



# Inspire our people

A great place to work where our people are empowered to grow and achieve.

# Our People

As a major employer with over 4,200 staff, we know that taking care of our people is the key to creating a great place to work.

We are committed to providing our employees with sustainable career paths at SkyCity and want our staff to grow their careers with us.

## Priority Issues

- Employee engagement
- Meaningful career and development pathways
- Diversity, inclusion and belonging
- Health, safety and wellbeing

## Key Stakeholders

- Employees (existing, former and potential)
- Union representatives
- Ministry of Business, Innovation and Employment
- Ministry of Social Development
- Ministry of Health
- Department of Education, Skills and Employment
- Accident Compensation Corporation
- WorkSafe NZ
- SafeWork SA
- ReturnToWorkSA
- Immigration New Zealand
- Women's Refuge
- Women in Gaming and Hospitality Australasia
- Gender Tick
- Rainbow Tick
- Southern Cross Healthcare

## FY21 Performance Highlights

- Awarded the Diversity and Inclusion Leadership Award at the 2020 Deloitte Top 200 Awards and the Diversity and Inclusion Award at the 2021 NZ HR Awards for Project Nikau, SkyCity's pathway to employment programme for vulnerable young people targeting Māori and Pasifika
- Made a commitment to contribute to eliminating period poverty by providing free sanitary products to all employees - with the initial pilot phase rolled out in New Zealand in May 2021
- Achieved Gender Tick and Rainbow Tick reaccreditation
- 80% of our employees participated in our Speak Up employee engagement survey - with an engagement score of 85% favourable achieved

## FY21 Key Challenges

- No face-to-face leadership development programmes were delivered due to the disruption from COVID-19. Instead, personalised talent development conversations and bespoke interventions were deployed where appropriate
- Project Nikau was put on hold during the first half of the year due to the limited opportunity to hire new staff following the COVID-19 related impacts on the New Zealand business
- SkyCity's Australian and New Zealand operations have faced very constrained candidate markets due to the border closures, making it challenging to fill vacant roles
- Providing increased support for employee mental health and wellbeing as employees cope with the challenges and uncertainty that has been a feature of the past year with the impact of COVID-19

## FY22 Focus Areas

- Strengthening SkyCity's commitment to Iwi relationships and improving our understanding of Te Ao Māori, Te Reo Māori and tikanga in New Zealand whilst contributing to employment opportunities for indigenous peoples in Australia
- Providing support to employees to strengthen mental health and wellbeing
- Using the insights gained from our Speak Up employee engagement survey to further enhance employee engagement



At SkyCity, we aim to create an environment where our people are at the centre and ensure that our staff can work safely, are motivated to work hard, progress in their careers, and have the tools and knowledge they need to look after both themselves and our customers.

## Employee Engagement and Developing Meaningful Career Pathways

With a large and diverse workforce, SkyCity is recognised for taking a lead in staff development and care. Our vision is to be a centre of expertise that delivers high value learning and development solutions for staff which contribute to the achievement of our business priorities.

We have an advanced set of priorities and programmes in place across our sites to achieve our goal of being a great place to work where our people are empowered to grow and to achieve. To ensure that these programmes remain effective and relevant, we regularly review the effectiveness of the programmes, in terms of both interest and sustained impact, and make refinements as required. New programmes are also trialled and introduced where appropriate. We regularly seek advice from staff on how to remove barriers to participation (such as release time) and introduce better incentives for participation.

### Speak Up Employee Engagement Survey

Our Speak Up survey is a biennial Group-wide employee engagement survey – the purpose of which is to understand employee engagement and to prioritise Group-wide initiatives to maintain and improve employee engagement. Employee engagement is defined as the levels of enthusiasm and connection employees have with SkyCity – it is a measure of how motivated people are to put in discretionary effort for SkyCity and a sign of how committed they are to stay.

Our most recent Speak Up survey was completed in April 2021, with 80% of employees responding to the survey (up seven points on 2019). Pleasingly, we achieved an engagement score of 85% favourable

(up one point on 2019) – meaning that, on average, 85% of SkyCity employees answered that they either “agreed” or “strongly agreed” with nine engagement specific questions.

To maintain and improve employee engagement, the survey results support continued investment in diversity, inclusion and belonging, our role in the communities we operate in, living our values, and health and safety. The results also suggest opportunity for improvement in ensuring people feel recognised for a good job, change management at a team level, scheduling and staffing, and providing feedback to improve performance.

### Tahuna Te Ahi - Ignite the Fire

Recognising the special standing of Māori as tangata whenua and the indigenous people of Aotearoa, SkyCity launched Tahuna Te Ahi, a tailored programme developed by New Zealand company Indigenous Growth Limited, for our New Zealand-based employees in 2018. The programme provides accelerated leadership development specifically for Māori employees in addition to implementing initiatives which elevate the standing of Māori at SkyCity more broadly. The programme connects people to indigenous values and culture while at the same time giving them the tools to incorporate their culture into a business environment.

SkyCity was awarded the 2018 Deloitte Top 200 Diversity and Inclusion Leadership Award for the programme in November 2018 and was named as a Platinum winner in the ‘Best Learning & Development Project – Leadership Capability’ category at the 2019 LearnX Asia Pacific Awards for the programme in June 2019.

15 employees commenced the Tahuna Te Ahi programme during the last financial year.

## Health, Safety and Wellbeing

At SkyCity, our people are paramount to the success of our business. Ensuring we take care of our people at work allows them to provide our guests with a safe and enjoyable experience. Our character and culture goal is to provide a great and safe place to work.

### Health and Safety

Over the last financial year, our primary objective has been to keep our people and guests safe from COVID-19 and support Government initiatives to minimise the risk of COVID-19 in our communities. We have implemented extensive processes to plan, manage and review our COVID-19 health management response.

We also continued to implement initiatives to achieve the strategic goals outlined in our FY19-21 Group Health and Safety Strategy (adopted in 2018), which has allowed us to develop strong foundations for sustainable safety change. Our Group Health and Safety Strategy for FY19-21 centres around the mission "Prevent Harm and Build Wellness" and the following four goals:

- **Industry leading safety culture** – we will create a positive safety culture for our workers and guests with a strong emphasis on genuine and visible leadership and active engagement of our workers;

- **Effective risk management** – we will focus on our critical risks, ensuring we have sufficient risk mitigation strategies in place to prevent fatal or serious harm;
- **Sustainable systems and processes** – we will create a contemporary and resilient approach to the management and improvement of health and safety; and
- **Health and wellbeing** – we will adopt a risk-based approach to health and wellbeing, including programmes to reduce physical and psychosocial risks to our workers.





### FY21 Health and Safety Scorecard

Indicator	Target	FY21 Performance
Safety Success Indicator 1	Zero fatalities or life altering injuries	✓ Achieved – no fatalities or life altering injuries
Safety Success Indicator 2	Reduce Total Recordable Incident Frequency Rate ( <b>TRIFR</b> ) by 10% from the FY20 baseline	Not achieved – increased by 23.36%
Safety Success Indicator 3	Increase hazard reports by 10% from the FY20 baseline	Not achieved – increased by 3.22%

The final TRIFR and hazard reporting results were significantly impacted by the COVID-19 disruptions and closures, which significantly reduced the total number of hours worked.

GOAL 1 Industry Leading Safety Culture	GOAL 2 Effective Risk Management	GOAL 3 Sustainable Systems and Processes	GOAL 4 Health and Wellbeing
<p><b>Key Achievements (FY19-21)</b></p> <p> Active and Visible Safety Leadership</p> <ul style="list-style-type: none"> <li>All leaders have mandatory health and safety targets. Targets are cascaded based on responsibility</li> <li>Interactive dashboards are available to leaders providing a snapshot of health and safety performance</li> <li>Health and safety communications plans developed and regularly reviewed</li> </ul>	<p><b>Key Achievements (FY19-21)</b></p> <p> Effective Risk Management</p> <ul style="list-style-type: none"> <li>Establishment of divisional risk registers – owned and managed by the business owner</li> <li>Significant investment in higher level risk controls of our critical risks aimed at removing dependencies on low level controls</li> <li>Introduction of safety assurance programme over all construction and development activities</li> </ul>	<p><b>Key Achievements (FY19-21)</b></p> <p> Compliant Health and Safety Management System</p> <ul style="list-style-type: none"> <li>Safety management systems audited against ACC and Australian standards – achieving 3 successful audit results</li> <li>Design and deployment of new Health and Safety Management software creating single point for health and safety activities and performance</li> <li>Significant increases in reported incidents through driving changes to reporting behaviours</li> </ul>	<p><b>Key Achievements (FY19-21)</b></p> <p> Occupational Health Prevention of Illness</p> <ul style="list-style-type: none"> <li>Extensive surveys of our noise risks to prevent hearing loss related injuries</li> <li>Improvements to the management of processes involving biological risks (cooling towers, swimming pools and air quality)</li> <li>Visual ergonomic risk assessments to reduce risk of fatigue in CCTV control rooms</li> </ul>
<p> Positive Safety Culture</p> <ul style="list-style-type: none"> <li>Introduction of safety leadership walks for leaders and the Board</li> <li>Established the annual Chairman's Health and Safety Award for Safety Excellence and Innovation</li> </ul>	<p> Reduce Low Consequence High Frequency (LCHF) Events</p> <ul style="list-style-type: none"> <li>Deployment of an online management system for all operations</li> <li>A focus on flooring upgrades to slip and trip hazard areas</li> <li>Rollout of sit/stand workstations to our administrative divisions</li> <li>Introduction of a fit for work programme at our Adelaide property</li> </ul>	<p> Learning and Improvement</p> <ul style="list-style-type: none"> <li>Refined and simplified induction training to focus on the basics</li> <li>Rolled out new training programmes with the use of new technology (including fire simulators and VR learning)</li> <li>Celebrated World Day for Safety at Work with onsite information days</li> </ul>	<p> Wellness – Promotion Of Healthier Bodies</p> <ul style="list-style-type: none"> <li>Wellness initiatives and promotions to continue improving our peoples' health</li> <li>Over 400 individual physical health checks as part of our wellbeing programme</li> <li>Over 2,000 vaccinations delivered as part of the Group-wide vaccination programme</li> </ul>

### Employee Wellbeing

SkyCity has programmes in place to promote healthy behaviours and personal responsibility for mental and physical health. The programmes aim to promote healthy lifestyles, increase physical activity, reduce absenteeism and improve productivity.

In response to the COVID-19 pandemic, SkyCity has established a specialist Health and Hygiene team to provide staff with up-to-date information on the global pandemic, support in dealing with anxiety and stress relating to the pandemic, and training and awareness on health management relating to the pandemic. Following periods of lockdown, we also focused on physical and mental health work conditioning. These programmes were aimed at minimising harm in an environment involving significant disruptions to our operations.

Over the last financial year, we also:

- launched a physical health check programme where employees can participate in a 30 minute health consultation with a nurse – with over 400 health checks being carried out to date;
- conducted a 'People Pulse Survey' on mental health and wellbeing with 700 employees responding to the survey. The results identified that our people leaders wanted more training on how to support employees, and employees wanted more information on personal coping skills for stress management. In response to this feedback, EAP Services delivered 15 workshops to 146 managers on how to support better mental health outcomes for employees; and
- supported the World Day for Safety and Health at Work by hosting a special event in partnership with the NZ Business Leaders Health & Safety Forum in Auckland. To coincide with this day, a pocket guide on 'How to have a conversation about Mental Health' was launched. This guide is based on the NZ Mental Health Foundation's work and is designed to empower our people to have safe conversations and be able to identify certain behaviours, approaching colleagues with empathy and a willingness to listen.

As part of SkyCity's wellness programme, all SkyCity employees are invited to receive a free flu vaccination. This service is offered annually to employees onsite at the beginning of the flu season to ensure all staff have easy access to the vaccinations. Around 600 vaccinations have been delivered in 2021.

### Staff Support Programmes

SkyCity has a range of services designed to assist employees who may need a helping hand.

At our Auckland and Hamilton sites, SkyCity offers confidential help and advice for SkyCity employees – for work issues and situations outside of work. They offer advice about practical and effective ways to handle difficult or sensitive issues and, where appropriate, assist employees in working with agencies outside of SkyCity who may be able to help.

The Group-wide Employee Assistance Programme (delivered via EAP Services) is a supportive and confidential programme designed to assist SkyCity employees who may have problems that affect them at work – advice and support is available 24 hours a day, seven days a week, from trained professional counsellors who can help staff with their problems.

SkyCity also provides emergency financial assistance for employees suffering financial hardship. This help can include budgeting advice, and last resort financial help through a 'SMILE' loan to New Zealand-based staff who qualify for support.

### Employee Hardship Fund

Like many other businesses, the COVID-19 pandemic has adversely impacted SkyCity's business and operations and necessitated significant changes across the SkyCity business from March/April 2020, including significantly reducing capital expenditure, minimising operating costs and restructuring SkyCity's workforce.

In April 2020, the SkyCity Employee Hardship Fund was established to initially assist SkyCity's departing employees in New Zealand who found themselves in financial difficulties that could not fully be addressed by their redundancy payments. The Fund was established using funds contributed by the Senior Leadership Team and other senior executives across the business via voluntary reductions in their salaries from 1 April – 30 June 2020 and from voluntarily contributions by other staff members. As at 30 June 2021, a total of \$223,407 had been granted (with no obligation for repayment) to 123 affected employees.



### Healthcare

SkyCity understands that healthcare can be expensive and sometimes difficult to access for members of the workforce. We therefore offer permanent, full-time employees in our New Zealand sites health insurance via our healthcare provider Southern Cross Healthcare. SkyCity fully subsidises the RegularCare plan, which provides shared cover for surgical treatment, recovery, support, imaging and diagnostic tests and day-to-day treatment. Employees are also able to add their family members to the insurance plan at an additional cost.

### Diversity, Inclusion and Belonging

We have a strong representation of minority groups at SkyCity who are often underrepresented at leadership levels in the workforce. Encouraging diversity of thought in our workforce, and in leadership roles in particular, allows us to strategically reflect our diverse customer base and draw people with different backgrounds to our business. We believe this diversity of thought offers an opportunity to enhance SkyCity's competitive advantage and provide long term sustainable business success.

We value and respect the contributions, ideas and experiences of people from all backgrounds and are committed to an inclusive workplace that enhances and promotes workplace diversity across the business. We are committed to providing opportunities and initiatives that assist all to reach their potential, and regularly benchmark and report on our diversity position, policy and objectives.

SkyCity's Diversity and Inclusion Policy (available in the Governance section of the company's website at [www.skycityentertainmentgroup.com](http://www.skycityentertainmentgroup.com)) provides a framework for the company's current and future diversity and inclusion initiatives. Each year, the SkyCity Board sets measurable objectives to promote diversity and inclusion. The measurable objectives set by the Board for the financial year ending 30 June 2022 are to:

- continue to ensure strong female candidates are identified in the recruitment process for all Board and senior executive roles;

- maintain a gender balance across the population of employees who make up the top four levels of the organisation hierarchy;
- continue to review gender and ethnic pay equality and deliver an organisation-wide programme that removes any risk of bias or inequality;
- leverage and grow diverse talent pools to develop a more ethnically diverse leadership population;
- maintain certification with specialist organisations who represent minority groups within the SkyCity workforce (for example Rainbow Tick) to reiterate our commitment to, and support of, these minority groups' interests;
- build the capability of all leaders in understanding and leveraging diversity of thought through ensuring appropriate learning and development solutions are delivered;
- continue to work with a panel of advisors and experts to provide informed perspectives and guidance to the Chief Executive Officer and Inclusion Council on diversity and inclusion matters; and
- continue to provide support and education to employees and managers to promote mental health awareness and wellbeing.

### Gender Composition

Over the last financial year, SkyCity has challenged itself to increase female representation, particularly in senior leadership roles, and has maintained a gender balance across the top four levels of the organisation. This has been driven by initiatives which support the development of our female talent pipeline and by ensuring strong female candidates are identified in the recruitment process for all executive roles and any systemic bias in recruitment, development and promotion processes are removed.



The gender composition of SkyCity's directors, officers, senior executives and total workforce as at 30 June 2021 and, comparatively as at 30 June 2020, is set out below:

2021	Female		Male		Total
	Number	%	Number	%	
Directors	3	43%	4	57%	7
Officers	4	50%	4	50%	8
Senior Executives	5	45%	6	55%	11
<b>Total Workforce</b>	<b>2,082</b>	<b>49%</b>	<b>2,167</b>	<b>51%</b>	<b>4,249</b>

2020	Female		Male		Total
	Number	%	Number	%	
Directors	2	40%	3	60%	5
Officers	3	43%	4	57%	7
Senior Executives	4	40%	6	60%	10
<b>Total Workforce</b>	<b>1,832</b>	<b>48%</b>	<b>1,980</b>	<b>52%</b>	<b>3,812</b>

In the above tables:

- 'officers' are the Chief Executive Officer and those directly reporting to the Chief Executive Officer, other than the Executive Assistant;
- 'senior executives' are , with the exception of the Chief Executive Officer, those who hold a strategic position (as determined by the People and Culture Committee from time to time); and
- the 'total workforce' number does not include those who identify as gender diverse and those who elected not to identify as being female, male or gender diverse.

### Inclusion Council

In 2019, a SkyCity Inclusion Council was established to support the embedding of an authentic and inclusive culture within SkyCity Auckland. The Council is made up of Employee Resource Groups whose purpose is to bring to life SkyCity's diversity and inclusion objectives. The Employee Resource Groups sit on a forum to discuss priorities and proposed actions with senior leadership on a quarterly basis. The five core Employee Resource Groups are Women in Leadership, NZ Asian Leaders, SkyCity Pride, Pasifika Leaders and Te Roopū Māori o SkyCity. The leaders of the Employee Resource Groups bring together their respective communities, confirming their priorities and work together to drive initiatives that impact the groups they represent.

Te Roopū Māori o SkyCity continues to provide a significant amount of support and guidance to SkyCity management, and the broader workforce, with the aim of delivering better outcomes for Māori. In September 2020, the Roopū celebrated Te Wiki o Te Reo (Māori language week) with the delivery of an online te reo Māori lesson to SkyCity employees and, in association with Te Taura Whiri i te Reo Māori (the Māori Language Commission), projected a hei tiki on the Sky Tower - which received recognition as a stand-out moment from

Te Taura Whiri i te Reo Māori. Te Roopū Māori o SkyCity has also supported cultural elements of SkyCity events over the last financial year, including the official pōwhiri for Michael Ahearne into the role of Chief Executive Officer and Matariki celebrations, launched a new Te Roopū Māori o SkyCity logo and established an employee whānau room.

In the last financial year, a SkyCity Inclusion Council was also established in SkyCity Adelaide with three core Employee Resource Groups - Women in Leadership, LGBTTIQA+ and Disability/Ability.

### Eliminating Period Poverty

With our ongoing focus on gender equality and inclusion, one key area SkyCity has identified where it can make a difference is the elimination of period poverty by removing one of the barriers to women participating in work with the same conveniences as their male colleagues. Period poverty is when someone cannot access the menstrual products (such as pads, tampons or cups) they need for their period. There are many barriers to access - the biggest is usually cost. Other barriers include convenience (being caught short) absence of basic equipment (such as sanitary bins), different cultural beliefs and community stigma.





Since May 2021, we have provided free sanitary products in all female and gender-neutral employee bathrooms across the SkyCity properties in New Zealand to ensure that our female employees feel empowered and engaged to come to work and perform their very best without facing any barriers or being inconvenienced. SkyCity Adelaide has provided free sanitary products in all female employee bathrooms from July 2021.

### Supporting Our Rainbow Community

SkyCity has maintained a Rainbow Tick for its Auckland and Hamilton properties for a sixth year, and our Queenstown site was awarded the Pride Pledge in 2020. Being a Rainbow Tick employer means SkyCity has been acknowledged as being a safe, supportive and welcoming workplace where employees can bring their whole selves to work without fear of discrimination or disadvantage – no matter what their gender identity or sexual orientation.

SkyCity is committed to continually improving and working with the feedback received from Rainbow Tick to find ways we can further support our SkyCity rainbow community.

Through the Inclusion Council at SkyCity Auckland, the SkyCity Pride Employee Resource Group has driven a range of initiatives through Pride Week and celebrated Wear It Purple Day, an awareness day specifically for young people who identify as LGBTTIQA+ and IDAHOBIT Day, the International Day against Homophobia, Biphobia and Transphobia.

Our Adelaide site maintained its Pride in Diversity programme membership, which reiterates our commitment to our lesbian, gay, bi-sexual, trans-sexual and intersex Australian-based staff.

SkyCity Queenstown has been a supporter of the Winter Pride event in Queenstown for many years and signed up to the Pride Pledge in June 2018. The Pride Pledge was started in Queenstown to raise the visibility of safe spaces within the Queenstown community after the Winter Pride festival organisers realised that, although the town had an inclusive heart, it was very difficult for the rainbow community to see any visible signs that they were welcome and included.

### Gender Tick

In April 2019, SkyCity was awarded the Gender Tick in recognition of its commitment to providing a fair workplace for all employees. The Gender Tick was reconfirmed in June 2020 and July 2021.

Gender Tick is a New Zealand-based accreditation for businesses to demonstrate their commitment to gender equality in the workplace. The programme assesses organisations across five key indicators, including gender inclusive culture, flexibility and leave, women in leadership, gender pay equality and ensuring a safe workplace.

### Pay Equality

SkyCity continues to monitor and report on remuneration outcomes by gender to ensure pay equality.

In the last financial year, SkyCity also conducted gender pay equality analysis for like positions (being positions with similar degrees of know-how, problem solving and accountability). This analysis identified that there are no indications of gender bias across similar positions.

We remain focused on increasing the representation of women in senior roles across the business through a gender balanced talent pipeline. These initiatives, in addition to a strategy deployed over the past three years to lift the hourly wage rate of SkyCity's lowest paid staff, has contributed to a reduction to SkyCity's gender pay gap in New Zealand. While our Australian gender pay gap remains well below the Australian National Gender Pay Gap, the changes to our Australian business over the financial year ended 30 June 2021 have seen a significant increase to our Australian gender pay gap. We are undertaking extensive root cause analysis on this change in Australia and remain committed to reducing both our Australian and New Zealand gender pay gaps. We are developing further enhancements to our pay transparency approach and believe this will have a positive impact on our gender pay gap across Australia and New Zealand.

In the last financial year, SkyCity conducted an ethnic pay gap analysis for the first time. As part of this, and to ensure our data and insights accurately reflect our workforce and continue to inform our priorities, we commenced a programme to increase employee ethnicity data capture which resulted in an increase in data capture from 60% of SkyCity's workforce to 83% (excluding individuals who elected 'prefer not to say').

The following table illustrates the SkyCity gender pay gap as at 30 June 2021 and as a comparison against the prior periods and the respective national gender pay gaps:

	New Zealand		Australia	
	SkyCity Gender Pay Gap (as at 30 June)	National Gender Pay Gap	SkyCity Gender Pay Gap (as at 30 June)	National Gender Pay Gap
<b>2021</b>	6.9%	9.5% (August 2020)	6.1%	13.4% (November 2020)
<b>2020</b>	7.5%	9.3% (August 2019)	1.5%	13.9% (November 2019)
<b>2019</b>	8.2%	9.2% (August 2018)	1.5%	14.1% (November 2018)

Percentage difference between the median hourly rate for women compared to the median hourly rate for men as at 30 June 2020. Includes permanent and temporary employees.

The following table illustrates the SkyCity ethnic pay gap as at 30 June 2021:

	New Zealand	
	SkyCity Ethnic Pay Gap as compared to Pakeha Men (as at 30 June 2021)	National Ethnic Pay Gap*
<b>Pakeha Women</b>	7.9%	11.9%
<b>Māori Women</b>	18.9%	22.0%
<b>Pacific Women</b>	16.6%	25.4%
<b>Asian Women</b>	11.3%	19.0%

\*The New Zealand Household Labour Force Survey pay gaps (to Pakeha men) as at 30 June 2020.

	Australia	
	SkyCity Ethnic Pay Gap as compared to European Men (as at 30 June 2021)	
<b>European</b>	2.0%	
<b>Asian Women</b>	13.3%	

### Women in Gaming and Hospitality Australasia

SkyCity is a Platinum Partner of Women in Gaming and Hospitality Australasia. SkyCity's partnership broadened the industry body's reach into New Zealand and Adelaide.

Women in Gaming and Hospitality Australasia is dedicated to achieving an inclusive industry and promoting gender equitable outcomes in the workplace. Its purpose is to achieve an inclusive industry and promote positive outcomes for women in the gaming, hospitality and gaming related industries by encouraging the development and success of women through education, mentorship and networking opportunities and providing tools and support for organisations wishing to develop or enhance their gender diversity and inclusion initiatives - all of which aligns strongly with SkyCity's values.





**Performance Against FY21 Board Diversity and Inclusion Objectives**

SkyCity performed well against the measurable objectives set by the Board to promote diversity and inclusion for the financial year ended 30 June 2021:

Objective	Progress Made
<p><b>Continue to ensure strong female candidates are identified in the recruitment process for all Board and senior executive roles</b></p>	<p>Recruitment briefs for the Board recruitment process during the past financial year explicitly specified that SkyCity required female candidates to be identified wherever possible.</p> <p>In the past financial year, three new Board members have been appointed, one of whom is female. This brings our total gender composition for the Board to 43% female and 57% male.</p> <p>Recruitment briefs for the senior leadership recruitment process explicitly specified that SkyCity required female candidates to be identified wherever possible.</p> <p>In the past financial year, six senior executive appointments have been made, four of which were internal and two external. Whilst the four internal appointments are male, both external appointments are female - bringing SkyCity's 'Senior Executive' gender composition to 45% female and 55% male and 'Officer' gender composition to 50% female and 50% male, where:</p> <ul style="list-style-type: none"> <li>• 'Senior Executives' are, with the exception of the Chief Executive Officer, those who hold a strategic position (as determined by the People and Culture Committee from time to time); and</li> <li>• 'Officers' are the Chief Executive Officer and those directly reporting to the Chief Executive Officer, other than the Executive Assistant.</li> </ul>
<p><b>Maintain a gender balance across the population of employees who make up the top four levels of the organisation hierarchy</b></p>	<p>During the past financial year, gender balance has been maintained across the top four levels of the organisation hierarchy with 46% of employees being female and 54% being male, demonstrating a balanced gender representation in our talent pipeline.</p>
<p><b>Continue to review gender pay equality and deliver an organisation-wide programme that removes any risk of bias or inequality</b></p>	<p>SkyCity continues to monitor and report on remuneration outcomes by gender to ensure pay equality.</p> <p>SkyCity also conducted gender pay equality analysis for like positions, positions with similar degrees of know-how, problem solving and accountability. This analysis identified that there are no indications of gender bias across similar positions.</p> <p>While our analysis has identified no evidence of a gender driven pay gap for like positions, we remain focused on increasing the representation of women in senior roles across the business through a gender balanced talent pipeline.</p> <p>SkyCity's New Zealand overall gender pay gap decreased to 6.9% (at 30 June 2021) from 7.5% (at 30 June 2020).</p> <p>SkyCity's Australian overall gender pay gap increased to 6.1% (at 30 June 2021) from 1.5% (at 30 June 2020).</p>

Objective	Progress Made
<p><b>Leverage and grow diverse talent pools to develop a more ethnically diverse leadership population</b></p>	<p>Several initiatives were delivered during the past financial year with the objective of developing a more ethnically diverse leadership population:</p> <ul style="list-style-type: none"> <li>• SkyCity continued to offer its Māori leadership programme, Tahuna te Ahi, in partnership with Indigenous Growth Limited;</li> <li>• SkyCity continued as a major partner of TupuToa, hosting four summer interns for three months within our corporate business, two of whom have been appointed to permanent positions; and</li> <li>• SkyCity continued its sponsorship of the New Zealand Asian Leaders Forum.</li> </ul>
<p><b>Maintain certification with specialist organisations who represent minority groups within the SkyCity workforce (for example Rainbow Tick) to reiterate our commitment to and support of these minority groups' interests</b></p>	<p>Rainbow Tick certification was achieved for our Auckland and Hamilton sites, and our Queenstown site was awarded the Pride Pledge.</p> <p>Our Adelaide property maintained its Pride in Diversity membership.</p> <p>SkyCity New Zealand sites achieved reaccreditation of Gender Tick, an accreditation for businesses to demonstrate their commitment to and progress for gender equality.</p>
<p><b>Build the capability of all leaders in understanding and leveraging diversity of thought through ensuring appropriate learning and development solutions are delivered</b></p>	<p>The SkyCity Inclusion Council continued to encourage employee-led initiatives and provide strong executive visibility and sponsorship across the New Zealand properties. Five core groups continue to be represented, including Women in Leadership, NZ Asian Leaders, SkyCity Pride, Pasifika Village and Te Roopū Māori o SkyCity.</p> <p>SkyCity Adelaide has launched an Inclusion Council, which replicates the model already established in New Zealand, with three core groups represented, including Women in Leadership, LGBTTIQA+ and Disability/Ability.</p> <p>SkyCity Adelaide has launched online learning modules for people leaders to build understanding of diversity and inclusion and unconscious bias and provide suggested actions to remove bias.</p>
<p><b>Identify and appoint an advisory panel to provide informed perspectives and guidance to the Chief Executive Officer and Inclusion Council on diversity and inclusion matters</b></p>	<p>SkyCity conducted an employee 'Pulse Check' on mental health and wellbeing, which identified that people leaders were seeking more training on how to support employees and employees were seeking more information on personal coping skills for stress management.</p> <p>SkyCity partnered with EAP Services to deliver workshops to people leaders building greater awareness of mental health and wellbeing and launched a range of tools and executive team sponsorship as part of Mental Health Awareness week.</p> <p>SkyCity supported the World Day for Safety and Health at Work by hosting a special event in partnership with the NZ Business Leaders Health &amp; Safety Forum in Auckland. To coincide with this day, a pocket guide on 'How to have a conversation about Mental Health' was launched. The guide is based on the NZ Mental Health Foundation's work and is designed to empower our people to identify certain behaviours, approaching colleagues with empathy and a willingness to listen.</p>
<p><b>Continue to provide support and education to employees and managers to promote mental health awareness and wellbeing</b></p>	<p>A number of specialists have been engaged to provide perspectives and guidance to both management and Employee Resource Groups from the Inclusion Council, with a focus on building cultural understanding and competence.</p>

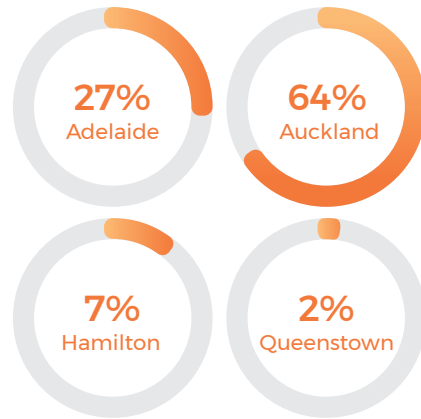


## Our Staff Numbers

### Worked Full-Time Equivalent (FTE)\* by Site

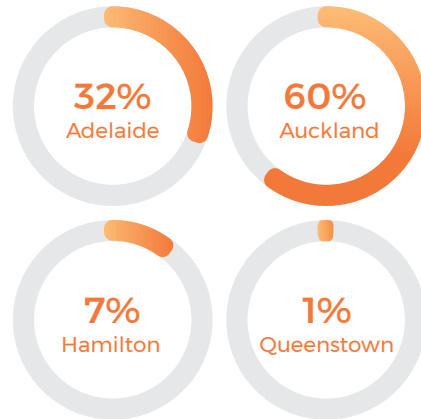
Site	Number of Employees		%	
	FY21	FY20	FY21	FY20
Adelaide	733	616	27%	24%
Auckland	1,726	1,696	64%	67%
Hamilton	185	179	7%	7%
Queenstown	43	38	2%	2%
<b>Total</b>	<b>2,687</b>	<b>2,529</b>	<b>100%</b>	<b>100%</b>

\*The FTE calculation is based on actual hours worked by staff, not contracted hours. This definition provides a more accurate assessment of full-time equivalent staff.



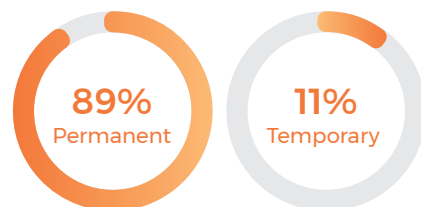
### Total Headcount for Group

Site	Number of Staff		%	
	FY21	FY20	FY21	FY20
Adelaide	1,346	1,059	32%	28%
Auckland	2,562	2,414	60%	63%
Hamilton	293	290	7%	8%
Queenstown	58	54	1%	1%
<b>Group Total</b>	<b>4,259</b>	<b>3,817</b>	<b>100%</b>	<b>100%</b>



### Employment Contract Type for Group

Contract Type	Number of Employees		%	
	FY21	FY20	FY21	FY20
Permanent	3,784	3,462	89%	91%
Temporary	475	355	11%	9%
<b>Group Total</b>	<b>4,259</b>	<b>3,817</b>	<b>100%</b>	<b>100%</b>



### Employment Contract Type by Gender

Contract type	Female		Gender Diverse		Male		Group Total	
	FY21	FY20	FY21	FY20	FY21	FY20	FY21	FY20
Permanent	89%	91%	100%	100%	88%	90%	89%	91%
Temporary	11%	9%	0%	0%	12%	10%	11%	9%

### Employment Contract Type by Site

Contract type	Adelaide		Auckland		Hamilton		Queenstown	
	FY21	FY20	FY21	FY20	FY21	FY20	FY21	FY20
Permanent	68%	72%	98%	98%	100%	99%	100%	100%
Temporary*	32%	28%	2%	2%	0%	1%	0%	0%

\*Adelaide defines casual employees as temporary whereas the New Zealand sites define employees with a fixed end date as temporary.

### Employment Type by Gender

Contract type	Female		Gender Diverse		Male		Group Total	
	FY21	FY20	FY21	FY20	FY21	FY20	FY21	FY20
Full-Time	49%	54%	50%	25%	60%	62%	54%	58%
On Demand	21%	20%	33%	50%	18%	17%	20%	19%
Part-Time	30%	26%	17%	25%	22%	21%	26%	23%

### Employees in Collective Agreements by Site

Contract type	Adelaide		Auckland		Hamilton		Queenstown		Group Total*	
	FY21	FY20	FY21	FY20	FY21	FY20	FY21	FY20	FY21	FY20
Yes	77%	74%	20%	26%	3%	4%	0%	0%	37%	37%
No	23%	26%	80%	74%	97%	96%	100%	100%	63%	63%

\*Group total percentages are weighted proportionately based on site Worked FTE.

### Employee Absenteeism\*

Contract type	Adelaide		Auckland		Hamilton		Queenstown		Group Total**	
	FY21	FY20	FY21	FY20	FY21	FY20	FY21	FY20	FY21	FY20
Absenteeism	4.06%	3.08%	3.76%	3.95%	3.62%	3.09%	2.32%	1.83%	3.78%	3.70%

\*As a percentage of scheduled days.

\*\*Group total percentages are weighted proportionately based on site Worked FTE.



# Grow our communities

Serve a social purpose by investing in our local economies and communities.

# Our Communities

Our aim is to create value in our business and in the communities in which we operate.

We understand that to do this we need to engage meaningfully with our communities, listen to their critical needs and expectations, and respond through developing meaningful community partnerships and by taking action to address key issues in our operations.

## Priority Issues

- Economic contribution
- Building communities by developing people
- Investing in our communities
- Developing deeper connections with Iwi and indigenous peoples

## Key Stakeholders

- Community groups
- Sponsorship partners, including Leukaemia & Blood Cancer New Zealand and Variety - The Children's Charity
- Community partnerships
- Recipients of SkyCity Community Trust grants
- Philanthropy New Zealand
- Local Iwi
- Ministry of Social Development
- Te Puni Kōkiri
- TupuToa
- First Foundation

## FY21 Performance Highlights

- In our Speak Up employee engagement survey, employees rated "being proud of the role SkyCity plays in the community" as a key driver of engagement
- The Firefighter Sky Tower Stair Challenge raised over \$2.2 million for Leukaemia and Blood Cancer New Zealand across the two events held in FY21 (including the postponed 2020 event)
- SkyCity Hamilton continued its support of women's sport by sponsoring women's cricket team, the Northern Spirit, and netball team, Waikato Bay of Plenty Magic
- SkyCity contributed a total of \$4.1 million to the four SkyCity Community Trusts for distribution to community groups and organisations in the Auckland, Waikato and Queenstown Lakes regions
- Seven Project Nikau cadets were employed at SkyCity Auckland

## FY21 Key Challenges

- Onboarding new Trustees for the SkyCity Community Trusts, developing a new funding strategy and communicating this to our communities
- Due to COVID-19 related business disruption, there were limited opportunities to employ Project Nikau rangatahi (young people) in the first half of the year

## FY22 Focus Areas

- Project Nikau has a target of employing, developing and retaining 100 rangatahi over the next three years, moving from a pilot programme to an integral part of SkyCity's recruitment and retention strategy, with continued focus on Māori and Pasifika from the "Not in Employment, Education or Training" cohort
- SkyCity will continue to deepen its relationships with indigenous peoples in New Zealand and Australia with a formal Te ao Māori advisory agreement in place with Ngāti Whātua Ōrakei in New Zealand and support to Career Trackers, an organisation which supports pathways for indigenous university graduates into corporate internships in Adelaide





SkyCity is a cornerstone of each of the communities in which it operates. We understand that our scope for influence and change is huge, and SkyCity invests in and works to develop our communities in a variety of ways.

Engaging with our stakeholders helps us to understand community attitudes toward SkyCity, the communities' expectations of us, and how stakeholders believe SkyCity should create value. SkyCity engages with stakeholders in a variety of ways, both formal and informal, in each of the communities in which it operates. These actions range from legally required engagement with regulators to less formal feedback mechanisms such as social media, customer surveys and public perception monitoring.

Whilst it is easy for organisations to talk about inputs and outputs, such as how much money or 'in-kind' contributions are given to charity, the number of charities receiving support, or how many hours staff spend on volunteering for community projects, it is a more challenging exercise to determine the outcomes and impacts of those activities. We want to ensure that there is genuine and measurable social impact from our SkyCity Community Trusts and other charitable giving. We continue to review and assess our community investments and partnerships in a more holistic and strategic way, to ensure that they are aligned to our unique business assets and are ultimately delivering both social and business value.

## Economic Contribution

### Sourcing Locally

SkyCity is committed to sourcing locally. One of the intentions outlined in the SkyCity Group Procurement Policy is to source and procure locally made and supplied products from Australasian owned and operated businesses as a preference wherever possible.

In the financial year ended 30 June 2021, SkyCity spent approximately \$153 million on operational goods and services, the bulk of which was spent with local suppliers - with over \$33 million on food and beverage items across New Zealand and Australia.

## Partnerships

### Leukaemia & Blood Cancer New Zealand

Each year, firefighters from communities across New Zealand join forces to raise money for Leukaemia & Blood Cancer New Zealand (the national charity dedicated to supporting patients and their families living with blood cancers and related blood conditions) in the Firefighter Sky Tower Stair Challenge, with each participant climbing the 1,103 steps of the Sky Tower wearing 25 kilograms of gear.

SkyCity is proud to have Leukaemia & Blood Cancer New Zealand as a charity partner and to have worked together to raise more than \$2.2 million during the last financial year, and in excess of \$10 million over the 17 year partnership, through the Step Up and Firefighter Sky Tower Stair Challenges.

### Variety - The Children's Charity

SkyCity has continued its 21-year partnership with Variety - The Children's Charity through delivering Variety Bingo in Auckland, Adelaide and Hamilton.

We are really proud of the partnership we have with Variety, and the support we can provide to continue the important work they do in our communities. Over the last financial year, SkyCity has worked with Variety - The Children's Charity to raise more than \$157,000, and in excess of \$4.7 million over the 21 year partnership.

### The Cookie Project

The Cookie Project is an Auckland based social enterprise that creates ethical employment for people living with disabilities, ensuring their workers are paid at least the adult minimum wage.

Over the first year of our partnership, SkyCity purchased more than 15,000 cookies for our customers and internal teams, generating almost 200 hours of employment for disabled workers. During the current year, SkyCity has committed to more than doubling its order to 40,000 cookies, which will generate close to 500 hours of paid employment for people with disabilities.

## Community Outcomes, Strategy and Progress

### Building Communities by Developing People

During the 2018 financial year, after engaging with employees from across the SkyCity Group and community representatives (including the youth development, family support and financial capability sectors), SkyCity developed a new community development and investment strategy centred around a thematic approach of “Building Communities by Developing People”. This approach recognises that SkyCity can provide employment opportunities for unskilled, unemployed youth at risk of poor employment outcomes within each of the communities within which it operates – we can provide employment, training and a career path.

During the 2019 financial year, SkyCity finalised the operational strategy across the SkyCity Group to deliver this new strategy with the launch of Project Nikau, a youth employment programme with a focus on developing work-ready skills. SkyCity worked in collaboration with Te Puni Kōkiri, the Ministry of Social Development and a community-based provider to design a work ready programme – with the first cohort of 15 cadets joining the SkyCity Auckland pilot programme in June 2019. Whilst the programme was not operational during the first half of the last financial year, since February 2021 seven cadets have been employed - bringing the total number of Project Nikau cadets employed to 19. SkyCity has designed and implemented a wraparound youth mentoring support for each cohort and, in partnership with Te Puni Kōkiri, has co-designed individualised learning and development plans for each cadet. SkyCity was awarded the Diversity and Inclusion Leadership award in the 2020 Deloitte Top 200 Awards in December 2020 and the Diversity and Inclusion Award at the 2021 NZ HR Awards in May 2021 for Project Nikau.

In addition, through collaboration with the SkyCity Auckland Community Trust, greater social impact has been achieved in the areas of youth advancement and development through the Trust's prioritisation of initiatives that support youth development, wellbeing and employability.

SkyCity committed to its fourth First Foundation Scholarship in 2021. Applications were open to dependents from the SkyCity employee network in New Zealand and were managed by the First Foundation, where strict criteria had to be met to ensure eligibility. The scholarship supports an academically talented student, from a low decile school and low-income family, through tertiary study.

We continue to be a major partner of TupuToa, an organisation focused on ensuring corporate New Zealand is representative of the country, by developing and empowering young Māori and Pasifika peoples and building the cultural capability of their partners. In the last financial year, SkyCity hosted four summer interns for three months within its corporate teams.

### Developing Deeper Connections with Māori

Iwi Māori relationships have been initiated to support and guide Project Nikau, SkyCity's youth employment programme. Our partnership with Te Puni Kōkiri has enabled young Māori to access cadetships which support their transition into employment with SkyCity.

Through SkyCity's Inclusion Council, Te Roopū Māori o SkyCity (an internal Employee Resource Group) has been established to support authentic engagement with Māori staff. In addition, SkyCity formally engaged an experienced and licensed Māori translator to build our capability across our New Zealand sites and put in place a formal advisory agreement with Ngāti Whātua Ōrakei for the SkyCity Auckland property.

## Investing in our Communities

### SkyCity Community Trusts

Established to provide funds for community and charitable purposes, the SkyCity Community Trusts are one of the vehicles SkyCity uses to 'put something back' into the New Zealand communities in which the company operates. The SkyCity Auckland Community Trust, SkyCity Hamilton Community Trust, SkyCity Queenstown Casino Community Trust and SkyCity Wharf Casino Community Trust aim to help local and regional



organisations carry out community assistance and development work, focusing on supporting families to thrive and communities to prosper, with a specific focus on youth development.

SkyCity contributed a total of \$4.1 million to the four SkyCity Community Trusts for distribution to community groups and organisations in the Auckland, Waikato and Queenstown Lakes regions for the financial year ended 30 June 2021 - of which \$2.4 million was distributed by the Trusts in the financial year ended 30 June 2021.

Since establishing the first SkyCity Auckland Community Trust in 1996, SkyCity has awarded nearly 5,000 grants totalling over \$61.7 million to various community groups and organisations in New Zealand, large and small, through the four SkyCity Community Trusts.

## SkyCity Community Trust Recipients in FY21

### SkyCity Auckland Community Trust

Auckland City Mission  
Auckland Sexual Abuse HELP Foundation  
Christians Against Poverty New Zealand  
Crescendo Trust of Aotearoa  
EVolocity Limited  
Far North Safer Community Council Society Incorporated  
First Foundation  
Glen Innes Family Centre Charitable Trust  
Grandparents Raising Grandchildren Trust NZ  
Great Potentials Foundation  
InZone Education Foundation  
Just Move Charitable Health Trust  
Mad Ave Community Trust  
Papatūānuku Kōkiri Marae  
Ranui 135 Leadership Team  
The Kindness Institute  
The Lifewise Trust  
The Middlemore Foundation for Health Innovation  
The Rising Foundation Trust  
The TYLA Trust (Turn Your Life Around)  
TupuToa  
Yes Disability Resource Centre Services Trust  
Youth in Transition Charitable Trust  
Youthline Auckland Charitable Trust  
Zeal Education Trust

### SkyCity Hamilton Community Trust

Diversity Counselling  
Halo Charitable Trust  
Hamilton Christian Nightshelter Trust  
Mental Health Solutions Ltd - (Here 2 Help U)  
Society of St Vincent de Paul Hamilton  
The Serve  
Waikato Environment Centre - (Kaivolution)

### SkyCity Queenstown Community Trust

Alpine Community Development Trust - operating as Community Needs Wanaka  
Mana Tāhuna  
Queenstown Community Hub Trust  
Wakatipu Community Foundation - Greatest Needs Fund





**“Our rangatahi come to the programme with a low sense of self, minimal skills and experience.**

**They come through the programme realising that, despite their personal challenges, barriers and, for some, a generational cycle of unemployment, they have shown resilience, gained employability skills and developed a strong work history which sets them up well for the next phase of their life – be it progressing in their role, transitioning into another role or deciding to leave and study, which is all defined as success.”**

**Lua Mika**  
**Youth Development**  
**and Employment**

Lua leads our Youth Development and Employment team and returned to SkyCity in 2019 as a Youth Mentor for Project Nikau after initially working at SkyCity as a Food and Beverage Stock Controller from 2002 to 2004.

Project Nikau is SkyCity's pathway to employment programme for youth with a focus on Māori and Pasifika. The programme was developed following a conversation that recognised youth employment was a significant challenge in the communities that SkyCity operates in, especially for Māori and Pasifika young people.

“Project Nikau has informed the business of an alternative approach when supporting and retaining our young Māori and Pasifika employees. A key component to supporting rangatahi (young people) at work is pastoral care during the initial phase of employment”, says Lua.

“In the two years that Project Nikau has been operating, SkyCity has shown a real commitment to youth pathways and embedding this focus into our recruitment process. Through our early learnings, and feedback from people leaders and rangatahi, we have a more blended approach when onboarding rangatahi. The collective support from across the business has contributed to the successful outcomes for Project Nikau - it has helped transform and shift mindsets over time.

The exciting part from a young person's lens is overcoming adversity during their journey and the pride and mana that comes from the realisation that they can do it. The transformation and growth I've seen in our existing Project Nikau rangatahi has far exceeded the narrative that we hear and read of so often that our disadvantaged youth are not worth the opportunities given to them and that they're just a product of their communities that are rife with poverty and crime”.

Lua is grateful for the opportunities to build strong connections with people in the business that have helped him to do what he does well - “the success of this programme has been a team effort right across SkyCity. Our values and culture are about people”.

Project Nikau has been recognised on a national level for its innovative approach to youth employment and is a testament to the work Lua and operational leaders have done to ensure the programme is embraced across SkyCity.



# Sourcing responsibly

Source ethically and locally.

# Our Suppliers

We can leverage our relationships with other organisations to promote positive outcomes in areas of impact such as anti-corruption, responsible political advocacy, fair competition and promoting social and environmental responsibility in our supply chain.

## Priority Issues

- Ethical supply chain
- Low carbon supply chain
- Buy local and seasonal
- Connect to the circular economy
- Progress initiatives to eliminate modern slavery

## Key Stakeholders

- Suppliers (existing and potential)
- EcoVadis

## FY21 Performance Highlights

- Refined our sourcing strategy by developing clear definitions for what constitutes “local” in the context of our supplier and product classifications and embedded regular reporting of the top 100 suppliers at each SkyCity property around local procurement
- Reactivated the EcoVadis programme (after having been paused in FY20 due to COVID-19) and commenced the rollout of the programme across SkyCity’s Australian suppliers
- The SkyCity Board approved a modern slavery statement in October 2020

## FY21 Key Challenges

- Managing product sourcing and supply chain issues/challenges arising from the impacts of COVID-19, including mandated property closures
- Educating suppliers on SkyCity’s Ethical Sourcing Code
- Given the complexity of SkyCity’s supply chain, while we expect our suppliers to ensure that their suppliers have an ethical approach, it can be challenging to verify that an ethical supply chain is being maintained beyond first tier suppliers

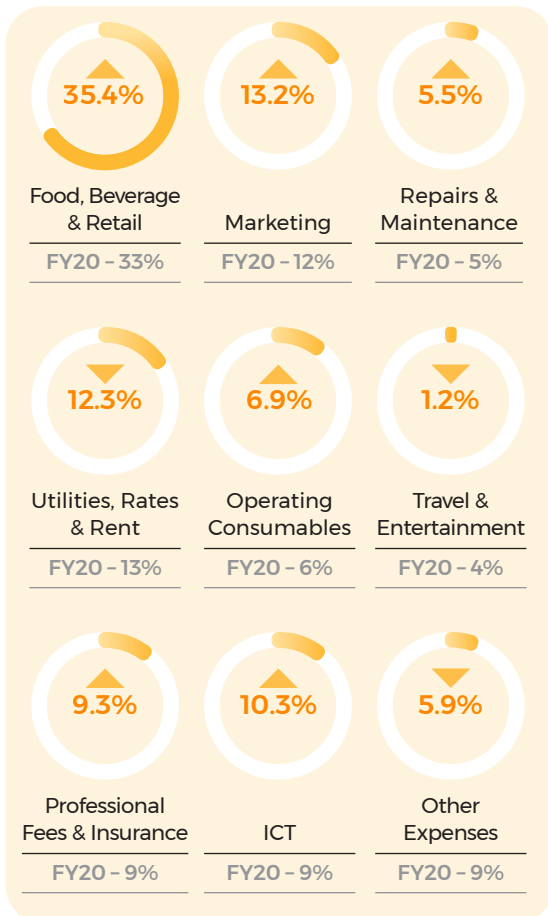
## FY22 Focus Areas

- Influencing our major suppliers to set science-based targets by 2023
- Testing specific international product supply chains to ensure products are being sourced ethically
- Strengthening our awareness of modern slavery risks and mitigations



SkyCity has approximately 600 key ongoing significant suppliers across the SkyCity Group, with a substantial number of these being in the food and beverage sector. As a major purchaser of goods and services (we spent over \$153 million with a vast array of suppliers of goods and services in the financial year ended 30 June 2021), SkyCity has a significant opportunity to use its purchasing power to drive sustainability. Our approach is to focus on the areas in which we can have the biggest impact in terms of minimising our carbon footprint and with respect to key vendors at high ongoing expenditure levels. These areas include food, beverage, property and marketing portfolios in particular.

Approximately \$153 million of the total spend (of over \$426 million in the financial year ended 30 June 2021) relates to operational goods and services – a breakdown of which is shown in the graphs below:



## Ethical and Sustainable Sourcing Practices

### Ethical Sourcing Code

In 2016, we adopted an Ethical Sourcing Code to improve our indirect impact on society and the environment by carefully selecting and working with our suppliers to ensure sustainable procurement. The Code outlines our alignment with the ten principles of the United Nations Global Compact, which are derived from the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption.

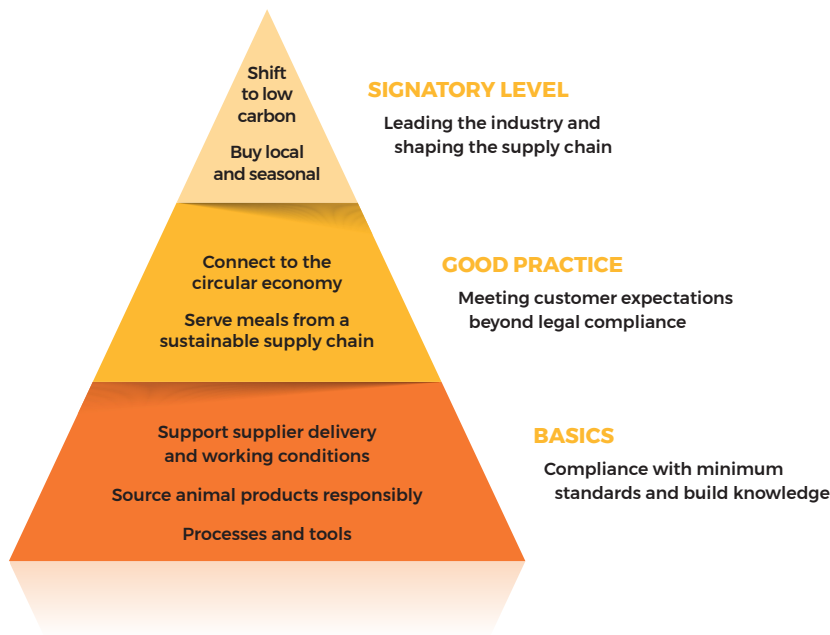
Whilst it is not a compliance measure in itself, SkyCity requests its suppliers to acknowledge our commitment to the principles of the Ethical Sourcing Code. Through distribution of our Ethical Sourcing Code, we aim to encourage our suppliers to improve their practices and to assist them in doing so, hence improving the quality of life of the people we touch indirectly and contributing to the protection of the environment.

### Ethical and Responsible Sourcing Strategy

Our ethical and responsible sourcing strategy seeks to minimise negative impacts linked to our operational footprint and to make a positive contribution to the business, people and communities that make up our supply chain. As a significant player in Australasia’s hospitality industry, SkyCity has an opportunity to promote responsible sourcing practices.

SkyCity’s ethical sourcing strategy focus areas are outlined in the diagram overleaf.

The focus areas represent the impact and activity areas that SkyCity believes to be the most relevant to the business and supply chain. Each focus area is located within an ambition level which represents the level of positive impact that SkyCity seeks to achieve. For ‘Basics’ focus areas, SkyCity aims to establish a combination of minimum standards for the supply chain and pilot initiatives to gain knowledge. In ‘Good practice’ focus areas, SkyCity aims to focus on specific product and service categories where these focus areas are most significant. Finally, ‘Signatory Level’ focus areas are



where SkyCity intends to implement initiatives broadly across the SkyCity Group, thereby helping to positively influence its entire supply chain.

## Supply Chain Transparency and Traceability

### Sustainable Supply Chain

In September 2017, we commenced a sustainable supply chain assessment pilot initiative with 129 of our key suppliers in New Zealand. As part of this, we engaged an external provider, EcoVadis, to audit and rate our suppliers against an industry-tailored set of environmental, social and governance criteria and our suppliers were invited to complete a questionnaire and provide supporting evidence. Founded in 2007, EcoVadis has grown to become the world’s largest provider of business sustainability ratings, creating a global network of more than 75,000 rated companies. Each supplier who completes the assessment receives a rating scorecard that shows areas where they are achieving good practice and areas where they may need to improve.

Participation in the EcoVadis assessment/audit process was initially encouraged – however, as supplier participation is central to SkyCity’s ability to quantify its impact on the supply chain and execute its strategy for this pillar, the EcoVadis assessment/audit was made mandatory for SkyCity’s significant existing suppliers and new suppliers during the 2019 financial year. During the 2020 financial year, we paused the EcoVadis assessment/audit for suppliers due to the impacts of COVID-19 but continued to actively use the information collected to date to improve the performance of existing suppliers. The EcoVadis

assessment/audit process recommenced during the 2021 financial year.

As at 30 June 2021, 71 suppliers to SkyCity’s New Zealand properties representing over \$33 million of our total annual procurement spend had completed the EcoVadis assessment/audit process. Of SkyCity’s \$20 million annual food and beverage procurement spend in New Zealand, 81% is captured under the EcoVadis process – an increase from 76% in the 2020 financial year.

We continue to focus on obtaining a clearer picture of our suppliers’ supply chains to ensure they align with our Ethical Sourcing Code and new suppliers are asked about their supply practices prior to becoming an approved supplier of the company. However, the scope and geographic spread of our supply chain, together with the wide variety of suppliers we engage with, creates challenges for embedding the Ethical Sourcing Code and ensuring our suppliers are doing more than acknowledging their commitments. Our suppliers are very diverse, ranging from small localised family businesses to global multinationals. In some cases, our suppliers are very small operators and they have few resources to provide detailed information about their policies and sustainability and governance approaches. In other cases, we have had long-standing agreements with suppliers, but have not engaged them before on sustainability issues. As we manage these issues more closely, we will have the opportunity to deepen our engagement with our suppliers on the Ethical Sourcing Code. A key way that we will do that into the future is to undertake supplier sustainability assessments and audits and ensure that our procurement teams continue to have strong relationships with the businesses we procure from.





## Modern Slavery Act

The Modern Slavery Act 2018 (Cth) came into force in Australia on 1 January 2019 and requires reporting entities to disclose the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls. The Modern Slavery Act applies to SkyCity Entertainment Group Limited, being an entity based, or operating, in Australia having an annual consolidated revenue of more than A\$100 million. SkyCity's first modern slavery statement was published on the Australian Government's online Register for Modern Slavery Statements in November 2020 and is available at <https://www.modernslaveryregister.gov.au/statements/299/> and in the Governance section of the company's website at [www.skycityentertainmentgroup.com](http://www.skycityentertainmentgroup.com).

SkyCity is fully supportive of the Modern Slavery Act and its intention to eliminate modern slavery in all its forms, including trafficking in persons, slavery, servitude, forced marriage and forced labour. SkyCity has zero tolerance towards modern slavery. We are committed to implementing and enforcing effective systems and controls to seek to ensure that modern slavery is not taking place anywhere in our business or supply chains.

SkyCity operates primarily in New Zealand and Australia with limited supply chains and, as such, we believe that our exposure to the risks of modern slavery is low. However, we still recognise that there is scope for modern slavery to occur and our modern slavery statement sets out the steps we have taken to minimise this risk.

SkyCity always aims to obtain a clear picture of a potential suppliers' supply chain to ensure that it will align with SkyCity's high expectations around ethical procurement practices. All new suppliers are asked about their supply practices prior to becoming an approved supplier. SkyCity has several policies, practices and procedures in place to assist

in conducting supply chain due diligence which, in turn, enables SkyCity to take significant measures to mitigate the risks of modern slavery.

Over the last financial year, we updated the Ethnical Sourcing Code to include mitigating the risks of modern slavery as defined in the Modern Slavery Act.

## Local Suppliers

As part of a major information technology upgrade implemented in April 2019, SkyCity is able to categorise items in some detail, including location of the supplier. This enables SkyCity to modify procurement practices where required to support the intention outlined in SkyCity's Group Procurement Policy - to source and procure locally made and supplied products from Australasian owned and operated businesses as a preference wherever possible. This Policy drives greater rigour in the onboarding of new suppliers and has an emphasis on supplier consolidation and ethical sourcing with SkyCity choosing the best mix of suppliers to meet its business requirements.

Our primary focus is procuring from businesses operating in the same countries in which SkyCity operates, thus supporting local economies even where, in some instances, goods are imported. Our secondary focus is procuring local products and produce from businesses that are geographically close to our businesses.

In the financial year ended 30 June 2021, SkyCity spent over \$33 million on food and beverage items across New Zealand and Adelaide. This equates to over 22% of our operational spend. We will continue to work with our food and beverage suppliers to gain more understanding as to where our products are being sourced to ensure a local focus where practical.

SkyCity engages local contractors wherever possible for its construction projects who, in turn, procure local products, materials and subcontractors where

feasible. Many of the gaming products and equipment required by SkyCity for its casino operations are not able to be manufactured or sourced locally - in sourcing these items internationally, SkyCity's focus is on procuring such items from ethical suppliers.

In 2020, we refined our sourcing strategy by developing clear definitions for what constitutes "local" in the context of our supplier and product classifications. Using these definitions, we reviewed (and regularly review) the top 100 suppliers (by spend) at each of the SkyCity properties to understand where our products are being sourced.

Category	Definition
<b>Suppliers</b>	
Same country	Products procured from businesses in the same country
Locally based	Products procured from businesses in the same region as the relevant SkyCity property  (for example, the Waikato region for SkyCity Hamilton)
Majority locally owned	Products procured from businesses with greater than 50% local ownership
<b>Products</b>	
Locally manufactured	Products manufactured locally, but from imported products
Locally produced and/or manufactured	Entire product is manufactured from locally sourced products

Top 100 Suppliers Per Site (as at 30 June 2021)	Same Country	Locally Based	Majority Locally Owned
<b>Auckland</b>	94%	79%	62%
<b>Hamilton</b>	89%	44%	67%
<b>Queenstown</b>	94%	40%	72%
<b>Adelaide</b>	96%	64%	64%





### Sleeping Easy

SkyCity sources a range of luxury bedding made from recycled plastic bottles by Vendella, a New Zealand owned and operated business, for SkyCity's Auckland hotels. Through its participation in our EcoVadis assessment/audit process, Vendella was awarded a silver rating by EcoVadis.

A three-step recycling process transforms plastic bottles into a microfibre for Vendella's luxury bedding range. Plastic bottles are sterilised and reduced from their raw waste state into small flakes. These small flakes are spun into a yarn and then transformed into premium, hypoallergenic, microfibre that has a high loft and luxurious softness.

In 2017, Vendella threw its support behind Keep New Zealand Beautiful, forming The Dream Green Initiative partnership. For every eight 'Dream 900' pillows sold, Vendella funds the planting of a native seedling. Since 2017, the initiative has funded the planting of over 4,000 native trees throughout New Zealand.

Since September 2015, SkyCity has purchased over 7,700 pillows, duvet inners, mattress protectors, quilts and blankets from Vendella – the equivalent of around 194,000 plastic bottles.

## Save the Planet while you sleep



We are part of 'The Dream Green Initiative' that helps Kiwi accommodation providers, like us, to provide more sustainable options during your stay!

To date, the SkyCity Hotels Group has helped recycle:

# 194,000

 Plastic Bottles

Dreamticket Bliss Pillow

## 25

Bottles ♻️



Dreamticket Dream Pillow

## 23

Bottles ♻️



Dreamticket Duvet Inner

## 25-46

Bottles ♻️



Dreamticket Mattress Protector

## 5-12

Bottles ♻️



Dreamticket Snug Quilt

## 37

Bottles ♻️

**“The fundamental features of a sustainable supply chain are social, environmental, and financial responsibility. Developing my knowledge about each feature was the first step for me in understanding the expectations that SkyCity has in making our supply chain more sustainable and aligned across the business.”**

**Shonan Pereira**  
Procurement

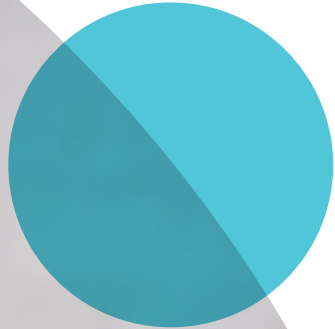
Shonan joined SkyCity in 2017 as National Procurement Coordinator and is currently a Procurement Specialist in our Procurement team.

For Shonan, the most exciting and rewarding feature of her time at SkyCity is he tāngata, he tāngata, he tāngata - the people, the people, the people. “The relationships I’ve built with my internal and external stakeholders is an extremely rewarding part of my role. Being able to take them on the journey to achieve a goal that’s beneficial to the team and the overall business is so important and fulfilling”.

In her role managing three key portfolios - Property Services, Corporate and Marketing, Shonan is mindful of the commitments and responsibilities SkyCity has when she engages with key stakeholders.

“Taking a hands-on, grassroots approach to supplier engagement is a positive way of engaging with others. One-on-one engagement always helps build understanding between parties and aligns supplier goals with SkyCity’s sustainability pillar. It’s about building relationships and being able to understand people, their business goals and requirements and their challenges as well.

People and businesses become loyal to brands that they share their values with and here at SkyCity we invest in and promote sustainable practices that help reduce waste and use ethically sourced materials - our long standing supplier relationships are a testament to this. The work I do helps me assign accountability for myself and the suppliers we align with. Personal accountability is as equally important as holding others accountable, especially in a procurement role. Our documentation, language and procurement processes reflect SkyCity’s values and, when we’re in negotiations, our expectations are made clear”.



# Protect the environment

Active commitment to reducing our environmental footprint.



# Our Environment

We are dedicated to growing in a sustainable manner with a commitment to environmental sustainability as a foundation for successful economic, social and cultural development.

## Priority Issues

- Climate change/emissions reduction
- Reducing waste
- Reducing water use
- Employee activation

## Key Stakeholders

- KiwiHarvest
- Toitū Envirocare
- Climate Leaders Coalition
- Energy Efficiency and Conservation Authority
- SUEZ-ResourceCo
- Beca
- Sustainable Business Council
- EnviroWaste

## FY21 Performance Highlights

- Appointed Beca to produce a de-carbonisation roadmap which will guide SkyCity towards its science-based targets
- Continued reduction in the use of single-use plastics across all SkyCity properties (against the 30 June 2020 baseline), with:
  - SkyCity Adelaide achieving a 60% reduction in plastic volume
  - SkyCity Auckland achieving a 37% reduction in plastic volume
  - SkyCity Hamilton achieving a 46% reduction in plastic volume
  - SkyCity Queenstown achieving a 48% reduction in plastic volume
- Continued reduction in electricity use with assistance from the B-Tune programme
- Achieved carbon zero status for the SkyCity Group (by way of offset thorough Toitū Envirocare)

## FY21 Key Challenges

- Introducing food waste composting across all SkyCity properties
- Lack of alternatives to certain single use plastics, making zero single use plastics difficult to achieve

## FY22 Focus Areas

- Continued focus on carbon reduction emissions across the Group
- Continued focus on reducing water use across the Group
- Deliver a zero waste technology solution for the SkyCity Auckland site
- Deliver a green waste composting solution for all SkyCity properties

Working within the limits of the natural environment will allow current and future generations to benefit from its resources to ensure continual economic and social prosperity, which we believe results in business continuity and positive impacts on staff and stakeholder wellbeing.

## Reducing Waste

Since 2015, SkyCity has reduced its waste sent to landfill by 43.4%, in part due to the mandated property closures during FY20 and FY21 (in response to the COVID-19 pandemic).

### Food Donations and Composting

In Auckland, SkyCity continued to support KiwiHarvest, a national food rescue charity that redistributes excess food, free of charge, to community groups and social service agencies, with donations of food from its Auckland property. During the past financial year, the SkyCity Auckland property donated around 150kgs of food to KiwiHarvest.

Food that cannot be donated from the SkyCity Auckland kitchens is collected and commercially composted offsite to be used on New Zealand soils to aid the horticulture industry. During the past financial year, through the efforts of our kitchen teams, SkyCity sent 148 tonnes of food waste to be commercially composted - bringing the total amount collected and composted since the programme began in April 2017 to over 1,000 tonnes. Pleasingly, SkyCity's focus on reducing food wastage has resulted in a reduction of food waste being composted each year since the programme began.

### Upcycling Textiles

In the last financial year, our SkyCity Hamilton Wardrobe team (with assistance from a small group of supporters from other departments) repurposed approximately 230 metres of fabric from old uniforms into face masks for staff, door stops, dining table phone holders for staff, cushions for staff areas and kitten hammocks for cat rescue operators.

As part of the A\$330 million SkyCity Adelaide development project (which officially opened in December 2020), iconic South Australian fashion designer Liza Emanuele was commissioned to design a range of new uniforms for SkyCity Adelaide. This uniform refresh resulted in over 13,000 obsolete garments, which were donated to three important charities – St Vincent de Paul (Vinnies) and two local Adelaide charities, Hutt St Centre and Dressed for Success Adelaide. The Hutt St Centre is a place of hope and opportunity for people facing homelessness to rebuild their lives without judgement. Dressed for Success is an organisation empowering women to achieve economic independence by providing a network of support and professional attire to help them thrive in work and life. Uniforms donated to international charity St Vincent de Paul have been shipped to Africa where they will be distributed throughout much needed regions.



SkyCity Adelaide Wardrobe Manager, Caterina Goglia, and SkyCity Adelaide employee, Bianca White, oversaw the donation of over 13,000 obsolete garments to three charities.

## Plastics

SkyCity continues to transition from traditional plastic to commercially compostable food and beverage packaging, such as takeaway coffee cups and lids, straws, plates, containers and cutlery. The packaging is made from rapidly replenishing plant-based material and can be disposed of in food waste bins.

The goals of SkyCity's Zero Waste Strategy are to eliminate waste sent to landfill and improve the efficiency of resource use through reduction and recycling. Stage one involves the removal of all customer facing single-use plastics, such as water bottles and Styrofoam cups. Stage two is the development of a plan to remove plastic packaging from the Sky Tower gift shop in Auckland. The third stage involves quantifying all non-customer facing plastics, which are used by suppliers of goods to SkyCity, and developing a collaborative plan to reduce or replace these with more sustainable alternatives.

From 1 March 2021, single-use plastic straws, cutlery and stirrers have been prohibited from sale, supply or distribution in South Australia (including bioplastic alternatives) under the Single-Use and Other Plastic Products (Waste Avoidance) Act 2020 (SA) - the first legislation of its kind in Australia. From 1 March 2022, expanded polystyrene cups, bowls, plates and clamshell containers will also be prohibited from sale, supply or distribution in South Australia under the Act. These items are not utilised in SkyCity's properties.

During the last financial year, we have continued to reduce our use of single-use plastics across SkyCity's properties, with:

- SkyCity Adelaide achieving a 60% reduction in plastic volume (driven by the introduction of the Single-Use and Other Plastic Products (Waste Avoidance) Act 2020 (SA));
- SkyCity Auckland achieving a 37% reduction in plastic volume;
- SkyCity Hamilton achieving a 46% reduction in plastic volume; and
- SkyCity Queenstown achieving a 48% reduction in plastic volume,

(in each case as a comparison against the 30 June 2020 baseline).

Whilst there is a lack of alternatives to certain single-use plastics, SkyCity continues to transition from traditional plastic to commercially compostable food and beverage packaging wherever possible.

## Eliminate Waste to Landfill

Over the last financial year, we have continued to consider and progress the feasibility for a waste converter for SkyCity Auckland, the largest and busiest property within the SkyCity Group. The waste converter is a zero waste to landfill option which can process nearly all waste materials (with the exception of construction waste and batteries). Materials that can be composted or that SkyCity receives a rebate from (such as cardboard), would continue to be recycled through existing avenues as would glass and HDPE plastics. The residual product from the converter has calorific value that is suitable to be made into an energy source or a building material (similar to MDF). The key objectives of the converter are to achieve zero waste to landfill, reduce associated costs of disposing waste to landfill and to ensure that the end product will be recycled in New Zealand. If achieved, SkyCity Auckland would be the first casino in the world to achieve a zero waste to landfill status.

In Adelaide, SkyCity has engaged SUEZ to assist SkyCity Adelaide in achieving zero waste to landfill. SUEZ offers recycling and commercial food composting solutions with the remaining dry general waste being diverted to SUEZ-ResourceCo (a joint venture between SUEZ and ResourceCo). The Suez-ResourceCo facility processes commercial, industrial and construction waste into Processed Engineered Fuel (PEF) which is then used as a fuel source by Adelaide Brighton Cement instead of using traditional fossil fuels. PEF is used to power cement kilns, reducing carbon emissions by 30%. SUEZ-ResourceCo has the capacity to convert up to 350,000 tonnes of raw material per annum into 180,000 tonnes of PEF, and reducing carbon emissions by 30%. Since commencing this partnership with Suez in December 2020, SkyCity Adelaide has significantly increased its waste diversion from landfill from an average of 30% to an average of 92% in the first 7 months - resulting in:

- 92 tonnes of dry waste being processed at the Suez-ResourceCo facility (preventing 37 tonnes of CO<sub>2</sub> being emitted into the atmosphere) - enough to produce 199 tonnes of clinker blocks or 685m<sup>3</sup> of concrete; and





- 132 tonnes of organic food waste being collected by SUEZ for reuse in soil compost by many of SkyCity Adelaide's suppliers, creating a circular economy and second use of our food waste.

## Climate Change and Emissions

Although SkyCity is not, through its usual day-to-day operations, a major emitter of greenhouse gases, we recognise the role that we need to play in reducing our impacts. We are committed to progressing initiatives to reduce emissions and taking action to combat climate change.

As part of SkyCity's commitment to climate action, we have measured, audited and verified SkyCity's carbon footprint for FY15–FY21 through the Certified Emissions Measurement and Reduction Scheme programme operated by Toitū Envirocare, a government-owned environmental certifications body in New Zealand.

### Climate Change Strategy

In February 2019, SkyCity announced a climate change strategy that would see SkyCity's New Zealand sites become carbon neutral by 30 September 2019, with SkyCity's Adelaide site achieving carbon neutrality by 30 September 2020. As part of this strategy, a SkyCity Green Fund was established – funded by an internal carbon levy paid by each of SkyCity's Auckland, Hamilton, Queenstown and Adelaide sites relative to each site's emissions. The levy is an internal charge of \$25 per tonne of carbon, in line with the New Zealand

Government's price of carbon under the Emissions Trading Scheme. Funds from the levy are used to offset SkyCity's carbon footprint to net zero by investing in emission reduction projects selected by Toitū Envirocare. The SkyCity Green Fund has also accrued and invested in projects identified and developed by SkyCity employees to reduce SkyCity's carbon emissions in accordance with its science-based targets set in 2019.

SkyCity employees have had the opportunity to measure and offset their own household carbon footprints, with SkyCity matching their offset dollar-for-dollar by payment into the SkyCity Green Fund.

Pleasingly, SkyCity was among the first major New Zealand companies to go carbon neutral and was certified carbonzero by Toitū Envirocare in New Zealand in October 2019 following the payment by SkyCity of \$86,000 to offset the equivalent of 12,866 tonnes of carbon (measured in FY19). The carbon credits purchased through Toitū Envirocare are generated by international projects, which will fund 48,000 solar household cookers for rural communities in China and help build wind farm capacity in India to replace fossil fuel alternatives.

As planned, the SkyCity Adelaide property also became carbon neutral, alongside SkyCity's New Zealand sites, when the emissions generated during the year ended 30 June 2020 (5,518 tonnes of carbon) were offset by purchasing carbon credits through Toitū Envirocare in September 2020. In total, SkyCity paid \$131,238 to offset the equivalent

SkyCity has submitted to the Science Based Targets (SBT) initiative, a partnership between CDP (formerly Carbon Disclosure Project), the United Nations Global Compact, the World Resources Institute and the World Wildlife Fund, to set science-based reduction targets from our FY15 base year. Targets are science-based when in line with the level of decarbonisation required to keep global temperature increase well below 2°C.



As part of this, SkyCity has committed to reduce absolute scope one and scope two Green House Gas (GHG) emissions by 38% by 2030 and by 73% by 2050 (from a 2014–2015 base year) and that 67% of SkyCity's suppliers, by spend covering purchased goods and services and capital goods, will set science-based scope one and scope two targets by the year 2023. SkyCity was the first hospitality business in Oceania to set science-based targets to help keep the rise in global temperature to well below 2°C.

of 15,137 tonnes of carbon in respect of the Group's FY20 carbon emissions.

The emissions generated by the SkyCity Group during the year ended 30 June 2021 (16,750 tonnes of carbon) were offset by the purchase of \$166,663 in carbon credits through Toitū Envirocare in August 2021.

### Reductions in Water and Electricity Use

SkyCity has continued to implement water saving initiatives at its largest SkyCity Auckland property in response to water use restrictions in Auckland City (imposed since May 2020), including:

- washing buildings and windows using buckets of water rather than hoses;
- reusing water for other outdoor cleaning tasks;
- using dishwashers only when full and turning off taps in the kitchens;
- making staff and hotel guests aware of the water restrictions; and
- restrictions on cooling tower usage.

A number of initiatives led by the Property Services team at our Auckland site, including continuous commissioning and finetuning of the Building Management System (BMS) and the B-Tune programme (building tune), have cumulatively generated significant reductions in SkyCity Auckland's use of utilities reducing our overall carbon emissions and spend on electricity, gas and water.

### Climate Change Governance and Risks

SkyCity's climate change strategy is overseen by the Board's Sustainability Committee. A management-led Climate Change Committee is responsible for working with wider operational management to execute the strategy.

The New Zealand Government published its first National Climate Change Risk Assessment in August 2020 and, in April 2021, introduced legislation (in the form of the Financial Sector (Climate-related Disclosure and Other Matters) Amendment Bill) to make climate-related disclosures aligned with the Recommendations of the Task-Force on Climate-related Financial Disclosures (TCFD) mandatory for some organisations, including

publicly listed companies (such as SkyCity) and large insurers, banks, non-bank deposit takers and investment managers. If approved by Parliament, the legislation will require climate-related disclosures for financial years commencing in 2022, with disclosures being made in 2023 at the earliest. The New Zealand Government is also due to issue a National Adaptation Plan in August 2022, which is expected to provide further guidance on how local and central government will respond to climate change risks. These documents and legislation will be a critical resource for SkyCity to take its climate change strategy, planning and reporting to the next stage. SkyCity is committed to progressing towards TCFD-compliant reporting and aims to progress with detailed scenario analysis as part of its ongoing journey towards TCFD-compliant reporting.

SkyCity is a signatory to the Climate Leaders Coalition, a group representing a variety of businesses from different industries which contribute to nearly half of New Zealand's emissions. The group's goal is to help New Zealand transition to a low emissions economy and, in doing so, create a positive future for New Zealanders, business and the economy. Members of the Climate Leaders Coalition have signed a joint Climate Change Statement, which commits their companies to action and is the group's first step in their drive for positive change. By signing the statement, each of the businesses has committed to:

- measuring their greenhouse gas emissions and publicly reporting on them;
- setting a public emissions reduction target consistent with keeping within 2°C of warming;
- working with their suppliers to reduce their greenhouse gas emissions;
- supporting the Paris Agreement and New Zealand's commitment to it; and
- supporting the introduction of a climate commission and carbon budgets enshrined in law.

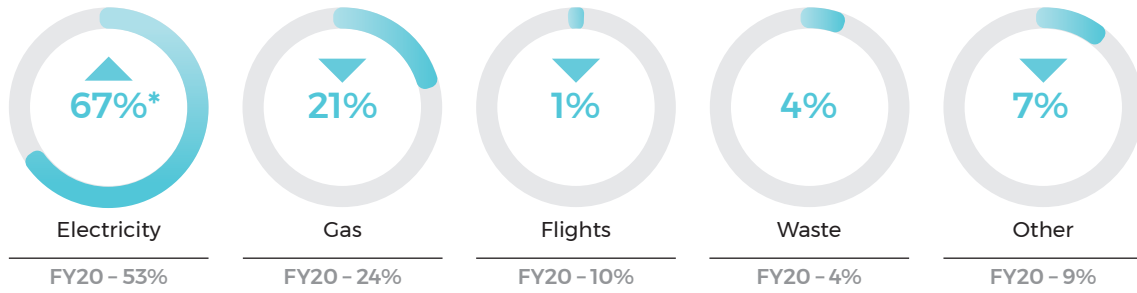
The Climate Leaders Coalition recognises the role that business can play in bringing about change and demonstrates the significant leadership direction being taken by businesses on the issue of climate change.



### SkyCity Climate Related Risks

Nature of Risk	Description and Impact	
<b>Physical risks</b>	Rise in global temperatures	Increased load on air conditioning, increased power outages, increased reliance on generators, increased fire risk in Adelaide and a reduced ski season in Queenstown
	Increase in violent weather events, including cyclone, sea surge, tornado	Damage to property, business interruption, undrinkable water, gas leaks, power outages, increased reliance on generators, reduced visitation/tourism and the need for new infrastructure to be more resilient
	Rise in sea levels	Salt intrusion in soils impacting supply chain
<b>Market and reputational risks and opportunities</b>	<ul style="list-style-type: none"> <li>• Shift in consumer preferences, increasing societal pressure to participate in green economy and the stigma of not participating</li> <li>• Potential for banks to increase cost of funds for non-green entities</li> <li>• Increasing long term focus by investors in green funds, which could impact SkyCity's share price</li> <li>• Increased challenges with tourism around New Zealand (erratic weather) increases the opportunity for an indoor "proxy" experience</li> <li>• Potential for New Zealand to become a more attractive tourism destination for its "green" status</li> </ul>	
<b>Policy and legal risks</b>	<ul style="list-style-type: none"> <li>• Increase in compliance and reporting costs associated with measuring, demonstrating and actioning new requirements</li> <li>• Change in policy and regulations (new building construction, building fit outs and remedial work to maintain building warrant of fitness)</li> </ul>	
<b>Economic risks and opportunities</b>	<ul style="list-style-type: none"> <li>• General increase in cost of doing business (through an emissions trading scheme and/or value chain risk), including fuel, water, waste water, electricity, gas, transportation, taxes, waste disposal, certain goods and services, and insurance</li> <li>• Prohibition of non-green consumables, which may cost more or less than alternative green consumables</li> <li>• Change in infrastructure and furniture, fixtures, and equipment (FFE) costs (green standards, energy efficiency, electric vehicles and other green technology)</li> <li>• SkyCity will be considering carbon in future investment and divestment opportunities</li> </ul>	

**FY21 Carbon Footprint Inventory**



\*The increase in electricity usage from FY20 to FY21 is due to a reduction in COVID-19 closures and the completion of the SkyCity Adelaide expansion.

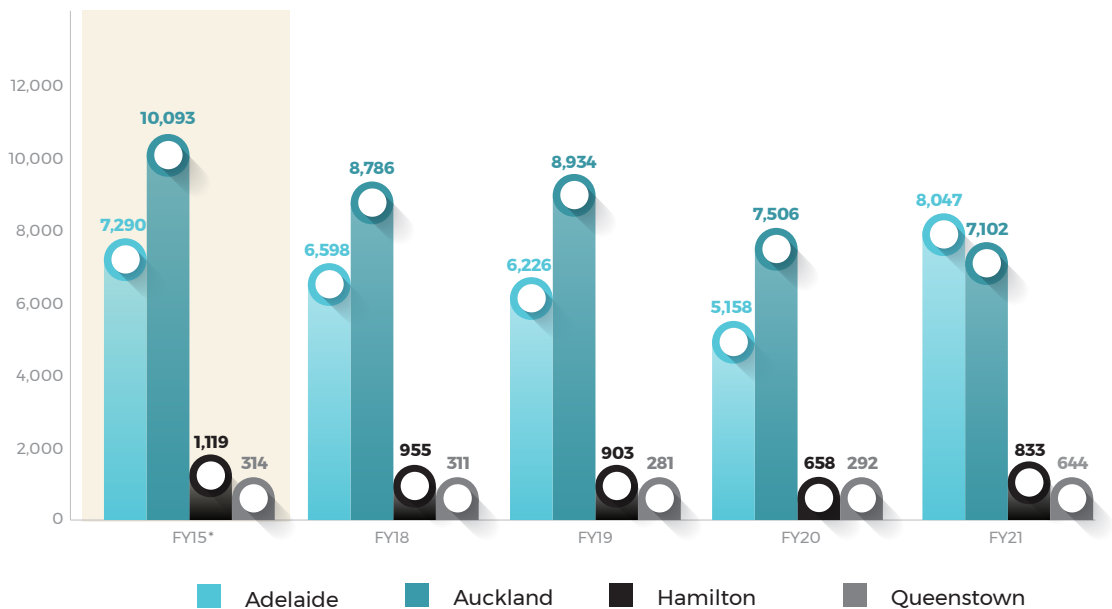
**FY15-FY21 Performance**

The following graphs summarise SkyCity's key environmental performance data for FY15-FY21.

SkyCity has continued efforts to reduce its carbon footprint - with Scope 1 and 2 emissions combined reducing by 18.7% since FY15 and emissions from waste reducing by 52.7%, in part due to the mandated property closures and travel restrictions during FY20 and FY21 (in response to the COVID-19 pandemic).

The increase in absolute carbon from FY18 to FY19 was due to increased air travel across the Group, which SkyCity reduced in FY20 and FY21 through better utilisation of Skype for Business and economy class flights and due to COVID-19 related international border restrictions.

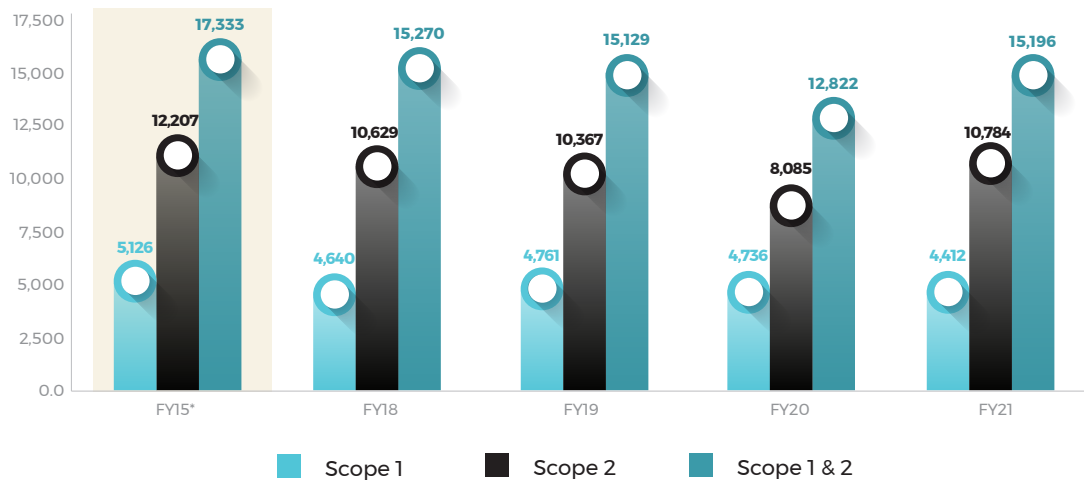
**Total Emissions (Scope 1, 2 and 3) (Tonnes CO2e) - by Site**



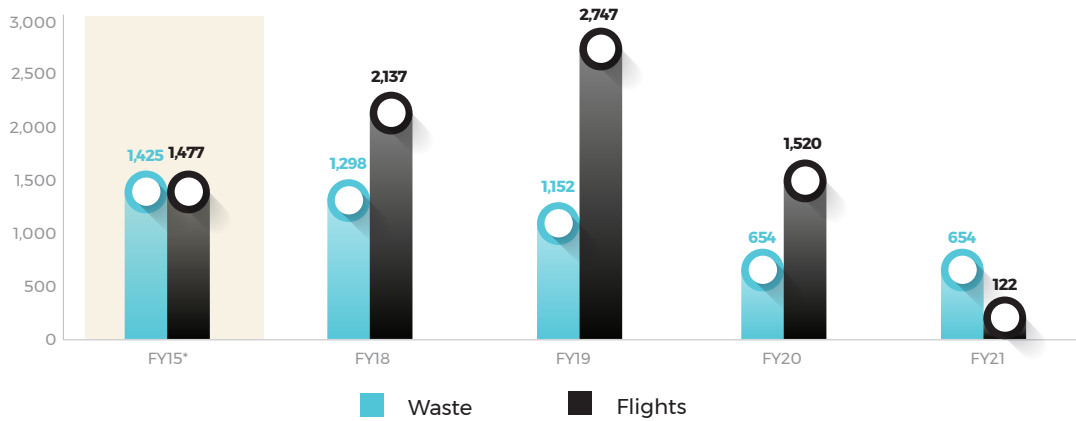
\*SkyCity's science-based reduction targets are set from our FY15 base year.



### Scope 1 and 2 Emissions (Tonnes CO2e) – Group



### Scope 3 Emissions (Tonnes CO2e) – Group



\*SkyCity's science-based reduction targets are set from our FY15 base year.

### Scope Definitions

Through the Toitū carbonreduce certification (formerly the Certified Emissions Measurement and Reduction Scheme) operated by Toitū Envirocare, SkyCity must report all Scope 1, Scope 2 and Scope 3 emissions (unless deemed de minimis), where:

- Scope 1 emissions are direct emissions from sources owned or controlled by SkyCity – for example, gas (LPG and natural), fuel combustion from company vehicles, rental cars and leased fleet, and refrigerant and air conditioning systems;
- Scope 2 emissions are indirect emissions from electricity purchased by SkyCity; and
- Scope 3 emissions are indirect emissions from sources not owned or controlled by SkyCity but resulting from SkyCity's activities – for example, travel (including short and long-haul air travel), waste sent to landfill and freight/couriers (for items exceeding 2kg).





## Independent Limited Assurance Statement to the Management and Directors of SkyCity Entertainment Group Limited

### Our Conclusion:

Ernst & Young Limited ('EY', 'we') have been engaged by SkyCity Entertainment Group Limited ('SkyCity') to perform a limited assurance engagement, as defined by the International Standard on Assurance Engagements (New Zealand), 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information ('ISAE (NZ) 3000'), hereafter referred to as the 'engagement', over selected disclosures included in SkyCity's 2021 Annual Report ('Report') for the year ended 30 June 2021. Based on our procedures and the evidence obtained, as of 23 August 2021 we are not aware of any material modifications that should be made to the selected disclosures included in our review in order for the disclosures to be in accordance with the criteria.

### What our review covered

We reviewed SkyCity's selected disclosures (subject matter), listed below, as disclosed in the Report, for the year ended 30 June 2021.

Selected disclosures		Metric
Customer/ Responsible Host	Customer exclusions issued at SkyCity casinos (#)	1,077
	Customers identified in breach of their exclusion orders in FY21 (#)	1,373
Our People	Gender pay gap for Australia and New Zealand staff (%)	Aus - 6.1% NZ - 6.9%
	Workforce diversity statistics	Top 10 Ethnicities
Environment	Reduction in waste to landfill volume FY15-FY21 (tonnes)	43.4%
Community	Contributions by SkyCity casinos to the SkyCity Community Trusts (NZ\$)	4.1 million (NZ\$)
Suppliers	Total procurement spend on food and beverage from Australia and New Zealand-based suppliers (NZ\$)	33,857,375 (NZ\$)
	Total FY21 spend excluding construction (%)	213,262,178 (NZ\$)
	Key suppliers completed an EcoVadis assessment/audit process as at 30 June 2021 (#)	71

### Criteria applied by SkyCity

In preparing the selected disclosures, SkyCity applied:

- ▶ Global Reporting Initiative's (GRI) Standards; and
- ▶ SkyCity's own published criteria (the Criteria).

### SkyCity's responsibilities

SkyCity's management ('Management') was responsible for selecting the Criteria, and for presenting the selected disclosures in accordance with that Criteria. This responsibility included establishing and maintaining internal controls and adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

### EY's responsibilities

Our responsibility is to express a limited assurance conclusion on selected disclosures included in the Report based on the evidence we obtained.

We conducted our engagement in accordance with the *International Standard on Assurance Engagements (New Zealand), 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information ('ISAE (NZ) 3000')* and the terms of reference for this engagement as agreed with SkyCity on 8 July 2021. The standard requires that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the subject matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

### EY's independence and quality control

We are independent of SkyCity in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we

have fulfilled our other ethical responsibilities in accordance with these requirements.

The firm applies Professional and Ethical Standard 3 (Amended) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of Management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the selected disclosures and related information, and applying analytical and other review procedures including:

- ▶ Conducting interviews with key personnel to understand SkyCity's process for collecting, collating and reporting the selected disclosures during the reporting period
- ▶ Checking that the Criteria has been reasonably applied in preparing the selected disclosures
- ▶ Checking the reasonableness of assumptions
- ▶ Inquiring of personnel to identify risks of underreporting and quality controls
- ▶ Undertaking data analytics to check the reasonableness of the data supporting disclosures, such as analysis of month on month changes in the consumption of various energy sources
- ▶ Performing recalculations of performance metrics to confirm quantities stated were replicable, such as performing a recalculation of greenhouse gas emissions using source data and the relevant emissions factor as defined by the Criteria
- ▶ Assessing evidence on a sample basis, such as selecting a sample of non-recordable health and safety incidents and assessing whether the incident

description suggested that they should have been classified as recordable incidents

- ▶ Checking aggregation of selected disclosures and transcription to the Report
- ▶ Checking the appropriateness of the presentation relating to the selected disclosures.

### Use of our Assurance Statement

We disclaim any assumption of responsibility for any reliance on this assurance statement, or on the selected disclosures to which it relates, to any persons other than the management and the Directors of SkyCity, or for any purpose other than that for which it was prepared. Our review included web-based information that was available via web links as of the date of this assurance statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.



Ernst & Young  
Auckland, New Zealand  
23<sup>rd</sup> August 2021

Pip Best  
Partner