



6 August 2018

ASX Market Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Woolworths Group notes that ALH Group has today announced the outcomes and immediate actions to be undertaken following the completion of:

- The investigation into whistleblower allegations raised against ALH Group venues by Federal MP Andrew Wilkie in February 2018; and
- The previously commissioned review of ALH Group gaming operations by the Responsible Gaming Council of Canada (RGCC), an independent non-profit organisation dedicated to problem gambling prevention.

The full release from ALH Group is attached.

In response to the findings of the investigation into Mr Wilkie's allegations, Woolworths Group Chairman Gordon Cairns said:

"The practices outlined in the investigation, at a limited number of hotels, are at odds with the priorities and values of our customers and the communities where we operate. At Woolworths we take our responsibilities in the community, and to gaming and the service of alcohol, very seriously.

"The ALH Group has already put in place immediate measures to address the findings of this investigation and to further boost the commitment to responsible gaming. The Woolworths Group will continue to support the ALH Group on this journey."

In response to the completion of the RGCC review, Mr Cairns added:

"In November last year at the Woolworths Group AGM I made a public commitment that we would also be engaging the Responsible Gaming Council of Canada (RGCC) to conduct a comprehensive review of ALH Group operations against world best practice. This commitment was made prior to Mr Wilkie's allegations, and the RGCC report has now also been completed."

"While the RGCC review highlighted that there was a strong commitment within the ALH Group to responsible gaming, we know there is more to do and the measures being implemented are aimed at ensuring that the ALH Group remains a leader when it comes best practice in this space."

ENDS

For further information please contact the Woolworths Group media team on media@woolworths.com.au

Melbourne, August 6 2018

ALH Reviews into responsible gaming practices now completed

Early in 2018, Federal MP Andrew Wilkie questioned responsible practices at ALH in the Federal Parliament. As a result an ALH board sub-committee was established to investigate the claims. The investigation sub-committee consisted of the non-executive directors of ALH and was chaired by Mr Roger Corbett, advised by MinterEllison and supported by Ernst and Young and Jonathan Forbes of counsel. The investigation was conducted independently of ALH management.

In addition, a report commissioned in 2017 by ALH was conducted by the Responsible Gambling Council of Canada to assess ALH's gaming operations against world best practice.

The investigation team, overseen by Roger Corbett, undertook extensive enquiries and conducted interviews with members of staff across all jurisdictions in which ALH operates a gaming business. In addition, ALH established a specific whistleblower platform to seek to identify any related issues across the business. Mr Wilkie's office was contacted as part of the investigation and invited to provide any further information, but this was not forthcoming.

In summary, the investigation found that over an approximately six month period commencing in or around June 2017, a customer service program was operating in a limited number of venues in Queensland which gave rise to instances of ALH employees recording descriptive information about gaming customers in a manner that was below ALH's expectations and contrary to its policies. Practices varied across these hotels. The practice also extended (to a limited degree) to a small number of venues in South Australia, and certain aspects of the customer service program were implemented in two venues in New South Wales.

The investigation additionally found evidence that, at some venues in Queensland, there was increased provision of complimentary drinks in gaming areas and that in certain instances increased customer service efforts (including the provision of complimentary drinks) were directed to high-value customers to encourage further gaming activity.

These initiatives have now ceased.

Aside from the matters referred to above, the investigation did not find evidence of similar conduct in any other state or territory.

Subsequent to the allegations made in Federal Parliament, further allegations were made in relation to a patron referred to as "Queen Bee". The investigation found that the allegations related to a venue in Queensland and to events which took place approximately 5 years ago.

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Relevant state regulators and the Office of the Australian Information Commissioner have been briefed on the findings of the investigation, and ALH is actively engaging with regulators regarding these matters.

Meanwhile RGCC's report endorsed ALH's culture and commitment to responsible gaming, through training, communication and responsible practices. ALH proposes to take a number of steps to enhance its responsible gaming practices, including adopting a number of RGCC's recommendations.

Specifically, ALH will introduce an updated National Gaming Code of Conduct to ensure a consistent approach to patron engagement across the business. The implementation of the new code will follow the completion of a review of patron management practices at ALH venues.

In addition, ALH has committed to:

- enhanced training programs to help gaming staff with customer care;
- implementing a uniform policy across the organisation precluding the service of complimentary alcohol in gaming rooms;
- enhanced programs and customer engagement to promote voluntary pre-commitment;
- enhancements to its privacy training and procedures; and
- disciplinary action where past instances of poor management have been identified.

These commitments are underpinned by ALH's Responsible Gaming Charter and its Australia-wide voluntary pre-commitment program.

These measures will ensure that ALH continues to be the industry leader in the responsible service of alcohol and gaming products.

ALH recognises that problem gambling is a serious community issue and takes its obligations to promote responsible gaming very seriously.

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