



# Crown Resorts Limited

## Memorandum

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**To:** The Board of Directors - Crown Resorts Limited

**From:** Mary Manos

**Date:** 16 February 2018

**Subject:** **Review of Committee Charters**

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Dear Directors

Each of Crown's Board and Committee Charters requires that the Charter be reviewed on an annual basis.

### **Board Charter**

The Company's Board Charter sets out an independence test which is based on the principles included in the ASX Corporate Governance Principles and Recommendations but also includes a materiality threshold that could be construed as having the consequence that any director associated with an entity that supplies products or services to the Company of greater than \$2 million per annum is not independent. It is arguable that this quantitative materiality threshold may be considered as illustrative only and should not be a determining factor when assessing independence.

In addition, the quantitative materiality threshold was adopted by the Company at the time of demerger and is arguably out of date. It is therefore proposed that the quantitative materiality threshold be removed and that, consistent with the ASX Corporate Governance Principles and Recommendations, independence assessments be made in accordance with the qualitative aspects of the test included in the Charter.

A copy of the Charter, marked to show the suggested amendments to remove the materiality threshold and to more closely align the Charter to the ASX Corporate Governance Principles Recommendations independence criteria, is **attached**.

### **Committee Charters**

The Charters of the Audit & Corporate Governance Committee, the Occupational Health & Safety Committee, the Responsible Gaming Committee and the Nomination and Remuneration Committee, were reviewed by the relevant Committees at their February 2018 meetings. The reviews resulted in the recommendation of some minor administrative amendments to the Board for approval.

The Risk Management Committee and the CSR Committee Charters will be formally reviewed later in the year, however it is proposed that these Charters, together with the Charters of Crown's "non-active" Committees (the Finance Committee and the Investment Committee) also be updated consistently.

Copies of the Committee Charters, marked to reflect the proposed changes are **attached**.

**Proposed resolution**

Having reviewed the Charters, it was **RESOLVED** that the Board Charter and the Committee Charters of each of Crown's Committee's be updated in line with the attached.

Once approved by the Board, these will be published on the Crown Resorts website.

Mary Manos  
**General Counsel & Company Secretary**