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## RISK & AUDIT MEMORANDUM

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To: Sonja Bauer – Group GM Responsible Gaming  
Barry Felstead – Chief Executive Officer Australian Resorts  
Michelle Fielding – Group General Manager Compliance  
Joshua Preston – Chief Legal Officer Australian Resorts  
Xavier Walsh – Chief Operating Officer

Copy: Alan McGregor – Chief Financial Officer Australian Resorts

From: Anne Siegers – Group General Manager Risk & Audit

Date: 21 August 2018

Subject: **Review of Compliance with the Responsible Service of Gaming**

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Attached is an audit report in respect of the review of the Responsible Service of Gaming. The audit was completed as part of Crown Melbourne's F19 Internal Audit Plan.

The overall audit rating of the report is "Excellent" with no findings identified.

Internal Audit is satisfied that Crown Melbourne has controls in place to monitor compliance with Responsible Service of Gaming Code of Conduct and relevant regulations.

Should you have any queries or require further information please contact me on Ext. 7518.

Regards



**Anne Siegers**  
Group General Manager Risk & Audit

## Responsible Service of Gaming Review of Compliance

### 1. Scope

- To review compliance with Crown Melbourne's VCGLR approved Responsible Gambling Code of Conduct (**RSG Code**).
- To review Crown Melbourne's VCGLR approved RSG Code against relevant Ministerial Directions.
- The audit did not aim to assess the effectiveness or adequacy of the RSG program in its entirety, or to consider its world standing, but to focus on its compliance with statutory requirements.
- The review was conducted as follows:
  - Observation of responsible gaming processes and procedures.
  - Review of documentation including:
    - Crown Melbourne's VCGLR approved RSG Code (dated October 2016).
    - *Gambling Regulation Act (2003) Ministerial Direction: Responsible Gambling Codes of Conduct (Part A)*.
    - Gambling Regulations 2015 (version incorporating amendments as at 29 March 2017).
  - Physical observation of the Casino gaming area.
  - Discussion with key personnel including:
    - Sonja Bauer                      Group General Manager Responsible Gaming
    - Leon Pillai                        Responsible Gaming Operations Manager
    - Justin Butler                      Program Compliance Manager

Internal Audit would like to thank everyone for their assistance with the review.

### 2. Background

- Pursuant to the *Gambling Legislation Amendment (Problem Gambling & Other Measures) Act (2007)*, Crown Melbourne has in place a VCGLR approved RSG Code outlining Crown Melbourne's commitment to responsible gaming.
- Failure to comply with the requirements of the RSG Code may lead to disciplinary action, further restrictions being imposed on Crown Melbourne's gaming operations and / or loss of current exemptions, increased public scrutiny, reputational damage etc.
- A Responsible Gaming Compliance (RSG) Program is administered by the Manager Program Compliance, designed to ensure Crown Melbourne's adherence to the RSG Code. Utilising a Compliance Alerter tool, department management is required to report compliance with key requirements of the RSG Code at specified intervals (monthly, quarterly, half yearly or annually). Spot audits are conducted by Gaming Audit ensuring the accuracy and integrity of department management responses.
- The RSG program includes mandatory elements, such as the RSG Code, as well as additional measures that have been introduced by Crown in the pursuit of excellence in its responsible gambling function and the support to its patrons.

## Responsible Service of Gaming Review of Compliance

### 3. Executive Summary

- Based on audit work performed, controls are adequate and effective to ensure material compliance with Crown Melbourne's VCGLR approved RSG Code. Additionally, review of the RSG Code against *Gambling Regulation Act (2003) Ministerial Direction: Responsible Gambling Codes of Conduct (Part A)* noted no exceptions.
- Adherence to the RSG Code is monitored via Crown Melbourne's Responsible Gaming Compliance Program (RGCP), administered by the Program Compliance Manager, ensuring that regulatory compliance is maintained, including but not limited to signage, availability of mandated information and access to customer support services.
- The Responsible Gaming department reviews Casino operations, making sure regulatory requirements are fulfilled. Additionally, the Program Compliance Manager, part of the Regulatory and Compliance team, performs weekly compliance audits for the presence of the mandated information.

- Responsible Gaming Compliance Program

The RGCP consists of recurring monthly, quarterly, half yearly or annually) compliance routines performed by designated stakeholders with the completion status monitored via the Compliance Alerter tool (Alerter). The stakeholders confirm RGCP compliance (including supporting documentation where appropriate) to the Program Compliance Manager. Internal Audit reviewed stakeholder confirmations, between September 2017 and June 2018 to confirm the RGCP is being complied with.

- Casino Spot Audits

Weekly, Regulatory and Compliance department conducts spot audits supporting the RGCP. The areas of review include (but are not limited to) the provision / display of responsible gaming talkers, stickers, brochures, Game Rules, entry point signage and ATM signage with any findings reported to the relevant departments. Internal Audit accompanied the Program Compliance Manager during a weekly spot audit and reviewed the RSG Spot Check Calendar which is used to make sure that all areas are covered every quarter. No issues were noted.

- Internal Audit Spot Audits

Internal Audit performed a limited visual inspection of Crown's gaming areas for presence of relevant printed materials (e.g. RSG Code, YourPlay brochures), signage (e.g. YourPlay callouts) and support services (e.g. customer support centre). No exceptions were noted.

### 4. Conclusion

Based on audit work performed, controls appear to be in place to monitor compliance with Crown's RSG Code, with no exceptions noted. Additionally, review of the RSG Code against *Gambling Regulation Act (2003) Ministerial Direction: Responsible Gambling Codes of Conduct (Part A)* noted no exceptions.



Anne Siegers  
Group General Manager Risk & Audit

Completed: August 2018

**Responsible Service of Gaming  
Review of Compliance**

Audit Report reviewed and acknowledged:



**Sonja Bauer**  
Group General Manager Responsible Gaming