



Risk Management Committee

Minutes of a Meeting of the Committee held at
Level 3, Crown Towers, 8 Whiteman Street, Southbank, Victoria on
11 February 2019 at 10.00am

Members Present: Geoff Dixon (Chair) (by telephone)
Andrew Demetriou
Jane Halton (by telephone)

Mary Manos (Secretary)

By Invitation: John Alexander (Executive Chairman)
Ken Barton (Crown Resorts Limited)
Barry Felstead (CEO – Australian Resorts)
Sasha Grist (Crown Perth) (by telephone)
Lauren Harris (Crown Resorts Limited)
Alan McGregor (CFO – Australian Resorts)
Josh Preston (CLO – Australian Resorts)
Anne Siegers (Group GM Risk & Audit)
David Skene (Betfair)

Apologies: Nil

B U S I N E S S

Minutes of Committee Meeting held on 15 November 2018: It was **RESOLVED** that the Minutes of the Risk Management Committee Meeting held on 15 November 2018 be approved.

Matters Arising: The Matters Arising paper was taken as read.

VIP Operating Model: The Committee noted the VIP Operating Model paper which was taken as read.

Barry Felstead advised the Committee of the following:

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- It is expected that the Company would be at a competitive disadvantage if it does not establish a physical presence in Singapore and Malaysia.

The Committee discussed the proposal at length and considered the potential impacts to the business of not proceeding including the potential impact on customer relationships and profit.

The Committee agreed that a further meeting would be held with Barry Felstead prior to the 20 February 2019 Board meeting to further discuss the proposal, potential risks and the associated risk mitigation strategies proposed.

Risk Reporting:

Report Against Material Risks:

The Report Against Material Risks was taken as read.

It was **RESOLVED** that the Report Against Material Risks be noted.

Risk Appetite Dashboard:

The Risk Appetite Dashboard, as presented in the Committee papers, was noted.

Review of Corporate Risk Register:

Anne Siegers advised the Committee that an out of cycle review of the Company's Risk Profile was undertaken with the aim of aligning it with the Risk Profiles of our major operating entities.

Anne Siegers noted that following the review, three new risks and four risk rating adjustments had been recommended by management.

Mary Manos noted that consistent with past practice, management would undertake a formal review of the current risk definitions, risk ratings and other associated documented controls and present these to the Committee at its next meeting for review and adoption. It was noted that the Committee's feedback would be taken into consideration when undertaking the formal review process.

The Committee discussed the proposed increased risk rating of 'major brand damage' from possible to likely and the current risk mitigation strategies being undertaken by management to address this risk. The Committee requested that management distinguish between brand damage and reputational damage when formulating the updated risk definition for presentation to the Committee.

Emerging Risks:

The Emerging Risks paper was taken as read. No new emerging risks were identified.

Compliance Report:

The Compliance Report was taken as read.

It was **RESOLVED** that the Compliance Report be noted.

Insurance Renewal Update:

The Insurance Renewal Update paper was taken as read.

Mary Manos advised the Committee that the Crown Group insurance policies for the period 30 November 2018 to 30 November 2019 were placed in line with the Preliminary Renewal Report that was provided to the Committee at its last meeting.

It was **RESOLVED** that the 2019 Crown Group Insurance Program Summary be noted.

Other Business:***Review of Committee Charter:***

Having reviewed the proposed amendments to the Committee Charter, the Committee **RESOLVED** that the revised Charter be recommended for approval by the Board.


Future Meetings:

The future meeting dates were noted.

Closure:

There being no further business, the meeting was declared closed at 10.56am.

Signed



Geoff Dixon
Chairperson