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15/02/2020

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Dear Anne,

## Re: Phase 2-3 of Organisational Culture Review

Thank you for asking us to continue assisting Crown Resorts Limited (“Crown” or “you”) with this project. This letter and our standard terms and conditions (the “Terms”), which are enclosed with this letter, set out the basis on which we will provide our services to you. This engagement letter is for phases two and three of this project. Engagement letter for Phase 1 was agreed on 23 November 2020.

### Our engagement

You have asked us to establish a measurement framework to measure the current organisational culture of Crown and to conduct the initial measurement and derive the insights to inform later development of a culture roadmap (the “Services”). The Services we will perform are described in more detail in section 3 below.

The purpose of the Services is to provide an assessment of the current state of Crown’s organisational culture by developing a measurement framework which should include multiple collection methodologies to develop an understanding of the current culture (the “Purpose”).

The scope of our engagement is limited to the matters set out in this letter. So that we can assist you effectively, please ensure that you are satisfied that the scope of our engagement and the Services we will provide are sufficient for your needs. If you wish to discuss this with us further, please let us know.

We understand that you will be the nominated contact and will instruct us on the project.



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 MATTERS**

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## 1 Background

In November 2020, you commissioned us to undertake a review of your current approach to culture. We examined how your culture was governed, defined, measured, reported upon and changed. We found that while the culture in relation to customer experience / employee experience (CX/EX) was well defined and measured, defining risk and compliance culture was new and had not yet been integrated into a complete culture framework.

We understand that your objective is to undertake an assessment the current state of the organisational culture at Crown for the purpose of identifying current strengths, gaps and opportunities for improvement.

In light of the issues raised in the Bergin Inquiry, this culture review needs to bring together the ethics, risk and compliance aspects of current culture, with the CX/EX – particularly at group level and amongst senior members of the organisation. To do this, we propose deeper engagement at the board level to define the measurement framework, and we propose deeper consultations at the boards, management and externals stakeholder level. This has been incorporated into our approach.

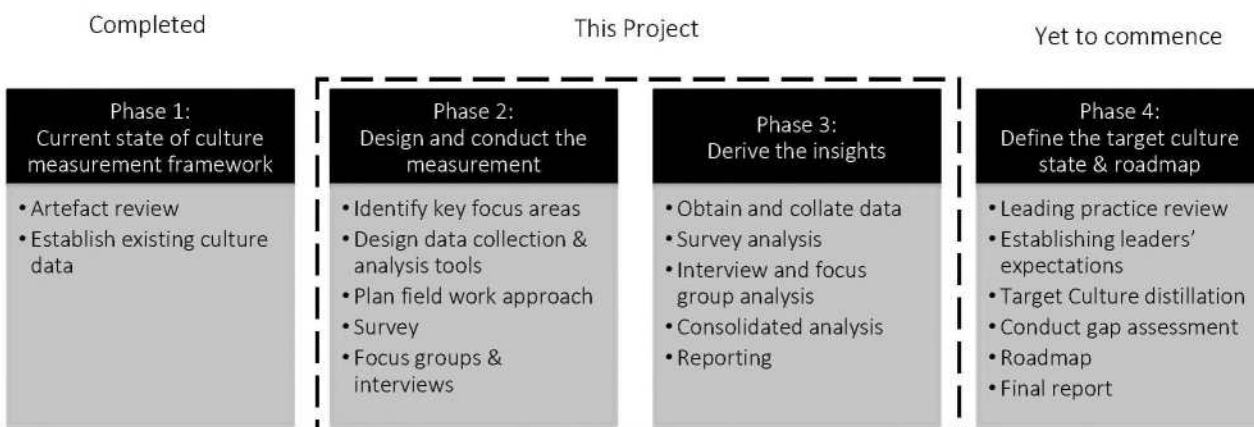
## 2 Our team

Victoria Whitaker is the Lead Engagement Partner, who is primarily responsible for the Services. Michael Williams, Partner, will support Victoria in delivering this project. Matthew Fraser, Partner, will act as the Quality Assurance partner for this engagement. Stephen Roche, Partner, the Lead Client Service Partner with overall responsibility for the Services we provide to you, is also available as required.

Murray Lawson will be the Director responsible for delivering the project and working with your team.

## 3 Our services

We have completed an initial phase of work to assess the current maturity of Crown’s culture measurement framework (referred to as phase 1). This engagement will leverage this work to inform the development of the new measurement framework and to conduct the measurement and derive the insights. In delivering this project we will execute on Phases 2 &3 below:



**Phase 2: Design & Conduct Measurement**

<p>Identify key focus areas</p>	<ul style="list-style-type: none"> <li>• Conduct workshop/s with executive and/or board to identify key focus areas to guide the assessment</li> <li>• Customise Deloitte’s existing culture measurement tools to incorporate focus areas</li> <li>• Identify other indicators and data relevant to assessing the culture state (drawing from Deloitte’s existing indicator suite)</li> </ul>
<p>Establish data availability</p>	<ul style="list-style-type: none"> <li>• Establish availability of the identified indicators, determine their validity, reliability, form, frequency, ownership and location within the organisation</li> <li>• Determine the most effective means of accessing and collecting the data, limitations and any privacy or data use restrictions</li> </ul>
<p>Stakeholder engagement</p>	<ul style="list-style-type: none"> <li>• Undertake stakeholder mapping, &amp; identify target audiences for various data collection methods</li> <li>• Prepare stakeholder communications plan</li> </ul>
<p>Governance &amp; reporting</p>	<ul style="list-style-type: none"> <li>• Develop a framework for measuring and reporting on your current culture state</li> <li>• Create reporting framework for the board and executive team, measurement, frequency, action planning and accountabilities following measurement and reporting</li> </ul>
<p>Data collection &amp; analysis tools</p>	<ul style="list-style-type: none"> <li>• Design survey questions using Deloitte’s <i>CulturePath</i> and the <i>Risk-Culture</i> survey item banks, and leveraging Crown’s existing survey questions</li> <li>• Prepare fieldwork data collection tools, such interview questions, focus group plans.</li> </ul>
<p>Plan field work approach</p>	<ul style="list-style-type: none"> <li>• Plan and agree fieldwork approach to ensure a reliable and statistically significant approach to measurement</li> <li>• Establish the expected workforce segmentation for focus groups and participant numbers to ensure a valid and representative sample across stakeholder demographics</li> </ul>
<p>Survey</p>	<ul style="list-style-type: none"> <li>• Work with key stakeholders to identify appropriate messaging, channels and timing for communication and surveying</li> <li>• Establish stratified sampling methodology to ensure representative sample across different employee groups and business units</li> <li>• Develop survey structure and design file / organise meeting</li> <li>• Prepare privacy statements and ensure alignment with privacy laws including GDPR</li> <li>• Program on the collection platform and test survey for roll-out</li> <li>• Distribute survey and follow-up notifications</li> </ul>
<p>Focus groups, interviews &amp; observations</p>	<ul style="list-style-type: none"> <li>• Conduct up to 20 interviews with Executive leaders, direct reports and board members</li> <li>• Conduct interviews up to 20 with key risk area owners and risk leaders and other stakeholders as relevant and agreed with you</li> <li>• Conduct up to 15-20 focus groups with relevant sample of staff</li> <li>• Conduct up to 15 interviews with key external stakeholders</li> </ul>

	<ul style="list-style-type: none"> <li>• Conduct observation of relevant processes and forums as appropriate and agreed with you (e.g. potentially the Audit &amp; Risk Committee and other meetings)</li> </ul>
Other data	<ul style="list-style-type: none"> <li>• Collect other business data from across the organisation</li> </ul>
<b>Phase 3: Derive the insights</b>	
Obtain and collate data	<ul style="list-style-type: none"> <li>• Collate and review data quality from business data, surveys, focus groups and interviews</li> </ul>
Survey analysis	<ul style="list-style-type: none"> <li>• Descriptive statistical analysis of overall survey trends</li> <li>• Sub-group analysis broken down by business area and staffing level</li> <li>• Exploratory network analysis of survey data to identify unidentified sub-groups</li> <li>• Analysis of other indicator data to determine overall trend and sub-groups</li> </ul>
Interview and focus group analysis	<ul style="list-style-type: none"> <li>• Coding of focus group and interview records to identify themes</li> <li>• Coding of data obtained via other qualitative collection techniques (e.g. observations)</li> </ul>
Consolidated analysis	<ul style="list-style-type: none"> <li>• Analysis of relationship between qualitative and quantitative data</li> <li>• Examine relationship between survey data and other metrics – including potential inferential statistics (where relevant)</li> <li>• Develop draft insights and dashboard</li> <li>• Workshop with relevant Crown representatives to gain feedback</li> </ul>
Reporting	<ul style="list-style-type: none"> <li>• Draft report and recommendations</li> <li>• Present findings to ELT and / or Board to confirm factual accuracy and gain feedback</li> <li>• Final report of current state measurement findings presented to Executive Chairman and Board</li> </ul>

We will provide our Work on the following assumptions and conditions. These are in addition to any assumptions or conditions which may be included in our Work:

- Our Work will be based on the Information provided to us;
- We will assume that the Information provided is true, correct and complete and not misleading. If the Information is untrue, incorrect, incomplete or misleading then our Work may be incorrect or inappropriate for you;
- We will not audit or otherwise test or verify the information given to us in the course of the Services;
- We will engage with your appointed internal project lead (Project Whip) and Steering Committee throughout the process and anticipate receiving relevant data and insights as per project workplan agreed upon during project kick-off and planning;

- Deloitte works 7.5-hour days, and do not work on public holidays;
- We have defined protocols for report finalisation and validation of our observations and factual findings including protocols for assessing and documenting the rationale for any changes to recommendations that may arise during Crown’s review of our draft report;
- Crown stakeholders will review and sign-off deliverables within a reasonable period of time. If no comments are provided, it is assumed that the deliverable has been reviewed and accepted and no further improvements are to be made before acceptance;
- Our Partners and staff have professional obligations in responding to actual or suspected non-compliance with laws and regulations (NOCLAR). Our registered psychologists also have reporting requirements under the Australian Health Practitioner Regulation Authority (Ahpra) regulation. We will agree with you at the outset how any revelations of illegal activity or personal harm will be dealt with through this project;
- This engagement is not intended to be an appointment of Victoria Whitaker or Michael Williams, or any other Deloitte team member, as an expert witness. This means that our work may not comply with any regulatory rules relating to the appointment of an expert witness; or be appropriate for the purposes of an expert witness appointment;
- We may be subject to a summons, subpoena or request to produce our files in relation to this engagement from someone else, including a regulator. Where the law allows it, we will tell you about any such request before we produce any files. However, our work in meeting these requests does not form part of the scope of work in relation to this engagement. Accordingly, you agree to indemnify us for any reasonable costs or expense we incur in complying with any subpoena or request or request to produce our files or to provide evidence in respect of our Work. We will advise you as soon as we are able of any additional fees that might be required to prepare for and respond to these types of requests;
- Crown may want to include our work or reference to our work in communications with its legal advisors, interested regulators or other parties. We agree to Crown doing this provided you have our expressed written consent. You acknowledge that we do not accept or assume responsibility to anyone other than Crown for our work or for any reliance which may be placed on our work by any party, including any regulator, tribunal or inquiry;
- As noted in section 9 of the attached Terms, our Work is for your exclusive use and must be used only by you and only for the Purpose. We accept no responsibility to anyone (apart from you) who is provided with or obtains a copy of our Work without our written agreement. We reserve the right to include in our Work a statement limiting the use to which the report may be put, any limitations on the scope of the Services performed and setting out the respective responsibilities of Crown and Deloitte; and
- If these assumptions are wrong or the circumstances change then we may need to change the scope of the services, vary the fees or extend the timeframes for completion.

The scope of our engagement is limited to the tasks set out above. If the scope or the Services do not meet your needs, please let us know so that we can vary this letter and our fees accordingly.

#### 4 Our Work

We will provide you with the following Outputs as part of the Services:

1. Culture governance and reporting plan;

2. A culture measurement framework, including a customised survey and data analytics report;
3. Fieldwork tools to assist ongoing measurement;
4. A report outlining the insights derived from the measurement and any relevant recommendations; and
5. Presentation of the findings to the executive team and board.

Any Work we provide to you may be used only by you for the Purpose and in the manner described in the Terms.

## 5 Your responsibilities

In addition to the responsibilities which are described in the Terms you are responsible for:

- You acknowledge that our ability to deliver the Services is dependent on you meeting your responsibilities, as well as you providing us with instructions and making timely decisions.
- All nominated Crown executive members and key stakeholders will support engagement activities for the duration of the engagement and Crown stakeholders will be available to meet within the required timeframes.
- Decisions required from Crown will be made in a timely manner and not adversely impact the critical path, key delivery milestones, or activities, outlined in our approach section of this proposal.
- Crown will be responsible for scheduling and hosting (when done in person) the internal interviews.
- Crown will ensure that all relevant documentation requested is available to Deloitte for review.
- Crown will provide sufficient resources to deliver upon their obligations within this project.

## 6 Our Fees

### (a) Fees

This proposal is offered to you on a time and materials basis. We estimate that our fee for the Services (excluding expenses and GST) will be \$565,000-700,000. Estimates for each phase are outlined below.

Phase 2	Phase 3
\$278,000-364,000	\$287,000-336,000

This fee is based on the assumptions set out above. If you require us to provide additional services, please let us know and we can provide you with an indication of the likely fees involved.

### (b) Expenses

Due to COVID travel restrictions, we do not anticipate incurring additional expenses in the course of delivering this engagement. However, should travel become possible we will agree any travel expenses and disbursements with you in writing prior to them being incurred. We do not anticipate any other expenses.

## 7 Billing

We will issue invoices to you fortnightly. Our invoices will be addressed to and paid by Crown Resorts Limited, unless you tell us otherwise.

## 8 Timing

We will progress with this project immediately and will seek to finalise our report by approximately 10 June 2021. Should we encounter any issues that are likely to delay this project, we will discuss these with you at the earliest opportunity and agree any actions to be undertaken.

We propose commencing this project as soon as possible with the key estimated milestones as follows:

- 22 February 2021 – Commence project – Design of measurement approach
- March 2021 – Deploy survey and collect responses
- April 2021 – Commence interviews, focus groups and observations
- April-May 2021 – Data analysis and preparation of draft report
- 10 June 2021 – Deliver draft report

## 9 Potential impact of COVID-19

We each acknowledge that there is potential for business disruption resulting from the COVID-19 virus and that it is impossible to foresee how it will develop or the containment measures which may be imposed. We therefore agree that all commitments as to timing in relation to our work are tentative only. This limitation prevails over any commitments as to timing in relation to our work made during the currency of the COVID-19 virus epidemic.

Due to the current COVID-19 situation, you understand and agree that these Services shall be performed remotely. Remote access to documentation will be made available. Virtual conferencing will be used, and Crown personnel will be actively engaged in these meetings.

## 10 Acceptance

Please confirm that you agree to these terms by signing, dating and returning the enclosed copy of this letter to us.

Please contact me if you would like to discuss this letter and the terms of engagement with us.

We look forward to working with you.

Yours sincerely

Personal Information



**Victoria Whitaker**  
Partner, Risk Advisory



Crown Resorts Limited agrees to the terms of this Agreement. Signed for and on behalf of Crown Resorts Limited by its duly authorised representative:

Personal Information  
[Redacted]

Signature  
Alan McGregor

Name  
Chief Financial Officer - Crown Resorts

Title  
16/02/2021

Date