



Crown Resorts Limited (ABN 39 125 709 953)

Meeting of the Board of Directors held by videoconference
on Thursday, 10 September 2020 at 11.00am

Present:

Helen Coonan (Chairman)
John Horvath (Deputy Chairman)
John Alexander
Ken Barton
Andrew Demetriou
Guy Jalland
Michael Johnston
Toni Korsanos
Harold Mitchell

Mary Manos (Secretary)

By invitation:

Lauren Harris

Apologies:

Jane Halton
John Poynton

Preliminary Matters:

Ken Barton informed the Board that judgment had been received in Crown's favour in the Crown and Burswood GST matters.

It was noted that:

- these matters related to the GST treatment of commissions and win and loss rebates; and
- Her Honour Justice Davies had found in favour of Crown that commissions and win and loss rebates form part of Crown's and Burswood's gambling supplies and should be included in their global GST amounts.

Ken Barton noted that he would now commence a process of engagement with the Department of Treasury and Finance in Victoria to progress a discussion in relation to the implications of the decision.

Draft Minutes of Meeting of 18 August 2020:

It was **RESOLVED** that the Minutes of Meeting of 18 August 2020 be approved.

Update on Enhancements to Governance and Compliance Processes:

Helen Coonan introduced the Update on Enhancements to Governance and Compliance Processes and noted that:

- the Company has been on a journey of continuous improvement;
- the Update paper drew together the range of improvements which have been progressed in recent years; and
- Ken Barton had provided a summary of issues raised in the course of the Inquiry for directors to have regard to as the Company considers further enhancements to its compliance and governance processes.

Ken Barton led a page turn of the Update paper, detailing for the Board the improvements implemented and the progress in initiatives across the areas of AML, Junkets, VIP Operations, People and Culture and Governance Structure.

It was noted that consideration was being given to a proposal from Deloitte to assist in cultural change to align culture with the Company's long-term goals.

Helen Coonan noted that she had received some feedback on the Update paper from Jane Halton who had noted the importance of the monitoring and management of operational risk which would need to be overseen by the Risk Management Committee.

The Board endorsed the actions set out in the Update paper and **RESOLVED** to approve the following further initiatives as detailed in the paper:

- an extension of the junket suspension for the balance of F21; and
- the addition of further resources in the area of AML/CTF.

The Board requested that it be presented with a budget for the further AML/CTF resourcing at a future meeting.

Ken Barton presented a proposal for a revised Organisational Structure to the Board which detailed a series of proposed new reporting lines and roles within the group.

After careful consideration, it was **RESOLVED** that the creation of the roles of:

- Head of Compliance and Financial Crimes reporting directly to the Board and Head of Internal Audit be formally approved for implementation; and
- Head of Culture and Head of VIP Operations be approved in principle subject to further consideration of, in particular, the scope of the proposed Head of Culture role.

It was noted that, subject to finalisation of terms, it was proposed that Heidrick and Struggles be engaged by the Company to assist in the recruitment for the role of Head of Compliance and Financial Crimes and that a draft of the engagement terms had been shared with members of the People, Remuneration and Nomination Committee.

The Board requested that consideration also be given to the appointment of an interim person for this role, having regard to the time which it might take to source an appropriately skilled candidate.

The proposal to remove the existing roles of Chief Executive Officer – Australian Resorts and Chief Legal Officer – Australian Resorts was discussed. The Board **RESOLVED** that a decision in relation to this proposal not be actioned at this stage having regard to matters including:

- the number of direct reports proposed to be allocated to the Chief Executive Officer as part of the proposed Organisational Structure;
- the uncertainty around opening and operating conditions as a result of COVID-19 and the potential need to revisit structural issues holistically in the future; and
- the effect on these existing roles of the re-allocation of responsibilities to newly created roles.

It was noted that the Board would be giving further consideration to the Organisational Structure proposal.

Governance Structure Advice:

REDACTED - PRIVILEGE



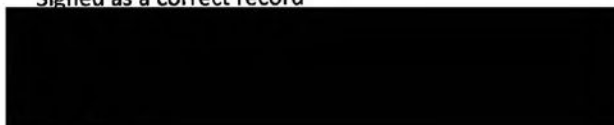
Other Business:

It was noted that there was no other business to be considered at the meeting.

Closure:

There being no further business, the meeting was declared closed at 1.00pm.

Signed as a correct record



Chairman