and should do anything, which we obviously didn't provide any input to. But given that they are a sort of core part of our responsibilities from a stakeholder perspective, that was something that I wanted to understand.

Q: Are you able to name any of the people in the financial markets or investor community who expressed this idea to you?

- A: No, it wasn't a specific idea from an individual. It was just a broad, I guess, degree of anxiety and concern and questioning as to what they could and should do.
- Q: And in the context of that discussion of anxiety and concern and questioning, do you say that an investor or financial community member suggested the idea of a class action from shareholders against Mr Weeks and/or the NICC?
- A: Well, they are trying to understand what the impact and risk on the company may be. I was trying to understand if they were going to do something, what that may be and what the impact on the company would be.
- Q: Well, I'm just trying to understand your evidence. Did this idea of a class action from shareholders against NW and/or NICC come from the investor and financial community to which you have referred, or did it come from you as an interpretation or following those comments?
- A: I don't recall it specifically being mentioned but it was certainly something I interpreted as one of a number of things that was being bounced around.
- Q: Do you agree that it is a bizarre idea?
- A: I agree.
- Q: And do you agree that this does not suggest that you had moved on from the war expressed a couple of days earlier?
- A: No. I think that, together with the other item, is – it's been a very challenging environment and a lot of inputs, issues and other things are being either raised or discussed at various times and it's important for us to understand what the potential risks and issues associated with those are.
- ...
- Q: I think you have accepted earlier that this class action idea was a bizarre one, but you saw fit to convey it to Mr Cooke, correct?
- A: Well, it's important as the Managing Director, he is aware of any discussion at the time, yes.
- Q: So if you had any bizarre ideas, that should go to the CEO.
- A: Certainly not all bizarre ideas went to the CEO. But given the environment and interaction with shareholders, I did share this in this case.
- Q: But can you name any investor, financial market member or shareholder who has suggested to you a class action against Mr Weeks and/or the NICC?
- A: No, I cannot. There was a lot of meetings with various stakeholders around that time so I can't specifically nominate whether it was one or many. It was just a general sentiment around frustration, I believe.
- Q: Well, I suggest to you that, in fact, no investor, shareholder or financial market member suggested to you a class action against Mr Weeks and/or the NICC. Do you agree?
- A: No, I do not.
- Q: Did you not – but you can't name anyone, is that correct?
- A: No, as I mentioned, there was quite a large range of meetings, discussions, different perspectives, different issues raised but certainly frustration and concern about their investors and the funds that they have invested in the company and more broadly, and how they can protect those.

Q: Mr Foster, did you not have better things to be doing in February 2024 than to be contriving a way to sue the manager and/or the NICC?

A: Well, certainly in my role I have a broad range of stakeholders that I need to engage with and work with and certainly a very important one of those is the regulators and the manager, which I certainly continued to do, but I cannot ignore other stakeholders in that, in my role.

87. That evidence does not support Mr Foster’s submission that, in fact, he was concerned about a class action against Star Entertainment.

88. Further, and contrary to Mr Foster’s submissions about how the messages referring to the “class action” idea should be understood, Mr Cooke submitted:¹⁴⁹

Mr Foster shared his “bizarre” idea about a possible class action with Mr Cooke on 2 February 2024. Mr Cooke mollified Mr Foster by responding he would casually “run it past KWM” when they were meeting on Monday, but as Mr Cooke told the Inquiry he did not recall actually doing that, he thought it was a bad idea and he accepted that this concept was contrary to public statements about cooperation and transparency. He plainly did not take the message seriously. He did not accept it was inappropriate, however, to seek advice from a lawyer in circumstances where his Chairman had raised an idea with him. In short, this was clearly not Mr Cooke’s idea, he did not endorse it, he did not advance it, at most he indicated he would ask a lawyer and there is no evidence Mr Foster or anyone else actually progressed it. He suggested he would raise it with KWM, and that was the end of it.

89. The objective facts are that:

- (a) on Wednesday, 31 January 2024, Mr Foster sent a message to Mr Cooke saying that the NICC was “prepping for war we better do the same” and suggesting a discussion with KWM, Star Entertainment’s lawyers;
- (b) Mr Cooke replied on the same day to Mr Foster referring to certain advice from KWM and said “[w]e are meeting Monday to get ready for war” (that is, a meeting with KWM on Monday, 5 February 2024);
- (c) on Thursday, 1 February 2024, Mr Foster sent a message to Mr Cooke which identified an exception to the Manager’s indemnity if the Manager was acting in bad faith;
- (d) on Friday, 2 February 2024, Mr Foster sent a message to Mr Cooke identifying “another angle”; and
- (e) that other angle was a class action against the Manager and/or the NICC.

90. These objective facts support a conclusion that, Mr Foster having decided that the NICC was “prepping for war” and being aware that Mr Cooke was soon to be meeting with Star Entertainment’s lawyers “to get ready for war”, sent messages to Mr Cooke prior to the date of that meeting suggesting “angles” for consideration in relation to possible litigation against the Manager or the NICC.
91. Close to a fortnight later, on 15 February 2024, Mr Cooke forwarded to Mr Foster some email correspondence from Mr Weeks expressing surprise at Mr Weeks’ message, writing “!!”.¹⁵⁰ Mr Foster replied the same day: “Good faith?”¹⁵¹ Mr Foster denied that this communication indicated that he was still considering whether the exclusion in the Manager’s indemnity could apply.¹⁵² However, the only sensible explanation of this communication is that Mr Foster was still contemplating the Manager’s indemnity at that time, most likely as an “angle”.
92. Various witnesses were taken to the exchanges between Mr Cooke and Mr Foster, including Star Entertainment’s Board members and the Manager, Mr Weeks.
93. When Ms Ward commenced giving evidence on Day 8 of the public hearings, Mr Foster remained as Chairman of Star Entertainment. Ms Ward told the Inquiry that she was “surprised” and “disappointed” by Mr Foster’s and Mr Cooke’s messages.¹⁵³ She said that the messages caused her to reflect on Mr Foster’s and Mr Cooke’s respective judgments,¹⁵⁴ suggested the wrong leadership at Star Entertainment¹⁵⁵ and would likely have damaged people’s trust in what Star Entertainment said publicly.¹⁵⁶
94. By Day 9 of the public hearings, which followed a weekend on which the Board met without Mr Foster, Mr Foster was no longer Chairman. Ms Ward told the Inquiry on Day 9 that “[t]he board met without Mr Foster and resolved to change the Chairman”.¹⁵⁷ Ms Ward said that “[m]embers of the board had come to the conclusion that new leadership was required, and that was a decision of the board.”¹⁵⁸
95. Each of Ms Page,¹⁵⁹ Mr Issenberg,¹⁶⁰ Mr Hodgson¹⁶¹ and Ms Thornton¹⁶² gave evidence to the Inquiry that Mr Foster’s and Mr Cooke’s messages:
- (a) suggested the wrong leadership at Star Entertainment at the time;
 - (b) were likely to have damaged people’s trust in what Star Entertainment said publicly; and

- (c) featured in the Board’s decision for Mr Foster to cease as Chairman.
96. When Mr Weeks was asked about the exchanges between Mr Foster and Mr Cooke, he said “it’s difficult to reconcile everything that the company has told me and everything it tells the market and everything it tells the regulator in relation to its motivations to reform and to work cooperatively with the regulator”¹⁶³ and that “it is impossible to reconcile” these private statements with Star Entertainment’s public statements.¹⁶⁴
97. Although Mr Foster and Mr Cooke put forward in evidence and in their submissions various matters of suggested context in relation to their private communications in early 2024, the following matters are relevant:
- (a) the other directors of Star Entertainment did not consider that the communications exchanged between Mr Foster and Mr Cooke were appropriate and their decision to remove Mr Foster as Chairman was informed by those communications;
- (b) Ms Arzadon said in evidence that the communications between Mr Foster and Mr Cooke revealed a hostile attitude to the NICC from various high levels of Star Entertainment’s leadership at that time;¹⁶⁵ and
- (c) in their submissions, The Star Entities said that the communications between Mr Cooke and Mr Foster were “private and inappropriate posturing” which “ought to be regarded as deplorable”.¹⁶⁶ The Star Entities submitted that they were “inappropriate private messages”, that they “suggest a perception of the NICC and Mr Weeks as adversaries who were attacking or assaulting The Star and a desire to find ‘angles’ of fighting back”, that the “description of their mindset as being ‘suspicious, fearful and possibly defiant’ is apt”, and that Mr Foster and Mr Cooke “adopted a foolish and counter-productive manner by which to articulate and to address [their] concerns”.¹⁶⁷
98. The private communications considered in the evidence between Mr Foster and Mr Cooke in early 2024 were essentially suggestions made by Mr Foster to Mr Cooke. These communications were not merely private complaints or private posturing but were suggestions coming from the highest level of Star Entertainment to consider action against the NICC and the Manager, however misguided that action appears on objective analysis.
99. Only a couple of weeks after these communications, on 20 February 2024, the Board of Star Entertainment announced to the public that Star Entertainment “will continue to do all

in its power to work co[-]operatively with all its regulators including the NICC and its appointed manager”.¹⁶⁸ That public statement is irreconcilable with these private communications. It indicates that as recently as the time of commencement of this Inquiry, the NICC and the NSW public could not rely upon the complete truth of Star Entertainment’s public statements.

Chapter 10.6 Mr Cooke’s Exit Statement in March 2024

100. On 7 December 2023, the NICC communicated to Star Entertainment its view that it had lost confidence in Mr Cooke to execute the Remediation Plan, based on his observed performance to date.¹⁶⁹ Mr Foster and Mr Cooke gave evidence to the effect that Mr Cooke promptly invited the Board to remove him, as this would be in the best interests of Star Entertainment.¹⁷⁰
101. On 19 December 2023, at a Board meeting, Mr Cooke again indicated that while he did not agree his actions warranted it, he would “step away” from his role if the Board considered it in the best interests of securing the NSW licence.¹⁷¹ The Board minutes for that meeting record that “[t]he non-Executive Directors noted that they did not think such a change was warranted or necessary at that stage”.¹⁷²
102. On or about 10 March 2024, Mr Foster notified Mr Cooke that the Board had formed the view that his continuation with the business was no longer going to be of assistance in the company’s endeavours to return to suitability in NSW.¹⁷³
103. On 22 March 2024, Star Entertainment announced Mr Cooke’s departure as CEO and Managing Director to the ASX.¹⁷⁴ Shortly after that announcement, on the same day Mr Cooke sent an “Exit Statement” to all of Star Entertainment’s employees by email.¹⁷⁵ There is no evidence of whether, consistently with his contractual entitlement to do so,¹⁷⁶ Mr Cooke circulated the Exit Statement more widely to Star Entertainment’s joint venture participants, business partners and key suppliers.
104. The first seven paragraphs of Mr Cooke’s Exit Statement were as follows:¹⁷⁷

It is with considerable reluctance and a heavy heart that I today announce I have, with my Board, accepted that I will step down from the Group CEO and Managing Director role with The Star.

When I accepted this appointment back in June 2022, I did so fully recognising that it would be a challenging role and that has certainly proven true.

I took the role as I believed then, and still do today, that The Star is capable of moving beyond the controversies and failures of the past which are well understood.

I was attracted by the opportunity to work with the dedicated team at The Star to rebuild the business and its reputation. This is something I have been completely committed to in my 16 months with the business and those who have worked with me know I have put every ounce of my being into that task. I can also confidently say that the entire team at The Star have been tirelessly committed and absolutely focused on seeing The Star return to suitability.

This commitment is so important given the significance of our business for the New South Wales and Queensland economies. We are a major employer, a significant contributor to the night-time and tourism economies, and generate considerable State government revenues through gaming duty receipts.

A number of matters have led to my decision today, however the determining factor in my decision has been a view I have formed recently that my continuing in the Group CEO role was not going to be conducive to the NSW Independent Casino Commission (NICC) determining to find The Star suitable to hold a casino licence in NSW.

That view is informed by my understanding that the NICC's Chief Commissioner had issues with my decision to retain a number of existing executives on my senior leadership team. Noting these individuals were not on The Star's executive committee at the time the offending conduct identified in the original Bell inquiry occurred, and I am not aware of any basis to suggest they were bad actors. Secondly, it also seems that the Chief Commissioner did not consider I was moving with sufficient speed with the reforms and changes being implemented at The Star – a view with which I respectfully and fundamentally disagree.

105. Two days beforehand, on the evening of 20 March 2024, Mr Cooke had sent his proposed Exit Statement to Mr Foster and Star Entertainment's external legal representative.¹⁷⁸ It contained a statement in substantively similar terms to the final Exit Statement concerning his understanding of the Chief Commissioner's concerns.¹⁷⁹
106. Regarding the draft paragraph as to the NICC's concerns, Mr Cooke told Mr Foster on 20 March 2024 that he had had a long conversation with Star Entertainment's external legal representative (being the same lawyers who represented The Star Entities in this Inquiry) and that that person had "got comfortable" with the paragraph.¹⁸⁰
107. The day before Mr Cooke's departure was announced, on 21 March 2024, the Star Entertainment Board met without Mr Cooke at 7.30am.¹⁸¹ At that point, the Board was aware of the proposed Exit Statement and discussed it. The minutes of that meeting record:¹⁸²

The Board discussed the status of a CEO exit statement, noted it was not for the Board to approve, and expressed concern about the statement being released and asked the Chairman to encourage the CEO not to release the statement. The Chairman advised that the CEO currently intended to release it as an internal email and agreed to speak to the CEO.

108. Ms Ward said that "the actual words used in the meeting may have been stronger"¹⁸³ and recalled that she and other directors said to Mr Foster words to the effect "David, you've

got to tell him not to issue it.”¹⁸⁴ Ms Ward also said that “a number of directors had requested Mr Foster to ask Mr Cooke not to release this, and my advice to Mr Cooke at the time was he should not release this statement.”¹⁸⁵ Ms Ward’s recollection was that Ms Page and Mr Hodgson had expressed those views.¹⁸⁶

109. At 4.39am on 22 March 2024, Mr Cooke sent the following message to Mr Foster:¹⁸⁷

As I know you would know – making my announcement this afternoon is causing me a lot of concern. It really is going to cause a lot of damage to the team as it will be uncoordinated and poorly communicated – it will not look [sic] planned and it will not look like it was an agreed exit.

I am struggling to get the documents that I got last night reviewed adequately.

Is there any circumstance this can occur next week with a more planned communications approach?

110. Mr Cooke also sought confirmation from Mr Foster that it was “still ok” to send his Exit Statement and Mr Foster replied “[y]es it is”.¹⁸⁸ Mr Foster gave evidence that he had communicated to Mr Cooke the Board’s preference for Mr Cooke not to send the Exit Statement but accepted that he did not say words to the effect “don’t send the Exit Statement”.¹⁸⁹

111. On 22 March 2024, Star Entertainment and Mr Cooke executed a Separation Deed.¹⁹⁰ It was signed, for Star Entertainment, by Mr Foster and Ms Ward.¹⁹¹ It contained a copy of the Exit Statement in Schedule 4¹⁹² and conferred a right on Mr Cooke to issue that statement both within Star Entertainment and also to third parties. Clause 2.3 provided:¹⁹³

2.3 Announcement

... [Mr Cooke] shall be entitled to make the statement set out in Schedule 4 to The Star employee team, joint venture participants, business partners and key suppliers to the Star immediately following the release of ASX announcement.

112. At its meeting on 22 March 2024, the Star Entertainment Board resolved to approve termination of the employment of Mr Cooke “on the terms of the Separation Deed as detailed in this paper”.¹⁹⁴ The relevant Board Paper,¹⁹⁵ however, did not contain a copy of the Separation Deed or refer to the Exit Statement at all, nor to Mr Cooke’s contractual entitlement to issue the Exit Statement under clause 2.3 of the Separation Deed.

113. The 22 March 2024 Board minutes also recorded that:¹⁹⁶

The Chairman noted the proposed internal communication that would be undertaken. It was confirmed that the Group CEO had confirmed he intended to release the CEO Exit Statement to internal Company Staff.

114. When clause 2.3 of the Separation Deed was shown to Mr Foster during the Inquiry, he said:¹⁹⁷

Yes, I see that now. I didn't recall that at the time but yes, I do.

115. Ms Ward said that the Board had “reluctantly agreed” to the Separation Deed¹⁹⁸ and it was a “mistake” to have done so.¹⁹⁹ Ms Ward said that Mr Cooke was “adamant” that he be given permission to issue the Exit Statement.²⁰⁰ However, Ms Ward accepted that Star Entertainment could have been just as adamant as Mr Cooke on this issue.²⁰¹ Ms Ward did not accept, however, that this amounted to a failure of leadership from the Board.²⁰²

116. Ms Ward said she could not be “precise in my recollection” about documents provided to the Board on 22 March 2024 and was content to agree to whatever had been said in Star Entertainment’s response to RFI 13.²⁰³ In that response, Star Entertainment provided to the Inquiry a list of documents that had been provided or made available to the members of the Board of Star Entertainment for each of the Board meetings and Board discussions held between 18 and 23 March 2024.²⁰⁴

117. Ms Ward gave the following evidence:²⁰⁵

Q: [W]ere you aware at that time, when you were counselling against the statement being issued, that it was in the separation deed?

A: No.

Q: When did you learn that it was in the separation deed?

A: Late on 22 March.

Q: And is it correct that by that time you realised that Mr Cooke had a – perhaps had right to send this?

A: Well, no, it is my – my recollection that Mr Cooke and his lawyers insisted that that statement be attached to the separation deed and that he expressly be given permission to release it, which I think was the words, and by that stage my focus was on ensuring that the separation deed was executed and that Mr Cooke left the business as soon as possible.

118. Ms Ward also gave the following answers to questions from Senior Counsel for Mr Cooke:²⁰⁶

Q: [B]y the time you came to sign the deed on behalf of the company, you were aware of the contents of the executive statement in its final form?

A: Whether I had seen the final form or not at the time of signing, I could not say, because there had been multiple iterations and I was not directly in communication with Mr Cooke or his lawyers. I was relying upon Mr Foster, who was conducting those discussions. So I’m sorry, I forgot your question ...

Q: The question is, is this the position then, Ms Ward, that notwithstanding you signed the separation deed on behalf of the company, notwithstanding that you had expressed concerns about earlier drafts of it, do I understand your evidence to be that you did not read the final version of the executive statement in Schedule 4 before you signed the separation deed on behalf of the company?

A: At the time of signing, which I recall was around 6.30 in the evening, I – once – once the – Mr Foster called me and said the final deed had been put together, had, I recall – had been signed by Mr Cooke and by Mr Foster. I asked him whether he had – where things had got to with the exit statement and he said he had been through the draft, that there had been some, I think, version control issues. There was confusion about versions he had reviewed and the version attached, and I was content to sign on the basis of that discussion.

119. It appears that Ms Ward’s involvement in what she had described as the company’s “mistake” of giving Mr Cooke the right that he received under clause 2.3 of the Separation Deed was that she signed a document that she received at about 6.30pm on 22 March 2024. This occurred in circumstances where she knew Mr Cooke and his lawyers were insistent on sending out the Exit Statement, there had been negotiations led by Mr Foster since about 10 March 2024 (i.e. when Mr Foster had first told Mr Cooke about the Board’s decision) and, to use Ms Ward’s words, “my focus was on ensuring that the separation deed was executed and Mr Cooke left the business as soon as possible”.²⁰⁷
120. Other directors, however, gave evidence critical of Mr Foster’s role in negotiating the Separation Deed with Mr Cooke.
121. Ms Page said that she only learned of Mr Cooke’s right to issue the Exit Statement under the Separation Deed “[a]s part of these Inquiry proceedings”.²⁰⁸ Ms Page said “I’m really disappointed that the Chairman could have negotiated that in a deed after we expressed these sentiments”.²⁰⁹ Specifically as to clause 2.3, Ms Page said that she was not aware of the clause.²¹⁰ Ms Page added “[t]hose negotiating this deed did not have authorisation to do that.”²¹¹ She said that she was referring to Mr Foster²¹² and did not have concerns about Ms Ward acting without the Board’s authority.²¹³
122. Mr Issenberg said that he was unaware that Mr Cooke had been given a contractual entitlement to issue his Exit Statement before that fact became known in the course of this Inquiry.²¹⁴ Mr Issenberg said:²¹⁵

Well, we certainly didn’t authorise it because, as you can see by the minutes, we encouraged – we wanted Mr Foster to stop it. So we weren’t aware that it was going to be attached.

123. Mr Hodgson said that the contractual right for Mr Cooke “was not in the draft of the separation deed I had received.”²¹⁶ Mr Hodgson said “[i]t certainly wasn’t authorised by the board, that’s correct.”²¹⁷ Mr Hodgson said that the words in clause 2.3 “were not authorised by the board and went beyond what I would have considered acceptable in the context of a negotiated deed.”²¹⁸

124. Ms Thornton agreed that clause 2.3 had not been authorised.²¹⁹

125. Whether formally authorised or not, however, the Board was aware that Mr Cooke proposed to publish the Exit Statement.

126. When Dr Lagan was asked about the evidence referred to above, she said:²²⁰

I think, again, it points to the concentration of power within those two actors, the CEO and the chair, and I’m sure that could have happened, that the board wasn’t aware of it. It was a strange thing to give anyone permission to put out a statement like that.

127. Several witnesses were asked and gave evidence about the content and effect of Mr Cooke’s Exit Statement.

128. Mr Weeks said of the Exit Statement:²²¹

[M]y immediate reaction when I read it was that it assigned responsibility or blame on the Chief Commissioner of the NICC for Mr Cooke’s departure, and in circumstances where the company has a suspended licence, it is important for the company to rebuild confidence and trust with its regulator. I don’t think that was a prudent positioning of Mr Cooke’s exit among Star’s employees.

129. Ms Ward made five observations²²² in her evidence about Mr Cooke’s Exit Statement with which Ms Page,²²³ Mr Issenberg,²²⁴ Mr Hodgson²²⁵ and Ms Thornton²²⁶ agreed. The five observations were:

- (a) that the Exit Statement was not helpful to Star Entertainment or to Mr Cooke;
- (b) that the Exit Statement would potentially be damaging to the company’s relationship with the NICC;
- (c) that Mr Cooke was seeking to justify or protect his reputation in a way that he would come to regret;
- (d) that just sharing these kinds of details with the entire staff was ill-advised; and

- (e) that the Exit Statement presented a risk of sending a message to some 8,000 or so staff that Mr Cooke was being pushed out by the NICC.
130. Dr Lagan agreed with each of the above five observations as well.²²⁷ Ms Arzadon agreed with all of them, save that she would not comment on whether the Exit Statement was unhelpful for Mr Cooke personally or whether he would come to regret it.²²⁸
131. In addition, each of Ms Page,²²⁹ Mr Issenberg,²³⁰ Mr Hodgson²³¹ and Ms Thornton²³² said that to the extent that the Exit Statement suggested Mr Cooke was being pushed out by the NICC, that was incorrect because the Board had initiated Mr Cooke's departure, not the NICC. Ms Page,²³³ Mr Hodgson²³⁴ and Ms Thornton²³⁵ also agreed that the Exit Statement risked stoking or encouraging a feeling within the company that the NICC was against The Star.
132. Mr Foster said that the Exit Statement "could be interpreted" to mean that the CEO was being forced out by the Chief Commissioner of the NICC and that he "can see how" it was antagonistic towards the NICC. Mr Foster said that "with the benefit of hindsight, I can see how" it could be interpreted as assigning blame for Mr Cooke's departure on the Chief Commissioner of the NICC, that it did not assist with rebuilding trust and confidence with the regulator²³⁶ and that it perpetuated a negative narrative.²³⁷
133. It does not require the benefit of hindsight to appreciate that Mr Cooke's Exit Statement was highly likely to further damage the relationship with the NICC, send a message which was false in material respects to Star Entertainment's 8,000 employees and perpetuate a negative narrative of confrontation. These implications of the document were obvious at the time.
134. While a number of Board members gave evidence that they tried to persuade or counsel Mr Cooke not to send the Exit Statement,²³⁸ they could have directed him not to send it. This possibility was accepted by both Mr Foster and Ms Ward in their evidence.²³⁹ The Board did not do so.
135. Moreover, whilst the evidence indicates that a number of Board members were not aware that the terms of the Separation Deed conferred a right on Mr Cooke to issue the Exit Statement and did not authorise this provision, the fact is that Mr Cooke ultimately published the Exit Statement pursuant to a contractually conferred right, contained in a deed executed on behalf of Star Entertainment by two of its directors.

136. The Board of Star Entertainment must accept responsibility for failing to prevent the obvious damaging outcomes which flowed from publication of the Exit Statement.

Chapter 10.7 Representations to the NSW regulator and to this Inquiry

137. The evidence raised certain questions about the accuracy or otherwise of representations that were made to the NICC and to this Inquiry about the departures of Ms Ivanoff, Ms Katsibouba and Mr Hughes.

Ms Ivanoff

138. Ms Ivanoff was the Chief Legal Officer at Star Entertainment from May 2023 to March 2024.²⁴⁰ She reported to Mr Cooke and was a member of the GLT.²⁴¹
139. Ms Ivanoff told the Inquiry that she gave notice of her resignation on 6 September 2023.²⁴² She said she did this by handing Mr Cooke a letter in an envelope on 6 September 2023, giving six months' notice of her departure on 6 March 2024.²⁴³ Ms Ivanoff said that she resigned by hard copy letter as she was concerned an email might be viewed by Mr Cooke's and her executive assistants (who had access to their email inboxes).²⁴⁴ Ms Ivanoff said that she kept a second copy of her letter and wrote on the copy:²⁴⁵

Meeting with [Mr Cooke] on 6 Sept
Tendered
Agreed to give it two months to consider if would retract
If no changes, [Mr Cooke] would accept I resigned 6 Sept

140. Ms Ivanoff explained these annotations as follows:²⁴⁶

So, when I informed Mr Cooke of my resignation, he asked that I take some time because he said, over, the course of the coming two months, he was making some changes to the organisation and he felt that they might change my view. He said that what we should do is check back in and if in two months he hadn't made those changes that would cause me to retract my resignation, that he would accept that I had resigned on 6 September for the purpose of my notice, and he said that he would accept that that was the actual date.

...

I was open to it because I thought – I mean, I didn't really join the organisation to tender a resignation in four months. That's not what I wanted for myself professionally or for my team or for the organisation. So I had thought quite long and hard about whether I could continue in that role and what the issues were that were preventing me from feeling like I could continue to execute or actually fulfil that role.

So I thought if the CEO is telling me he is making some massive changes, obviously, the better outcome would be for me to stay and to, you know, see through the commitments that I had made to the organisation. And so I felt that what, effectively,

I was doing was allowing myself or agreeing to be able to retract a resignation if things had changed in the two-month period.

141. Ms Ivanoff sent Mr Cooke an email in the afternoon on 6 September 2023, with the subject line “Marker”, and which included “thanks for the chat this afternoon, and agreed – let’s see how the next two months go”.²⁴⁷
142. Ms Ivanoff said that in early November 2023, she and Mr Cooke were scheduled to have a fortnightly one-on-one catch up, but it was cancelled due to Mr Cooke’s other commitments. As such, Ms Ivanoff sent Mr Cooke an email with the matters she had wanted to discuss with him during the cancelled catch up and to obtain feedback on certain matters.²⁴⁸ The email included the following from Ms Ivanoff “[w]ill also be good to check in re my next steps and thinking re team and resourcing as we are two months in post the discussion we had on 6 Sept”. Mr Cooke responded, “yes we do need to continue on from that conversation lets lock in some time post AGM”.²⁴⁹
143. Ms Ivanoff said that in the middle of November 2023 she proceeded to confirm her departure. She said, “I think it was about the middle of November we had our next one-on-one, probably around the 15th, where I confirmed that I would not be retracting my resignation”.²⁵⁰ Ms Ivanoff said that she and Mr Cooke then discussed, among other matters, finding Ms Ivanoff’s replacement and that she would finish at the end of the first week of March 2024.²⁵¹
144. When giving evidence, Ms Ivanoff was shown an email dated 1 December 2023, addressed to Mr Cooke, Mr Foster and Ms Hammond, which Ms Ivanoff said was a draft she prepared on that date but was never sent.²⁵² It recorded the following:²⁵³

As I am now almost half-way through my 6-month resignation notice period with an end date of 6 March 2024, I have informed my direct reports, some of the GLT and also discussed with Anne Ward given she played a role in me coming to The Star. I have also today informed The Manager and am sure you have / will communicate as appropriate to the remaining directors, regulators etc.

[Mr Cooke] and [Ms Hammond] – I have discussed with you my suggested go forward structure and leadership recommendations for the Legal & [Company Secretary] team. I remain committed to assisting with transition and any related activities to recruit if you choose to go external while I am still here, although I do hope you consider our internal talent who I have much confidence in.

I look forward to further developing these options if of interest and assisting any way I can.

145. On 4 December 2023, Mr Cooke wrote to Ms Ivanoff in an email:²⁵⁴

Further to our conversations over the last few months where you indicated your unhappiness at The Star (including your views on your peers, the capability of the team, and your working relationship with me) [redacted], I understand you have reached a decision to resign from your role.

This is disappointing as I had hoped over time these issues might have resolved for you.

If you have determined to resign, would you please be able to confirm this by return email.

In that event I am happy for your final date to be 5 March 2024.

146. Ms Ivanoff replied about 20 minutes later the same day (bold in original):²⁵⁵

As we discussed in September and at our last 1:1 on 15 November 2023:

- I resigned 6 September 2023.
- You asked me to wait two months to see if the working environment would be any better because you were making changes, and nothing really changed from my end to make me feel comfortable to remain in this role. This is also disappointing for me as I really was hoping to be able to make a difference to The Star.
- I confirmed again the last time we caught up on **15 November 2023** that my last day would be 6 March 2024, in keeping with my contractual 6 month notice period.
- I proposed some internal structuring for the team, and you asked me to give you 2 weeks to have a coffee with [a member of the legal team] which I understand may be tomorrow by MS Teams. You also asked if I could stay longer which I said we could consider on a flexible basis.
- ...
- I would be pleased to discuss alternative arrangements to depart at a time that suits you better / sooner than 5 March 2024, noting I have provided you with the requisite contractual notice of my resignation. Happy to also discuss these arrangements with Paula.

147. Mr Cooke replied on the same day, 4 December 2023, as follows:²⁵⁶

Definitely not my recollection of our interactions and in no shape nor form did I consider our conversation on the 6 September 2023 to be a resignation.

I did agree that if ultimately you decided The Star was not for you, to agree an end date that was ‘time stamped’ to when you raised your unhappiness with The Star (i.e. 6 September 2023).

As you would be aware you[r] contract (clause 9.1) requires you to provide written notice of resignation and I will assume from your email below that it constitutes such written notice.

148. Ms Ivanoff also replied, again on the same day, as follows:²⁵⁷

... I am sorry that we have come out of our conversations with very different perceptions, yet again.

I confirm my notice of resignation as below, effective 6 September 2023.

149. Also on 4 December 2023, Ms Ivanoff sent an email from her personal email to her Star Entertainment account, attaching a scanned version of her annotated copy of the 6 September 2023 resignation letter.²⁵⁸

150. Ms Ward gave evidence of her recollection of discussions that she had with Ms Ivanoff from August 2023 through to 4 December 2023, as follows:²⁵⁹

So I recall that Ms Ivanoff telephoned me on 31 August and said that she was feeling unhappy and wondering whether she was in the right place, whether she had made a mistake in coming to The Star. And I recall I was driving at the time. We had a brief - I pulled over. We had a brief conversation and agreed to speak again the next day.

I spoke with her again on 1 September, and she indicated, again, that she was not happy, that she had concerns about the capability of some of her colleagues on the GLT, that she had concerns - whether she said "concerns" or not, I'm paraphrasing my impression of what she said to me at the time - around Mr Cooke's management style, that he worked very hard and he worked unsustainable hours and that he was becoming a bottleneck for decisions and that she and others on the GLT had spoken to him about this and she thought it was unsustainable.

I asked her whether she had spoken with Mr Cooke about these matters, and she told me she intended to meet with him. And I asked her whether she would speak with the chairman about these matters if I was to raise it with him. And she agreed - I recall that she agreed that she would, and after the conversation I called Mr Foster and conveyed to him the general tenor of the conversation I'd had with [Ms Ivanoff]. That was the 1 September discussion.

I next had a call from Ms Ivanoff on 4 December, and I recall that she said - she asked me did I know that she had formally resigned. I took that to be formal as opposed to informal, rather than formerly as in time. I said, "No, I did not know that". She said she had advised her team, the Legal team, that she had advised the manager and that she had advised the NICC, and I was surprised. I said - I think I said to her, "I'm disappointed to hear that". And I can't remember how the conversation ended.

151. On 6 December 2023, three months after Ms Ivanoff said she originally given notice of her resignation, and over three weeks after she said she confirmed on 15 November 2023 that her resignation would not be retracted, Mr Cooke submitted a notification pursuant to section 35 of the *Casino Control Act* advising the NICC and L&GNSW of Ms Ivanoff's resignation.²⁶⁰

152. On 14 December 2023, the NICC sent letters to both Star Entertainment and Ms Ivanoff, requesting information regarding Ms Ivanoff's resignation, including the date of resignation, reasons for resignation and a copy of Ms Ivanoff's resignation letter.²⁶¹

153. Star Entertainment provided its response to the NICC on 20 December 2023, signed by Mr Cooke.²⁶² The response did not identify the date of Ms Ivanoff's resignation as being 6 September 2023 or refer to Ms Ivanoff handing Mr Cooke a resignation letter at a meeting

between them that day (which Mr Cooke denies happened). The response also did not make any mention of Ms Ivanoff confirming on 15 November 2023 that her resignation would not be retracted (again, which Mr Cooke denies happened).²⁶³

154. Ms Ivanoff responded to the NICC on 21 December 2023.²⁶⁴ She wrote, among other things, that:

- (a) she resigned on 6 September 2023;
- (b) she had advised Ms Hammond, Head of People and Performance, of her resignation shortly after speaking with Mr Cooke;
- (c) on 15 November 2023, she told Mr Cooke that she would not retract her resignation; and
- (d) she considered that the working environment at Star Entertainment was one in which she could not have the impact that a Chief Legal Officer could and should have.

155. Ms Ivanoff told this Inquiry that Star Entertainment had provided incorrect information regarding her departure:²⁶⁵

- (a) *first*, to the NICC in Star Entertainment’s letter of 20 December 2023 noted above, as it made no mention of Ms Ivanoff’s resignation letter dated 6 September 2023 or to the confirmation of her resignation on 15 November 2023;²⁶⁶ and
- (b) *secondly*, to this Inquiry in Star Entertainment’s response dated 8 March 2024 to RFI 4, which again made no mention of Ms Ivanoff’s resignation letter dated 6 September 2023 and which stated, positively, that “[n]o letter of resignation was received”.²⁶⁷

156. No party with leave to appear in the public hearings sought to challenge Ms Ivanoff’s evidence at the time that it was given.²⁶⁸ Ms Ivanoff was subsequently recalled on Mr Cooke’s application so that her evidence could be challenged.

157. The evidence before the Inquiry also included the following two documents:

- (a) an email from Ms Ivanoff’s private email address to her Star Entertainment address dated 4 December 2023, which contained no text but had an attachment to it;²⁶⁹ and

(b) the attachment to Ms Ivanoff’s email of 4 December 2023, which was a copy of Ms Ivanoff’s 6 September 2023 resignation letter.²⁷⁰

158. When recalled to give further evidence, Ms Ivanoff said of these emails “I may have been at that time sending from my home scanner a copy of my letter of resignation to my work email address”.²⁷¹

159. Senior Counsel for Mr Cooke put to Ms Ivanoff, and she accepted, that her resignation, once publicised in December 2023, was “reported in the press” and “a matter of some significance”.²⁷² Ms Ivanoff said that she would have expected this to have occurred “by 15 November” because “that was definitely the date where Mr Cooke knew that I would not be retracting my resignation based on the discussions we had had in September”.²⁷³

160. During her further evidence, Ms Ivanoff said that she had two copies of her resignation letter on 6 September 2023, “[o]ne was in an envelope which I gave to Mr Cooke and the other was my file copy, which I took home with me that evening”.²⁷⁴ Ms Ivanoff was asked why she had not attached a copy of her letter to Mr Cooke in her 6 September 2023 email to him. She replied:²⁷⁵

Well, given I had already left him with a copy of the letter and given that his [Executive Assistant] was reading all of his emails and I would assume that my [Executive Assistant] was reading some of mine, I did make that decision to not email the letter because I had handed it over.

161. Senior Counsel for Mr Cooke and Ms Ivanoff had the following exchange at the end of Ms Ivanoff’s evidence:²⁷⁶

Q: Look, in all the circumstances, Ms Ivanoff, I suggest to you that you must accept the possibility that you might be mistaken about handing the letter on 6 September. What do you say about that?

A: Well, I don’t agree with that.

162. It was put to Mr Cooke during his evidence that Ms Ivanoff had handed him the letter dated 6 September 2023. Mr Cooke replied:²⁷⁷

No. I have never seen that letter. She never handed that letter to me.

...

[I]f I got a letter like this from one of my team members, I would have provided it to my Chief People Officer and I would have also, in this instance, provided it to my board as well.

163. When Ms Ivanoff’s emails dated 4 December 2023 (to herself) and 21 December 2023 (to the NICC) were shown to Mr Cooke, he denied that they were consistent with Ms Ivanoff’s

evidence. Mr Cooke said, “I did not receive that letter on 6 September 2023” and “[s]he did not hand that letter to me”.²⁷⁸ It was put to Mr Cooke that he was mistaken. He said “I’m not mistaken”.²⁷⁹ Mr Cooke denied that on 6 September 2023 Ms Ivanoff gave him an envelope.²⁸⁰

164. The Star Entities submitted that the difference between Mr Cooke and Ms Ivanoff’s accounts does not reflect one way or another upon The Star Entities’ present or future suitability.²⁸¹ It is the case, and it should be emphasised that no question of credit was raised in relation to either Mr Cooke or Ms Ivanoff. All that was contended was that one of them was mistaken. However, if Ms Ivanoff’s version of events is accepted, then The Star Entities:

- (a) provided incorrect or incomplete information both to the NICC on 20 December 2023²⁸² and to this Inquiry on 8 March 2024²⁸³ (albeit based upon Mr Cooke’s mistaken recollection); but
- (b) also sought to correct the above promptly after Ms Ivanoff’s evidence to this Inquiry in April 2024.

165. In their submissions, each of Mr Cooke and Ms Ivanoff advanced at length several reasons said to support their respective and competing accounts of whether Ms Ivanoff provided to Mr Cooke her resignation on 6 September 2023.

166. The Star Entities submitted that “Ms Ivanoff’s account is to be preferred”.²⁸⁴ The Star Entities submitted:²⁸⁵

[T]he tendering of a letter of resignation is a matter likely to have been of great personal significance to Ms Ivanoff, which she is likely to have remembered. In contrast, Mr Cooke was, by all accounts, tremendously busy dealing with a vast array of corporate affairs and working all hours. It is entirely conceivable, that he was handed an envelope, had a discussion with Ms Ivanoff in which he persuaded her to give The Star two more months before making up her mind, and then paid the envelope no further heed.

167. In a similar vein, Counsel Assisting submitted:²⁸⁶

The Inquiry would accept Ms Ivanoff’s version of events. Ms Ivanoff’s version is to quite a large degree corroborated by documents. The only apparent corroboration of Mr Cooke’s version of events, by contrast, is a lack of action or publicity in September through November 2023 that might otherwise have been expected to attach to the resignation of Star Entertainment’s CLO. But that lack of action or publicity could be explained easily enough, for example, by Mr Cooke misplacing the hard copy letter or an envelope containing it. Mr Cooke accepted that in September 2023 he was “very busy at that time, definitely.”²⁸⁷

It is not suggested that Mr Cooke gave deliberately false evidence, but it is suggested that he was mistaken.

168. It is found, for the reasons submitted both by The Star Entities and Counsel Assisting, that:
- (a) Ms Ivanoff handed Mr Cooke the letter of resignation on 6 September 2023;
 - (b) Ms Ivanoff confirmed she would be proceeding with her resignation on or about 15 November 2023;
 - (c) Mr Cooke made an innocent mistake in his evidence to the contrary;
 - (d) as a result of that innocent mistake by Mr Cooke, The Star Entities provided incorrect or incomplete information both to the NICC on 20 December 2023²⁸⁸ and to this Inquiry on 8 March 2024;²⁸⁹ and
 - (e) The Star Entities promptly corrected the incorrect or incomplete information that had been provided to the NICC and to this Inquiry after becoming aware of the true position through Ms Ivanoff's evidence to this Inquiry in April 2024.

Ms Katsibouba and Mr Hughes

169. As has been noted, on 22 March 2024, Star Entertainment announced to the ASX the departure of Mr Cooke as CEO and Managing Director.²⁹⁰ On the same day, Star Entertainment also announced to the ASX the departure of Ms Katsibouba as CFO.²⁹¹ There were media reports that day of other departures, in particular Star Entertainment's Group Chief Customer and Product Officer, Mr Hughes.²⁹²
170. On 27 March 2024, Mr Foster sent an email to the NICC which referred to Ms Katsibouba and Mr Hughes having been "terminated without cause".²⁹³
171. By contrast, Mr Hughes gave unchallenged evidence that from around the second week of December 2023, he first notified Mr Cooke that he intended to resign,²⁹⁴ that Mr Cooke asked him to reflect on it over Christmas²⁹⁵ and that when he came back from the Christmas break he informed Mr Cooke in around the second week of January 2024 that he had not changed his mind.²⁹⁶ When Mr Hughes was shown the statement in Mr Foster's email to the NICC that "a longstanding team member George Hughes was also terminated without cause a couple of weeks ago", Mr Hughes responded "[i]t's not accurate ... [b]ecause I resigned from my position".²⁹⁷ Mr Hughes' evidence is accepted.

172. In Ms Katsibouba’s case, the announcement of her departure followed discussions that she had initiated in about December 2023 to the effect that she wanted to leave. Mr Cooke,²⁹⁸ Ms Katsibouba²⁹⁹ and Mr Weeks³⁰⁰ all gave evidence to that effect. All of their evidence on this topic is accepted and it establishes the following:

- (a) on 5 December 2023, Ms Katsibouba initiated a conversation with Mr Cooke and indicated that she wanted to resign from the organisation and immediately commence preparations for that to occur.³⁰¹ Mr Cooke’s oral evidence was that “[Ms Katsibouba] made contact with me and expressed the desire, or indicated that she was at a point where she thought she wanted to go”,³⁰²
- (b) around one week later, Ms Katsibouba met with Mr Cooke a second time to continue the discussion relating to arrangements for her proposed departure;³⁰³
- (c) throughout late January 2024 and early February 2024, Ms Katsibouba followed up with Ms Hammond, Group Chief People Officer, on a few occasions to enquire as to the status of paperwork to formalise her departure;³⁰⁴
- (d) on 14 February 2024, Ms Katsibouba met with Mr Cooke and Ms Hammond. In that meeting, an offer was made to Ms Katsibouba in relation to her departure. Ms Katsibouba gave evidence that Mr Cooke advised her that he had “in principle approval” from Mr Foster in relation to the proposed offer;³⁰⁵
- (e) on 12 March 2024, a Board Paper stated that “[f]ollowing recent discussions with Ms Katsibouba, it is expected (but not as yet certain) that she will accept a mutual separation under the termination reason “termination without cause”, from the position of Group Chief Financial Officer”;³⁰⁶
- (f) around mid-March 2024, Ms Katsibouba received a call from Ms Hammond who said that the Board had rejected Mr Cooke’s proposed terms for Ms Katsibouba’s departure.³⁰⁷ Ms Katsibouba told Ms Hammond that “[she] didn’t care and that [she] wanted to continue and [her] intention was to resign and that [she] wanted the communications to be a resignation at that point”;³⁰⁸
- (g) on 20 March 2024, Ms Katsibouba attended a meeting by telephone with Mr Cooke and Ms Hammond, during which Ms Hammond confirmed that the initial terms of the offer that had been proposed were rejected by the Board, that Mr Cooke and Ms Hammond outlined the revised terms of the offer. Ms Katsibouba reiterated that

she wished for her departure to be properly described as a “resignation”, Mr Cooke and Ms Hammond said that they were comfortable with this position, and they said that the paperwork, including a deed, would be sent through for review;³⁰⁹

- (h) around close of business on 20 March 2024, Ms Katsibouba received a copy of the draft deed;³¹⁰
 - (i) over the course of 21 and 22 March 2024, she received multiple phone calls and emails from Ms Hammond, requesting that she progress her review of the draft deed and sign the deed as quickly as possible,³¹¹ as the company was “very keen to get this announcement done quickly, that they were hoping to do it by Friday...”;³¹²
 - (j) Ms Katsibouba requested amendments be made to the draft ASX announcement relating to her departure. Email correspondence between Ms Hammond and Mr Foster (not copied to Ms Katsibouba) indicated that “we cannot incorporate them all” (referring to Ms Katsibouba’s proposed amendments).³¹³ Ms Katsibouba was not informed that Mr Cooke was leaving Star Entertainment and was not shown a copy of the draft ASX announcement relating to Mr Cooke;³¹⁴
 - (k) in the afternoon of 22 March 2024, Mr Foster called Ms Katsibouba to discuss the proposed amendments to the draft announcement. He declined to accept some of Ms Katsibouba’s proposed amendments;³¹⁵ and
 - (l) on 22 March 2024, Star Entertainment announced Ms Katsibouba’s departure and the appointment of the Interim Chief Financial Officer.³¹⁶
173. It is clear from Ms Katsibouba’s evidence (which is accepted), and from the relevant contemporaneous documents, that Ms Katsibouba’s decision to leave Star Entertainment was entirely her own (i.e. in common parlance, a resignation) and that no aspect of her decision to leave was in any way motivated by any concern that the Manager or the NICC had with her conduct or performance.³¹⁷
174. The ASX announcements by Star Entertainment on 22 March 2024 which notified the departure of both Mr Cooke and Mr Katsibouba³¹⁸ coincided with media reports that same day of Mr Cooke’s Exit Statement. Mr Cooke’s Exit Statement asserted that the NICC’s Chief Commissioner had issues with Mr Cooke’s decision to retain a number of existing executives. The reporting of these statements on the same day may have created an impression that Ms Katsibouba’s departure from Star Entertainment was motivated by a

concern that the NICC had with her conduct and performance. If such an impression was created, it was completely false. The truth is that Ms Katsibouba chose to leave Star Entertainment of her own accord.

175. For the reasons outlined, insofar as Mr Foster’s letter to the NICC dated 27 March 2024 may have inadvertently intimated that Mr Hughes or Ms Katsibouba had been terminated by Star Entertainment in order to remove executives with whom the NICC had concerns, that intimation was incorrect.

Chapter 10.8 Conclusion

176. The response by Star Entertainment to the Manager’s Reports in January 2024, the communications between Mr Foster and Mr Cooke in early 2024 suggesting action against the Manager and the NICC and the circumstances of Mr Cooke’s Exit Statement in March 2024 are not isolated instances but reflect a common theme of a combative and antagonistic approach to the NICC and the Manager. They are all illustrations of a new cultural norm or shadow value which emerged at the highest levels of Star Entertainment during the second half of 2023.
177. The cultural dimensions and implications of these incidents are considered in Chapter 11.

Endnotes

- ¹ Weeks: Day 1, T11.35-12.6.
- ² **Exhibit A-367** (STA.8100.0063.4887).
- ³ **Exhibit A-1454** (MGR.0001.0001.0001 at .0003, .0010).
- ⁴ **Exhibit A-1745** (MGR.0001.0001.0039 at .0041).
- ⁵ ASX Announcement: Trading update, cost initiatives and strategic review of Sydney, 19 April 2023.
- ⁶ ASX Announcement: Results for announcement to the market, 29 August 2023.
- ⁷ ASX Announcement: Inquiry update, 20 February 2024.
- ⁸ Weeks: Day 1, T21.21-29, 49.41-43, 66.47-67.02.
- ⁹ **Exhibit A-735** (STA.8890.0001.0018 at .0018).
- ¹⁰ Ibid at .0018-.0019.
- ¹¹ Ibid at .0019.
- ¹² Ibid at .0020.
- ¹³ Foster: Day 7, T484.1-486.46.
- ¹⁴ David Foster's Written Submissions dated 20 May 2024 at para [30]; Foster: Day 7, T484.20-21; T485.14-21.
- ¹⁵ David Foster's Written Submissions dated 20 May 2024 at para [30]; Foster: Day 7, T486.2-3, 32-35, 45-46.
- ¹⁶ David Foster's Written Submissions dated 20 May 2024 at para [30]; Foster: Day 7, T486.23-26.
- ¹⁷ David Foster's Written Submissions dated 20 May 2024 at para [30].
- ¹⁸ Robert Cooke's Written Submissions dated 20 May 2024 at para [163].
- ¹⁹ Foster: Day 7, T486.28-32.
- ²⁰ Foster: Day 7, T486.28-32.
- ²¹ **Exhibit A-1454** (MGR.0001.0001.0001).
- ²² **Exhibit A-1745** (MGR.0001.0001.0039).
- ²³ **Exhibit A-1783** (STA.8102.0010.8333).
- ²⁴ **Exhibit A-1454** (MGR.0001.0001.0001 at .0003).
- ²⁵ Ibid at .0003-.0004.
- ²⁶ Ibid at .0004.
- ²⁷ Ibid.
- ²⁸ Ibid.
- ²⁹ Ibid.
- ³⁰ Ibid.
- ³¹ Ibid.
- ³² Ibid at .0023-.0024.
- ³³ **Exhibit A-1912** (STA.8102.0010.4676 at .4677).

34 Page: Day 9, T734.41-42.
35 **Exhibit A-1912** (STA.8102.0010.4676).
36 Ibid at .4677.
37 Ibid at .4676.
38 Ibid .
39 **Exhibit A-1937** (STA.8100.0065.9410); **Exhibit A-1938** (STA.8100.0065.9411).
40 **Exhibit A-1939** (STA.8102.0010.8222); **Exhibit A-1940** (STA.8102.0010.8223); **Exhibit A-1943**
(STA.8100.0066.2114); **Exhibit A-1944** (STA.8100.0066.2115); **Exhibit A-1949**
(STA.8100.0066.2128); **Exhibit A-1945** (STA.8100.0066.2118); **Exhibit A-1946**
(STA.8100.0066.2120); **Exhibit A-1947** (STA.8100.0066.2124); **Exhibit A-1948**
(STA.8100.0066.2126).
41 **Exhibit A-1963** (STA.8100.0065.9422).
42 Ibid.
43 **Exhibit A-1945** (STA.8100.0066.2118); **Exhibit A-1946** (STA.8100.0066.2120 at .2120).
44 (STA.8100.0066.2151); (STA.8100.0066.2152).
45 (STA.8100.0066.2152).
46 (STA.8100.0064.3167); (STA.8100.0066.2213); (STA.8100.0066.2214 at .2218-.2219).
47 **Exhibit F-17** (STA.8100.0063.7195).
48 Ibid.
49 **Exhibit F-18** (STA.8100.0063.7196).
50 Ibid at .7198.
51 **Exhibit F-17** (STA.8100.0063.7195).
52 **Exhibit F-18** (STA.8100.0063.7196).
53 (STA.8100.0063.7276).
54 **Exhibit A-2056** (STA.8100.0066.2326); **Exhibit A-2057** (STA.8100.0066.2328).
55 **Exhibit A-2057** (STA.8100.0066.2328 at .2328).
56 **Exhibit D-146** (STA.8000.0160.0034).
57 **Exhibit A-2058** (STA.8100.0066.2332).
58 **Exhibit E-55** (STA.8100.0066.2346 at .2346-.2349).
59 **Exhibit E-56** (STA.8100.0066.2341 at .2341); **Exhibit E-57** (STA.8100.0066.2351 at .2351).
60 (STA.8100.0066.2363 at .2363).
61 **Exhibit E-58** (STA.8100.0066.2357 at .2357).
62 (STA.8100.0066.2363 at .2363).
63 (STA.8100.0066.2377); (STA.8100.0066.2378).
64 (STA.8100.0066.2452); (STA.8100.0066.2453).
65 (STA.8100.0063.6773).
66 **Exhibit E-60** (STA.8100.0066.2485 at .2485); **Exhibit E-61** (STA.8100.0066.2487).
67 **Exhibit E-60** (STA.8100.0066.2485 at .2485).

68 **Exhibit E-61** (STA.8100.0066.2487).

69 **Exhibit A-2083** (STA.8100.0066.2509 at .2509).

70 **Exhibit D-97** (STA.8100.0066.0513); **Exhibit D-98** (STA.8100.0066.0514); **Exhibit D-99**
(STA.8100.0066.0518); **Exhibit D-100** (STA.8100.0066.0541); **Exhibit D-101**
(STA.8100.0066.0561); **Exhibit D-102** (STA.8100.0066.0645).

71 **Exhibit A-2131** (STA.8100.0078.2838).

72 **Exhibit A-2118** (STA.8100.0077.1091); **Exhibit A-2119** (STA.8100.0077.1094); **Exhibit A-2120**
(STA.8100.0077.1114); **Exhibit A-2121** (STA.8100.0077.1134); **Exhibit A-2122**
(STA.8100.0077.1138); **Exhibit A-2123** (STA.8100.0077.1143); **Exhibit A-2124**
(STA.8100.0077.1213).

73 **Exhibit A-2121** (STA.8100.0077.1134 at .1134).

74 **Exhibit A-2123** (STA.8100.0077.1143 at .1145).

75 **Exhibit A-2119** (STA.8100.0077.1094).

76 **Exhibit A-2112** (STA.8100.0066.2541 at .2541).

77 Ibid.

78 Ward: Day 8, T655.22-27.

79 **Exhibit D-90** (STA.8100.0066.0319 at .0319).

80 (STA.8100.0066.0314 at .0314).

81 Ibid.

82 **Exhibit A-2115** (STA.8100.0077.0518 at .0518).

83 Page: Day 9, T741.45.

84 **Exhibit A-2151** (STA.8100.0066.2543 at .2543).

85 Page: Day 9, T.741.20-742.7.

86 **Exhibit A-2152** (STA.8100.0077.0706); **Exhibit A-2153** (STA.8100.0077.0707).

87 **Exhibit D-105** (STA.8100.0066.0115).

88 Ibid.

89 **Exhibit D-106** (STA.8100.0066.0117); **Exhibit D-107** (STA.8100.0066.0186).

90 **Exhibit B-416** (STA.8100.0065.9259 at .9259).

91 The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [437(g)].

92 Robert Cooke's Written Submissions dated 20 May 2024 at para [165].

93 **Exhibit A-2150** (STA.8100.0066.1187); **Exhibit A-2149** (STA.8100.0066.1119); **Exhibit A-2148**
(STA.8100.0066.1099).

94 Ward: Day 9, T717.20-42; Foster: Day 7, T529.29-31.

95 Foster: Day 7, T521.48-522.3.

96 Foster: Day 7, T522.3-5.

97 David Foster's Written Submissions dated 20 May 2024 at para [24], [38].

98 Ward: Day 8, T656.9-13.

99 Ward: Day 9, T708.1.

100 Page: Day 9, T740.25; Hodgson: Day 10, T799.16; Thornton: Day 10, T820.18.

101 Issenberg: Day 9, T776.38-39.
102 Thornton: Day 10, T820.43-46.
103 Page: Day 9, T741.18; Issenberg: Day 9, T776.32-33; Hodgson: Day 10, T799.33, T800.18; Thornton:
Day 10, T820.39.
104 Hodgson: Day 10, T799.37.
105 **Exhibit A-2149** (STA.8100.0066.1119 at .1121).
106 **Exhibit E-55** (STA.8100.0066.2346 at .2346).
107 Ward: Day 8, T657.21.
108 Ward: Day 8, T657.28-31.
109 Ward: Day 8, T657.35-36.
110 Ward: Day 8, T658.7-10.
111 Issenberg: Day 9, T777.3-9.
112 **Exhibit A-2143** (STA.8100.0063.6873 at .6873).
113 David Foster's Written Submissions dated 20 May 2024 at para [40] – [43]; Foster: Day 7, T488.1-5,
16-37.
114 Foster: Day 7, T488.36-37.
115 **Exhibit A-2235** (STA.8100.0063.7392).
116 Ibid.
117 Page: Day 9, T742.41-42.
118 Issenberg: Day 9, T778.7-10.
119 Issenberg: Day 9, T778.17.
120 Hodgson: Day 10, T800.18.
121 Hodgson: Day 10, T800.24.
122 Thornton: Day 10, T822.2-3.
123 Thornton: Day 10, T822.9.
124 The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [405].
125 Ibid.
126 Ibid.
127 Ibid at para [436].
128 Ibid at para [440].
129 Ibid at para [438].
130 Ibid at para [446].
131 Ibid at para [448].
132 Ibid at para [395].
133 The Star Entities' Oral Submissions: Day 16, T929.38-39.
134 **Exhibit A-2203** (STA.8890.0001.0094 at .0094-.0095).
135 Foster: Day 7, T489.27-28.
136 **Exhibit A-2203** (STA.8890.0001.0094 at .0100).

- 137 Foster: Day 7, T489.40-43.
- 138 Cooke: Day 8, T603.29-40.
- 139 Cooke: Day 8 T607.25-T608.9.
- 140 Robert Cooke's Written Submissions dated 20 May 2024 at para [169]; Cooke: Day 8, T606.8-10, T609.23-24; T610.1.
- 141 **Exhibit A-2238** (STA.8890.0001.0102_0001).
- 142 Foster, Day 7, T491.45-492.24.
- 143 Foster: Day 7, T494.19-30.
- 144 **Exhibit A-2239** (STA.8890.0001.0102_0002).
- 145 **Exhibit A-2240** (STA.8890.0001.0102_0003).
- 146 Foster: Day 7, T493.29; Cooke: Day 8, T609.27.
- 147 David Foster's Written Submissions dated 20 May 2024 at para [48] – [53].
- 148 Foster: Day 7, T492.26-493.37, T495.2-40.
- 149 Robert Cooke's Written Submissions dated 20 May 2024 at para [171].
- 150 **Exhibit A-2377** (STA.8100.0065.9375).
- 151 **Exhibit A-2377** (STA.8100.0065.9375).
- 152 Foster: Day 7, T497.1-5.
- 153 Ward: Day 8, T643.28.
- 154 Ward: Day 8, T643.30-35.
- 155 Ward: Day 8, T643.45–644.2.
- 156 Ward: Day 8, T644.11-19.
- 157 Ward: Day 9, T682.43.
- 158 Ward: Day 9, T683.11-12.
- 159 Page: Day 9, T734.14-30.
- 160 Issenberg: Day 9, T771.13-29.
- 161 Hodgson: Day 10, T796.22-38.
- 162 Thornton: Day 10, T817.26-43.
- 163 Weeks: Day 1, T25.33-36.
- 164 Weeks: Day 1, T28.17-27.
- 165 Arzadon: Day 11, T840.18-21.
- 166 The Star Entities' Oral Submissions: Day 16, T929.39.
- 167 The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [395].
- 168 ASX and Media Release: Inquiry Update, 20 February 2024.
- 169 **Exhibit A-1912** (STA.8102.0010.4676 at .4676).
- 170 Foster: Day 7, T571.10-14; Cooke: Day 8, T585.30-38.
- 171 **Exhibit D-137** (STA.8000.0140.0017).
- 172 Ibid.

- 173 Cooke: Day 8, T583.42-46.
- 174 ASX Announcement: Departure of Group CEO and Managing Director, Appointment of David Foster
as Executive Chairman, 22 March 2024.
- 175 **Exhibit A-2787** (STA.8122.0001.0010); **Exhibit A-2788** (STA.8122.0001.0012).
- 176 **Exhibit A-2844** (STA.8122.0001.3882 at .3888).
- 177 **Exhibit A-2788** (STA.8122.0001.0012 at .0012).
- 178 **Exhibit A-2700** (STA.8122.0001.1103).
- 179 **Exhibit A-2701** (STA.8122.0001.1104).
- 180 **Exhibit A-2704** (STA.8122.0001.2441).
- 181 **Exhibit E-135** (STA.8000.0173.0001).
- 182 Ibid.
- 183 Ward: Day 8, T673.38-40.
- 184 Ward: Day 8, T674.12.
- 185 Ward: Day 8, T670.15-17.
- 186 Ward: Day 8, T670.25.
- 187 **Exhibit A-2778** (STA.8890.0002.0009).
- 188 **Exhibit A-2779** (STA.8890.0002.0011).
- 189 Foster: Day 7, T547.16-30.
- 190 **Exhibit A-2844** (STA.8122.0001.3882).
- 191 Ibid at .3896-.3897.
- 192 Ibid at .3904-.3905.
- 193 Ibid at .3888.
- 194 **Exhibit E-142** (STA.8000.0173.0003 at .0003).
- 195 **Exhibit A-2939** (STA.8000.0140.0023).
- 196 **Exhibit E-142** (STA.8000.0173.0003 at .0004).
- 197 Foster: Day 7, T565.6.
- 198 Ward: Day 9, T688.22, 28-29.
- 199 Ward: Day 9, T688.27, T689.2-3.
- 200 Ward: Day 9, T688.11-14.
- 201 Ward: Day 9, T688.44.
- 202 Ward: Day 9, T689.7.
- 203 Ward: Day 9, T687.18-25.
- 204 **Exhibit E-178** (INQ.5000.0013.0003).
- 205 Ward: Day 8, T670.37-671.5.
- 206 Ward: Day 9, T723.36-724.11.
- 207 Ward: Day 8, T671.3-5.
- 208 Page: Day 9, T747.21.

- 209 Page: Day 9, T747.22-23.
- 210 Page: Day 9, T748.7.
- 211 Page: Day 9, T748.16.
- 212 Page: Day 9, T748.20-23.
- 213 Page: Day 9, T749.41.
- 214 Issenberg: Day 9, T782.7-17.
- 215 Issenberg: Day 9, T782.23-25.
- 216 Hodgson: Day 10, T803.24-25.
- 217 Hodgson: Day 10, T803.35.
- 218 Hodgson: Day 10, T803.40-42.
- 219 Thornton: Day 10, T825.29.
- 220 Lagan: Day 11, T859.20-23.
- 221 Weeks: Day 1, T38.6-11.
- 222 Ward: Day 8, T670.34-35, T671.14-15, 18-19, 19-20, T672.5-9.
- 223 Page: Day 9, T745.37-746.15.
- 224 Issenberg: Day 9, T780.34-781.12.
- 225 Hodgson: Day 10, T801.35-802.11.
- 226 Thornton: Day 10, T823.16-43.
- 227 Lagan: Day 11, T857.40-858.16.
- 228 Arzadon: Day 11, T844.18-845.11.
- 229 Page: Day 9, T746.21.
- 230 Issenberg: Day 9, T781.18.
- 231 Hodgson: Day 10, T802.13-22.
- 232 Thornton: Day 10, T823.48.
- 233 Page: Day 9, T748.40-749.1.
- 234 Hodgson: Day 10, T804.4-8.
- 235 Thornton: Day 10, T825.31-34.
- 236 Foster: Day 7, T542.39-40, T543.39-42, T544.35-38, 40-45, T545.1-6.
- 237 Foster: Day 7, T558.36-39.
- 238 Ward: Day 8, T672.25-28; **Exhibit E-135** (STA.8000.0173.0001).
- 239 Foster: Day 7, T547.32-35; Ward: Day 8, 673.42-45.
- 240 Ivanoff: Day 3, T204.42-45.
- 241 Ivanoff: Day 3, T205.16-22.
- 242 Ivanoff: Day 3, T215.43.
- 243 **Exhibit D-78** (INQ.5003.0002.0004); Ivanoff: Day 3, T215.45-216.38.
- 244 **Exhibit D-77** (INQ.5003.0002.0001 at .0001).
- 245 **Exhibit D-78** (INQ.5003.0002.0004); Ivanoff: Day 3, T217.4-13.

- 246 Ivanoff: Day 3, T217.43-218.17.
- 247 **Exhibit A-1933** (STA.8000.0029.5429 at .5433).
- 248 Ivanoff: Day 3, T218.40-46; **Exhibit D-79** (INQ.5003.0002.0005).
- 249 **Exhibit D-79** (INQ.5003.0002.0005 at .0006).
- 250 Ivanoff: Day 3, T219.28-30.
- 251 Ivanoff: Day 3, T219.28-220.11; T221.16-222.6.
- 252 Ivanoff: Day 6, T425.29-39.
- 253 **Exhibit F-13** (STA.8517.0029.8477).
- 254 **Exhibit A-1837** (STA.8100.0078.5823 at .5824-.5825).
- 255 Ibid at .5824.
- 256 Ibid at .5823.
- 257 Ibid.
- 258 **Exhibit D-74** (STA.8131.0001.6241); **Exhibit D-75** (STA.8131.0001.6242).
- 259 Ward: Day 8, T664.42-665.22.
- 260 **Exhibit A-1853** (STA.8000.0029.5409).
- 261 **Exhibit A-1903** (STA.8000.0029.5419); See also **Exhibit D-77** (INQ.5003.0002.0001).
- 262 **Exhibit A-1933** (STA.8000.0029.5429).
- 263 **Exhibit A-1933** (STA.8000.0029.5429); Ivanoff: Day 3, T225.2-46.
- 264 **Exhibit D-77** (INQ.5003.0002.0001).
- 265 Ivanoff: Day 3, T225.2-46, T226.41-227.2.
- 266 **Exhibit A-1933** (STA.8000.0029.5429).
- 267 **Exhibit A-2588** (INQ.5000.0004.0004 at .0006).
- 268 See Day 3, T230.12-19.
- 269 **Exhibit D-74** (STA.8131.0001.6241).
- 270 **Exhibit D-75** (STA.8131.0001.6242).
- 271 Ivanoff: Day 6, T427.42-43.
- 272 Ivanoff: Day 6, T430.31-39.
- 273 Ivanoff: Day 6, T430.45-48.
- 274 Ivanoff: Day 6, T428.24-26.
- 275 Ivanoff: Day 6, T431.46-432.2.
- 276 Ivanoff: Day 6, T432.26-30.
- 277 Cooke: Day 8, T588.22-34.
- 278 Cooke: Day 8, T591.15, 42-43.
- 279 Cooke: Day 8, T592.7; See also Mr Cooke's answers to Mr Bell SC's questions: Cooke: Day 8, T593.1-9.
- 280 Cooke: Day 8, T610.36-45.
- 281 The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [506].

- 282 **Exhibit A-1933** (STA.8000.0029.5429).
- 283 **Exhibit A-2588** (INQ.5000.0004.0004 at .0006).
- 284 The Star Entities’ Written Submissions (Public) dated 15 May 2024 at para [509].
- 285 Ibid at para [510].
- 286 Counsel Assisting’s Written Submissions (Public) dated 13 May 2024 at para [215] – [216].
- 287 Cooke: Day 8, T592.47.
- 288 **Exhibit A-1933** (STA.8000.0029.5429).
- 289 **Exhibit A-2588** (INQ.5000.0004.0004 at .0006).
- 290 ASX Announcement: Departure of Group CEO and Managing Director, Appointment of David Foster as Executive Chairman, 22 March 2024.
- 291 ASX Announcement: Appointment of Interim Chief Financial Officer, 22 March 2024.
- 292 See, e.g. “CEO quits as Star Entertainment launches executive restructure”, *Sydney Morning Herald*, 22 March 2024, available from <https://www.smh.com.au/business/companies/ceo-quits-as-star-entertainment-launches-executive-restructure-20240319-p5fdlp.html>.
- 293 **Exhibit A-2903** (INQ.5002.0001.0116).
- 294 Hughes: Day 3, T198.25-38.
- 295 Hughes: Day 3, T198.47-199.2.
- 296 Hughes: Day 3, T199.16-17, T200.4.
- 297 Hughes: Day 3, T201.29-202.2.
- 298 Cooke: Day 8, T599.30-31.
- 299 Katsibouba: Day 2, T158.15-160.4.
- 300 Weeks: Day 1, T30.10-15.
- 301 Katsibouba: Day 2, T158.23-25.
- 302 Cooke: Day 8, T599.30-31.
- 303 Katsibouba: Day 2, T159.32-160.4.
- 304 Katsibouba: Day 2, T170.5-20.
- 305 Katsibouba: Day 2, T170.24-26, T171.7-9.
- 306 **Exhibit C-261** (STA.8000.0160.0283 at .0283).
- 307 Katsibouba: Day 2, T171.12-20.
- 308 Katsibouba: Day 2, T171.22-24.
- 309 Katsibouba: Day 2, T171.30-35.
- 310 Katsibouba: Day 2, T171.41-42.
- 311 Katsibouba: Day 2, T171.42-44.
- 312 Katsibouba: Day 2, T172.5-6.
- 313 Katsibouba: Day 2, T164.21-28.
- 314 Katsibouba: Day 2, T163.7-10.
- 315 Katsibouba: Day 2, T165.19-30.

- ³¹⁶ Katsibouba: Day 2, T161.45-162.8; ASX Announcement: Appointment of Interim Chief Financial Officer, 22 March 2024; ASX Announcement: Departure of Group CEO and Managing Director, Appointment of David Foster as Executive Chairman, 22 March 2024.
- ³¹⁷ Christina Katsibouba’s Written Submissions dated 17 May 2024 at para [4].
- ³¹⁸ ASX Announcement: Appointment of Interim Chief Financial Officer, 22 March 2024; ASX Announcement: Departure of Group CEO and Managing Director, Appointment of David Foster as Executive Chairman, 22 March 2024.

Chapter 11
Assessment of the Culture of The Star and Star
Entertainment

Chapter 11. Assessment of the Culture of The Star and Star Entertainment

Chapter 11.1 Introduction

1. The Terms of Reference require consideration of the culture of The Star Entities, including their risk management culture.¹

Findings of the 2022 Review

2. The 2022 Review identified and considered serious cultural failures of The Star Entities. The 2022 Report described the culture of The Star Entities as dysfunctional in relation to the matters investigated by the 2022 Review. The 2022 Report also described “a culture which condoned unethical conduct, prioritised business goals over compliance objectives, courted risk and discouraged bad news.”²
3. The 2022 Report also identified that the culture which the Board of Star Entertainment thought it had set bore little or no relationship to the real culture, with the Board having little or no understanding of what people did at Star Entertainment “when no-one [was] watching.”³
4. Specific failures of culture identified in the 2022 Report included a culture where business goals took priority over compliance goals, which led to a compromised approach to risk, and where bad news was suppressed.⁴ Too often, the question that was asked was “how can we do this?” rather than “should we be doing this?”⁵ It was also a culture where at least some junior staff felt unable to challenge more senior management.⁶ This was notwithstanding the “do the right thing” model adopted by The Star Entities.⁷
5. As noted in Chapter 6, following publication of the 2022 Report the then interim Chair of Star Entertainment stated that “[i]t is clear from the Report that we need to fundamentally transform our culture. We need more transparency, more robust governance, and greater accountability.”⁸
6. The 2022 Report noted that it was not possible for the Review to determine why failures identified by the Review occurred, but that the causes were multi-factorial.⁹ The 2022 Report also found that governance, culture and risk management may be seen as intersecting levers that affect the manner in which a corporation works to achieve its

objectives.¹⁰ Each lever influences and has consequences for the other levers.¹¹ An assessment of one involves a consideration of the three.¹² The interplay of each of these levers was similarly evident in the failures identified in this Inquiry.

7. One of the tasks of this Inquiry is to consider what steps The Star Entities have taken to address the deficiencies and failures that were identified in the 2022 Report, the adequacy of these actions and the current state of the culture at The Star Entities.

Defining organisational culture

8. This Inquiry had the benefit of evidence from Dr Attracta Lagan and Ms Elizabeth Arzadon, both of whom are experts in organisational culture.
9. Dr Lagan is a consultant in corporate ethics and was a founding director of The Ethics Centre (previously known as the St James Ethics Centre).¹³ Dr Lagan has a Bachelor of Arts with Honours in Sociology, a Masters in Applied Science and a PhD which looked at how people compromise their personal values within the workplace.¹⁴ Dr Lagan was engaged by the Manager in January 2023¹⁵ to work alongside The Star to implement best practices in culture at The Star Entities. In addition to working with The Star Entities, Dr Lagan worked with Crown Resorts for over three years as part of the independent monitorship team of Crown’s remediation program following the Bergin Inquiry.¹⁶
10. Ms Arzadon is a culture and governance expert consulting to Star Entertainment. Ms Arzadon was engaged by Star Entertainment in March 2024 to conduct a review of its cultural transformation program. Ms Arzadon holds a Masters of Psychology and a Bachelor of Science with Honours in Psychology.¹⁷
11. The 2022 Report described the culture of an organisation as “what people do when no-one is watching”.¹⁸
12. Dr Lagan described culture as typically the reasons why people do what they do in organisations.¹⁹ She observed that:²⁰

It focuses on the relationships between people and the relationships between the organisational structure and systems and how that impacts on how people behave. So there are typically two cultures in most organisations. There is the formal culture, which is the organisational policies and systems, and then there is the informal culture, which is how people are responding to those policies and systems...

13. Dr Lagan described culture as “the length and shadow of the people at the top”.²¹ Dr Lagan also noted that culture is set by the “tone at the top” as leaders have the loudest message in

any organisation.²² Dr Lagan observed that culture typically emerges in teams²³ and that there were effectively two cultures at The Star Entities, the culture of the corporate office and culture of the frontline properties.²⁴

14. Professor Cugin, who conducted an independent review of the “cultural transformation work” carried out by Star Entertainment as of February 2024, noted in her review that “the culture of [Star Entertainment] and any organisation, drives how it conducts business and executes its strategies”.²⁵

Chapter 11.2 Third Party Culture Reviews

15. Since the 2022 Report, The Star Entities have had the benefit of a “substantial body of cultural learning” referred to comprehensively in their written submissions.²⁶ These have included a Deloitte Root Cause Analysis dated 11 May 2023,²⁷ work undertaken by Dr Lagan,²⁸ The Ethics Centre Culture Review dated June 2023,²⁹ a draft report of Professor Cugin dated 4 February 2024,³⁰ and a report authored by Ms Arzadon dated 16 April 2024.³¹

Deloitte Root Cause Analysis

16. As referred to in Chapter 6, Deloitte conducted a root cause analysis between 8 December 2022 and 14 April 2023. Deloitte was asked by Star Entertainment to conduct a root cause analysis of seven incidents identified in the 2022 Report and the Queensland Review, and to produce a report that would be shared with the NICC, OLGR and AUSTRAC.³²
17. The Deloitte Root Cause Analysis found that cultural issues at The Star were pervasive, identifying seven root causes that were responsible for creating an environment in which the incidents had occurred. They were:³³
 - (a) a pervasive tone from the top that prioritised revenue growth and Star Entertainment’s competitive position against Crown over all other objectives;
 - (b) a dominant chair and lack of effective challenge from directors meaning that executive management could successfully withhold critical information from the Board;
 - (c) the Board and executive management not being effective in setting the right risk culture, embedding the three lines of accountability, or ensuring adequate accountability for, and oversight of, risk and compliance;

- (d) Star Entertainment’s inadequate approach to risk and compliance, lacking effective processes, influence, and resourcing;
 - (e) when confronted with regulatory, legal or contractual limitations that might impact revenue, a cultural norm emerged that focused on “how” something could be done as opposed to whether it “should” be done;
 - (f) the International Rebate Business and Sales functions were celebrated despite regularly bending rules and using questionable strategies in order to sustain and grow revenues; and
 - (g) ineffective processes to give effect to appropriate workplace behaviours and people management, particularly in relation to those people operating at a senior level.
18. Initially, the purpose of the Deloitte engagement was also to inform the refinement of Star Entertainment’s “[Remediation] Action Plan (so that it address[ed] the root causes identified by [Deloitte])”.³⁴ However, the final Deloitte Root Cause Analysis did not assess the Remediation Action Plan. It instead suggested “uplifts” aimed at addressing the root causes given that the Remediation Action Plan was not finalised during Deloitte’s engagement.³⁵
19. Deloitte noted that Star Entertainment would consider the observations from its work to underpin the development of the remediation plan. It recommended that Star Entertainment identify the changes required (including, but not limited to, culture), to address the root causes and specify actions in the remediation plan to achieve those changes.³⁶
20. The Deloitte Root Cause Analysis report further recommended that Star Entertainment define what “success” looks like when it has achieved the changes necessary to address the root causes.³⁷
21. The Star Entities submitted that the Deloitte Root Cause Analysis is significant to the overall program of transformation.³⁸ It is no doubt correct that the Root Cause Analysis is the starting point.

The Ethics Centre Culture Review and Identification of Shadow Values

22. As also set out in Chapter 6, in late 2022, Star Entertainment engaged The Ethics Centre to undertake work including an “Everest Culture Review”, being a full culture review of Star Entertainment and to provide a clear roadmap for change.³⁹ The Culture Review involved

measuring organisational alignment with Star Entertainment’s espoused values, principles and purpose.⁴⁰

23. In June 2023, The Ethics Centre Cultural Review was provided to Star Entertainment.⁴¹ This Review provided detailed insight to the business, including to identify shadow values present in the organisation.⁴²
24. The Ethics Centre undertook both qualitative and quantitative research between October 2022 and May 2023, comprising a staff survey, internal focus groups and interviews, meetings with senior executives, interviews with external stakeholders and an analysis of governance policies relating to The Star’s operating culture. This was supplemented by workshops conducted from May 2023.⁴³
25. The Ethics Centre reviewed The Star Entities’ alignment against several “essential and non-negotiable criteria” or core concepts. These criteria were the values, principles and purpose contained in The Star’s interim Ethics Framework, developed together by The Ethics Centre’s Dr Simon Longstaff, Mr Heap, then Star Entertainment’s Interim Chair, and members of the GLT.
26. The Ethics Centre Culture Review identified that employees had been exposed to a set of negative factors, in the form of “shadow” values and principles that subverted the efforts and integrity of employees. The report provided the following description of shadow values and principles, and their level of influence on an organisation’s culture:⁴⁴

Shadow values and principles are an expression of the unstated culture of an organisation. They are a feature of all organisations, but their level of influence is determined by the degree of misalignment that exists between an organisation’s lived culture and its espoused Ethics Framework.

‘Shadow’ values and principles are manifested in behaviours that do not align with an organisation’s Ethics Framework. While neither formally sanctioned nor agreed, they play a significant role in directing people’s decision-making, in determining how people treat each other and in shaping how work gets done. As such, they are implicit and operate alongside those values and principles that have been formally espoused.

27. Dr Lagan provided a more concise description, describing shadow values as “the informal culture” and “the mindset in which people make decisions”.⁴⁵
28. The Ethics Centre Culture Review identified five interrelated “shadow” values and principles, as likely shaping Star Entertainment’s culture.⁴⁶

- (a) “profit matters most”;
 - (b) “just get it done”;
 - (c) “play politics to stay alive and thrive”;
 - (d) “stay in your swim lane”; and
 - (e) “do more with less”.
29. In the context of remediation planning, The Ethics Centre Culture Review identified that the culture was one of “do more with less”, with employees referring to an “intense amount of pressure to deliver short term outcomes, with little consideration, support or consultation”.⁴⁷
30. The Ethics Centre Culture Review also identified that Star Entertainment may have allowed the shadow values and principles to proliferate across the organisation and to take a stronger grip over Star Entertainment’s culture in the absence of a formal organisational strategy. The report gave the example of some staff feeling that Star Entertainment typically defaulted to the shadow principle of “profit matters most” by beating Crown.⁴⁸
31. The Ethics Centre Culture Review found a positive shift from the past, being widespread recognition that, since the 2022 Report and the Queensland Review, Star Entertainment had undertaken a concerted effort of embedding the value of “responsibility” in its interactions with external stakeholders, customers and staff, and that for some, this was evidence of a significant re-prioritisation away from the “focus on profit”.⁴⁹
32. The recommendations of The Ethics Centre Culture Review spanned policies and procedures and leadership development at all levels. Specific recommendations included to focus on refining the purpose, values and principles and on developing an organisational strategy aligned to them.⁵⁰ Dr Lagan stated that The Ethics Centre Culture Review had developed “pretty good recommendations of how the organisation could start to promote a new culture”.⁵¹

Work undertaken by Dr Lagan

33. Dr Lagan was engaged by the Manager in January 2023⁵² to work alongside The Star Entities to implement best practices in respect of culture.⁵³

34. One of the initial steps undertaken by Dr Lagan was to look at the culture surveys, plans and reports that had already been undertaken by Star Entertainment, from which she prepared a gap analysis between what those reports were saying and what she was finding in the organisation.⁵⁴
35. Dr Lagan observed that when she first started working with The Star Entities, they had obtained a number of “diagnostic reports” relevant to culture but they had not actioned these and that there was “no internal story”.⁵⁵ Dr Lagan gave evidence that:⁵⁶
- ... one could identify immediately what needed to be done in the cultural space in telling that new story and bringing people along and challenging the mindsets and removing the barriers, but no-one had actually moved on that.
36. Dr Lagan presented her findings to the Board of Star Entertainment in February 2023, advising that they were only “pushing one lever and [that] it wasn’t going to work unless they started to address the second area, which was the cultural reform”.⁵⁷ This reflected her view that the required culture change could not be implemented through policy changes alone. The behaviour of the leaders and the staff also had to change.
37. Dr Lagan conducted a number of activities with The Star Entities including face-to-face discussions with the Board and the GLT and focus groups with middle managers.⁵⁸ Dr Lagan also presented to the GLT about how to effect cultural change.⁵⁹
38. Within the first six months, Dr Lagan conducted three electronic pulse checks with staff.⁶⁰
39. Dr Lagan worked directly with Mr Cooke, the then Managing Director and CEO of Star Entertainment, for a period of time. She raised with the Board and Mr Cooke from about February 2023 that Star Entertainment needed to recruit an organisational development specialist who had experience in major organisational transformations, and that a cultural change program would not succeed without a person in that role.⁶¹ Dr Lagan sourced job descriptions and put forward some candidates with relevant experience. She told the Inquiry that she “was assured it was going to happen, but it never happened”.⁶² A person to fill this specialist role was not recruited until Ms Arzadon’s engagement during the course of the Inquiry.⁶³
40. Dr Lagan also provided assistance with the development of the Remediation Plan.⁶⁴ This included guidance on best practice and what was required for the design, implementation and embedding of the Remediation Plan.⁶⁵ Dr Lagan gave advice to the organization that during this process The Star Entities needed to be assessing how the plan and the changes

were “landing” and how the people involved were experiencing these changes so that this could be fed back into the Remediation Plan.⁶⁶

Assessment undertaken by Professor Julie Cogin

41. On 12 January 2024, Star Entertainment engaged Professor Cogin to:⁶⁷
 - (a) “provide a high-level critical review of the cultural transformation work carried out to date”;
 - (b) “consolidate and simplify the recommendations made to [Star Entertainment] into areas of focus”;
 - (c) “suggest 2 – 3 measures to assess the progress of cultural change that may be used at Board level, drawing on existing tools as much as possible”; and
 - (d) “provide independent commentary on the implementation issues associated with the remediation plan”.
42. Professor Cogin’s qualifications include a PhD in organisational psychology and several Masters degrees in Law, Human Resource Management and Education.⁶⁸
43. Professor Cogin was provided with a number of internal documents to consider including, among others, the Deloitte Root Cause Analysis, The Ethics Centre Culture Review, and certain milestones from the Remediation Plan.⁶⁹
44. On 4 February 2024, Professor Cogin provided her report to Ms Paula Hammond, Chief People and Performance Officer, Star Entertainment.⁷⁰
45. In her report, Professor Cogin noted that she did not recommend any further work be conducted to assess the current state and advised that more focused efforts should be placed on “[cutting] to the chase” including prioritisation and multi-year timeframes with stated resources allocation and simple measures of progress.⁷¹
46. Professor Cogin noted that Star Entertainment’s “cultural transformation is a massive project in scope and scale” and that her recommendation was to “better balance urgent actions required for endorsement by the regulator and being pragmatic.”⁷² Professor Cogin stated that Star Entertainment needed greater prioritisation and questioning of the assumption that “everything is urgent and needs to be implemented now”.⁷³

Work undertaken by Ms Arzadon

47. Ms Arzadon was engaged by Star Entertainment as a consultant in March 2024 to conduct a review of its cultural transformation program.
48. On 16 April 2024, Ms Arzadon provided a report to the Board of Star Entertainment with observations from the first phase of her review.⁷⁴ The first phase of Ms Arzadon’s review comprised an initial audit of the culture transformation program, conducted over four weeks between March and April 2024. Ms Arzadon considered information from interviews, documentary evidence and behavioural observation. She noted that her report was prepared during a period of “significant disruption”, including Mr Cooke’s departure as CEO, the transition of Mr Foster to the role of Executive Chair, and two new property CEOs settling into their roles.⁷⁵
49. As of April 2024, Ms Arzadon was also sitting on the GLT⁷⁶ and was, in effect, acting as the organisational development specialist that had been recommended by Dr Lagan more than a year earlier in 2023.⁷⁷ Ms Arzadon was reporting directly to the Board in relation to matters of cultural transformation and organisational development.⁷⁸

Chapter 11.3 Measuring and Changing Culture

50. Dr Lagan gave evidence that there are a number of ways to measure or assess culture, with her approach being to look at how people make sense of an organisation. Dr Lagan looks at the employees’ lived experience on a day to day basis. This includes consideration of whether an organisation’s systems enable employees to perform at the best of their abilities or create barriers to them doing so. Dr Lagan said that the gap between an organisation’s stated values and what the staff experience is “usually all the dysfunctional behaviour”.⁷⁹

The process of culture change

51. As described in Chapter 6, Dr Lagan drew a distinction between remediation and cultural transformation. The former is “the bare minimum that the regulator expects a regulated entity to adhere to”.⁸⁰ However, the latter:⁸¹

...re-imagines how people think, feel and act in an organisation. It’s about creating a vision of what’s possible in a different context where you are responding to what’s expected by society and regulators.

52. This distinction was also articulated by the Manager, who said in his evidence to the Inquiry.⁸²

If a large number of culture milestones and initiatives are ticked off, but the culture of the organisation, its decision-making, the way people think and make decisions and act does not change to meet the target state, then they won't have achieved what they set out to achieve. So I think it's more than just a process of doing milestones, ticking them off. There is a broader object in mind.

53. Dr Lagan stated that in an organisational transformation, two levers are required: reforms in organisational systems and policies; and how people at the individual level have to change in terms of their mindsets and behaviours. That is, “how they actually make sense of what’s happening in the organisation and how they have to change themselves.”⁸³
54. Dr Lagan described that second lever as “a change story, reassuring them about what needed to change and what was good about the culture, what they could keep. So bringing people along with you.”⁸⁴ She said that responsibility for setting the internal narrative sits with the CEO and with the Board.⁸⁵ Dr Lagan said that to the extent that an internal narrative has not been set, she would regard that as a failure of the CEO and the Board.⁸⁶
55. Dr Lagan elaborated that the actions or behaviours taken by leaders get replicated, so it is “very important that they role model the stated values of the organisation and that they align their reward and recognition systems to support those stated values”.⁸⁷ Ms Arzadon gave similar evidence. She said that the “tone from the top would include both the words that leaders speak as well as their actions” and “those things together set an expectation about what is valued and prioritised by leaders for staff at [a] lower level”.⁸⁸
56. Dr Lagan also said that setting or resetting an organisation’s culture involves engaging the middle managers because they are the main levers of culture.⁸⁹
57. As noted above, Dr Lagan observed that when she arrived at Star Entertainment in January 2023, “they hadn’t really brought the people along. There was no internal story.”⁹⁰
58. Dr Lagan gave evidence of the three stages required for a culture remediation plan, being design, implementation and embedding. Dr Lagan also noted that at each of those three stages a “feedback loop” is needed to assess how it is “landing”, and whether people are experiencing the changes expected.⁹¹ If not, the plan needs to be recalibrated. Dr Lagan stated that Star Entertainment had no feedback loop. Star Entertainment was not listening to and acting on what people were saying.⁹²
59. Both Ms Arzadon and Dr Lagan told the Inquiry that to embed culture change that is self-sustaining takes between three to five years.⁹³ Professor Cogin also noted in her report that

the cultural transformation plans that she had been involved with in the financial sector extended to five years.⁹⁴

60. However, Dr Lagan said that whilst it takes three to five years to embed change, the first six months are critical. Dr Lagan stated:⁹⁵

That's when you have your burning platform. That's when you bring in – that's when you have your internal story, "We are not fit for purpose. We have got to rebuild our own organisation. Here is what is good about the organisation. We are going to keep this. Here is what's not working. We are going to change this. And we are going to have a new Star arising, like a new phoenix from the ashes."

61. Professor Cogin noted in her report that "organisations that excel at cultural transformation are clear about their strategy, target their investments specifically and track progress."⁹⁶

Chapter 11.4 The Remediation Plan

62. Remediating an organisation requires a necessary change in culture to support and retain that change. So much was accepted by Star Entertainment, with the Board endorsing a Remediation Plan that prioritised "transforming our culture".⁹⁷

63. One of the workstreams in the Remediation Plan is "Culture Review". This workstream is addressed in detail in Chapter 6. As noted in that chapter, the Culture workstream comprises six initiatives involving multiple milestones for all but one initiative.⁹⁸

64. The introduction to the Remediation Plan, which was provided to the NICC and the OLGR on 5 October 2023, states that the goal of the remediation program is to:⁹⁹

Earn back the trust of our regulators, governments, shareholders, team members, guests and community. We will do this by transforming our culture, our governance, our risk and compliance management, our accountabilities and capabilities, and our approach to harm minimisation.

65. That introduction reflected the statement issued by the then interim Chair of Star Entertainment, Mr Heap, referred to in Chapter 6.

66. Consistently with the stated goal of the program, the target state of the culture workstream included a target to "have strong relationships with and welcome constructive challenges from both internal and external stakeholders".¹⁰⁰

67. The Remediation Plan states that, since 31 August 2022, Star Entertainment has been committed to addressing the cultural concerns identified in the 2022 Review, the Queensland Report, the Deloitte Root Cause Analysis and The Ethics Centre Culture

Review.¹⁰¹ However, as noted in Chapter 6, the “Problem Statement” identified in the Culture workstream fails to recognise the shadow values identified in The Ethics Centre Culture Review, focusing only on the cultural issue identified in the 2022 Report of the wrong “tone from the top”, identified in the 2022 Report.

Evidence in relation to the Culture Program

68. An analysis of the Remediation Plan, including evidence given in relation to the Culture workstream, is set out in Chapter 6 of this Report. As noted there, both Dr Lagan and Ms Arzadon gave evidence in relation to the culture change. Both expressed concerns about the timeframe proposed for implementation.
69. Ms Arzadon expressed the view that Star Entertainment’s culture change program included everything that she would “expect to see over a reasonable 5 year transformation period” but “condensed into a 2-year remediation timeframe.”¹⁰² Ms Arzadon stated that the compressed timeframe:¹⁰³
- does not support genuine, sustained change, and creates a range of risks including unrealistic expectations, false assurance, and a focus on actions versus outcomes...despite significant time and effort invested in the development and delivery of a range of culture-related deliverables over the past year, GLT members described limited genuine progress.
70. Another concerning aspect related to the timing of milestones in the plan was the staging of remediation activities, which contemplated that a number of steps important for cultural transformation were not to occur until well after other remediation steps.
71. An example of this was individual coaching of GLT members to be undertaken and investing in a ‘speak up’ culture.¹⁰⁴ The Remediation Plan listed this item with a baseline due date of 30 November 2024¹⁰⁵ and the Star Entertainment Learning & Development Update of January 2024 listed this training as an item to be implemented “throughout 2024”.¹⁰⁶ This was despite a recommendation from Dr Lagan to Mr Cooke in April 2023 that the leadership team have “some individual coaching to enhance their existing skill sets especially in leading cultural change.”¹⁰⁷ At least one former member of the GLT, Ms Katsibouba, provided evidence that she had not received any such leadership training.¹⁰⁸

Chapter 11.5 Changes in corporate values and the emergence of a new shadow value

Star's "North Star"

72. Following Deloitte's Root Cause Analysis and The Ethics Centre Culture Review, Deloitte were engaged to design The Star's new values and aspirational culture.¹⁰⁹
73. An outcome of this work was that on 31 October 2023 Star Entertainment introduced a new purpose, values, and principles (or "PVP"), together with the "north star" concept.
74. The north star concept is described as follows:¹¹⁰
- ... deliver sustainable outcomes for our guests, our team members, the communities in which we exist and our shareholders, by providing entertainment, gaming, and leisure experiences in a safe, responsible and ethical way. We will do this by embedding our values to lead the organisation with a focus on safer gambling and good business practices.
75. Dr Lagan's opinion is that the north star concept was not a vision that people could move towards when it was introduced because it was too far from the status quo. She said:¹¹¹
- People were experiencing an organisation that was under pressure, under-resourced. They didn't have the skills. They were fighting for survival. And the purpose statement was just too far away for them. There was a gap between what they were experiencing and what they were supposed to be experiencing...
76. Consistently with this view, Mr Weeks gave the following evidence:¹¹²
- The Star, on 31 October, introduced ... a new purpose values and principles together with what they describe as a north star concept. Our focus groups that we conducted suggest that there's a very low level of awareness and understanding of those important new concepts that Star has introduced. So that was something that needs to be addressed.
77. There was little tangible evidence presented to this Inquiry that pointed to the implementation of the north star value, beyond references to it in the Remediation Plan and other organisational documents, and statements of directors to that effect.
78. Despite this, The Star Entities submitted that, while challenging, implementing and embedding the new PVP and north star concept is a goal that can be achieved in a reasonable timeframe.¹¹³
79. In a letter from Ms Arzadon to the then Chair, Mr Foster, dated 16 April 2024, Ms Arzadon noted Star Entertainment's target culture had been well-defined, including articulation of the north star value.¹¹⁴ However, the articulation of values falls short of the kind of deep

consideration and detailed plans for implementation that would be expected to have occurred in the period of almost two years since the 2022 Review.

A new shadow value – antagonism towards the regulator

80. Chapter 10 chronicles the breakdown in the relationship between The Star Entities on the one hand and the NICC and Manager on the other, which can be seen from a series of events commencing in the second half of 2023. The most significant of those events were the content and tone of Star Entertainment’s response to the Manager’s Reports, the private communications in 2024 between Mr Foster and Mr Cooke suggesting litigation possibilities and Mr Cooke’s Exit Statement and the circumstances relating to it. At some point during the second half of 2023, the “tone from the top” became a combative and antagonistic attitude towards both the NICC and the Manager.

81. Other evidence also began to emerge in the second half of 2023 that this attitude of “us versus them” had spread more widely throughout the organisation. Mr Weeks gave evidence that feedback in focus groups of Star Entertainment employees was to the effect that regulatory changes were being forced on them by regulators and government, rather than these being changes necessary to prevent criminal infiltration, or being consistent with the privilege of holding a casino licence.¹¹⁵

82. That evidence is consistent with a quote included in The Ethics Centre Culture Review with respect to the shadow value of “do more with less”. The observation was that “the regulator will be watching, we need to meet our deadlines, just keep working”.¹¹⁶

83. Dr Lagan provided a cogent analysis of how this attitude developed throughout the organisation. Dr Lagan explained that in the critical first six months for cultural remediation, without a compelling narrative a new internal story emerged:¹¹⁷

which was the regulator doesn’t like us and they don’t like gambling. The Special Manager is too demanding. So we became the other, so it was us and them.

84. Dr Lagan said:¹¹⁸

Because that story is not there, that the regulator wants you to get your licence back. We want to make sure people have a job. We are – you know, the Special Manager’s team is there to help you get to that remediation point. That story was never told to the people.

85. In terms of the new, “us against them” value that Dr Lagan had said emerged from around July 2023, Ms Arzadon agreed with Dr Lagan¹¹⁹ and said that she had also seen evidence of that mindset.¹²⁰ Ms Arzadon said:¹²¹

So there is certainly at the senior levels, because I’ve mostly interacted with people at the senior levels of the company, a combative relationship with the regulator. I wouldn’t say that that is amongst everybody. There are some members of the team who don’t have that kind of relationship, but they do believe that the overall – they don’t have that relationship individually, but they do agree that in general that is the nature of the relationship, and that tone was probably set by the senior people like Mr Cooke.

86. Ms Arzadon also referred in her report and in her evidence to an “unconstructive relationship” with the regulator and with the Manager.¹²²

87. The new cultural shadow value of antagonism to the regulator or “us versus them” is not limited to the corporate office of Star Entertainment but has permeated throughout the organisation to the casino properties. Dr Lagan’s view was that it was “quite extensive, because there is no other story”.¹²³

88. The most extreme manifestation of this new shadow value was seen in the text messages that passed between Mr Cooke and Mr Foster, who were the two most senior leaders of Star Entertainment with the greatest opportunity to set the tone from the top. However, responsibility for the emergence of the new shadow value did not sit solely with Mr Foster and Mr Cooke. It is a cultural phenomenon for which the full Board of Star Entertainment must accept responsibility.

89. The text messages between Mr Foster and Mr Cooke were not shared with the organisation as a whole. In contrast, the CEO Exit Statement, at least two versions of which were reviewed by the Board,¹²⁴ was shared with all employees.

90. Ms Arzadon gave the following evidence in connection with the Exit Statement:¹²⁵

My observation is that there is a widespread belief amongst staff within The Star that the changes have been enforced on them by an outside party, and from a cultural change perspective this is not the most effective way to drive change. It doesn’t demonstrate ownership of why that change is important for the fundamental transformation of the company, and so this type of message would reinforce that view.

91. Dr Lagan was asked whether she would agree that the Exit Statement risked pushing out a false narrative about Mr Cooke’s departure. She said:¹²⁶

Yes, and what was really disappointing was the new values, one of the new values that the staff were being asked to step up to is to lead with integrity, and putting out a statement like this would call that into question.

92. Dr Lagan also said that the Exit Statement would “reinforce” the new value that had emerged of the NICC being against Star Entertainment and an “us and them” mentality.¹²⁷
93. All Board members similarly share responsibility for the responses to the Manager’s Reports sent by Star Entertainment to the NICC in January 2024. As noted in Chapter 10, each of the directors received various drafts of the response. Ms Ward provided detailed feedback, which was received and acknowledged by each of Ms Page, Mr Hodgson, Mr Issenberg, and Ms Thornton.¹²⁸
94. It follows that the departures of Mr Foster and Mr Cooke will not eliminate the shadow value of “us versus them”. It will require implementing and embedding a new mindset and behaviours throughout the organisation, including the Board of Star Entertainment and all employees. When questioned in relation to whether the Exit Statement set Star Entertainment back in terms of its cultural transformation journey, Dr Lagan said:¹²⁹

That really depends on what sort of CEO gets recruited and what sort of action is taken, now that we have lessons learnt from the Bell 2 Inquiry, how quickly actions are taken to remediate the internal story. And I say that because the employees are very loyal to the organisation, they want the organisation to survive, so if you get a leader who can inspire them and engage them and take them on the changed journey they will sign up immediately.

Progress in relation to other shadow values

95. While the emergence of a new shadow value of antagonism towards the regulator is both problematic and a symptom of a lack of adequate cultural reform, that is not to say that there has been no positive change at The Star Entities.
96. The Manager gave evidence that he had not observed the value of “play politics to stay alive and thrive”.¹³⁰ Similarly, Dr Lagan said that she thought this had changed, with new people coming into the organisation with appropriate skills, putting in the right systems and asking for the right accountabilities of people.¹³¹
97. In respect of “stay in your swim lane”, Mr Weeks said it was not something that he observed which concerned him materially¹³², whereas Dr Lagan said that the November 2023 GLT workshop showed that this was what the GLT was still experiencing.¹³³

98. A higher level of concern was expressed with respect to the shadow value of “profit matters most”. The Manager expressed concern that it still exists, even if to a lesser extent.¹³⁴ Dr Lagan said “[i]t probably still exists because it hasn’t been challenged.”¹³⁵
99. In respect of “do more with less” it is unsurprising that this might remain as a value given the significant financial headwinds that have been faced by Star Entertainment. So much was noted by Dr Lagan, who said:¹³⁶
- Well, of course, that’s still there, because, unfortunately, the organisation has dropped 500 people and the remaining people have had to pick up their work. And so they are asked to do their job and then there are other people’s jobs. So they are doing more with less. Under-resourcing is a big issue, yes.
100. Mr Weeks said that this value caused him concern as well, noting that the industry is changing and “the financial model is under considerable pressure.” He stated:¹³⁷
- At the same time as [The] Star has been trying to take costs out of the business, it’s had to put a lot of costs into the business to fix things and to invest in areas that have been under-invested for a long time. So this is – I do see some decision-making business that looks a little bit like the company trying to do as much as it can be less, which is, I think, a reflection in large part of the volume of work plus the financial position that the company finds itself.
101. Mr Hughes said that he still observed elements of a “just get it done” culture, in the face of voluminous and urgent remediation milestones.¹³⁸
102. Mr Saunders said that on arrival at Star Entertainment in February 2023, “it seemed to me that everybody wanted to do the right thing but they generally didn’t know what the right thing was.”¹³⁹ One year on, his observation was that “[e]very now and then I have interactions that make me think we are making inroads.”¹⁴⁰ Nevertheless, Mr Saunders described the working environment as very challenging and said “I have never worked for an organisation that’s under the pressure that The Star is under at the moment”.¹⁴¹

Chapter 11.6 Leadership

103. The primary corporate organs of The Star Entities responsible for the leadership culture of The Star Entities are the Board and the GLT.
104. The Manager’s assessment was that the GLT was dysfunctional during the Relevant Period. Mr Weeks’ evidence was supported by the evidence of a number of former executives, including Ms Ivanoff, Ms Silfani, and Ms Katsibouba. This evidence is discussed in Chapter 9.

105. As detailed in Chapter 9, former senior executives provided evidence that spoke to the closed leadership style of Mr Cooke. At times, Mr Cooke also excluded colleagues from decision making that was central to their roles.
106. In written submissions, Mr Cooke rejected “completely” that he discouraged discussion on material matters with his executive colleagues. Mr Cooke’s position that he was fostering an open environment among the senior leadership does not sit well with the unchallenged evidence of Ms Katsibouba and the observations of Dr Lagan who said that the GLT “were not acting as a collective”.¹⁴²
107. The limitation of information flows in the organisation was observed by Dr Lagan. She described her personal experience of The Star Entities’ “closed culture”, where information would not be shared voluntarily with either herself or the Manager’s team and that she was always having to follow up and ask for things relating to her role there.¹⁴³
108. Dr Lagan compared this to the culture at Crown Resorts, where she stated that “we walked alongside them in every detail, so we knew what was happening”, and that she would do regular “pulse checks” and if policies were not “landing”, Crown Resorts would recalibrate.¹⁴⁴
109. Dr Lagan said that in her opinion The Star’s employees were always trying to do the right thing, they just did not have the right leadership in place.¹⁴⁵
110. As noted in Chapter 6, the leadership milestones for the Leadership initiative in the Culture Workstream are:
 - (a) individual coaching provided to GLT members to support personal transformation and capability to lead the culture transformation, to develop personal action plans and then activate those plans; and
 - (b) cascade tone from the top down from GLT to General Managers, to enable and support General Managers to lead culture change within their business areas.
111. These initiatives could be summarised as enabling and expecting managers to lead the organisation. This can be contrasted with the closed leadership culture that instead developed during the Relevant Period.

Chapter 11.7 Risk Management Culture

112. The risk culture of an organisation is a significant component of its organisational culture. Dr Lagan described risk culture as a subset of an organisation’s overall or “major” culture.¹⁴⁶
113. The dominant theme of The Star Entities’ risk culture identified in the 2022 Report was one where management chose to court risks rather than avoid or contain them.¹⁴⁷ The 2022 Report also found that there was a risk culture that placed profit over compliance.¹⁴⁸
114. Evidence received by this Inquiry demonstrates that there has been some uplift to The Star Entities’ risk management culture, with the introduction of people, processes and systems that are encouraging. However, further improvement is required. As discussed in Chapter 8, the manner in which The Star Entities proceeded in relation to the Remediation ECDD cohort reveals an approach to regulatory risk and regulatory engagement which is not yet fully mature.
115. Resourcing of the risk function has been bolstered, including with the employment of Mr Saunders as Chief Risk Officer, who reports directly to the Group CEO, and who is supported by Ms Vuong, Head of Risk at The Star, Sydney.¹⁴⁹
116. Mr Saunders’ evidence was that the risk team has increased substantially in size during the Relevant Period, increasing during the calendar year 2023 from approximately 25 workers to 125 workers.¹⁵⁰
117. While the employment of Mr Saunders and Ms Vuong is a positive step, it remains the position that responsibility for risk at The Star Casino still sits with Star Entertainment. Ms Vuong reports to Mr Saunders who reports through the Group CEO to the Board of Star Entertainment. There is no direct reporting line from Ms Vuong to the CEO of The Star. Nor does she sit on or attend meetings of the GLT or the Risk and Compliance Committee.
118. The Star Entities point to the evidence of Dr Lagan that Mr Saunders does a good job, sets a good example and has brought in a “really good team”.¹⁵¹ Dr Lagan told the Inquiry that she can see changes happening in areas where new people have been brought in, that it is becoming a much more professional organisation.¹⁵²
119. Evidence to the Inquiry also shows some improved propensity for people to ask, “should we?” rather than “can we?”.¹⁵³ The Star Entities also point to evidence of shifts in the risk

culture, including promoting a “speak up culture” through training and the “Raise It” campaign.¹⁵⁴

120. While these uplifts are to be commended, The Star Entities themselves note that improved governance processes are difficult to progress even with a dedicated risk officer, in the absence of a CEO leading the cultural change and driving a better risk culture.¹⁵⁵

121. As noted in Chapter 7, in respect of the TICO fraud incident at The Star Casino, Mr Weeks said that, in his view, that incident was illustrative of “the problems with the absence of new leadership at the casino” and that if “there was a new leader with the right risk culture, they would set expectations and standards among the business that would reduce the prospect of this type of very significant failure across a large number of people and teams from occurring”.¹⁵⁶

122. While the evidence of Ms Arzadon and Dr Lagan is that they observed improvements in the “speak up” culture and in compliance, there was still a gap between the risk culture of The Star Entities and the point to which that risk culture needs to be uplifted.

123. Ms Arzadon stated in her report that:¹⁵⁷

...despite enhanced protocols in relation to the board’s oversight of cultural reform approved in November 2023, I observed significant opportunities for more systematic, and in depth reporting to the board, and additional demonstration of the board’s capacity for challenging and holding management accountability for progress.

124. Dr Lagan similarly described a culture of low accountability.¹⁵⁸

Chapter 11.8 Staff Morale

125. The 2022 Report observed that Star Entertainment is an organisation of over 8,000 employees, and the then directors had identified that most of those 8,000 people were diligent, honest, and “doing the right thing”.¹⁵⁹

126. Similar observations have been made to this Inquiry. As noted in Chapter 11.1, Dr Lagan observed a different culture between the corporate office and the frontline teams.

127. Dr Lagan referred to The Star being a complex organisation, comprised of staff with long tenures who are loyal to the organisation and who were doing their best.¹⁶⁰ She said:¹⁶¹

... they want the organisation to survive, so if you get a leader who can inspire them and engage them and take them on the changed journey they will sign up immediately.

128. Even in the context of the TICO fraud incident, Dr Lagan attributed workarounds to a lack of training or a lack of accountability, not complacency.¹⁶² She pointed to a lack of systems to support people.¹⁶³

129. Dr Lagan said that for many employees, The Star is their family:¹⁶⁴

At the properties, there is – they talk about The Star family. And it is a family culture because these people have been working together for 20 years. Often they are married to each other, and they operate on strong loyalties to each other and the organisation.

So they get a lot of their self – a lot of their satisfaction from the jobs they do because of the communities in which they are situated in those properties.

130. Similarly, the Manager spoke of findings from focus groups conducted by him and his team with about 150 people working in different roles in The Star Casino. He said that the majority of those people have “a real love and passion for the business”:¹⁶⁵

And people who we spoke to in the roles that participated in this focus group, many of whom have been in the business for a long time, and they love it. They’ve got friends here. They like the customers they speak to. They – so that’s a good starting point. But they are also very concerned about their jobs. The morale is, on our assessment based on these focus groups, poor. And there’s a significant program of work that the casino needs to do to try and build on that passion for the business and lift morale as it emerges from this inquiry and other matters.

131. This high degree of staff loyalty is juxtaposed with poor staff morale. The 2022 Report uncovered serious misconduct that, in the words of one person who gave evidence to this Inquiry, left staff with a sense of “trauma”.¹⁶⁶

132. The matters outlined in this Chapter demonstrate a disconnect between head office and the frontline teams, including between the new values and principles and the “north star” concept set by the Board and former CEO, with low awareness and understanding of those concepts. Worse, a shadow value was permitted to set in of “us against them”, with a narrative of antagonism towards the regulator.

133. Throughout the same period, over 350 staff from The Star Casino were made redundant.¹⁶⁷

134. During the Relevant Period, The Star has been in breach of various requirements under its ICMs to comply with minimum responsible gaming staffing requirements and has made

numerous breach reports to L&GNSW confirming this.¹⁶⁸ There are now fewer people working in the casino at a time when more is being expected of them.¹⁶⁹

135. The Ethics Centre Culture Review Board briefing paper, tabled at Star Entertainment’s Board meeting on 9 May 2023, described the cultural experience at that time as “‘drinking from the fire hydrant’ resulting in feelings of overwhelm, anxiety, stress, and a fear of making mistakes due to increased scrutiny. Rounds of redundancies have left capability gaps, excessive workloads, leading to burnout, workarounds, increasing risk.”¹⁷⁰

136. More recently, Ms Arzadon observed in her report that:¹⁷¹

... feedback in my discussions echoed earlier sentiment from the Ethics Centre 2023 Report, and from focus groups conducted by the SMT earlier this year: staff do not feel inspired by the case for change, and are yearning for more meaningful and motivating engagement on the changes impacting them. As one interviewee commented to me “It’s not even that the PVP doesn’t really resonate. My team tell me they are *uninspired* by it.”

137. It is relevant that the culture at the Sydney property among staff was one that permitted Guest Support Officers to falsify records to state that they had conducted various time play interventions when they had not (discussed in Chapter 8). As a result, patrons were allowed to exceed the regulated time play periods on a large number of occasions. Mr Wagemans conceded that this was not an isolated incident.¹⁷² Ms Ward accepted that this was a “systemic issue”.¹⁷³

138. The behaviour of falsifying records was inexcusable, even if contributed to by inadequate staffing levels or inadequate training.¹⁷⁴ However, it is inevitable that insufficient levels of support from the business will lead to low morale within teams and, potentially, poor behaviours. It is concerning that staff reported concerns about the conduct of this team in the November Peakon survey.¹⁷⁵ The fact that those concerns were not acted upon or “heard” in the senior levels of the business again does not reflect well on the tone set from the top and suggests that there has not been an adequate implementation of the “Speak Up” initiative. In order for the “Speak Up” initiative to be truly effective, not only do staff need to feel empowered to “Speak Up” but they have to see that speaking up will lead to positive action by the leadership of the company to address the issue.

Chapter 11.9 Assessment of Overall Progress Towards Cultural Transformation

139. It is a privilege to be the holder of a casino licence.¹⁷⁶ There is the significant potential for commercial profit on the one hand, and the risk of criminal infiltration and community

harm on the other. The 2022 Review found that The Star Entities took this privilege for granted.

140. It has been incumbent on the leadership of The Star Entities to make every effort to chart a course towards suitability during the Relevant Period. This included working with the Manager, Mr Weeks, appointed by the NICC to give The Star an opportunity to demonstrate that it was suitable or was capable of reaching suitability within a reasonable time.¹⁷⁷
141. A critical aspect of the course towards suitability is the need for The Star Entities to transform the cultural dysfunction and malaise across the corporate office and the Sydney property, which the 2022 Review found had significant adverse consequences for Star Entertainment's capacity to withstand the risks of criminal infiltration and money laundering.

A relevant reference point to assess culture change

142. The December 2023 final report of the Victorian Office of the Special Manager (OSM) in relation to Crown Melbourne provides useful guidance on the assessment of culture change and broader organisational transformation in the context of a return to suitability to hold a casino licence. The OSM was engaged under provisions of the Victorian Casino Control Act to monitor the operations of Crown Melbourne, introduced following recommendations of the RCCOL Report in 2021.
143. With respect to an assessment of Crown's culture, RCCOL recommended that the OSM determine whether external consultants, Deloitte, had completed "Phase 4 of its Project Darwin", and evaluate the implementation and effectiveness of Crown Melbourne's cultural reform program.¹⁷⁸ The Phase 4 work involved defining the aspirational state and developing the roadmap for change, and establishing the frameworks to support change. It was described by Ms Arzadon in her evidence to the RCCOL as "the kind of work that is really the beginning of a culture change program".¹⁷⁹
144. Acknowledging that transformation would take longer than the two years Crown Melbourne had been given to demonstrate a return to suitability, the OSM assessed that the critical foundations were in place for Crown to have a realistic prospect of achieving fundamental culture change across the organisation and, ultimately, to "thoroughly remake itself" as the RCCOL Report recommended.¹⁸⁰ The findings of the OSM were critical to

the VGCCC’s decision on 26 March 2024 that Crown Melbourne was suitable to operate the Melbourne Casino and that it was in the public interest that Crown Melbourne’s licence remain in force.

145. Material concerning the conduct, culture and remediation of other casino licence holders, such as Crown Melbourne, provides a useful, though not determinative reference point.

An early stage of culture reform

146. Despite the passage of almost two years since the 2022 Report, the evidence before the Inquiry indicated that The Star Entities are at the very early stages of cultural transformation.

147. Ms Arzadon observed in her report that her discussions with stakeholders highlighted broad agreement that Star Entertainment’s culture transformation is at a very early stage, and that “one year in, decisions that should have been made, just weren’t”.¹⁸¹

148. Ms Arzadon gave evidence that The Star Entities were close to the start of the three to five year timeframe for transformation, or “six months in”.¹⁸²

149. When asked to provide her assessment of The Star’s progress towards cultural remediation and transformation, Dr Lagan stated:¹⁸³

I think it’s uplifted its policies like the Code of Conduct. It’s tried to align its performance management system to the new values and behaviours with the help of Deloitte. So in terms of policies and systems, there has been change and improvement, but in terms of taking the people with them, it’s – it hasn’t started.

150. Dr Lagan added that for The Star Entities, the critical period of remediation was between January and June 2023, but cultural reform did not start until about July 2023 when Deloitte were engaged to design the new values and aspirational culture.¹⁸⁴ Dr Lagan’s opinion is that in the second half of 2023 there was still no evidence to suggest that there was an embedded mindset that The Star Entities needed to reform.¹⁸⁵

151. Dr Lagan identified a gap that emerged after the Culture Review, being that change was “being led by a communications campaign rather than actually changing behaviour”. Policy uplifts were put onto library hubs. However, staff had provided feedback that they did not have time to access them as they were already “so busy doing several jobs”.¹⁸⁶ That is, the “second lever” of cultural change was not being pulled. As Dr Lagan noted:¹⁸⁷

You can't just ... push policies down and expect that people are going to change because you have changed the policy. You have got to help people make meaning around that and that just wasn't happening.

152. The Star Entities accept that their program of cultural transformation both could and should have progressed more quickly¹⁸⁸ and that cultural change has not proceeded “as quickly as might have been hoped”.¹⁸⁹

Resourcing of culture reform

153. There is no doubt that The Star Entities were facing significant challenges in the first half of 2023. Dr Lagan observed that Mr Cooke was extremely busy and industrious, attributing him with saving the business with capital raisings during that period. But, she added, this came at the cost of the cultural reform program.¹⁹⁰ In that regard, Dr Lagan described the first six months of 2023 as a lost opportunity for cultural reform.¹⁹¹
154. Nor can it be doubted that Star Entertainment has had the benefit of a significant volume of expert advice. The Star Entities described this in their written submissions as taking “an evidence-based approach to understanding the cultural issues present in the organisation”.¹⁹² This began with Dr Lagan’s advice from early 2023, continued with the Deloitte Report in May 2023 and The Ethics Centre Culture Review in June 2023 and has continued since with Ms Arzadon’s work and the work of others as detailed above. On any view, this is an extensive period of receiving expert advice and a critical one for embedding the foundations of cultural change. Further, Dr Lagan said that the shadow values identified in The Ethics Centre Culture Review were not new and had been identified in earlier reports received by Star Entertainment before she commenced working with them in January 2023.¹⁹³
155. Ms Arzadon said that while a lot of activity had occurred in relation to cultural transformation in the Relevant Period, the impact of that activity, in terms of embedded change, was limited.¹⁹⁴
156. Dr Lagan was critical of Star Entertainment’s decision to rely on external consultants to deliver cultural change, rather than to engage an organisational specialist. She said that she had counselled both the Board and Mr Cooke to bring in an organisational development specialist with experience in major transformations and that in her opinion the cultural change program was not going to happen without them.¹⁹⁵ She said that without building the internal expertise you do not build capacity to be self-sustaining because “once those consultants walk away, then you are left with the same staff again”.¹⁹⁶

157. Likewise, Ms Arzadon cited a lack of adequate resources with expertise in organisational culture and transformation. The Arzadon Report noted that:¹⁹⁷

... the culture reform program has not received a level of resource commitment commensurate to the scale of the challenge, risk of failure and technical knowledge required for effective execution. This conclusion is also consistent with multiple views shared by internal and external stakeholders that the culture reform program requires additional resources with expertise in organisational culture and transformation, especially needed at a leadership level – for example, to facilitate strategic prioritisation and constructive engagement with stakeholders.

158. The expert evidence given to this Inquiry was consistent: there was a lack of adequate internal resources with expertise in organisational culture and transformation to achieve the necessary cultural change.

Dr Lagan’s evidence regarding barriers to cultural reform

159. Dr Lagan referred in her evidence to barriers to cultural change, being nine barriers identified in a Star Entertainment document setting out a revised culture strategy for the Remediation Plan dated November 2023.¹⁹⁸ The nine barriers identified related to:

- (a) tone from the top and leadership;
- (b) organisational strategy;
- (c) organisational capabilities;
- (d) performance, reward and recognition;
- (e) psychological safety and wellbeing;
- (f) operating model and ways of working;
- (g) safer gambling;
- (h) accountability, risk management, compliance and controls; and
- (i) policies, processes, technology and data.

160. Dr Lagan gave evidence that each of those barriers needed to be removed “to enable an effective remediation or an effective transformation” and that uplifting policies and systems alone would not progress The Star’s remediation to where it needed to be.¹⁹⁹

161. It was also Dr Lagan’s evidence that each of those barriers could be removed²⁰⁰ and that there had been steps towards that in some of Star Entertainment’s functional areas including a new Learning and Development person who designed a program to raise awareness of what risk looks like for all staff. Dr Lagan’s evidence was also that in the risk areas there had been “quite a lot of training helping people understand what are risk accountabilities, what are the red flags giving people the skills they need”.²⁰¹
162. However, Dr Lagan’s evidence was that while she had observed improvement in functional areas, she had not observed “so much in the cultural area.”²⁰²

Progress towards culture reform

163. Progress toward cultural reform by The Star Entities since the 2022 Review has not been satisfactory. Despite almost two years having elapsed, not only is cultural reform at an early stage but a new and damaging shadow value of antagonism to the regulator (i.e. “us versus them”) has emerged. At the time of the 2022 Review, substantial cultural issues affecting The Star Entities also affected their external relationships, including with the NICC.²⁰³ This has remained the case during the Relevant Period. If anything, the relationship with the NICC is now materially worse than it was at the time of the 2022 Review.
164. In her February 2024 letter of engagement, Ms Arzadon acknowledged that The Star faced the difficult challenge of building confidence in its transformation trajectory towards its desired cultural end-state. Ms Arzadon noted that The Star Entities started from a point where trust within the organisation was low, culture was not widely understood, and some stakeholders may have had unrealistic expectations of steady, linear progress.²⁰⁴
165. The contrast between progress on cultural transformation between The Star Entities on the one hand and Crown Melbourne and Crown Sydney on the other hand, is stark. When asked why there was such a contrast with Crown Melbourne, Ms Arzadon said:²⁰⁵

I can’t really say, but I think it’s taken Star a long time to understand the task in front of them when it comes to culture change and possibly Crown realised that earlier.

166. When Dr Lagan was asked the same question, she said:²⁰⁶

So the difference, in my experience, working alongside Crown, was they had a CEO who championed cultural reform from the very beginning. They invested in building the internal capacity to enable - to enable that redesign of organisational systems, policies and processes so that you had an enabling context for people to understand what was expected of them, a re-aligned performance management system to reward them for a set of new behaviours. So there was awareness from day one that the old

Crown was no longer fit for purpose. The world had changed, there was now a new public... awareness of the harms from gambling, and so the casinos and the regulators were moving towards a public health approach to gambling and also, of course, they had the awareness of the junkets and all the money laundering issues, that that was no longer acceptable. So the organisation had to change. It had to reimagine itself and it had to reimagine its success formula.

167. The causes of the cultural issues at The Star Entities are manifold. They include:
- (a) a lost opportunity in the first six months following the 2022 Report while the senior leadership focussed on critical issues relating to financial vulnerabilities, which came at the expense of culture reform;
 - (b) the failure of the leadership of Star Entertainment to set an appropriate internal narrative, leading to a significant disconnect between stated organisational values and policies with what employees were experiencing on the ground;
 - (c) the lack of an appropriate internal narrative permitting a shadow value of “us against them” to emerge;
 - (d) a focus on gathering information via external consultants, without implementing the advice and recommendations of those experts, or testing how changes that were being implemented were being received by employees and recalibrating the plan as required;
 - (e) a failure to “hear” or act upon feedback received from employees;
 - (f) the failure to build internal capacity in preference to the use of external consultants, limiting the ability of the organisation to build self-sustaining change;
 - (g) a closed leadership culture with limited sharing of information, as opposed to an enabling culture in which senior management had the necessary information, skills, and permission to progress change; and
 - (h) an inappropriate tone from the top set by the Board, which included an antagonistic attitude to the NICC and Manager.
168. A governance structure in which the group corporate office was responsible for controlling all change has not assisted. If The Star had greater responsibility for operating The Star Casino, while Star Entertainment addressed significant group issues, it may be that the

adequate steps to remove barriers to cultural change and ensure positive change could have been progressed at The Star Casino.

169. While cultural reform has not proceeded as quickly as it could or should have, it is not the case that there has been no reform. Risk management culture has been significantly enhanced, although still requires further improvement. One of the shadow values identified by the Culture Review had been addressed (“play politics to stay alive and thrive”), while others exist to varying degrees.
170. Both Dr Lagan and Ms Arzadon acknowledged that The Star Entities now have greater awareness of the need for cultural change and what is required for successful cultural change.²⁰⁷ Dr Lagan explained:²⁰⁸

I think in the latter half of the year, as new people were recruited into the organisation to be change agents, there’s been a shift, but it’s very much still at the start, yes. But there has been a shift in that there now are people within the organisation that recognise that it’s not just about the activities you do, it’s actually about the impact of those activities. So that’s a major shift in awareness.

Some positive signs

171. It is accepted by The Star Entities that their program of cultural transformation both could and should have progressed more quickly.²⁰⁹ They submit that “cultural change has begun, but has proceeded in a halting manner and not as quickly as might have been hoped” and that while there have also been setbacks, including the fractured relationship with their regulators, “some progress” has been made.²¹⁰
172. The Remediation Plan represents Star Entertainment’s formal commitment in relation to cultural reform. Stakeholders have a right to expect delivery against it. As noted above, Ms Arzadon noted in her review of the Culture Transformation Program that it appeared “very comprehensive” and did “not appear to be missing any material components [she] would expect to see in such a plan.”²¹¹ However, the two-year timeframe for the program is not aligned to a realistic timeframe required to embed cultural change. That is, as presently drafted the plan is unlikely to achieve lasting cultural change but, if implemented over a realistic timeframe and with a re-alignment of priorities, it appears to be one capable of achieving necessary cultural change.
173. Ms Arzadon gave evidence that the recent changes in leadership at Star Entertainment, provide the organisation with “an opportunity to set things in the right direction quite

quickly.”²¹² Dr Lagan’s view was that the changes in leadership created the circumstances for The Star to have a chance of real culture change.²¹³

174. There is evidence that the current directors of Star Entertainment appreciate the very significant task that lies ahead with respect to culture change. Ms Ward said:²¹⁴

There is a great deal to be done ... And one element that is certainly exercising my mind is for – is the need for the board to play a more active role in driving and guiding the cultural transformation that we are seeking, and there are probably many elements to that, including the board being more visible in the business and the board being more directly involved in what I would say is joint sessions or joint activities with the GLT to ensure alignment around the changes needed.

175. More recently, The Star Entities have appointed Steve McCann as CEO and Managing Director, from 8 July 2024, subject to necessary regulatory approvals; and Ms Jeannie Mok as new Group Chief Operating Officer.

176. Both Mr McCann and Ms Mok had integral roles leading Crown Resorts through a period of change following the RCCOL. Mr McCann was the CEO and Managing Director of Crown Resorts in this period, prior to its sale.²¹⁵ Prior to taking up the role at Star Entertainment, Ms Mok was the Chief Transformation Officer for Crown Resorts. That role included Ms Mok designing and launching Crown Resorts’ transformation strategy and overseeing the delivery of its culture, governance, technology, and operations remediation programs.²¹⁶ Both Mr McCann and Ms Mok bring relevant experience to bear on the process of culture transformation at The Star Entities.

177. The evidence indicates that the front line staff at The Star are loyal to the business and want the organisation to survive. According to Dr Lagan, they are yearning for leadership which “can inspire them and engage them and take them on the changed journey”.²¹⁷

Endnotes

- 1 Terms of Reference at para [2], [3.1].
- 2 **Exhibit A-266** (INQ.5002.0002.0614 at .0852).
- 3 Ibid at .0822.
- 4 Ibid at .0806 -.0807, .0809, .0823.
- 5 Ibid at .0819.
- 6 Ibid at .0825-.0826.
- 7 Ibid at .0826.
- 8 ASX Announcement: Message from Ben Heap, 15 September 2022.
- 9 **Exhibit A-266** (INQ.5002.0002.0614 at .0804).
- 10 Ibid at .0805.
- 11 Ibid.
- 12 Ibid.
- 13 Lagan: Day 4, T233.44-47.
- 14 Lagan: Day 4, T233.34-42.
- 15 Lagan: Day 4, T239.44-45.
- 16 Lagan: Day 4, T234.14-35.
- 17 Arzadon: Day 11, T835.35-38.
- 18 **Exhibit A-266** (INQ.5002.0002.0614 at .0805).
- 19 Lagan: Day 4, T234.47-48.
- 20 Lagan: Day 4, T234.48-235.5.
- 21 Lagan: Day 4, T237.2.
- 22 Lagan: Day 4, T235.36-40.
- 23 Lagan: Day 4, T235.28.
- 24 Lagan: Day 4, T256.40-42; See also Lagan: Day 4, T263.30-41.
- 25 **Exhibit A-2274** (STA.8000.0008.1854 at .1854-.1855).
- 26 The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [529].
- 27 Ibid at para [533] – [536].
- 28 Ibid at para [537] – [540].
- 29 Ibid at para [541] – [542].
- 30 Ibid at para [551] – [555].
- 31 Ibid at para [547] – [550].
- 32 **Exhibit A-459** (STA.3077.0001.0011).
- 33 **Exhibit A-782** (STA.8000.0029.0695 at .0702).
- 34 **Exhibit A-459** (STA.3077.0001.0011 at .0011).

35 **Exhibit A-782** (STA.8000.0029.0695 at .0717).
36 Ibid at .0712.
37 Ibid.
38 The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [536].
39 (STA.8100.0037.6908).
40 **Exhibit A-1203** (STA.5002.0029.1473 at .1473).
41 Ibid.
42 Ibid.
43 Ibid; **Exhibit A-780** (STA.5002.0029.8905 at .8953).
44 **Exhibit A-1021** (STA.8000.0029.0921 at .0990).
45 Lagan: Day 4, T247.43-44.
46 **Exhibit A-1021** (STA.8000.0029.0921 at .0992-.0993).
47 Ibid at .0993.
48 Ibid at .0992.
49 Ibid at .0977.
50 Ibid at .1086.
51 Lagan: Day 4, T247.24-28.
52 Lagan: Day 4, T239.44-45.
53 Lagan: Day 4, T242.16-20, T244.12-17.
54 Lagan: Day 4, T239.44-240.2.
55 Lagan: Day 4, T242.6-8.
56 Lagan: Day 4, T242.8-11.
57 Lagan: Day 4, T242.16-20.
58 Lagan: Day 4, T236.16-24, T242.25-31.
59 Lagan: Day 4, T249.3-11.
60 Lagan: Day 4, T240.1-2.
61 Lagan: Day 4, T243.7-20, 29-31.
62 Lagan: Day 4, T243.25.
63 Ward: Day 9, T703.39-44; Page: Day 9, T760.21-24
64 Lagan: Day 4, T244.1-4.
65 Lagan: Day 4, T244.12-29.
66 Lagan: Day 4, T244.19-37.
67 **Exhibit A-2274** (STA.8000.0008.1854 at .1854).
68 Ibid.
69 Ibid.
70 Ibid.
71 Ibid at .1855.

72 Ibid at .1856.
73 Ibid.
74 **Exhibit D-234** (STA.8000.0170.0001).
75 Ibid at .0003.
76 Foster: Day 7, T560.37-40.
77 Ward: Day 9, T703.39-42.
78 Ward: Day 9, T703.42-44; Page: Day 9, T760.21-22.
79 Lagan: Day 4, T235.44-236.11
80 Lagan: Day 4, T241.30-31.
81 Lagan: Day 4, T241.34-36.
82 Weeks: Day 1, T57.39-44.
83 Lagan: Day 4, T235.11-16.
84 Lagan: Day 4, T242.1-4.
85 Lagan: Day 4, T260.40-41.
86 Lagan: Day 4, T260.43-46.
87 Lagan: Day 4, T235.36-40.
88 Arzadon: Day 11, T852.17-19.
89 Lagan: Day 4, T261.20-23.
90 Lagan: Day 4, T242.6-7.
91 Lagan: Day 4, T244.15-20.
92 Lagan: Day 4, T244.20-23.
93 Lagan: Day 4, T262.25-263.7; Arzadon: Day 11, T837.6-19, T848.18-23.
94 **Exhibit A-2274** (STA.8000.0008.1854 at .1856).
95 Lagan: Day 4, T245.44-246.2, T263.6-7.
96 **Exhibit A-2274** (STA.8000.0008.1854 at .1859).
97 **Exhibit A-1469** (STA.8000.0011.0020 at .0023-.0024).
98 Ibid at .0121-.0126.
99 Ibid at .0024.
100 Ibid at .0034.
101 Ibid at .0034.
102 **Exhibit D-234** (STA.8000.0170.0001 at .0004).
103 Ibid.
104 **Exhibit A-1469** (STA.8000.0011.0020 at .0034).
105 Ibid at .0122.
106 (STA.5002.0028.0383 at .0402).
107 **Exhibit A-2509** (MGR.0001.0001.6927 at .6928).
108 Katsibouba: Day 2, T153.7-18.

109 Lagan: Day 4, T257.8-9.

110 **Exhibit A-1469** (STA.8000.0011.0020 at .0024).

111 Lagan: Day 4, T246.22-26.

112 Weeks: Day 2, T126.19-23.

113 The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [531].

114 **Exhibit D-234** (STA.8000.0170.0001 at .0006).

115 Weeks: Day 2, T126.44-127.7.

116 **Exhibit A-1021** (STA.8000.0029.0921 at .0993).

117 Lagan: Day 4, T245.43-246.11, T250.17-19.

118 Lagan: Day 4, T251.14-17.

119 Arzadon: Day 11, T850.39-47.

120 Arzadon: Day 11, T843.42-45.

121 Arzadon: Day 11, T844.1-7.

122 Arzadon: Day 11, T840.46-48; **Exhibit D-234** (STA.8000.0170.0001 at .0004-.0005, .0010, .0013).

123 Lagan: Day 11, T862.12-29.

124 **Exhibit E-130** (STA.8122.0001.1282); **Exhibit A-2760** (STA.8122.0001.0114); **Exhibit A-2803** (STA.8122.0001.0265); **Exhibit E-142** (STA.8000.0173.0003).

125 Arzadon: Day 11, T843.35-40.

126 Lagan: Day 11, T858.23-28.

127 Lagan: Day 11, T858.44-45.

128 **Exhibit E-56** (STA.8100.0066.2341); **Exhibit E-57** (STA.8100.0066.2351); (STA.8100.0066.2363); **Exhibit E-58** (STA.8100.0066.2357).

129 Lagan: Day 11, T858.30-38.

130 Weeks: Day 1, T67.18-19.

131 Lagan: Day 4, T248.5-7.

132 Weeks: Day 1, T67.23-24.

133 Lagan: Day 4, T248.9-10.

134 Weeks: Day 1, T66.32-35.

135 Lagan: Day 4, T248.1-2.

136 Lagan: Day 4, T248.10-14.

137 Weeks: Day 1, T67.28-36.

138 Hughes: Day 3, T197.22-23, T198.16-20.

139 Saunders: Day 6, T442.35-41.

140 Saunders: Day 6, T443.1-2.

141 Saunders: Day 6, T440.47-441.1.

142 Lagan: Day 4, T248.31-36.

143 Lagan: Day 4, T251.1-10.

144 Lagan: Day 4, T251.23-28.

- 145 Lagan: Day 4, T257.29-30.
- 146 Lagan: Day 4, T264.22-23.
- 147 **Exhibit A-266** (INQ.5002.0002.0614 at .0819).
- 148 **Exhibit A-265** (INQ.5002.0002.0320 at .0367).
- 149 The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [570] – [572].
- 150 Saunders: Day 6, T445.17-27.
- 151 The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [576]; Lagan: Day 4, T257.39-40.
- 152 Lagan: Day 4, T257.15-17.
- 153 Saunders: Day 6, T443.1-7; Ward: Day 9, T704.33-35.
- 154 Ward: Day 9, T704.27-35; Burke: Day 7, T477.45-478.5
- 155 The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [578]; Weeks: Day 1, T49.25-32.
- 156 Weeks: Day 1, T53.35-43.
- 157 **Exhibit D-234** (STA.8000.0170.0001 at .0005).
- 158 Lagan: Day 4, T252.37-253.5.
- 159 **Exhibit A-264** (INQ.5002.0002.0001 at .0053).
- 160 Lagan: Day 4, T252.47-253.5.
- 161 Lagan: Day 11, T858.35-38.
- 162 Lagan: Day 4, T252.37-253.5.
- 163 Lagan: Day 4, T253.20-25.
- 164 Lagan: Day 4, T263.41-48.
- 165 Weeks: Day 2, T127.12-22.
- 166 Silfani: Day 3 (Private) T30.14-16.
- 167 **Exhibit H-5** (INQ.5000.0015.0004 at .0004).
- 168 **Exhibit A-2893** (INQ.5000.0006.0053 at .0059-.0063).
- 169 Weeks: Day 2, T126.1-6.
- 170 (STA.8102.0040.1834 at .1881); **Exhibit A-1006** (STA.5002.0029.0251).
- 171 **Exhibit D-234** (STA.8000.0170.0001 at .0005).
- 172 Wagemans: Day 4, T278.39-46.
- 173 Ward: Day 8, T677.44-47.
- 174 Wagemans: Day 4, T291.1-31.
- 175 Lagan: Day 4, T255.37-45.
- 176 Foster: Day 7, T526.20-25.
- 177 NSW Independent Casino Commission, Background to the 2024 Independent Inquiry into The Star, available from <https://www.nicc.nsw.gov.au/casino-regulation/2024-independent-inquiry-into-star#anchor-about-the-inquiry>, accessed 24 April 2024.
- 178 Royal Commission into the Casino Operator and Licence, Final Report, October 2021, Appendix I at para [4].

- 179 Royal Commission into the Casino Operator and Licence, Final Report, October 2021, Chapter 5 at para [97].
- 180 Office of the Special Manager for the Melbourne Casino Operator, Special Manager’s Final Report, December 2023, p.20.
- 181 **Exhibit D-234** (STA.8000.0170.0001 at .0007).
- 182 Arzadon: Day 11, T839.2-27.
- 183 Lagan: Day 4, T258.16-20.
- 184 Lagan: Day 4, T245.43-246.15; T257.5-9.
- 185 Lagan: Day 4, T 251.30-39.
- 186 Lagan: Day 4, T249.44-250.8.
- 187 Lagan: Day 4, T243.29-35; T249.6-11.
- 188 The Star Entities’ Written Submissions (Public) dated 15 May 2024 at para [556].
- 189 Ibid at para [524].
- 190 Lagan: Day 4, T245.36-39.
- 191 Lagan: Day 4, T245.43-246.15.
- 192 The Star Entities’ Written Submissions (Public) dated 15 May 2024 at para [529].
- 193 Lagan: Day 4, T249.16.
- 194 Arzadon: Day 11, T838.6-11.
- 195 Lagan: Day 4, T243.15-20.
- 196 Lagan: Day 4, T251.35-39.
- 197 **Exhibit D-234** (STA.8000.0170.0001 at .0005).
- 198 Lagan: Day 4, T265.23-30; **Exhibit A-1640** (STA.8000.0008.0696 at .0716)
- 199 Lagan: Day 4, T265.36-39.
- 200 Lagan: Day 4, T265.36.
- 201 Lagan: Day 4, T265.44-266.2.
- 202 Lagan: Day 4, T266.13.
- 203 **Exhibit A-266** (INQ.5002.0002.0614 at .0824).
- 204 **Exhibit D-234** (STA.8000.0170.0001 at .0012).
- 205 Arzadon: Day 11, T850.29-31.
- 206 Lagan: Day 11, T861.4-11, 41-46.
- 207 Lagan: Day 11, T855.25-29; Arzadon: Day 11, T839.2-10.
- 208 Lagan: Day 11, T856.5-9.
- 209 The Star Entities’ Written Submissions (Public) dated 15 May 2024 at para [556].
- 210 Ibid at para [524].
- 211 **Exhibit D-234** (STA.8000.0170.0001 at .0003).
- 212 Arzadon: Day 11, T845.18-21.
- 213 Lagan: Day 11, T859.25-28.
- 214 Ward: Day 9, T704.37-45.

- ²¹⁵ ASX Announcement: Appointment of Chief Executive Officer & Managing Director, 26 June 2024.
- ²¹⁶ ASX Announcement: Appointment of Group Chief Operating Officer, 30 May 2024.
- ²¹⁷ Lagan: Day 11, T858.35-38.

Chapter 12
Suitability

Chapter 12. Suitability

Chapter 12.1 Present Suitability

1. An assessment of the suitability of The Star and its close associate, Star Entertainment, is required by the Terms of Reference. An assessment of the suitability of other close associates of The Star is not required.
2. The Star is wholly owned by Star Entertainment and wholly dependent on Star Entertainment for its governance and resourcing. The suitability of both of The Star Entities is therefore closely linked.
3. This assessment of suitability is required to be made in circumstances in which, in August 2022, The Star Entities were found to be unsuitable to be concerned in or associated with the management and operation of The Star Casino. It is hard to imagine more serious misconduct in a casino than what was disclosed in the 2022 Report. This was acknowledged by Ms Ward, the present Chair of Star Entertainment.¹
4. In light of the 2022 Report, the NICC decided to take disciplinary action, including to suspend The Star's casino licence. The NICC appointed the Manager to hold the licence and to manage The Star's operations. The Star's casino licence remains suspended. The Manager's appointment has been extended from time to time and now expires on 30 September 2024. The current assessment of suitability is being made in this context.
5. The relevant principles to be applied in this assessment of suitability are set out in Chapter 3.
6. Both Ms Ward and the previous Chair of Star Entertainment, Mr Foster, gave evidence that, in their opinion, neither of The Star Entities is presently suitable to be concerned in or associated with the management and operation of The Star Casino.² The remaining directors of Star Entertainment, namely Ms Page, Mr Issenberg, Mr Hodgson and Ms Thornton, all gave evidence that in their opinion Star Entertainment is not presently suitable to be concerned in or associated with the management and operation of The Star Casino.³ It can be readily inferred that they also held the same view in relation to the suitability of The Star.

7. The directors' evidence of the present unsuitability of The Star Entities is accepted. It is supported by an assessment of the objective circumstances and by a comparison with the circumstances in which both Crown Melbourne and Crown Sydney were assessed to be suitable earlier this year by the respective regulators.
8. The factors which led the regulators to conclude that both Crown Melbourne and Crown Sydney are presently suitable are also canvassed in Chapter 3.
9. The assessment of suitability is a value judgment requiring consideration and synthesis of all relevant factors, as the VGCCC noted in its assessment of the suitability of Crown Melbourne. In NSW, the matters set out in section 12(2) of the *Casino Control Act* are relevant, but not exhaustive or exclusive.
10. In relation to Crown Sydney, the NICC's assessment of suitability took place at the conclusion of a conditional gaming period provided for under a pathway to suitability deed between the NSW Government, the NICC and Crown Sydney and its related entities. The matters identified by the NICC as significant in the assessment of suitability included:
 - (a) Operational performance and compliance with ICMs. The NICC emphasised that no disciplinary matters regarding the casino operator had been submitted during the conditional gaming period⁴ and said that Crown Sydney had operated the casino adequately in compliance with its licence and the *Casino Control Act*⁵;
 - (b) Implementation of its remediation plan. Crown Sydney had adequately delivered and implemented its remediation plan, which was fundamental to its transformation. It had met the extended due date for completion of all items, 97 % of which had been approved by the NICC's appointed independent monitor by the due date;⁶
 - (c) Governance. The NICC stated that it had observed the development and implementation of effective governance processes for Crown Sydney. It noted the independence of the Crown Sydney Board and the importance of this separation for layered and accountable governance structures. It also noted that the establishment of an independent Board for Crown Sydney demonstrated a willingness to ensure controls were robust and would remain effective;⁷
 - (d) Relationship with the NICC. The NICC noted that its working relationship with Crown Sydney had been professional and cooperative. The NICC stated that Crown

Sydney had consistently been open to discussing matters with the NICC, willing to address any concerns raised and had consistently accepted accountability for any weaknesses identified by the NICC. Crown Sydney had made significant progress in improving the relationship with regulators including with the independent monitor appointed by the NICC. The NICC was satisfied by the transparency, accountability and cooperation that now characterised the engagement of Crown entities with the NICC;⁸

- (e) Culture. The NICC said that it believed that Crown Sydney’s “tone from the top” had fundamentally changed. The NICC concluded that Crown Sydney had made substantial progress towards a values-based culture and was building a culture of transparency and accountability.⁹
11. As noted in Chapter 11, material concerning other casino licence holders provides a useful, though not determinative reference point. Nevertheless, the evidence presented to this Inquiry establishes that, by each of the foregoing measures, The Star is currently falling short of what is required from a suitable casino operator.
 12. In terms of operational performance of the Sydney casino operator, some positive matters must first be acknowledged. The Star Entities rightly emphasised¹⁰ that it is important to recognise that the starting base from which they were commencing after the 2022 Review required significant uplift. There has been substantial reform of the control environment of The Star Casino, including the development and implementation of revised ICMs and the substantial expansion of the financial crime and risk teams.
 13. A significant improvement in the resources allocated by Star Entertainment to risk management since 2022 should be noted, as well as the organisation’s frameworks, policies, and processes for risk management.
 14. It also should be recognised, as The Star Entities noted,¹¹ that while the significance of the issues identified during the course of this Inquiry cannot be downplayed, they are qualitatively different to the extremely grave misconduct identified on the 2022 Report.
 15. However, Chapter 8 of this Report chronicles a number of serious breaches of ICMs by The Star in the period since their introduction in July 2023. Failures will inevitably occur from time to time. Mr Hodgson said, “in any large enterprise things happen” and “[i]t’s what you do when they happen that counts”¹². This is one perspective, but failures in a

-
- casino have the capacity to cause serious harm to the public interest and to individuals and families. Some of the breaches of ICMs by The Star continued for far too long without detection, and one involved deliberate misconduct by employees.
16. The TICO fraud continued without detection for almost two months and, as Mr Weeks said, revealed a cultural problem in parts of the casino.
 17. The failure of a number of Guest Support Officers at the Sydney casino to intervene on numerous occasions when patrons were at risk of harm after playing EGMs for more than three hours was identified by L&GNSW. It involved breaches of an ICM specifically introduced to address a problem referred to in the 2022 Report. The subsequent deliberate falsification of the casino's records by those officers to conceal non-intervention seriously compounded the likelihood of harm to patrons. Numerous witnesses attributed the problem to a lack of resources. The episode revealed a fundamental problem with The Star's approach to responsible service of gambling.
 18. As described in Chapter 8, the manner in which The Star Entities proceeded in relation to the Remediation ECDD cohort reveals an approach to regulatory risk and regulatory engagement which is not yet fully mature.
 19. A breach by The Star of an ICM is, by virtue of section 124 of the *Casino Control Act*, not only a breach of a condition of its casino licence but also an offence. The Star has not operated The Star Casino adequately as required by the *Casino Control Act* during the Relevant Period.
 20. As outlined in Chapter 6, whilst the Remediation Plan was the product of a great deal of hard work, high level thought and reflection to address fundamental problems identified in previous reviews and reports, "Problem Statements" for key matters relating to governance and culture failed to satisfactorily identify some of the issues to be addressed. The milestone due dates specified in the Remediation Plan were too ambitious. Implementation of the remediation plan has run into difficulties and delays. Even when allowing for additional time for independent assurance beyond the dates specified in the Remediation Plan, many of the milestone due dates have not been met. Star Entertainment is developing a reset of its remediation plan, the content and scope of which is currently unclear.
 21. The 2022 Report stated that "whilst the ultimate owner of The Star Casino may be a holding company conducting businesses in a number of jurisdictions, the casino operator in NSW

must have close and direct supervision and governance.”¹³ As considered in detail in Chapter 7, very little has been done by The Star Entities in relation to that observation.

22. As at the date of the hearings of this Inquiry the Board of The Star had met only five times throughout the Relevant Period. The directors of The Star throughout the Relevant Period have been directors and executives of Star Entertainment. The Board of The Star has only had a limited focus on discharging statutory obligations. As recently as November 2023, the Board of Star Entertainment endorsed the concept that the Board of The Star should only meet as necessary to discharge statutory functions. Throughout the Relevant Period there has been a concentration of power at the level of Star Entertainment, which has contributed to the deficiencies in governance at The Star.
23. For a critical period from April 2023 until February 2024, the role of CEO of The Star was vacant. The lack of leadership at The Star during that period had a significant negative impact on its governance and on the urgently required cultural renewal of The Star.
24. Meanwhile, as discussed in Chapter 9, the GLT of Star Entertainment has been dysfunctional during the Relevant Period, with a number of departures and resignations of executives from the GLT, most recently the Chief Risk Officer, Mr Saunders, whose notice of resignation was announced on 31 July 2024.
25. As Star Entertainment noted in its response to the Manager’s Reports, Star Entertainment has faced a number of “existential threats” during the Relevant Period. These have included financial crises, legal actions by regulators, class actions and disputes and litigation in relation to the Queens Wharf Brisbane project. The Star requires effective governance to meet its obligations as operator of The Star Casino, as far as possible without the distraction of wider group issues. At this point The Star still requires significant improvement in its governance processes and lacks the necessary degree of independence from Star Entertainment.
26. If anything, The Star Entities have a worse relationship with the NICC than they had at the time of the 2022 Report. As explained in detail in Chapters 10 and 11, during the second half of 2023 a new cultural shadow value evolved of antagonism to the NICC, of “us versus them”. This phenomenon is not limited to the corporate office but extends throughout the organisation. Whilst the most extreme manifestation of this shadow value was the private communications between the former Chair and former CEO of Star Entertainment in early 2024, The Board of Star Entertainment as a whole must accept responsibility for the

-
- deterioration in the relationship with the NICC and the Manager and the emergence of this negative shadow value.
27. Chapter 11 contains a detailed review of the culture of The Star Entities. There has been a material improvement in risk management culture. However, despite almost two years having elapsed since the 2022 Report, the cultural reformation of The Star Entities is at an early stage and has been set back by a tone from the top of antagonism to the NICC and the Manager. Progress toward cultural reform by Star Entities since the 2022 Report has not been satisfactory.
 28. This review of the evidence presented to the Inquiry confirms the assessment by the directors of Star Entertainment that The Star Entities remain presently unsuitable to be concerned in or associated with the management and operation of The Star Casino.
 29. In their written submissions, The Star Entities said that the Remediation Plan was always framed in a way such that its completion, and completion of the steps necessary to achieve suitability, would not be finished as at the date of this Inquiry.¹⁴ However, even allowing for the undoubted disruption to The Star Entities caused by the convening of this Inquiry, it was by no means inevitable that The Star Entities would be found to be currently unsuitable. Crown Melbourne was found to be suitable by the VGCCC after a period of two years notwithstanding that it required ongoing reforms yet to be implemented in governance, culture, and risk management. There can be little doubt that at the time of the 2022 Report, The Star Entities would have confidently provided an assurance, if sought, that reformation of the organisation and implementation of the then planned renewal program would be sufficiently advanced to achieve suitability within two years. In fact the period since the 2022 Report for The Star Entities has been marked by lost opportunities and missteps.
 30. The financial suitability of The Star is considered in the accompanying Confidential Report. More accurately, the relevant Chapter of the Confidential Report addresses paragraph 3.2 of the Terms of Reference, which is “whether The Star has or is able to obtain financial resources that are both suitable and adequate for ensuring the financial viability of The Star Casino”. The relevant principles to be applied in this assessment are set out in Chapter 3 of this Report.
 31. The overall assessment of the present unsuitability of The Star Entities is not altered by the conclusions reached in relation to financial suitability.

Chapter 12.2 “Conditional Suitability”

32. Notwithstanding the unequivocal, unconditional, and unchallenged assessment of unsuitability made by each of the directors of Star Entertainment in evidence to the Inquiry, in their written submissions The Star Entities contended that they were suitable subject to conditions. They stated that “The Star does not contend that it is currently suitable to hold a licence to operate [T]he Star Casino in its own right”.¹⁵ However, they asserted that they are presently suitable “subject to the continuation of arrangements that allow for external monitoring or management so as to allow the remediation plan and other steps to achieve suitability to be completed”.¹⁶ To be more precise, The Star Entities contended that they are presently suitable to be concerned in or associated with the management and operation of The Star Casino “if The Star is subject to a licence in the conditional form proposed to the NICC on 12 April 2024 or alternatively in circumstances where a manager remains appointed”.¹⁷
33. In its letter to the NICC dated 12 April 2024,¹⁸ The Star proposed, pursuant to section 22(3)(a) of the *Casino Control Act* that the NICC amend the conditions of The Star’s casino licence to impose additional conditions. The licence amendments proposed by The Star were modelled upon its understanding of the conditions imposed upon Crown Sydney during its conditional gaming period. These proposed conditions provided for a conditional gaming period after the termination of the suspension of The Star’s licence. The additional conditions included The Star appointing an independent monitor approved by the NICC to monitor and report to the NICC. A number of other conditions were proposed. The letter referred to various contractual matters which would need to be addressed if “the NICC was to decide that The Star and [Star Entertainment] could return to suitability on the basis of this proposed framework”.
34. There was little development in The Star Entities’ written submissions of reasoning to explain how these contentions of “conditional” suitability were consistent with the concept of suitability required by the *Casino Control Act*. The Star Entities did submit that questions of suitability are relative in the sense that they depend on the circumstances of the casino, the terms of the licence pursuant to which the casino operates and the nature of the person’s concern in, or association with, the casino’s affairs.¹⁹
35. It is convenient to first consider the submission that The Star Entities should be assessed as suitable in circumstances where the Manager remains appointed (or another person is appointed as manager).

36. It is necessary to recount the circumstances which led to the appointment of the Manager. Following the 2022 Report, on 13 September 2022 the NICC issued a show cause notice to The Star pursuant to section 23(2) of the *Casino Control Act* regarding the findings in the 2022 Report. On 17 October 2022, the NICC issued a notice to The Star pursuant to section 23(4) of the *Casino Control Act*. In the latter notice, the NICC stated that it was satisfied that The Star had contravened provisions of the *Casino Control Act* and its licence, that The Star was no longer a suitable person to give effect to its casino licence and the *Casino Control Act*, and that it was no longer in the public interest that The Star's casino licence should remain in force. In that notice of 17 October 2022, the NICC informed The Star that it was taking disciplinary action against The Star pursuant to section 23 of the *Casino Control Act*. This disciplinary action included the indefinite suspension of The Star's casino licence. On the same day, the NICC also issued a notice to The Star pursuant to section 28 of the *Casino Control Act* appointing the Manager for a period of 90 days. The Manager's appointment has been periodically extended and is currently scheduled to conclude on 30 September 2024.
37. Disciplinary action by the NICC under section 23 of the *Casino Control Act* can include the cancellation or suspension of a casino licence. Under section 28(1) of the *Casino Control Act*, the NICC may appoint a person to be the manager of the Casino if the casino licence is suspended, cancelled or surrendered. The Star is not proposing to surrender its casino licence. In the present context the Manager has been appointed because The Star's casino licence was suspended due to, among other things, The Star's unsuitability.
38. The appointment of the Manager to The Star and the continuation of that appointment (or the appointment of another person as manager) is premised on the suspension of The Star's casino licence due to its unsuitability. It would be inconsistent with that premise for The Star to be found to be suitable on the basis that its licence remains suspended and that a manager remains appointed.
39. The alternative basis on which The Star Entities contended that they should be considered suitable, despite The Star's unsuitability "in its own right", assumed the imposition of licence conditions by the NICC under section 22 of the *Casino Control Act* designed to put in place a conditional gaming period.
40. The submission that the imposition of licence conditions under section 22 of the *Casino Control Act* could of itself render The Star suitable on a conditional basis is inconsistent with the acknowledgement by The Star in the letter to the NICC dated 12 April 2024 that

The Star Entities may be able to “return to suitability” after the conditional gaming period proposed. It is also inconsistent with the approach taken by the NICC to Crown Sydney, which was to assess whether Crown Sydney was suitable after the conditional gaming period had concluded.

41. In any event, and more fundamentally, it is axiomatic that an assessment of suitability means that the casino operator is considered worthy of trust to exercise its powers and to act in accordance with the primary objects of the *Casino Control Act* in section 4A. If it is necessary to have a Manager appointed whilst a licence is suspended or to have an independent monitor appointed whilst an entity is undergoing remediation, then it follows that the casino operator is not worthy, or not yet worthy, of that trust.
42. Further, disciplinary action is a matter for the NICC to determine under the legislation. Similarly, licence conditions (other than those imposed by the legislation) are matters for the NICC to determine. They are not matters to be determined by this Inquiry. It would be a pointless and presumptuous hypothetical exercise for this Inquiry to assume that any particular disciplinary action may be taken by the NICC or that any particular licence conditions may be acceptable to the NICC.
43. It follows that the contention by The Star Entities that they should be assessed as “conditionally” suitable is not accepted.

Chapter 12.3 Assessment of the Present Situation

44. In circumstances in which The Star Entities have been assessed as remaining presently unsuitable, for the reasons considered in Chapter 3 it is appropriate to venture an assessment of the present position of The Star Entities. For the reasons canvassed in Chapter 3, this assessment requires caution. Past conduct carries more weight than assertions of future opportunities or possibilities.
45. The foregoing assessment that The Star Entities remain presently unsuitable has necessarily involved an analysis of The Star Entities’ present position. The Star Entities are presently falling short of what is required for suitability.
46. One forward looking assessment can be ventured with confidence. The directors of Star Entertainment were clear in their view that The Star would require continuing external monitoring or management of some kind after 30 September 2024, when the Manager’s extended term is due to end.²⁰

-
47. It needs to be borne in mind when considering this evidence that the directors plainly had in mind, as one possibility, some form of external monitoring of the kind contemplated by the letter to the NICC dated 12 April 24. However, it also must be remembered that by 30 September 2024, the Manager will have been in his role for approximately two years. This is in circumstances in which the *Casino Control Act* contemplates that a manager will only be required for a temporary period. Section 28(4) provides that the appointment of a manager is terminated 90 days after appointment unless in a particular case the appointment is extended by the regulations. In this case the Manager’s appointment has already been continued for a very long period. It has also been marked in recent times by antagonism from the leadership of The Star Entities.
48. In order to explain why it has been determined that The Star Entities remain presently unsuitable it has been necessary to focus on negative issues. It is however appropriate to conclude this Report by acknowledging some positive matters.
49. As already mentioned there has been substantial reform of the control environment of The Star Casino, including the development and implementation of revised ICMs and the substantial expansion of the financial crime and risk teams.
50. Although The Star was without adequate leadership for much of the Relevant Period, in January 2024 Star Entertainment announced that Ms Janelle Campbell had been appointed as CEO of The Star.²¹ Ms Campbell received approval from the NICC to be a close associate of The Star on 15 July 2024²². Ms Campbell has extensive experience in hospitality and casino companies and has leadership expertise.²³ Ms Campbell’s appointment is likely to improve the operational performance and culture of The Star.
51. In closing submissions to this Inquiry in May 2024, Counsel Assisting aptly described the GLT of Star Entertainment at that time as “leaderless and depleted”²⁴. Whilst there still remain a number of important leadership positions to be filled, it is noteworthy that Star Entertainment has recently appointed Mr Steve McCann as CEO and Managing Director and Ms Jeannie Mok as Group Chief Operating Officer, subject to the necessary regulatory approvals.²⁵ Both Mr McCann and Ms Mok had integral roles leading Crown Resorts through its period of remediation following the RCCOL. Both Mr McCann and Ms Mok bring important experience and expertise to the process of engagement with the NICC, remediation and cultural transformation which will be vital if the NICC decides that The Star should remain as the operator of The Star Casino.

52. Evidence to the Inquiry from a number of sources indicates that the front-line staff at The Star are loyal to the business and want it to succeed. The Ethics Centre Culture Review stated that the business has “a core group of employees who yearn to be proud of the service they offer.”²⁶ Dr Lagan said that the front-line staff at The Star wanted leadership that “can inspire them and engage them and take them on the changed journey.”²⁷ The Star’s employees require and deserve inspirational leadership. That leadership must be provided by an organisation which is suitable to manage and operate The Star Casino.

Endnotes

- ¹ Ward: Day 9, T694.42-47.
- ² Foster: Day 7, T563.1-15; Ward: Day 9, T702.42-45.
- ³ Page: Day 9, T758.11-15; Issenberg: Day 9, T786.10-14; Hodgson: Day 10, T807.11-15; Thornton: Day 10, T829.32-36.
- ⁴ NSW Independent Casino Commission, Crown Sydney Suitability Assessment Decision, 23 April 2024 at 9, 16.
- ⁵ Ibid at 17.
- ⁶ Ibid at 13.
- ⁷ Ibid at 10, 11.
- ⁸ Ibid at 12, 16, 18.
- ⁹ Ibid at 10, 18.
- ¹⁰ The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [7].
- ¹¹ Ibid at para [11].
- ¹² Hodgson: Day 10, T793.43-48.
- ¹³ **Exhibit A-266** (INQ.5002.0002.0614 at .0836).
- ¹⁴ The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [4].
- ¹⁵ Ibid.
- ¹⁶ Ibid at para [12].
- ¹⁷ Ibid at para [644].
- ¹⁸ **Exhibit D-140** (INQ.5003.0005.0001).
- ¹⁹ The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [641].
- ²⁰ Page: Day 9, T758.22-26; Issenberg: Day 9, T786.21-31; Hodgson: Day 10, T807.22-29; Thornton: Day 10, T829.43-830.3.
- ²¹ ASX and Media Release: The Star Appoints Sydney CEO, 25 January 2024.
- ²² ASX Announcement: Formal Appointments of Interim Group Chief Financial Officer of The Star Entertainment Group Limited and Chief Executive Officer of The Star Sydney, 15 July 2024.
- ²³ The Star Entities' Written Submissions (Public) dated 15 May 2024 at para [195] – [200].
- ²⁴ Counsel Assisting's Written Submissions (Public) dated 13 May 2024 at para [299].
- ²⁵ ASX Announcement: Appointment of Group Chief Operating Officer, 30 May 2024; ASX Announcement: Appointment of Chief Executive Officer & Managing Director, 26 June 2024.
- ²⁶ **Exhibit A-1203** (STA.5002.0029.1473 at .1488).
- ²⁷ Lagan: Day 11, T858.35-38.

Appendices

Appendix A

Instrument of Appointment

**NSW Independent
Casino Commission**

office@nicc.nsw.gov.au

19 February 2024

DOC24/034368

Adam Bell SC
New Chambers

Via email: clerk@newchambers.com.au

Dear Mr Bell SC

Instrument of Appointment

The NSW Independent Casino Commission (the **NICC**), constituted under section 133 of the *Casino Control Act 1992* (NSW) (the **Act**), appoints you pursuant to sections 143(1) and 143A of the Act to preside over an inquiry for the purpose of the exercise of the NICC's functions, including under sections 30 and 141 of the Act.

You have the powers, authorities, protections and immunities conferred on a commissioner by Division 1 of Part 2 of the *Royal Commissions Act 1923* (NSW), as provided by section 143A(1)(a) of the Act. You have the powers and authorities conferred on a commissioner by Division 2 of Part 2 of the *Royal Commissions Act 1923* (NSW) (except for sections 17(4) and (5)), as provided by section 143A(1)(b) of the Act.

The Terms of Reference pursuant to which the inquiry is to be undertaken are annexed hereto. You may be required to inquire into any other matter which the NICC requests in writing from time to time during the term of the inquiry.

A report on the results of the inquiry is to be made to the NICC by 31 May 2024.

Yours sincerely



Philip Crawford

Chief Commissioner

For and on behalf of the **NSW Independent Casino Commission**

Level 11, McKell Building, 2-24 Rawson Place, Sydney NSW 2000 | GPO Box 5341, Sydney NSW 2001
office@nicc.nsw.gov.au | nicc.nsw.gov.au

OFFICIAL: Sensitive - Legal

111

Appendix B

Terms of Reference

OFFICIAL: Sensitive - NSW Government

NSW Independent Casino Commission

Inquiry Terms of Reference – The Star Pty Ltd

1. The suitability of The Star Pty Limited (**The Star**) and its close associate, The Star Entertainment Group Limited (**TSEG**) to be concerned in or associated with the management and operation of The Star Casino.
2. The inquiry will have regard to:
 - 2.1 the report and recommendations of the inquiry under the *Casino Control Act 1992* (NSW) by Adam Bell SC in 2022 into The Star and its close associates (the **Inquiry**), and
 - 2.2 the response of The Star and TSEG to the report and recommendations of the **Inquiry**.
3. The inquiry is to include consideration of:
 - 3.1 the culture of The Star and TSEG, including risk management culture;
 - 3.2 whether The Star has or is able to obtain financial resources that are both suitable and adequate for ensuring the financial viability of The Star Casino;
 - 3.3 The Star and TSEG's management and reporting lines;
 - 3.4 compliance by The Star with its internal control manuals numbered 3, 11 and 12.
4. Scope of the inquiry – the period following the date of the report of the Inquiry until the conclusion of this inquiry.

Appendix C

Document Production Guideline (Version 2): 28 March 2024

Inquiry into The Star Pty Ltd and The Star Entertainment Group Limited

Document Production Guideline (Version 2): 28 March 2024

1. Part 1 – General

- 1.1 This Guideline explains how documents should be produced to the Inquiry into The Star Pty Ltd and The Star Entertainment Group Limited being conducted by Mr Adam Bell SC (**Inquiry**). This Guideline may need to be departed from if Mr Bell SC is satisfied that the circumstances so require.
- 1.2 All documents produced to the Inquiry must be complete, best available copies in electronic and unredacted form. Hard copy documents are to be converted to electronic form for the purposes of production to the Inquiry in accordance with this Guideline.
- 1.3 Providers of documents are encouraged to make production to the Inquiry using a document management database.
- 1.4 Unless otherwise agreed, documents must be produced in accordance with the Document Management Protocol which is Schedule 1 to this Guideline.
- 1.5 Unless otherwise agreed, electronic documents should be produced by uploading them to the Inquiry file sharing platform.
- 1.6 Providers of documents must endeavour to ensure that the data in all documents provided to the Inquiry is useable and not infected by malicious software.
-

2. Part 2 – Non-publication

- 2.1 Section 17(1) of the *Royal Commissions Act 1923* (NSW) applies to all persons producing documents to the Inquiry in response to a Summons issued by Mr Bell SC. The producing party is not excused from producing any document or other thing on the ground that the production may criminate or tend to criminate the producing party, or on the ground of privilege, or on the ground of a duty of secrecy or other restriction on disclosure, or any other ground.
- 2.2 Subject to paragraph 2.3 below, the Inquiry will proceed on the assumption that documents produced to it can be disclosed publicly. That assumption will apply unless the provider of documents notifies otherwise in accordance with this Guideline.
- 2.3 Please note the Inquiry has determined that the following documents will be treated as confidential:
- 2.3.1 those parts of documents which record the identity of whistle-blowers or patrons who have been excluded by law enforcement agencies or who have self-excluded;
- 2.3.2 individuals' personal information comprising their home address, telephone number, signature, date of birth, passport number, driver's licence number, bank account details, and credit or debit card details; and

- 2.3.3 commercial information of The Star or The Star Entertainment Group Limited the value of which, as an asset, it can be inferred from the face of the document would be seriously compromised by disclosure;
- 2.3.4 documents or parts thereof which constitute or disclose substantive content of The Star's current internal controls and standard operating procedures;
- 2.3.5 documents or parts thereof which identify or tend to identify the persons indicated in the Orders dated 23 and 24 August 2022 made pursuant to section 16 of the *Commissions of Inquiry Act 1950* (Qld) in the External Review of the Queensland operations of The Star Entertainment Group Limited (**Gotterson Review**) as being persons or witnesses in connection with the Gotterson Review;
- 2.3.6 information which Star Entertainment or The Star is not permitted by the Australian Securities and Investments Commission to disclose;
- 2.3.7 sensitive non-public information recording the financial affairs of Star Entertainment or The Star, disclosure of which could cause commercial harm to Star Entertainment or The Star;
- 2.3.8 information which Star Entertainment or The Star is under a contractual obligation to third parties not to disclose;
- 2.3.9 confidential documents or parts thereof relating to the Queen's Wharf Brisbane Casino Agreement dated 6 April 2016; and
- 2.3.10 names and other identifying information of individuals who were considered for but did not obtain roles as employees or directors of Star Entertainment or The Star.

The above is not an exhaustive list of the documents that the Inquiry may treat as confidential.

- 2.4 If a person is producing documents to the Inquiry and the person wishes to claim that the whole or any part of a document or information produced is confidential, the person must, within 7 days after making production to the Inquiry, identify the material claimed to be confidential and provide brief reasons to the Inquiry to justify the claim.
- 2.5 Producers of documents should follow the procedures in the Document Management Protocol to designate confidential information.
- 2.6 If part of a document is subject to a claim of confidentiality, the parts of the document that are subject to the claim should be identified or, if appropriate, highlighted in Light Blue pending determination of the claim. If part of the document is highlighted, the person producing the document must retain a non-highlighted version of the document which must be produced to the Inquiry on request.
- 2.7 If a claim for confidentiality is made over the whole document, the person producing the document should not apply highlighting to that document. A claim over the whole document will be made by selecting the "Yes" value in respect of the relevant claim as described in Schedule 1.
- 2.8 Claims for confidentiality in relation to documents or information or parts of documents produced to the Inquiry will be considered at the appropriate juncture (i.e. if the Inquiry proposes to publish the documents or the information).

3. Part 3 – Privileged documents

- 3.1 If a person is producing documents to the Inquiry and the person considers that the documents or information or part of the documents produced are subject to legal professional privilege, the person should follow the procedures in the Protocol to designate that the material is subject to a claim for legal professional privilege. As above, however, s 17(1) of the *Royal Commissions Act 1923* (NSW) applies and producing person is not excused from producing any document or other thing on the ground of privilege.
- 3.2 If a person is producing documents to the Inquiry and the person wishes to claim that the whole or any part of a document or information produced is subject to legal professional privilege, the person must, within 7 days after making production to the Inquiry, identify the material claimed to be subject to legal professional privilege and provide brief reasons to the Inquiry to justify the claim.

Schedule 1 – Document Management Protocol

1. Production to Inquiry

- 1.1 Documents should be exchanged electronically, in a cascading Windows folder structure, with the corresponding document metadata structured in a four-table Microsoft Access database format (i.e. in a Nuix / Ringtail format). If Nuix / Ringtail is not being utilised for preparation of the document production, a format which is compatible with Nuix / Ringtail will be accepted.
- 1.2 Please produce all electronic documents to the Inquiry together with:
- 1.2.1 an accompanying 'Production Tracker Form' (Schedule 2);
 - 1.2.2 an electronic index of documents in Microsoft Excel (see further information below).
- 1.3 Please include the following information fields in the electronic index of documents accompanying your production of electronic documents to the Inquiry:
- 1.3.1 Document ID
 - 1.3.2 Host Reference
 - 1.3.3 Document Type
 - 1.3.4 Document Date
 - 1.3.5 Document Title
 - 1.3.6 From
 - 1.3.7 To
 - 1.3.8 Summons No.
 - 1.3.9 Summons Category
 - 1.3.10 Privilege LPP
 - 1.3.11 Confidential

2. Identification of Documents

- 2.1 For documents produced to the Inquiry, every document should be uniquely numbered (**Document IDs**).
- 2.2 Every page of every paper document should be uniquely numbered in the top right hand corner.
- 2.3 Electronic documents should be uniquely numbered at a document level. The pages of electronic documents do not need to be numbered or stamped. Where an electronic file is converted to PDF and is paginated, it should be done consistent with the pagination of paper documents, that being in the top right hand corner.
- 2.4 The numbering convention which will be followed is:
- 2.4.1 SSS.BBBB.FFFF.PPPP_NNNN where:

- (a) SSS is a three-letter code that identifies the party or source producing the documents. For example, ABC.
 - (b) A person producing documents will be provided with the party code by the Solicitors Assisting the Inquiry.
 - (c) BBBB identifies the sequential archive box for paper documents, an email box or other suitable virtual classification such as a documents produced in relation to a particular Summons. Leading zeros should be used where the number is less than 4 characters. The maximum number of boxes or categories is 9999.
 - (d) FFFF is the number that identifies the sequential folder or file. Leading zeros should be used where the number is less than 4 characters. The maximum number of boxes or categories is 9999.
 - (e) PPPP is the page number of the first page for paper documents, and the document number for electronic documents. Leading zeros should be used where the number is less than 4 digits. The maximum number of pages/documents for any folder is 9999.
 - (f) _NNN is a three digit sequential number for inserted pages. If a page is missed in the numbering process and needs to be inserted, a three digit sequential page number should be used. For example, ABC.0001.0002.0025_001 is a page that has been inserted between pages 25 and 26 in folder 2 in box 1 for party ABC. This scheme assumes that a minimal number of page insertions will be made with a maximum of 999 pages inserted between two pages.
 - (g) Inserting pages between inserted pages is not accommodated in this scheme. If there is no need to insert pages, this field will not be used, so most pages number will only be 18 characters in length. If it is necessary to insert more than 999 missing pages, an entire replacement document will be provided unless this is impractical. For example, the first page of a hard copy document, or alternatively the electronic document, of the first folder of ABC Corporation Pty Ltd.'s documents will be uniquely numbered as ABC.0001.0001.0001. Note: If alternate numbering is required please contact the Inquiry to discuss.
- 2.5 Please ensure that you identify *Host* and *Attached* Documents with consecutive Document IDs. For example, if a Host Document is a one-page document with the Document ID ABC.0001.0001.0001, the first Attached Document should have the Document ID ABC.0001.0001.0002.
- 3. De-duplication of documents**
- 3.1 You must take reasonable steps to ensure that duplicate documents are removed from the material provided to the Inquiry.
- 3.2 The Inquiry acknowledges that there may be circumstances where duplicates need to be identified and produced for evidential purposes.
- 3.3 Please consider whether electronic documents are duplicates at a document group level. That is, you should treat a group of documents comprising a Host Document and its Attached Documents as duplicates only if that group of documents appears as a duplicate group elsewhere in your production. Please do not treat an Attached Document as a duplicate simply because it appears elsewhere in your production as a Standalone Document or as an Attached Document in a different group of documents with a different Host Document.

- 3.4 Where possible, you should de-duplicate documents using an MD5 or SHA256 algorithm.
- 3.5 If you propose to use a Technology Assisted Review (**TAR**) process, you must ensure that all technologies employed are applied appropriately and are properly managed. You should discuss and agree in writing to the use of TAR with the Solicitors Assisting the Inquiry prior to commencing the use of TAR. If the Inquiry agrees to the use of TAR, the approach and method must be documented and produced to the Inquiry.

4. Exclusion of unusable file types

- 4.1 A NIST filter is to be applied to electronic documents to remove files with no user-generated content, such as system files and executable files, so that these are excluded from searches and disclosure (to the extent possible).
- 4.2 Temporary internet files and cookies are to be excluded from the disclosure process.

5. Document Hosts and Attachments

- 5.1 Every document that is attached to or embedded within another document will be treated as an *Attached Document*. A document that contains at least one *Attached Document* will be called a *Host Document*. Please provide both the *Host Document* and all *Attached Documents* to the Inquiry.
- 5.2 A document that is neither a *Host* nor *Attached Document* will be called a *Standalone Document*. Please provide all parts of a standalone document to the Inquiry. For example, where the document is an email chain, please produce all parts of that chain.
- 5.3 Please also ensure that you avoid creating false or unnecessary relationships between *Host Documents* and *Attached Documents* by:
- 5.3.1 taking reasonable steps to ensure that email footers, logos, and other repeated content are not separated as *Attached Documents*. If email footers, logos, and other repeated content are separated as *Attached Documents*, please do not produce these email footers, logos, and other repeated content;
 - 5.3.2 ensuring that physical or digital document containers, such as hard copy folders or electronic ZIP container files, are not identified as *Host Documents*, unless the identification of the container as a *Host Document* is necessary to the understanding of the documents within that container; and
 - 5.3.3 unless required to provide documents in their native structure for technical reasons, please extract documents from their original containers and do not produce the container itself.

6. Preparation of documents

- 6.1 Please do not convert native electronic documents to paper for production to the Inquiry and instead produce them as searchable multi-page PDF documents. Please produce non-standard documents (for example, Microsoft Excel and Audio / Video files) in their native electronic document form.
- 6.2 Documents produced as searchable multi-page PDFs are to be stamped with sequential page numbers in the top right-hand corner of each page. The number on the first page will be the Document ID. The format will be PPP.BBBB.FFFF.NNNN.
- 6.3 Searchable electronic documents should be rendered directly to PDF to create searchable images. Documents should not be printed to paper and scanned or rendered to Tagged

Image File Format (TIFF) format and then converted to PDF, unless required for the purposes of redaction within a document review platform.

- 6.4 Non-Searchable or Image Only native files should be converted to searchable PDFs, and not Image Only or non-searchable PDFs.
- 6.5 Non-Standard electronic documents that do not lend themselves to conversion to PDF (for example, complex spreadsheets, databases, etc.) should be produced to the Inquiry as native electronic documents or in another format agreed with the Inquiry.
- 6.6 Placeholder PDFs should not be produced for non-standard electronic documents.
- 6.7 Hard copy documents should be produced as searchable, stamped, multi-page PDF documents. The minimum requirement for scanned images is 300dpi text searchable multi-page PDF.
- 6.8 Colour versions of documents should be created if the presence of colour is necessary to the understanding of the document. Documents which have coloured annotations or highlighting, photos, graphs or images are to be captured in colour.

7. Document folder structure

- 7.1 Each document should be named 'DocumentID.xxx(x)' where 'xxx(x)' is the file extension.
- 7.2 The top-level folder containing every document will be named '\Documents\'.
 7.3 The documents folder will be structured in accordance with the Document ID hierarchy, ie "Documents\PPP\BBBB\FFFF\"

8. Metadata

- 8.1 Wherever possible, you should rely on the automatically identified metadata of electronic documents.
- 8.2 Please take all reasonable steps to ensure that all appropriate document metadata is not modified or corrupted during collection and preparation of electronic documents for review and production.
- 8.3 Please automatically extract document metadata using UTC + 10 (Sydney, Melbourne, Canberra).
- 8.4 The Inquiry accepts that complete document metadata may not be available for all electronic documents. However, please provide as much (and ideally complete) metadata as possible.
- 8.5 The Inquiry may ask you to provide information about the software and procedure used to automatically identify the metadata of any electronic documents produced to the Inquiry.
- 8.6 Mandatory fields denoted with an asterisk(*) :

Field	Explanation – Document Types and Coding Method and possible values
*Document_ID	Document ID

Field	Explanation – Document Types and Coding Method and possible values	
Host_Reference	If the document is an attachment, this field contains the Document ID of its host document. If a document does not have a host, this field is to be left blank \ null.	
*Family_ID	Each document will be assigned an ID which identifies the family group it appears in. Standalone documents should get the same value as the Document_ID. Host and Attachments in a family group should have the Host Document ID recorded.	
Document_Date	DD/MM/YYYY HH:MM	
	Paper Documents	Determined on the basis of the date appearing on the face of the document.
	Undated Documents	Leave field blank\ null.
	Incomplete Date (Year Only)	For example, 01/01/YYYY 00:00
	Incomplete Date (Month and Year Only, or Day and Month Only)	For example, 01/MM/YYYY 00:00 DD/MM/1900 00:00
	Emails	Email Sent Date & Time
	Unsent Emails	Last Modified Date & Time
	Other Electronic Documents	Last Modified Date & Time; or Date appearing on the face of the document.
Estimated	Yes OR No OR blank	
	Default	No OR blank
	Undated Documents	No OR blank
	Incomplete Date	Yes
*Title	Paper Documents	Determined on the basis of the title appearing on the face of the document.
	Email	Subject field from email metadata.
	Other Electronic Documents	Metadata file name or determined on the basis of the title appearing on the face of the document.
From	Format: Person[Organisation];	Paper Documents: Name of person to be determined on the basis of the face of the document [Name of organisation that produced the

Field	Explanation – Document Types and Coding Method and possible values	
		document as determined on the basis of the face of the document]
To		Emails: Electronic metadata – email addresses or email alias names.
CC		
BCC		
Between		
Attendees		Other Electronic Documents: Where practicable, to be determined from the automatically identified metadata.
*Confidential	Yes No Part	Identifies whether confidentiality is claimed over all or part of a document.
*Privilege LPP	Yes No Part	Identifies whether legal professional privilege is claimed over all or part of a Document. This field is only required where legal professional privilege is claimed over all or part of the document.
Summons No.		The Inquiry request number as identified on the Summons, padded to 4 numbers (the last 4 numbers on the notice or summons).
Summons Category		Specify the category within the Summons that the document relates to. This should take the format of the full Summons number followed by the category letter in parentheses (with no space in between). Where more than one category applies to a document, each category should follow the above format and be separated by semicolons (see example).
File Path		Source path of the original file, if available.
File Name		Source name of the original file, if available.
Date Created	DD/MM/YYYY HH:MM	Electronic metadata – created date, if available.
Date Last Modified	DD/MM/YYYY HH:MM	Electronic metadata – last modified date, if available.

Field	Explanation – Document Types and Coding Method and possible values	
MD5 Hash Value		MD5 hash value used for de-duplication, if available.
File Extension	Eg: XLSX PDF	Where available the original file extension is to be provided for electronic files (with the exception of container files such as ZIP or PST).
*TEXTPATH	FolderPath\Document_ID.TXT	Extracted text path.
*Native Path	FolderPath\Document_ID.EXT	Native path for documents produced in native format/PDF format.

Schedule 2 – Production Tracker Form

General Information			
Producing Entity		Represented By	
Contact Name		Email	
Contact No.		Reference No.	
Production Details			
Date of Production		Are these replacement files to previously provided documents?	Y / N
Summons No.		Tranche No.	
Description / Comments			

Appendix D

Procedural Guidelines Relating to Hearings of the Inquiry into The Star Pty Ltd and The Star Entertainment Group Limited

INQUIRY UNDER SECTION 143 OF THE CASINO CONTROL ACT 1992 (NSW)

PROCEDURAL GUIDELINES RELATING TO HEARINGS OF THE INQUIRY INTO THE

STAR PTY LTD AND THE STAR ENTERTAINMENT GROUP LIMITED

GENERAL

1. These Procedural Guidelines relate to the hearings of the Inquiry established by the Instrument of Appointment issued by the NSW Independent Casino Commission (**NICC**) on 19 February 2024 pursuant to s.143 of the *Casino Control Act 1992* (NSW) (**Casino Control Act**) to Mr Adam Bell SC (**Inquiry**).
2. Mr Bell SC has been appointed to conduct the Inquiry with the powers, authorities, protections and immunities conferred by Division 1 and Division 2 of Part 2 of the *Royal Commissions Act 1923* (NSW) (**Royal Commissions Act**).
3. These Procedural Guidelines may be varied or replaced from time to time. Mr Bell SC may depart from these Procedural Guidelines if he considers it appropriate to do so, subject to the Casino Control Act, Royal Commissions Act and the Terms of Reference issued by the NICC on 19 February 2024 (**Terms of Reference**).

HEARINGS

4. Hearings will usually be conducted from 10.00am to 1.00pm and from 2.00pm to 5.00pm. On occasions it may be necessary for hearings to occur outside of these times. The dates and times for the hearings will be communicated to the relevant people.
5. Hearings will be conducted via a virtual hearing room (**Virtual Hearing Room**).

APPLICATIONS TO APPEAR

6. Mr Bell SC may authorise persons to appear at the hearings. In particular, a person may be granted leave to appear if it is shown that the person is substantially and directly interested in any subject matter of the Inquiry, or that the person or the person's conduct in relation to any such matter has been or is to be challenged to the person's detriment.

To represent a witness while giving evidence

7. Where a legal practitioner seeks leave to appear at the hearings of the Inquiry for the purpose of representing a person while that person is giving evidence at the hearing:
 - (a) such an application may be made by notifying the Solicitors Assisting the Inquiry in writing prior to the hearing;

- (b) the legal practitioner must indicate whether he or she acts (and in the case of counsel, his or her instructing solicitors act) for any other person in relation to the subject matter of the Inquiry, and if either or both so act, why it is appropriate for the practitioner to be authorised to appear; and
- (c) if leave is granted by Mr Bell SC, the legal practitioner will be authorised to appear before the Inquiry for the limited purpose of representing the person while the person is giving evidence.

Other applications

- 8. In any other case, any person or legal practitioner wishing to be granted authorisation to appear at the hearings of the Inquiry or a specified part thereof should lodge with the Inquiry a written application in the Form annexed to these Procedural Guidelines.
- 9. The outcome of any written application will be notified to the applicant in writing.
- 10. Nothing in the preceding paragraphs prevents a person from seeking authorisation to appear at any time, and in particular if an initial application has been refused or something has occurred which leads the person to believe that the person's interests may be affected. Any such application should address the matters identified in the Form annexed to these Procedural Guidelines.

Terms of authorisation

- 11. Unless Mr Bell SC otherwise determines, every authorisation to appear is granted on the following conditions:
 - (a) authorisation may be withdrawn by Mr Bell SC or made subject to altered or additional limitations or conditions at any time;
 - (b) the nature and extent of the participation of the authorised person or authorised legal practitioner (as the case may be) in the Inquiry is subject to Mr Bell SC's control from time to time;
 - (c) the authorised person or authorised legal practitioner (as the case may be) has no automatic right to examine any witness. Amongst other things, Mr Bell SC may, depending on the circumstances at the relevant time, direct that there should be no examination of a particular witness by the authorised person or authorised legal representative (as the case may be), or that any such examination shall be limited as to topic, time or otherwise as Mr Bell SC considers appropriate.

EVIDENCE

- 12. Pursuant to s.143 (3) of the Casino Control Act Mr Bell SC is not bound by the rules or practice of evidence and may inform himself on any matter and in such manner as he

considers appropriate.

13. Sub-sections 17(1) to 17(3) of the Royal Commissions Act are applicable to persons appearing before, or producing documents to, the Inquiry. In particular, and without limiting the terms of those sub-sections:
 - (a) A witness summonsed to appear before the Inquiry and/or to produce documents to the Inquiry is not excused from answering a question or producing documents on the ground of legal professional or other privilege, or self-incrimination, or a duty of secrecy or other restriction on disclosure, or any other ground.
 - (b) There are restrictions on the use to which any answers given or documents produced to the Inquiry may be used against the person in other proceedings.

WITNESSES

14. A witness must take an oath or make an affirmation prior to giving oral evidence at a hearing of the Inquiry. Witnesses choosing to take an oath are not required to hold a religious text. In circumstances where a witness would like to swear an oath upon a religious text, it will be the responsibility of the witness and/or their legal representative(s) to ensure that text is available.
15. Subject to the control of Mr Bell SC, Counsel Assisting the Inquiry will determine which witnesses are called and the order in which those witnesses are called and examined at the hearings. It may be necessary to call some witnesses to give evidence on more than one occasion.
16. Persons required to give oral evidence will be provided with notice of the time Counsel Assisting the Inquiry proposes to call upon their Summons to attend to give evidence. Witnesses with a particular period of unavailability should give notice of that unavailability to the Inquiry at the earliest possible opportunity.
17. Witnesses will provide oral evidence by examination by Counsel Assisting the Inquiry.
18. It may be that witnesses will be questioned by or on behalf of any person considered by the Mr Bell SC to have sufficient interest to do so. The witness may then be examined by his or her own legal representative. Counsel Assisting the Inquiry may then question the witness at the conclusion of this process. Duplication and repetition must be avoided.
19. Mr Bell SC may:
 - (a) limit the particular topics or issues upon which a witness may be examined;
 - (b) impose time limits upon examination of a witness.

20. If Mr Bell SC is to be invited to disbelieve a witness, the material grounds upon which it is said that the evidence should be disbelieved should be put to the witness so that the witness may have an opportunity to offer an explanation.
21. Where it is to be contended that deliberately false evidence has been given, or that there has been a mistake on the part of the witness on a significant issue, the grounds of such contention must be put to the witness.
22. Any person wishing to have evidence placed before the hearings of the Inquiry must notify the Inquiry of the name of the witness and provide in writing an outline of the evidence the witness wishes to provide signed by the witness unless for good reason that is not possible. Counsel Assisting the Inquiry will decide whether or not the witness will give oral evidence at the hearings. An application may be made directly to Mr Bell SC for the witness to provide evidence only after the above procedure has been completed.
23. A copy of any document proposed to be put to a witness during the hearings must be provided to Counsel Assisting the Inquiry as soon as possible after a decision is made to use the document and in all cases prior to its intended use.

DOCUMENTS

24. Subject to the control of Mr Bell SC, Counsel Assisting the Inquiry will determine which documents are tendered in evidence at the hearings of the Inquiry and the time at which they will be tendered.
25. Mr Bell SC will determine which authorised persons, authorised legal representatives and other persons (if any) are to be provided with access to documents tendered for the purposes of the hearings.
26. Any application (other than in a hearing) for access to documents that have been tendered as exhibits in the hearings of the Inquiry should be notified to the Inquiry in writing.
27. Prior to the anticipated tender of some documents for the purposes of the hearings those persons considered by Mr Bell SC to be substantially and directly interested in the subject matter to which the documents relate (or their legal representatives) may be granted confidential access to those documents.
28. The contents of any documents to which access has been granted are not to be published to any persons other than persons to whom Mr Bell SC has granted access and are to be kept confidential and not to be used for purposes other than in connection

with the Inquiry.

29. Persons who are granted access to any documents prior to their tender in evidence at the hearings of the Inquiry are not to provide a copy of those documents or facilitate any person gaining access to any part thereof in respect of which access has not been granted.
30. Any person wishing to have a document placed before the hearings of the Inquiry must notify the Inquiry by providing a copy of the document to the Inquiry. The production of other documents may then be required. Counsel Assisting the Inquiry will decide whether or not to tender any document for the purposes of the hearings. An application may be made directly to Mr Bell SC to tender a document for the purposes of the hearings only after the above procedure has been completed

TRANSCRIPTS OF HEARINGS

31. The written transcript will constitute the record of the hearing.
32. Where a transcript of any part of the hearings of the Inquiry is made available, any person seeking to make corrections thereto should do so by way of notice in writing to the Inquiry as soon as possible. Oral applications for urgent transcript corrections of significance may be made at hearings of the Inquiry.

HEARINGS IN A VIRTUAL ENVIRONMENT

33. Apart from Counsel and Solicitors Assisting the Inquiry, access to the Virtual Hearing Room will be limited to the following persons, subject to any further directions Mr Bell SC may make:
 - (a) witnesses called to give evidence before the Inquiry; and
 - (b) any persons or legal practitioners with authorisation to appear at the relevant time(together, **Participants**).
34. If a Participant believes that they will be unable to attend via the Virtual Hearing Room they should immediately make contact with the Solicitors Assisting the Inquiry to discuss alternative arrangements.
35. In order to access the Virtual Hearing Room, Participants are required to:
 - (a) prepare a list containing the names, email addresses and mobile phone numbers of each person requiring access to the Virtual Hearing Room; and
 - (b) email the list at least 24 hours prior to the hearing they propose to attend to the Solicitors Assisting at **Bell.Inquiry@maddocks.com.au** using 'Proposed Participants for Virtual Hearings – [Name of Party]' as the subject line of the

email.

36. Participants will then be provided with log-in details enabling them to access the Virtual Hearing Room.
37. Only one legal representative for each witness and party who has been granted leave to appear (Nominated Legal Representative) will be able to turn on their camera, unmute their microphone and address the Inquiry during the hearings subject to the following:
 - (a) the Nominated Legal Representative should mute their microphone while Counsel Assisting the Inquiry is examining a witness unless it is necessary to make an objection;
 - (b) when considering the need to address the Inquiry, the Nominated Legal Representative should have regard to the need for the Inquiry to maintain orderly proceedings and the added difficulty of maintaining orderly proceedings in a virtual environment.
38. Device checks will be arranged with witnesses called to give evidence before the Inquiry in the days before they are scheduled to give evidence, to confirm that their technology is operating effectively. Nominated Legal Representatives are permitted to attend such device checks.
39. When attending the Virtual Hearing Room:
 - (a) all Participants must ensure that they are situated in a quiet physical location where they will avoid interruption;
 - (b) save as may be necessary for the limited purposes of receiving technological support and assistance to identify and call up documents and subject to any directions Mr Bell SC may make from time to time, witnesses must ensure that there are no other persons present in that physical location while giving evidence before the Inquiry.
40. Participants other than witnesses and their Nominated Legal Representative must mute their microphones and ensure that their camera is turned off.
41. Witnesses will be placed into a virtual breakout room until they are called to give evidence.
42. Witnesses and their Nominated Legal Representative must log in 30 minutes prior to the scheduled commencement of the witness' evidence, with their microphone on mute

and their camera turned on. A final device check will be conducted at this time. Witnesses will be invited to unmute their microphone immediately prior to giving evidence, and their Nominated Legal Representative will be requested to leave their microphone on mute

43. Other Participants (other than a witness and their Nominated Legal Representative) must log in 15 minutes prior to the scheduled commencement of the hearing.
44. Those persons who have been given access to the Virtual Hearing Room, other than Nominated Legal Representatives and witnesses, will not be permitted to address the Inquiry, unless exceptional circumstances apply, and will have their camera and microphone settings disabled throughout the p hearings accordingly.

WITNESS BUNDLES

45. Relevant parts of the Inquiry's online Hearing Book (**Hearing Book**) will be accessible to Participants. Participants will be sent an invitation to access the Hearing Book in due course.
46. Access to the Hearing Book is expressly subject to an undertaking given by the accessing party that information contained in the Hearing Book will not be published or otherwise disclosed unless and until it has been made publicly available by the Inquiry.
47. Counsel and Solicitors Assisting the Inquiry will determine which materials provided to the Inquiry will be uploaded to the Hearing Book.
48. As a general guide, the Hearing Book will contain:
 - (a) documents identified as being relevant to the evidence of witnesses;
 - (b) exhibits; and
 - (c) transcripts.
49. Those assisting the Inquiry will provide access to the Hearing Book as soon as feasible prior to the commencement of the relevant hearing. Those assisting the Inquiry will have regard to any claims for confidentiality the bases for which have been precisely stated and which have been accepted by Mr Bell SC. All claims for confidentiality over a document or part thereof not already accepted by Mr Bell SC should be notified to the Inquiry within two (2) business days of receiving access to the Hearing Book, and within one (1) business day of receiving a supplement to the Hearing Book. Where a claim for confidentiality is made the precise basis for the claim should be stated in writing and the claiming party should identify the documents or parts of documents claimed to be confidential with blue shading.

50. During the course of the hearings, Counsel Assisting the Inquiry will seek to tender documents contained in the Hearing Book as supplemented from time-to-time, but this does not limit the ability of Counsel Assisting the Inquiry to tender other documents, including without prior notice to interested parties.

PRIOR NOTIFICATION OF ISSUES

51. Any person who wishes to raise any issue of law or procedure should, wherever possible, give the Inquiry written notice of that issue and any contentions to be raised in respect of that issue as soon as possible.

SUBMISSIONS

52. Mr Bell SC may make directions in relation to whether and upon which matters submissions should be made and whether submissions are to be made orally and/or in writing to the Inquiry in relation to matters raised in the hearings of the Inquiry.
53. Mr Bell SC may limit the persons who may make submissions on matters raised in the hearings of the Inquiry and the particular topics or issues that may be addressed. Time or page limits on submissions may also be imposed.

Mr Adam Bell SC

1 March 2024

ANNEXURE A - APPLICATION FOR AUTHORISATION TO APPEAR AT HEARINGS

Part 1 - Name and contact details of Applicant

Name:

Address:

Contact person:

Telephone:

Email:

Part 2 - Name and contact details of any representing legal practitioner

Name of counsel (if applicable):

Address:

Telephone:

Email:

Name of solicitor:

Firm name:

Contact person:

Address:

Telephone:

Email:

Part 3 - Terms of Reference

In respect of which particular Terms of Reference does the Applicant claim to have an interest?

Part 4 - Nature and extent of interest

What is the subject matter in respect of which the Applicant claims an interest; and what is the nature and extent of the interest?

Part 5 - Assistance to the Inquiry

Please specify precisely the nature and extent of any assistance that will be provided to the Inquiry if the application is granted?

Part 6 - Conflicts

In the case of an application for authorisation for a legal practitioner to appear, does the practitioner (and in the case of counsel, his or her instructing solicitors) act for any other person in relation to the Inquiry and the matters the subject of the Inquiry? If so, what information can be provided to the Inquiry such as to enable Mr Bell SC to determine whether it is appropriate for authorisation to be granted?

NOTE: Further information may be sought from applicants for authorisation to appear prior to any decision being made as to whether such authorisation will be granted.

Appendix E

List of Key People

Name	Role	Function	Period in role	Period at The Star/TSEG
ALCOCK, Jason	General Manager, Food & Beverage	Sydney Leadership Team	June 2022 – present	February 2012 – present
BHANDARI, Ritu	General Manager Financial Crime	Group Risk Leadership Team	11 April 2023 – present	11 April 2023 – present
BORCHOK, Adrian	General Manager Investigations	Group Risk Leadership Team	1 March 2023 – present	1 March 2023 – present
BOTHMA, Anerike	Group Manager Responsible Gambling	Group Controls Leadership Team	Approx 2024 – present	20 May 2019 – present
	Senior Project Manager	Group Controls Leadership Team	20 May 2019 – approx 2024 Unknown when in role	
BURKE, Nicola	Chief Transformation Officer	GLT Group Transformation Leadership Team	3 April 2023 – March 2024	2 July 2018 – March 2024
CAMPBELL, Janelle	CEO Sydney	Star Board (proposed) GLT Sydney Leadership Team	26 February 2024 – present	26 February 2024 – present
CARABINE, Neil	Interim Group Chief Legal Officer	GLT	May 2022 – May 2023	May 2022 – May 2023

Name	Role	Function	Period in role	Period at The Star/TSEG
COOKE, Robbie	Group CEO & Managing Director	TSEG Board Star Board GLT Office of the CEO	17 October 2022 – 22 March 2024	17 October 2022 – present
COUPLAND, Josh	General Manager Strategy	Office of the CEO	12 December 2023 – present	12 December 2023 – present
CRAZE, Rowena	Group Chief Audit Officer	Office of the CEO	Late April 2024 – present	Late April 2024 – present
DODT, Kelvin	Chief Operating Officer, Brisbane	Brisbane Leadership Team	July 2022 – December 2023	June 2015 – present
DOWLER, Jen	General Counsel, Regulatory & Dispute Resolution	Group Legal Leadership Team	6 February 2023 – present	6 February 2023 – present
FINCH, Daniel	CEO, The Star Brisbane	GLT	23 January 2024 – present	23 January 2024 – present
FOSTER, David	Non-Executive Chairman	TSEG Board Star Board Compliance Committee	15 August 2022 – 22 March 2024	15 August 2022 – 21 June 2024
	Executive Chairman	TSEG Board Star Board Compliance Committee	22 March 2024 - 29 April 2024	

Name	Role	Function	Period in role	Period at The Star/TSEG
	Executive Director	TSEG Board Star Board Compliance Committee	29 April 2024 – 21 June 2024	
FOTI, Maree	General Manager Talent Acquisition	Group People and Performance Leadership Team	20 March 2023 – present	20 March 2023 – present
FRESNEL, Laurent	Group Chief Technology and Innovation Officer	GLT Group Technology and Innovation Leadership Team	1 August 2023 – present	13 January 2014 – present
GALLOWAY, Helen	External	Compliance Committee	1 November 2023 – present	1 November 2023 – present
GELDENHUYS, Pieter (Arno)	Sydney Chief Financial Officer Deputy Group CFO	Group Finance Leadership Team	December 2023 – present	17 November 2017 – present
	General Manager Commercial Finance	Group Finance Leadership Team	17 November 2017 – December 2023	
GOUGH, James	General Manager Internal Audit and Assurance	Office of the CEO	4 December 2019 – present	4 December 2019 – present
GRASSO, Christina	General Manager Hotels, Retail, AV and Guest Experience	Sydney Leadership Team	May 2022 – present	April 2019 – present

Name	Role	Function	Period in role	Period at The Star/TSEG
GREEN, Mandy	Interim Chief Risk Officer	GLT Group Risk	20 October 2022 – February 2023	20 October 2022 – February 2023
HAMMOND, Paula	Group Chief People Officer	GLT Group People and Performance Leadership Team	December 2021 – present	3 September 2012 – present
HEAP, Ben (interim)	Chairman	TSEG Board	1 June 2022 – 31 March 2023	1 January 2018 – 31 March 2023
HODGSON, Peter	Independent NED	TSEG Board Compliance Committee (proposed)	6 July 2023 – present	6 July 2023 – present
HOGG, Geoff (acting)	Group CEO & Managing Director	Office of the CEO	1 June 2022 – 26 September 2022	26 May 2008 – 24 March 2023
HUANG, Danny	Brisbane Chief Financial Officer	Group Finance Leadership Team	December 2023 – present	1 February 2016 – present
	General Manager Group Treasurer	Group Finance Leadership Team	September 2020 – December 2023	
	General Manager Strategy	Office of the CEO	1 January 2016 – December 2023	
HUGHES, George	Group Chief Customer and Product Officer	GLT	1 August 2023 – 22 March 2024	1 November 2017 – 22 March 2024

Name	Role	Function	Period in role	Period at The Star/TSEG
HUMPHREYS, Peter	Acting Chief Operating Officer Sydney	GLT Sydney Leadership Team	26 September 2022 – present	2 July 2015 – present (Note was also previously employed with Star from November 1997 – January 2010)
	General Manager, Gaming Machines and Cashier Services	Sydney Leadership Team	January 2019 – present	
ISSENBERG, Michael	Independent NED	TSEG Board	17 February 2022 – present	17 February 2022 – present
IVANOFF, Betty	Group Chief Legal Officer	GLT Group Legal Leadership Team	15 May 2023 – 5 March 2024	15 May 2023 – 5 March 2024
JENKINS, Peter	Chief of Staff	GLT Office of the CEO	1 August 2023 – 22 March 2024	27 January 2015 – 22 March 2024
KATSIBOUBA, Christina	Group Chief Financial Officer	Star Board GLT Group Finance Leadership Team	9 July 2022 – 22 March 2024	20 April 2015 – 22 March 2024
LAGAN, Attracta	Project Consultant	Office of the Manager	January 2023 - present	January 2023 - present
MACDONALD, Hamish	Group Company Secretary	Group Legal Leadership Team	26 September 2023 – present	26 September 2023 – present
MACKAY, David	General Manager Asset Protection and Operational Resilience	Sydney Leadership Team	Unknown – 7 June 2024	Unknown – 7 June 2024

Name	Role	Function	Period in role	Period at The Star/TSEG
MACKENZIE, Judith	General Manager People Partnerships	Group People and Performance Leadership Team	Unknown – present	20 August 2012 – present
MCCANN, Steve	Group Chief Executive Officer	TSEG Board GLT Office of the CEO	8 July 2024 – present	8 July 2024 – present
MCDONOUGH, Darryl	Interim Group Chief Legal Officer	GLT	13 February 2024 – present	13 February 2024 – present
MELLOR, Jessica	CEO, The Star Gold Coast	GLT	17 October 2023 – present	18 March 2019 – present
MO, Chum	Acting Senior Vice President Premium Service Operations	Sydney Leadership Team	September 2022 – present	2004 – present
MOK, Jeannie	Group Chief Operating Officer	GLT Group Transformation Leadership Team	11 June 2024 – present	11 June 2024 – present
NEILSON, Luke	General Manager Financial Crime Risk Operations	Group Controls Leadership Team	28 March 2023 – present	28 March 2023 – present
O'CONNELL, Neale	Interim Group Chief Financial Officer	GLT Group Finance	22 March 2024 – present	22 March 2024 – present
PAGE, Deborah	Independent NED	TSEG Board	1 February 2023 – present	1 February 2023 – present

Name	Role	Function	Period in role	Period at The Star/TSEG
QUAYLE, Damian	Chief Operating Officer, The Star Sydney	Sydney Leadership Team	July 2019 – 23 January 2023	4 July 2011 – 23 January 2023
RIZO, Giovanni	General Manager Business Development and Investor Relations	Group Transformation Leadership Team	Early 2024 – present	Early 2024 – present
SAUNDERS, Scott	Group Chief Risk Officer	GLT Group Risk Leadership Team	13 February 2023 – present	13 February 2023 – present
SILFANI, Nawal	Executive Advisor Governance Strategy	Group Legal Leadership Team	19 September 2023 – present	12 September 2022 – 11 June 2024
	Group Company Secretary	Group Legal Leadership Team	12 September 2022 – 19 September 2023	
SITZIMIS, Bill	Risk Advisor	Group Risk	10 October 2023 – present	10 October 2023 – present
SMITH POMEROY, Karen	External	Compliance Committee	1 April 2023 – present	1 April 2023 – present
TER WEEME, Peter	General Manager Safer Gaming Compliance	Group Risk Leadership Team	8 June 2023 – present	8 June 2023 – present
THEFS, Sandy	General Manager, Table Games	Sydney Leadership Team	August 2021 – present	July 2013 – present
THORNTON, Toni	Independent NED	TSEG Board	11 November 2022 – present	11 November 2022 – present
		Compliance Committee	1 April 2023 – present	

Name	Role	Function	Period in role	Period at The Star/TSEG
TOLEAFOA, Junior	Group Manager Safer Gambling Training and Outreach	Group Risk Leadership Team	Unknown – present	8 April 2019 – present
	Group Manager Responsible Gambling	Group Controls Leadership Team	Unknown – Unknown	
TOWNSEND, Rav	Group Chief Controls Officer	GLT Group Controls Leadership Team	10 July 2023 – present	10 July 2023 – present
VAN BLERK, Brenden	General Manager Hotels, Retail, AV and Guest Experience	Sydney Leadership Team	May 2023 – present	May 2023 – present
VUONG, Eileen	Head of Risk, The Star Sydney	Sydney Leadership Team Group Risk Leadership Team	31 May 2023 – present	31 May 2023 – present
WARD, Anne	Independent NED	TSEG Board	15 August 2022 – present	15 August 2022 – present
WEEKS, Nicholas	Manager (NSW), Special Manager (Qld)	Office of the Manager	21 October 2022 – present	21 October 2022 – present
WHARTON, Scott	Chief Transformation Officer and Sydney CEO	GLT Sydney Leadership Team	25 July 2022 – 28 April 2023	25 July 2022 – 28 April 2023
YUEN, Jennie	Group Company Secretary	Group Legal Leadership Team	29 July 2021 – present	9 January 2012 – present

Name	Role	Function	Period in role	Period at The Star/TSEG
	Group Manager Shareholder Relations	Group Legal Leadership Team	Unknown – present	

Appendix F

List of witnesses and dates on which they appeared

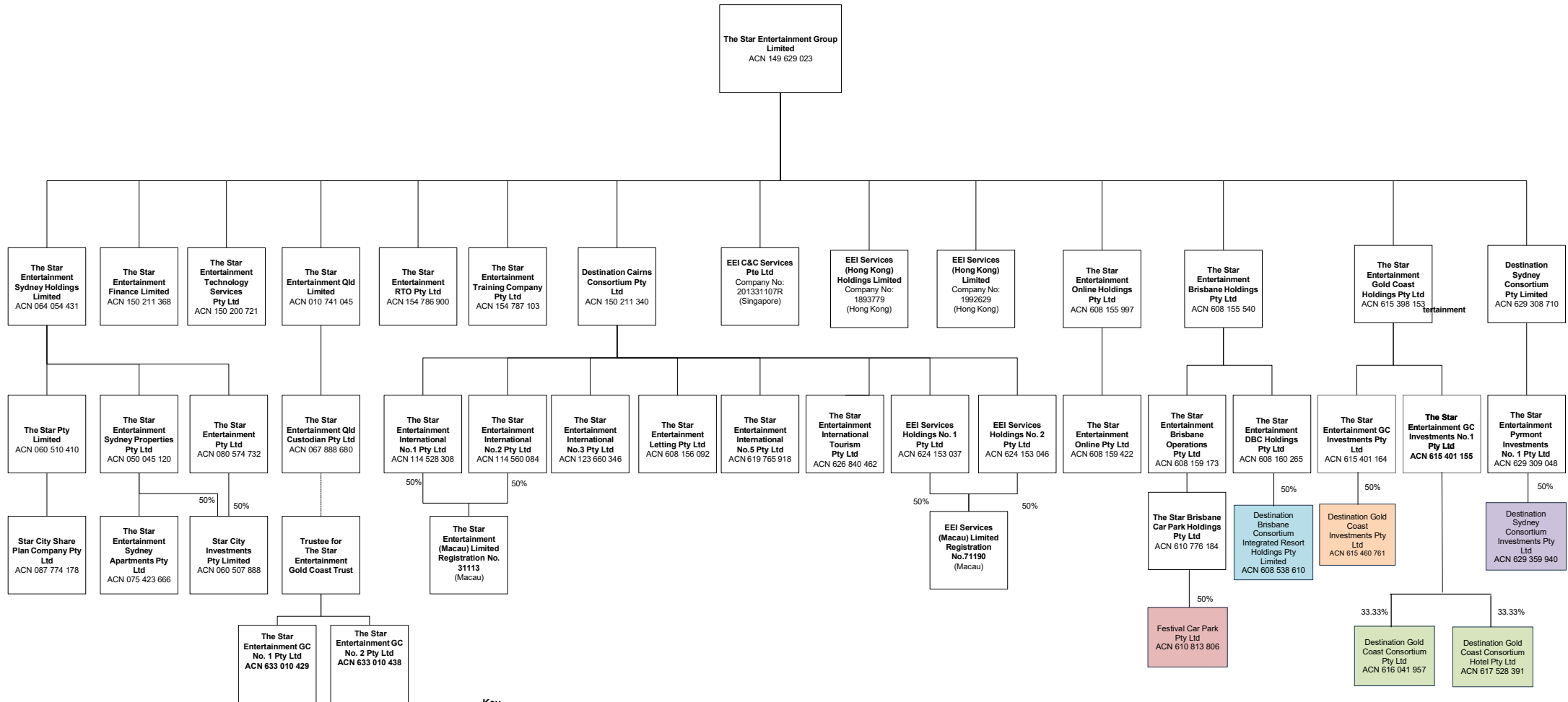
Inquiry into The Star and TSEG

Appendix F: List of witnesses and dates on which they appeared

Witness	Role	Date(s) on which appeared
Nicholas Weeks	Manager, The Star Sydney and Special Manager of Star Entertainment's casinos in Queensland	15 and 16 April 2024
Christina Katsibouba	Former Chief Financial Officer, Star Entertainment	16 and 17 April 2024
George Hughes	Former Chief Customer and Product Officer, Star Entertainment	17 April 2024
Betty Ivanoff	Former Chief Legal Officer, Star Entertainment	17 April 2024
Nawal Silfani	Former Company Secretary, Star Entertainment	17 April 2024
Dr Attracta Lagan	Principal, Managing Values	18 April 2024, 1 May 2024
Ron Wagemans	Former Patron Liaison Manager, The Star Sydney	18 April 2024
Eileen Vuong	Head of Risk, The Star Sydney	18 and 19 April 2024
Peter Humphreys	Interim Chief Operating Officer, The Star Sydney	19 April 2024
Ravneet Townsend	Former Chief Controls Officer, Star Entertainment	19 April 2024
Scott Saunders	Chief Risk Officer, Star Entertainment	22 April 2024
Nicola Burke	Former Chief Transformation Officer, Star Entertainment	22 and 23 April 2024
David Foster	Former Executive Chair, Star Entertainment	23 April 2024
Robert Cooke	Former Chief Executive Officer and Managing Director, Star Entertainment	24 April 2024
Anne Ward	Non-Executive Chair, Star Entertainment	24 and 29 April 2024
Deborah Page AM	Non-Executive Director, Star Entertainment	29 April 2024
Michael Issenberg	Non-Executive Director, Star Entertainment	29 April 2024
Peter Hodgson	Non-Executive Director, Star Entertainment	30 April 2024
Toni Thornton	Non-Executive Director, Star Entertainment	30 April 2024
Elizabeth Arzadon	Managing Director, Kiel Advisory Group	1 May 2024
Neale O'Connell	Interim Chief Financial Officer, Star Entertainment	1, 2 and 3 May 2024
Sebastian Hams	Partner, KordaMentha	2 and 3 May 2024

Appendix G

The Star Entertainment Group Limited Group Corporate Structure



- Key**
- indicates the joint venture that owns Festival Car Park (Brisbane)
 - indicates the Destination Brisbane Consortium ("DBC") joint venture (Queen's Wharf Brisbane)
 - indicates the Destination Gold Coast Consortium ("DGCC") joint venture (Sheraton Grand Mirage, Gold Coast)
 - indicates the Destination Gold Coast Consortium ("DGCC") joint venture (Gold Coast towers – Dorsett hotel and residential)
 - indicates the Destination Sydney Consortium joint venture (Pymont property)