

AMENDED WITNESS STATEMENT OF HELEN ANNE COONAN

12 6 August 2021

1. I, Helen Anne Coonan, **Contains sensitive information**
Contains make this statement in response to the summons to give evidence issued to me dated 6 July 2021.
2. This statement is true and correct to the best of my knowledge and belief.
3. I joined the Board of Crown Resorts Limited (**CRL**), the ASX listed parent company of the Crown group of companies (**Crown Group**), as a non-executive director on 2 December 2011. I became the Independent Chair of CRL on 24 January 2020 and its interim Executive Chair on 15 February 2021.
4. On and from 15 February 2021, I also became a director of various Western Australian companies that form part of the Crown Group, including Burswood Limited on 18 February 2021 and Burswood Nominees Ltd on 18 May 2021. These appointments occurred in circumstances following the delivery of the Bergin Report and the subsequent engagement with the New South Wales regulator, the Independent Liquor and Gaming Authority (**ILGA**).
5. Prior to the delivery of the Bergin Report, Mr John Alexander had resigned from the CRL Board and Professor John Horvath had given notice of his intention to resign once a director to take his place had been appointed. Mr Alexander's resignation took effect on 20 October 2020. Mr Horvath's resignation, which was foreshadowed on 22 October 2020, ultimately took effect on 14 April 2021. Another 6 directors of CRL resigned after the Bergin Report was delivered, namely: Mr Michael Johnston on 10 February 2021; Mr Guy Jalland on 10 February 2021; Mr Andrew Demetriou on 12 February 2021; Mr Ken Barton on 15 February; Mr Harold Mitchell on 22 February 2021; and Mr John Poynton on 28 February 2021.
6. Mr Ken Barton also resigned his role as Crown Group CEO with effect from 15 February 2021. In order to stabilise the company, I took on the role of Executive Chairman of CRL from that date on an interim basis pending the location of an appropriate CEO for the Group. Amongst other matters, at that time, I took control of discussions with ILGA regarding the development of a remediation program and, with others, took steps to repopulate the Crown Group's Boards, identify a replacement Chairman and appoint a new senior management team, including the recruitment of a new CEO.
7. My intention is to retire from my role as interim Executive Chair of CRL and from each of my directorships of Crown companies. as soon as the Company has finalised its plans in relation to the appointment of a new leader. Crown currently expects to appoint that new leader by 31 August 2021. In the interim, I will continue to assist with the Crown reform programs to the best of my abilities.

Witness Statement of Helen Anne Coonan

8. The resignations of directors left a number Western Australian group companies without the required number of directors. To address that difficulty, Mr Lonnie Bossi, Chief Executive Officer of Crown Perth, and I were appointed to the Boards of those companies. Prior to the appointment of Mr Bossi to the Burswood Limited Board I spoke to Maryna Fewster, a non-executive director of that company, about the need to do so on an urgent basis pending the appointment of additional Perth-based independent directors when that could be achieved.
9. Since being appointed to the Board of Burswood Limited, I have attended the scheduled board meetings on 16 April and 17 June 2021.
10. Prior to becoming a director of the Western Australian companies of the Crown Group, I had received information concerning the Western Australian businesses of the Crown Group through my role as a non-executive director of CRL. In that capacity, I received Board reports and was involved in formal and informal Board discussions and discussions with the Group CEO concerning the Western Australian businesses of the Crown Group. I also attended the premises in Perth from time to time and had conversations with management and employees.
11. Prior to my appointment as independent Chairman, reporting in relation to the subsidiary properties was limited to a report provided by the Group CEO, which was Mr Barry Felstead at the time. After I became Chair in 2020, I directed the Chairman of each subsidiary Board to give updates on their respective properties at CRL board meetings. For Crown Perth, this was Mr Poynton. From about August 2020, the CRL Board also received reports from the CEO of each subsidiary property in addition to the report of the Group CEO. In respect of Perth, this report was provided by Mr Bossi. I was otherwise not directly involved in the operations of the WA businesses, particularly during my time as a non-executive director on the Board of CRL.
12. Given the limitations in respect of my involvement with the detailed operations of the Western Australian businesses, I am not able to provide complete answers to a number of the questions set out in my witness summons from my own knowledge or experience. In circumstances where I understand that evidence will be obtained from current and past officers and employees of the Western Australian businesses who did have a direct involvement in the operations of those businesses, I have not sought to collate and review information of which I was not previously aware and in respect of which other witnesses will be better placed to provide assistance to the Commission.
13. I have made reference in this statement to matters I am aware of through my roles on the Board of CRL which relate to the affairs of the Western Australian entities and which may be of assistance to the Commission.

Witness Statement of Helen Anne Coonan

14. It is my understanding that the Commission will have regard to evidence given by me and others in the Bergin Inquiry and the Victorian Royal Commission, including in relation to the significant remediation steps (including in relation to governance, risk, AML and responsible gaming) and Crown's cultural reform program that have been implemented since the Bergin Inquiry and which are relevant to questions of suitability. Based on this understanding, I have not sought to repeat my previous evidence in relation to these topics in this statement, although I do provide some high level information about the reform programs and the steps taken.
15. I am not authorised to waive legal professional privilege in respect of any communication that may be subject to such a claim by any Crown Group entity and nothing in this statement is to be construed as involving a waiver of any such privilege.

QUALIFICATIONS AND EXPERIENCE

16. **Question 5** seeks details of my qualifications, expertise and experience generally, which I set out in the following paragraphs. I also attach as annexure "A" a resume which sets out some additional details of my experience.
17. I obtained a Bachelor of Laws and a Bachelor of Arts from the University of Sydney.
18. I practised law for approximately 25 years, as a solicitor, an attorney-at-law at the New York Bar, and as a barrister at the NSW Bar. My positions during this period included being a partner at Gadens and a principal of my own firm, Coonan and Hughes.
19. I have been a qualified mediator in the Supreme Court of NSW.
20. In 1996, I was elected to the Senate for New South Wales. I was re-elected in 2001 and 2007. I resigned from politics in August 2011.
21. In Parliament, I served as the Deputy Leader of the Government in the Senate. I was appointed to Cabinet as the Minister for Communications, Information and Technology and the Arts and was shareholder Minister for Telstra Corporation and Australia Post. I also served as the Minister for Revenue and Assistant Treasurer and had portfolio oversight of the Australian Prudential Regulation Authority.
22. At Ministerial level I had carriage of a number of complex policy problems including leading reforms to prudential regulation for APRA following the collapse of HIH and national reforms to secure the affordability and availability of public liability, professional indemnity and medical indemnity insurance. These reforms also involved the development and regulation of professional standards.

Witness Statement of Helen Anne Coonan

23. As Assistant Treasurer and Minister for Revenue I had portfolio oversight of the Australian Tax office and developed and introduced the new office of Inspector General of Tax to assist consumers in dealing with the ATO.
24. As Communications Minister, I was Portfolio Minister for Telstra and had responsibility for securing legislation for the full privatisation of Telstra as well as the design and implementation of a new merged agency to regulate communications, the Australian Communications and Media Authority.
25. In corporate roles, in addition to my role with CRL, I served for seven years as a non-executive director of Snowy Hydro Limited, during which I assumed the role of Chair of the special purpose board committee overseeing the operations of Red Energy, the retail energy arm of Snowy. I was closely involved in this capacity with the Snowy acquisition of another energy retailer, Lumo Energy, and the integration of these businesses including the cultural integration of staff of the individual entities. I was involved in all aspects at board level in the engineering and financial decisions underpinning Snowy 2.0. and the acquisition of Snowy by the Commonwealth government.
26. In 2019, I became the inaugural Chair of the Australian Financial Complaints Authority (AFCA), a members-based external dispute resolution body for resolution of disputes about consumer financial services.
27. As a result of the demands of my roles relating to the Crown Group, I have scaled back a range of other roles. However, I have retained roles as Chair of the Minerals Council of Australia and of GRACosway Pty Limited. I am also a member of the Advisory Council of JPMorgan.

ROLES WITH CRL

28. **Questions 1, 2, 3 and 4** of my summons seek information concerning my roles with CRL.
Appointment to the CRL Board
29. The opportunity to join the CRL Board arose following a discussion I had with Mr James Packer when I was considering my post-parliamentary career. I had met Mr Packer on a few occasions during my tenure as Communications Minister and I was introduced to him again via a third party and had a conversation with him about my interest in obtaining corporate roles for the next stage of my career. Mr Packer expressed an interest in exploring the possibility of me joining the CRL Board.
30. Following that discussion, my appointment progressed through the standard process within Crown for the appointment of non-executive directors. This involved a nomination made by Mr Packer (then Chairman) to the Nomination and Remuneration Committee and meetings

Witness Statement of Helen Anne Coonan

with Rowen Craigie (then CEO of Crown Resorts) and Michael Neilson (then Group General Counsel and Company Secretary). My nomination was considered by the Nomination and Remuneration Committee, and on 23 August 2011 the Committee resolved to recommend my appointment to the Board of CRL. The Board of CRL resolved to appoint me on 24 August 2011, subject to probity approvals. I received those approvals and my appointment became effective on 2 December 2011.

31. On 2 December 2011, I joined the Board of CRL as a non-executive director.
32. On 17 October 2013, I was appointed a non-executive director of Crown Resorts Foundation Limited, the philanthropic arm of the Crown Group. The Foundation's philanthropic fund is a joint initiative with the Packer Family Foundation, with both organisations contributing \$100 million each towards 120 programs and grants. The Foundation provides financial support to programs in the areas of indigenous education and culture, the arts, community welfare, education, health care and research, and the environment, including numerous programs in Western Australia.
33. As noted above, on 24 January 2020, I was appointed Chair of CRL.

The Bergin Inquiry

34. During the second half of 2020, the Bergin Inquiry explored a number of issues of relevance to the suitability of relevant Crown entities to hold a Restricted Gaming Licence in New South Wales or to be a close associate of the Licensee. The Inquiry's report was delivered on 9 February 2021.
35. Crown has accepted that deficiencies in its culture and its governance and risk processes and frameworks contributed to, and underpinned, several of the findings made in the Bergin Report.
36. The findings included findings concerning a lack of appropriate independence of the Board and senior management from the influence of CRL's major shareholder, CPH.
37. The Bergin Report was the catalyst for a number changes to the Board and management of the Crown Group and the development of a comprehensive remediation plan, in addition to the range of reforms that were already underway at the time of the Bergin Inquiry. At the Bergin Inquiry, I made a commitment to see through the successful implementation of these expanded remediation reforms and the rehabilitation of the Crown Group so that it can demonstrate that it is suitable to hold gaming licences in the jurisdictions in which it operates.

Board refresh and separation from CPH interests

38. As explained above, prior to and following the publication of the Bergin Report in February 2021, a number of directors left the Board of CRL and Ken Barton resigned as Crown Group

Witness Statement of Helen Anne Coonan

CEO and Managing Director with effect from 15 February 2021. I took on the role of Executive Chairman of CRL from that date on an interim basis pending the location of an appropriate CEO for the Group.

39. Other substantial changes have taken place at a senior management level. Barry Felstead, CEO - Australian Resorts, Joshua Preston, Chief Legal Officer - Australian Resorts and Mary Manos, General Counsel and Company Secretary, have each left the Crown Group. Since February 2021, Steve Blackburn has commenced in the new role as the Chief Compliance and Financial Crime Officer; Nick Weeks has commenced in the new role as the Executive General Manager, Transformation & Regulatory Response; Tony Weston has commenced in the new role of Chief People and Culture Officer; Betty Ivanoff commenced in the role of Group General Counsel; Bronwyn Weir commenced as Company Secretary; Jessica Ottner commenced as Group General Manager – Internal Audit; and Steven McCann was appointed Group CEO, subject to probity approvals.
40. My appointment as the interim Executive Chairman occurred in a difficult and challenging set of circumstances. Given that Mr Horvath had already announced his intention to resign, the CRL Board and executive departures had left Jane Halton, Toni Korsanos and me as the ongoing senior leaders of CRL. Over the following months, the CRL Board worked very hard and met and communicated very regularly. In addition to carrying out all the usual functions of the Board and its various committees with a very depleted number of directors available to share the load, we needed to:
 - a. deal with the fallout from the Bergin Inquiry and urgently develop a viable remediation plan across a broad range of critical operations;
 - b. recruit, vet and appoint a new senior executive team and Board members;
 - c. manage relations with the regulators, including regular meetings with ILGA to discuss the approach and elements of Crown's remediation plan, and I drove that engagement with ILGA from Crown's perspective;
 - d. manage other stakeholders, including investors, ratings agencies and financiers, and I attended a large number of meetings with these stakeholders;
 - e. coordinate responses to a number of investigations and inquiries from ASIC and AUSTRAC, as well as defend two ongoing class actions against CRL;
 - f. respond to the Victorian and Western Australian Royal Commissions; and
 - g. manage the operational and financial impacts of the COVID-19 pandemic.
41. I appreciated that it would take time to identify suitable candidates for board and senior executive roles, particularly given the regulatory scrutiny directed at Crown, and that

Witness Statement of Helen Anne Coonan

candidates that accepted a position would thereafter need to obtain probity approvals in a number of jurisdictions which would take a number of months.

42. In January 2021, the CRL Board resolved to appoint Nigel Morrison to the CRL Board. Mr Morrison is a former CEO of SkyCity with over 20 years of gaming experience. Mr Morrison's appointment did not take effect until he received the requisite probity approvals on 6 April 2021.
43. On 10 April 2021, the CRL Board resolved to appoint Mr Bruce Carter as a director subject to probity clearances. Mr Carter has had experience on the boards of ASX listed companies, including experience in Chairman roles. He has had regulatory experience and roles involving a strong governance focus. He has had experience of the gaming industry through his role as Deputy Chair of SkyCity.
44. The search for additional non-executive directors continues with particular attention to identifying other qualified, available and willing candidates for the Boards in Melbourne and Perth.
45. As noted above, on 1 June 2021, Steven McCann commenced as Managing Director and CEO of CRL, subject to probity and regulatory approvals.
46. As explained above, my intention is to announce my retirement from my various appointments in the Crown Group as soon as Crown has finalised its plans in relation to the appointment of a new leader.

Remediation program

47. In order to more completely address the Commission's questions as to the circumstances by which I took on certain roles within the Crown Group, I consider that it would be helpful to provide a very brief overview of some of steps taken by the Group to address the matters that came to light directly or indirectly as a result of the Bergin Inquiry and as a result of the Victorian Royal Commission.
48. Crown's remediation program is the subject of extensive evidence given in the Victorian Royal Commission. By way of summary only, I note that, in addition to the refresh of the CRL Board and management to achieve an independent "cast of mind", and the removal of the CPH influence from the CRL Board and Crown's affairs generally, a number of areas of remediation have been completed or are underway. These include:
 - a. The creation of a new independent Financial Crime & Compliance department under the leadership of Steve Blackburn as the new Chief Compliance & Financial Crime Officer, together with the resourcing of that department. That department now comprises 56 people, with an approved plan to increase the department to 111 people.

Witness Statement of Helen Anne Coonan

Nick Stokes, Group General Manager - AML and Group Money Laundering Officer, was appointed as AML/CTF Compliance Officer for each of the reporting Crown entities on 2 November 2020. On 23 July 2021, Steve Blackburn announced the appointment of Armina Antoniou as Crown's new Executive General Manager, Financial Crime Risk and Daniel Rule as Crown's new Executive General Manager, Financial Crime and Compliance Operations. Mr Rule will commence on 1 September 2021 and Ms Antoniou's commencement date will be confirmed shortly.

- b. Under Mr Blackburn's leadership, the preparation and implementation of a substantial program to uplift the Crown Group's anti-money laundering systems. Mr Blackburn has significant expertise in such systems and in leading teams in this area. In addition, a number of independent experts are involved in assisting with or independently reviewing the uplift program and its implementation.
- c. Extensive enhancements have been made to the Company's framework for managing risk, including the introduction of an independent audit function to create a third line of defence and the creation of a new Chief Risk Officer (**CRO**) role that reports directly to the CEO and has a reporting line to the Risk Management Committee (**RMC**) of the CRL Board. In addition, Mr Blackburn's role in the second line of defence as Chief Compliance & Financial Crime Officer reports directly to the Board. A new internal audit manager has been appointed. The Company has also appointed a new independent auditor for the 2021 financial year.
- d. Crown is pursuing a cultural uplift program which involves a range of governance and organisational changes. The structural reforms to lines of reporting and accountability provide a direct line of sight to key functions and responsibilities around the cultural uplift initiatives and the CRL Board is committed to ensuring the program continues to be implemented and maintained throughout the Crown Group.
- e. As part of the cultural uplift program, Deloitte is engaged to carry out an organisational review, assist Crown to set a new target state aligned to revised values, purpose and risk appetite, and design a roadmap to implement changes to reach that target state.
- f. A number of changes have been made in the area of responsible gaming. The work in that area is ongoing and will take into account the evidence and findings of the Royal Commissions.
- g. The creation of a group Human Resources function to drive cultural consistency throughout the organisation, and the creation of a new Chief People and Culture Officer and the appointment of Tony Weston to that role.

Witness Statement of Helen Anne Coonan

- h. Crown is undertaking a review of its remuneration structures to introduce values based "hurdles" as part of the performance management framework and revised structures, including partial deferral and forfeiture terms for key management personnel.
 - i. The VIP business model for overseas customers that has historically operated at Crown, and involved overseas-based staff, has been discontinued.
 - j. Crown has ceased dealing with junkets and junket operators.
 - k. Crown has terminated all key agreements that had been in place with CPH.
 - l. The General Counsel and Company Secretary roles have been separated.
49. Additional detail of the remediation and reform program is set out in the Remediation Plan schedule, most recently provided to the Gaming and Wagering Commission (**GWC**) on 30 July 2021. [CRW.701.004.4069, CRW.701.004.4135]
50. As I touched on above, I have been engaged in direct discussions with the Chairman and other members of the Board of ILGA as to the delivery of the remediation and reform program to address the issues that were identified by ILGA as part of the "pathway to suitability" to operate the Restricted Gaming License at Crown Sydney. These programs are taking into account additional issues of relevance as they come to light, including through the inquiries made and evidence given during the Victorian Royal Commission. The programs will also be updated to reflect work that may need to be done in order to address any further issues that emerge from this Commission's inquiries and hearings. The aim is to ensure that the changes made through the uplift programs are implemented, effective and sustainable across the whole of the group in order to demonstrate that the relevant Crown entities are suitable to hold a casino licence, and/or be close associates of a casino licensee, in each relevant jurisdiction.
51. These programs, the depletion of the Board in February 2021, and the need for me to take on an executive role on an interim basis, has meant that I have joined the Boards of a number of Crown Group entities and I have become a member of a number of committees. I address this further below.
52. I have sought to keep the GWC updated on the work being done as part of the remediation program. As mentioned above, a copy of the Remediation Plan was most recently provided to the GWC on 30 July 2021.

Committee roles

53. Prior to my appointment as interim Executive Chairman on 15 February 2021, my Committee roles for CRL included:

Witness Statement of Helen Anne Coonan

- a. the People, Nomination and Remuneration Committee from November 2020 until February 2021 (although I continued to attend these meetings by invitation following my appointment as Executive Chairman);
 - b. the Finance Committee as and when it is required to meet from June 2018 until 28 November 2018 (which was the date of the last meeting);
 - c. the Corporate Responsibility Committee from August 2013 until 18 February 2020;
 - d. the Brand Committee from its establishment in August 2019 until it became inactive in January 2020; and
 - e. the Audit and Corporate Governance Committee from April 2017 to February 2020 (although I continued to attend these meetings by invitation following my appointment as Chairman of the Board).
54. Following my appointment as interim Executive Chairman, and pending the appointment of further directors who would be available to be committee members, I became a member of:
- a. the Disclosure Committee (for the purposes of approving ASX announcements) from 15 February 2021;
 - b. the Responsible Gaming Committee from 5 March 2021;
 - c. the Safety and Sustainability Committee from 5 March 2021; and
 - d. the RMC from 5 March 2021.

OTHER GROUP ROLES

55. Following the resignations of other directors referred to in paragraphs [5] and [6] above, I assumed a number of roles in addition to that of Executive Chairman of CRL, including becoming a director of various subsidiary companies within the Crown Group in Western Australia, New South Wales and Victoria.
56. In relation to the Western Australian businesses, my appointments included the following entities with material operations or roles:
- a. Burswood Resort (Management) Limited (15 February 2021), which is the employer of a range of Crown's Western Australian employees;
 - b. Crown (Western Australia) Pty Ltd (15 February 2021), which is the holding company of Burswood Limited and provides intercompany financing;
 - c. Crown (Western Australia) Finance Pty Ltd (15 February 2021), and which is also involved in intercompany financing;

Witness Statement of Helen Anne Coonan

- d. Crown (Western Australia) Finance Holdings Pty Ltd (15 February 2021), which is the holding company of Crown (Western Australia) Finance Pty Ltd;
 - e. Burswood Limited (18 February 2021), which is the holding company of Burswood Nominees Ltd; and
 - f. Burswood Nominees Ltd (18 May 2021), which is the holder of the Casino Gaming Licence and liquor licenses for Crown Perth, and the contracting party for goods and services supplied to Crown Perth. It is also the trustee for the Burswood Property Trust and HI (Burswood) Trust, the owner of BML Trust and owner of Burswood Resort (Management) Ltd. I understand that the delay in my appointment to Burswood Nominees Ltd was due to the time taken to apply for and obtain the necessary regulatory approvals.
57. I was appointed as a director of various of these entities following the resignation of John Poynton and Ken Barton, which left the relevant Boards depleted and in need of new appointments.
58. Burswood Limited, Burswood Nominees Ltd and Burswood Resort (Management) Limited do not have any working groups or committees at board level.

EXPERIENCE AND TRAINING IN RELATION TO RISK AND OTHER CASINO OPERATIONS

59. **Question 6** of my summons seeks information concerning my qualifications, expertise and experience in relation to a number of topics, including casino operations, risk management, AML/CTF and problem gaming risk management.
60. Prior to joining the Board of CRL, while I had extensive experience in connection with regulated entities, I had no prior experience with casino operations. However, prior to my appointment, I did seek to inform myself about the business as much as possible by familiarising myself with the legislation in each jurisdiction and visiting the Marina Bay Sands and Genting properties in Singapore. During that visit, I spent upwards of about half a day with the Singaporean regulator to learn more about casino regulation. I chose Singapore given that the Commissioner of the Singapore Casino Regulatory Authority was an acquaintance I had made as Minister of Communications and the Singaporean regulations were similar to those in Victoria. Additionally, those Singaporean properties which opened shortly before my visit were large scale integrated resorts with a similar model to that operated by Crown. I have continued to develop my knowledge in relation to casino operations while on the Board of CRL and have attended relevant training sessions.
61. In relation to AML, I had the carriage of the passage of the Anti-Money Laundering and Counter-Terrorism Financing Act in the Senate and, as a member of the JP Morgan advisory

Witness Statement of Helen Anne Coonan

- Board, I completed detailed courses on AML. As a director of CRL and Burswood, I have also received regular briefings on AML matters, including in relation to the significant AML uplift programs undertaken in 2019 and more recently by Mr Blackburn. Recent training I have received in this area has involved face to face bespoke training provided to the directors of CRL, Burswood Nominees Limited and the directors of the other property Boards on 8 March 2021 by Mr Steve Blackburn and Allens. I also completed a Business Operations Team AML/CTF training module on 9 March 2021.
62. In relation to the Responsible Service of Gaming (**RSG**), I have continued to develop my knowledge in relation to RSG while on the Board of CRL and, since 5 March 2021, as a member of the CRL Responsible Gaming Committee. Recent training I have received in this area involved a detailed simulation at the Sydney casino of a patron displaying observable signs and the responsible gaming staff approaching the patron to provide assistance and discuss self-exclusion.
63. **Questions 7 and 8** of my summons seek information concerning what training and inductions I received at the time of my appointment and during my tenure as a Director of CRL, Burswood Limited, Burswood Nominees Limited and Burswood Resort (Management) Limited.
64. When I was onboarded as a director of CRL in 2011, I completed an induction course. This included an introduction to Crown's constitution, board charters and policies. I was introduced to, and had a number of discussions with, the other directors of CRL and members of the management team. I recall receiving a folder of materials as part of my induction, including copies of policies, board papers and minutes, financial information, my letter of appointment and directors and officers insurance policy.
65. I also underwent a physical orientation where I was shown around the Crown Melbourne property. This induction was extensive and included an introduction to the cage, surveillance and security, 'back of house' and the responsible gaming centre. Some months later, I visited Crown Perth for a similar physical induction.
66. I did not undergo an induction or training session when I became a director of Burswood Limited, Burswood Nominees Limited and Burswood Resort (Management) Limited. I had been a director of CRL for a number of years and was familiar with the group's business and policies. As noted above, I had undertaken basic induction and training previously.

GOVERNANCE AND RISK

67. **Questions 9, 10, 12 – 16, 19 – 22, 24 – 28** seek information regarding Board oversight and management of, and relationships between, CRL, Burswood Limited, Burswood Resort (Management) Limited and Burswood Nominee Limited.

Witness Statement of Helen Anne Coonan

68. I understand that, as a director, I owe duties to each of CRL, Burswood Limited, Burswood Nominees Limited and Burswood Resort (Management) Limited. The CRL Board Charter includes a general description of what the duties of a director require which accords with my understanding. I am aware that I must act in the best interests of a company when discharging my duties and that to do so I need to have a sufficient knowledge of a company's operations and activities in order to exercise appropriate oversight at parent company level. I am also conscious of the importance of Boards being a positive influence in setting the "tone from the top". I understand the duties of a director include:
- a. acting honestly, carefully and diligently;
 - b. making sure the company remains solvent, can pay its debts as and when they fall due and keeps proper financial records;
 - c. helping ensure the company has appropriate risk management and governance systems;
 - d. using any information gained through my position as a director properly and ethically; and
 - e. ensuring the organisation complies with the law and its regulatory obligations.
69. CRL, as the ASX listed holding company within the Crown Group, sets the overarching strategic direction and manages centralised group functions for all subsidiaries, including Burswood Limited, Burswood Nominees Limited and Burswood Resort (Management) Limited.
70. Examples of this include the approaches to be taken by subsidiaries on Risk Management (which I outline further below at paragraphs 80 to 98), AML/CTF (see paragraphs 121 to 162) and Responsible Gaming (see paragraphs 174 to 192).
71. By way of recent example in respect of Responsible Gaming, in June 2021, the directors of Burswood were presented with a note of the enhancements to the Responsible Gaming function across CRL's subsidiaries. These enhancements had been endorsed by the CRL Board in May 2021 and rolled out across all of Crown's properties. [CRW.701.004.0376 at.0574 – Board paper to BL board]
72. In relation to AML/CTF, it was vital that Burswood approved the revised Joint AML/CTF Program (which I understand it did in November 2020). [CRW.703.001.3661 at .3664 – Minutes of BL board meeting November 2020]
73. The subsidiary Boards, including those of the Western Australian subsidiaries provide additional oversight and direction in respect of local operations. Burswood Nominees Limited is the holder of the casino licence for Crown Perth and is also the contracting entity for the

Witness Statement of Helen Anne Coonan

- provision of goods and services for the Perth property. It is supported by Burswood Resort (Management) Limited, which I understand is the principal employing entity for Crown Perth.
74. In order to understand the management structure in place in Crown Perth, it is important to first explain the general management structure of the Crown Group.
 75. The CEOs of all three properties – Perth, Sydney and Melbourne – report to the Group CEO.
 76. As is typical of group company structures, there is some level of centralisation in order to achieve efficiencies and a level of consistency and alignment across the entire group. As such, there are a number of centralised functions and the heads of these functions also report to me as Executive Chairman on an interim basis (soon to be Mr McCann). These include the Chief People and Culture Officer, Chief Information Officer, General Counsel, Chief Financial Officer CRL, Chief Compliance and Financial Crime Officer, CRO, Executive Vice President Corporate Affairs, and Chief Marketing Officer.
 77. As the CEO of Crown Perth, Lonnie Bossi has accountability for, and makes decisions in respect of, the Perth property. He has a management team reporting to him.
 78. Where the operations of Crown Perth intersect with a centralised function, there is a need for Mr Bossi to work together with personnel within the Crown Group with responsibility for that function. For example, the activities of a croupier on the gaming floor are ultimately the responsibility of Mr Bossi. However, where that croupier identifies suspicious activity from an AML perspective, it is expected that he or she will comply with the group AML policies and procedures which fall within the remit of the Chief Compliance and Financial Crime Officer.
 79. I understand that the direct reports of Mr Bossi include:
 - a. Andrew Hill, COO Food, Beverage & Entertainment;
 - b. Cori Cairns, GM Table Games;
 - c. Claude Marais, GM Legal and Compliance;
 - d. Shannon Blake, GM Gaming Machines; and
 - e. Brian Lee, GM Security & Surveillance.
 80. **Questions 11, 18, 23 and 30** are directed towards Risk Management within the Crown Perth entities.
 81. As mentioned at paragraph 69 above, overarching direction and strategy for the Crown Group in respect of Risk Management is set by the CRL Board. In particular, the CRL Board sets the "risk appetite" for the Crown Group as part of it setting and approving the Crown

Witness Statement of Helen Anne Coonan

Group's Risk Management Strategy and the CRL Risk Management Policy.
[CRW.512.043.0051 – Policy / [CRW.512.041.0055 - Strategy]

82. The CRL Risk Management Strategy, which was created in 2019, is an internal document setting out the fundamental expectations of CRL in respect of its risk management framework across all entities in the Crown Group. In addition to establishing the group's risk appetite, it sets out:
 - a. Risk management principles;
 - b. Roles and responsibilities, including those of the Board;
 - c. The risk management framework; and
 - d. Principles that support the identification and management of risk at Crown.

[CRW.512.041.0055 at .0057]
83. Under the Risk Management Strategy, there are certain areas in respect of which the Crown Group does not have an appetite to accept material risk. These areas are:
 - a. regulatory, legal or statutory requirements, including in respect of financial crime;
 - b. association with or influence from criminal elements;
 - c. activities that would be inconsistent with the Crown Group's social licence to operate; and
 - d. employee health and safety, security and surveillance across its properties or loss of, or otherwise unauthorised or accidental disclosure of, customer or other sensitive information or data. [CRW.512.041.0055 at .0067]
84. The RMC of the CRL Board has been delegated responsibility for overseeing the risk management framework. The Charter of the RMC sets out the scope of its role.
[CRW.512.043.0077]
85. A key element of the risk management framework is risk governance. Within the Crown Group, a "three lines of defence" approach to taken. This comprises:
 - a. First line – employees and management, with appropriate reporting;
 - b. Second line – an independent Risk Management team, as well as Compliance and AML/CTF functions; and
 - c. Third line – an independent internal audit function.

Witness Statement of Helen Anne Coonan

86. In general terms, the first line owns and manages the risks. The second line owns the overarching risk management and compliance framework. The third line provides a periodic independent assessment of the risk management framework and controls.
87. In terms of that first line, the CRL Risk Management Policy sets out how risk is to be managed at that operating level. For example, management is required to maintain and review the risk profile for its business and report change to the Risk Management Committee. Management are also required to maintain risk registers. [CRW.512.043.0051]
88. Crown Perth has a risk register and a risk matrix. Risks in respect of the Perth property are escalated through the Executive Risk and Compliance Committee (**ERCC**). The ERCC is responsible for providing risk and compliance oversight for Crown Perth and provides legal, risk and compliance updates to meetings of the Burswood Limited Board. The ERCC is currently chaired by Michelle Fielding, Group Executive General Manager of Compliance, who reports directly to Steve Blackburn, who was recently appointed as Group Chief Compliance and Financial Crime Officer. The ERCC meets quarterly or as agreed by the Committee.
89. The current members of the ERCC are:
 - a. Michelle Fielding (Group Executive General Manager Regulatory & Compliance) - Chairperson;
 - b. Lonnie Bossi (Chief Executive Officer – Crown Perth);
 - c. Anne Siegers (Chief Risk Officer);
 - d. Nicolas Emery (Chief Marketing Officer – Australian Resorts);
 - e. Andrew Cairns (Executive General Manager Crown Hotels Perth);
 - f. Andrew Hill (Chief Operating Officer Food, Beverage & Entertainment);
 - g. John Salomone (Chief Financial Officer – Australian Resorts).
90. A key element of the second line has been the separation of the risk and audit functions and the appointment of an independent CRO for the Crown Group. Ms Siegers was appointed to the role of CRO in December 2020. This was an internal appointment. Ms Siegers had since December 2017 been the Group General Manager – Risk and Audit.
91. The CRO reports to the CEO of CRL and to the Risk Management Committee of the CRL Board. The CRO is responsible for the development, implementation and maintenance of the Risk Management Strategy and framework and the coordination of the corporate insurance portfolio of the Crown Group.

Witness Statement of Helen Anne Coonan

92. The CRO attends board meetings of Burswood Limited and since being invited, has provided detailed updates on risk-related matters – both for the overall Crown Group, and those specifically for Crown Perth. For example, at the most recent meeting of the Burswood Limited Board in June 2021, the report from Ms Siegers included an update of the risk appetite dashboard, proposed adjustments to the Crown Perth corporate risk profile and an update on material risks. [CRW.701.004.0376 at .0433]
93. Under Mr Blackburn's leadership the Financial Crime & Compliance department is also a key element of the second line of defence. As noted above, Mr Blackburn reports directly to the Board in relation to AML and financial crime matters.
94. In relation to the third line of defence, on 10 May 2021, Ms Jessica Ottner was appointed Group General Manager – Internal Audit. This third line is responsible for developing an Internal Audit Plan and facilitating an independent review of the appropriateness, effectiveness and adequacy of the Risk Management Framework at least every three years.
95. In terms of risk escalation, risks identified at different layers of the Crown Group are consolidated for upwards reporting. This allows for material and/or emerging risks to be discussed at relevant forums. It is the Risk team that performs this consolidation exercise, with the CRO attending ERCC and RMC meetings.
96. My view is that the risk appetite of the Board of CRL has been significantly reset since the Bergin Inquiry. The Board has had an opportunity to reflect on past shortcomings and has progressed a "root and branch" reform of the organisation in relation to the management of risk. The objectives are:
 - a. to have all of Crown's employees deliver our services to provide outstanding customer experiences in a way that does not compromise risk and compliance;
 - b. to create in our organisation Crown's standard of compliance as a source of pride equivalent to our approach to customer service; and
 - c. to have an open and transparent organisation where people are unafraid to call out and escalate issues, risks and problems, and to learn from mistakes with a mind open to change.
97. The Board and senior management have emphasised that all of us from the Board down and throughout the organisation will do the right thing. The Board has sought to communicate to all staff what is expected of them, including that staff should be confident that if they "see something, say something".
98. The newly constituted Board is acutely aware of the importance of driving and embedding cultural change and the promotion of a strong culture of transparency, compliance and risk

Witness Statement of Helen Anne Coonan

management in accordance with Crown's values and risk appetite. This is a key area of focus in Crown's Remediation Program. A Risk and Compliance Culture Framework has been established to help drive a culture of compliance. [CRW.512.010.0302].

99. **Question 17** of my summons is directed to my knowledge and understanding of whether, and to what extent, the assets of Burswood Nominees Limited, including the casino licence, have been used as security for the debts of any other company or entity within the Crown Group.
100. I am aware that Burswood Nominees Limited as trustee for the Burswood Property Trust is a party to a Deed of Cross Guarantee under which it and other members of the Crown Group provide guarantees of the group's debt facilities. On 9 June 2021, Alan McGregor presented to the Board of Burswood Limited a memorandum titled 'Deed of Cross Guarantee - Annual Resolution'. At that meeting, the Board of Burswood Limited resolved to remain a party to the Deed of Cross Guarantee. [CRW.701.004.0376 at .0386]
101. In 2020, the Crown Towers Perth and Crown Metropol Perth properties were provided as security for Crown Group Finance Limited to secure funding on behalf of CRL for the purposes of ensuring adequate liquidity through the COVID closure period across the Crown Group.
102. I am not aware of the casino licence having been used as security for debts.
103. **Question 29** of my summons relates to cl 22.1(r) and cl 22.1(ra) of the Casino Agreement between Crown Melbourne and Victorian Commission for Gambling and Liquor Regulation.
104. I am aware of cl 22.1(r) and cl 22.1(ra) of the Casino Agreement between Crown Melbourne and Victorian Commission for Gambling and Liquor Regulation. I am aware that those clauses were the subject of negotiation and agreement with the VCGLR in 1999.
105. I do not recall those clauses being discussed by or with the Boards of Burswood Limited or Burswood Nominees since I have become a director of those entities.
106. Having multiple properties operating under a common brand has served to promote the interests of all properties in all the States that Crown operates in, including promoting tourism, employment and economic development in Western Australia, Victoria and New South Wales. It is in CRL's interests to cross-promote, invest in and develop each of its properties to maintain Crown's premium brand and to harness the benefits that arise from the Crown brand having a physical presence in multiple States. This has been the case in Perth, with the significant investment in Crown Towers in Perth and the rebranding and refurbishment of the Burswood complex.

Witness Statement of Helen Anne Coonan

OPERATION OF THE PERTH CASINO

107. **Questions 31 and 32** of my summons seek information concerning the funding and financial position of Burswood Limited, Burswood Nominees Limited and Burswood Resort (Management) Limited in the period 2014 to the present.
108. Burswood Limited operates as a subsidiary of CRL.
109. The operating expenses of the casino gaming operations for Crown Perth form part of the overall budget for the Crown Perth business operated by Burswood Limited.
110. As a board member of CRL, I received regular financial accounts and reports, including yearly, half yearly and quarterly reports showing the financial position of Crown Perth. The Board of Burswood Limited receives similar reporting and other data relating to the financial performance of the business. I understand that reports which disclose the financial position of Crown Perth have been produced to the Commission.

INTERNATIONAL COMMISSION BUSINESS

111. **Questions 33 to 36** of my summons seek information concerning the operation of the Perth Casino's International Commission Business (ICB), junkets programs and related investigations.
112. I was aware from reports made to the CRL Board by the CEO of Crown Perth that ICB formed part of the business of Crown Perth. However, I also understood that the VIP international strategy for the Crown Group was set from Melbourne and that the decision makers in respect of whether a junket operator should continue or commence were Barry Felstead, CEO - Australian Resorts, and Joshua Preston, Chief Legal Officer - Australian Resorts.
113. While I have a high-level understanding of the history of Crown's engagement with junket operators, I was not a director of Burswood Nominees Limited or Burswood Limited while the ICB and junket programs were operating at Crown Perth and I am not aware of the financial model, marketing and provision of credit or gratuities associated with the ICB and junket programs of Crown Perth.
114. The Crown Group ceased its operations in China after the China Arrests occurred on 15 October 2016. Crown resolved to close a number of other offshore offices on April 2017. I gave evidence about my knowledge of these events in my Statement to the Bergin Inquiry. I also gave evidence about the timing and reasons for the decisions to cease operations in China and other offshore offices in my Statement to Victorian Royal Commission. [CRL.698.001.0001, [32] to [48]], [CRW.998.001.0207, Answers to Questions 1 to 8]

Witness Statement of Helen Anne Coonan

115. The Crown Group had systems and processes in place for vetting and monitoring junket operators. Those systems were managed centrally and applied to all Crown properties. I gave evidence about those systems to the Bergin Inquiry. This included evidence about the appointment of external advisers to review the systems and controls used by the Crown Group (Deloitte and Berkley Research Group). I also gave evidence about measures taken by the Crown Group to improve its systems and controls. [CRL.698.001.0001, [32] to [48]]
116. The Crown Group has ceased to deal with junket operators. I gave evidence to the Victorian Royal Commission about the timing and rationale for the decisions taken by CRL on 10 August 2020, 10 September 2020 and 11 November 2020 to suspend and then permanently cease junket operations. I refer to my Statement dated 28 April 2021 at [CRW.998.001.0207, Answers to Questions 36 to 38].
117. However, by way of summary, at the meeting of the CRL Board on 11 November 2020, the Board resolved to procure that each of Crown Melbourne, Crown Sydney and Crown Perth:
- i. subject to (ii) below, permanently cease dealing with all junket operators; and
 - ii. promptly consult with their respective gaming regulators in Victoria, New South Wales and Western Australia to ascertain their respective views before implementing a decision to cease dealing with junkets having regard to the terms of existing agreements in place with each of those gaming regulators and competitive neutrality principles and to determine whether they have any objections to Crown taking the decision at (i) above.
118. Crown Perth informed the GWC about its decision to permanently cease junket operations on 23 November 2020 and 14 December 2020. [Letters to GWC 23 November 2020, 14 December 2020 [CRW.513.007.4542, GWC.0002.0016.0342_0001]
119. On 23 February 2021, the GWC resolved to give effect to a direction to Crown Perth prohibiting the conduct of Junkets, Premium or Privileged player activity. [GWC.0002.0016.0369_0005]
120. I am not aware of any investigations or enquiries having been undertaken by the Boards of Burswood Limited or Burswood Nominees Limited regarding the arrests of employees of the Crown Group in China or into the ICB or junket business.

AML

121. **Questions 37 to 39** of my summons seek information concerning AML controls and the management of AML risks.

Witness Statement of Helen Anne Coonan

122. Crown has centralised AML/CTF systems, policies, procedures and controls that are administered by both employees of CRL and local employees of Crown Perth as part of a group Financial Crime function.
123. Prior to the recent reforms referred to below, the then AML/CTF function was part of the Legal and Compliance function. It was headed by Joshua Preston, then Chief Legal Officer - Australian Resorts, who reported to Barry Felstead, then CEO - Australian Resorts.
124. I gave evidence in my Statement to the Bergin Inquiry about changes that were then being made to Crown's then AML/CTF function. [CRL.698.001.0001] These included the CRL Board's adoption of the Joint AML/CTF Program and AML/CTF Corporate Policy Statement.
125. I am aware from the Minutes of the Board of Burswood Nominees Limited that on 8 August 2019 it resolved to support the adoption of the Joint AML/CTF Program and the AML/CTF Corporate Policy Statement, subject to any further comments or views that the other relevant companies in the group had.
126. On 2 November 2020, the CRL Board resolved to adopt a revised version of Part A of the Joint AML/CTF Program and resolved to delegate approval of Part B of the Program to the CEO of CRL. At the same meeting (which was a joint meeting of the Boards of CRL and the property entities), the Board of Burswood Nominees Limited approved and adopted Part A of the Joint AML/CTF Program. [CRW.703.001.3661, CRW.514.002.0110, CRW.514.002.0145, and CRW.514.002.0001]
127. Under the Joint AML/CTF Program, Burswood Nominees Limited, Crown Melbourne Limited and Crown Sydney Gaming Pty Limited (each a 'reporting entity' under the AML/CTF Act) formed a 'designated business group', allowing these entities to have a Joint AML/CTF Program, rather than separate programs for each entity.
128. The Joint AML/CTF Program comprises the following documents:
 - a. A document titled 'Crown Resorts Limited Joint Anti-Money Laundering and Counter-Terrorism Financing Program Part A';
 - b. A document titled 'Crown Resorts Limited Joint Anti-Money Laundering and Counter-Terrorism Financing Program Part B'; and
 - c. A document titled 'Crown Resorts Limited Joint Anti-Money Laundering and Counter-Terrorism Financing Policy and Procedures.
129. These Joint AML/CTF Program documents outline the systems and controls that the Crown Group deploys to identify, mitigate and manage money laundering and terrorism financing (ML/TF) risk.

Witness Statement of Helen Anne Coonan

130. Part A of the Joint AML/CTF Program also outlines how each reporting entity's board and senior management, as well as the Board of CRL and its senior management, will exercise oversight over the Program. The Program is designed to give each of the Crown entities the ability to monitor the implementation of the Program.
131. Under the Joint AML/CTF Program, in addition to the obligations of the CRL Board and senior management, it is the responsibility of the Board of Burswood Nominees Limited and senior management to:
- a. have carriage over AML matters relating to risk assessments, controls, assurance and testing, and reporting (under the Program, the Board of Burswood Nominees Limited has delegated responsibility for these functions to the Chief Compliance and Financial Crime Officer (or their delegate); and
 - b. lead and drive a positive culture of AML/CTF compliance across Burswood Nominees Limited.
132. Material AML/CTF matters must be escalated to the Board of Burswood Nominees Limited by the AML/CTF Compliance Officer at each meeting of the Board, or more frequently as required.
133. As noted above, in accordance with the Crown Risk Management Strategy, Burswood Nominees Limited has adopted the 'Three Lines of Defence' model and the division of responsibilities relating to AML/CTF compliance. Under this model:
- a. the first line of defence consists of the front-line business at Crown Perth, and operational management who own and manage ML/TF risk;
 - b. the second line of defence consists of the Financial Crime and Compliance teams, who perform an oversight function and ensure the effective design and implementation of internal AML/CTF controls; and
 - c. the third line of defence provides independent assurance on the effectiveness of the first and second lines of defence, and consists of the Internal Audit function.
134. As mentioned above, the Board and senior management of Burswood Nominees Limited and Burswood Limited is supported by the Crown Perth ERCC in the oversight of risk and compliance activities. The ERCC is tasked with considering material risk and compliance matters which will include, where relevant, AML/CTF issues or any breach of the Joint AML/CTF Program.
135. In addition, the AML/CTF Committee, which is comprised of representatives from each of the relevant business units of each Crown entity, supports the senior management of each Crown entity in the identification of possible AML concerns. The AML/CTF Committee

Witness Statement of Helen Anne Coonan

focuses on operational matters relevant to each Crown entity's AML/CTF compliance and reports on the status of such matters to the ERCC.

136. I gave evidence in my Statement to the Bergin Inquiry about the CRL Board's approval of recommended changes to Crown's organisational structure directed towards improving the risk and compliance operations of Crown business.
137. Since then, several AML/CTF appointments have been made and a new organisational structure now applies.
138. A key feature of that structure, which I have mentioned earlier, was the establishment of a new Compliance and Financial Crime Department. This department is now separate from the operating businesses and is led by Steve Blackburn, the Group Chief Compliance and Financial Crime Officer. Mr Blackburn reports directly to the CRL Board.
139. The separation of the Financial Crime function so that it is independent of the operational revenue streams of the business and reports directly to the CRL Board and property boards has been a significant reform, and forms part of the embedment of the 'Three Lines of Defence' model. The rationale for this change was to ensure that there is no filter between the Financial Crime function and the CRL or property Boards, and that AML/CTF matters are escalated promptly.
140. Crown has implemented a significant number of controls and procedures to identify and manage the risks of money-laundering. These controls have been implemented at a group wide level, but equally apply to Burswood. In particular, those reforms include the following:
 - a. Enhanced controls relating to patron accounts, which are designed to mitigate the risk of money laundering by prohibiting cash deposits and third party transfers into Crown's patron bank accounts;
 - b. a significant cash transactions (source of funds) policy, which contains restrictions in relation to cash transactions at the Cage, and bans cash deposits of over \$150,000 . Under the policy, deposits of cash at the Cage between \$25,000 and \$150,000 require the customer to provide source of funds declarations and identification, and are subject to additional approvals;
 - c. a Significant Player Review (**SPR**), which identifies high risk customers based upon their level of actual or prospective gaming activity at Crown. The SPR may result in a heightened risk rating being applied to a customer and/or an escalation to the Persons of Interest Committee for a decision as to whether the customer should be exited;
 - d. a new transaction monitoring system implemented, Sentinel, on 2 February 2021. Sentinel enhances Crown's ability to detect and monitor transactions from an AML/CTF

Witness Statement of Helen Anne Coonan

perspective and enables sophisticated analysis of data ingested from multiple sources in order to detect unusual gambling or transaction patterns indicative of money laundering.

- e. Crown has implemented an AML Portal, a digitised tool which allows employees to submit Unusual Activity Reports electronically, and allows the Financial Crime team to document investigations of those reports. The Portal is also used by the Financial Crime team to monitor the effectiveness of its training of employees.

141. On 17 June 2021, Mr Blackburn presented to the Burswood Limited Board meeting on the current status and maturity of the Joint AML/CTF Program, and his plan to uplift the Program and increase financial crime and compliance resourcing at Crown. [CRW.701.004.0376, Tab 11., Items 11.1 and 11.2].
142. Mr Blackburn's Financial Crime and Compliance Plan was adopted by the Boards of Burswood Limited and CRL and is currently being implemented. As part of the uplift to the AML/CTF Program, Mr Blackburn intends to have approximately 111 full-time employees working in the Compliance and Financial Crime functions under his leadership by October 2021, representing an increase from the 56 employees in the functions as at 24 May 2021.
143. **Question 40** of my summons seeks information concerning Crown's responses to certain public allegations relating to money laundering and organised crime in connection with the Perth Casino and the Melbourne Casino in a number of media reports between September 2014 and September 2020.
144. I am not aware of any specific response by Burswood Nominees Limited or Burswood Limited to any of the matters set out in question 40. My evidence below relates to the responses by CRL as the listed parent company of the Burswood entities.
145. Following the Four Corners program in September 2014, the Crown Group made a response to the program which was featured on the ABC's website.
146. Following the allegations made by Andrew Wilkie MP in Parliament about EGM tampering, the Guardian published two articles regarding Mr Wilkie's allegations. An internal investigation was conducted by the management of CRL and legal advice was obtained in relation to the responses. An investigation was conducted by the VCGLR and AUSTRAC, and responded to by Crown. Following further articles published by the Guardian, John Alexander (then Executive Chairman) caused an advertisement to be published in the Australian denying the allegations on 20 October 2017. The CRL Board received reports from management and legal advice throughout the process. An update was also provided to the GWC on 24 October 2017 by James Sullivan and Lonnie Bossi, which highlighted that

Witness Statement of Helen Anne Coonan

allegations did not relate to Crown Perth operations. The outcomes of the regulatory investigations in connection with the allegations were:

- a. On 18 May 2018, AUSTRAC issued its Compliance Assessment Report in relation to the allegations. AUSTRAC did not identify non-compliance, however, it made a number of recommendations in areas such as risk assessment, staff training, transaction monitoring and AML/CTF program policies and procedures.
 - b. On 7 March 2019, the VCGLR issued a direction to Crown Melbourne to prohibit the supply and prevent the use of button picks at Crown Melbourne.
 - c. On 21 March 2019, the VCGLR concluded its investigation into the use of multiple player cards on EGMs and found that Crown Melbourne had not contravened any applicable laws in the State of Victoria but referred the matter to the Department of Justice and Community Safety to consider regulatory reforms.
147. On Thursday, 25 July 2019, I received an email from Mary Manos notifying me and the other directors that a story would be aired on 60 Minutes on the following Sunday night concerning the Crown Group, the China arrests and relationships with junket operators. The email also noted that an information request had been received from the journalist, Nick McKenzie, together with a request for an interview.
 148. I watched the 60 Minutes program when it was broadcast on 28 July 2019. I also read some articles in the Fairfax media in the lead-up to the broadcast over the weekend of 27/28 July 2019. During the preceding week, I also viewed several promotional broadcasts of the 60 Minutes program.
 149. A CRL Board meeting was convened by teleconference at 1pm on Tuesday, 30 July 2019 to discuss the media allegations.
 150. In advance of the Board meeting on 30 July 2019, the directors were provided with a paper prepared by management with assistance from Richard Murphy of MinterEllison titled 'Internal Report on Media Allegations' (**Internal Report**). I read the Internal Report in advance of the meeting.
 151. At the meeting, John Alexander, the then Executive Chairman of Crown, spoke to the contents of the Internal Report and the media allegations. Mr Alexander said that the report had been prepared by Barry Felstead, CEO - Australian Resorts, and Joshua Preston, Chief Legal Officer - Australian Resorts, with assistance of MinterEllison, Crown's external legal advisors.
 152. The Board discussed what course of action should be taken in response to the allegations based on the analysis in the Internal Report. In my second ILGA statement I gave evidence

Witness Statement of Helen Anne Coonan

as to the content of discussion of the Board, the conclusions I formed about the allegations and the bases for those conclusions.

153. The minutes of the meeting record that the CRL Board resolved as follows:
 - a. management, in consultation with the CRL Board, be authorised to prepare a full page advertisement as a message from the CRL Board for publication in the newspapers in the next 48 hours which responds to the allegations, highlights the factual inaccuracies [in the] allegations, the sensationalised nature of the reporting and the unsupported connections; and
 - b. following publication of the advertisement, further consideration be given to engaging a third party to assist CRL with its communications strategy regarding the allegations.
154. On 31 July 2019, Ms Manos sent an email attaching a draft of the advertisement that the CRL Board had resolved be prepared at its 30 July 2019 Board meeting. The wording of the email is set out in my second ILGA statement.
155. In my second ILGA statement I gave evidence as to who had responsibility for verification of the accuracy of the advertisement, and concerns raised by directors to ensure the advertisement was carefully checked by management for factual accuracy.
156. At 5.35pm on 31 July 2019, Lauren Harris, Crown's Legal Counsel and Assistant Company Secretary, sent me and the other directors the final typeset version of the advertisement in the form in which it would be published the following day (**Advertisement**). A copy of Ms Harris' email is at CRL.501.025.6929.
157. The Bergin Inquiry found that the contents of the Advertisement were incorrect or overstated in a number of respects. These matters and my evidence were canvassed in the Bergin Report (in particular pages 360 and 361). In hindsight, I accept that the CRL Board's approval of the Advertisement constituted poor judgement by all the Board members and was a product of misplaced reliance on the information provided by management and legal advice obtained at the time from Crown's longstanding legal advisers.
158. **Questions 41 and 42** of my summons seek information concerning enquiries or knowledge relating to bank accounts of Riverbank Investments Pty Ltd (**Riverbank**) or any other bank accounts maintained with respect to the Perth Casino operations that may have been used as a vehicle to facilitate money-laundering.
159. I am aware that an internal investigation into the Riverbank accounts and the aggregation of cash deposits was conducted by Mr Claude Marais in September 2020. The investigation and the memorandum produced as part of the investigation was the subject of evidence given in the Bergin Inquiry.

Witness Statement of Helen Anne Coonan

160. I am aware that Initialism (Neil Jeans) undertook an investigation on behalf of CRL and prepared a report titled "Review of Riverbank and Southbank bank accounts for Indications of Money Laundering" dated 16 November 2020, which included the engagement of Grant Thornton (by Minter Ellison on behalf of CRL to support the Initialism investigation). I gave evidence in relation to this before the Bergin Inquiry. The results of that review have been shared with AUSTRAC and the GWC. The Riverbank accounts were closed in 2019. Patron account controls were implemented that prohibit and detect cash deposits and third party transfers into Crown's patron accounts. These controls significantly reduce the risk of money laundering occurring through those accounts.
161. Deloitte was engaged by the CRL Board on 22 February 2021 to undertake a review of patron bank accounts and controls, including those relating to the Perth Casino's operations, as well as Riverbank's accounts. This ongoing review is under the control of Mr Blackburn. Phase 1 of Deloitte's work was completed on 5 May 2021 [CRW.512.073.0063]. Phases 2 and 3 are due to be completed in September 2021. The first part of Deloitte's Phase 3 assessment is expected to be complete by 6 August 2021.
162. I am otherwise not aware of any investigations or enquiries that have been undertaken by the Boards of Burswood Limited or Burwood Nominees Limited into these matters.

CHINA UNIONPAY

163. **Question 43** of my summons seeks information concerning the receipt of payments at any hotel forming part of the Perth Casino complex or at any other part of the Perth Casino complex, from international customers using a credit or debit card (ordinarily a China UnionPay (**CUP**) card), with the funds received then being made available for gaming.
164. I was not aware of the hotel card transactions process until the issue was brought to my attention on about 7 April 2021 by external advisors assisting Crown in connection with the Victorian Royal Commission.
165. Once I and the other Board members became aware of the issue, the CRL Board referred the matter to Arnold Bloch Leibler and Senior Counsel to urgently investigate the matter and provide a report which identified the relevant conduct. That report was disclosed to the GWC by Mr Bossi on 7 June 2021. [CRW.709.139.4855] I am aware that Crown's solicitors have also produced a copy of the report to the Commission. [CRW.701.004.4562]
166. I have since made inquiries of Mr Bossi, CEO Crown Perth, and I am informed that the hotel card transactions practice at Crown Melbourne was not implemented at Crown Perth. This is consistent with the findings of Counsel's investigation into the hotel card transactions process (CRW.900.002.0001). Additionally, I am aware that while no credit card drawdowns

Witness Statement of Helen Anne Coonan

ever occurred, Crown has made disclosures to the GWC [CRW.701.004.3552] and the Commission regarding amendments that were made to the section of the Casino Manual dealing with credit card drawdowns in 2016. As at the date of this statement, I understand that the matter is being investigated further.

167. The forensic work being undertaken by Deloitte referred to above will also examine this issue under an expansion to the original scope of their review (CRW.512.202.0001).

TAXES AND FEES

168. **Questions 44 to 45** of my summons seek information concerning any underpayment of tax to the State of Western Australia or casino gaming licence fees to the GWC by Burswood Nominees Limited with respect to the operation of the Perth Casino.
169. I am not aware of any current concerns or issues with respect to any underpayment of tax to the State of Western Australia. On 23 June 2021, I asked Mr Bossi to confirm that Crown Perth has paid the correct amount of tax to the State of Western Australia. [CRW.701.004.4523]
170. Later the same day, Mr Bossi responded to me, Mr McCann and the members of the CRL and Burswood Limited Boards:
- a. confirming that he was not aware of any issues regarding underpayment or the calculation methodology, however he and Mr McCann were in the process of engaging EY to undertake a review in order to verify the position; and
 - b. providing a copy of a letter that he had sent to the GWC confirming that the deductions raised in the Victorian Royal Commission were not used as part of the gaming tax calculation in Western Australia. This letter was a response to a query raised by the GWC following evidence raised in the Victorian Royal Commission regarding deductions used in the calculation of gambling tax. [CRW.701.004.4555; CRW.701.004.4557]
171. I am not aware of any investigations into underpayment of casino gaming licence fees by Burswood Nominees Limited.
172. **Question 46** of my summons asks whether, at any time, in determining the 'Casino Taxable Revenue' for the Perth Casino, the cost of goods or services provided as gratuities or loyalty program rewards to gaming patrons have been deducted on the basis that they are 'winnings'.
173. I am not aware of any issue relating to the calculation of Casino Taxable Revenue for Crown Perth, including as a result of the characterisation of such deductions as 'winnings'.

Witness Statement of Helen Anne Coonan

PROBLEM GAMING

174. **Questions 47 to 51** of my summons seek information concerning systems, policies and procedures to identify and manage the risks of problem gaming at the Perth Casino, and related steps of the Board of Burswood Limited or Burswood Nominees Limited.
175. I am aware that Crown Perth has a Responsible Gaming Framework that comprises:
- a. A Responsible Gaming Centre which is run by dedicated responsible gaming staff;
 - b. Policies and procedures to address problem gaming, including the Crown Responsible Gaming Code of Conduct (~~CRW.700.067.1109~~~~CRW.512.009.1575~~) and Crown Resorts Limited Responsible Gaming Policy (CRW.512.009.1592);
 - c. A training program that is provided to all employees of the Perth Casino.
176. The responsible gaming team structure is set out in the Responsible Gaming Enhancement Plan [CRW.510.073.4536]. The responsible gaming team for Crown Perth is led by Ms Melanie Faulks, General Manager Responsible Gaming Crown Perth. The team has a direct reporting line to Ms Sonja Bauer, Group General Manager Responsible Gaming and then through to Mr Blackburn.
177. I am not aware of any specific investigations undertaken by the Boards of either Burswood Limited or Burswood Nominees Limited to ascertain the nature and extent of problem gaming at Crown Perth. Also, I am not aware of any requests being made by third parties to the Crown Perth entities to conduct research into problem gaming in respect of Crown Perth.
178. The policies in respect of responsible gaming are set centrally on behalf of the Crown Group although the implementation necessarily occurs at a local level.
179. At the CRL level, Crown has a long-standing Responsible Gaming Committee of which I became a member on 5 March 2021. The Committee's Charter provides that it is to: monitor and review the operation and effectiveness of responsible gaming programs at each of the Company's wholly owned businesses; recommend policies and procedures and consider recommendations from management which may enhance the effectiveness of responsible gaming programs at each of CRL's wholly owned businesses; promote and support continuous improvement in the responsible gaming performance of CRL's wholly owned businesses; and encourage and promote awareness of responsible gaming and related welfare issues at CRL and its wholly owned businesses [CRW.512.049.0271].
180. The Minutes of that Committee were provided to the CRL Board.
181. In June 2018, the VCGLR issued its Sixth Review of the Casino Operator and Licence of Crown Melbourne (**Sixth Review**). The Sixth Review focused on a range of topics, including

Witness Statement of Helen Anne Coonan

responsible gaming, and resulted in a series of recommendations to Crown Melbourne. The Review made a number of recommendations to Crown Melbourne in relation to responsible gaming – these were recommendations 6 to 16. The recommendations related to staffing, observable signs, data analytics, carded play, updates to voluntary exclusion policies, facial recognition technology, responsible gaming messaging, and associated strategy and charter updates.

182. My understanding is that the status of the adoption of each of the Sixth Review recommendations related to responsible gaming at the Melbourne Casino outlined at paragraph 92 above is that all the recommendations that have so far fallen due (being all but recommendation 9 and the third limb of recommendation 8(b)) have been implemented to the satisfaction of the VCGLR and the VCGLR has given confirmation in writing to that effect.
183. The following Sixth Review recommendations related to responsible gaming have also been implemented at the Perth Casino.
 - a. Recommendation 6: Crown Perth has recently implemented an updated version of its online RSG training and has introduced Responsible Gaming Leadership Training for managers in customer facing roles (gaming staff from Inspector level and above) which aligns more closely with Crown Melbourne and the spirit of Recommendation 6.
 - b. Recommendations 7 and 8: Crown's list of observable signs are standardised across all Crown Resorts properties and have been so since 2015. Crown Perth has had in place a Play Periods policy since 2016. A trial of more accurate technology for monitoring carded play was introduced at Crown Perth in 2019. Crown has developed a predictive data modelling tool, the 'Crown Model'. The tool has been developed using criteria extracted from Crown patron's player behaviours based on their carded play who subsequently self-excluded. The Crown Model is designed to assist in identifying potential problematic play in the general loyalty program member population. The Crown Model is currently being developed for the Perth Casino, with the expectation that a trial would be ready to commence in August 2021.
 - c. Recommendation 10, which was that Crown undertake a review of its policy for the making and revocation of voluntary exclusion orders under s72(2A) of the *Casino Control Act*, was implemented concurrently at Crown Melbourne and Crown Perth.
 - d. Recommendation 11: A Third Party Exclusion Program has been in place at Crown Perth since 2007, however, a review of Crown Perth's Third Party Exclusion program application document was undertaken as a result of this recommendation.

Witness Statement of Helen Anne Coonan

- e. Recommendation 13, which was that Crown refresh its responsible gaming message and publish it throughout the casino and online platforms, was implemented concurrently at Crown Melbourne and Crown Perth.
184. On 12 February 2019, the Crown Group established a Responsible Gaming Advisory Panel (**RGAP**), which comprises:
- a. Alexander Blaszczyński PhD (Chair), Professor, Rawdon Consultancy. Professor Blaszczyński is a Professor of Clinical Psychology, University of Sydney; a Co-Director of the University of Sydney's Gambling Research Unit; and the Director of the Gambling Treatment Centre. He is a researcher and clinical psychologist with a long history of involvement in treatment and clinical research covering a range of impulse control disorders, in particular, problem gambling.
 - b. Paul Delfabrro PhD, Professor, Adelaide University, Australia. Professor Delfabrro is a Professor of Clinical Psychology, University of Adelaide. He was previously the President of the National Association for Gambling Studies, Australia. His research focus is in behavioural addictions, applied cognitive psychology and social psychology.
 - c. Lia Nower JD, PhD, Professor, Rutgers University, USA. Professor Nower is a Professor and Director at the Centre for Gambling Studies & Addiction Counsellor Training (ACT) Program and a Director of the Addiction Counsellor Training Certificate Program. She currently serves as a co-editor, advisory board member or board member of several journals and a consultant and grant reviewer for international, national and state agencies. Dr. Nower is also a member of the legislative board of and a clinical supervisor for the National Council on Problem Gambling in Washington D.C. Her research focus is disordered gambling, substance abuse, and other addictive disorders.
185. On 14 January 2020, the RGAP was commissioned to provide an assessment of the Crown Group's Responsible Gaming Framework including a review of current responsible gaming practices, policies and procedures, as well as the identification of existing strengths and weaknesses and any gaps in the responsible gaming practices of the Crown Group. In the Terms of Reference to the RGAP, Crown requested that it consider the recommendations contained in the Sixth Review and build upon and extend Crown's responsible gaming framework to achieve evidence-based best practice benchmark standards. The Panel issued its report in August 2020 [CRW.507.001.1078]. In general terms, the report recommended further enhancements to exclusion processes, monitoring, counselling, marketing restrictions, facial recognition, responsible gaming roles and training, public education,

Witness Statement of Helen Anne Coonan

modelling and analytics to assess risk factors and patterns, and the Responsible Gaming Centre.

186. I understand from information provided to me by Sonja Bauer that each of the RGAP recommendations has been or will be implemented, with the exception of one recommendation relating to the public dissemination of facial recognition information due to security concerns.
187. The RGAP made two recommendations in relation to the Perth Casino:
 - a. First, that Crown Perth introduce the ability to set limits on time and spend for EGMs, analogous to those required in Victoria. This recommendation has been implemented.
 - b. Second, that Crown Perth work with Crown Melbourne to access and evaluate Crown Melbourne's data and, subsequently, in Crown Perth to identify characteristics of limit-setters, patterns aligned with raising and/or lower limits or switching limit types, and accelerations in patterns of expenditure. This recommendation is yet to be implemented due to difficulties with obtaining information as information in relation to limit setting is held by Intralot Victoria.
188. Professor Blaszczyński, who is a member of the RGAP, attended the meeting of the Responsible Gaming Committee on 14 April 2021 to provide the RGAP's views on the VCGLR Recommendations. [CRW.512.103.0184; CRW.512.129.0008].
189. Based on the recommendations of Professor Blaszczyński and the RGAP, the Responsible Gaming Committee and Crown Perth have approved and budgeted for the redevelopment of a new Responsible Gaming Centre in Perth. [CRW.510.102.0496 at .0547] On 25 June 2021, Crown Perth made a formal submission to the Minister seeking approval of the development of the new Responsible Gaming Centre [CRW.701.004.0376 at .0589; CRW.700.046.1522]
190. Following his commencement in February 2021, I also communicated to Steve Blackburn about moving responsibility for Responsible Gaming to the Financial Crime and Compliance group, for which he is responsible, and asked him to provide his views on improvements to the Responsible Gaming Function. This restructure was subsequently implemented and Mr Blackburn and his team have already made some initial, common-sense improvements to Crown's responsible gaming response and is in the process of developing a program of reform that will include a comprehensive review of Crown's responsible gaming services (informed by expert advice) and the implementation of any necessary reforms.
191. On 24 May 2021, and as a preliminary step in the course of a broader responsible gaming uplift program to be undertaken in the following months, Mr Blackburn reported to the CRL

Witness Statement of Helen Anne Coonan

Board providing his recommendations for Responsible Gaming Enhancements. [CRW.512.081.1748] On 17 June 2021, a number of responsible gaming matters were presented on to the Burswood Limited Board. In particular, Mr Blackburn presented his recommendations on the responsible gaming uplift program and the Board resolved to accept those recommendations. [CRW.701.004.0376] These recommendations will be built upon in the course of the forthcoming responsible gaming uplift program.

192. I am not aware of any requests being made by third parties to the Crown Perth entities to conduct research into problem gaming in respect of the Perth Casino.

ELECTRONIC GAMING MACHINES

193. **Questions 52 to 59** of my summons seek information concerning the electronic gaming machine (**EGM**) business of Crown Perth, including its structure and operation, certain systems, policies and procedures, management responsibilities and the related steps of the Board of Burswood Limited or Burswood Nominees Limited.
194. As a result of information that I received as a member of the Board of CRL I had a high level understanding of the EGM business in Western Australia. Largely this was derived from information included in CRL board packs, such as the standard reports prepared by the CEO Australian Resorts and CEO of Crown Perth. These reports included information on the financial performance of the EGM business, as well as key initiatives and developments associated with that business.
195. As a director of Burswood Limited and Burswood Nominees Limited from February this year, I am also kept informed of the financial performance of Crown Perth, including the performance of the EGM business through the CEO's reports and financial reports in board packs and oral discussion during board meetings. [CRW.701.002.1393, Items, 1, 4], [CRW.701.004.0376, Item 6 and Item 4]
196. I am aware that Crown Perth must obtain the authorisation of the GWC for all casino games at the property, including EGMs. I am aware that there is a process by which Crown Perth seeks the authorisation of EGMs from the GWC, but not the details of that process. That is dealt with at a management or operational level, not a board level.
197. Management also determines the marketing associated with the EGM business, and determines who has management responsibility for it.
198. In paragraphs 174 to 192 above, I cover my understanding of the manner in which problem gaming more broadly is addressed by the Crown Group.
199. I am not aware if any investigations or enquiries have been undertaken by the Board of Burswood Limited or Burswood Nominees Limited to ascertain whether there has been any

Witness Statement of Helen Anne Coonan

tampering with or adjustment of EGMs at Crown Perth to unfairly disadvantage patrons or to increase the risks of problem gaming associated with such machines.

GAMING AND WAGERING COMMISSION AND THE DEPARTMENT

200. **Questions 60 to 63** of my summons seek information concerning communications between the management of the Perth Casino and the GWC or the Department.
201. Up until joining the board of Burswood Limited, any information I received in respect of Crown Perth-related regulatory issues was limited to the information I received in the context of CRL Board meetings. My understanding was that the CEO of Crown Perth was responsible for maintaining the relationship with the GWC.
202. Save as stated at paragraph 146 above, I am not aware of whether representatives of Crown Perth gave presentations or briefings to the GWC or the Department on the various media allegations against the Crown Group.
203. Since becoming the Interim Executive Chair, and a Board member of Burswood Limited, I have had a greater line of sight into Crown Perth's engagement with the GWC and the Department. It is my intention that the CRL Board and management now have an open and direct relationship with each of the regulators in Victoria, NSW and WA. It is my intention that Crown endeavour to proactively bring issues to their attention as we seek to achieve a compliant culture that is open to change and continual improvement.
204. One of the standing items on the agenda for meetings of the Burswood Limited Board is a Legal and Regulatory Update. Various issues concerning engagement with the GWC or the Department are included as part of that update. [CRW.701.004.0376 at .0580 – meeting pack for June; CRW.701.002.1393 - meeting pack for April; CRW.701.004.0370 – minute for April]
205. If Crown Perth management were going to make a major presentation to the GWC or the Department, I would want to see it as a Board member. I have also directed Lonnie Bossi, CEO of Crown Perth to provide me with updates on all material issues.
206. Since becoming the interim Executive Chair and a Board member of Burswood Limited, I have also made a point of reaching out to regulators, including the GWC and the Department.
207. I have attended two meetings with the GWC.
208. The first was in December 2020. Lonnie Bossi and Ken Barton attended in person and I joined the meeting by Teams. We provided an update in respect of Crown's governance and reform agenda, including AML developments. [CRW.513.021.3858 – email to Helen Coonan

Witness Statement of Helen Anne Coonan

from Chris Reilly attaching briefing notes (CRW.513.021.3859) / GWC.0002.0016.0346 – Minutes of meeting]

209. I also attended by Teams a GWC meeting in February 2021. Lonnie Bossi also attended. We provided a further update on Crown's reform program, as well as changes to the Board and management following the Bergin Inquiry [CRW.513.006.0853 – Briefing notes for GWC meeting / GWC.0002.0016.0369 – Minutes of meeting].
210. I have also directed that updated versions of Crown's remediation action plan be provided to the GWC, as and when those updates are formalised by the CRL Board. The most recent update was provided to the GWC on 30 July 2021.
211. I have also had telephone conversations with Duncan Ord while he was Director General of the Department. For example, I have called Mr Ord to provide notice to the Department ahead of recent appointments to the CRL Board.
212. On 16 June 2021, I received an email from Lanie Chopping, the new Director General of the Department. In addition to introducing herself, Ms Chopping listed a number of questions in relation to AML. [CRW.706.005.0253]
213. I responded to that email on 22 June 2021. [CRW.706.005.0257]
214. **Question 64** of my summons seeks information concerning the provision of any gifts or benefits to officers and employees of the Department or members of the GWC.
215. I am not aware of any gifts or benefits provided to officers or employees of the Department or members of the GWC by the Crown Group.
216. **Question 65** of my summons seeks information concerning personal relationships and friendships between employees and officers of the Crown Group on the one hand and employees and officers of the Department, or members of the GWC, on the other.
217. The only relationships between employees and officers of the Crown Group and employees and officers of the GWC or the Department I am aware of are those that were reported in the media (namely Claude Marais and Paul Hulme having a relationship with the former Chief Casino Officer, Michael Connolly). I first became aware of these relationships at the time of media reporting in February 2021.
218. **Question 66** of my summons seeks information concerning Burswood Nominees Limited's systems, policies and/or procedures regarding integrity issues relevant to interactions with the GWC.

Witness Statement of Helen Anne Coonan

219. I am aware that there is a Conflict of Interest Policy [CRW.520.018.9439] and a Code of Conduct [CRW.700.003.0362] which apply to Crown Perth's operations.

Contains sensitive information



HELEN ANNE COONAN

Dated: 6 August 2021