



Section 25 – Recommendations Table At 2 May 2019

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
<p><u>Recommendation 1</u></p> <p>The VCGLR recommends that, by 1 January 2019, Crown develop, and submit to the VCGLR for approval, a change program to fully engage its independent directors in proactive strategic oversight of the operations of the Melbourne Casino. Particular consideration should be given to –</p> <ul style="list-style-type: none"> • formulating a charter for the Crown Melbourne board • fully documenting, for visibility to the VCGLR, the reporting and decision-making relationships between all of the boards, committees and executive meetings with responsibility for, or oversight of, Melbourne Casino functions, and • elevation of governance to the group board and committees. <p>The submission should identify any changes to regulatory frameworks and how these will be addressed.</p>	<p>Recommendation Accepted</p> <p>Crown will, in conjunction with its parent company, review its governance framework, taking into account the matters recommended by the Commission for consideration. A new framework for reporting has already been designed and is being worked through. Crown will continue to review its corporate structure moving forward with any proposed changes brought to the attention of the Commission.</p> <p>We also note that the current Crown Melbourne Framework has been considered by the Commission in times past, with some of the current structures in place as a result of regulatory obligations.</p>	<ul style="list-style-type: none"> • A submission addressing all points referenced in Recommendation 1 was submitted to the VCGLR on 24 December 2018. The submission included a Crown Melbourne Board Charter. • Although not specifically related to Recommendation 1, Crown is drafting a new updated Company Constitution, which will require the approval of the Commission in due course. 	1 January 2019	Yes
<p><u>Recommendation 2</u></p> <p>The VCGLR recommends that, by 1 January 2019, Crown undertake a review of the required qualifications for committee chairs set out in the charters, and ensure that the appointees' actual qualifications match.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> • Review undertaken and letter outlining actions taken by Crown submitted to the VCGLR on 24 December 2018. 	1 January 2019	Yes
<p><u>Recommendation 3</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown assess the robustness and effectiveness of its risk framework and systems, including reporting lines in</p>	<p>Recommendation Accepted</p> <p>It should be noted that the risk framework has already been reviewed and an enhanced framework is currently being implemented, which is supported</p>	<ul style="list-style-type: none"> • The Group General Manager Risk & Audit has reviewed Crown's risk framework and commenced enhancements to the framework and systems in early 2018. In this respect the enhanced risk framework has started to be 	1 July 2019	In Progress

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<p>the chain of command, and upgrade them where required. This assessment should be assisted by external advice.</p>	<p>by an IT based reporting, recording and management framework.</p> <p>Also, a Group General Manager – Risk and Audit was appointed in 2017 to oversee the group function of risk and audit. Additional resources have also been committed to support the enhanced framework.</p>	<ul style="list-style-type: none"> • rolled out across the business and is being embedded into work processes and systems. • A new “Risk Appetite” was presented to, and ultimately approved, in December 2018 by the relevant Crown Boards and Committees. • The supporting risk matrix was revised, approved by the business and embedded into the risk system to ensure the capture of risk profile data. • Risk reporting has been restructured, and organised around seven risk categories, including the development of a key risk indicator (KRI) dashboard. • An external firm has also been engaged to carry out a review of the risk framework elements, and feedback has been considered and embedded where appropriate. • The risk system has been updated to reflect the updated framework elements, and implemented across Crown Melbourne. • Crown will shortly write to the VCGLR regarding this Recommendation. 		
<p><u>Recommendation 4</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown undertake a robust review of internal controls to ensure that Crown’s regulatory and compliance department is aware of all projects and works in progress for which regulatory approvals might be relevant.</p>	<p>Recommendation Accepted</p> <p>In this respect, a new business-wide compliance framework has been designed and the roll out has commenced across the business. Further a new process has been implemented to address any proposed changes to the regulatory environment.</p>	<ul style="list-style-type: none"> • A Gaming Initiatives Form was developed and implemented into processes in the business and is the key action in satisfying this recommendation; along with the new Regulatory and Compliance Requirements Policy. • A submission was made for an amendment to the EGM ICS to provide for the Gaming Initiative Form – VCGLR approval has been received. • Review being undertaken to determine whether additional Internal Controls require amendment. • Although not specifically in response to this Recommendation, a new business wide compliance framework has been developed and 	<p>1 July 2019</p>	<p>In Progress</p>

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		<ul style="list-style-type: none"> rolled out to the business (95% of relevant departments are now integrated into the new framework). This included the commissioning of a reporting system (known as CURA) to support the new compliance framework. A detailed submission on the Compliance Framework was sent to the Chairman of the Commission on 24 December 2018, related to the Blanking Buttons matter. Following the review of internal controls, Crown will include a reference in relevant SOPs to Compliance being consulted prior to new initiatives being implemented. 		
<p><u>Recommendation 5</u></p> <p>The VCGLR recommends that Crown convene annual roundtable sessions briefing key internal staff on the VCGLR's risk-based approach to regulation, with a particular focus on how that approach relies on the integrity of Crown's internal processes.</p>	Recommendation Accepted	<ul style="list-style-type: none"> An annual briefing will be provided to Management at the Crown Melbourne Executive Risk and Compliance Committee (ERCC) meeting on the VCGLR's risk-based approach and its impact on Crown and its processes. The next meeting of the ERCC is scheduled for 21 May 2019 and the VCGLR's risk-based approach and its impact on Crown and its processes, will be presented to the Committee at that time. 	Annual, ongoing.	No
<p><u>Recommendation 6</u></p> <p>The VCGLR recommends that, by 1 January 2020, Crown Melbourne review its allocation of staffing resources to increase the number of work hours actually available to responsible gambling and intervention with patrons. This might be achieved by training more gaming staff to undertake assessments and then approach patrons identified as at risk, without the need to contact a RGLO. However, this will only be effective if those staff have sufficient time aside from their gaming duties.</p>	Recommendation Accepted	<ul style="list-style-type: none"> The recruitment of 5 extra Responsible Gaming Liaison Officers has been completed. We now have 12 RGLOs which has assisted in having a greater presence on the gaming floor. The roles and responsibilities of RGLOs are being reviewed to accommodate new Responsible Gaming (RG) initiatives. Currently reviewing the concept of gaming staff undertaking some RG specific activities. The Gaming Machines and Table Games staff training framework has been reviewed - Crown remains of the view that the referral to expert RG staff remains a corner stone of its RG model. However, additional training for relevant 	1 January 2020	In Progress

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		<ul style="list-style-type: none"> gaming staff was reviewed and adjustments will be made. 		
<p><u>Recommendation 7</u></p> <p>The VCGLR further recommends that Crown Melbourne use observable signs in conjunction with other harm minimisation measures such as data analytics to identify patrons at risk of being harmed from gambling.</p>	<p>Recommendation Accepted</p> <p>A new data analytics trial has commenced in relation to carded players.</p>	<ul style="list-style-type: none"> Crown has developed a data analytics program called the “Crown Model”, which has been developed from data and behaviours of former patrons who have self-excluded from Crown Melbourne. The Crown Model is designed as a predictive tool to assist in proactively identifying patrons who may be gambling in a manner which could be an indicator of potential harm. The trial of the Crown Model commenced on 25 June 2018 with operational procedures developed to respond to players of interest that are identified. The Crown Model is in its early stages with processes being adjusted as we learn from outputs. The first six month review is complete and the team is meeting regularly to discuss refinements. 	<p>Ongoing</p>	<p>In Progress</p>
<p><u>Recommendation 8</u></p> <p>The VCGLR recommends that Crown Melbourne proceed with development and implementation of comprehensive data analytics tools for all patrons, to proactively identify for intervention patrons at risk of harm from gambling. These tools would utilise both historical data (with parameters developed from the second player model), and real-time monitoring of play periods. Crown Melbourne should look to models in other jurisdictions, and consult with external data analytics experts, with a view to implementing world-class, proactive approaches with real-time (or near-real time) operational effectiveness. In particular—</p> <p>(a) for carded play (that is, player activity which can be systematically tracked), Crown Melbourne will have in operation a comprehensive real-time player data analytics tool by 1 January 2020, and</p>	<p>Recommendation Accepted</p> <p>As referenced above, Crown has commenced a data analytics trial in relation to carded players.</p> <p>Further, work will be undertaken on systems to explore and implement real-time concepts by 1 January 2020.</p> <p>Crown also supports reviewing the extent to which further data analytics tools might enhance the framework into the future. In this respect, the use and reliability of data from uncarded play is new ground for the land based gaming industry which is not yet supported by reliable research and evidence.</p> <p>Crown will commit to carrying out a study of the options available and assess and analyse the research and expert evidence available with a view to exploring appropriate tools and options available to it for uncarded play.</p>	<p>Rec 8(a)</p> <ul style="list-style-type: none"> Crown Melbourne has commenced its Crown Model trial. Crown has commenced its review of relevant literature and other jurisdictional experiences. The “real time monitoring” of play periods is currently under consideration and development including the recent adjustment of Crown’s own “Play Periods” whereby RG, in conjunction with IT, is developing a reporting system, that identifies if a carded patron has been on the property for 12 hours or more and play has been recorded. A tool for monitoring Play Periods has been developed. Considering development of an app based alert and case management system. 	<p>Recommendation 8(a) 1 January 2020</p> <p>Recommendation 8(b) Commence study by 1 January 2019</p> <p>Report to the VCGLR by 1 January 2020</p> <p>Commence operation by 1 July 2022</p>	<p>In Progress</p>

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<p>(b) for uncarded play (that is, all other player activity), Crown Melbourne will, by 1 January 2019, commence a comprehensive study of all the practical options for a real time player data analytics tool, with a view to reporting in detail (including legal, technical and methodological issues) to the VCGLR by 1 January 2020 and the tool being in operation by 1 July 2022.</p>		<p>Rec 8(b)</p> <ul style="list-style-type: none"> We refer to our letter dated 24 December 2018 and subsequent email correspondence with Mr Rowan Harris dated 18 January 2019. Undertaking regular meetings with Gaming senior management to discuss possible approaches. Crown is in discussions with external parties regarding possible solutions. 		
<p><u>Recommendation 9</u></p> <p>The VCGLR recommends that Crown Melbourne arrange, at its expense, for an independent assessment of the real-time player data analytics tool for carded play (see Recommendation 8(a)), to be completed 12 months after implementation of the tool. The independent assessment is to be undertaken by a person approved by the VCGLR, after consultation with Crown.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> Will be progressed in due course 	<p>1 July 2023</p>	<p>No</p>
<p><u>Recommendation 10</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne undertake a comprehensive review of its policy for the making and revocation of voluntary exclusion orders under section 72(2A) of the <i>Casino Control Act</i>. The comprehensive review should be undertaken in conjunction with the VCGLR, VRGF and other relevant external stakeholders. The review should be undertaken with a view to implementing policies that facilitate:</p> <ul style="list-style-type: none"> Crown Melbourne issuing short term exclusion orders for 3, 6, 12 or 24 months under section 72 of the <i>Casino Control Act</i>, considering the specific circumstances of the person and their preferred time period for exclusion, and conditional on the person undertaking to comply with the order and with other matters (such as obtaining treatment), and Crown Melbourne reviewing voluntary 	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> Literature review commenced internally. The VCGLR, VRGF and Crown had their first meeting on 29 November 2018 to commence discussions on this recommendation. The VCGLR, VRGF and Crown met for the second tripartite meeting on 18 December 2018, with undertakings to provide further material for the literature review. Four tripartite meetings have been held with the VCGLR/VRGF. A first draft response regarding the short term exclusion proposal has been finalised and is currently being reviewed. (Second Limb) – Crown has considered voluntary exclusion orders, which are more than 10 years old. A letter will be forwarded to the VCGLR regarding the outcome of Crown's review. 	<p>1 July 2019</p>	<p>In Progress</p>

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<p>exclusion orders which are more than 10 years old to consider whether the continued operation of these orders serves a useful purpose, with a view to retaining only those orders that are beneficial to the persons who are subject to them, and can be adequately enforced. The VCGLR further recommends that the review of such orders occurs in an orderly manner between 1 July 2019 and 30 June 2020.</p>				
<p><u>Recommendation 11</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne develop and implement a policy and procedure to facilitate Crown Melbourne issuing involuntary exclusion orders under section 72(1) of the <i>Casino Control Act</i> at the request of family members and friends in appropriate cases. The policy and procedure should be developed in conjunction with the VCGLR, VRGF and other external stakeholders. Crown Melbourne should include information about this option in all its responsible gambling publications, website and regularly provide information to relevant stakeholders, such as Gambler’s Help and other similar organisations, about this option.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> • The Crown Perth Third Party Exclusion Policy and Procedure has been reviewed and adjusted, in draft, to suit Crown Melbourne. • The VCGLR, VRGF and Crown had their first meeting to commence discussions on 29 November 2018 regarding this recommendation. • Crown provided the draft of the Crown Melbourne Policy and Procedure adapted from the Crown Perth Policy and procedure to the group. • The VCGLR, VRGF and Crown met for the second tripartite meeting on 18 December 2018, with undertakings to provide further material for the literature review. The VCGLR requested that Crown Melbourne provide Third Party Exclusion statistics from Crown Perth. • The VCGLR is scheduling a tripartite meeting with the South Australian Regulator to discuss its processes. • Four tripartite meetings have been held with VCGLR/VRGF. • A first draft policy and procedure has been reviewed by the tripartite group and modifications are currently being made from the feedback received. 	<p>1 July 2019</p>	<p>In Progress</p>
<p><u>Recommendation 12</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne expand facial recognition technology to</p>	<p>Recommendation Accepted</p> <p>Crown notes that it has already expanded its facial recognition capabilities and proposes to continue to</p>	<ul style="list-style-type: none"> • Facial recognition cameras are now operating on all entrances to the casino. • Crown to formally write to the VCGLR 	<p>1 July 2019 (and ongoing quarterly reports)</p>	<p>Yes (but for official notification)</p>

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<p>cameras on all entrances to the casino and that Crown Melbourne provide written updates on a quarterly basis on its effectiveness to the VCGLR.</p>		<ul style="list-style-type: none"> confirming that all entrances to the Casino are now covered by facial recognition cameras and to notify a commencement date for quarterly updates on the effectiveness of the system. A letter to the VCGLR confirming that all entrances to the Casino are now covered by facial recognition cameras has been drafted and is in the process of being settled internally. Crown will commence providing quarterly updates from October 2019 (which will cover the period 1 July 2019 to 30 September 2019) on the effectiveness of its Facial Recognition Technology. 		<p>to the VCGLR and ongoing quarterly reports)</p>
<p><u>Recommendation 13</u></p> <p>The VCGLR recommends that, as part of developing a new responsible gambling strategy, by 1 July 2019, Crown Melbourne rebrand or refresh its responsible gambling messaging and publish new responsible gambling messages throughout the casino, in all Crown Melbourne publications, including online and social media platforms.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> To be progressed upon finalisation of the RG Strategy (see recommendation 14). Initial drafts of new logo being developed. Marketing has been briefed regarding a refresh and a new logo has been developed – ready for internal review/approval. Strategy will be set by 1 July 2019 and roll-out will commence at that time. Crown is finalising the new marketing design and refresh (including logo). Nomenclature is proposed to be changed from Responsible Gambling Support Centre to Responsible Gambling Centre and Responsible Gambling Liaison Officer to Responsible Gambling Advisors. Brochures are currently under review. 	<p>July 2019</p>	<p>In Progress</p>
<p><u>Recommendation 14</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne develop and implement a responsible gambling strategy focusing on the minimisation of gambling related harm to persons attending the casino. The strategy should address:</p> <p>(a) early proactive intervention initiatives</p> <p>(b) player data analytics</p> <p>(c) proactive engagement with pre-commitment</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> A draft RG Strategy has been developed by the Crown Melbourne and Crown Perth RG leadership teams, which has been reviewed by representatives from the Crown Resorts Limited RG Committee and Australian Resorts Executive representatives. Revised draft Strategy currently being considered. Various elements of each specific point referred to by the VCGLR are currently being progressed 	<p>July 2019</p>	<p>In Progress</p>

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<p>(d) intervening with local players with continuous play based on shorter timeframes which are more reflective of responsible gambling</p> <p>(e) the role of all staff in minimising harm</p> <p>(f) the effective use and monitoring of exclusion orders</p> <p>(g) internal reporting arrangements</p> <p>(h) integrating responsible gambling into proposals for trialing or introduction of new products and equipment</p> <p>(i) performance measures to assess the performance of the RGLOs, RGSC and casino staff in relation to harm minimisation</p> <p>(j) the roles of the Crown Resorts Responsible Gambling Committee and the Responsible Gambling Management Committee in driving harm prevention strategies based on world's best practice</p> <p>(k) the objectives of the RGSC in relation to minimising harm to patrons, and</p> <p>(l) the responsible service of gambling as a fundamental core business consideration when making strategic decisions regarding casino operations.</p>		<ul style="list-style-type: none"> • (see commentary on recommendations above) or will be addressed in due course. • A draft strategy is being prepared for senior management review and then ratification by the Crown Resorts Limited Responsible Gaming Committee. 		
<p><u>Recommendation 15</u></p> <p>The VCGLR recommends that, within three months of implementing the new responsible gambling strategy (Recommendation 14), there is regular reporting to the Crown Resorts Responsible Gambling Committee for it to maintain oversight of Crown Melbourne's harm minimisation strategy for responsible gambling. Regular reports every two months should include numbers and types of interventions and other harm minimisation activities of RGSC and other staff, details of the number and nature of referrals to external service providers, exclusion orders, breaches, revocation and appeals, as well as results from player data analytics and</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> • Revised reporting to be developed in due course. • Reporting drafts have been prepared for senior management. 	<p>1 October 2019</p>	<p>In Progress</p>

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<p>other initiatives to minimise gambling related harm. These reports should also be made available to the VCGLR for monitoring purposes. (The VCGLR intends to share this information, as appropriate, with the VRGF).</p>				
<p><u>Recommendation 16</u></p> <p>The VCGLR recommends that within three months of implementing the strategy, a charter is developed for the Crown Melbourne Responsible Gambling Management Committee (staff committee) which includes reference to the role and responsibility of driving a harm minimisation culture.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> • Management is currently reviewing all Australian Resorts RG Committees to align processes where appropriate. • Draft Charter is in progress. 	<p>1 October 2019</p>	<p>In Progress</p>
<p><u>Recommendation 17</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown undertake a robust review (with external assistance) of relevant internal control statements, including input from AUSTRAC, to ensure that anti-money laundering risks are appropriately addressed.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> • Crown has met with AUSTRAC to discuss this recommendation. A new joint AML Program across Crown’s Australian Resorts is being developed and will be reviewed by an external party. AUSTRAC is being kept informed of progress. • Internal Controls have been reviewed, preliminary discussions with AUSTRAC have taken place and draft changes have been made for management review. 	<p>1 July 2019</p>	<p>In Progress</p>
<p><u>Recommendation 18</u></p> <p>The VCGLR recommends, in all future submissions by Crown Melbourne to the VCGLR for approvals under the <i>Casino Control Act</i> or <i>Gambling Regulation Act</i>, that Crown document:</p> <ul style="list-style-type: none"> • the purpose • obligations under relevant provisions of legislation, the Transaction Documents, and existing approvals • what changes the grant of the approval would make to products, rules and procedures, etc • risks associated with the approval and how they will be treated • how responsible gambling considerations have been taken into account in the process and the 	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> • A new template for submissions to the VCGLR for seeking approvals has been drafted and in use since July 2018. Crown Management and VCGLR Officers will continue dialogue on the form of the submission and develop it where required. 	<p>Immediate effect</p>	<p>In Progress</p>

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<p>measures Crown will implement to mitigate the risk of gambling related harm, and which areas of Crown will be responsible for managing implementation.</p>				
<p><u>Recommendation 19</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne implement a policy to make an exclusion order under section 72 of the <i>Casino Control Act</i> in appropriate cases where a person has engaged in significant unacceptable conduct in the casino or is the subject of serious criminal charges.</p>	<p>Recommendation Accepted</p> <p>Crown notes that it has had a policy in place to issue Exclusion Orders for unacceptable behaviour for over ten years and does issue Exclusion Orders for this purpose in appropriate circumstances. Crown also notes that it issues withdrawal of licence notices to persons in appropriate circumstances, as it is entitled to do as a common law right, as those notices cover broader areas of the Crown property than the more limited area covered by Exclusion Orders.</p>	<ul style="list-style-type: none"> The existing 'Unacceptable Behaviour' policy statement has been reviewed and amended to strengthen the use of exclusion orders either instead of or as well as withdrawal of licences (in appropriate cases). Policy is currently under review by management. Management feedback has been received and the policy has been updated. A letter to the VCGLR has been prepared and is currently being reviewed. 	<p>1 July 2019</p>	<p>In Progress</p>
<p><u>Recommendation 20</u></p> <p>The VCGLR recommends that, between November 2019 and March 2020, VCGLR Commissioners and directors of the Crown Resorts Board meet to review the implementation of the recommendations set out in this report.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> To be actioned in due course 	<p>Between November 2019 and March 2020</p>	<p>No</p>