



NEW SOUTH WALES INDEPENDENT CASINO COMMISSION

**THE INQUIRY INTO THE STAR PTY LTD & THE STAR
ENTERTAINMENT GROUP LIMITED**

**PUBLIC HEARING
DAY 9**

MONDAY, 29 APRIL 2024

INQUIRY BEFORE MR ADAM BELL SC

COUNSEL ASSISTING:

MR C. CONDE WITH MR D. HABASHY AND MS E. HALL

**MR B. WALKER SC WITH MR I. AHMED SC, MR D. WONG AND MR H.
ATKIN FOR THE STAR PTY LTD AND THE STAR ENTERTAINMENT
GROUP LIMITED**

DR J. RENWICK SC WITH MS J. ROY FOR WITNESS ROBERT COOKE

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<THE HEARING IN PUBLIC SESSION RESUMED AT 10.01 AM

MR BELL SC: In relation to summons 26-03-2024(2), I have now reviewed two statutory declarations from a solicitor for The Star entities explaining the late production of documents. I referred to this matter at transcript page 182. I'm satisfied that the late production was due to inadvertence and that a reasonable excuse has been provided. Accordingly, I will be taking no further action in relation to this matter.

10 Yes, Mr Conde.

MR CONDE: Mr Bell, before we resume with Ms Ward I need to tender Part E of the Hearing Book.

15 **MR BELL SC:** That will be tendered as Part E of the Hearing Book.

MR CONDE: There is also a document that Dr Renwick took Mr Foster to on Day 7 at transcript 527 which hasn't been marked yet. It would be marked as MFI 25.

20 **MR BELL SC:** MFI 25.

MR CONDE: And that document is STA.8517.0057.1331.

MR BELL SC: Yes, thank you. Yes, Mr Conde.

25

<ANNE DOROTHY FRASER WARD, ON FORMER OATH

<EXAMINATION BY MR CONDE

30 **MR CONDE:** Ms Ward, can you hear me?

MS WARD: Yes, I can Mr Conde.

MR BELL SC: Ms Ward, you remain bound by the oath you took last Wednesday. Do you understand?

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MS WARD: Yes, I do.

MR CONDE: Ms Ward, this morning it was announced you are the new Chairman of Star Entertainment. Is it correct Mr Foster told the board over the weekend that he wished to step down from that role?

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MS WARD: The board met without Mr Foster and resolved to change the Chairman.

MR CONDE: Right. And was there an election of some kind for your own elevation?

45

MS WARD: There was. The board -

MR CONDE: Sorry.

5 **MS WARD:** I was just going to say the board met. The board met without Mr Foster and then the board - I left the room and an election occurred in relation to the appointment of me as Chairman.

10 **MR CONDE:** In terms of the board's meeting without Mr Foster, were reasons discussed for his departure as Chair?

MS WARD: Members of the board had come to the conclusion that new leadership was required, and that was a decision of the board.

15 **MR CONDE:** The ASX announcement this morning said that, for an interim period, Mr Foster would remain on the board and continue his executive responsibilities. In terms of that interim period, do you expect that to be a period of weeks or perhaps months?

20 **MS WARD:** Well, it really is a period to enable the board to appoint a new group Chief Executive Officer. I would expect that to be perhaps six to eight weeks. I couldn't be sure.

25 **MR AHMED SC:** Sorry, Mr Bell, could I just raise one matter. I'm not sure to what extent Mr Conde is going to go into this issue but given it relates to matters which concern the future leadership of the company, it may be more appropriate to deal with this in private session.

MR BELL SC: Why would that be, Mr Ahmed?

30 **MR AHMED SC:** Would it be possible for me to make an application in private session.

35 **MR BELL SC:** Certainly. Operator, please take us into private mode. Ms Ward, if you wouldn't mind leaving us while we have this discussion, please.

<THE HEARING IN PUBLIC SESSION ADJOURNED AT 10.07 AM

<THE HEARING IN PUBLIC SESSION RESUMED AT 10.08 AM

40 **MR CONDE:** Ms Ward, in terms of Mr Foster's executive responsibilities, is it correct that he will be continuing the CEO's responsibilities?

MS WARD: Yes.

45 **MR CONDE:** In that capacity, do you expect he will be reporting in to the board, just now with you as Chair?

MS WARD: Yes.

MR CONDE: Is Mr Foster presently staying on the board because he has that role of current CEO or is there some other reason for him to stay on as a director for the interim period?

5

MS WARD: His departure from the board would be a matter for Mr Foster.

MR CONDE: Well - sorry.

10 **MS WARD:** No, I have finished.

MR CONDE: If I could put it this way. Is this correct, Ms Ward? Once a new CEO is found, your expectation is that Mr Foster will depart both as a director and from his executive role?

15

MS WARD: Yes.

MR CONDE: Right. You may recall, Ms Ward, last week I asked you whether ExCo, what is now the GLT, was dysfunctional during the first half of 2023 and I will just read from the transcript the at page 676. Your answer was:

20

"No, I don't think I would agree that it was dysfunctional, as I understand the leadership team was functioning, was meeting regularly. There were papers, agendas, members of the leadership team were invited and encouraged to add items to the agendas and contribute to the discussion, so it was functional."

25

In light of that answer, Ms Ward, is it correct that, as you see it, the question whether a leadership team is dysfunctional or not involves consideration of whether meetings are being held and practical aspects like that?

30

MS WARD: That is an element, yes.

MR CONDE: If members of a leadership team were to be keeping information from one another and there was a kind of siloed approach, would you agree that could be an element of dysfunctionality?

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MS WARD: I would agree that would not be desirable.

MR CONDE: The siloed approach?

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MS WARD: A siloed approach would not be desirable.

MR CONDE: Right. And if I can just confirm, if we can bring up, please, STA.8102.0010.4823. I may have said that too quickly. STA.8102.0010.4823. If we can bring up just the first email, please, on page 4823. There should be an email from - I'm sorry, it is the second email on this page. Do you see there should be an email from you to your board colleagues dated 12 July 2023 at 12.15 am regarding Mr Cooke's annual performance review?

45

MS WARD: Yes.

MR CONDE: And in the second paragraph of that email you wrote in July 2023:

5

"My main feedback on YTD is speed of decision-making and execution. I feel Robbie was too slow to appreciate the criticality of ICM implementation and too slow to implement the new org structure. He has also seemed hesitant to make important changes at exco level, which I believe remains fairly dysfunctional and siloed."

10

Would you accept, having refreshed your memory, Ms Ward, that you did in July 2023 consider that the leadership team was fairly dysfunctional and siloed?

15 **MS WARD:** Yes, that's what I said at that time.

MR CONDE: Would the Inquiry take that as a correction to your earlier evidence, to which I have referred?

20 **MS WARD:** Well, when I was answering your earlier question, I was answering my current thoughts, and I have - I believe there has been improvement in functionality of the ExCo since July 2023 when I made those comments.

MR CONDE: But during the first half of 2023 would you accept, as you wrote there, your opinion was it was fairly dysfunctional and siloed?

25

MS WARD: Yes.

30 **MR CONDE:** Now, regarding Mr Cooke's exit statement which I took you to last week, I showed you some board minutes from 21 March 2024 and I think, in fairness, it would be easier to bring them up. It's STA.8000.0173.0001. These are the board minutes from 21 March 2024. You might see, Ms Ward, they are signed on the right side?

35 **MS WARD:** Yes, I see that.

MR CONDE: These were the ones where, if we could enlarge on the first page, please, in the middle it said, the second paragraph:

40 "The Board discussed the status of a CEO exit statement, noted it was not got the Board to approve, and expressed concern and asked the Chairman to encourage the CEO not to release it ..."

And do you recall I asked you about that last week?

45

MS WARD: Yes.

MR CONDE: If we can move to the next day, 22 March 2024, the doc ID is STA.8000.0173.0003. And have some minutes for you, Ms Ward, come up dated 22 March 2024? They are listed as 2.45 pm Brisbane time, 3.45 pm Sydney time.

5 **MS WARD:** Yes, Mr Conde.

MR CONDE: And on this page, towards the bottom, there is a box Executive Transition and it says:

10 "The Board noted the paper titled "Executive transition ..."

And then:

".. the Board resolved to pass the following resolutions."

15

And point two is:

"Termination of the employment of Mr Robert Cooke as MD/CEO on the terms of the Separation Deed as detailed in this paper is approved."

20

Do you see that?

MS WARD: I do.

25 **MR CONDE:** And then, if we go over the page, please, to page 0004 of this document, do you see that the second paragraph:

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

30

Do you see that?

MS WARD: I see that.

35

MR CONDE: And if we can call up STA.8122.0001.0267. This was a document that we know from the company's response to RFI 13 the board had available for its 22 March meeting. And do you see this is the CEO exit statement?

40 **MS WARD:** I see that. I'm not sure whether that precise draft of that document was available at that meeting because there were multiples, so -

MR CONDE: Of course. If I can just ask you to note, please, the last four digits in the top right, 0267.

45

MS WARD: Yes.

MR CONDE: And if we can then go please to INQ.5000.0013.0003 and it should be - there is a reference - yes, over on page 004 and do you see those doc ID's align?

MS WARD: I see that.

5

MR CONDE: If we can go back to page 0003 in the INQ document, please, at the bottom it will say:

"In relation to item 1.3 the following papers were made available ..."

10

And then further up, item 1.3 is that meeting. Yes.

MS WARD: Yes, I see that.

15

MR CONDE: So, would you agree that the board had Mr Cooke's proposed exit statement on 22 March 2024 when it approved the separation deed?

MS WARD: Yes. I can't be precise in my recollection, Mr Conde. I believe some documents were provided or made available to the board during the course of that meeting.

20

MR CONDE: Right.

MS WARD: But I do - but I do agree that this says the papers were made available to members of the board. For that meeting, yes.

25

MR CONDE: If we can then go to Mr Cooke's separation deed. This is STA.8122.0001.3882. Has that document come up? It says separation deed and there is a date of 22 March.

30

MS WARD: Yes. Yes, Mr Conde.

MR CONDE: If we can go, please, to page 3897. Consistently with the board's resolution, do you see that you were one of the signatories?

35

MS WARD: I do.

MR CONDE: Then if we can go to page 3904, this has the exit statement as Schedule 4. Do you see that?

40

MS WARD: I see that.

MR CONDE: Then if we can go back, please, to page 3888 and clause 2.3 of this deed. In the fourth line it says - from the fourth line it says:

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

Do you see that?

MS WARD: I see that.

5

MR CONDE: So is it correct that in the space of a day, the board went from expressing concern about this statement and not wanting it to go out to giving Mr Cooke a contractual entitlement to issue it not just to internal employees but to external parties as well?

10

MS WARD: The board remained unhappy that Mr Cooke intended to do this. As I think I said last week, Mr Cooke was adamant that - that he be given permission to make - to release the statement and it was possibly one of the last elements of the deed to be agreed.

15

MR CONDE: I will come back to the question of Mr Cooke being adamant but you would agree, wouldn't you, that the board, in the space of a day, has moved from expressing concern about this statement and not wanting it to go out to giving Mr Cooke a contractual entitlement to issue it not just to internal employees but to external parties as well?

20

MS WARD: The board reluctantly agreed to that, Mr Conde.

MR CONDE: Would you agree that that was a mistake?

25

MS WARD: The objective at that time was to complete the arrangements for Mr Cooke to exit the business and, in hindsight, I - I believe that was a mistake but, as I say, it was made after lengthy negotiation and it was agreed reluctantly by the board.

30

MR CONDE: Would you agree that parties in contractual negotiations will often try to insist on things that suit them?

MS WARD: Yes.

35

MR CONDE: You are not suggesting, are you, that there was some kind of inequality of bargaining power as between Mr Cooke and the company?

MS WARD: I'm not making any suggestion about equality of bargaining power.

40

MR CONDE: So when you say that Mr Cooke was adamant, couldn't Star have been just as adamant?

MS WARD: Possibly, yes.

45

MR CONDE: Would you agree that giving Mr Cooke a contractual right to issue this statement both inside and outside the company amounted to a failure of leadership from the board?

MS WARD: I would agree with your earlier question, Mr Conde, that it was a mistake.

5 **MR CONDE:** And not a failure of leadership?

MS WARD: I wouldn't characterise it in that way.

10 **MR CONDE:** If I can move on to the Safer Gambling, Governance and Ethics Committee. Is it correct that you are the Chair of that committee, Ms Ward?

MS WARD: Yes, Mr Conde.

15 **MR CONDE:** In terms of the time play management and Guest Support Officer matter that you gave evidence about last week with the falsification of TrackVia entries, has your attention been drawn to the statements by Guest Support Officers about being short-staffed since day one and about it being physically impossible to do their job?

20 **MS WARD:** I have heard reference to that during the course of these hearings.

MR CONDE: Right. But that was not drawn to your attention beforehand?

25 **MS WARD:** No.

MR CONDE: Would you agree, Ms Ward, that although there is no excuse for falsifying records, if people don't have the resources they need, they are not going to be able to comply with requirements in the ICM to intervene at three hours and afterward?

30 **MS WARD:** I would agree that if there are not sufficient resources, it will be difficult to complete the tasks.

35 **MR CONDE:** Would you agree that this matter has revealed a lack of resources in the Safer Gambling Team at the Sydney casino?

40 **MS WARD:** It indicates that that could be an issue, Mr Conde, and, as far as I am aware, the root cause analysis and the investigation is still underway, and so the root cause of the issues will become apparent once that analysis is complete.

MR CONDE: I see. Would you agree that it represents an enormous challenge for Star's responsible service of gaming?

45 **MS WARD:** Well, that - what does, Mr Conde?

MR CONDE: The time play management issue and people falsifying TrackVia entries.

MS WARD: The three-hour interventions, known as time play management - that is one element of time play management - is an important requirement under the ICMs and it is a very important element but it is not the only element of the safer gambling activities.

5

MR CONDE: Right. But would you agree that subject, of course, to the root cause analysis and further investigation, that the issue of people falsifying TrackVia entries and not intervening at three hours represents an enormous challenge for Star's responsible service of gaming?

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MS WARD: It represents a challenge. We need to ensure that we have the appropriate resources in capability and in number and the appropriate systems in place to comply with the requirement for an intervention at three hours.

15

MR CONDE: Yes. Are you aware, Ms Ward, that the Sydney casino has been without a CEO from 3 April 2023 and Ms Campbell was announced for the role, subject to regulatory approval, on 25 January 2024?

20

MS WARD: Yes, those - I'm not sure of the precise dates but that sounds right.

MR CONDE: Would you agree that close to 10 months was too long to have taken to find a new Sydney CEO?

25

MS WARD: Yes.

MR CONDE: And so far as you are aware, is it correct that since you have been a director of Star Entertainment, the board of the Sydney licensee of Star Pty Ltd has only met twice, once on 27 October 2023 and a second time on 13 February 2024?

30

MS WARD: I'm advised that that's the case, yes.

MR CONDE: And do you regard that as satisfactory?

35

MS WARD: No.

MR CONDE: Are you aware that Mr Bell's first Inquiry recommended that The Star Sydney should have its own Risk Officer?

40

MS WARD: Yes.

MR CONDE: And do you agree that when important matters relating to risk at the Sydney property arise it has been Mr Saunders, the group Risk Officer, not Ms Vuong, the Sydney Risk Officer, who has been dealing with those matters?

45

MS WARD: No.

MR CONDE: Well, you were talking earlier, for example, about the time play management issue. Is it not correct that Mr Saunders has been leading the response to that from a risk perspective?

5 **MS WARD:** I - I couldn't say who's been leading it. Ms Vuong reports to Mr Saunders and he would have oversight, but as far as I'm aware, Ms Vuong has an active role in addressing - responding to the issues.

10 **MR CONDE:** I can get the document reference but there was evidence earlier about Ms Vuong not having a standing invitation to the Sydney Compliance Committee. Were you aware of that?

MS WARD: I am aware of that evidence, yes.

15 **MR CONDE:** But I think Mr Foster has said that that's been fixed?

20 **MS WARD:** Yes, I discussed that with Mr Foster and I think other board members last week. I think it was last week, perhaps the week before. And I - my own view is that it was an oversight in the charter that Ms Vuong was not a standing invitee to those meetings, but it is also my understanding that she has attended every meeting of that committee.

25 **MR CONDE:** Would you agree that it is not a surprise that incidents have emerged at the Sydney property in the absence of a permanent CEO?

30 **MS WARD:** I think incidents will always emerge in businesses of this nature, so I - as I said before, I think I would have preferred that we had a CEO of the Sydney property earlier. The direct correlation between the absence of a permanent CEO and the incidents that arise, I'm not sure exactly what you are suggesting.

MR CONDE: Well, would you accept that having a permanent CEO would increase the likelihood of somebody requiring risk processes and other safeguards to be implemented and followed?

35 **MS WARD:** I'm not sure of that, Mr Conde.

MR CONDE: Well, would you not agree that it's important to have a Sydney CEO to ensure - to discharge responsibilities, which include risk management?

40 **MS WARD:** Yes, I agree, it's important to have a permanent CEO.

MR CONDE: Would you agree, Ms Ward, that the current regulatory landscape for Star Entertainment, in particular in areas like VIP gaming and responsible service of gaming, is stricter than it was in the past?

45 **MS WARD:** I'm sorry, could you repeat the question, Mr Conde?

MR CONDE: Yes. Would you agree that the current regulatory landscape for Star Entertainment, in particular in areas like VIP gaming and responsible service of gaming, is stricter than it was in the past?

5 **MS WARD:** There have been changes in the relevant regulations and in the ICMs in recent times, and activities, like, for instance, time play management have been - have become stricter or there is more required of the operator.

10 **MR CONDE:** Yes. And would you agree also there are tighter controls around due diligence on patrons?

MS WARD: Yes.

15 **MR CONDE:** And in light of a changed regulatory landscape, looking to the future, what is your vision for what you consider a transformed or new Star is going to look like?

MS WARD: Could you repeat the question, Mr Conde?

20 **MR CONDE:** Yes. In light of the changed regulatory landscape, looking to the future, are you able to articulate a vision for what you consider a transformed or new Star is going to look like?

25 **MS WARD:** It's a very big question and a very open question. I would - my - my vision for a transformed Star would be one where the company, the businesses are compliant with all relevant regulations and obligations. Where there is strong leadership in place at all relevant levels in the organisation and where there is an open and honest and constructive relationship with the relevant regulators. I will pause there. I could go on. But those, I think, are the key elements I would mention,
30 Mr Conde.

MR CONDE: Do you envisage the transformed business as being as profitable at levels that Star has historically been able to achieve?

35 **MS WARD:** I think there are - there have been changes and there are significant changes coming with the advent of cashless and carded play, and the financial impact of all of those things is not yet clear. I - could you repeat precisely your question?

40 **MR CONDE:** Yes. Do you envisage the transformed business as being profitable at levels that Star has historically been able to achieve?

45 **MS WARD:** I don't know. The revenue mix and the profit mix may change. And we have been speaking about regulatory changes that relate to the casinos elements of the business. There are other elements as well.

MR CONDE: Ms Ward, it appears from various people's evidence to this Inquiry that dates for milestones under the remediation plan are not going to be met, the currently directed ones, and that Star is pursuing a reset of its remediation program.

Do you presently have an expectation about when milestones are likely to be completed in full?

5 **MS WARD:** I don't, Mr Conde. I'm aware of the work underway to reset the plan.
As I understand it, that work does not solely relate to recalibration of milestones.
That is one element but there are other elements in the reset that will - I understand
the intention is that it will result in a more robust plan with a sequence of milestones
that is achievable and realistic. As far as I am aware to date, there is not an intention
to extend the final date for completion of the activities under the remediation plan,
10 but I have not yet seen the output of the reset work.

MR CONDE: I see. So perhaps then if we can bring STA.8100.0066.1340, please.
This is a direction from Mr Weeks dated 6 February 2024 which refers to a
Milestone Submission Proposal about halfway down the page, and then, in the
15 third-last paragraph, Mr Weeks wrote that:

"In my capacity as Manager, I am directing ...

20 The company:

".. to comply with the dates and number of milestones set out in ..."

That proposal, which are then in Annexure A. And if we can go, please to page -

25 **MS WARD:** Could I just read that paragraph, please, Mr Conde.

MR CONDE: Of course. Is it correct you haven't seen that document, Ms Ward?

30 **MS WARD:** I have seen it; I would just like to refresh my memory.

MR CONDE: Of course, yes.

MS WARD: Yes, Mr Conde.

35 **MR CONDE:** And if we can go over, please, to page 1341, do you see that there are
various tranches in the first column and then there are dates given in the last column
and time periods in the second column and a number of milestones in the third?

40 **MS WARD:** Yes, Mr Conde.

MR CONDE: And so I think when you referred earlier to that final date, is it your
understanding that there is not an intention to extend that final date?

45 **MS WARD:** That's my present understanding.

MR CONDE: Right. In terms of getting to a transformed Star, do you agree that
today the GLT is in a similar position to where it was in 2022?

MS WARD: In a similar position in what respect, Mr Conde?

5 **MR CONDE:** Well, you need a new permanent CEO, CFO, Chief Legal Officer, Chief Transformation Officer, Chief Customer and Product Officer and Chief of Staff.

MS WARD: Yes, those roles are vacant at present.

10 **MR CONDE:** And would you agree that that puts the company, in respect of its leadership team, in a similar position to what it was in in 2022?

MS WARD: I'm not sure what date in 2022 you are referring to or the position of the leadership team at that time.

15 **MR CONDE:** Well, following Mr Bell's first review, Star needed a new CEO and new CFO because of the departures of Mr Bekier, Mr Martin - Mr Theodore. Needed a new Chief Legal Officer with the departure of Ms Martin. It didn't have a Chief Transformation Officer.

20 **MS WARD:** Or Chief Risk Officer, yes.

MR CONDE: Right. So at least in that respect, would you agree that there is a similarity?

25 **MS WARD:** There is a similarity, yes.

MR CONDE: When asked about the need to bring in these new leadership team members, Dr Lagan gave evidence to this Inquiry:

30 "I think they are great opportunities to actually bring in the right experience now."

Do you agree with that, Ms Ward?

35 **MS WARD:** I do.

MR CONDE: And do you consider that you are someone who can usefully assist Star Entertainment pursue opportunities for transformation in your capacity as Chair?

40 **MS WARD:** I hope so. Yes.

MR CONDE: Mr Bell, those were my questions for Ms Ward.

45 **MR BELL SC:** Ms Ward, do you agree that it would be hard to imagine more serious misconduct in a casino than what was disclosed in the 2022 review of The Star?

MS WARD: Yes, Mr Bell.

MR BELL SC: And you are aware, I take it, that one aspect of the misconduct that was identified involved treating the regulator with disdain and as an impediment to be worked around?

5 **MS WARD:** I'm aware of your findings, Mr Bell. I wasn't familiar with the company at that time.

MR BELL SC: And you are aware, I take it, that the concerns which I expressed included that The Star on a number of occasions did not act cooperatively or
10 transparently towards the regulator?

MS WARD: Yes.

MR BELL SC: Having regard to that history, do you agree that the leadership of
15 The Star and The Star Entertainment, since 2022, needed to make every effort, whatever the circumstances, to act cooperatively and transparently toward the regulator and the manager?

MS WARD: Yes.
20

MR BELL SC: And do you agree that the communications between the former
Chair and the former CEO of Star Entertainment which have been disclosed in this
Inquiry relating to the regulator and the manager indicate that the most senior levels
of leadership at Star Entertainment at the time were not acting cooperatively and
25 transparently with the regulator?

MS WARD: Sorry, would I agree that those matters indicate they were not?

MR BELL SC: Yes.
30

MS WARD: Yes.

MR BELL SC: Do you agree that it was inappropriate for the senior leadership of
Star Entertainment to monitor the manager's confidential meeting in February 2022
35 in the way that they did?

MS WARD: I'm not sure whether the meeting was monitored, Mr Bell. I'm aware of
the evidence that has been given in relation to the - the logistics of the meeting and
the attendees being provided to Mr Foster and Mr Cooke, and I don't - I wouldn't call
40 that element monitoring, nor was it probably inappropriate, as I understand that is a
normal part of the administration of the offices.

MR BELL SC: You are aware of the evidence, are you, that Mr Cooke and
Mr Foster then did some research on who the attendees were and tried to -
45

MS WARD: Yes.

MR BELL SC: Tried to sort of make deductions from that?

MS WARD: Yes.

MR BELL SC: Do you regard those as appropriate?

5

MS WARD: No.

MR BELL SC: Do you agree that Mr Cooke's exit statement provided to Star Entertainment's employees a negative narrative that the regulator was against The Star?

10

MS WARD: I think - sorry, could you repeat the question, Mr Bell?

MR BELL SC: Yes. Do you agree that Mr Cooke's exit statement which was provided to the 8,000 employees and to external stakeholders, as we have heard this morning, provided a negative narrative to the employees that the regulator was against Star?

15

MS WARD: I think it certainly provided a narrative that Mr Cooke believed the regulator was against him.

20

MR BELL SC: Yes, but we know that the board permitted that exit statement to be distributed to the 8,000 employees and what I'm really asking you is whether you agree that the statement provided a negative narrative to those 8,000 employees that the regulator was against Star.

25

MS WARD: I'm not sure.

MR BELL SC: You believed, did you, prior to the statement being made, that it was likely to damage the company's relationship with the regulator?

30

MS WARD: Yes.

MR BELL SC: Well, why did you believe that?

35

MS WARD: Because of the contents of the statement.

MR BELL SC: So why won't you accept that that statement provided a negative narrative to the employees that the regulator was against Star?

40

MS WARD: It was a personal statement from Mr Cooke and it, as I said - I think I said last week, reflected his state of mind at that point in time. Mr Cooke on that day ceased to be an employee of the Star, ceased to be CEO, and the comments that were made in that statement were expressed to be Mr Cooke's comments and views. So -

45

MR BELL SC: I'm not asking you about Mr Cooke's perceptions, rightly or wrongly. I'm really asking you about whether you accept that this statement that was

made provided a negative narrative to the employees of Star Entertainment that the regulator was against Star. Can you agree or disagree with that?

5 **MS WARD:** I don't - I don't know, Mr Bell.

MR BELL SC: Did you believe, prior to the statement being made, that the terms of the exit statement were likely to paint a picture to the workforce of the regulator and the company being in conflict?

10 **MS WARD:** I wouldn't say conflict.

MR BELL SC: You don't agree with that?

15 **MS WARD:** I wouldn't say conflict.

MR BELL SC: What would you say?

20 **MS WARD:** I would say the exit statement - and I'm trying recall the words - painted a picture of a CEO who was leaving the business and felt that was because the regulator had forced him out.

MR BELL SC: Do you accept this, Ms Ward. That the exit statement was likely to have a negative impact on the cultural landscape at Star Entertainment?

25 **MS WARD:** I would accept that it was not helpful to the cultural transformation that the board was trying to - is trying to drive.

MR BELL SC: I think you are agreeing with me, are you?

30 **MS WARD:** I think so.

MR BELL SC: What's your realistic assessment as the new Chair of Star Entertainment about the time it will take for a new Group Leadership Team to be in place and operating optimally?

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MS WARD: Realistically, it will take some months, Mr Bell.

40 **MR BELL SC:** You are aware, I take it, that one of the views which I expressed in the 2022 report was the need for close and direct supervision and governance of The Star Pty Ltd, the owner of the Star Casino in Sydney?

MS WARD: Yes, I am.

45 **MR BELL SC:** And you are aware, I take it, that one of the recommendations which I made in that report was for a Sydney Compliance Committee to be established with the majority of independent members reporting to the board of The Star Pty Ltd?

MS WARD: Yes.

MR BELL SC: And you are also aware, I take it, the approved charter at the moment for the Sydney Compliance Committee provides for the committee to report to the board of Star Entertainment rather than the board of The Star Pty Ltd?

5

MS WARD: I understood it was a - it reports both to the board of The Star Sydney and The Star Entertainment group, which is a separate requirement under the ICMs.

MR BELL SC: There has been evidence to this Inquiry from various people that the charter is going to be changed so that -

10

MS WARD: Yes.

MR BELL SC: - the Sydney Compliance Committee will have an official line of report to the board of The Star as well as to the board of Star Entertainment. Is that your understanding?

15

MS WARD: Yes.

MR BELL SC: But until - as we speak, there is yet no official reporting line from the Sydney Compliance Committee to the board of The Star. Is that also correct?

20

MS WARD: I thought that had occurred, Mr Bell. (Indistinct).

MR BELL SC: Do you know why the recommendation in the 2022 report wasn't implemented in the first place?

25

MS WARD: No, I don't. No, I don't.

MR BELL SC: And you are aware that the Sydney Compliance Committee has two independent members and that the other two members are directors of Star Entertainment?

30

MS WARD: Yes.

35

MR BELL SC: And so I take it that the two directors of Star Entertainment who are members are being interpreted as independent because they are or were Non-Executive Directors of Star Entertainment. Is that your understanding?

MS WARD: It is my understanding.

40

MR BELL SC: At the moment, Mr Foster is one of those two members; is that correct?

MS WARD: I believe so.

45

MR BELL SC: And I take it he will be replaced in the short to medium term in that role.

MS WARD: Yes.

5 **MR BELL SC:** And will you take this opportunity to appoint a new member who is also independent of Star Entertainment?

MS WARD: I couldn't say. I haven't turned my mind to that, Mr Bell, in the time available.

10 **MR BELL SC:** Is that something that you and your colleagues on the board will give consideration to?

MS WARD: Yes, we will.

15 **MR BELL SC:** Do you recall that in the 2022 report that I said that Star Entertainment's approach of having senior members of management with group responsibilities as director of the company operating The Star Sydney plainly did not work?

20 **MS WARD:** Yes, I have read that.

MR BELL SC: Yes. And at the time of the 2022 review, the directors of The Star were the CEO and CFO at the time. Is that your understanding?

25 **MS WARD:** That's my recollection, yes.

MR BELL SC: Yes. And until recently, the directors of Star Sydney were the former CEO, Mr Cooke; the former CFO, Ms Katsibouba; and the now former Chair, Mr Foster.

30 **MS WARD:** Yes.

MR BELL SC: And I'm told that a company search carried out this morning discloses Mr Foster as the sole director of The Star Pty Ltd. Is that correct?

35 **MS WARD:** Yes.

MR BELL SC: And do you agree that Star Entertainment could have done more to populate the board of The Star Pty Ltd with members who do not have group responsibilities?

40 **MS WARD:** Yes, I do, Mr Bell.

MR BELL SC: And do you agree that it should do more in the future?

45 **MS WARD:** I certainly do, and it will be a priority of mine as Chairman to ensure that the board and the governance structure is constituted so as to enhance the close and direct supervision of the Sydney business.

MR BELL SC: And I think you agree with Counsel Assisting that Star Entertainment should have taken steps much more quickly to engage a new CEO for The Star Sydney after Mr Wharton resigned last year?

5

MS WARD: Yes, I do.

MR BELL SC: And Mr Foster gave evidence to this Inquiry that, in his view, there has not been enough done to ensure close and direct supervision of the governance of The Star Sydney. Do you agree with me?

10

MS WARD: I think more could have been done and more is being done and more will be done.

MR BELL SC: And more should have been done. Would you agree with that?

15

MS WARD: I think more should have been done in the past, yes.

MR BELL SC: I think you told Counsel Assisting in relation to the safer gambling problem at Sydney, if I can call it that, with safer gambling staff not intervening three hours and then providing false records into TrackVia that - you haven't yet conducted a root cause analysis of those problems?

20

MS WARD: It is being conducted at the moment, Mr Bell. The Investigations team is conducting that in parallel with the investigation, as I understand it. It is not yet completed.

25

MR BELL SC: Despite not having yet identified a root cause, do you agree that this indicates a very serious failure of systems for safer gambling at Star Sydney?

30

MS WARD: It - it - it, being the events that occurred, indicate that Star Sydney has been unable to comply with the requirements for time play management at three hours.

MR BELL SC: And I'm asking you whether you agree that that's a serious failure of systems, whatever the cause may ultimately prove to be.

35

MS WARD: Yes. Yes, I agree with that.

MR BELL SC: Are you aware that the - a compliance auditor recently provided the first compliance audit report on Star Sydney?

40

MS WARD: Yes, I am.

MR BELL SC: Have you read that report?

45

MS WARD: I have read it. I haven't studied it. I have read it.

MR BELL SC: You are aware, are you, that the compliance auditor identified 19 exceptions, of which 11 related to responsible gambling?

5 **MS WARD:** Yes. I couldn't be sure of the numbers, but yes, I'm aware of the findings.

MR BELL SC: I'm sure you would agree that that's a serious concern?

10 **MS WARD:** Yes, it is.

MR BELL SC: And in relation to the TICO fraud, is it also the case that the company hasn't yet identified the root cause of that problem?

15 **MS WARD:** No, I think the root cause was identified, the root cause of the problem being the software error in those particular machines.

20 **MR BELL SC:** Well, that's a technical error, but I'm sure you know that there were various provisions in ICMs which required cash balances to be carried out, without being precise about it, much more frequently than, in fact, occurred?

MS WARD: Yes.

25 **MR BELL SC:** So whilst it may have started from a software malfunction, would you agree that it's also - it also establishes errors in the way people were performing the functions they were supposed to perform in relation to the management of that issue?

30 **MS WARD:** Well, as I understand, Mr Bell, those errors meant that the malfunction of the machines was not detected as soon as it could have been.

MR BELL SC: Yes. And you would agree that the TICO fraud was a serious failure at Star Sydney?

35 **MS WARD:** Yes, it was a serious - very serious issue.

MR BELL SC: Now, without knowing the root causes of all of the issues, do you acknowledge that these failures might have been prevented if there had been closer and more direct supervision of Star Sydney?

40 **MS WARD:** Possibly, yes.

MR BELL SC: And why is it that Star Entertainment has not provided closer and more direct supervision of Star Sydney since the 2022 review?

45 **MS WARD:** Well, I can't say exactly, Mr Bell. Steps were taken to constitute the Compliance Committee in accordance with your recommendation, and there were multiple discussions, as I understand it, to which I was not party with the manager

and with the NICC as to what more needed to be done and I can't say why more was not done sooner.

5 **MR BELL SC:** I take it you are aware that as a result of the Victorian Royal Commission, the Victorian legislation provides the Crown Melbourne must have a majority of independent directors on its board, including independent of any holding company?

10 **MS WARD:** I - I'm not sure what the legislation now says, but I am aware of the constitution of the Crown Melbourne board.

MR BELL SC: I think you were at Crown, were you, from January to June 2022?

15 **MS WARD:** Yes, that's correct.

MR BELL SC: And whatever the legislation might say, I take it you are aware that the Victorian Royal Commission recommended that Crown Melbourne must have a majority of independent directors on its board, including independent of any holding company?

20 **MS WARD:** I'd need refresh my memory, Mr Bell.

MR BELL SC: You can take it from me that that's, in fact, the case. If you'd make that assumption.

25 **MS WARD:** Okay. I accept that, Mr Bell.

MR BELL SC: And can you also assume that the Victorian legislation provides that senior executives of the casino operator must report only to the board of the casino operator. Can you make that assumption?

30 **MS WARD:** Yes, yes. I do recall that.

MR BELL SC: I well and truly understand that Star Entertainment has many

35 challenges since the 2022 review, and many of them unrelated to the operation of the Star Casino in Sydney. Would Star Casino be a better functioning casino if its leadership had greater autonomy from its ultimate holding company?

40 **MS WARD:** Yes, I believe so, and I - activities are underway to move more to that business model.

MR BELL SC: Mr Foster gave evidence to me last week that he did not consider that Star Entertainment and The Star were presently suitable. Do you agree?

45 **MS WARD:** Yes, I agree.

MR BELL SC: And you are aware that the manager of the Star Sydney is currently due to end his role on 30 September of this year?

MS WARD: Yes.

5 **MR BELL SC:** What's your view as the new Chair of the prospects of Star Sydney satisfactorily managing and operating without continuing external management after that date?

10 **MS WARD:** I believe that with the right leadership, The Star can be transformed and possibly within six months. I - it is possible that the NICC would form a view that the current arrangements should be extended beyond 30 September. It's possible that there could be a different form of external monitorship, perhaps with a different - with different conditions attaching to the licence. Those are decisions that will be made at the time and by the appropriate authorities.

15 **MR BELL SC:** And to be perfectly fair to you, I understand you are only able to express these as possibilities.

MS WARD: Yes, yes.

20 **MR BELL SC:** Yes, Mr Ahmed, do you have any questions?

<EXAMINATION BY MR AHMED SC

25 **MR AHMED SC:** Thank you, Mr Bell. I did have a few questions.

Ms Ward, are you aware of the evidence that Dr Lagan gave to this Inquiry?

30 **MS WARD:** I saw some of Dr Lagan's evidence, not all, and I have reviewed the transcript.

MR AHMED SC: I see. Did you review the part where she referred to the retention of an organisational development specialist?

35 **MS WARD:** Yes, I recall that.

MR AHMED SC: Yes. Do you have a view as to whether it would be appropriate for Star to retain an organisational development specialist?

40 **MS WARD:** Yes, I agree with that. We have - the organisation has created a role which is presently filled by Ms Arzadon which, to my mind, is - and I'm not sure of the title, and Ms Arzadon is a consultant rather than a full-time employee, but I believe that meets most of the elements of the role that Dr Lagan was referring to. So that role presently sits as a member of the GLT and reports directly to the board in relation to matters of cultural transformation and organisational development.

45 **MR AHMED SC:** I see. Now, I think you mentioned there that Dr Arzadon or Ms Arzadon is a consultant at the moment. Would you foresee that, in due course, the type of role that she performs would become a permanent fixture within Star?

MS WARD: Yes, I would.

5 **MR AHMED SC:** I think you also mentioned - well, let me just ask you this. Does Ms Arzadon - what's her relationship with the GLT?

MS WARD: As I understand it, Mr Ahmed, she is a member of the GLT so she attends all of the meetings and interacts with the other GLT members as a peer.

10 **MR AHMED SC:** I see. And in terms of that permanent role that you mentioned a moment ago, would you foresee that that permanent role would also form part of the GLT?

15 **MS WARD:** Yes.

MR AHMED SC: Thank you. Ms Ward, I think you mentioned that you started at Star in November 2022; is that right?

20 **MS WARD:** Yes, I started as an observer, I think, in September and received the regulatory approvals in November.

MR AHMED SC: Yes. In the time at which you have been at Star, have you seen any changes in the culture at Star?

25 **MS WARD:** Yes, I have.

MR AHMED SC: Can you just explain what those changes might have been?

30 **MS WARD:** I have observed a much greater awareness of risk and the requirements for the organisation and the business to be aware of risks and take steps to manage those. I have seen improvements in the general awareness of the need to speak up, to share information quickly in a transparent managed - sorry, in a transparent manner. So greater - greater awareness around the need to share information. And I have also seen what I would describe as a greater propensity for people to ask "Should we"
35 rather than "Can we." So a greater dimension to sound decision-making.

MR AHMED SC: Yes. And in terms of looking forward, are there any steps that you have in mind in terms of driving further cultural change within Star?

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

MR AHMED SC: Yes. Just speaking of the GLT, you have obviously heard some evidence about the way in which the GLT has operated within Star since the first Bell Inquiry, and I think both this morning and previously you have given some evidence in relation to your perceptions of how the GLT was operating; correct?

5

MS WARD: Yes.

MR AHMED SC: What steps do you propose to take to ensure - looking forward to ensure that the GLT operates effectively?

10

MS WARD: Well, the - the first and most important is to secure the right group CEO to lead the GLT and ensure that that person has the qualities and capabilities to build a high-performing leadership team. So that is the first thing. The second thing, we have already referred to the role Ms Arzadon is presently playing, and I think it is important that that or a role very similar continue as a part of the GLT and that role - the person in that role reports directly to the board to ensure that we have a - the board has a clear understanding of how the GLT is going. I would propose that - I will ensure that the board continue the - something we have put in place in recent months which is - I sort of think of as a buddy system where individual Non-Executive Directors buddy up with members of the GLT.

15

20

MR BELL SC: Ms Ward, I'm sorry to interrupt you but I understand we have lost our connection to Counsel Assisting. So we might have a short adjournment until we are all back together again.

25

MR AHMED SC: Certainly.

<THE HEARING IN PUBLIC SESSION ADJOURNED AT 11.16 AM

30

<THE HEARING IN PUBLIC SESSION RESUMED AT 11.17 AM

MR BELL SC: Mr Ahmed, could I trouble you to ask your last question again?

MR AHMED SC: Of course.

35

Ms Ward, the question I asked you was what steps do you propose to take, looking forward, to ensure the GLT operates effectively, and I think you were just up to the point of the response where you were talking about a buddy system.

40

MS WARD: Yes. So just to refresh my memory, the first point, right CEO. Second point, continue with the organisational development role. Third point, continue with the buddy system that we have in place where individual Non-Executive Directors buddy up with members of the GLT. And then I would also say that I would look to ensure a closer working relationship between the board and the GLT, and what I have in mind there are both informal opportunities for interaction as well as more formal joint sessions on key topics facing the business.

45

MR AHMED SC: Thank you. Just pausing for a moment on that buddy system that you have mentioned, what does that involve?

5 **MS WARD:** It's an informal system that we put in place during March at the time when the board was preparing for Mr Foster to step into the Executive Chairmanship role, and it just involved a list saying - a list of the GLT members and allocating responsibility to a Non-Executive Director to deepen relationships and speak more frequently with that person.

10 **MR AHMED SC:** I see. One of the matters that I think you gave evidence about a little bit earlier were the changes that have occurred in relation to the GLT and the number of open positions there are on the GLT. Do you remember that? What involvement do you perceive the board will have in working to select the right candidates for each of those positions?

15 **MS WARD:** Well, the board members were already involved in recruitment activities and selection of preferred candidates and offers made. I certainly, as Chair, will take a very active role in those recruitment activities and the selection of the candidates and will expect that other directors will be closely involved. The key, obviously - well, obvious to me, it seems, is to ensure that we have in place the right group Chief Executive Officer to assist and lead those processes, but we will not be waiting. They are all progressing in parallel.

25 **MR AHMED SC:** Thank you. Can I just go back to that period around about the end of December 2023, and you will remember you gave some evidence about the meeting that the board had with the NICC on 7 December?

MS WARD: Yes.

30 **MR AHMED SC:** Could I just ask for a document to please be brought up. It's STA.8000.0140.0017. Thank you. Ms Ward, you will see that on the screen there is the minutes of the meeting of the board of 19 December.

35 **MS WARD:** Yes, I see that.

MR AHMED SC: And you will see about halfway down the page there is a reference to:

40 "The board discussed the following:"

And the first bullet point says:

45 "An update from the recent meeting between members of the NICC ... and the Chairman, Anne Ward and Deborah Page on Monday, 18 December 2023."

MS WARD: Yes, I see that.

MR AHMED SC: Do you remember attending that meeting?

MS WARD: I remember attending both the 18 December meeting and the 19 December meeting, yes.

5 **MR AHMED SC:** I'm sorry, I should have been clear. I was referring to 18 December.

MS WARD: Yes.

10 **MR AHMED SC:** Now, can you just indicate, to the extent that you can remember, was anything said at that meeting in relation to Mr Cooke continuing as the CEO of Star?

15 **MS WARD:** Yes, I remember Mr Foster asking Mr Crawford and Mr Parbery toward the end of the meeting, as I recall it - and the words may have been slightly different, but as I recall, the question Mr Foster asked was he said the board of The Star was continuing to carefully consider what the NICC had conveyed on 7
20 December, which was that the NICC had lost confidence in Mr Cooke's ability to execute the remediation plan. So Mr Foster said the board was still considering that advice and was carefully considering it, and he asked Mr Crawford and Mr Parbery if the board subsequently decided to support Mr Cooke to continue as Chief Executive Officer, what would the view of the NICC be.

25 **MR AHMED SC:** Yes. And in the second bullet point you will see about halfway down it refers to:

"It was noted that during the meeting on 18 December 2023 that no clear response was provided by the NICC on whether it viewed such a change as critical."

30 Is that the interchange that you are referring to?

MS WARD: Yes. Yes. As I recall, Mr Crawford said he would need to think about that and discuss with the other commissioners and it was suggested that a further meeting take place in January.

35 **MR AHMED SC:** I see. Do you recall, to your awareness, if you received a response to that query?

MS WARD: Not to my knowledge.

40 **MR AHMED SC:** I see. Now, I just want to ask a couple of questions about the response that was made to the manager's report or reports. By that I'm referring to the response that was provided by The Star in January 2023.

45 **MS WARD:** Yes, Mr Ahmed.

MR AHMED SC: What's your view of the tone of that response?

MS WARD: I think I said - as I think I said last week, the tone was inappropriate.

5 **MR AHMED SC:** Yes. What steps do you propose to take to ensure that the tone of communications between The Star and either the manager or regulators going forward aren't inappropriate in that way?

10 **MS WARD:** Well, I would carefully read and consider the tone of any letter I was asked to sign or that I proposed to send, and I would instruct all members of the GLT, including the Group CEO, that all correspondence with regulators must not only be correct but adopt an appropriate tone.

15 **MR AHMED SC:** Yes. And to your mind, is one of those - well, is ensuring that that tone of communication with regulators, is that one of the cultural matters that you would regard as appropriate to instil within Star?

MS WARD: Yes.

20 **MR AHMED SC:** How would you - well, what steps would you take to ensure that that sort of messaging or that sort of culture is instilled?

MS WARD: I'm not sure what - are you referring to practical steps, Mr Ahmed?

25 **MR AHMED SC:** I think practical steps but also just in terms of trying to create a culture where that sort of approach is adopted.

30 **MS WARD:** Well, certainly I referred earlier to my intention to ensure there are more joint sessions between the GLT and the board, and I would - I would schedule some discussions precisely on this point to talk about what an appropriate tone to adopt with regulators is and ensure that there was alignment and clarity of everybody in the senior roles in the organisation to understand what that means and that they - to ensure that they understood they would be accountable for ensuring that people in their teams understood as well.

35 **MR AHMED SC:** Yes. I just want to turn to a slightly different topic. I think you gave evidence where you accepted that there have been delays in recruitment of people like the Sydney CEO.

MS WARD: Yes.

40 **MR AHMED SC:** What steps do you propose to take in future to ensure that those sort of delays in other key positions don't occur again?

45 **MS WARD:** Well, whilst, as I said before, as Chairman I will become directly involved in the recruitment activities and ensure that they proceed as swiftly as is possible and sensible.

MR AHMED SC: Thank you, Mr Bell. Those are all the questions that I had.

5 **MR BELL SC:** Ms Ward, bearing in mind the events which have occurred since December 2023 which have been revealed in this Inquiry, would it be reasonable to conclude that you would agree that the current relationship between Star Entertainment and the New South Wales regulator and its appointed manager is not optimal?

MS WARD: I would agree.

10 **MR BELL SC:** And what steps, if any, do you have in mind to repair that relationship?

15 **MS WARD:** In the time available, Mr Bell, I haven't set out a detailed action plan, but I regard the repair of that relationship as an absolute priority of mine as Chairman of the boards and of the GLT and so I will, with those parties, formulate action plans and do what is necessary in our power to restore and repair that relationship.

MR BELL SC: Yes. It's 11.30. Dr Renwick, are you going to seek leave to ask questions of Ms Ward?

20 **DR RENWICK SC:** Yes, on three topics, with your permission -

MR BELL SC: I would rather that application be made in private. What I will do now is I will adjourn until 11.45. We will resume at 11.45 in private session so you can make your application, Dr Renwick.

25 **DR RENWICK SC:** Yes.

MR BELL SC: I will now adjourn.

30 **<THE HEARING IN PUBLIC SESSION ADJOURNED AT 11.31 AM**

<THE HEARING IN PUBLIC SESSION RESUMED AT 11.47 AM

35 **MR BELL SC:** Yes, Dr Renwick.

<EXAMINATION BY DR RENWICK SC

DR RENWICK SC: Ms Ward, I hope you can hear me.

40 **MS WARD:** Yes, I can Mr - Dr Renwick, sorry.

DR RENWICK SC: Yes. So, shortly before the morning tea adjournment, you agreed with Mr Ahmed that the tone of the responses to the manager's reports was inappropriate. Do you recall giving that evidence?

45 **MS WARD:** Yes.

DR RENWICK SC: That's your view now?

MS WARD: Yes.

5 **DR RENWICK SC:** You are not suggesting, are you, that that was your view when they were sent?

10 **MS WARD:** As I explained last week, on the day the responses were sent, I did not review the actual responses. I had previously reviewed the content, the substance of the responses, but I did not get to review those final documents.

DR RENWICK SC: I see. But subject to that, you are not suggesting you weren't involved in the closest way in the content and tone and approach of Star's responses, are you?

15 **MS WARD:** I - I was involved in the content, the substance of the responses, yes.

DR RENWICK SC: Well, of all the directors, you had the most legal experience at that time, did you not?

20 **MS WARD:** Yes.

DR RENWICK SC: Indeed, on the board, only Mr Cooke and yourself are lawyers. I think that's right, isn't it?

25 **MS WARD:** I think so, yes.

30 **DR RENWICK SC:** With your long experience as a former partner at a law firm and former general counsel, did the board tend to defer to you on legal matters in its discussions?

MS WARD: I wouldn't say the board deferred to me and - on legal matters, the board would seek legal advice. I did not give legal advice to the board. I have not.

35 **DR RENWICK SC:** Yes. But in responding to the regulator, did they tend to defer to you in this instance?

MS WARD: I wouldn't say that and I wouldn't agree that responding to the regulator is a legal matter.

40 **DR RENWICK SC:** Looking at the responses by Star to the manager's reports - and just to be clear, I'm referring not just to the responses but the covering letters - you had more input and more detailed input into the response than any other Non-Executive Director, didn't you?

45 **MS WARD:** Possibly. I did give extensive comments to Mr Cooke to the draft that was prepared early in January.

DR RENWICK SC: Well, let's go to that. Can we have up on the screen STA.8100.0063.7195. Do you see there, Ms Ward, that that is an email from Mr Cooke to you and the other board members of 6 January 2024? Do you see that?

5 **MS WARD:** I see that.

DR RENWICK SC: And do you see that in the first full paragraph, Mr Cooke says:

10 "The attached is a draft response to each of the assertions and conclusions made by the Manager/Special Manager in his first report dated 3 October 2023, being one of the documents the Commission provided to the board on 29 November 2023. I am still working my way through the second of the manager's reports dated 24 November 2023 - it is a laborious exercise."

15 Do you see that?

MS WARD: I do.

DR RENWICK SC: Do you remember getting this email?

20

MS WARD: Yes, I remember receiving it.

DR RENWICK SC: And do you see in the next paragraph, Mr Cooke says to each of you:

25

"As I hope you will see, I have attempted to keep the responses relatively clinical."

MS WARD: I see that.

30 **DR RENWICK SC:** And did you consider that the draft Mr Cooke provided for the consideration of the board was relatively clinical?

MS WARD: Not wholly, no, and I did make some comments to that effect, I thought.

35

DR RENWICK SC: We will come to those. And if you look down to the next paragraph, Mr Cooke says this:

40 "Very happy to take on board any feedback or suggestions you may have - content or approach wise."

So that's Mr Cooke saying to the board that - inviting the response of the board to content and approach of the draft. You would agree with that?

45 **MS WARD:** Yes.

DR RENWICK SC: Commissioner, could that be marked, please?

MR BELL SC: Yes. That document will be MFI 26.

DR RENWICK SC: Thank you, Commissioner.

5 You will see, Ms Ward, that there is an attachment, and I will take you to that document now. It is STA.8100.0063.7196. So, you can take it from me that that's the attachment to the email. If you go over to 7198, if we can blow that up, please. So, you will see in the second paragraph there that in Mr Cooke's draft he says this:

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

15

And he goes on to say:

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

20

Do you see that, Ms Ward?

MS WARD: I do.

25

DR RENWICK SC: And you would have read that?

MS WARD: I would have read that at that time, yes.

30 **DR RENWICK SC:** And just concentrating for a minute on that second paragraph to - as to the need to:

".. provide insight as to the company's true intentions and actions that might not be fully apparent to a reader of the report who has not had the benefit of day-to-day involvement in the operations of The Star ..."

35

You are familiar, no doubt, with the evidence the manager Mr Weeks gave to this Commission?

40 **MS WARD:** Yes, I am. Most of it.

DR RENWICK SC: Yes. And do you recall that Mr Weeks was taken to the more detailed accomplishments or positive steps that Star was putting forward, was asked -

45

MS WARD: Yes, I -

DR RENWICK SC: Sorry, go ahead. You are familiar with that?

MS WARD: Yes, I do recall seeing that evidence.

5 **DR RENWICK SC:** I'm not intending to talk over you, Ms Ward. It is just the function observed on the video. And you will recall the essence of Mr Weeks' evidence - and I can take you to it if you wish - is that he was aware of each of the accomplishments or positive matters that Star set out in the eventual response, of which this is a draft. You will remember that?

10 **MS WARD:** Yes, I recall that.

DR RENWICK SC: But you would agree with me, wouldn't you, that there is a difference between the knowledge of Mr Weeks as the manager and the knowledge of the regulator, the NICC, which is not involved in day-to-day operations of The Star over the previous 12 months. You would agree with that, wouldn't you?

MS WARD: Yes.

20 **DR RENWICK SC:** And it was one reason why I suggest it was important to go through in detail matters that Mr Weeks might be aware of but the regulator was not, is that you were responding to the regulator and it was important that they knew what Star's response was.

MS WARD: Yes.

25 **DR RENWICK SC:** Could that document also be marked for identification, Commissioner?

MR BELL SC: Yes, that will be MFI 27.

30 **DR RENWICK SC:** Can I take you then to this document - and you have seen this one before - STA.8100.0066.2346. This is your email to Mr Cooke copied to the board members. You recall being shown this on Friday, Ms Ward?

35 **MS WARD:** On Wednesday, Dr Renwick.

DR RENWICK SC: You are quite right, indeed. On Wednesday last week, you recall that?

40 **MS WARD:** Yes.

DR RENWICK SC: And if we can blow it up a little, please. And I'm going to take you through this email of yours. So firstly, you begin by thanking Mr Cooke for the painstaking work in putting the response together.

45 **MS WARD:** Yes.

DR RENWICK SC: And that was a correct characterisation - it was painstaking work.

MS WARD: Yes, I believe so.

5

DR RENWICK SC: The next - I'm sorry, I beg your pardon.

MS WARD: Yes, I believe so because it had taken Mr Cooke a long time to put the draft together.

10

DR RENWICK SC: In the next sentence you say:

".. I have reviewed the draft in detail ..."

15

MS WARD: Yes.

DR RENWICK SC: And you set out your comments. And that was the fact you had reviewed the draft in considerable detail.

20

MS WARD: Yes.

DR RENWICK SC: And then you go through - and I will come to the detail in a minute and if you wish to refresh yourself - refresh your recollection of the content of this, you have only to ask. But you would agree with me, wouldn't you, that in this detailed review of the draft by you, you go through and at a number of points indicate that Star should specifically disagree with matters in the manager's two reports. Do you agree with that?

25

MS WARD: Yes, I believe so.

30

DR RENWICK SC: I mean, I can give you an example. If we go to the second page, so that's 2347, at item 11, do you see there you say:

"Disagree that the Board has tolerated 'deficient' reporting."

35

That is an example of where you are indicating the response should indicate disagreement. You agree with me?

MS WARD: Yes.

40

DR RENWICK SC: And there is another example of that, say, at 18 and 19. Do you agree with me?

MS WARD: Yes.

45

DR RENWICK SC: If you go down to 26, where you also disagree that:

".. 'we were required to persuade TSEG that a leadership change was required'."

That's another matter of disagreement?

MS WARD: Yes.

5

DR RENWICK SC: 27, likewise:

"Disagree The Star 'displayed a lack of urgency to deal with these issues'."

10 **MS WARD:** Yes.

DR RENWICK SC: Then on occasion, it's, if I might call it, emphatic disagreement. And an example of that, I put to you, is at paragraph 32:

15 ".. strongly reject any inference that The Star has a 'complacency to the risks its business ...'"

If we go over the page:

20 "'.. faces'. This is subjective opinion, not supported by facts."

It is fair to call that a strong disagreement, is it not?

MS WARD: Yes.

25

DR RENWICK SC: And at 33:

".. strongly reject speculation that Star had a 'reluctance to introduce the controls in a timely manner'. This is not supported by the facts."

30

MS WARD: Yes.

DR RENWICK SC: And there are some other examples but I will just take you to one or two. At 49:

35

".. 'Disagree that substantive work has not commenced.'"

And if you drop down to the end of 49:

40 "If there is disagreement, we really need to call this out."

Do you see that?

MS WARD: Yes, yes.

45

DR RENWICK SC: And would you agree that this reflects your view at the time, that it was important to call out disagreements with the regulator.

MS WARD: They were disagreements with Mr Weeks' report, with the manager's report.

DR RENWICK SC: Yes.

5

MS WARD: And I thought it was important to respond fulsomely, as I said on Wednesday, and to call out both disagreements and areas of agreement.

10 **DR RENWICK SC:** Yes. And another matter was you thought it was important and said so to ask the manager for examples and evidence where appropriate. You agree with that?

MS WARD: Yes.

15 **DR RENWICK SC:** And to be fair, I will just take you to paragraphs 61:

".. add 'disagree'. Ask for examples and evidence."

That's one such example, is it not?

20

MS WARD: Yes

DR RENWICK SC: And you would also agree another such example is in 63:

25 "Disagree the Board [or management] is 'inclined to accept...good intent as an excuse for poor execution'. Ask for examples."

That's another example.

30 **MS WARD:** Yes.

DR RENWICK SC: Then over the page, please, I'll just read out paragraph 74 to ask you about it. So here is the final paragraph. You:

35 ".. add a general conclusion para ..."

You write:

40 ".. reiterating the earlier comments about lack of recognition of achievements during the period, Managers role in running the business, disagreement that Manager was required to 'persuade' Star to address risks, etc. Disagree with observations that Star relegated 'priorities of casino regulators in favour of other priorities', was reluctant 'to implement change unless directed to do so', has a 'reactive culture' and tolerates 'deficiencies in the quality of reporting and decision making'."

45

You see what you there wrote?

MS WARD: Yes, and apologise for the typographical - the spelling errors.

DR RENWICK SC: And you agree that that - the substance of that comment, for example, in paragraph 74, found its way into the final response?

5 **MS WARD:** I - I think so. I can't recall precisely.

DR RENWICK SC: And if we just scroll down a little further on the email, this email was a response to the email I took you to a little earlier. I have already taken you to the detail. But you will see there that Mr Cooke was conscious of the need. He said:

10

".. I have attempted to keep the responses relatively clinical."

And I take it you would say that the responses you gave in the email I have just taken you to were also relatively clinical?

15

MS WARD: Well, factual, yes.

DR RENWICK SC: I might just take you back to page 1 of this email, that is to say, your email. Let me take you to paragraph 1, if we can blow that up a little where you say this:

20

".. I think we should state clearly that our purpose in providing a detailed response is to 'ensure that any decision taken by the NICC in relation to Star's licence is taken on the basis of complete and accurate facts, taking into account all relevant matters and not taking into account irrelevant matters' I suggest using these words in the Introductory Comments, as well as the covering letter."

25

And you see where you said that?

30

MS WARD: Yes.

DR RENWICK SC: And you would agree, wouldn't you, that the responses as sent out fulfilled, in your view, that purpose?

35

MS WARD: Well, that was the objective.

DR RENWICK SC: Do you agree that, at the time, the documents fulfilled that purpose. I'm not talking about now.

40

MS WARD: Well, it was to provide - I believe the response provided fuller and more complete facts and more relevant matters that were not in the original reports.

DR RENWICK SC: I see. And then paragraph 2 "Intro Comments", introductory comments, you said this:

45

"I believe we should reiterate The Stars/Boards disappointment that the NICC chose to share a number of concerns to the media prior to giving us adequate opportunity to

respond and also that the NICC chose not to formally approve the remediation plan (as per David's letter to the NICC in December)."

That's Mr Foster, I take it, is the reference to David.

5

MS WARD: I believe so yes.

DR RENWICK SC:

10 "I would expand the third para to state that whilst we acknowledge the Managers observations, we do take issue with the factual errors in the reports, the lack of recognition of actions taken and accomplishments during the period and some conclusions drawn by the Manager without full information or evidence, or taking into account irrelevant matters."

15

Do you see where you wrote that?

MS WARD: Yes.

20 **DR RENWICK SC:** And you say, don't you, that the responses in the covering letters as eventually sent fulfilled the purpose set out in paragraph 2 of your email there. Isn't that right?

MS WARD: I believe so, yes.

25

DR RENWICK SC: Can I finally take you on this topic to document STA.8100.0066.2541. The email I took you to last was on 13 January. You will see here, this is your email to Mr Cooke copied to all your board colleagues on 22 January at about 6 pm, 6.30 pm. Do you see that?

30

MS WARD: Yes.

DR RENWICK SC: And you will see underneath - I will come to what you have said in a minute, but you will see it's a response to an email of Mr Cooke at about 7.15 am that day where he says:

35

"Good morning all"

That is to say presumably all members of the board including yourself:

40

"Please find attached ... drafts of:

- cover letter for the NICC ...

45

- response to the Manager's report of 24 November 2023 (clean copy and red line version;

- response to the Manager's report of 3 October 2023 ..."

Could you scroll up, please:

".. (Clean copy and red line version) ..."

5 So the first thing is, you will recall reading this, that the attachments to the email that Mr Cooke sent you at about 7.15 am on 22 January were the final versions of the NICC or close to the final versions of the letter and the response to the manager's report.

10 **MR AHMED SC:** Mr Bell, I have got an objection to that question which I - it may be more appropriate for me to raise in the absence of the witness.

MR BELL SC: Yes. Operator, could you please take us into private mode in the absence of the witness.

15 <THE HEARING IN PUBLIC SESSION ADJOURNED AT 12.09 PM

<THE HEARING IN PUBLIC SESSION RESUMED AT 12.12 PM

20 **MR BELL SC:** Yes, Dr Renwick.

DR RENWICK SC: Ms Ward, could I ask you, please, to read the whole of that page, and there is a single sentence on the next page and when you are ready, could you ask the operator to show you that, and then I will ask you a couple of questions about this document.

25 **MS WARD:** Yes, Dr Renwick.

DR RENWICK SC: Operator, can we just go over the next page so Ms Ward can read the final. So that's the - what's on the second page.

30 **MS WARD:** Thank you.

DR RENWICK SC: So, have you compared the difference between the documents which were attached to this email of Mr Cooke of 7.14 am on 22 January with the documents actually sent out?

MS WARD: Have I?

40 **DR RENWICK SC:** Yes, have you. Have you at any stage compared the two?

MS WARD: No.

DR RENWICK SC: I would like you to assume that the changes eventually made were relatively minor. Making that assumption -

45 **MR BELL SC:** Sorry, I would like to go back to private mode. There is a matter I need to raise with you, Dr Renwick.

DR RENWICK SC: Yes.

MR BELL SC: I'm sorry, Ms Ward.

5 <**THE HEARING IN PUBLIC SESSION ADJOURNED AT 12.14 PM**

<**THE HEARING IN PUBLIC SESSION RESUMED AT 12.18 PM**

10 **MR BELL SC:** Yes, Dr Renwick.

DR RENWICK SC: We will take the documents of the screen, please, and put this one up. STA.8100.0066.0513. This is in the Hearing Book, I'm told, Commissioner.

15 Do you see there, Ms Ward, this is the full email with the metadata from Mr Cooke to you and the other board members at 7.14 am on Monday, 22 January 2024?

MS WARD: I see that.

20 **DR RENWICK SC:** And you can see that there are attachments. A number of attachments referred to as clean documents and mark-up documents. Do you see them in the attachment?

MS WARD: I see the list of attachments in the subject heading.

25 **DR RENWICK SC:** So let me take you to one of the attachments, which is STA.8100.0066.0541. This is the response to the addendum. You will see that on the first page.

30 **MS WARD:** Yes.

DR RENWICK SC: And if we go to the next page, do you see there's - no, we'll just go back to the whole page, please. Do you see there is a series of underlining there, and bolding - bolding and underlining, to be precise. Do you see that?

35 **MS WARD:** Yes, I do.

DR RENWICK SC: So, then, if we go back to the document which is STA.8100.0066.2541, so do you see there that you say:

40 "Thanks Robbie.

I have reviewed the cover letter and the revised responses ..."

45 So the document on the right, let's assume, is one of the revised responses. And going back to your email, you say:

".. and I am happy with all of them."

That was the fact, wasn't it? You were happy with all of the documents which were attached to Mr Cooke's email that day at 7.14 am?

5 **MS WARD:** So, my recollection, Dr Renwick, is on 22 January, I did not review the attachments, even though the email says I had reviewed revised responses. My recollection is on that day when I was on leave, I reviewed the cover letter but I did not go into the attachments.

10 **DR RENWICK SC:** I see. And your - I see. Notwithstanding your email says:

"I have reviewed the cover letter and revised responses and I am happy with all of them."

15 **MS WARD:** No. Notwithstanding that, I had reviewed responses in the lead-up to this note. My recollection - to the best of my recollection, I did not go into the attachments to this email on 22 January.

DR RENWICK SC: I see. And then the next sentence, Ms Ward:

20 "Collectively, I think these documents make a clear case to refute much of the Managers Reports, particularly the sweeping assertions and 'conclusions' he makes."

25 What are you referring to there when you talk about these documents in the second sentence of the email?

MS WARD: Well, I was referring to the responses, the content of the responses as I had last reviewed them.

30 **DR RENWICK SC:** But to be clear, when you say "these documents make a clear case", what documents are you there referring to if not to the attachments to Mr Cooke's email of that morning?

MS WARD: Well, I'm referring to the substance of the attachments in the form I had last reviewed.

35 **DR RENWICK SC:** I see. So you are saying that that's on the assumption that the substantive amendments that you had requested in the email I took you to earlier had been made. You were content. Is that -

40 **MS WARD:** Yes, I think that's fair and I was - I provided very detailed comments, as we just looked at, but I was aware there were many other - a number of other people also reviewing and providing comments, and I did not think it was my role to go through and compare earlier drafts to current drafts and the like. I assumed that my comments had been incorporated along with other comments.

45 **DR RENWICK SC:** All right. And then I think your evidence last Wednesday is that the reference in line 3 of the email to the October report is to the November addendum. Is that right?

MS WARD: It - yes, that was an error in that email.

5 **DR RENWICK SC:** All right. Moving, then, to another topic, Ms Ward, you recall you gave some evidence last week about the anonymous whistleblower complaint against Mr Cooke.

MS WARD: Yes.

10 **DR RENWICK SC:** And your evidence was that that complaint was factored into the board's decision to require his termination without cause?

MS WARD: I can't recall my words. I haven't seen the transcript but -

15 **DR RENWICK SC:** Certainly.

MS WARD: - I recall saying something along those lines.

20 **DR RENWICK SC:** To be in fairness - and I only have one question on this one and then one other - can we put up transcript at page 669, please, of last Wednesday?

MR BELL SC: Dr Renwick, I'm not sure if that is something that can be easily accommodated. Perhaps you could read out the relevant part of the transcript to Ms Ward.

25 **DR RENWICK SC:** Yes, certainly, Commissioner. It is this. So the question from the Commissioner was this at line 9:

30 "What, in your mind, Ms Ward, was the significance of the whistleblower complaint in your decision to participate in the board's decision to remove Mr Cooke."

And your answer to the Commissioner at line 13 was:

35 "It was a factor to be taken into account that such a complaint would be lodged."

You remember that question and your answer, don't you?

MS WARD: Yes, I do remember that answer, yes.

40 **DR RENWICK SC:** So what I want to ask you is that, in circumstances where, at that time, Mr Cooke had not been provided with a copy of the complaint or particulars of the complaint, in what - and therefore had not been given an opportunity to respond to it in any way, how is it fair to take into account in the way that you have described such a complaint? How is that fair to Mr Cooke?

45 **MS WARD:** I think what I meant, Dr Renwick, was the fact that such a complaint would be made. Leaving aside the content of the complaint, which was untested, the fact that such a - such a complaint would be made indicated that some members of

Mr Cooke's team were not - were unhappy with aspects of Mr Cooke's management style and conduct. So I was not suggesting that the content of the complaint was assumed to be correct or not. I was simply saying the fact that such a complaint was made was a factor to take into account.

5

DR RENWICK SC: And so to return to my question, do you say that's a fair process in relation to Mr Cooke in that regard?

10 **MS WARD:** It - it was a fact that a complaint had been made and that is not something that would be ignored. Whether that was fair to Mr Cooke, I - I couldn't say.

15 **DR RENWICK SC:** The last question, Ms Ward. You have been asked some questions about the termination deed - sorry, the separation deed with Mr Cooke, you will recall.

MS WARD: I do.

20 **DR RENWICK SC:** Do you recall that, in fact, you and Mr Foster were the persons who signed that deed on 22 March this year on behalf of the company. Do you recall?

MS WARD: I do.

25 **DR RENWICK SC:** And you were aware of the content of the executive - the CEO exit statement, therefore, before it was made by Mr Cooke?

MS WARD: I had seen some iterations of that statement, yes.

30 **DR RENWICK SC:** And by the time you came to sign the separation deed on 22 March, you agree that the executive statement is a schedule to that deed? I can show it to you. If you wish.

MS WARD: Yes. Yes, it is.

35

DR RENWICK SC: Right. And so at least by that stage, by the time you came to sign the deed on behalf of the company, you were aware of the contents of the executive statement in its final form?

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

45

DR RENWICK SC: The question is, is this the position then, Ms Ward, that notwithstanding you signed the separation deed on behalf of the company, notwithstanding that you had expressed concerns about earlier drafts of it, do I

understand your evidence to be that you did not read the final version of the executive statement in Schedule 4 before you signed the separation deed on behalf of the company?

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

DR RENWICK SC: Final question. Have you -

15 **MR AHMED SC:** I'm sorry, Commissioner, could I just raise one matter and I only raise because it is time sensitive. At page -

MR BELL SC: Do you want to raise this in private mode or are you happy to raise it publicly.
20

MR AHMED SC: It may be better for me to raise it in private mode, Commissioner.

MR BELL SC: Operator, could you take us to private mode in the absence of Ms Ward, please.
25

<THE HEARING IN PUBLIC SESSION ADJOURNED AT 12.32 PM

<THE HEARING IN PUBLIC SESSION RESUMED AT 12.34 PM

30 **MR BELL SC:** Yes, Dr Renwick.

DR RENWICK SC: Ms Ward, just one final question. You are familiar, though, with the terms of the executive statement by Mr Cooke in the terms it was sent out by Mr Cooke to The Star?
35

MS WARD: Yes, I saw that after it went out.

DR RENWICK SC: And you don't say that there is anything in that statement which is factually inaccurate, do you?
40

MS WARD: I don't know. I would need to review the terms of it.

DR RENWICK SC: At the time, did you consider anything in that statement as released was factually inaccurate?
45

MS WARD: I don't believe so.

DR RENWICK SC: No further questions, Commissioner.

MR BELL SC: Yes. Mr Conde, anything arising?

MR CONDE: No, Mr Bell.

5

MR BELL SC: Ms Ward, thank you for your evidence and thank you for attending, twice. The formal direction I will make is that your examination be adjourned, which means that it is possible you will be recalled, but unless you hear from the Solicitors Assisting, that won't be required. Thank you.

10

MS WARD: Thank you, Mr Bell.

<THE WITNESS WAS RELEASED

15 **MR BELL SC:** Yes, Mr Conde.

MR CONDE: Mr Bell, the next witness is Ms Deborah Page, and we need a short adjournment due to the change of witness.

20 **MR BELL SC:** I will adjourn for a moment.

<THE HEARING IN PUBLIC SESSION ADJOURNED AT 12.35 PM

<THE HEARING IN PUBLIC SESSION RESUMED AT 12.41 PM

25

MR BELL SC: Yes, Mr Conde.

MR CONDE: I call Ms Deborah Page.

30 **MR BELL SC:** Ms Page, can you hear me?

MS PAGE: I can, Mr Bell.

MR BELL SC: Would you prefer to take an oath or an affirmation?

35

MS PAGE: An oath, please.

<DEBORAH RUTH PAGE, SWORN

40 **MR BELL SC:** Yes, Mr Conde.

<EXAMINATION BY MR CONDE

MR CONDE: Ms Page, may I trouble you to state your full name, please?

45

MS PAGE: Deborah Ruth Page.

MR CONDE: Are you aware that your address has been made known on your behalf to the Solicitors Assisting Mr Bell's Inquiry?

MS PAGE: I am.

5

MR CONDE: Is it correct that you are a director of The Star Entertainment Group Limited?

MS PAGE: That's correct.

10

MR CONDE: Was your appointment to the board announced, pending regulatory approval, on 11 November 2022?

MS PAGE: Yes.

15

MR CONDE: Were you formally appointed as a director of Star Entertainment on 17 March 2023?

MS PAGE: Yes.

20

MR CONDE: Were you previously the Chair of Pental Group Limited from April 2014 to January 2023?

MS PAGE: I wasn't. I was the Chair from January 2022 to January '23. I was on the board of Pental from 2014.

25

MR CONDE: I see. And is it correct that you were a director and at least for some time Chair of the Investa Office Fund between 2011 and 2016?

MS PAGE: That's correct.

30

MR CONDE: And before that were you a director of Investa Property Group from 2002 to 2011?

MS PAGE: Correct.

35

MR CONDE: Is it correct that you are a chartered accounting by training and had 12 years as a partner of KPMG?

MS PAGE: Yes. Sorry, just to clarify, KPMG and its antecedent firms.

40

MR CONDE: I see, yes. Yes. I should have said the firm now known as KPMG.

MS PAGE: Yes, correct.

45

MR CONDE: Would you agree, please, Ms Page, that in order to be suitable, a casino operator or close associate must cooperate fully with the regulator?

MS PAGE: That's correct.

MR CONDE: Do you agree that a casino operator or close associate must also be completely honest, candid and transparent with the regulator?

5

MS PAGE: Yes.

MR CONDE: Are you aware that Star Entertainment's Risk Appetite Statement provides that the company seeks to have an effective and transparent relationship with its regulator?

10

MS PAGE: Yes.

MR CONDE: Do you agree that it is important for the purposes of Star's business to have an effective and transparent relationship with the regulator?

15

MS PAGE: Yes.

MR CONDE: And do you agree that the importance of having an effective and transparent relationship with the regulator is amplified when the Sydney licence is suspended and a manager has been appointed?

20

MS PAGE: Yes.

MR CONDE: Are you aware, Ms Page, that in the report from Mr Bell's first Inquiry he spoke of:

25

"A need for independent eyes at the level of the casino operator focused exclusively on ensuring that the casino operator complies with its obligations under legislative requirements and its licence"?

30

MS PAGE: Yes.

MR CONDE: Are you aware that Star Entertainment announced to the ASX on 3 April 2023 that Mr Scott Wharton had resigned as The Star Sydney CEO and as group Head of Transformation?

35

MS PAGE: Yes.

MR CONDE: Are you aware that Mr Cooke was quoted in that announcement as saying:

40

"We are well-positioned to announce shortly Scott's successor as CEO for The Star Sydney."?

45

MS PAGE: Yes.

MR CONDE: Do you recall that on 25 January 2024 Ms Janelle Campbell was announced as the Sydney CEO, pending regulatory approval?

MS PAGE: Yes.

5

MR CONDE: Would you agree that that period between Mr Wharton's resignation and the announcement of Ms Campbell's appointment was too long to have taken to find a new Sydney CEO?

10 **MS PAGE:** Mr Conde, I would agree that that was too long. I will just clarify that the candidate referred to in the first communication, that that person didn't proceed and so we are not talking about the same person when we talk about Janelle taking that long to arrive into that position.

15 **MR CONDE:** Right. Just to clarify, I think I asked - I asked you earlier about a quote attributed to Mr Cooke where he said:

"We are well-positioned to announce shortly Scott's successor ..."

20 And is it correct that, as you understood it, that was referring to a particular candidate?

MS PAGE: Yes, it was.

25 **MR CONDE:** I see. And then that obviously wasn't Ms Campbell?

MS PAGE: No, it wasn't.

30 **MR CONDE:** No. It's correct, isn't it, that throughout the time that the Sydney casino has not had its own CEO, the person who has been practically in charge of the Sydney property has been Mr Peter Humphreys?

MS PAGE: That's correct.

35 **MR CONDE:** When you came onto the board, were you aware that Star had received, in May 2022, a form of declaration by which longer-serving senior executives could be asked to confirm that they had no knowledge of or involvement in the misconduct revealed in Mr Bell's first Inquiry?

40 **MS PAGE:** No, I only became aware of that as part of the conduct of these proceedings.

45 **MR CONDE:** Right. Are you aware that it was at the prompting of this Inquiry that Star Entertainment, on 13 March 2024, asked its longest-serving senior executives to sign such a declaration?

MS PAGE: Yes, I am.

MR CONDE: And you are aware, I take it, that Mr Humphreys completed his declaration on 14 March 2024 and disclosed that he was aware of certain matters relating to China Union Pay?

5 **MS PAGE:** Yes.

MR CONDE: Are you aware of Mr Humphreys' evidence to this Inquiry that since making his disclosure, nobody at Star Entertainment had come back to him to ask for further detail about the disclosure that he had made?

10

MS PAGE: Yes.

MR CONDE: And what, if any, comment do you have on that?

15 **MS PAGE:** My subsequent inquiries in relation to that were along the lines of why weren't we told, and I was informed that all the declarations had gone to, I believe, Mr Cooke. We had on occasion asked about the status of the declarations and we were told who hadn't completed them, but we were not told that someone had qualified their declaration.

20

MR CONDE: Right. And would you agree that perhaps Mr Humphreys can explain himself but it warrants investigation?

25 **MS PAGE:** And my understanding is we have subsequently taken advice in that regard.

MR CONDE: Right. But I think your -

30 **MS PAGE:** So yes. Yes, to answer your question, yes, it warrants investigation.

MR CONDE: Yes. Irrespective of that, are you aware also that Mr Humphreys has been the interim Chief Operating Officer at The Star Sydney?

35 **MS PAGE:** Yes.

MR CONDE: And he has also been the General Manager Gaming Machines and Cashier Services at The Star Sydney?

40 **MS PAGE:** Yes.

MR CONDE: Do you agree it is not a long-term solution to have Mr Humphreys or, indeed, any individual in all of those roles?

45 **MS PAGE:** Yes, I do.

MR CONDE: So far as you are aware, Ms Page, is it correct that since you have been a director of Star Entertainment, the board of the Sydney licensee, The Star Pty

Ltd, has met twice, once on 27 October 2023 and a second time on 13 February 2024?

5 **MS PAGE:** That's my understanding.

MR CONDE: Do you regard that as satisfactory?

MS PAGE: No.

10 **MR CONDE:** Are you aware that Mr Bell's first Inquiry recommended that The Star Sydney should have its own Risk Officer?

MS PAGE: Yes.

15 **MR CONDE:** And is it your understanding that if there are important matters relating to risk, they are raised with that Risk Officer, Ms Vuong, or - I'm sorry, Ms Page, I will start again. Is it your understanding that if there are important matters relating to risk at the Sydney property, they are raised with the Risk Officer, Ms Vuong? Or is it your understanding that they are raised with the group Risk
20 Officer, Mr Saunders or with someone else?

MS PAGE: My understanding is that they would be raised with both. If it's an important matter, then it would certainly go to our group Risk Officer, Scott Saunders, and at the property level I can't imagine a situation where this issue would
25 not be being dealt with by the Head of Risk.

MR CONDE: All right. Sorry, when you say Head of Risk, do you mean -

30 **MS PAGE:** Ms Vuong.

MR CONDE: Ms Vuong, yes.

MS PAGE: Yes, the Head of Risk for the property, which is the way that we are setting that up.
35

MR CONDE: Yes. And is it correct that various practices and so on are still in the process of evolving in relation to raising things with the Risk team?

40 **MS PAGE:** Yes, I think that's a fair comment.

MR CONDE: You are aware, I take it, of the TICO fraud event involving about \$3 million coming out of Ticket In, Cash Out machines in July - June and July 2023?

45 **MS PAGE:** I am.

MR CONDE: Would you agree that that was a serious incident?

MS PAGE: Yes.

MR CONDE: Would you agree that computer malfunctions can be addressed but what was principally of concern was the fact that this went undetected for close to two months while \$3 million went out the door?

5

MS PAGE: I would express it differently. I would agree with both your statements, but the technology part of it, for me, was very important. Because what the failing there was, was the failing of independent external testing of technology changes. So, for me, that was a very important root cause. And certainly I would acknowledge that the cage management failures were totally unacceptable.

10

MR CONDE: And so far as you are aware, has the company identified why what you call the cage management failures went - occurred?

MS PAGE: Yes, there has been a full investigation and root cause analysis. And the Chief Controls Officer has been implementing new controls. I also understand that Ms Campbell, who, on probity approval, will be taking over as CEO of the Sydney casino, it's an area of particular interest that she has.

15

MR CONDE: Also at the Sydney property has been the Guest Support Officer issue involving false entries in TrackVia to suggest patrons had been checked on when they have not. Are you aware of that incident, Ms Page?

20

MS PAGE: I am.

25

MR CONDE: Would you agree that that is a serious issue?

MS PAGE: Yes.

MR CONDE: Are you aware of Guest Support Officers' statements to the investigator about being "Short staffed since day one" and about it being "Physically impossible to do the job"?

30

MS PAGE: Yes.

35

MR CONDE: And would you agree that that reveals important issues relating to resources?

MS PAGE: Yes.

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MR CONDE: And do you agree that if people don't have the resources they need, it may be the case that there is a risk of unsatisfactory workarounds being implemented?

45

MS PAGE: Yes.

MR CONDE: You are aware, I take it, that this remains the subject of ongoing investigation and has extended in the last fortnight to some incidents at the Queensland properties?

5 **MS PAGE:** Yes, I am.

MR CONDE: And is this something that the board is taking a close interest in?

10 **MS PAGE:** It is, and I can reveal that there have been three further terminations.

MR CONDE: Right. Is that in respect of employees at the Queensland properties?

MS PAGE: It's across the three properties.

15 **MR CONDE:** Okay. Are you aware, Ms Page, of the issue relating to Enhanced Customer Due Diligence from last year, in particular, Ms Townsend's letter to New South Wales Liquor & Gaming dated 30 September 2023 in which she said that ECDD for some 32,000 customers had been completed?

20 **MS PAGE:** I'm aware of the evidence given, yes.

MR CONDE: Are you aware that Ms Townsend accepted in her evidence, and Mr Saunders agreed, that on the question of whether the letter to the NICC - sorry, the letter to the Liquor & Gaming was misleading, it "could be looked at in that way"?

25 **MS PAGE:** Yes.

MR CONDE: Do you have any comment on that in relation to a communication to the regulator?

30 **MS PAGE:** My comment in relation to that communication would be that it was an unsatisfactory piece of communication from an executive with insufficient experience in dealing with regulators.

35 **MR CONDE:** And when you say it was unsatisfactory, is there any particular aspect of it that you have in mind?

40 **MS PAGE:** The aspect I found most concerning in that evidence was that she hadn't checked it herself. I also thought it was presented in a fairly rudimentary way, and I don't think anyone had sort of raised above it before it got sent and asked themselves the relevant questions, particularly in light of the fact my understanding was that the manager had been raising issues about the ECDD processes. So I think, on balance, this issue contained a lot of communication issues and people talking at
45 cross-purposes, but, ultimately, in relation to the letter, it was a poor piece of communication.

MR CONDE: Are you aware that Ms Townsend accepted in her evidence that various statements in her letter were wrong but Mr Saunders has disagreed with that?

5 **MS PAGE:** I think this goes to my point of people at cross-purposes and different understandings, and I am aware of what you said, yes.

MR CONDE: And does it concern you that the Chief Controls Officer and Chief Risk Officer can't agree on that?

10 **MS PAGE:** I think at that time they clearly didn't agree and weren't - they weren't on the same page.

15 **MR CONDE:** Right. Is it correct as a general expectation that you have that AML - sorry, anti-money laundering and counter-terrorism financing-related checks should be rigorous and the processes used to perform them should be transparently shared with relevant regulators?

MS PAGE: Yes, it's fundamental to what we do.

20 **MR CONDE:** And to the extent that a different approach has been adopted, then there is no harm in revealing that?

MS PAGE: Revealing a - when you say "different approach", Mr Conde, what -

25 **MR CONDE:** To the extent that - perhaps if I can put it this way, Ms Page. To the extent that someone on behalf of Star Entertainment has adopted a particular methodology or approach to their - to what they are saying in the letter, they ought to be transparent about that particular methodology or approach?

30 **MS PAGE:** I think that would have improved the communication, yes.

MR CONDE: Do you acknowledge that failures at the Sydney property might have been prevented if there had been closer and more direct supervision of Star Sydney?

35 **MS PAGE:** Yes.

MR CONDE: I was about to move to a different topic, Mr Bell. I have just noticed the time.

40 **MR BELL SC:** Yes, I will adjourn now until 2 pm.

<THE HEARING IN PUBLIC SESSION ADJOURNED AT 12.59 PM

<THE HEARING IN PUBLIC SESSION RESUMED AT 2.01 PM

45

MR BELL SC: Yes, Mr Conde.

MR CONDE: Ms Page, are you aware that Star Entertainment has made a number of public statements to the ASX over the last year to the effect that it is working cooperatively with its regulators, including the NICC and the manager?

5 **MS PAGE:** Yes.

MR CONDE: Are you aware of the evidence that emerged in this Inquiry about a mismatch between Star Entertainment's public statements regarding candour, transparency and cooperation and various private statements between Mr Foster and Mr Cooke?

MS PAGE: I am.

15 **MR CONDE:** And your board colleague, now Chair, Ms Ward, gave evidence that for the company to be saying one thing in public and its former Chairman and CEO to be exchanging the messages that they were in private suggested the wrong leadership at Star Entertainment. Do you agree?

20 **MS PAGE:** I do.

MR CONDE: And so far as you are aware, did that feature in the recent decision for Mr Foster to cease as Chairman of Star Entertainment?

25 **MS PAGE:** Yes.

MR CONDE: Ms Ward also said that both the messages themselves and the attitudes they revealed were likely to have damaged people's trust in what Star Entertainment says publicly. Do you agree with that?

30 **MS PAGE:** Yes.

MR CONDE: On 29 November 2023, Star Entertainment received copies of reports from the manager dated 3 October 2023 and 24 November 2023. Do you recall receiving those around that time?

35

MS PAGE: Yes, I do.

MR CONDE: And what was your reaction to those reports when you first saw them?

40

MS PAGE: On - on reading the October report, I thought it was a fair representation of where we were in our journey. I must admit, when I read the November report, it seemed to have a very different tone and there were elements of it that I - I really felt were very unfair on the organisation.

45

MR CONDE: Do you recall in particular which elements, Ms Page?

5 **MS PAGE:** At a personal level, I found allegations that the board was passive - I found that offensive. You - you cannot be as involved as this board has been in this company's activities and be called passive. Look, there were other comments about the quality of board papers and things like that which - which I - you know, I also held a different view on. There were a range of things that I felt were not as factual as they needed to be.

10 **MR CONDE:** Mr Weeks wrote about what he called a material execution risk for implementation of the remediation plan. Do you recall your thoughts on that?

MS PAGE: Was that in the November report, Mr Conde?

MR CONDE: No, in the October report.

15 **MS PAGE:** In the October report. Look, I think anyone who is embarking on a remediation and transformation of a company that is as complex as this would accept there are very high risks associated with that.

20 **MR CONDE:** He warned, in the October report, that for implementation of the plan to be achieved, Star Entertainment:

".. must consistently deliver high-quality work in a timely manner, which is not part of its culture that we have observed to date."

25 Would you agree that that was a fair observation by October 2023?

30 **MS PAGE:** I do agree that was a fair observation and it became - the matter of quality of implementation became words that the board started to use with management in relation to the remediation program that we - even though the time frames were tight, that we couldn't achieve things at the cost of quality.

35 **MR CONDE:** Mr Weeks also wrote in the October report of concerns that he had about Star Entertainment's ability to identify and manage risks adequately without supervision. Would you agree that that was a fair concern by October 2023?

40 **MS PAGE:** I think it's a fair concern if I'm interpreting the question in terms of our licence status. I think certainly at an operating level, we were getting better at identifying risks and dealing with them in an appropriate manner, but if the answer to your question is the former of what I said, then, yes, I agree with you.

MR CONDE: If we call up please STA.8102.0010.4676. These should be minutes of a 7 December 2023 meeting between the NICC, Star Entertainment board and the manager. Have those come up for you, please, Ms Page?

45 **MS PAGE:** Yes, they are a little blurry, but it could be my eyesight.

MR CONDE: There are two minutes of the discussion I want to show you.

MS PAGE: Yes.

MR CONDE: The first is the first page, fourth-last bullet point. It says:

5 "PC confirmed NICC's view that it had lost confidence ..."

Sorry. There we go. It has been highlighted:

10 "PC confirmed NICC's view that it had lost confidence in the TSEG CEO to execute the remediation plan, as per observed performance to date of RC."

Do you see that?

15 **MS PAGE:** Yes, I do.

MR CONDE: And the next is on page 4677 in the first bullet point on that page where it said:

20 "TSEG confirmed that the first of the Manager's reports was overall useful, agreed with many aspects and noted many areas remain a work-in-progress for the business. In contrast, TSEG found the second report from the Manager was short on examples and fact. TSEG undertook to provide a written response to the reports."

25 Do you see that?

MS PAGE: I do.

30 **MR CONDE:** And I want to suggest to you, Ms Page, that coming out of this meeting there was really a sort of fork-in-the-road moment for the company. The company could have either recognised the seriousness of the NICC losing confidence in the CEO and caused him to depart as CEO, or the company could choose a path which risked putting the company at odds with the regulator's loss of confidence. Do you agree Star had that choice around this time?

35 **MS PAGE:** It's a very long question, Mr Conde. I don't think at this point in time this is when that fork happens. I mean, this is the first time - possibly the day before, as I understand it, there might have been a meeting with Mr Foster that this question of lack of confidence emerged. So at this point in time, this is not the juncture. I mean, a board of directors has to look at a number of factors in terms of the
40 performance of its CEO. Without wanting to in any way diminish how serious this was, this is not the fork of - this is not the point at which a board would summarily dismiss an executive.

45 **MR CONDE:** Right. If we can go, then, to STA.8000.0140.0017. This was a 19 December 2023 board meeting which considered whether Mr Cooke should stay or not. Do you recall this meeting, Ms Page?

MS PAGE: I do, yes.

MR CONDE: And do you see that Mr Cooke was present? He is listed among the attendees.

5 **MS PAGE:** Yes.

MR CONDE: And then, if - on this page, it says:

"The board discussed the following:"

10

There are two bullet points. If I could just ask that the second bullet point be enlarged, please. Do you see it talks about options for refreshing key management and so on?

15 **MS PAGE:** Yes.

MR CONDE: First of all - in fact, I might give you a moment to read that, Ms Page.

MS PAGE: Yes.

20

MR CONDE: First of all, do you consider it was best practice to have this discussion with Mr Cooke present?

25 **MS PAGE:** We try to operate in an open and transparent way. So yes, I think that's appropriate. But it needs to be understood in the context that we also have private discussions from time to time, which is normal good governance, and certainly this board does that.

30 **MR CONDE:** Ms Ward gave evidence that the board went around the room asking each director for his or her view about whether Mr Cooke should stay. Do you recall that?

MS PAGE: I do.

35 **MR CONDE:** And did you feel free to speak your mind in those circumstances with Mr Cooke present?

MS PAGE: In terms of the relationship we had with our Managing Director, no, I did not feel inhibited.

40

MR CONDE: Right. And do you recall what you said?

45 **MS PAGE:** I believe that the opinion I expressed was that it would be very difficult for us to dismiss Mr Cooke at that point in time. The view that I had been coming to was it was probably a question of not if we needed to get a new CEO but when, and in terms of the when, this is what I call the director's dilemma. Because it comes down to the how. So in the situation we were, in a week from Christmas here,

Mr Cooke was in advanced stages of settling the Multiplex litigation, which was a very significant issue for the company.

5 He was progressing several senior appointments, including that of Ms Campbell, who will be the CEO of Sydney casino. And we were, from my point of view as Chair of the Audit Committee, we were also approaching the half-year financial reporting period. So, on balance, at that point in time, with what I had heard, what I had experienced and what I knew were significant challenges facing the company, it was not the right time on 19 December.

10

MR CONDE: Is it correct that, as best you can recall, only Ms Ward said she wanted Mr Cooke to depart at that time?

15 **MS PAGE:** That's my understanding, yes. Sorry, I agree, yes.

15

MR CONDE: And there is a reference in this - I'm sorry, if I could ask that the bullet point be un-enlarged. I just want to be sure - sorry, it is in that. If we can re-enlarge that please, sorry. Can you see a few lines, it is about halfway down, there is a reference to:

20

".. no clear response being provided by the NICC on whether it viewed such a change as critical."?

25 **MS PAGE:** Yes.

25

MR CONDE: Is it correct that, so far as you can recall, nobody said at this meeting that the NICC had changed its view about having lost confidence in Mr Cooke?

30 **MS PAGE:** I - yes, but I was party to the discussions the day before.

30

MR CONDE: All right. And in those discussions, do you recall the NICC expressing any change of view about loss of confidence in Mr Cooke?

35 **MS PAGE:** No, they certainly didn't express a view about changing their view of loss of confidence. Look, in many respects, I thought it was a constructive conversation. There were a number of issues raised, and obviously the issue in relation to Mr Cooke was one of them, but I do recall the Chief Commissioner encouraging us along the lines of, if I can remember it correctly, he wanted to see us succeed. So this was, to my mind, a constructive conversation, but there certainly was no clear direction that Mr Cooke needed to go. And that I - my take on it was that the Commissioner understood our responsibilities as directors and that was - I think he understood we were taking the situation very seriously.

40

45 **MR CONDE:** And I asked you earlier about a fork-in-the-road moment. Would you agree that that arose here around 19 December?

MS PAGE: I think I have already said I didn't think - at this point in time, it was not my view that there was - sorry, I retract that. I had formed the view that I thought Mr Cooke would need to go, and it was a question of when, not if.

5 **MR CONDE:** Yes. And would you agree that had that been brought forward at that time, with the benefit of hindsight, it would have been better?

10 **MS PAGE:** Hindsight is a wonderful thing. I - no, I don't believe so. Because I think the impact of parting ways with Mr Cooke at that point in time would have been so severe on the company that we may not even be sitting here today. And I refer there specifically to the state of the Multiplex negotiations and, you know, the ability to attract the calibre of people that we need in order to transform this business.

15 **MR CONDE:** Do you recall Mr Cooke saying, around this time in December 2023, words to the effect that going with an option of risking being at odds with the regulator was a one-way street because it is not easy to take that position and then reverse out of it?

20 **MS PAGE:** I don't have any recall of those words.

MR CONDE: Well, whether he said them or not, would you agree that in your industry with the regulation that you have, it was correct, wasn't it, that once you choose a path that risks being at odds with the regulator, it's very hard to reverse course?

25 **MS PAGE:** Mr Conde, would you mind just repeating so I can hear all of the detail of your question?

30 **MR CONDE:** Whether Mr Cooke said those words or not - and I'm talking there about words to the effect of "one-way street".

MS PAGE: Yes.

35 **MR CONDE:** Would you agree in your industry, with the regulation that you have, that it was correct that once you choose a path that risks being at odds with the regulator, it's very hard to reverse course?

40 **MS PAGE:** My answer to that would be at that point in time, we had not chosen a different path. I think we were on the same path. It's a question of timing.

45 **MR CONDE:** Yes. But I appreciate that coming out of the 7 December meeting with the NICC, the board would have needed time to consider and reflect and, indeed, speak with Mr Cooke. But having been told that the NICC had lost confidence in him, do you not accept that it was time for Mr Cooke to be moving on sooner rather than later?

MS PAGE: Well, he was gone some, you know, 12 weeks later, wasn't he?

MR CONDE: Yes, but I'm asking about in December.

5 **MS PAGE:** In December - in December, my view of the matter was that we had received serious information from our regulator, that the board was giving that the appropriate level of consideration and weighing that with all the other corporate responsibilities that we have in order to continue to run a business.

10 **MR CONDE:** So do you accept that by 19 December 2023, Star Entertainment made the wrong choice by not asking Mr Cooke to depart at that time?

MS PAGE: No, I don't.

15 **MR CONDE:** Do you accept that Star Entertainment made the wrong decision to allow Mr Cooke, from that time, to lead the drafting of Star's response to the manager's reports in December 2023 and January 2024?

MS PAGE: No, I believe that was the Chief Executive's responsibility to do that.

20 **MR CONDE:** In terms of those responses, Mr Foster said that - gave evidence to this Inquiry that Star could and should have taken a more conciliatory tone, and Ms Ward gave evidence that, on reflection, she is not happy with the tone of the responses, particularly bold and underlined sentences. Do you agree with their evidence?

25 **MS PAGE:** I do, yes.

MR CONDE: And Mr Foster and Ms Ward also gave evidence to the effect that it would have been better to have involved other GLT members in reviewing and responding to Mr Weeks' reports. Do you agree with them on that?

30 **MS PAGE:** I have a different view on it, Mr Conde. When I received the letter, it was clear to me by the header on the document - it said something like "Sensitive New South Wales Government" on the top of the communication, and there was a direction in the letter to share it with the board, which Mr Foster did. It wasn't ever clear to me that we had been given permission to share it more broadly in the organisation.

40 So when there were discussions about whether or not the GLT would be given copies, when Mr Cooke indicated that he wasn't planning to, in my mind, that was consistent with the document that I had read, that it was for the board. And I did that in the context of this was our manager, you know, interacting with his regulator that he is working for and so, in a way, I felt that we were fortunate to have received a copy of that confidential reporting. So that was my mindset.

45 **MR CONDE:** Again with the benefit of hindsight, do you think it would have been better had Mr Foster and/or Mr Cooke gone back and asked the NICC if it could be shared on a confidential basis with the GLT?

MS PAGE: Yes, I do, and, actually, I do feel that the October report would have been a good document for them to receive. I'm not so sure that receiving the November document would have been constructive.

5 **MR CONDE:** But Mr Foster gave evidence that he felt Star missed an opportunity in January 2024 of doing what he described as:

".. a better job at being clearer around the areas that we still needed to continue to do some work on."

10

Do you agree with that?

MS PAGE: Yes.

15 **MR CONDE:** And do you agree that Star Entertainment's ultimate response to the NICC antagonised the regulator?

MS PAGE: Absolutely, and that was what I was fearful of.

20 **MR CONDE:** Yes. Are you referring there to an email you sent where you said it would - you worried it would disturb the hornet's nest?

MS PAGE: Yes, and I apologise for my holiday email language.

25 **MR CONDE:** But did you mean that it would be -

MS PAGE: What I - yes, sorry Mr Conde, if I could tell you what I meant.

MR CONDE: Would it be useful if I called it up?

30

MS PAGE: If you could, yes, that would be great.

MR CONDE: STA.8100.0066.2543.

35 **MS PAGE:** So what I was intending to convey primarily here to Mr Cooke and to Mr Foster, who had carriage of the finalisation of the document, I had fully participated and agreed with the board at the outset that we needed to put something on the record in relation to our views of the documents. I had held concerns all along that it needed to be very balanced and very factual and to generally add to the
40 information that was being provided to the Commission for the purposes of a really important decision, which was licensing.

45 So, in that context, I was concerned that we really needed to basically nail the delivery of this in terms of it being received as we genuinely intended it to be received. I received the final - this email when I was overseas. I received it on my phone, and it was in Word format. So I did not at this point in time review the latest drafts of those documents.

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

10 **MR CONDE:** If we go now to STA.8100.0063.7392; this should be the NICC's letter dated 1 February 2024 to Mr Foster.

MS PAGE: Yes.

15 **MR CONDE:** Has that come up for you, Ms Page?

MS PAGE: It has, yes.

20 **MR CONDE:** Do you recall receiving a copy of this letter or shortly after 1 February 2024?

MS PAGE: I do.

25 **MR CONDE:** If I can refer you to the fourth and fifth paragraphs where the Chief Commissioner wrote:

"The fact ..."

This is to Mr Foster:

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

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

40 Do you recall having any reaction to those paragraphs at the time?

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

45 **MR CONDE:** Now, do you recall that this Inquiry was announced on 19 February 2024?

MS PAGE: I do.

MR CONDE: And upon the commencement of Mr Bell's Inquiry, is it correct that The Star Entertainment board was largely unconcerned about it and had decided to adopt a fight-back stance?

5 **MS PAGE:** No, definitely not.

MR CONDE: Are you aware that Star Entertainment received a whistleblower complaint dated 28 February 2024?

10 **MS PAGE:** I am, Mr Conde.

MR CONDE: Was this complaint brought to your attention at or about that time of 28 February 2024?

15 **MS PAGE:** Yes, it would have been.

MR CONDE: Mr Cooke gave evidence - unchallenged evidence that the catalyst for his departure as CEO was a conversation that he had had with Mr Foster on or about 10 March 2024, when Mr Foster asked Mr Cooke that the board had formed a view that his continuation with the business was no longer going to be of assistance in the company's endeavours to return to suitability. Were you aware around this time, on 20 10 March 2024, that Mr Foster was going to be having that conversation with Mr Cooke?

25 **MS PAGE:** Sorry - I'm sorry Mr Conde, I lost you in all of that.

MR CONDE: Okay. Sorry, I will start first of all by referring -

MS PAGE: Could they take the document down? It sort of distracted me. Thank 30 you.

MR CONDE: I will just note the evidence first and then ask you a question.

MS PAGE: Thank you. 35

MR CONDE: So Mr Cooke gave evidence that the catalyst for his departure as CEO was a conversation he had with Mr Foster on or about 10 March 2024. Are you aware of that evidence?

40 **MS PAGE:** Yes.

MR CONDE: And Mr Cooke said that Mr Foster had asked him - sorry, had advised him that the board had formed a view that Mr Cooke's continuation with the business was no longer going to be of assistance in the company's endeavours to return to 45 suitability in New South Wales. Are you aware of that evidence?

MS PAGE: Yes.

MR CONDE: And so then my question is, were you aware around that time, on 10 March 2024, that Mr Foster was going to be having that conversation with Mr Cooke?

5 **MS PAGE:** I was aware a conversation would be occurring. Whether I knew the particular day, I'm not sure.

MR CONDE: Well, is it correct - I mean, just to step through, you'd had that vote I was referring to earlier in December 2023 where it went around the room, and there
10 was a decision at that time to keep Mr Cooke. And then by 10 March, the Chair is having a discussion with Mr Cooke on 10 March. So at some time, presumably in January or February, there was a board meeting or discussion asking Mr Foster to have that discussion. Is that correct?

15 **MS PAGE:** Yes. I think, for context, the month of February is - is a very busy month with half-year financial reporting matters and then, of course, the calling of the Inquiry and our needing to respond to that in terms of that reporting process. So, really, I would just - I don't think the board - it wasn't really until we got through that that the board then took stock of where we were with Mr Cooke's position.

20 **MR CONDE:** And that taking of stock, as best you can recall, was perhaps towards the end of February or early March?

MS PAGE: Thereabouts, yes.

25 **MR CONDE:** Is it correct that the two facts of (1) this Inquiry and (2) the whistleblower complaint were factors among the reasons for Mr Cooke's departure?

MS PAGE: In terms of my own consideration, in my experience, whistleblower
30 complaints, until a proper investigation has been conducted, one needs to be very careful with what one infers from it. So from my point of view, I didn't really give that a great deal of thought in terms of this process. I think as I indicated earlier, I had formed a view that it was not if but when with Mr Cooke. So, for my mind - and I'm very focused on the financial reporting - we got through that process with
35 our - with a Chief Executive in place, and now was an opportunity to deal with the CEO issue in terms of the sort of performance issues that had been seen.

MR BELL SC: Ms Cooke, it would help me to understand - sorry, Ms Page.

40 **MS PAGE:** Ms, Page. That's okay.

MR BELL SC: I apologise, Ms Page. It would help me to understand what the factors were in your mind which led you to conclude Mr Cooke had to be asked to leave in March 2024?

45 **MS PAGE:** Well, first and foremost was that we had a regulator who didn't have confidence in him. But the other things that I had observed - and I say this. I did like Mr Cooke as a person, so - but as a Non-Executive Director, you have to assess the

performance, not the man. And as early as July, I had observed that he - what I would call his decision velocity was just not fast enough. He was making, in my view, some poor people decisions despite the advice of members of the board in certain situations.

5

And so, for me, they were early warning signs. And then I think by the time we got to the end of February, really, the job had almost - it had almost killed him. He had worked so hard. He was under so much stress that he had become overly emotional and, in that circumstance, it was just not possible to continue with him.

10

MR BELL SC: Yes, thank you, Ms Page. Yes, Mr Conde.

MR CONDE: And again, Ms Page, with the benefit of hindsight, do you agree that it was a - frankly, it was a disaster, that by still having Mr Cooke by February, you had had that time where the response to the regulator had, to use your words, failed and antagonised the regulator.

15

MS PAGE: What was the word you used at the beginning of that question, Mr Conde?

20

MR CONDE: I used the word "disaster". There may well -

MS PAGE: Disaster. Look, with hindsight, it proved to be very - very unhelpful. But, on the other hand, I would say to you that, as a director, you know, that half-year reporting process, we got through that. So, you know, one of the issues that Non-Executive Directors have is that you have to weigh up a whole lot of very important considerations, and you don't always get it right. And this was probably one of those times when, with the benefit of hindsight, maybe an earlier agreement to leave with Mr Cooke might have worked out better. With the relationship with the regulator.

25

30

MR CONDE: Yes. Mr Cooke's eventual departure was announced on 22 March 2024. Do you recall Mr Cooke's exit statement?

35

MS PAGE: I do.

MR CONDE: Ms Ward gave some evidence about her thoughts on the exit statement, and I will now ask you if you agree or disagree with each of them. I think there are five. First of all, Ms Ward said that the exit statement was not helpful to Star Entertainment or to Mr Cooke. Do you agree with that?

40

MS PAGE: Yes.

MR CONDE: Ms Ward said the statement would potentially be damaging to the company's relationship with the NICC. Do you agree with that?

45

MS PAGE: Yes.

MR CONDE: Ms Ward said that she thought Mr Cooke was seeking to go justify or protect his reputation in a way that he would come to regret. Do you agree with that?

MS PAGE: Yes.

5

MR CONDE: Ms Ward said - this is the fourth one - that she felt that just sharing these kinds of details with the entire staff was ill-advised. Do you agree -

MS PAGE: Yes, yes, I do.

10

MR CONDE: And Ms Ward gave evidence that the exit statement presented a risk of sending a message to some 8,000 or so staff that Mr Cooke was being pushed out by the regulator. Do you agree with that?

15

MS PAGE: Yes.

MR CONDE: Would you agree that to the extent that the exit statement sent the message that Mr Cooke was being pushed out by the regulator, that was a false narrative because it was the board responsible for Mr Cooke's departure?

20

MS PAGE: Yes, you could - you could say that.

MR CONDE: If we could bring up STA.8000.0173.0001, please. If we can bring up, in the middle of the page - sorry, if we can leave it for Ms Page to note that these are minutes of a meeting of 21 March 2024, attended by you and board colleagues. Do you see that?

25

MS PAGE: Yes.

30

MR CONDE: And if we can then bring up, in the middle of the page, there should be a second paragraph in that box. It says:

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

35

Do you see that, Ms Page?

40

MS PAGE: I do.

MR CONDE: So it is correct, isn't it, on 21 March 2024, neither you nor, so far as you are aware, your board colleagues wanted that statement going out?

45

MS PAGE: That is true. And, Mr Conde, I would like to add that some of the words in that paragraph were added by me after we received the draft Chairman-approved

minutes with no reference to the fact that the board had strongly encouraged the Chairman to stop this happening.

5 **MR CONDE:** Right. So is it correct that that paragraph was your addition, as best you can recall?

10 **MS PAGE:** Not all of it, but the words about encouraging - asking the Chairman to encourage the CEO not to release the statement, it's probably softer than the conversation that we had, but I was the person who amended those minutes when they came to us for comment, having been approved by the Chairman.

MR CONDE: I see. When you mention the words were softer than the conversation that was had, what is your recollection of the conversation that was had?

15 **MS PAGE:** Well, I personally did not want that statement issued and others expressed the same view.

20 **MR CONDE:** Right. Would you agree, though, that the next day the board approved Mr Cooke's separation deed which gave him a contractual right to issue it?

MS PAGE: As part of these Inquiry proceedings, I am now aware of that. I was not aware - and, in fact, I'm really disappointed that the Chairman could have negotiated that in a deed after we expressed these sentiments in this meeting.

25 **MR CONDE:** Right. So if I can just show you the relevant document and then ask. If we could bring up STA.8122.0001.3882. This should be Mr Cooke's separation deed. Do you see that, Ms Page?

30 **MS PAGE:** I can see, that yes.

MR CONDE: And then if we can go to page 3904, this should be Mr Cooke's exit statement in schedule 4. Has that come up for you, Ms Page?

35 **MS PAGE:** Yes.

MR CONDE: And then if we can go back to page 3888 and enlarge clause 2.3 for Ms Page, please.

40 **MS PAGE:** Yes.

MR CONDE: And so the second sentence, starting on the fourth line, where it says:

"The Executive ..."

45 So that's Mr Cooke:

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

5 Is it correct that you were not aware of that clause?

MS PAGE: Yes, that is correct.

10 **MR CONDE:** So, do you agree that it was wrong for Mr Cooke to be given this contractual entitlement?

MS PAGE: I - from my point of view?

15 **MR CONDE:** Yes.

MS PAGE: Those negotiating this deed did not have authorisation to do that.

MR CONDE: Right.

20 **MR BELL SC:** Sorry, Ms Page, who did you understand had the lead role in those negotiations on behalf of Star Entertainment?

MS PAGE: Mr Foster.

25 **MR BELL SC:** Yes, thank you. Yes, Mr Conde.

30 **MR CONDE:** Still on this, but if I can refer you, first of all, Ms Page, to some evidence that was given to this Inquiry, and I will refer to that first and then ask you a question. Dr Attracta Lagan gave evidence that, in her view, in the course of 2023 - and I'm quoting now:

35 "A new internal story emerged at Star which was the regulator doesn't like us and they don't like gambling and the Special Manager is too demanding and there is an us and them mentality."

So you are aware of that evidence?

MS PAGE: I am.

40 **MR CONDE:** And I will ask you later about the culture, but in terms of Mr Cooke's exit statement, would you agree that it risked stoking a feeling within the company that the NICC is against Star?

45 **MS PAGE:** Yes.

MR CONDE: And, in particular, that it was against - sorry, that the Chief Commissioner was against Star?

MS PAGE: Yes.

MR CONDE: Another aspect is that - would you agree that - actually, if we bring back Mr Cooke's statement. It's STA.8122.0001.0012. In the second-last paragraph,
5 if we could bring that up, please, on this page. If we could enlarge that for Ms Page. The paragraph beginning:

"That view is informed by my understanding ..."

10 Do you see that, Ms Page?

MS PAGE: Yes.

MR CONDE: I might just ask you, please, to read that.
15

MS PAGE: Yes.

MR CONDE: Would you agree that in circumstance where Mr Cooke's departure and this exit statement came pretty much at the same time as the departure of the
20 CFO, Ms Katsibouba, this exit statement risked suggesting that she was, to use his language, a bad actor?

MS PAGE: I think that's a long bow but, yes, it's possible.

25 **MR CONDE:** Ms Page, you mentioned earlier that you were disappointed that the Chairman could have negotiated that clause 2.3 that I referred you to in the deed. Are you aware that the deed was also signed by Ms Ward?

MS PAGE: I am.
30

MR CONDE: And what, if any, comment do you have on that?

MS PAGE: My understanding from discussing it with Ms Ward was that she received it late, it had already been signed by the other two parties, and I think she
35 felt pretty let down as well.

MR CONDE: Right. So, so far as you are aware - sorry, focusing on your awareness and understanding, is it correct that you don't entertain concerns about Ms Ward acting without the board's authority?
40

MS PAGE: No.

MR CONDE: But you do entertain such concerns in relation to Mr Foster; is that correct?
45

MS PAGE: That's - that's my belief. And, yes, I do hold those concerns.

MR CONDE: I mentioned earlier, Ms Page, Dr Lagan's evidence to this Inquiry about the new internal story having emerged about the regulator doesn't like us and that sort of thing. Do you agree with that observation?

5 **MS PAGE:** I do agree with that observation as it pertains to the last sort of
October/November onwards-type period. It was - it was clear there was that
sentiment. And, look, I would say that - and, of course, Dr Lagan is involved - she is
deep in the business, whereas I'm up on the board as a non-executive. So I accept
10 what she said. My feeling in relation to that was we had a - this is a very stressful
environment, and I think people were feeling that they weren't getting recognition for
what they were achieving.

And so I think that contributed to a narrative of that nature. And then I think it
probably got exacerbated as we went sort of into December with some of the media
15 reporting. I think some of the staff - they would have found that very confronting.
They were concerned for their jobs.

MR CONDE: If we can call up, please, INQ - sorry, if we can take down this
document, please, and before calling up the next document, I appreciate it might
20 distract. So I would just like to note some evidence that has been given to this
Inquiry. Both Ms Katsibouba and Mr Hughes gave unchallenged evidence that in
December 2023 or earlier, each had initiated a discussion with Mr Cooke about
leaving the organisation. Are you aware of that evidence?

25 **MS PAGE:** I am, yes.

MR CONDE: And if we can now call up, please, INQ.5002.0001.0116. This is an
email that I don't understand you were party to, Ms Page, but it is from Mr Foster to
the NICC. If we could enlarge the top half, please. Do you see it is dated 27 March
30 2024?

MS PAGE: Yes.

MR CONDE: So five days after Mr Cooke's departure. And Mr Foster wrote to the
35 Chief Commissioner - do you see he wrote halfway down this page:

"Just to summarise a few of the key actions taken to date:"

And then it says:

40 "Management change:
- Last Friday terminated without cause CEO Robbie Cooke, CFO Christina
Katsibouba ..."

45 And then later:

".. a longstanding team member George Hughes was also Terminated without cause a
couple of weeks ago."

Now, do you agree that, consistently with the evidence to this Inquiry, that that statement may have been correct at about Mr Cooke, but it was not correct about Ms Katsibouba or Mr Hughes?

5

MS PAGE: I understand there has been a lot of evidence in the Inquiry about this matter. Terminated without cause in relation to Mr Cooke, Ms Katsibouba and Peter Jenkins is my understanding of the legal documentation. I accept the evidence of Ms Katsibouba that she resigned, but I was - it didn't totally ring true to me. Because the board had been encouraging Mr Cooke to have conversations with her about improving things. I'm sorry, did someone say something? No.

10
15 So we had been having conversations with Mr Cooke about needing to elevate the level of experience in the CFO role and so I knew that he was going to have conversations with her. So whether she resigned - I mean, she said she resigned, and I take her at face value. But she never had that conversation with me as Chair of the Audit Committee that she had resigned.

MR CONDE: Well, she did give unchallenged evidence to this Inquiry that in December 2023 - sorry, Mr Cooke gave unchallenged evidence to this Inquiry that in December 2023 or earlier - and I quote:

25 "Definitely Christina made contact with me and expressed the desire or indicated that she was at a point where she thought she wanted to go."

And then Ms Katsibouba gave unchallenged evidence to the same effect. So you would accept that, would you not?

MS PAGE: Look, I accept - I don't - I'm not party to those conversations. So I think your point, Mr Conde, if I get you right, is that this says terminated without cause. You are saying it was a resignation. I'm not sure what the difference is at the end of the day, other than the connotations - both are different, I guess.

MR CONDE: Well, if I can put it this way. Mr Foster's communication says - this is all prefaced with:

"Just to summarise a few of the key actions:"

40 So it sort of looks like this is something that either he or Star Entertainment has initiated, and what I'm suggesting is that it's not.

MS PAGE: Well, I guess in the context that the board had been having conversations with Mr Cooke that the CFO needed to be changed out, that Mr Jenkins needed to go and that Mr Hughes was also not up to the task, in that context, I think it's fair to say that Mr Cooke - sorry, Mr Foster saw them as actions as opposed to things being necessarily initiated by the individuals.

MR CONDE: Well, Mr -

MS PAGE: And these sorts of things happen all the time in businesses, and you often find - and conversation - the reaction of the people that these conversations are had with are different. Some people will say, "Yeah, I get that and I will resign".
5 Other people fight it. It can be quite different.

MR CONDE: I have referred to Mr Cooke's unchallenged evidence and Ms Katsibouba's unchallenged evidence in relation to her. Mr Hughes also gave unchallenged evidence that from around the second week of December 2023, he first
10 notified Mr Cooke that he intended to resign. Don't you agree that if Star wishes to offer a different narrative to this Inquiry in respect of those executives, it ought to have had its lawyers challenge any of that evidence?

MS PAGE: Yes. I'm not a lawyer, so yes.
15

MR CONDE: Well, would you agree that Mr Foster is, in a sense, seeking to present a narrative of either a clean-out or management change that does not accord with the reality of Ms Katsibouba and Mr Hughes indicating that they wanted to go since
20 December?

MS PAGE: I can see how you could form that view.

MR CONDE: I mentioned - that document can be taken down.

MR BELL SC: Just before you leave that document, Ms Page, you would agree, I assume, that every communication with the regulator is an opportunity to, and should involve, full, frank and transparent disclosure?
25

MS PAGE: Yes.
30

MR BELL SC: And I don't want to argue about what the legal characterisation of terminations is, but do you think, looking back at it now, there could have been a better effort of full, frank and transparent disclosure on these issues?

MS PAGE: Mr Bell, I genuinely think that probably at this - that Mr Foster wasn't aware that these people had resigned, if that's what they were saying they had done. Because - I mean, he was in the same conversations as I was about encouraging Mr Cooke to move these people on. So I honestly - I honestly don't know what went on here. I really don't.
35
40

MR BELL SC: So you can't really comment on that question that I have asked you?

MS PAGE: No.

MR BELL SC: Yes, Mr Conde.
45

MR CONDE: Ms Page - that document can come down, thank you. I mentioned earlier some evidence from Dr Lagan.

MS PAGE: Yes.

5 **MR CONDE:** Dr Lagan also said that, to her observation, in the first half of 2023, Mr Cooke was extremely busy and industrious and she said:

"He saved the business financially with the capital raisings."

10 But she said it came at the cost of the cultural reform program. Do you agree with that?

MS PAGE: He certainly saved the company, so I agree with that, and I would agree that it certainly - it cost the cultural transformation to the extent of a delayed timing of - of, you know, making progress in that regard.

15

MR CONDE: If we can now call up STA.5002.0025.3337. This should be an agenda and bundle of document for your board meeting on 31 March 2023. Yes, has that come up for you, Ms Page?

20 **MS PAGE:** Yes.

MR CONDE: On this page - it will be quite small but there is an item, the third private session it says:

25 "P3 - Private Session with Dr Attracta Lagan."

Do you see that?

30 **MS PAGE:** Yes, yes.

MR CONDE: In this document, if we can go, please, to page 3353. It should be a document from Dr Lagan called "Star Leadership Pulse Check". If that could be enlarged. Do you see that?

35 **MS PAGE:** Yes.

MR CONDE: And it is the second paragraph I would like to ask you about where Dr Lagan wrote:

40 "People can only move to a future they can imagine, and future-state story is missing. The result is that current leaders are not taking their people on a change journey of how Star will succeed in the future."

Do you see that?

45

MS PAGE: Yes.

MR CONDE: Now, just leaving that for the moment, would you agree that, today, Star faces a regulatory landscape, in particular in areas like VIP gaming and responsible service of gaming, that is stricter than it was in the past?

5 **MS PAGE:** Yes.

MR CONDE: And so there are tighter controls around intervening when patrons have been at a gaming machine for hours and similarly for due diligence on patrons. Do you agree with that?

10

MS PAGE: I do.

MR CONDE: So, in light of the changed regulatory landscape, what is your vision or, to use Dr Lagan's language here, of a future-state story, for what you consider Star is going to look like and when?

15

MS PAGE: I think, for me, the vision has to be that we are known to be a safe place to gamble, and in addition to that, we absolutely have to have a reputation with our regulators as being people that they are happy to do business with in a regulatory sense, that we approach the work that we do in a compliant manner across all of the regulations and laws that we have to comply with. And, look, I actually - my other vision would be that, you know, we once again become a place that our people are proud to work at.

20

MR CONDE: And so far as you are aware, has the board called for an assessment of how Star should be structuring its business model going forward in this environment?

25

MS PAGE: I'm not sure that we have called for an assessment, but it's an area of particular interest of my own. I - even before these Inquiry proceedings - had been forming a view that our corporate structure is not the most appropriate for the type of business that we are operating. And if I could give you an example, I for many years sat on the board of the Commonwealth Bank's large - life insurance business, and the reason that I ended up on that board was because a management board structure within the bank had failed, and there was an enforceable undertaking which led to the formulation of a majority independent board for that life insurance business.

30

35

And so to my mind, I think the future for our business - and obviously I haven't discussed this in detail for my fellow directors, but I think we need a holding company with fully operating subsidiaries with independent boards and I think that would provide the closer and direct supervision that Mr Bell has previously identified. And that model works.

40

MR CONDE: Do you envisage the transformed business, including the model you have just mentioned, Ms Page, as being profitable at levels that Star has historically been able to achieve?

45

MS PAGE: Realistically, Star will - certainly within the next five years - never operate as profitably as it had when it was operating off a false business base. So - and you add to that, as I think Ms Ward testified earlier today, there is the great unknown of what cashless and carded will do to our revenue streams while ever there is not a level playing field. I remain hopeful that governments will also introduce the same sense of restrictions and business practices on the pubs and clubs industry but that is a matter for government. But to answer your question, no, we will - we will not ever, you know, within the next five years, have any hope of operating at that level of profitability, in my view.

5
10

MR CONDE: When you mentioned a false business base earlier, what were you referring to? I think I have some idea, but -

MS PAGE: Criminal proceeds, Mr Conde.

15

MR CONDE: Was this when you were talking about Mr Bell's first review uncovered things like the unlicensed casino within a casino, \$1 billion of gaming money being disguised as hotel expenses, that sort of thing?

MS PAGE: Yes.

20

MR CONDE: Right. Ms Page, it appears from various people's evidence to this Inquiry that the current milestone dates under the remediation plan are not going to be met and that Star will be pursuing a reset of its remediation program. Does that accord with your understanding?

25

MS PAGE: Yes. The only thing I would add was that I think the achievement of the milestones, it's the assurance part of the process that I think we are having the most problem with at the moment. And the only other observation I would make is that I have - I hold real concerns, as a director with work, health and safety obligations, about the pressures and the time frames that have been put on our people. That are, you know, within that plan.

30

MR BELL SC: Ms Page, Ms Burke gave evidence to this Inquiry last week to the effect that she thought that the milestone dates in the remediation plan were too ambitious. Do you agree with that?

35

MS PAGE: I do agree with that, Mr Bell.

MR BELL SC: Yes. Yes, Mr Conde.

40

MR CONDE: And do you presently have an expectation about when milestones are likely to be completed in full, allowing for an adjustment to make sure that they are not too ambitious?

45

MS PAGE: I don't have an expectation because the work is underway, to answer that question. I think the board would still be of the view that it would try to keep the whole program within sort of the early - was it mid-'25, I think, is sort of the current

date. So, you know, that's - would probably still - was it '25 or '26? I can't remember. So I think that the whole timeframe for the remediation is in that sort of two to three-year timeframe and it's a really - I would be really disappointed if we extended beyond that. So part of the reset is to find a way to make sure that we focus on the most important things first in a sustainable way. Make sure we embed things properly, still trying to hit that sort of - the outer target. I hope that makes some sense.

5
10 **MR CONDE:** Yes. Would you agree that achieving those with the GLT in its current state is going to be difficult?

MS PAGE: I agree that the GLT at the moment is not yet formed and, you know, the events of recent days will be somewhat more problematic. But at the same time, the GLT, as we sit here today, has had some very important appointments. There is another very important appointment starting tomorrow. So I think that with the leadership in the casinos now settled largely - Gold Coast obviously is an issue - you know, that we'll have with stability in the Chief Risk Officer, obviously a new CEO is sooner rather than later. But, yes, more experienced people - and I include in that Mr O'Connell - will be key factors in delivering that remediation plan.

15
20 **MR CONDE:** When you referred, Ms Page, to an important appointment starting tomorrow, is that the Sydney CEO?

MS PAGE: I'm hoping so. I wasn't, but that would be lovely. No, I was referring to the Group Chief Audit Officer, Rowena Craze, who is coming to us from KPMG. Very senior, very experienced audit and assurance partner.

MR CONDE: And she will be on the GLT, so far as you are aware?

25
30 **MS PAGE:** So, obviously, with the - she is in the three lines of defence model. She won't sit as a member of GLT because she has to remain separate. She reports directly to me but she will sit as if she were a member of the GLT in those meetings and it will be my way of getting a direct line of sight to how the GLT is operating.

35 **MR CONDE:** And the report directly to you arises from your role on the Audit Committee; is that correct?

MS PAGE: That's correct.

40 **MR CONDE:** If we can bring up STA.5002.0028.0260, please. This is a confidential board paper which I will show you, Ms Page, but if we don't read anything from it, particularly not the name of the project.

MS PAGE: Sure.

45 **MR CONDE:** But can you see it is a board paper for your 20 February 2024 meeting. It is from Mr Cooke and the project is identified in the subject matter. Do you see that?

MS PAGE: Yes.

5 **MR CONDE:** Now, I will just refer to some evidence about this and then I will ask
you about that. First of all, Mr Cooke gave evidence that this board paper had
received no input from the CFO or her Finance team, but he did describe it as a
financial model with detailed modelling. That's on later pages. Ms Katsibouba gave
evidence that she and her Finance team had had a negative view on this since March
10 or April 2023 through to the time of this paper, and Ms Ward gave evidence that if
the CFO had expressed negative views about this project then that should have been
raised with the board. Given the current state of the GLT, how is the board going to
undertake an assessment of whether to take this project forward?

15 **MS PAGE:** As I recall, the next step was - so whilst there was a particular
recommendation in this paper, the board only approved proceeding with the
contractual negotiations and some limited building works that would have to occur to
that part of the property, in any event, regardless of this particular project. Sorry, I
have lost my train of thought, Mr Conde. The question?

20 **MR CONDE:** About how the board would be undertaking an assessment of whether
to take this forward.

25 **MS PAGE:** Right. So - so, that was what management was sent away to do. They
were sent away to continue negotiations and come back for approval of a contract.
The paper, if I recall correctly, indicated that a full financial review would need to
occur and the expectation was that it would come back to the board for final
consideration.

30 **MR CONDE:** Would you expect that Mr O'Connell and his colleagues in the
Finance team would have a look at the project before it comes back to the board?

MS PAGE: Most definitely.

35 **MR CONDE:** This document can come down now, thank you. When Dr Lagan was
asked about Star Entertainment needing a new CEO, CFO, Chief Legal Officer,
Chief Transformation Officer, Chief Customer and Product Officer and Chief of
Staff, she told the Inquiry:

40 "I think they are great opportunities to actually bring in the right experience now."

Do you agree with that?

MS PAGE: Very much so, yes.

45 **MR CONDE:** And you agreed earlier that it is important for the purpose of Star's
business to have an effective and transparent relationship with the regulator. What do
you see is the path for ensuring going forward that Star has an effective and
transparent relationship with the regulator?

5 **MS PAGE:** I think Ms Ward in her earlier evidence indicated that she is very focused on that. And so the Chairman's leadership in relation to this will be very important. I think that as we bring these new and more experienced executives into the business, engagement with the board, conversations about regulator relationships, fundamental training of people within the organisation, particularly new-comers as part of their induction as to the importance of these relationships and communications will need to be reinforced, and they need to be delivered as a priority.

10 **MR CONDE:** Both Mr Foster last week and Ms Ward today have given evidence to this Inquiry that they did not consider that Star Entertainment is presently suitable. Do you agree with that?

15 **MS PAGE:** Yes, I do.

MR CONDE: And are you aware the manager is due to end his role on 30 September 2024?

20 **MS PAGE:** I am.

MR CONDE: Do you have a view on the prospects of Star Sydney satisfactorily managing and operating without continuing external management after that date?

25 **MS PAGE:** I believe that the continuation of a form of rigorous supervision will be important to the transformation that we need to make.

MR CONDE: Those are my questions of Ms Page, Mr Bell.

30 **MR BELL SC:** Ms Page, I'm interested in the comments you made a little earlier about the possible change in the model where you have a holding company and fully operating subsidiaries. Do you recall giving that evidence?

35 **MS PAGE:** Yes, yes.

MR BELL SC: Mr Foster and Ms Ward have both given evidence that, in their view, there has not been enough done since the 2022 review to ensure close and direct supervision and governance of The Star Sydney. Do you agree with them?

40 **MS PAGE:** I do, yes.

MR BELL SC: Ms Ward also told me this morning that she believed The Star Sydney would be a better functioning casino if its leadership had greater autonomy from its ultimate holding company. Do you agree with that?

45 **MS PAGE:** I do.

MR BELL SC: The context in which I asked that question was to look at the recommendations of the Victorian Royal Commission -

5 **MS PAGE:** I'm sorry, Mr Bell, I'm getting feedback here. I can hear people talking. I think that's better now, thank you. Sorry to interrupt.

10 **MR BELL SC:** That's all right. I will try again. The context in which I was asking Ms Ward about that was to remind her about some of the recommendations that the Victorian Royal Commission had made in relation to Crown Melbourne. And appreciating there is obviously a different context to Crown then than there is to Star - and it had the issue of a major shareholder exerting influence - but one of the recommendations that the Victorian Royal Commission made was that Crown Melbourne must have a majority of independent directors on its board, including independent of any holding company. In your view, is that a step which would make
15 Star Casino a better functioning business?

20 **MS PAGE:** A step similar to that, yes. In the models, Mr Bell, that I'm familiar with, would often have members of the holding company represented on the board. I think that's an important communication channel and, you know, a two-way flow. But, yes, I think that - I have seen those models work both in funds management with responsible entities, but also my experience with the insurance company.

25 **MR BELL SC:** And another recommendation that the Victorian Royal Commission made which found its way into the Victorian legislation was that senior executives of the casino operator must report only to the board of the casino operator. Is that also a positive step you think could improve the functioning of the Sydney casino?

MS PAGE: Yes, I do.

30 **MR BELL SC:** Yes, thank you. Yes, Mr Ahmed, do you have any questions.

<EXAMINATION BY MR AHMED SC

35 **MR AHMED SC:** Thank you, Mr Bell. I did just have a few questions.

Ms Page, picking up what Mr Bell was discussing with you just then, I think you said you had seen this model work in other contexts. What contexts are there?

40 **MS PAGE:** So the Commonwealth Bank insurance business context. I have had a lot of experience in the funds management industry where the concept of responsible entities and compliance in that particular industry. In terms of the corporate model, the other example I would give would be companies like Washington H. Soul Pattinson, who run - who have investments in major subsidiaries where there is completely independent management of those businesses. So, for example, I sit on
45 the board of Brickworks, which is majority-owned by Soul Pattinson's, and we work completely independently.

MR AHMED SC: Thank you. Ms Page, did you have the opportunity to hear Dr Lagan's evidence last week, I think it was?

MS PAGE: I - I saw some of it and I have read it.

5

MR AHMED SC: I see. Are you familiar with her evidence in relation to Organisational Development Officers or specialists?

MS PAGE: I am.

10

MR AHMED SC: Do you have a view as to whether it would be appropriate for Star to retain an Organisational Development Officer in addition to the Chief Transformation Officer?

15

MS PAGE: Yes, I believe that's a necessary step if we are going to get the cultural transformation done appropriately and in a timely fashion.

MR AHMED SC: Yes. Do you propose to take any steps to ensure that an Organisational Development Officer is retained by Star?

20

MS PAGE: I think we have already taken steps in relation to Elizabeth Arzadon as an adviser to both management and to the board, and I imagine that as we progress the work with her, that we will necessarily go to the market to find a person of that nature.

25

MR AHMED SC: Thank you. Would you see that Organisational Development Officer sitting as part of the GLT of Star?

MS PAGE: Yes, I would.

30

MR AHMED SC: Can I just ask you a couple of questions, then, just in relation to the Audit Committee of Star?

MS PAGE: Yes.

35

MR AHMED SC: You are the Chair of the Audit Committee; that's correct.

MS PAGE: I am, yes.

40

MR AHMED SC: Could you just in general terms explain what the role of the Audit Committee is?

45

MS PAGE: At The Star - so, in my experience, a lot of - often it's an Audit and Risk Committee, except in the financial services industry. So the Audit Committee at The Star, we're very much focused on the third line of defence. So if I can express it this way, we have responsibility for all of the external statutory reporting obligations of the business. We are also responsible for the internal audit function of the business,

and I would also note that currently the internal audit function of the business includes a Regulatory Assurance team as well.

5 **MR AHMED SC:** Yes. What is your particular role as Chair of the Audit Committee?

10 **MS PAGE:** My role is to directly manage the new position of group Chief Audit Officer that I referred to previously. I - my role is to, I guess, be a role model of the board directly to the internal audit team. My role is to liaise with Ernst & Young, our external auditor, and my role is to, obviously, chair Audit Committee meetings and make sure they are held on an appropriately timely manner for the issues that we are dealing with.

15 **MR AHMED SC:** Yes. And in your role as Chair of the Audit Committee, do you have any interactions with the Finance team at Star?

MS PAGE: Yes, it's a close relationship.

20 **MR AHMED SC:** Yes. And as part of that relationship, are you able to form a view as to the capability of the Finance function?

MS PAGE: Yes.

25 **MR AHMED SC:** And have you, in fact, formed any view in relation to the capability of The Star's Finance function?

MS PAGE: I have.

30 **MR AHMED SC:** Could you just explain what that view is?

35 **MS PAGE:** The Finance team produces a very high quality of financial statements, statutory financial statements and associated documents. They prepare good quality accounting papers in relation to the significant accounting matters that we have to consider twice a year. They separately produce to the board timely and pretty good quality financial management accounting information. They provide a very capable Treasury function for the business.

40 **MR AHMED SC:** Yes. Now, is it correct that there has been a reduction in the head count within the Finance function over the last few years?

MS PAGE: I - I'm not sure. I think there probably has been, because we have obviously had to resize the business based on the contraction in revenue.

45 **MR AHMED SC:** Yes. To your observation, assuming that there has been a reduction in the head count, has that impaired or prevented the Finance function from discharging its obligations?

MS PAGE: I do not believe so. I receive reporting in relation to time - you know, whether or not, for example, we are up-to-date with our tax lodgements and other things. And as far as I'm aware, I'm being told that all of that is up-to-date and I'm not receiving things on an untimely basis. So it appears to be functioning well.

5

MR AHMED SC: Yes. To your observation, does Star have adequate resources dedicated in respect of the human capital of the Finance function?

MS PAGE: I believe so, yes.

10

MR AHMED SC: Now, I just wanted to ask a couple of questions about the Audit Committee. Do you recall how many Audit Committee meetings there have been in the year ending 31 August 2023?

15

MS PAGE: In the financial year ending or calendar?

MR AHMED SC: I think - why don't we go for both.

20

MS PAGE: And my answer is going to be I'm not sure. But could I give you an example. I held three Audit Committee meetings in the month of February 2024.

MR AHMED SC: I see.

25

MS PAGE: And our normal schedule - our normal schedule - because we are dealing with our complex issues here. Our normal schedule, which would be consistent with all the listed companies I sit on, would be a minimum of four meetings a year. But in the case of Star, we are meeting more frequently.

30

MR AHMED SC: That is what I was going ask. Can you just explain what your experience is outside of Star in relation to Audit Committees?

35

MS PAGE: Well, as I said, the norm would be four meetings a year, particularly in the case of Star. Because we are an Audit Committee only so it is not audit and risk. So four is actually - four in the case of Star reflects the fact that we have a heavy workload of internal audit reporting coming to us. And, in my experience, you would only ever have additional Audit Committee meetings when a company is in crisis, as in dealing with issues of the ilk that Star has had to deal with.

40

MR AHMED SC: Yes. In terms of other companies you have had experience with Audit Committee meetings in relation to, what sort of companies are they?

45

MS PAGE: Well, I have mentioned I'm a director and Chair of the Audit and Risk Committee at Brickworks. I'm Chair of the Audit and Risk Committee and Compliance Committee of Magellan Financial Group. I'm the Chair of Audit Risk and Compliance Committee at Growthpoint Properties Australia Limited. I have previously served on - and in those roles at a number of other companies, technology, insurance, electricity generation, et cetera. So I have been - I have been a

Non-Executive Director for nearly 25 years. So I have sat on and performed this role for a lot of companies.

5 **MR AHMED SC:** Thank you. Thank you, Mr Bell. I have no further questions.

MR BELL SC: Yes, Dr Renwick, are you seeking leave to ask questions of Ms Page?

10 **DR RENWICK SC:** No, thank you, Commissioner.

MR BELL SC: Yes. Ms Page, thank you for your time today. Thank you for your evidence. The formal direction I will make is that your examination will be adjourned, but you won't be required to re-attend unless you hear from the Solicitors Assisting the Inquiry. Thank you very much.

15 **MS PAGE:** Thank you.

<THE WITNESS WAS RELEASED

20 **MR BELL SC:** I will now take the afternoon adjournment and I will resume at 3.45.

<THE HEARING IN PUBLIC SESSION ADJOURNED AT 3.30 PM

<THE HEARING IN PUBLIC SESSION RESUMED AT 3.48 PM

25 **MR BELL SC:** Yes, Mr Conde.

MR CONDE: I call the next witness, Mr Issenberg.

30 **MR BELL SC:** Mr Issenberg, can you hear me?

MR ISSENBERG: Yes, I can Mr Bell.

MR BELL SC: Would you prefer to take an oath or affirmation?

35 **MR ISSENBERG:** An affirmation please.

<MICHAEL ISSENBERG, AFFIRMED

40 **MR BELL SC:** Yes, Mr Conde.

<EXAMINATION BY MR CONDE

MR CONDE: May I trouble you first to state your full name, please.

45 **MR ISSENBERG:** Michael Issenberg.

MR CONDE: Are you aware that your address has been made known on your behalf to the Solicitors Assisting Mr Bell's Inquiry?

MR ISSENBERG: Yes, I am.

5

MR CONDE: Is it correct, Mr Issenberg, that you were appointed as a Non-Executive Director of The Star Entertainment Group Limited on 11 July 2022.

MR ISSENBERG: Yes, that's correct.

10

MR CONDE: And was your appointment to the board announced pending regulatory approval on 17 February 2022?

MR ISSENBERG: I know it was in February, yes.

15

MR CONDE: Is it correct that before that you were a director and later Chairman of the responsible entity for the Reef Hotel Casino in Cairns?

MR ISSENBERG: That's correct.

20

MR CONDE: Were you formerly Chairman and also CEO of Accor Hotels Asia-Pacific?

MR ISSENBERG: Yes, I was.

25

MR CONDE: When you commenced as a director of Star Entertainment, was the company in the midst of selecting Mr Cooke as the new CEO?

MR ISSENBERG: When I commenced as a director, I believe that the search was just beginning for the new CEO.

30

MR CONDE: And what is your recollection of the time that that process took to find someone and bring them in as the new CEO at that time?

MR ISSENBERG: It took about - took about six weeks to go through the process. It started in terms of short-listing and interviewing candidates and then ultimately selecting Mr Cooke, and then Mr Cooke had to give notice at his previous employer.

35

MR CONDE: Mr Issenberg, do you agree that in order to be suitable, a casino operator or close associate must cooperate fully with the regulator?

40

MR ISSENBERG: Yes, I do.

MR CONDE: And do you agree that a casino operator or close associate must also be completely honest, candid and transparent with the regulator?

45

MR ISSENBERG: Yes.

MR CONDE: It's the case, isn't it, that Star Entertainment's Risk Appetite Statement provides that the company seeks to have an effective and transparent relationship with its regulator?

5 **MR ISSENBERG:** Yes.

MR CONDE: Do you agree that it is important for the purposes of Star's business to have an effective and transparent relationship with its regulator?

10 **MR ISSENBERG:** I do.

MR CONDE: Would you agree that is amplified when the Sydney licence is suspended and the manager has been appointed?

15 **MR ISSENBERG:** Yes.

MR CONDE: Are you aware that in the report from Mr Bell's first Inquiry, he spoke of:

20 "A need for independent eyes at the level of the casino operator focused exclusively on ensuring that the casino operator complies with its obligations under legislative requirements and its licence."?

25 **MR ISSENBERG:** I am.

MR CONDE: Are you aware that Star Entertainment announced the departure of its Sydney CEO on 3 April 2023, that being Mr Scott Wharton who was also group Head of Transformation?

30 **MR ISSENBERG:** Yes.

MR CONDE: And are you aware that Mr Cooke was quoted in that announcement as saying:

35 "We are well-positioned to announce shortly Scott's successor as CEO for The Star Sydney."?

MR ISSENBERG: Yes.

40 **MR CONDE:** Is it correct at that point you had someone in mind but that person was no longer available in the course of 2023?

MR ISSENBERG: No, that's not quite correct, Mr Conde. There was a person in mind, and Mr Cooke decided not to proceed at that time.

45

MR CONDE: Right. Do you recall roughly when that was when Mr Cooke decided not to proceed?

MR ISSENBERG: It would have been not long after that announcement. I can't remember the precise time. Either within April but certainly by early May.

MR CONDE: I see.

5

MR ISSENBERG: Probably, sorry, late April, early May.

MR CONDE: You are aware, I take it, that on 25 January 2024 Ms Janelle Campbell was announced as the Sydney CEO pending regulatory approval?

10

MR ISSENBERG: I am.

MR CONDE: Would you agree that that period between Mr Wharton's departure and Ms Campbell's announcement was too long to have taken to find a new Sydney CEO?

15

MR ISSENBERG: Yes, I would agree.

MR CONDE: It's correct, isn't it, that throughout that time the person who has been practically in charge of the Sydney property has been Mr Humphreys?

20

MR ISSENBERG: That's correct.

MR CONDE: And are you aware that, at the prompting of this Inquiry, on 13 March 2024, Star Entertainment asked its longest-serving senior executives to sign a declaration confirming that they had no knowledge or involvement in misconduct revealed by Mr Bell's first Inquiry?

25

MR ISSENBERG: Yes, that's correct.

30

MR CONDE: And you are aware, I take it, that Mr Humphreys completed his declaration the next day on 14 March 2024 and disclosed certain matters.

MR ISSENBERG: I am now.

35

MR CONDE: And is it correct - when you say "I am now", did that come to your awareness in the course of evidence to this Inquiry?

MR ISSENBERG: That is correct.

40

MR CONDE: Are you also aware, then, of his evidence to this Inquiry that nobody had made contact with him to ask for further detail about the disclosure that he had made?

45

MR ISSENBERG: I am now, yes.

MR CONDE: And what, if any, comment do you have on that?

MR ISSENBERG: Well, I would have thought that someone might have made inquiries to Mr Humphreys earlier once they saw that on the document.

5 **MR CONDE:** Right. And you agree, do you, that it may be Mr Humphreys can explain himself, but it warranted investigation?

MR ISSENBERG: It - it does, but he certainly deserves the opportunity to explain himself.

10 **MR CONDE:** Yes. Mr Humphreys is also currently the Chief Operating Officer and the General Manager Gaming Machines and Cashier Services at The Star Sydney. Are you aware of that?

15 **MR ISSENBERG:** Yes.

MR CONDE: And would you agree that it is not a long-term solution to have him or anyone else in all of those roles at the same time?

20 **MR ISSENBERG:** Yes, I would.

MR CONDE: So far as you are aware, Mr Issenberg, is it correct that since you have been a director of Star Entertainment, the board of the Sydney licensee, The Star Pty Ltd, has met twice, once on 27 October 2023 and a second time many on 13 February 2024?

25 **MR ISSENBERG:** Yes.

MR CONDE: Do you regard that as satisfactory?

30 **MR ISSENBERG:** No, I do not.

MR CONDE: Are you aware Mr Bell's first Inquiry recommended The Star Sydney should also have its own Risk Officer?

35 **MR ISSENBERG:** Yes.

MR CONDE: What is your understanding of the role of that officer, Ms Vuong, when important matters relating to risk come up at the Sydney casino?

40 **MR ISSENBERG:** Sorry, can you repeat the question, Mr Conde?

MR CONDE: Yes. What is your understanding of the role of Ms Vuong, who has that role as Risk Officer, when important matters relating to risk come up at the Sydney casino?

45 **MR ISSENBERG:** Well, certainly she needs to raise the awareness, if something comes up, both with the acting COO, I would suggest also with the group CRO, so

that he is aware of it, and then, depending on, of course, what the nature of the matter is, then there would be other actions that would arise.

5 **MR CONDE:** You are aware, I take it, of what has been called the TICO fraud event involving about \$3 million coming out of Ticket In, Cash Out machines in June and July 2023?

MR ISSENBERG: Yes, I am.

10 **MR CONDE:** And would you agree that that's a serious incident?

MR ISSENBERG: Yes.

15 **MR CONDE:** Why, in your view, is it - was it a serious incident?

MR ISSENBERG: Well, it would be more than one reason. Certainly, obviously, the loss of the money, that alone makes it a serious incident. The circumstances that begat the loss makes it a serious incident.

20 **MR CONDE:** Would you agree also it was the fact that it went undetected for months while a large amount of money went out the door makes it a serious incident?

MR ISSENBERG: Yes, the fact that it didn't get caught, yes.

25 **MR CONDE:** So far as you are aware, has the company identified why it went undetected?

MR ISSENBERG: Yes, there has been a significant investigation into that.

30 **MR CONDE:** And is it - are you presently satisfied that were such a malfunction to occur again, there are processes in place to make sure that it would be detected a lot quicker?

35 **MR ISSENBERG:** I do. I mean, yes, I do.

MR CONDE: And may I ask you to elaborate on that? What makes you satisfied of that?

40 **MR ISSENBERG:** Well, it - the failure with the first incident - with the incident was not so much the lack of process but that processes were not followed.

MR CONDE: So is there a particular reason that makes you confident that the process - processes would be followed now?

45 **MR ISSENBERG:** Well, I think, yes - well, you know, there has been additional training put in place. There has been some change to the personnel. And I would like to think that our culture has progressed somewhat since then.

MR CONDE: Also at the Sydney property has been the Guest Support Officer issue involving entries in TrackVia to suggest patrons had been checked on when they had not.

5 **MR ISSENBERG:** That's correct.

MR CONDE: Are you aware of that issue?

MR ISSENBERG: Yes, I am.

10

MR CONDE: That was first noticed by some Liquor & Gaming Officer's in late January 2024.

MR ISSENBERG: Yes.

15

MR CONDE: Does it concern you that it was noticed by them and not within Star?

MR ISSENBERG: Yes, yes, it does.

20 **MR CONDE:** And do you agree this was a very serious issue?

MR ISSENBERG: I do.

25 **MR CONDE:** Are you aware of Guest Support Officer's statements to the investigator about being short-staffed since day one and it being physically impossible to do their job?

MR ISSENBERG: I am.

30 **MR CONDE:** Would you regard this issue as relating to one of resources?

35 **MR ISSENBERG:** I - it would partially be resources. I think it would also partially be attributable to not necessarily have chosen the right people to - with the right background, I should say, to fulfil the role and possibly not sufficient training of the individual. As it was, the resources had been increased in relatively recent times, so we had to source people to fulfil the roles and had to train them. So I think that might have been part of the challenge as well.

40 **MR CONDE:** Are you aware of the issue relating to Enhanced Customer Due Diligence from last year, in particular, a letter from Ms Townsend to Liquor & Gaming dated 30 September 2023 in which she said that ECDD for some 32,000 customers had been completed?

45 **MR ISSENBERG:** I'm aware of the letter now. I have been aware of the challenge as well.

MR CONDE: When you say you have been aware of the challenge, what do you mean, Mr Issenberg?

MR ISSENBERG: Well, there were discussions certainly in the latter half of last year if not into the earlier part of this year around the process of ECDD, but I was not aware of the letter of 30 September until this Inquiry.

5

MR CONDE: I see. When you say discussions, were they discussions involving the manager?

MR ISSENBERG: Yes, some of them, yes.

10

MR CONDE: Are you aware that Ms Townsend accepted in her evidence, and Mr Saunders agreed, that on the question whether this letter was misleading she said:

"It could be looked at in that way"?

15

MR ISSENBERG: Yes, I'm aware of that now.

MR CONDE: And do you have any comment on that evidence in relation to a communication to the regulator?

20

MR ISSENBERG: Well, it certainly would have been misleading to the regulator if it wasn't correct at the time, which, of course, is unacceptable.

MR CONDE: Right. Is it your expectation that anti-money laundering and counter-terrorism financing-related checks should be rigorous and the processes used to perform them should be transparently shared with relevant regulators?

25

MR ISSENBERG: Yes, I am.

MR CONDE: And do you acknowledge that failures at the Sydney property might have been prevented if there had been closer and more direct supervision of Star Sydney?

30

MR ISSENBERG: Possibly.

35

MR CONDE: Are you aware that Star Entertainment, over the last year or so, has made a number of public statements to the ASX that it is working cooperatively with its regulators, including the NICC and the manager?

40

MR ISSENBERG: Yes.

MR CONDE: And you are also aware, I take it, of the evidence that emerged in this Inquiry about a mismatch between Star Entertainment's public statements regarding candour, transparency and cooperation with the regulator and various private statements between Mr Foster and Mr Cooke within Star?

45

MR ISSENBERG: Yes, I am.

MR CONDE: Your board colleague and now-Chairman Ms Ward gave evidence that for the company to be saying one thing in public and its former Chairman and CEO to be exchanging the messages that they were in private suggested the wrong leadership at the Star Entertainment. Do you agree with that?

5

MR ISSENBERG: Could you repeat the last part of that?

MR CONDE: Yes. First of all, I will note the evidence from Ms Ward and then I will ask you.

10

MR ISSENBERG: Yes. Okay.

MR CONDE: Ms Ward gave evidence that for the company to be saying one thing in public and for then Mr Foster and Mr Cooke to be exchanging the messages that they were in private, that suggested the wrong leadership at Star Entertainment. Do you agree with her evidence?

15

MR ISSENBERG: Yes, I do.

MR CONDE: And did that feature in the recent decision for Mr Foster to cease as Chairman of Star Entertainment?

20

MR ISSENBERG: Yes, it did.

MR CONDE: Ms Ward also gave evidence that the messages themselves and the attitudes they revealed were likely to have damaged people's trust in what Star Entertainment says publicly. Do you agree with that?

25

MR ISSENBERG: Yes, it would have to, yes.

30

MR CONDE: On 29 November 2023, Star Entertainment received copies of reports from the manager dated 3 October 2023 and 24 November 2023. Do you recall receiving those around that time?

MR ISSENBERG: Yes, I do.

35

MR CONDE: And what was your reaction, as best you can recall, to those reports when you first saw them?

MR ISSENBERG: Well, of course, there was an element of disappointment in that no one likes to read bad news. Well, bad news in that certain things were disclosed or written in terms of under-performance, and there were elements of that that I certainly would agree with. There were some elements I would not necessarily agree with. But it was disappointing to receive that.

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45

MR CONDE: In his October 2023 report, Mr Weeks warned that for implementation of Star's remediation plan to be achieved - Star Entertainment:

".. must consistently deliver high-quality work in a timely manner which is not part of its culture that we've observed to date."

Would you agree that that was a fair observation by October 2023?

5

MR ISSENBERG: I think it was - it was possibly a bit too general but I don't doubt that that was the manager's view.

10 **MR CONDE:** Well, to take two simple examples, I think I have referred - taken you earlier to the point about the Sydney CEO position, having been vacated by 3 April and then, by the end of 2023, that position was still vacant. Would you agree that that's a case of - I think you did agree earlier that that was - things had not moved quickly enough?

15 **MR ISSENBERG:** I did agree with it, yes.

MR CONDE: Then if I could bring up STA.8000.0029.5449. This should be a letter to Ms Burke. This is from the manager.

20 **MR ISSENBERG:** Yes.

MR CONDE: To Ms Burke. It is dated 21 December 2023. And if you look at the fourth paragraph on the page - so if we can enlarge, please, for Mr Issenberg the middle of the page. Do you see it says:

25

"The approved plan includes approximately 125 milestones that should be completed by now. There are close to 170 milestones due by the end of the year. To date, my office has received only 3 milestone closure packs, so it is impossible to assess Star's progress on implementation."

30

Do you see that?

MR ISSENBERG: I do.

35 **MR CONDE:** So at least in respect of those matters, would you agree it was a fair observation for the manager to say, in October 2023, that Star Entertainment was not consistently delivering high-quality work in a timely manner?

40 **MR ISSENBERG:** Well, I mean this honestly happened - this letter was almost three months later. I'm not disagreeing. I'm saying that this was a manifestation of that, of his opinion. So, yes, that would be so.

45 **MR CONDE:** Well, Mr - perhaps if I move to another observation he made. Mr Weeks wrote in the first - in his October report of concerns that he had about Star Entertainment's ability to identify and manage risks adequately without supervision. Would you agree that that was a fair concern by October 2023?

MR ISSENBERG: Well, again, it was - by the end of November, which is when I read the report, then yes (indistinct).

5 **MR CONDE:** If we can call up, please, STA.8102.0010.4676, please.

MR BELL SC: Perhaps you can repeat that doc ID a little more slowly, please.

10 **MR CONDE:** STA.8102.0010.4676. Thank you. These should be - I'm not sure if it has come up for you, Mr Issenberg, but the minutes of a meeting between the NICC, manager and TSEG board dated 7 December 2023. Has that come up for you?

MR ISSENBERG: Yes, it has.

15 **MR CONDE:** There are two bullet points I wish to draw to your attention. The first is at the bottom of this page, the fourth-last bullet point where it says:

"PC confirmed NICC's view that it had lost confidence in the TSEG CEO to execute the remediation plan, as per observed performance to date of RC."

20 Do you see that?

MR ISSENBERG: I do.

25 **MR CONDE:** And then the next page, page 4677, it's the first bullet point where it says:

30 "TSEG confirmed that the first of the Manager's reports was overall useful, agreed with many aspects and noted many areas remain a work-in-progress for the business. In contrast, TSEG found the second report from the Manager was short on examples and facts. TSEG undertook to provide a written response to the reports."

Do you see that?

35 **MR ISSENBERG:** I do.

MR CONDE: Now, if we can - do those minutes accord with your recollection of the meeting which you attended?

40 **MR ISSENBERG:** Yes.

MR CONDE: If we can go, then, to STA.8000.0140.0017, please. What should have come up are minutes for Star Entertainment's 19 December board meeting. Has that come up for you, Mr Issenberg?

45 **MR ISSENBERG:** Yes.

MR CONDE: If we can bring up please - sorry, do you see among the attendees are both - you are an attendee and then, in addition to your board colleagues, Mr Cooke was there as well.

5 **MR ISSENBERG:** That's correct.

MR CONDE: I appreciate he was a member of the board. But if we can bring up the second bullet point toward the bottom of the page, please, and may I ask you just to read that second bullet point to yourself and then I will ask you some questions.

10

MR ISSENBERG: Sorry, the second bullet point from the top or from the bottom.

MR CONDE: Yes, the one from the top. The one beginning "Options for refreshing key management roles".

15

MR ISSENBERG: Thank you. Yes, thank you.

MR CONDE: Does that accord your recollection of the meeting?

20 **MR ISSENBERG:** It does.

MR CONDE: On that issue.

MR ISSENBERG: I understand, yes.

25

MR CONDE: Now, Ms Ward and Ms Page gave evidence that the board went around the room asking each director for his or her view about whether Mr Cooke should stay. Do you recall that?

30 **MR ISSENBERG:** I do.

MR CONDE: And in circumstances where Mr Cooke was present, did you feel free to speak your mind in those circumstances?

35 **MR ISSENBERG:** I did.

MR CONDE: And is it correct that, as best you can recall, only Ms Ward said she wanted Mr Cooke to go?

40 **MR ISSENBERG:** I believe so.

MR CONDE: Do you recall what, if anything, you said?

45 **MR ISSENBERG:** Certainly my view was I didn't think it was the right time for Mr Cooke to depart and that he should stay.

MR CONDE: And why was that, Mr Issenberg?

MR ISSENBERG: I suppose there are a number of reasons in that it was - all this happened in a relatively condensed period of time in that we received the reports from the manager in late November, had meetings with the NICC and Nick Weeks on 6 and 7 December, which was when we first heard of the loss in confidence of Mr Cooke as the CEO and also absorbed the comments in the reports. And in the context of everything going on in the business, you know, it was something that required deep reflection and multiple conversations. And taking into account - trying to take into account all those issues, I thought that, at that point in time, it was not the right time to separate with Mr Cooke.

5
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MR CONDE: Looking back on this now, would you accept that Star Entertainment made the wrong choice in December 2023 by not asking Mr Cooke to depart at that time?

MR ISSENBERG: Obviously, having different information today than we had now and circumstance having changed, it's challenging to put yourself back in that point in time. But given the considerations that I - speaking for myself, of course, that I gave it, I'm not sure in that moment I would change my view.

MR CONDE: Well, would you agree that that view involved a path for Star Entertainment which risked putting the company at odds with the regulator's loss of confidence?

MR ISSENBERG: Well, as I said, if you look at it now over the intervening time at events that have happened, you would certainly come to that conclusion. But at that time, part of the thinking was that whilst we knew the NICC was not happy with Mr Cooke, I thought that there was the opportunity to continue dialogue before making the decision that would require Mr Cooke to leave the business.

MR CONDE: Do you recall Mr Cooke saying, around this time, words to the effect that the company was going on a one-way street because it's not easy to take that position and reverse out of it?

MR ISSENBERG: I do not.

35

MR CONDE: Whether Mr Cooke said those word or not, in your industry, with the regulation that you have, it was correct, wasn't it, that once you chose a path that risked being at odds with the regulator, it was very hard to reverse course?

MR ISSENBERG: Well, the intention was not to be at odds with the regulator. The intention was to try and clarify the issues with the regulator and determine if there was another path forward as opposed to separating with Mr Cooke at that time.

MR CONDE: Again, looking back with the benefit of hindsight, would you accept that Star Entertainment also made the wrong decision to allow Mr Cooke to lead the drafting of Star's response to manager's reports in December 2023 and January 2024?

45

MR ISSENBERG: No. No, I do believe - because, again, we always need to be careful with hindsight - that it was important for Mr Cooke to lead - certainly be involved and I do believe lead the compilation of that because he had the access and certainly most involvement in what had been happening to put together the paper that was ultimately submitted. And, again, with hindsight, because of the way it ultimately got submitted, that didn't go the way we hoped.

MR BELL SC: Mr Issenberg, Mr Foster told me that he considered that there was likely to have been a more balanced and measured response if the members of the GLT had been asked to be involved in the process of the response. Do you agree with him?

MR ISSENBERG: Possibly. Possibly. Certainly more detail, which might have been beneficial. Any detail potentially can lead to balance, so yes.

15

MR BELL SC: Yes, Mr Conde.

MR CONDE: And Ms Ward also gave evidence to the effect that it would have been better to have involved other GLT members in reviewing and responding to Mr Weeks' reports. Do you agree with that, Mr Issenberg?

20

MR ISSENBERG: Yes. And that's why, as I said before - maybe I didn't explain myself well. I thought that Mr Cooke was in the best position to lead it because he would have had the greatest understanding across the issues, just like with the GLT. Each member would have had elements that they could have contributed to their area of specialisation, for lack of a better explanation of what they do, that would have added detail and, as Mr Bell pointed out, potentially more balance to the report.

25

MR CONDE: Do you agree that Star Entertainment's response to the NICC antagonised the regulator?

30

MR ISSENBERG: In the ultimate form that it was submitted and in the way it was received, yes, it did.

MR CONDE: And would you agree that this was foreseeable beforehand?

35

MR ISSENBERG: I - I believe this has been discussed in the Inquiry, that certainly the way it was bolded and underlined and elements of the report, I think that added an element that was certainly antagonistic and would have landed very poorly.

40

MR CONDE: And do you recall an email from Ms Page to the board on 23 January 2024 where she said she had worried this it would:

".. inevitably disturb the hornet's nest."

45

MR ISSENBERG: I do.

MR CONDE: And would you agree she was right?

MR ISSENBERG: Well, I'm not sure I would have chosen the words "disturb the hornet's nest." Yes, certainly, I mean, the intent - the desire and the intent was - because certainly we believed the NICC would be obviously paying very close
5 attention to these reports, and we felt that certain facts were not present in the report, and that explanation was required. So the desire was to put that forward and then continue the discussion.

10 Unfortunately, the way it was received did not enable that to happen. So, of course, if you could wind back the clock, you might approach it differently but there is no - it's certainly come to light in that - the last quarter of 2023 that the relationship with the manager had changed. And certainly at the very end of 2023, based on the meetings that we had on 6/7 December, that our relationship with the NICC had also
15 deteriorated. And so we wanted to try and recover that and felt by putting forward what we believed was a fulsome report was important and necessary before having those discussions.

MR CONDE: And by putting forward a report, though, that was cosigned by the very CEO the NICC had told you they had lost confidence in, do you agree that that
20 was a mistake?

MR ISSENBERG: No, no. Because he was still the CEO. And I think to have represented it in another way would not necessarily - would possibly not have been
25 transparent.

MR CONDE: Perhaps if you can bring up STA.8100.0063.7392. This should be a letter from the NICC dated 1 February 2024 addressed to the Chairman of Star Entertainment at that time, Mr Foster. Do you see this, Mr Issenberg?

30 **MR ISSENBERG:** I do. Yes, thank you.

MR CONDE: If we can enlarge, please, for Mr Issenberg the fourth and fifth paragraphs please. The first one beginning "The fact that you cosigned". If I could
35 just ask you to read that paragraph and the next one to yourself, please, and I will ask some questions.

MR ISSENBERG: Yes.

MR CONDE: Do you recall having any reaction to those paragraphs at the time?
40

MR ISSENBERG: I do, yes.

MR CONDE: And what reaction did you have?

45 **MR ISSENBERG:** Well, certainly the two points - well a number of points that stuck out but "aligns you as chairman and your board", right, so meaning the board takes responsibility, which is understood and rightfully so. But that's - when you see a statement like that, you sit up and take notice. And that it then - on the positive, the

fact that your response is comprehensive and you made the position clear, which was the intent to do that, but then:

5 "In those circumstance, we are of the view that further meetings with you are not required at this time."

10 Meant that we had failed in what we hoped was, by putting forward a comprehensive report that stated our views, we would actually have a discussion about it. So that didn't happen and, therefore, realised that our relationship had deteriorated further with the NICC, and that was certainly not our intent.

15 **MR CONDE:** Right. Ms Page gave evidence to a similar effect earlier, Mr Issenberg. She said that her reaction was along the lines of, "We failed in our endeavours". Do you agree with that?

MR ISSENBERG: I think that's what I said. I think that's what I was describing. What our intent was and what we set out to achieve, we did not achieve.

20 **MR CONDE:** Yes. Do you recall this Inquiry was announced on 19 February 2024?

MR ISSENBERG: I do.

25 **MR CONDE:** Upon the announcement of Mr Bell's Inquiry, is it correct that the board was largely unconcerned and decided to adopt a fight-back stance?

30 **MR ISSENBERG:** I would disagree with both elements of that statement. I'm not sure why anyone would think we would be unconcerned as a board when the Inquiry is called. So of course we were concerned. And I'm not sure what you necessarily mean by the term "fight-back", because fight-back to me in terms of something along the lines of a brawl or something. That was never our intent. But, of course, that we would need to prepare rigorously for the Inquiry.

35 **MR CONDE:** Are you aware that Star Entertainment received a whistleblower complaint dated 28 February 2024?

MR ISSENBERG: Yes, I am.

40 **MR CONDE:** Was this complaint brought to your attention at or about that time, of 28 February 2024?

MR ISSENBERG: Yes, it was.

45 **MR CONDE:** Now, Mr Cooke gave evidence that the catalyst for his departure as CEO was a conversation he had had with Mr Foster on or about 10 March 2024. Were you aware of such a conversation before 10 March, that such a conversation would be happening?

MR ISSENBERG: Sorry, Mr Conde, could you - I'm not sure exactly what the question is. Please repeat that, please.

5 **MR CONDE:** Yes, of course. Mr Cooke gave evidence that the catalyst for his departure as CEO was he had had a conversation with Mr Foster, who was Chair at the time -

MR ISSENBERG: Of course, yes.

10 **MR CONDE:** - on or about 10 March 2024. And Mr Cooke's evidence was that Mr Foster told him that the board had formed a view that Mr Cooke's continuation with the business was no longer going to be of assistance in the company's endeavours to return to suitability. Now, that was Mr Cooke's evidence. Are you aware of that evidence?

15 **MR ISSENBERG:** Well, the only thing I'm not clear on, Mr Conde, is the term "catalyst." I know that the conversation occurred and that a message of that nature would be given to Mr Cooke at that time. I don't understand the context of "catalyst".

20 **MR CONDE:** I understand. Really, it is just the initiation, that his - what started the process for his departure was -

25 **MR ISSENBERG:** Yes. I mean, the board had had obviously conversations prior, but in terms of Mr Cooke being aware, that would have been the beginning of the process for him, yes, that's correct.

MR CONDE: And just to understand the sort of timing. Because you had had - you had been told by the NICC on 6 or 7 December that they lost confidence in Mr Cooke; correct?

30 **MR ISSENBERG:** Mmm.

35 **MR CONDE:** Then on the 19th, you will recall I took you to some board minutes where you went around the room and a decision was made by majority to keep Mr Cooke, if you remember that. Then there is a period between the end of December through to 10 March where, at the end of that period, Mr Cooke is getting the tap on the shoulder from Mr - he is getting told by Mr Foster, "Time to go". What is your understanding of - what happened in the intervening period that led to Mr Foster having that discussion?

40 **MR ISSENBERG:** Again, there was a lot of activity during that period of time that occurred, work that needed to be done. We touched, obviously, on the response to the report. There was a major action with Multiplex. It was very close to settling and then, in fact, that one settled on 22 December that Mr Cooke was leading. There was 45 the appointment of some key executives. There was the financial year-end close, having got through all that work. So all that was going on at that time.

But ultimately, in my opinion, that what really precipitated my own personal change of view is a couple of things that we have just recently spoke about was (1) that we didn't achieve our objective with our response to the NICC that we would continue, that we have transparent and open discussions about what needed to be done to get us
5 back in better forms of communication with the NICC and the manager. And that - as, I think, the date of the letter was 1 February. And then to hear about the Inquiry on 19 February, I certainly assumed that these events were linked and, therefore, that that loss of confidence was complete.

10 That we hadn't achieved our objective with the response to open up further lines of - better lines of communication with the NICC and, therefore, it was irretrievable that Mr Cooke had to leave the organisation.

MR CONDE: Just to confirm, Mr Issenberg, in that list, you haven't mentioned the
15 whistleblower complaint. Is that correct, that that didn't feature in your consideration?

MR ISSENBERG: Not in my consideration, no, that's correct.

20 **MR CONDE:** Mr Cooke's departure was announced on 22 March 2024.

MR ISSENBERG: Yes.

MR CONDE: Do you recall Mr Cooke's exit statement?
25

MR ISSENBERG: I do.

MR CONDE: Ms Ward and Ms Page gave evidence about - with some thoughts on
30 that exit statement, and there are five of them. I would just like to run through them and ask if you agree or disagree with each, if that's okay?

MR ISSENBERG: Yes.

MR CONDE: The first is that the exit statement was not helpful to Star
35 Entertainment or to Mr Cooke. Do you agree with that?

MR ISSENBERG: I would.

MR CONDE: Ms Ward and Ms Page said the statement would potentially be
40 damaging to the company's relationship with the NICC. Do you agree?

MR ISSENBERG: Yes.

MR CONDE: The third point was that they thought Mr Cooke was seeking to justify
45 or protect his reputation in a way that he would come to regret. Do you agree with that?

MR ISSENBERG: Yes.

MR CONDE: Ms Ward and Ms Page said they felt sharing these kind of details with the entire staff was ill-advised.

5 **MR ISSENBERG:** Yes.

MR CONDE: And there was also evidence from Ms Ward - with which Ms Page agreed - that the exit statement presented a risk of sending a message to some 8,000 or so staff that Mr Cooke was being pushed out by the regulator. Do you agree with that?
10

MR ISSENBERG: Yes, that was a risk, yes.

MR CONDE: That last point that I've mentioned about being pushed out, that was false, wasn't it? Because it was the board who was responsible for Mr Cooke's departure?
15

MR ISSENBERG: That's correct.

20 **MR CONDE:** And if we can bring up STA.8000.0173.0001, please. Do you see these are minutes of the Star Entertainment board meeting dated 21 March 2024 at -

MR ISSENBERG: Thank you. Yes, I do.

25 **MR CONDE:** - 7.30 am Sydney time, 6.30 Brisbane time.

MR ISSENBERG: Yes.

MR CONDE: And this was a meeting of the board but without Mr Cooke present. Do you see that?
30

MR ISSENBERG: That's correct.

MR CONDE: Then if we can just scroll down the page a bit for the row that says "Executive Changes and Retention Framework" -
35

MR ISSENBERG: Sorry, where are you referring to? Yes, thank you.

MR CONDE: The portion now being highlighted. If I could just ask you, please, to read the second paragraph to yourself. It is:
40

"The board discussed the status ..."

MR ISSENBERG: Yes. Yes.
45

MR CONDE: Would you agree, Mr Issenberg, that on 21 March 2024, you and your board colleagues did not want that statement going out?

MR ISSENBERG: That would be correct.

5 **MR CONDE:** Now, are you aware that the next day Mr Cooke received a contractual right to send out that statement not just internally but to certain external parties?

MR ISSENBERG: I am now.

10 **MR CONDE:** When you say "now", when did you learn about that?

MR ISSENBERG: During the course of the Inquiry, particularly in the last few days, yes.

15 **MR CONDE:** What, if any, reaction do you have to that?

MR ISSENBERG: I was surprised because I certainly didn't realise that statement had been attached to the deed.

20 **MR CONDE:** Ms Page gave evidence that she felt that this part of the deed was not authorised by the board and that Mr Foster, in negotiating it, had gone beyond his authority by agreeing to it. Do you agree with that?

25 **MR ISSENBERG:** Well, we certainly didn't authorise it because, as you can see by the minutes, we encouraged - we wanted Mr Foster to stop it. So we weren't aware that it was going to be attached.

30 **MR CONDE:** Is it correct that when you participated in the meeting on the 22nd - not this one but the next day - resolving to approve the termination of Mr Cooke, you were unaware of that clause in the separation deed?

MR ISSENBERG: Yes.

35 **MR CONDE:** Now, Dr Attracta Lagan gave evidence to this Inquiry, and I will just mention what that is and then ask you about it. She said that, in the course of 2023, to her observations:

40 "... a new internal story emerged at Star, which was the regulator doesn't like us, they don't like gambling, the Special Manager is too demanding and there was a sort of us and them-type mentality."

Are you aware of that evidence?

45 **MR ISSENBERG:** I'm aware - I didn't see her evidence but I did read the transcript, yes.

MR CONDE: In terms of Mr Cooke's exit statement, would you agree that it risked stoking a feeling within the company that the NICC is against Star?

MR ISSENBERG: Certainly. I don't necessarily agree with Ms Lagan's statement about early '23 but there is no question that that statement was not helpful and would have further damaged our relationship with the NICC. I agree.

5 **MR CONDE:** Dr Lagan also said that in the first half of 2023, Mr Cooke was extremely busy and industrious and she said:

"He saved the business financially with the capital raisings."

10 But she added:

"It came at the cost of the cultural reform program."

Do you agree with that?

15

MR ISSENBERG: I agree that he was working very industriously, that he led the capital-raising which was crucial to the wellbeing of the company. I wouldn't say that it was at the cost of cultural reform.

20 **MR CONDE:** And why is that, Mr Issenberg?

MR ISSENBERG: There is a lot - there is an awful lot of work and elements that go into cultural reform, and where The Star Group was at in early 2023, that work was being done and continuing to be done. So I'm not sure whether that - that stopped
25 that work. I suggest it did not stop the work.

MR CONDE: Would you agree that today the current regulatory landscape that Star faces, in particular, in areas like VIP gaming and responsible service of gaming, is stricter than it was in the past?

30

MR ISSENBERG: Yes.

MR CONDE: And do you agree there are tighter controls around intervening when patrons have been at a gaming machine for hours and similarly for due diligence on
35 patrons?

MR ISSENBERG: Yes, I do.

MR CONDE: In light of that changed regulatory landscape, what is your vision for what - where you consider Star is going to be and when?
40

MR ISSENBERG: Right. There is quite a big and important question, Mr Conde. Would you permit me possibly to back up a little bit and give a bit of an explanation as to what I think is very important in terms of foundations to be put in place to get to
45 where we are and then where we need to get to?

MR CONDE: Please do.

MR ISSENBERG: Culture is both a tone from the top, but also what I sometimes think as bottom up in that the vast majority of people that work for, certainly our organisation and a lot of organisations, it is a pyramid, there is more people at the lower ends of that pyramid. And to create a culture, people, particularly in the
5 hospitality and gaming industry, they need to know what needs to be done. And what was present in mid-'22, whilst, as you referred to, the VIP gaming had stopped, the junkets had stopped, but the company, I discovered, had significantly under-investigated in financial crime, money laundering and the elements of safer gaming that are there today (indistinct) certainly the regulations didn't exist in terms
10 of the time management play and certainly the team that's there now didn't exist.

And all of that has to be put in place. It has to be put in place with the right people, with the right procedures through the ICMs and SOPs, the right training to give people the understanding and certainty of what they need to do on a day-to-day basis
15 to work in a proper and safe manner. And a lot of work has been done on that and I do believe a lot of progress has been made. So - and so when we talk about the way forward, which - what I believe is - what's crucial is we have to have a safe environment - I use the term "safe", because I think that's very important in this context.

20 And that safety is we want not just our patrons to feel that they are there gaming or anything else in a safe environment, although particularly in terms of gaming, that, you know, we - the right procedures are in place, they are being treated fairly. Problem gamblers, you know, are going to have proper care - certainly that's in
25 place. But likewise, the people that work for us, the team, have to be confident in the way they go about their business where they feel safe.

Because there is actually - and particularly in the gaming area, there is individual consequences, potentially, and they want that to work, all right. And then from there, that's the very base of a building block to build a culture on. Then you talk about
30 values, you talk about principles, you talk about purpose. You need to communicate that. And I think we have started that journey in terms of the transformation of the culture but we have - we have put some of the base building blocks in place and we still even need to do more work to firm up those building blocks, but then we can use
35 that as a springboard to go forward. So that work is - has begun but there is certainly ways to go.

MR CONDE: Ms Page gave evidence of a potential change in model where Star Entertainment would continue as a holding company but have more independent and fully sort of operating subsidiaries. Do you have any comment on that idea?
40

MR ISSENBERG: Well, there is certainly work to be done, going back to the original Bell Report. I think we - I know we lost sight of some of the recommendations in that and we do need - the Compliance Committees are now in
45 place for each of the properties and the individual entities, and we need to make sure that the governance that allows the close supervision that is required - there is further work to be done there.

MR CONDE: Would you agree that The Star in Sydney would be likely to have a better functioning casino if its leadership at the Sydney casino had greater autonomy from its ultimate holding company?

5 **MR ISSENBERG:** At an operational level in terms of - yes, I do.

MR CONDE: Do you envisage the transformed business as being profitable at levels that Star has historically been able to achieve?

10 **MR ISSENBERG:** Well, the history is a little bit challenging in that it depends on where you want to draw a baseline. If you go back to 2019, which was pre-COVID and pre the first Bell Inquiry, it was a very different environment and the nature - a much more profitable business and I wouldn't see getting back to that level of profit in the foreseeable future, no, I would not, but I do see it as a profitable businesses,
15 yes.

MR CONDE: In terms of the milestones under the current remediation plan, Ms Burke gave evidence that the current dates for milestones were too ambitious. Are you aware also of a proposal to reset the remediation program?

20 **MR ISSENBERG:** I am aware.

MR CONDE: And do you presently have an expectation about when milestones are likely to be completed in full?

25 **MR ISSENBERG:** No. No, no. I know what the current program calls for. We haven't worked on reset. So it would be hard to put a specific timeframe on that at the moment.

30 **MR CONDE:** Would you agree that achieving the milestones with the GLT in its current state is going to be difficult?

MR ISSENBERG: I do think it will be challenging, yes.

35 **MR CONDE:** Now, when Dr Lagan was asked about the need to bring in new GLT members in the various roles that Star needs to fulfil. She said:

"I think they are great opportunities to actually bring in the right experience now."

40 Do you agree with that evidence?

MR ISSENBERG: Yes, I do.

45 **MR CONDE:** You agreed earlier that it is important for the purposes of Star's business to have an effective and transparent relationship with the regulator. What do you see as a path for ensuring, going forward, that Star has an effective and transparent relationship with the regulator?

MR ISSENBERG: It is a combination of elements that would achieve that. That we need to make sure - one is to have the right executive - Chief Executive and the right executive team. That - because that - as I spoke before about culture is both from the tone from the top and also bottom up. And, at the end of the day, that team is the
5 most influential in the culture and embedding culture that ensures transparency. The board, of course, has a role to play in that, obviously, partly in the recruitment process but also making sure that the correct behavioural norms are in place to enable us to have the best possible relationship with the regulators.

10 **MR CONDE:** Mr Foster, Ms Ward and Ms Page have given evidence to this Inquiry that they do not consider that Star Entertainment is presently suitable. Do you agree with that?

MR ISSENBERG: Yes, I do.
15

MR CONDE: And are you aware that the manager is due to end his role on 30 September 2024?

MR ISSENBERG: Yes.
20

MR CONDE: What is your view on the prospects of Star satisfactorily managing and operating without continuing external management in Sydney after that date?

MR ISSENBERG: Well, I certainly - completing the remediation program is very
25 important. And as we just discussed, I mean, even the current program envisages that finishing early next year, or end of next year to early next year, which is beyond the manager's current appointment. I believe it's always been envisioned that - certainly considered, I would imagine would be the case, is that there would be some sort of supervision, whether it was manager, whether it was an independent monitor. There
30 could be a few different variations on how that might work, and certainly never anticipated that that would be happening by the end of September of this year.

MR CONDE: I see. Mr Bell, I have no further questions for Mr Issenberg.

35 **MR BELL SC:** Mr Issenberg, as you were a director of Star Entertainment since July 2022, do you agree that it would be hard to imagine more serious misconduct in the casino than was disclosed in the 2022 Inquiry?

MR ISSENBERG: I would agree, yes, Mr Bell.
40

MR BELL SC: And you are aware, I take it, that the concerns that were expressed in the 2022 report included that The Star on a number of occasions did not act cooperatively or transparently towards the regulator?

45 **MR ISSENBERG:** I do.

MR BELL SC: Do you agree that the communications between the then-Chair and the then-CEO of Star Entertainment in January and February this year which have

been disclosed in this Inquiry indicate that the most senior levels of leadership at Star Entertainment at the time were not acting cooperatively and transparently towards the regulator?

5 **MR ISSENBERG:** I do.

MR BELL SC: And did you only learn of those communications in the course of this inquiry?

10 **MR ISSENBERG:** That's correct, Mr Bell.

MR BELL SC: Now, you gave some evidence earlier about Dr Lagan's evidence. I think you disagreed that a new internal narrative developed in the middle of last year, but you do agree, do you, that at least by the end of last year or early this year, an
15 internal narrative had developed within Star that the regulator was against you, against Star Entertainment.

MR ISSENBERG: Yes, I do, Mr Bell. But what I heard was that Ms Lagan said in early 2023 that that had developed, and that's why I disagree. I think there had
20 developed - again, everyone thinks differently but there had been certainly comments that I heard that we had become a deadline-driven organisation, that had become - remediation had trumped all. That was - and that was, some people were saying, because of the regulator which is not true. That was the job that had to be done. Now, the fact that people - some members of the team were thinking that way
25 was a problem, right. And it did develop in the second half and particularly in the final quarter of 2023, yes, that I agree with.

MR BELL SC: And, indeed, those internal communications between the then-Chair and the then-CEO are quite cogent evidence of that internal narrative having
30 developed. Would you agree?

MR ISSENBERG: Yes.

MR BELL SC: Yes, Mr Ahmed, do you have any questions?
35

MR AHMED SC: No, Mr Bell, no questions. Thank you.

MR BELL SC: Dr Renwick, do you seek leave to ask any questions?

40 **DR RENWICK SC:** No, I don't. Thank you, Commissioner.

MR BELL SC: Yes. Mr Issenberg, thank you for attending today and thank you for your evidence. The formal direction I will make is that your examination will be adjourned, but you won't be required to attend again unless you hear from the
45 Solicitors Assisting the Inquiry. So thank you for your evidence.

MR BELL SC: Thank you very much.

<THE WITNESS WAS RELEASED

MR BELL SC: Yes, Mr Conde.

5 **MR CONDE:** Mr Bell, the next witness is Mr Peter Hodgson. I believe he was given a not before marking of 10 am tomorrow. And in light of the time, I would propose that we adjourn, unless anyone has any applications or anything to make.

10 **MR BELL SC:** Yes, I will now adjourn until 10 am tomorrow.

<THE HEARING IN PUBLIC SESSION ADJOURNED AT 4.53 PM