



Section 25 – Recommendations Table At 21 November 2018

| 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 <u>charter</u> for the Crown Melbourne board • 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 • <u>elevation of governance</u> to the <u>group board</u> and <u>committees</u>. <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 Constitution, Charter and Change Program Submission have been prepared and are currently under internal review prior to lodgement with the VCGLR • Next Step - MM/JP to meet with Scott May of the VCGLR to discuss submission | 1 January 2019 | No |
| <p><u>Recommendation 2</u></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>Recommendation Accepted</p> | <ul style="list-style-type: none"> • 05/09/2018 Ms Korsanos appointed to the Crown Melbourne Board and to the position of Chair of the Board Audit Committee • 11/09/2018 Notification sent to the VCGLR confirming that Ms Korsanos was appointed to the Crown Melbourne Board and to the Chair of the Board Audit Committee. Further, the VCGLR was notified that Ms Danziger had resigned from the Board Audit Committee but remains a member of the Crown Melbourne Board | 1 July 2019 | No |

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| | | <ul style="list-style-type: none"> Next step – write to the VCGLR confirming that the review has been completed and Recommendation 2 satisfied | | |
| <p>Recommendation 3</p> <p>The VCGLR recommends that, by 1 July 2019, Crown assess the robustness and effectiveness of its <u>risk framework and systems</u>, including reporting lines in the chain of command, and upgrade them where required. This assessment should be assisted by <u>external advice</u>.</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 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"> Group GM R&A developing enhanced risk framework New “Risk Appetite” presented to Crown Resorts Limited Risk Committee and has been recommended for adoption by the Crown Resorts Limited, Crown Melbourne Limited and Burswood Limited Boards for approval External party to review the risk framework | 1 July 2019 | No |
| <p>Recommendation 4</p> <p>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.</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"> Introduce new questions into the Compliance Framework, to ensure the ongoing obligation Gaming Initiatives Form is operational as the core of satisfying this recommendation Review Internal Controls | 1 July 2019 | No |
| <p>Recommendation 5</p> <p>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.</p> | <p>Recommendation Accepted</p> | <ul style="list-style-type: none"> Recommendation was discussed at the 25 September 2018 VCGLR Executive Meeting (Crown and VCGLR Senior Management) 31 October 2018 - The VCGLR provided Crown with a print-out of its 2014 Regulatory Approach document Brief to be provided to Management's Executive Risk and Compliance Committee on the VCGLR's risk-based approach and its impact on Crown and its processes on an annual basis | Annual, ongoing. | No |
| <p>Recommendation 6</p> <p>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</p> | <p>Recommendation Accepted</p> <p>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</p> | <ul style="list-style-type: none"> Recruitment of 5 extra RGLOs completed, full complement of 12 RGLOs now achieved Roster reviewed to now accommodate increased resources | 1 January 2020 | In progress No |

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| <p>intervention with patrons. This might be achieved by <u>training more gaming</u> 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> | | <ul style="list-style-type: none"> Review concept of additional gaming staff assistance Salesforce being reviewed for efficacy and ability to connect with existing recording databases. This tool still requires data entry via desktop as the App facility allows for thread conversations only. An App based recording tool is being investigated with IT as part of Splunk Play Period reporting Directional signage reviewed with Projects, proposal to be written Initiative to establish a Responsible Gambling Advisory Panel comprising external experts to work with Crown on RG matters Letter inviting Prof. Alex Blaszczynski (AB) to chair the Panel sent to AB AB met with Prof. John Horvath, Barry Felstead and Sonja Bauer on 24 October 2018, awaiting formal response to invite Following formalisation of AB's appointment, process relevant documentation, appointment of further Panel Members and settle first tasks of the Panel Work with HR on project for PD and PEP reviews across CML | | |
| <p><u>Recommendation 7</u> 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>Recommendation Accepted A new data analytics trial has commenced in relation to carded players.</p> | <ul style="list-style-type: none"> Crown Model Trial commenced on 25 June 2018 Operational procedures developed First operational catch up meeting 25 July 2018 (SB/LP/KH) Refinement of Model continuing, option to trial a refined version VCGLR updated on the initial progress at the VCGLR/Crown Licence Management Meeting on 25 September 2018 | <p>Ongoing</p> | <p>No</p> |

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| | | <ul style="list-style-type: none"> Evaluation framework document commenced 'Focal' presented to the CRL RG Board Committee on 15 November 2018 | | |
| <p>Recommendation 8</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 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 <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</p> <p>(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.</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> | <ul style="list-style-type: none"> Crown Model trial commenced on 25 June 2018 Cross Property design, with further improvements identified Consideration of Dacom development as a tool for uncarded play monitoring for EGMs Splunk Play Period for Carded Play development continuing and UAT commenced in November 2018 Discuss uncarded play for EGMs with Focal when they visit to present to CRL RG Committee | <p>Recommendation 8(a) 1 January 2020</p> <p>Recommendation 8(b) Commence study by 1 January 2019 Report to the VCGLR by 1 January 2020 Commence operation by 1 July 2022</p> | <p>No</p> |
| <p>Recommendation 9</p> <p>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</p> | <p>Recommendation Accepted</p> | <ul style="list-style-type: none"> To be considered in relation to Recommendation 8 a) in due course | <p>1 July 2023</p> | <p>No</p> |

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| undertaken by a person approved by the VCGLR, after consultation with Crown. | | | | |
| <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 <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 policies that facilitate:</p> <ul style="list-style-type: none"> • Crown Melbourne issuing <u>short term exclusion orders for 3, 6, 12 or 24 months</u> 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 <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. | Recommendation Accepted | <ul style="list-style-type: none"> • Literature review briefed to TO 10 August 2018 • Initial discussions had with VRGF in relation to a working group • Discussion with VCGLR at quarterly meeting 25 September 2018 • Meeting with VRGF and VCGLR to be arranged • Develop other short term exclusions orders which will be discussed at the next VCGLR/VRGF meeting • Obtain advices on revocation process from the Panel • Literature review commenced, expected to be finished by end November | 1 July 2019 | No |
| <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</p> | Recommendation Accepted | <ul style="list-style-type: none"> • CP Third Party Exclusion Policy and Procedure obtained and adjusted for CML • Initial discussions with VRGF in relation to a working group | 1 July 2019 | No |

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| <p><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> | | <ul style="list-style-type: none"> • Discussion with VCGLR at quarterly meeting 25 September 2018 • VCGLR requested at meeting held on 31 October 2018, that future meetings be held with both the VCGLR and VRGF together • Meeting to be arranged with VRGF and VCGLR • Obtain advices from Panel | | |
| <p>Recommendation 12</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>Recommendation Accepted</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"> • Facial recognition cameras are now operating on all entrances to the casino • Smart phones to receive the images at the entry points are in trial mode and will go to 25 smart phones in use within the month • Project to expand facial recognition beyond the recommendation, with up to 60 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 • Compliance framework updated to include reference to ensure quarterly reporting • Write to the VCGLR confirming completion of the Recommendation | <p>1 July 2019 (and ongoing quarterly reports)</p> | <p>Yes (but noting ongoing quarterly reports)</p> |
| <p>Recommendation 13</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>Recommendation Accepted</p> | <ul style="list-style-type: none"> • Commenced mapping of current RG Framework July 2018 • Signage meeting established • Initial drafts of new logo developed • Look and feel of all collateral to be the same across Australian Resorts | <p>July 2019</p> | <p>No</p> |

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| <p>Recommendation 14</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) early proactive intervention initiatives</p> | Recommendation Accepted | <ul style="list-style-type: none"> • See Rec 8 • Additional resources now added to RGLO team • Crown Model Trial follow up conversations occurring • RG Strategy day with Crown Melbourne and Crown Perth leadership team and external facilitator held on 17 October 2018 • Representatives from the CRL RG Committee and Australian Resorts Executive reviewed first draft of RG Strategy on 26 October 2018. A further draft is to be circulated for review in due course. SB to discuss "gaming" vs "gambling" terminology with AB | July 2019 | No |
| (b) player data analytics | | <ul style="list-style-type: none"> • See Rec 7 and 8, work commenced | | |
| (c) proactive engagement with pre-commitment | | <ul style="list-style-type: none"> • New staff script prepared and implemented for patrons enrolling in YourPlay. | | |
| (d) intervening with local players with continuous play based on shorter timeframes which are more reflective of responsible gambling | | <ul style="list-style-type: none"> • See Rec 7 and 8, work commenced | | |
| (e) the role of all staff in minimising harm | | <ul style="list-style-type: none"> • RG Strategy day to define harm definition • HR Manager appointed to project manage PD and PEP updates for all staff • In lead up to GHAW initial roll out of simplified messaging | | |
| (f) the effective use and monitoring of exclusion orders | | <ul style="list-style-type: none"> • TBD | | |

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| (g) internal reporting arrangements | | <ul style="list-style-type: none"> TBD | | |
| (h) integrating responsible gambling into proposals for trialing or introduction of new products and equipment | | <ul style="list-style-type: none"> Gaming Initiatives Form process implemented April 2018 | | |
| (i) performance measures to assess the performance of the RGLOs, RGSC and casino staff in relation to harm minimisation | | <ul style="list-style-type: none"> Work commenced for casino staff April 2018, to be revisited in light of this recommendation HR Manager appointed to project manage PD and PEP updates for all staff | | |
| (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 | | <ul style="list-style-type: none"> TBD | | |
| (k) the objectives of the RGSC in relation to minimising harm to patrons, and | | <ul style="list-style-type: none"> TBD | | |
| (l) the responsible service of gambling as a fundamental core business consideration when making strategic decisions regarding casino operations. | | <ul style="list-style-type: none"> TBD | | |
| <p>Recommendation 15</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 Crown Melbourne's harm minimisation strategy for responsible gambling. Regular reports every two</p> | Recommendation Accepted | <ul style="list-style-type: none"> Work will commence following RG Strategy day and further work on reporting dashboard JP/MM to meet with Scott May regarding confidentiality arrangements with VCGLR and VRGF related to the provision of documentation and information on RG matters. Ideally require an arrangement directly with the VRGF | 1 October 2019 | No |

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| 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 <u>reports should also be made available to the VCGLR</u> for monitoring purposes. (The VCGLR intends to <u>share</u> this information, as appropriate, with the <u>VRGE</u>). | | <ul style="list-style-type: none"> Dashboard reporting example prepared and is now being refined | | |
| <p>Recommendation 16</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> | Recommendation Accepted | <ul style="list-style-type: none"> Consider CP structure for the CML RGMC | 1 October 2019 | No |
| <p>Recommendation 17</p> <p>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.</p> | Recommendation Accepted | <ul style="list-style-type: none"> Meet internally to discuss and scope 'external assistance' and prepare steps forward Initial discussions with AUSTRAC to understand its position regarding this recommendation | 1 July 2019 | No |
| <p>Recommendation 18</p> <p>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:</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 | Recommendation Accepted | <ul style="list-style-type: none"> A template for submissions has been created and a first submission prepared in updated format | Immediate effect | No |

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| <p>they will be treated</p> <ul style="list-style-type: none"> 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 <p>which areas of Crown will be responsible for managing implementation.</p> | | | | |
| <p>Recommendation 19</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>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"> 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) Amended policy is with management for review | <p>1 July 2019</p> | <p>No</p> |
| <p>Recommendation 20</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>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> |