

Risk No.	Risk Title	Risk Definition	Cause	Most Likely Outcome	Inherent			Controls	Category	Residual			Action	
					Consequence	Likelihood	Rating			Consequence	Likelihood	Rating		Strategy
1	Material breach of gaming and other relevant legislation / regulations	Systemic and / or material breaches of legislative and other relevant regulatory requirements ( including Privacy legislation Retail Tenancies legislation Consumer and Competition legislation Tobacco legislation Customs Legislation / Regulations)	Loss of data: PCIDSS breach Privacy breach Change to any element of casino operations without regulatory approval Poorly designed processes (not complaint) Inadequate training of staff Human error Malicious action by staff or related party	<ul style="list-style-type: none"> <li>Potential loss of Regulator Confidence or regulatory intervention</li> <li>Financial and other penalties</li> <li>Reputational damage</li> <li>Health &amp; Safety concerns</li> <li>Revocation or Suspension of Liquor Licence/ imposition of Demerit Points</li> <li>Up to 5% (\$7m) impact on projected Table Games annual contribution</li> <li>Possible legal action for civil damages</li> <li>Possible adverse publicity</li> <li>Criminal prosecution: Officer Imprisonment</li> </ul>	Severe (5)	Likely (4)	Critical	<ul style="list-style-type: none"> <li>Adherence to and awareness of relevant legislative / regulatory policy including development of compliant processes and guidelines training of relevant employees / contractors where applicable</li> <li>Legal &amp; Regulatory Compliance Program including gaming audits and oversight by Board and management committees</li> <li>Employee /contractor / supplier probity checks and performance monitoring</li> <li>Management monitoring and investigation of Disciplinary Actions issued by the regulators (including VCGLR) and where applicable the determination of remedial action to reduce future exposure</li> <li>Ongoing / periodic internal compliance / review processes</li> <li>Obtaining expert legal advice in foreign jurisdictions</li> <li>Dedicated Gaming Integrity Manager to table games</li> <li>Privacy program: including Privacy Policy Privacy Compliance Program Privacy compliance guide dedicated Privacy manager</li> <li>Crown IT management software licence practices (in conjunction with Procurement Legal &amp; Regulatory Services)</li> <li>Vetting of proposed advertising programs collateral initiatives new table games and trade marks by Legal &amp; Regulatory Services (and relevant gaming maangement where appropriate)</li> <li>Monitoring of customer satisfaction and complaints for issues and trends</li> <li>PCIDSS compliance program including regular external compliance assessments</li> </ul> <p>                     •Escalation of material matters to the Board for oversight and guidance.                      •Business continuity management and planning.                      •Corporate crisis planning.                      •Analysis of major events with root cause report to the Audit Committee                 </p>	Compliance/regulatory	Major (4)	Possible (3)	High	Reduce	<ul style="list-style-type: none"> <li>External provider (Trustwave) to implement PCI DSS strategy across Crown Melbourne and Crown Perth (within a minimum 5 year timeframe) - Target completion for PCIDSS compliance is <del>May-2020</del> 2021</li> <li>Complete the implementation of compliance program including CURA surveys</li> </ul>
2	Changes in key legislation or regulatory requirements	Changes to legislation regulations or Federal / State Government policy covering Crown Melbourne's operations including the conduct of and access to gaming have the potential to adversely impact performance including: <ul style="list-style-type: none"> <li>Changes to restrictions on the number type speed and location of gaming machines;</li> <li>Changes to mandatory minimum "return to player" on gaming machines;</li> <li>Changes to approved table games and approved rules of the games;</li> <li>Changes to restrictions on advertising and marketing;</li> <li>Automatic Teller Machine (ATM) restrictions / removals;</li> <li>Increases in tax or additional levies and taxes;</li> <li>State Government commitment to review Crown Melbourne "exemptions";</li> <li>Approval of new gaming products (Responsible Gaming Council of Victoria).</li> <li>Imposition of further or more restrictive mandatory pre-commitment systems and the potential impact on revenue and the operation of Crown Melbourne's business.</li> <li>Loss of State Government approved smoking exemptions permitting designated "high roller" smoking areas within the casino complex; and</li> <li>Restrictions to areas where smoking is currently permitted</li> </ul>	Crown failing in meeting its current exemption requirements Change in political lanscape Change in competitive landscape Influence by third party union interest group International event impacting domestic landscape Black economy report and \$10 000 cash limits	<ul style="list-style-type: none"> <li>Possible loss of smoking exemptions covering Teak Room and VIP Slots requiring reconfiguration of rooms to create smoking terraces and / or migration of patrons to the Mahogany Room.</li> <li>Reduced patronage due to a decrease in the frequency and / or duration of patron visits loss of some regular smoking patrons and resultant decrease in gaming revenue and associated on-spend</li> </ul>	Major (4)	Likely (4)	High	<ul style="list-style-type: none"> <li>Engagement <del>with</del> ongoing communication and engagement with Government Regulators and other stakeholders (e.g. union employees).</li> <li>Maintenance and positive promotion of Crown Melbourne corporate profile and its Responsible Service of Gaming initiatives</li> <li>Smoking monitoring framework including Executive Committee (ETMAC) responsible for the monitoring and consideration of all matters related to the management of Environmental Tobacco Smoke Escalation process for the management of air quality complaints and Air Quality Plan and maintenance regime</li> <li>Adherence to and awareness of relevant legislative / regulatory policy including compliance framework (including legal requirements register) training of relevant employees / contractors where applicable and training of relevant employees in Responsible Service of Gaming best practice and enforcement of VCGLR approved Responsible Gambling Code of Conduct.</li> </ul> <p>                     •Interpretation of changes including through external advice across all operational areas                      •For large changes: development of cross-functional project teams                      •Reporting to the relevant management or Board committee on progress                 </p>	Compliance / regulatory	Major (4)	Almost Certain (5)	Critical	Monitor	

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3	Act of Terrorism on Crown property	The calculated use of violence (or the threat of violence) against employees and / or customers in order to attain goals of a political, religious or ideological nature. The nature and extent of any act may be varied, and hence difficult to define.	External motivation, including from staff	<ul style="list-style-type: none"> <li>Operations disrupted including likely evacuation and closure of casino complex and resultant loss of revenue (e.g. gaming, food &amp; beverage, tenancy revenue)</li> <li>Significant impact on employee morale</li> <li>Isolated or multiple serious injuries and / or fatalities;</li> <li>National, and potentially, international media coverage;</li> </ul>	Severe (5)	Likely (4)	Critical		Infrastructure / People	Severe (5)	Possible (3)	Critical	Monitor
4	Volatility of gaming revenue	Short term deviations from theoretical win rates applicable to Premium Gaming business have the potential to impact performance. Changes to the terms and conditions of Premium Gaming business play increase exposure.	<ul style="list-style-type: none"> <li>Luck</li> <li>Loss of volume increasing impact of winning outcomes due to:</li> <li>International trading conditions and pressures (ex China-US relations)</li> <li>Restrictions by other jurisdictions on movements of funds</li> <li>Digital gaming or new entrants channelling part of the gaming revenue out of Crown</li> </ul>	Offering a higher differential will increase volatility in the short term (intra visit). Over the long term, revenue will normalise to the theoretical mean (1.35% of turnover).	Severe (5)	Highly likely (5)	Critical	<ul style="list-style-type: none"> <li>Financial budgeting and forecasting:</li> <li>Annual strategic planning and business planning processes including monitoring and review of Premium Gaming strategy (e.g. maximum bet limits, structuring of table limits to achieve an appropriate balance between potential volatility of win rates, customer satisfaction and commission payable and customer programs)</li> <li>Management monitoring of financial performance and trends</li> <li>External results reported on Theoretical win-rates streamline the impact of material deviations, and provisioning levels assist in absorbing short term deviations.</li> </ul>	Financial	Severe (5)	Likely (4)	Critical	Monitor
5	Poor credit or investment decisions	<ul style="list-style-type: none"> <li>Risk of default by Premium Gaming customers, resulting in financial loss.</li> <li>Non-payment of debts particularly in light of exposure to domestic / international corporate market (e.g. Conferencing)</li> <li>Loss of tenancy revenue from a single / small number of tenants (due to loss of base / turnover rent in excess of three month bank guarantee).</li> <li>Foreign currency losses due to the holding of cash reserves during customer visits.</li> <li>Insufficient insurance coverage over Crown Melbourne resulting in financial loss.</li> </ul>	<ul style="list-style-type: none"> <li>Poor credit decision</li> <li>Change in patron or customer circumstance</li> <li>Material change in FX market impacting outstanding debt</li> <li>No or inadequate insurance cover in place following specific event / incident resulting in Financial Loss.</li> </ul>	<ul style="list-style-type: none"> <li>Default by one / isolated patron(s)</li> <li>Financial loss</li> <li>Foreign currency loss</li> </ul>	Severe (5)	Highly Likely	Critical	<ul style="list-style-type: none"> <li>Management monitoring of financial performance and trends including adherence to established credit policy</li> <li>Engagement of debt collectors and / or initiation of legal action (restricted to customers based in / or with assets in Australia, Hong Kong or Taiwan)</li> <li>Extensive credit checks and process prior to awarding credit to foreign patrons.</li> <li>Hotels and F&amp;B department procedures and training including:                             <ul style="list-style-type: none"> <li>Completion of credit checks (via Credit Application) where applicable and enforcement of contractual terms and conditions (e.g. deposit payment schedules)</li> <li>Review of debtors ageing by Hotels management</li> <li>VIP International procedures and training including loading (over and above applicable exchange rate) applied to selected foreign currency transactions, Premium / Junket Program patrons to repurchase post settlement foreign currency held by the Cage (note only if Patron wins)</li> <li>High volume of foreign currency transactions reducing Crown Melbourne's exposure to single foreign currency movements (natural Hedge)</li> <li>Engagement of external Insurance brokers to ensure relevance and currency of insurance program, with review and oversight by Crown Resorts Board and Crown Resorts Board Risk Management Committee</li> </ul> </li> </ul>	Financial	Major (4)	Likely (4)	High	Monitor

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6	External disruption to demand for our services	External factors to Crown impacting business volumes or margins, including: international competition, domestic competition, economic conditions, foreign political policies or global event)	Increased international or domestic competition New market player, including market disruptor (digital, etc.) Change in local spending pattern (granting of additional gaming licences, economic conditions) Global event (terrorism, natural disaster, pandemic, GFC equivalent...) Political actions in countries from which a significant volume of business originates (e.g. Chinese Central Government policy restricting one or more of currency movement, real estate development, international travel of politicians and dignitaries, changes in laws or changes in interpretation of laws dealing with promotion of gambling)	Decrease in patronage and resultant decrease in gaming revenue and associated on spend, including: - Up to 20% of projected VIP Gaming annual contribution (\$15m) - Financial loss up to \$500k (Hotels) - Short term decrease in Hotel revenue (pressure of rate growth). Possible reduction in associated on – spend. - Decrease in Food & Beverage projected annual contribution of up to \$700k - Reduced Margins Responsible Gaming Legislation and Anti – Smoking Legislation may have led to an erosion of perceived competitor strengths and resultant increase in market share. At the very least no significant worsening of Crown’s market share is likely in the medium to long term.	Severe (5)	Almost Certain (5)	Critical	<ul style="list-style-type: none"> <li>Ongoing monitoring and review of domestic and international competitors</li> <li>Management monitoring of financial performance and trends</li> <li>Ongoing maintenance / refurbishment of casino complex to ensure property standards and attractability</li> <li>Strategic marketing initiatives (subject to Crown Melbourne’s profitability being maintained)</li> <li>Cross property Margin Improvement Program</li> <li>Contingency planning</li> <li>Adherence to and awareness of relevant legislative / regulatory policy, adoption of Crown Resorts Anti – bribery and Corruption Policy, development of compliant processes and guidelines, training of relevant employees / contractors where applicable</li> <li>Monitoring and review of Premium Gaming strategy</li> <li>Obtaining expert legal advice in foreign jurisdictions</li> </ul>	Financial	Severe (5)	Almost Certain (5)	Critical	Monitor	
7	Physical business disruption	Business being disrupted because of physical threat or damage to Crown property.	<ul style="list-style-type: none"> <li>Unauthorised employee / contractor and others access to restricted area(s) of casino complex via either malicious intent or access/incorrectly granted</li> <li>Full or partial loss of power, gas, or water supply to the casino complex.</li> <li>Isolated fire (e.g. kitchen, bin or car) may result in employee / patron injury, disruption to operations due to potential evacuation and closure of affected area(s).</li> <li>Patron violence, intoxication, drug abuse, assault, theft, unattended children etc which results in patron or employee harm and / or reputation damage.</li> <li>Widespread infection(s) to employees / contractors / customers including possible fatality.</li> <li>Flood / water damage from pipe fracture/aging pipes, silage tank, fire sprinkler or weather event.</li> <li>Incidence of theft, break-in, attempted break-in and willful damage in Multi-Deck and Basement car parks, and the resultant potential loss of public confidence.</li> <li>Damage to customer motor vehicle in the Valet carpark.</li> <li>Social disruption: protest march, picketing of entrances, verbal / visual demonstration etc. including possible closure / cordoning of affected area(s)</li> </ul>	<ul style="list-style-type: none"> <li>Evacuation and closure of affected area(s)</li> <li>Ongoing incidents of a minor nature, incidents of a serious nature resulting in serious injury(ies) to employee(s) / patron(s) / contractor(s) / visitor(s) and possible fatality</li> <li>Flooding / damage to property (\$1m+)</li> <li>Damage to CCTV (refer Security), Computer equipment (refer MIS)</li> <li>Indirect / direct cost to Crown in the event of employee / contractor WorkCover claim(s)</li> <li>In the event of serious injury to employee(s), employee morale impacted and possible disruption to operations with resultant decrease in revenue (e.g. gaming, food &amp; beverage, tenancy revenue)</li> <li>Public criticism, patron / employee claims and criminal charges; reputational damage, brand and patronage, and increasing exposure to external stakeholder scrutiny.</li> <li>Possible malicious act(s) including theft of Crown property</li> <li>Adverse publicity and resultant short term decrease in revenue (e.g. gaming, food &amp; beverage, tenancy revenue)</li> <li>Possible damage to third party property (ex: parked vehicles)</li> </ul>	Severe (5)	Likely (4)	Critical	<ul style="list-style-type: none"> <li>Redundancy of utilities supply infrastructure (including power (x3), gas (x2), water(x3)), as well as a on site back-up generators</li> <li>Security and surveillance framework in place, including 24/7 monitoring and surveillance of casino operations and surrounds, patrols, training, staff and contractor probity checks,</li> <li>Emergency response framework, including planning, communication, engagement with law enforcement and emergency response units, drills, Ongoing / periodic external review processes covering Essential Services Maintenance, Evacuation / Disaster Planning, Fire Safety, Electrical installations, Essential Services Maintenance, Evacuation / Disaster Planning, including by property insurers, plumbing works / hydraulic installations</li> <li>Compliance with regulations covering the screening of Crown aircraft (Civil Aviation Safety Authority, customs, immigration, quarantine and inspection service guidelines).</li> <li>Compliance with Public Health &amp; Wellbeing Act (2008) and associated Public Health &amp; Wellbeing Regulations (2009) in respect of Cooling Tower registration, maintenance of a Risk Management Plan, minimum monthly water testing and completion of an annual independent audit</li> <li>Reliance on Federal and State based controls and procedures (Department of Human Services)</li> <li>Management monitoring of updates issued by World Health Organisation, Department of Health &amp; Ageing and Department of Foreign Affairs &amp;, as well as response and control activities of other businesses in the tourism, leisure and entertainment industry (e.g. Qantas, Jupiter’s, Star City)</li> <li>Discouragement of all non-essential travel to affected areas as appropriate</li> </ul>	Infrastructure	Moderate (3)	Possible (3)	High	Reduce	<p>Subject to commercial feasibility, utilise excess water run off from cooling towers via connection with ID’s toilets, further future proofing Crown Melbourne’s amenities and reducing water waste. This is still being investigated and if we get approval will form part of a secondary strategy of water catchment from a newly installed roof on Level for that is in close proximity to the Cooling towers and ID’s toilets.</p> <p>We will soon be placing an order for 3 new generator engines as part of an overall upgrade of our 6 main Tri-Generators. This project has been spread over 3 FY:</p> <p>F18 - Dec 2018 Place order for 3 new Engines - \$600K - COMPLETED                      F19 - installation &amp; commissioning of 3 New engines &amp; place order for 3 more new engines - \$3.2M - COMPLETED                      F20 - installation &amp; commissioning of remaining 3 New engines - \$3M - Targeted April 2021</p> <p>This project will give us greater capacity and coverage in the event of a major CBD Blackout as well as capacity in during high temp’s when pressure on the electricity grids.</p>
8	IT Business disruption	Major performance, financial and / or reputational damage from cyber security incident Failure of IT hardware / software (e.g. primary computer room, gaming machines short circuit, switchboard failure, loss of CCTV) resulting in significant disruption.	<ul style="list-style-type: none"> <li>Intentional / unintentional leakage of sensitive information;</li> <li>Malicious employee act / omission; Human error</li> <li>Malicious software infection;</li> <li>Mobile / portable device lost or stolen;</li> <li>External / internal cyber attack; and</li> <li>Third party providers;</li> <li>Fire;</li> <li>Water damage;</li> <li>Equipment failure;</li> <li>Failed IT system or infrastructure implementation</li> <li>Loss of telecommunication infrastructure/service by third party failure or damage to physical fiber</li> </ul>	<ul style="list-style-type: none"> <li>Relevant section(s) of gaming floor closed</li> <li>Adverse publicity and resultant decrease in revenue (gaming and other revenue), criticism by patrons</li> <li>Possible breach of legislative / regulatory requirements and associated financial penalty(ies)</li> <li>Possible legal action for civil damages</li> <li>Impact on Surveillance operations</li> <li>Possible leakage of business or patron sensitive information to external parties</li> <li>Additional Security &amp; Service employees / contractors rostered</li> <li>Hotel guests, Crown employees / contractors prevented from making internal / external land line calls, loss of incoming land line call facility (including Galactic Circus tenancies)</li> <li>Ability to accept Hotel and restaurant bookings impacted</li> <li>Unable to pay patron via TITO</li> </ul>	Severe (5)	Highly Likely (5)	Critical		Infrastructure	Moderate (3)	Possible (3)	High	Reduce	

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9	Loss of Key Management	The loss of management in business critical roles impacts on the ability for Crown to meet performance objectives. For example where: - there is high reliance on ongoing relationships between management and third parties (customers Government and Regulators); - there is strong corporate knowledge; and/or - there is industry expertise.	Restructuring activities Natural attrition (staff turnover) Poaching of staff by competitors Low morale Lack of staff development Lack of succession planning	Inability to progress certain business initiatives/strategies Impact to staff morale / productivity Loss of critical / sensitive corporate knowledge	Major (4)	Possible (3)	High	Cross property capacity Leadership development programs Long term financial incentives - Executive Restrictive covenants - employment contracts Succession planning (TBC)	People	Minor (2)	Possible (3)	Moderate	Monitor	
10	Reduction in property standards	The risk that facilities are not available for customers at the required and expected standard across all areas of the Complex due to: - ageing infrastructure - lack of availability of capital for refurbishments - inadequate cleaning standards - inadequate ancillary areas eg. parking facilities	Age of property Wear & tear of property Inadequate maintenance and cleaning procedures Lack of reinvestment in refurbishment (inability to source capital) Strong/newer facilities offered by competitors (for example hotels in Perth) Inability to schedule refurbishment (impact on business) - for example Theatre	Poor customer experiences Poor market reviews / ratings Reduction in visitation Loss of customers to competitors Reduction in revenue / EBITDA	Moderate (3)	Possible (3)	High	Capex / business planning process Customer complaint monitoring Dedicated Housekeeping / Environment Services Resources Dedicated Property Services / Maintenance Resources Maintenance reporting system (BEIMS) Preventative maintenance program	Reputation / brand	Moderate (3)	Unlikely (2)	Moderate	Monitor	
11	Litigation	The risk that legal action is taken against Crown by employees, customers, regulators; and other third parties in relation to matters such as: - provision of gambling / responsible gambling - health & safety security matters environmental tobacco smoke discrimination bullying - contractual obligations - marketing activities - fraudulent activities of patrons - privacy complaints / defamation - public liability claims - breach of legislation	Crown's non compliance with legislation/regulation. Poor compliance culture. Injury/ incident involving a customer. Contractual relationship breakdown. Rising community expectations regarding responsible service Property hazards. Workplace hazards.	Significant financial damages for civil action taken by an individual (for example Privacy public liability: claims over \$1m ; breach of consumer law - up to \$1m Prosecution by the Privacy Commissioner Criminal prosecution by Law Enforcement Incarceration of Directors and Officers for critical OH&S events. Adverse publicity and reputation damage.	Severe (5)	Possible (3)	Critical	Compliance Framework and Governance CrownSafe Framework and Governance Inhouse legal resources Use of external advisors when appropriate Maintenance practices Mandatory Compliance Training - Employees Privacy Policy and Training Integrity and support for regulator relationships RSA Framework and Governance RSG Framework and Governance Specialty training and procedures (for example: Security)	Compliance/regulatory	Moderate (3)	Possible (3)	High	Monitor	
12	Major criminal activities	The risk that a major criminal act or activities occur at Crown involving either patrons employees or both such as: - major fraud (employee patron and/or collusion); - loan sharking; - organised crime; - money laundering; - violent act (active shooter) - not related to terrorism; - gaming scams.	Legal activities by customers on Crown premises Unethical customers or employees Lack of visible security measures Lack of segregation of duties for financial transactions Limited liaison/intelligence from LEAs Inadequate customer due diligence Inadequate employee due diligence Inability to monitor customer and employee actions and transactions Weak culture of probity Lack of management commitment and oversight to ensuring a strong internal control environment	Impact on Crown's perceived probity and ability to retain gaming/liquor licences. Financial loss for fraudulent transactions (significant for gaming scams) Injury to staff and patrons. Impact to employee morale. Business interruption (where physical event occurs) Legal action by affected customers or employees.	Major (4)	Likely (4)	High	Governance: Fraud Management Committee AML/CTF Program & Resourcing Commissioner of Police and general exclusions practices Digital surveillance monitoring Employee Due Diligence Policy & Practice SIU (Security Investigation Unit) framework and collaboration with law enforcement Fraud Control Framework Integrity-related Company Policies Knowledge sharing - casino industry Ongoing LEA Liaison Physical security presence Protection of assets - internal control framework Security department - procedures and training Segregation of duties - financial transactions	Reputation / brand	Moderate (3)	Possible (3)	High	Monitor	
13	Ineffective responsible service of gaming (RSG)	The risk that Crown does not provide its business activities to its customers in a responsible manner.	Customers who experience issues with their gambling. Customers who drink alcohol excessively. Lack of management commitment to provide services in a responsible manner. Staff not trained or not aware of how to provide services in a responsible manner. Ineffective responsible service frameworks / not consistent with best practice Inadequate resourcing.	Patron harm Reputation damage Non compliance with applicable regulatory requirements Regulator penalties Imposition of trading restrictions by the Regulator - restricting revenue or increasing costs Inability to progress strategic initiatives (no support from Regulator/Govt) Loss of casino licence	Major (4)	Likely (4)	High	Board Oversight - RG Board Sub Committee Compliance Framework Dedicated inhouse RSG resources Management Committees - RSG Regulator engagement Responsible Gambling Information Centre 24/7 RSG Code of Practice RSG Policies and Practices mandatory training Responsible Gaming Advisory Panel	Reputation / brand	Moderate (3)	Possible (3)	High	Reduce	Implement VCGLR recommendations as agreed during Section 25 review

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14	Major reputational damage	Crown operates under both a legal licence as well as a social licence which is just as critical. Negative publicity/image of Crown and/or its affiliate businesses which may adversely impact Crown's reputation and/or performance and potentially damage its social licence and jeopardise its gaming licences.  The risk of major brand damage caused by an incident: - Crown's inappropriate conduct (perceived or actual) - Crown's association with disreputable third parties - Transactions or supplier arrangements - Business data - Inappropriate social media posts - Social media complaints go viral - Irresponsible or inappropriate marketing activities	Lack of due diligence of employees customers vendors and other third party associates. Poor perceptions of Crown's brand and the casino industry generally. Excessive media scrutiny. Lack of internal controls over use of Crown's social media accounts. Lack of oversight / accountability for marketing and social media activities. Disgruntled employees. Crown's inappropriate conduct (perceived or actual) inappropriate conduct on Crown's premises. Crown's association with disreputable third parties. Crown's perceived conflicts of interest in major transactions or supplier arrangements. Publication of Crown's customer or other sensitive business data. Inappropriate social media posts. Social media complaints go viral. Irresponsible or inappropriate marketing activities.	Loss of or damage to social licence. Increased regulator scrutiny / assessment of Crown's suitability to hold its licences. Imposition of operating restrictions by the Regulator/Govt. Inability to attract events to Crown.	Severe (5)	Almost Certain (5)	Critical	Anti Bribery and Corruption Policies and Practices. Customer Due Diligence practices (AML and Credit). Employee Due Diligence Policy and Practices. Integrity-related Company Policies. Marketing review and approval processes. Public Relations Inhouse Resources. Resources focused on social channels. Social listening tools (monitoring of social media). Stakeholder management. Supplier Due Diligence practices. Responsible Gaming Advisory Panel. Analysis of major events with root cause report to the Audit Committee and as appropriate the Board.	Reputation/ brand	Major (4)	Almost Certain (5)	Critical	Monitor
15	Poor people management practices	The risk that Crown is unable to establish and maintain an appropriate staffing base to effectively and efficiently operate.	Poor Crown employer branding. Industry conditions (affecting supply of candidates). Changing staff demographics (eg ageing workforce). Inappropriate leadership affecting culture. Ineffective recruitment practices including due diligence. Inadequate or ineffective staff training and development. Inadequate staff engagement. Inadequate staff facilities such as car parking food rest rooms.	Low morale. High staff turnover. Compliance breaches (due to lack of training). Reduction in standard of customer service. Reputation damage. Loss of RTO registration - and resulting loss of Government financial support.	Major (4)	Possible (3)	High	Casual labour pool. Commissioner of Police exclusions. Employee Due Diligence Policy and Practices. Employee Engagement Surveys. Employer Branding and Employee Value Proposition. Mandatory Compliance Training - Employees. Recruitment and retention strategies. Registered Training Organisation (RTO). Succession / talent management.	People	Minor (2)	Possible (3)	Moderate	Monitor
16	Harm to persons on property	The risk that employees contractors customers and other third parties are harmed (injury or death) whilst on Crown property.	Poor leadership and management commitment to health & safety. Unsafe work practices and environments. Unsafe "front of house" environments for customers or other visitors. Poor maintenance and cleaning practices throughout the property. Poor safety culture. Poor food safety and other hygiene practices. Extreme event - pandemics terrorist act. Anti social behaviour.	Possible loss of life or serious injury. Non compliance with OH&S legislation - Incarceration for directors and officers. Gross negligence charges against officers in the event of a death or serious harm to a person to whom a duty of care is owed. Worker's Compensation and Public liability claims. Litigation by affected customers or employees. Adverse publicity / Reputation damage (for example - widespread proven food poisoning security removals). Regulator sanctions / imposition of additional compliance requirements. Loss of Food Safety accreditation. Loss of smoking exemption and resultant impact on VIP revenue.	Severe (5)	Possible (3)	Critical	Board oversight & reporting - H&S Sub Committee. Contractor induction processes. CrownSafe Framework. Policies and Procedures. Framework - Pearl Room Smoking Exemption. Incident and Injury Management Procedures. ISO 22000 accreditation and associated framework. Mandatory Compliance Training - Employees. Property cleaning and maintenance practices. Property Services - H&S Officer. Security incident review panel. Security training - handling and removal of patrons. Surveillance of property. Third party inspections.	People	Minor (2)	Almost Certain (5)	High	Monitor
17	Breakdown in strategic partnership with third parties	The risk that third parties with whom Crown engages do not fulfill their obligations to the required standard impacting on the ability for Crown to continue to operate effectively or exposes Crown to integrity issues and reputation damage.	Inappropriate or incorrect behaviour of third parties. External events/disruption to supply chain. Reliance on individual vendors. Poor selection and engagement practices. Poor contractual arrangements/documentation. Poor ongoing management of the third party relationships. Vendors supplying goods and services which are not fit for purpose to a low standard compromising compliance requirements and customer service. Continuity of supply issues for critical items such as playing cards. Inappropriate practices of vendors/consultants/intermediaries representing Crown such as bribery. Inability to source equipment / new products suitable for Crown's business. Unsuccessful tenancies resulting in loss of valuable tenants. Tenants do not comply with Crown's requirements resulting in a breach of tenancy agreements and potential exposing Crown to various legal risks.	Adverse media if Crown is associated with a disreputable third party. Business interruption and related financial impact if critical supply item is unable to be supplied (eg playing cards) or if contractor/service (eg outsourced functions like housekeeping) is unavailable. Customer complaints / loss of customers due to inferior products or experiences. Breach of supply/tenancy agreements. Loss of tenancy revenue.	Major (4)	Possible (3)	High	Anti Bribery and Corruption Policy. Business interruption and related financial impact if critical supply item is unable to be supplied (eg playing cards) or if contractor/service (eg outsourced functions like housekeeping) is unavailable. Customer complaints / loss of customers due to inferior products or experiences. Breach of supply/tenancy agreements. Loss of tenancy revenue. Tenant letting and management procedures (Me b).	Reputation/ brand	Minor (2)	Unlikely (2)	Low	Monitor

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					Consequence	Likelihood	Rating			Consequence	Likelihood	Rating	
18	Industrial action	The risk that industrial action is taken by employees impacting on customer service and/or the ability to continue operations in the short term.	Disgruntled employees appropriate or unfair staff management practices. Unfair dismissals ineffective union negotiations / collective bargaining Breakdown of relationship with the union issues relating to the Smoking exemption applying to the Pearl Room Restructuring activities	Customer service may be impacted. Short term business interruption. Adverse publicity.	Severe (5)	Possible (3)	Critical	Business continuity plan Employee communication practices Internal HR / IR specialists MoU with United Voice Stakeholder management strategies Transparent and effective HR practices	People	Moderate (3)	Unlikely (2)	Moderate	Monitor
19	Unsustainable environmental management and ethical standards	The risk that Crown does not appropriately or effectively manage its impact on the environment resulting in an environmental incident non compliance with Environmental laws and regulations and/or reputation damage. For example a sewage diesel or toxic substance spillage.	Lack of awareness of legislative obligations. Lack of resourcing/systems to manage obligations. Lack of integration of environmental objectives into business operations and practices.	Lack of awareness of legislative obligations. Lack of resourcing/systems to manage obligations. Lack of integration of environmental objectives into business operations and practices.	Moderate (3)	Possible (3)	High	24/7 Maintenance resources to manage/contain incidents Board oversight and reporting - Health Safety and Environment sub committee Group sustainability manager in place Property based energy manager in place to monitor and respond Property based environment policy Property based environmental committee	Reputation / brand	Minor (2)	Unlikely (2)	Low	Monitor
20	Aviation accident	The risk that an accident occurs involving either a Crown owned jet or a Crown chartered jet resulting in death or significant injury reputation damage and litigation. Crown currently owns and operates 3 jets and 1 helicopter.	Pilot error External events (eg extreme weather) Technical malfunctions Poor maintenance practices	Significant injury or death (multiple). Brand damage and potential impact on international revenue. Non compliance with aviation standards.	Severe (5)	Possible (3)	Critical	Preventative maintenance program Ongoing external audit and certification process Individual risk assessment performed by third party for every itinerary prior to trip Inhouse pilots and ongoing training and certification Ongoing oversight by internal audit	People	Severe (5)	Rare (1)	Moderate	Monitor
21	Data misuse	Accidental or intentional leak of patron or other business sensitive data to individuals or organisations who should not have access and who may use this information maliciously. The focus has increased due to: - New Privacy legislation; - Increased media focus and public expectations following the Facebook/Cambridge Analytics issue; - The increased digitalisation of business and Crown increasingly sharing data with third parties; and - A specific risk identified in the Marketing department risk review completed in 2017 regarding the use and communication of patron data generally within Crown.	Lack of physical and logical access controls. Cyber attack. Disgruntled employee. Unsecured means of distribution of patron reports. Accidental distribution of patron reports to wrong email addresses (auto email address)	Significant adverse media (eg where gambling activities of high profile individuals are publicised) resulting in loss of visitation and revenue. Non compliance with the Privacy Act with financial penalties. Legal action by affected individuals. Reputational damage	Major (4)	Possible (3)	High	Email monitoring Employee due diligence procedures System access controls training and awareness Privacy framework Investigation and rectification of incident Reporting to Privacy Commissioner as appropriate	Reputation / brand	Major (4)	Possible (3)	High	Reduce
22	Breakdown in relationship with key government, legislative or regulatory body	Crown operates in many jurisdictions and has to engage with a large number of government legislative and regulatory bodies. A breakdown in these relationships could lead to targeted reviews investigations or actions by these bodies that could materially affect Crown's operations and reputation.	Reportable breaches resulting in loss of trust Poor culture Factors internal to regulatory body (policy approach) Media or opinion group attack voicing unfounded allegations on Crown	Potential loss of regulator confidence or regulatory intervention Financial or other penalties Continuous investigation - strain on internal resources Media coverage / Reputational damage	Major (4)	Possible (3)	High	Stakeholder management practices Crown Resorts relationships with Government Customer complaint management processes Executive level focus on managing external stakeholders GM - Tourism has joined Crown to focus and assist in the engagement process with key government legislative and regulatory bodies. Crown Values including 'We do the right thing' to reinforce compliance and integrity culture Code of conduct in place and signed by all staff upon induction Consistent and open responses to any government legislative or regulatory body enquiries. Escalate engagement to CEO / Chair levels as appropriate	Compliance/regulatory	Major (4)	Possible (3)	High	Monitor
23	Failure of responsible service of alcohol (RSA)	The risk that Crown does not provide its business activities to its customers in a responsible manner resulting in patron harm and ultimately potentially impacting the suitability of Crown to continue to hold its liquor licences.	Customers who experience issues with their gambling. Customers who drink alcohol excessively. Abundant availability of/access to alcohol. Lack of management commitment to provide services in a responsible manner. Staff not trained or not aware of how to provide services in a responsible manner. Ineffective responsible service frameworks / not consistent with best practice inadequate resourcing.	Patron harm Reputation damage Non compliance with applicable regulatory requirements Regulator penalties Imposition of trading restrictions by the Regulator - restricting revenue or increasing costs Inability to progress strategic initiatives (no support from Regulator/Govt) Loss of liquor licences	Major (4)	Likely (4)	High	Compliance Framework Dedicated inhouse RSA resources Management Committees - RSA Regulator engagement RSA Policies Practices Mandatory Training	Reputation / brand	Moderate (3)	Possible (3)	High	Monitor

Risk No.	Risk Title	Risk Definition	Cause	Most Likely Outcome	Inherent			Controls	Residual				Action	
					Consequence	Likelihood	Rating		Category	Consequence	Likelihood	Rating		Strategy
24	AML Breaches	Crown and its affiliate businesses operate in a highly regulated industry with a large number of cash being transacted. There is a risk that individuals could misuse Crown's services for money laundering and terrorism financing.	Poorly designed processes (not compliant). Inadequate training of staff. Human error. Malicious action by staff or related party. New method used by fraudsters that is not known to Crown Lack of information sharing with LEAs	Loss of Regulator confidence. Loss of public confidence. Regulatory intervention. Loss of operating license and/or social licence Financial and other penalties. Reputational damage. Health & Safety concerns. Revocation or Suspension of Liquor Licence/ imposition of Demerit Points. Legal action for civil damages. Adverse publicity. Criminal prosecution: Officer Imprisonment.	Severe (5)	Almost certain (5)	Critical	Generally •Adherence to and awareness of relevant legislative and/or regulatory policy including development of compliant processes and guidelines and training of relevant employees and contractors (where applicable). •Obtaining expert local and foreign legal advice in appropriate circumstances as required. •Code of conduct and corporate values enforced through performance processes. •Employee / contractor / supplier probity checks and performance monitoring. •Extensive compliance training to relevant staff groups. •Legal governance and compliance frameworks in place in each business. •Layers of operational auditing and compliance checks in place across critical areas (particularly gaming).  Specifically: •AML/CTF joint program. •Periodic internal audit reviews of the effectiveness of controls and processes in place to manage Crown's compliance frameworks and the overall internal control framework. •Engagement of external experts to test effectiveness of the joint program. •Whistleblower Policy and hotline.	Compliance/regulatory	Major (4)	Possible (3)	High	Reduce	External reviews Implementaiton of the Joint Program Work on information sharing strategy with LEAs