



## Section 25 – Recommendations Table As at 3 December 2018

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Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
<p><b><u>Recommendation 1</u></b></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"> <li>• formulating a <u>charter</u> for the Crown Melbourne board</li> <li>• fully documenting, for visibility to the VCGLR, the <u>reporting and decision-making relationships</u> between all of the boards, committees and executive meetings with responsibility for, or oversight of, Melbourne Casino functions, and</li> <li>• <u>elevation of governance</u> to the <u>group board</u> and <u>committees</u>.</li> </ul> <p>The submission should identify any changes to regulatory frameworks and how these will be addressed.</p>	<p><b>Recommendation Accepted</b></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"> <li>• Key changes have been implemented to enhance governance and reporting by the creation of an Executive Risk and Compliance Committee at Crown Melbourne (<b>ERCC</b>), the enhancement of reporting into the Crown Melbourne Board Committees and the Crown Melbourne Board.</li> <li>• A Constitution, Charter and Change Program Submission have been prepared and are currently under internal review prior to lodgement with the VCGLR.</li> </ul>	1 January 2019	No In progress
<p><b><u>Recommendation 2</u></b></p> <p>The VCGLR recommends that, by 1 July 2019, Crown undertake a review of the required <u>qualifications for committee chairs</u> set out in the charters, and ensure that the appointees' actual qualifications match.</p>	<p><b>Recommendation Accepted</b></p>	<ul style="list-style-type: none"> <li>• Ms Toni Korsanos has been appointed to the Crown Melbourne Board and to the position of Chair of the Board Audit Committee. Ms Korsanos has the required qualifications to chair the Audit Committee.</li> </ul>	1 July 2019	Yes
<p><b><u>Recommendation 3</u></b></p> <p>The VCGLR recommends that, by 1 July 2019, Crown <u>assess</u> the robustness and effectiveness of <u>its risk framework and systems</u> including reporting lines in the chain of command, and upgrade them where</p>	<p><b>Recommendation Accepted</b></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 by an IT based reporting, recording and</p>	<ul style="list-style-type: none"> <li>• The Group General Manager Risk &amp; Audit is developing an enhanced risk framework which has started to be rolled out across the business and is being embedded into work processes and systems.</li> </ul>	1 July 2019	In progress

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required. This assessment should be assisted by <u>external advice</u> .	management framework.  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.	<ul style="list-style-type: none"> <li>An increase in risk resources was approved with dedicated risk officers now embedded in key regulated areas.</li> <li>A new "Risk Appetite" has been presented to the Crown Resorts Limited Risk Committee and has been recommended for adoption by Crown Resorts Limited. Crown Melbourne Limited and Burswood Limited Boards have approved the new Risk Appetite.</li> <li>An external firm is being sourced to review the risk framework.</li> </ul>		
<b>Recommendation 4</b>  The VCGLR recommends that, by 1 July 2019, Crown undertake a <u>robust review of internal controls</u> to ensure that Crown's <u>regulatory and compliance department</u> is aware of all projects and works in progress for which regulatory approvals might be relevant.	<b>Recommendation Accepted</b>  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.	<ul style="list-style-type: none"> <li>A new business wide compliance framework has been rolled out to the business (75% of all departments are now integrated into the new framework).</li> <li>A dedicated Gaming Initiatives Form has been developed and rolled out to the business which requires consideration by multiple stakeholders and sign off by appropriate management.</li> <li>A review of Internal Controls being undertaken to reflect the strengthening of processes.</li> </ul>	<b>1 July 2019</b>	<b>No</b>  <b>In progress</b>
<b>Recommendation 5</b>  The VCGLR recommends that Crown convene <u>annual roundtable sessions</u> briefing key internal staff on the <u>VCGLR's risk-based approach</u> to regulation, with a particular focus on how that approach relies on the integrity of Crown's internal processes.	<b>Recommendation Accepted</b>	<ul style="list-style-type: none"> <li>An annual briefing will be provided to Management at the Crown Melbourne ERCC meeting on the VCGLR's risk-based approach and its impact on Crown and its processes. Consideration to be given to inviting VCGLR senior officers to attend the ERCC meeting as well to discuss the risk-based approach.</li> </ul>	<b>Annual, ongoing.</b>	<b>No</b>
<b>Recommendation 6</b>  The VCGLR recommends that, by 1 January 2020, Crown Melbourne review its <u>allocation of staffing resources</u> to increase the number of work hours actually available to responsible gambling and intervention with patrons. This might be achieved by <u>training more gaming staff</u> to undertake	<b>Recommendation Accepted</b>  Crown has already commenced the process of employing an additional five Responsible Gaming staff members. Additionally, there will be a review of training for gaming and other related staff	<ul style="list-style-type: none"> <li>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.</li> <li>The roles and responsibilities of RGLOs are being reviewed to accommodate new RSG initiatives.</li> </ul>	<b>1 January 2020</b>	<b>No</b>  <b>In progress</b>

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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.		<ul style="list-style-type: none"> <li>We are currently reviewing the concept of gaming staff undertaking some RSG specific activities.</li> </ul>		
<p><b><u>Recommendation 7</u></b></p> <p>The VCGLR further recommends that Crown Melbourne use <u>observable signs</u> in conjunction with other harm minimisation measures such as <u>data analytics</u> to identify patrons at risk of being harmed from gambling.</p>	<p><b>Recommendation Accepted</b></p> <p>A new data analytics trial has commenced in relation to carded players.</p>	<ul style="list-style-type: none"> <li>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 a predictive tool to assist in proactively identifying patrons who may be gambling in a manner which could be an indicator of potential harm.</li> <li>The trial of the Crown Model commenced on 25 June 2018 with operational procedures developed to respond to players of interest that are identified.</li> <li>The Crown Model is in its early stages with processes being adjusted as we learn from outputs.</li> <li>To further explore data analytics options, 'Focal', an external data analytics company, presented to the CRL RG Board Committee on 15 November 2018 on its products which are being considered by the RG Committee.</li> <li>The Responsible Gaming Advisory Panel (<b>Panel</b>) will be consulted on the Crown Model.</li> </ul>	Ongoing	No In progress
<p><b><u>Recommendation 8</u></b></p> <p>The VCGLR recommends that Crown Melbourne proceed with development and implementation of <u>comprehensive data analytics tools</u> 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 <u>real-time monitoring of play periods</u>. Crown Melbourne should look to models in other jurisdictions, and</p>	<p><b>Recommendation Accepted</b></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</p>	<ul style="list-style-type: none"> <li>The "real time monitoring" of play periods is currently under consideration and development including the recent adjustment of Crown's own "Play Periods" whereby RSG, in conjunction with IT, is developing a dashboard report, and ultimately an alert system, that signals if a carded patron has been on the property for 12 hours or more and play has been recorded.</li> <li>A project to review real time uncarded play has commenced with the focal presentation. It is</li> </ul>	<p>Recommendation 8(a) <b>1 January 2020</b></p> <p>Recommendation 8(b) <b>Commence study by 1 January 2019</b></p> <p><b>Report to the VCGLR by 1</b></p>	No In progress

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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—  (a) for <u>carded play</u> (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  (b) for <u>uncarded play</u> (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.	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.  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.	expected that the Responsible Gaming Advisory Panel ( <b>Panel</b> ) will play a role in this.	<b>January 2020</b>  <b>Commence operation by 1 July 2022</b>	
<b><u>Recommendation 9</u></b>  The VCGLR recommends that Crown Melbourne arrange, at its expense, for an <u>independent assessment</u> of the <u>real-time player data analytics tool</u> 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.	<b>Recommendation Accepted</b>	<ul style="list-style-type: none"> <li>Will be progressed in due course</li> </ul>	<b>1 July 2023</b>	<b>No</b>
<b><u>Recommendation 10</u></b>  The VCGLR recommends that, by 1 July 2019, Crown Melbourne undertake a comprehensive review of its policy for the <u>making and revocation of voluntary exclusion orders</u> under section 72(2A) of the <i>Casino Control Act</i> . The comprehensive review should be undertaken in <u>conjunction with the VCGLR, VRGF</u> and other relevant external stakeholders. The review should be undertaken with a view to implementing	<b>Recommendation Accepted</b>	<ul style="list-style-type: none"> <li>Literature review commenced internally.</li> <li>The VCGLR, VRGF and Crown had their first meeting on 29 November 2018 to commence discussions on this recommendation. A further meeting is scheduled for 18 December 2018, where literature reviews and evidence bases will be discussed.</li> <li>Advices to be obtained on revocation process</li> </ul>	<b>1 July 2019</b>	<b>No</b>  <b>In progress</b>

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<p>policies that facilitate:</p> <ul style="list-style-type: none"> <li>• Crown Melbourne issuing <u>short term</u> 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</li> <li>• Crown Melbourne <u>reviewing</u> voluntary exclusion orders which are more than <u>10 years old</u> 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.</li> </ul>		from the Panel.		
<p><b><u>Recommendation 11</u></b></p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne develop and implement a policy and procedure to facilitate Crown Melbourne issuing <u>involuntary exclusion orders</u> under section 72(1) of the <i>Casino Control Act</i> at the <u>request of family members and friends</u> 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>	<b>Recommendation Accepted</b>	<ul style="list-style-type: none"> <li>• The Crown Perth Third Party Exclusion Policy and Procedure has been reviewed and adjusted to suit Crown Melbourne.</li> <li>• The Panel will be consulted on the Third Party Exclusion Policy and process.</li> <li>• The VCGLR, VRGF and Crown had their first meeting to commence discussions on this recommendation. The Group General Manager Responsible Gaming undertook to provide the draft version of the proposed Third Party Exclusion Policy and process, which largely replicates the Crown Perth policy and process.</li> </ul>	<b>1 July 2019</b>	<b>No</b> <b>In progress</b>

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<p><b>Recommendation 12</b></p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne <u>expand facial recognition technology</u> to cameras on all <u>entrances to the casino</u> and that Crown Melbourne provide <u>written updates</u> on a <u>quarterly basis</u> on its effectiveness to the VCGLR.</p>	<p><b>Recommendation Accepted</b></p> <p>Crown notes that it has already expanded its facial recognition capabilities and proposes to continue to do so in FY20.</p>	<ul style="list-style-type: none"> <li>Facial recognition cameras are now operating on all entrances to the casino.</li> <li>Smart phones, to receive the images of Persons of Interest, are being provided to security officers at casino entry points to trial as an effective communication tool.</li> <li>The project to expand facial recognition beyond the recommendation, with up to 68 cameras ultimately covering the perimeter of the property, as well as casino entrances, has commenced and is expected to be completed by the end of the calendar year. There is currently approximately 50 cameras installed.</li> </ul>	<p>1 July 2019 (and ongoing quarterly reports)</p>	<p>Yes (but noting ongoing quarterly reports)</p>
<p><b>Recommendation 13</b></p> <p>The VCGLR recommends that, as part of developing a new responsible gambling strategy, by 1 July 2019, Crown Melbourne <u>rebrand or refresh</u> 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><b>Recommendation Accepted</b></p>	<ul style="list-style-type: none"> <li>To be progressed upon finalisation of the RG Strategy (see recommendation 14).</li> <li>Initial drafts of new logo are currently being developed internally.</li> </ul>	<p>July 2019</p>	<p>No In progress</p>
<p><b>Recommendation 14</b></p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne <u>develop and implement a responsible gambling strategy</u> focusing on the minimisation of gambling related harm to persons attending the casino. The strategy should address:</p> <p>(a) <b>early proactive intervention initiatives</b></p>	<p><b>Recommendation Accepted</b></p>	<ul style="list-style-type: none"> <li>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 CRL RG Committee and Australian Resorts Executive representatives.</li> <li>Revised draft Strategy currently being considered.</li> </ul>	<p>July 2019</p>	<p>No In progress</p>

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<p>(b) player data analytics</p> <p>(c) proactive engagement with pre-commitment</p> <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"> <li>Various elements of each specific point referred to by the VCGLR are currently being progressed (see commentary on recommendations above) or will be addressed in due course.</li> </ul>		
<p><b>Recommendation 15</b></p> <p>The VCGLR recommends that, within three months of implementing the new responsible gambling strategy (Recommendation 14), there is <u>regular reporting to the Crown Resorts Responsible Gambling Committee</u> for it to maintain oversight of</p>	<p><b>Recommendation Accepted</b></p>	<ul style="list-style-type: none"> <li>Revised reporting to be developed in due course. In this respect an initial "dashboard" type reporting model is being developed.</li> </ul>	<p><b>1 October 2019</b></p>	<p><b>No</b> <b>In progress</b></p>

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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 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 VRGE).				
<b>Recommendation 16</b> 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.	<b>Recommendation Accepted</b>	<ul style="list-style-type: none"> <li>Management is currently reviewing all Australian Resorts RG Committees to align processes where appropriate.</li> </ul>	<b>1 October 2019</b>	<b>No</b> <b>In progress</b>
<b>Recommendation 17</b> The VCGLR recommends that, by 1 July 2019, Crown undertake a <u>robust review (with external assistance)</u> of relevant <u>internal control statements</u> including input from <u>AUSTRAC</u> to ensure that anti-money laundering risks are appropriately addressed.	<b>Recommendation Accepted</b>	<ul style="list-style-type: none"> <li>Crown has met with AUSTRAC to discuss this recommendation.</li> <li>Internal controls are being reviewed.</li> </ul>	<b>1 July 2019</b>	<b>No</b> <b>In progress</b>
<b>Recommendation 18</b> The VCGLR recommends, in all <u>future submissions</u> by Crown Melbourne to the VCGLR for approvals under the <i>Casino Control Act</i> or <i>Gambling Regulation Act</i> , that Crown document: <ul style="list-style-type: none"> <li>the purpose</li> <li>obligations under relevant provisions of legislation, the Transaction Documents, and existing approvals</li> </ul>	<b>Recommendation Accepted</b>	<ul style="list-style-type: none"> <li>A new template for submissions to the VCGLR seeking approvals has been drafted and used. Crown Management and VCGLR Officers will continue dialogue on the form of the submission and develop it as appropriate.</li> </ul>	<b>Immediate effect</b>	<b>No</b> <b>In progress</b>

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<ul style="list-style-type: none"> <li>what changes the grant of the approval would make to products, rules and procedures, etc</li> <li>risks associated with the approval and how they will be treated</li> <li>how responsible gambling considerations have been taken into account in the process and the measures Crown will implement to mitigate the risk of gambling related harm, and</li> </ul> <p>which areas of Crown will be responsible for managing implementation.</p>				
<p><b>Recommendation 19</b></p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne implement a policy to make an <u>exclusion order under section 72</u> 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><b>Recommendation Accepted</b></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"> <li>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.</li> </ul>	<p><b>1 July 2019</b></p>	<p><b>No</b></p> <p><b>In progress</b></p>
<p><b>Recommendation 20</b></p> <p>The VCGLR recommends that, between November 2019 and March 2020, <u>VCGLR Commissioners</u> and directors of the <u>Crown Resorts board meet</u> to review the implementation of the recommendations set out in this report.</p>	<p><b>Recommendation Accepted</b></p>	<ul style="list-style-type: none"> <li>To be actioned in due course</li> </ul>	<p><b>Between November 2019 and March 2020</b></p>	<p><b>No</b></p>