



**CROWN RESORTS LIMITED
MEMORANDUM**

To: Board of Directors, Crown Resorts Limited (the “**Board**”)

From: Steven Blackburn

Date: 24 May 2021

Subject: **Responsible Gaming Enhancements**

Purpose:

This paper is intended to propose to the Board enhancements to the Responsible Gaming (“**RG**”) function at Crown Resorts Limited and its domestic subsidiaries (collectively, “**Crown**”), including an increase in the resources allocated to the function, and seek the Board’s endorsement.

Background:

Crown recognizes that responsible gaming is a critical cornerstone of its social license to operate a gaming business in Australia. Accordingly, Crown is committed to providing services, programs and initiatives to minimise harm and problem gaming behaviours through the provision of timely and effective assistance for customers. This commitment extends to ensuring the RG function is appropriately staffed with specialist team members and subject matter experts who are available to provide support and assistance to customers 24 hours a day, seven days per week.

To position Crown as a domestic leader with respect to responsible gaming, an increase in operational, clinical, management and support staff is recommended. An increase in FTE will provide the direct outcome of greater visibility of, and engagement by, operational staff on the casino gaming floor. In addition to providing greater visibility, these resources will assist with the collection and evaluation of critical data, leading to a material uplift in Crown’s contribution to Australia’s broader approach to responsible gaming. This, in turn, will position Crown as an industry leader at a time when responsible gaming is increasingly the subject of regulatory and media scrutiny. The specific FTE request is detailed in **Appendix A** to this paper.

Crown’s commitment to the responsible gaming should also be reflected in the remuneration provided to employees in the RG function. Currently, the average remuneration rate for employees in the RG function is 20% lower than their counterparts in Compliance, which itself is 40% lower than market rates and rates for those in profit-focused roles at Crown. As with Financial Crime and Compliance, RG is vital to revenue-preservation and should be valued equally to roles in profit centres. A proposal for uplifting remuneration for existing and future FTE in RG at Crown is attached in **Appendix B**. With additional FTE providing enhanced data evaluation, Crown will be better positioned to provide vulnerable customers with assistance.

To support evaluation, the RG function needs to uplift its use of technology. We understand that the Information Technology (**IT**) department is implementing iTrak across the enterprise. This system is used for the purpose of recording incidents and actions for the Security, Surveillance and RG functions. The RG team will be seeking the inclusion of a case management system, which is critical in managing customer outcomes and data collection. Additionally, the RG function is considering alternative solutions for a more effective way of contemporaneously recording customer interactions whilst on the casino gaming floor and sharing them with gaming staff.

The Financial Crime and Compliance (“**FC&C**”) Change Program before the Board contemplates the addition of an FC&C Solutions team with a data analytics function. In addition to supporting Financial Crime and Compliance, the data analytics function will directly support enhanced evaluation for the RG team. Tapping into the plethora of existing responsible gaming data and accessing additional data sources, the FC&C data analysts will interpret the data to identify patterns and typologies, which can then be used to hone our approach to addressing problem gaming.

The improved data evaluation will also empower Crown to deliver leading research to internal and external stakeholders, in a transparent and altruistic manner. This would include preparing papers for conferences based on the evaluations, potentially partnering with organisations such as the Victorian Responsible Gambling Foundation, the NSW Office of Responsible Gambling and universities, raising the profile of Crown in the responsible gaming space.

In addition to the changes contemplated above, we have worked with the business to develop a list of recommendations for the Board's consideration for changes to our current approach to responsible gaming. Some can be implemented with immediate effect, while others can be implemented over a short period of time. These recommendations are attached at **Appendix C**.

Recommendation:

It is recommended that the Board note this paper and endorse the proposed enhancements contemplated in the paper and the recommendations provided in the appendices to this paper.

Proposed by:

Steven Blackburn

Group Chief Compliance and Financial Crime Officer