

## Perth Casino Royal Commission

### Witness Statement of Anne Ward

20 October 2021

- 1 I am Anne Ward of c/- Crown Resorts Limited, Level 3, 8 Whiteman Street, Southbank Victoria 3006. I make this statement as director designate of Crown Resorts Limited. My appointment as a director is pending and subject to regulatory approval.
- 2 This statement is provided in response to:
  - (a) the witness summons to give evidence dated 8 October 2021 and issued pursuant to section 9 of the *Royal Commissions Act 1968* (WA), which is directed to me by the Perth Casino Royal Commission; and
  - (b) the list of topics to be addressed by me in written witness statement provided by the Perth Casino Royal Commission on 12 October 2021.
- 3 In this witness statement, I set out matters of fact of which I have personal knowledge. This witness statement sets out my personal knowledge and understanding of those matters.
- 4 The document referred to in this statement in the attached list marked "**AW-1**" sets out the document referred to in paragraph 10 below.

### QUALIFICATIONS AND EXPERIENCE

(Questions 1 to 2)

- Q1. Please provide a summary of your background, qualifications, previous roles and experience generally. Include and explain any experience or qualifications in:
  - (a) *the gambling or gaming sector;*
  - (b) *risk management;*
  - (c) *gambling related harm minimisation; and*
  - (d) *AML/CTF risk.*
- 5 In respect of (a) and (c), save for my induction as a director at Crown Resorts Limited (**Crown Resorts**), at present I do not have any specific experience or qualifications in the gambling or gaming sector, or in gambling related harm minimisation.
- 6 In respect of (b), I have developed expertise in risk management from a number of my previous roles including:

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- (a) 28 years as a commercial lawyer, including 16 years as a partner with major Australian law firms (Minter Ellison and Herbert Geer & Rundle) and five years as General Counsel for Australia and Asia at NAB;
  - (b) serving as independent Chair at four APRA regulated companies, including Qantas Superannuation Ltd and Colonial First State Investments Ltd (**CFS**);
  - (c) serving as a member or Chairman of Risk, Operating Risk or Audit and Risk committees at 12 companies, including ASX listed companies Redbubble Ltd, MNF Group Ltd and Flexigroup Ltd;
  - (d) overseeing enhancements to the non-financial risk management framework at CFS including the design and establishment of a Line 1 operating risk function, creation of a Chief Controls Officer role and working to mature and embed non-financial risk ownership in the business and provide assurance on the effectiveness of controls to manage non-financial risk within the board's risk appetite; and
  - (e) exercising primary responsibility as General Counsel of NAB for managing various incidents including impacts from the collapse of Storm Financial, class actions arising from the \$1.1 billion write down of collateralised debt obligation portfolios and challenging bank fees, investigating major fraud events and working closely with the Chief Risk Officer and risk function.
- 7 In respect of (d), my relevant experience in AML/CTF risk has been developed in the risk management roles set out above. I had particular exposure to these issues while working in the banking, finance and superannuation sectors.
- 8 In 2006 I was General Counsel, Australia and Asia, at NAB when the federal *Anti-Money Laundering and Counter-Terrorism Financing Act* came into operation. I oversaw the implementation of the compliance programs at NAB in response to that legislation. This included high level oversight of the teams, policies and processes NAB introduced in order to comply with its legal obligations and mitigate against money laundering and terrorism funding risks.
- 9 I also had cause to address AML and CTF issues during my time as the independent Chairman at CFS (a wealth management and superannuation business). CFS operated as part of CBA's designated business group. My role at CFS coincided with the public disclosure of CBA's failings in respect of AML. I was therefore privy to the remediation exercise which was then engaged in by CBA and its subsidiaries to handle and mitigate AML risks.
- 10 Further information is contained in my CV (CRW.701.009.4700).
- Q2. Please disclose and provide details of any matter which you consider is relevant to the PCRC's consideration of your reputation, character, honesty, integrity and competence.**

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- 11 There are three key areas of experience which I bring to the Crown Group and which are relevant to the PCRC's consideration of my reputation, character, honesty, integrity and competence.
- 12 First, I have deep governance experience, particularly in relation to complex corporate governance. The Crown Resorts Board will be the twenty-first commercial board I've joined. Of those twenty-one boards, I have chaired ten including two ASX listed companies. I have served on public, private, government and not for profit boards across a range of industries including financial services, technology, healthcare, education, conservation and tourism. I am experienced at working in companies with complex governance structures where managing competing stakeholders is necessary, for example my experience in the superannuation industry where directors have fiduciary duties to the members as well as to the shareholders. My experience as a director has been deliberately broad – I have not focused on any one particular industry or type of company.
- 13 Second, I have worked extensively in highly regulated industries. As a lawyer, I worked in areas that required me to develop good working relationships with regulators including ASIC, APRA, AUSTRAC, FIRB and the ACCC. I've also worked as an executive or as a non-executive director in the financial services, superannuation, banking, healthcare and education industries which are all highly regulated.
- 14 Third, I am experienced in commercial legal matters and risk management. I practised for 28 years as a commercial lawyer, including 16 years as a partner with major Australian law firms (Minter Ellison and Herbert Geer & Rundle) and five years as General Counsel for Australia and Asia at NAB. In my director roles I have chaired or been a member of Risk committees at 12 companies.

**APPOINTMENT***(Questions 3 to 4)*

- Q3. Please describe the circumstances in which you came to be appointed as a director of Crown Resorts, including how you were offered the position and by whom, and the process for your appointment.**

- 15 I was initially approached by Korn Ferry in March 2021 to canvass my interest in joining the Crown Resorts Board as a non-executive director. After several discussions with Korn Ferry over subsequent months, Korn Ferry came back to me in early August to discuss this further.
- 16 I attended several videoconferences with the Crown Resorts directors for preliminary discussions about the role (Jane Halton and Nigel Morrison, Antonia Korsanos and Bruce Carter). I then met with Dr Ziggy Switkowski after his appointment to the Crown Resorts Board was announced, who I knew in his role as Chancellor of RMIT. I then met with Steve McCann and conducted a series of meetings with a number of other senior executives. These meetings would likely have been part of induction process once I joined the Board, however, I ensured that this was a part of my due diligence before accepting an offer to join. I did this to

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satisfy myself that I had confidence in the senior executive team to successfully lead the organisation and to affect a meaningful turnaround in culture and systems.

- 17 I understand that a recommendation was put to the People, Remuneration and Nomination Committee (**PRN Committee**) in late September regarding my appointment to the Crown Resorts Board. I understand this recommendation was considered by the PRN Committee and then the Board.
- 18 I have not yet commenced as a director of Crown Resorts, I signed a letter of appointment on 28 September 2021 and a consent to Act and have been appointed to the Crown Resorts Board by a board resolution subject to probity and regulatory approval (which approval is still pending).
- 19 An ASX announcement was made by Crown Resorts on 29 September 2021 to the effect that I would join the Crown Resorts Board subject to regulatory approvals. I am currently in the process of obtaining the necessary approvals. Since that date I have attended a number of Crown Resorts Board and committee meetings as an observer.

**Q4. Outline any roles (in addition to your role as a director) you have within the Crown Group.**

- 20 I do not have any additional roles as I have not yet received the necessary regulatory and probity approvals to commence as a director of Crown Resorts.

**PACKER ASSOCIATION**

(Question 5)

**Q5. Outline:**

**(a) any previous or current associations with Mr James Packer or companies or people associated with Mr Packer; and**

- 21 I have never met James Packer or had anything personally to do with the Packer family or companies associated with Mr Packer. There are three possible connections to which I draw the Commission's attention.
- (a) Whilst I was a partner at Minter Ellison, I am aware that a number of my partners acted for James Packer and Consolidated Press Holdings (**CPH**) in relation to a number of matters. I do not recall any details of any of those matters.
- (b) Whilst at Minter Ellison, I recall that I gave regulatory advice on a discrete question for a Crown Group or PBL entity, though I do not recall the details of the advice. My instructions on that matter came from Michael Nielson. At that point I believe Mr Neilson was in the legal team at Crown. I have known Mr Neilson since the 1980s when he was a junior lawyer at Herbert Geer Rundle at the time I was a senior associate and then partner at that firm.

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(c) I also know Guy Jalland who was a director at Crown Resorts until February 2021. Mr Jalland was a partner at Herbert Geer & Rundle in the 1980s and 1990s before he joined CPH and later became its CEO. I recall seeing Mr Jalland incidentally whilst I was a partner at Minter Ellison. However, I do not recall seeing or communicating with him in the last 15 years.

**(b) any communications which have occurred in 2021 with Mr James Packer or companies or people associated with Mr Packer which related to Crown Resorts or the Crown Group.**

22 I have never spoken with Mr James Packer and in 2021 have not knowingly communicated with any company or person associated with Mr Packer.

**SKILLS AND COMPETENCIES**

*(Questions 6 to 8)*

**Q6. In relation to the Crown Board Skills Matrix set out at pages 39 and 40 of the Crown Annual Report 2021, outline what skills and competencies you bring to the role of non-executive director of the Crown Resorts board.**

23 I refer to my response to questions 1 and 2 above. Further, I have skills and competencies in all aspects of the *Crown Board Skills Matrix* save for 'Industry experience - gaming and entertainment'.

**Q7. Outline the inductions, training and briefings you have received in relation to:**

- (a) the operations of the Perth Casino;**
- (b) the legal framework which applies to the operation of the Perth Casino;**
- (c) Crown Resorts' governance and risk management frameworks and processes generally and those that apply specifically to the operation of the Perth Casino;**
- (d) AML/CTF risk management generally and specifically to the operation of the Perth Casino; and**
- (e) responsible gaming and gambling related harm minimisation.**

24 As part of my induction, I have been provided with a suite of online training modules to complete and a substantial volume of reading material and training materials. The online training modules cover the following topics:

- (a) AML/CTF risk awareness;
- (b) COVID-19 awareness and response;
- (c) Anti-bribery and corruption;
- (d) Casino awareness;
- (e) Cyber security awareness;

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- (f) Responsible service of gaming; and
- (g) 'Respecting Each Other': People and cultural awareness.

25 I have not yet attended the Perth Casino in person (due to COVID-19 travel restrictions). Nevertheless, I have been provided reading and training materials concerning the operations of Perth Casino and held introductory discussions with a number of executives responsible for operations at Perth Casino, including Lonnie Bossi, Crown Perth chief executive.

26 I have attended a number of briefings concerning the topics at (a)-(e) above including:

- (a) an introductory briefing session regarding Perth Casino's legal framework as part of my induction;
- (b) a detailed briefing to directors on the same subject;
- (c) a briefing regarding Crown Resorts' corporate governance and risk management frameworks and processes;
- (d) induction briefings relating to AML/CTF risk management generally, including in relation to Crown Resort's Financial Crime and Compliance Change Program;
- (e) a briefing in relation to AML/CTF risk management at Perth Casino; and
- (f) a briefing regarding responsible gaming and gambling related harm minimisation.

**Q8. Outline what professional development you have undertaken and propose to undertake relevant to your role and responsibilities as a director of Crown Resorts.**

27 I have a substantial record of continuing professional development including:

- (a) maintaining my practicing certificate as a lawyer including meeting or exceeding my CPD requirements;
- (b) maintaining my status as a Fellow of the Australian Institute of Company Directors including meeting or exceeding my CPD requirements associated with that qualification;
- (c) developing my knowledge as a non-executive director by continuing to attend directorship round tables and governance briefing sessions hosted by various professional services firms; and
- (d) until this year, satisfying my CPD obligations required of me in light of my roles as a director of APRA regulated companies.

28 In joining the Crown Resorts Board, I am committed to completing the required organisational and industry specific required training. In addition to the mandated training, as a director of Crown Resorts I will devote the time necessary to learn the industry, the company and its issues in each jurisdiction in which it operates.

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**GOVERNANCE AND RISK MANAGEMENT***(Questions 9 to 13)*

**Q9. Describe how the board of Crown Resorts identifies areas of significant business risk and ensures arrangements are in place to adequately manage those risks.**

29 I have not yet been involved with Crown Resorts for long enough to speak to the normal cadence of its regular monitoring of risk and operational risk management. However, every Crown Resorts Board meeting I have attended (as an observer) so far has dealt with significant business risk, regulatory risk or other forms of risk.

**Q10. Describe how in your role as a director of Crown Resorts you currently or will:**

**(a) demonstrate leadership;**

**(b) instil Crown Resorts' values and performance;**

30 I have a strong conviction that the tone and culture of any organisation should be set from the top. Demonstrating leadership permeates everything you do as a director – for example, through the information you request, the questions you ask, the way you interact with executives and other employees and how you make decisions. I believe that boards ought to play an active role in setting and monitoring the culture of the organisation. That goes to defining the desired culture, values and behaviours, establishing frameworks to monitor adherence to those and then ensuring that the directors live those values and display those behaviours. Directors should be role models for integrity and ethical decision making. In the context of Crown Resorts, I believe it is increasingly important for directors to be visible within the organisation, for example by attending town halls or Q&A sessions and being present at the properties when possible. I have already begun doing this by meeting and talking with people throughout the organisation.

**(c) challenge management and hold management to account;**

31 I believe the role of directors is to balance providing support with challenging management and holding them to account. I believe that when making decisions for a company, it is not enough to ask '**can** we do this', but you must also ask '**should** we do this' and take into account community expectations and ethical considerations. I will challenge management by questioning the evidence supporting recommendations, by requiring management to fully explain the rationale for recommendations, by ensuring risks as well as opportunities have been taken into consideration and by ensuring that a range of options are canvassed before making decisions. Where decisions are made, I will require management to report outcomes to the Board, including by providing evidence that projected benefits have been realised and that expected risks have been appropriately managed. I will also seek to ensure that there is clarity about roles and responsibilities, including the matters for which each executive is accountable, and seek to ensure that there is an accountable executive for each principal function or area of operations.

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**(d) *satisfy yourself that Crown Resorts has in place an appropriate risk management framework for both financial and non-financial risk'***

- 32 I believe the Board is ultimately accountable for risk management, including clearly stating the Board's appetite for categories of risk and monitoring the effectiveness of the internal control systems. At Crown Resorts, I will familiarise myself with the existing risk management frameworks and work with the Board and management to ensure they cover enterprise risks as well as risks for particular subsidiaries, operations and the regulatory and contractual arrangements that apply. I will place a great deal of focus on non-financial risk which covers a whole range of aspects, including reputation risk, regulatory compliance risk, financial crime and money laundering risk and responsible gaming risks. I believe the Crown Group has work to do to regain the trust and confidence of the community, the governments and the regulators with which it interacts. Non-financial risk also covers operational risk. The operational risk is currently extreme in Melbourne and Sydney due to COVID-19 restrictions; the reopening of all aspects of Crown's business in the context of the current public health situation presents an early opportunity to test Crown's risk management framework.

**(e) *satisfy yourself that an appropriate framework exists for relevant information to be reported by management to the Board; and***

- 33 I will familiarise myself with what the Board requests in terms of detail and cadence, and look to suggest enhancements where appropriate. In addition to regular reporting to the Board, I will look to see whether bad news comes to the Board quickly. If the Board only gets answers to questions that it asks, the directors are in a difficult position. The Board needs to create an environment where management feels free to bring bad news to it without hesitation and trusts the Board will deal with it appropriately. It is very important to me to have a culture in the company where bad news travels fast.

**(f) *monitor the effectiveness of Crown Resorts' governance practices.***

- 34 I will form an assessment myself as to the effectiveness of Crown's governance practices and offer suggestions for improvement where appropriate. I understand there will also be a formal board review process where I expect the directors will assess Crown's governance practices and the Board's effectiveness and agree actions to improve performance and governance practices. That is a regular process for all boards where I am a member. In addition, most board meetings I attend include a review item where directors spend a few minutes reflecting on the meeting, and this may be a feature of Crown Resorts Board meetings going forward as part of our efforts to continuously improve Board effectiveness.

**Q11. *Explain which kinds of risks are escalated to the Crown Resorts Board and how.***

- 35 I have not yet been involved with Crown Resorts for long enough to speak to this.



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**Q12. If any part of the Crown Group needs to operate beyond the risk appetite approved by the Board of Crown Resorts, how is that identified and brought to the attention of the Crown Resorts Board?**

36 I have not yet been involved with Crown Resorts for long enough to speak to this.

**Q13. Outline how the risk management framework deals with identifying and addressing new or emerging critical business risks to the casino operations of the Crown Group, and in particular Crown Perth, and the risk management framework brings those risks to the attention of the board of Crown Resorts.**

37 I have not yet been involved with Crown Resorts for long enough to speak to these issues. However:

- (a) I have observed that the Board of Crown Resorts and all subsidiary companies currently have a strong focus on risk, remediation and refreshing personnel which I expect to continue moving forward; and
- (b) most Board meetings I have observed dealt with significant business risks including AML, responsible gaming, the Victorian Royal Commission, the Bergin Inquiry, the Perth Casino Royal Commission and COVID-19.

## GOVERNANCE OF CROWN PERTH

(Questions 14 to 21)

**Q14. The Crown Perth structure broadly is as follows:**

- (a) **Burswood Nominees Limited is trustee of the Burswood Property Trust, which is a unit trust created under a Trust Deed dated 20 February 1985 that has been amended from time to time;**
- (b) **in its capacity as trustee of the Burswood Property Trust, Burswood Nominees Limited is the licensee of the Perth Casino;**
- (c) **Burswood Resort (Management) Limited is the manager of the Burswood Property Trust;**
- (d) **clause 28.4(b) of the trust deed for the Burswood Property Trust provides that the Manager (being Burswood Resort (Management) Limited) is to manage the Resort Complex. Resort Complex includes the Perth Casino;**
- (e) **clause 28.1 of the trust deed provides that the Trustee (being Burswood Nominees Limited) shall have all the powers in respect of the assets and investments of the Trust Fund which it could exercise if it were the absolute and beneficial owner of such assets and investments. However, clause 28.2 of the trust deed provides that, subject to the provisions of the trust deed, such powers shall be exercised only pursuant to the directions of the Manager (being**

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***Burswood Resort (Management) Limited). Clause 28.3 of the Trust Deed obliges the Manager to carry on any business of the Trust Fund;***

- (f) Burswood Limited holds 100% of the shareholding in Burswood Nominees Limited and all of the units in the Burswood Property Trust;***
- (g) Burswood Nominees Limited holds 100% of the shareholding in Burswood Resort (Management) Ltd;***
- (h) The trust structure and the roles of the Trustee and the Manager, are recognised in the State Agreement, which has been ratified by the Casino (Burswood Island) Agreement Act 1985;***
- (i) Burswood Nominees Limited has no employees and never has had any employees. Burswood Resort (Management) Limited is the employer of the majority of Crown Perth's employees, including employees providing gaming, human resources, procurement, IT, marketing, public relation, corporate and governance, food and beverage, security, surveillance and property services;***
- (j) some employees providing services to Crown Perth are employed by Crown Resorts or Crown Melbourne; and***
- (k) As a general statement, since 2005, the boards of Burswood Nominees Ltd and Burswood Resort (Management) Ltd have comprised executives or management of Crown Group and the board of Burswood Ltd has consisted of a majority of executives or management of Crown Group with a minority of Perth-based non-executive directors.***

***Q15. Has the above structure (or any aspect of it) been explained to you? To your knowledge and understanding, has it ever been discussed by or with the board of Crown Resorts during your tenure as a director? Have you considered the terms of the Trust Deed?***

38 Yes, Crown Perth's legal structure has been explained to me; I have received two briefings on the subject.

39 My tenure as a director has not yet commenced as I am awaiting probity and regulatory approvals. Nevertheless, over the past few weeks, I have observed a number of meetings of the Crown Resorts Board. This topic has been discussed. Whilst I have read the terms of the Trust Deed, I have not yet been required to consider the provisions in detail.

***Q16. Describe your knowledge or understanding of the degree of influence, or direction (a) Crown Resorts or (b) Crown Melbourne has in the governance or operations of each of the Crown Perth entities.***

40 I have not yet been involved with Crown Resorts for long enough to speak to the actual level of influence or direction of Crown Resorts or Crown Melbourne. However, I understand that,

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by virtue of Burswood Limited's status as a wholly owned subsidiary of Crown Resorts, Crown Resorts, as the parent company, is capable of exercising a degree of influence in the governance of the Crown Perth entities. Further, I have observed from some of the meetings I have attended that a number of Crown Group executives provide shared services to the whole Crown Group, including the Crown Perth entities.

**Q17. Describe your knowledge or understanding of the degree of influence, or direction any of the Crown Perth entities has on the governance or operations of any of the other Crown Perth entities. In particular, the level of influence or direction:**

- (a) ***Burswood Nominees Limited provides in respect of Burswood Resort (Management) Limited;***
- (b) ***Burswood Resort (Management) Limited provides in respect of Burswood Nominees Limited; and***
- (c) ***Burswood Limited provides in respect of each of Burswood Nominees Limited and Burswood Resort (Management) Limited.***

41 I have not yet been involved with Crown Resorts for long enough to speak to the level of influence or direction exercised by any of the Crown Perth entities over any other entity.

**Q18. To your knowledge or understanding, have there been any discussions within the Crown Group about proposals to alter the above structure in any respect?**

42 There are ongoing discussions within Crown Group regarding the proposal to approve a charter for Burswood Limited. Burswood Limited does not currently have a charter. The current draft charter under consideration defines how Burswood Limited and Crown Resorts should work together and comply with legislation including the State Agreement, what decisions are made at Burswood Limited level and what are made at the Crown Resorts level in the future.

**Q19. If the answer to Question 18 is 'yes', what has been the content of those discussions and what is the current status of any proposal? Has consideration been given to the ramifications of the State Agreement in relation to the proposal?**

43 I refer to my answer to question 18. Further, consideration has been given to the ramifications of the State Agreement in that any such proposal must comply with the obligations in the State Agreement.

**Q20. To your knowledge or understanding, what if anything is presently proposed in relation to the appointment of new directors, in particular independent directors, to the boards of each of:**

- (a) ***Burswood Limited;***
- (b) ***Burswood Resort (Management) Limited; and***
- (c) ***Burswood Nominees Limited?***

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44 My understanding is that the current plan is for the board of Burswood Limited to be comprised of Bruce Carter (as chair), Steve McCann and Maryna Fewster (as an independent Perth based director). I expect that there will be further consultations about this plan before it is finalised. I am not aware of specific proposals relating to the boards of Burswood Resort (Management) Limited or Burswood Nominees Limited.

**Q21. Outline the current mechanism for reporting matters from:**

**(a) the boards of Burswood Nominees Limited and Burswood Resort (Management) Limited to the board of Burswood Limited; and**

**(b) the boards of Crown Perth, to the board of Crown Resorts.**

45 Bruce Carter is the chairman of Burswood Limited. I understand that he, and executives from Perth Casino and Crown Resorts shared services functions supporting Perth Casino will report to the Crown Resorts Board on matters arising in relation to Perth Casino operations and each Perth Casino entity. However, I have not yet observed any of Crown Resorts' regularly scheduled board meetings; I have observed only ad hoc meetings. Therefore, I do not yet have experience of the normal cadence of how matters are reported.

## CROWN MELBOURNE AND CROWN PERTH

*(Questions 22 to 25)*

**Q22. Article 3.12 of the Constitution of Burswood Limited provides:**

***The Head Office of the Company [being Burswood Limited] must always be located in Western Australia. For this purpose 'head office' means the place of business of the Company [being Burswood Limited] where central management and control are exercised.***

**Q23. Please outline your understanding of:**

**(a) what this article requires;**

**(b) whether and, if so, how Burswood Limited is currently complying with this requirement; whether and, if so, how you expect Burswood Limited to continue to comply with this requirement in the future.**

46 I understand this as meaning Burswood Limited must have an operating board with decisions as to its management and operations occurring at that level.

47 I have not yet been involved with Crown Resorts for long enough to speak to whether Burswood Limited is complying with this requirement.

**Q24. Clauses 22.1 (r) and 22.1 (ra) of the Casino Agreement between Crown Melbourne and the Victorian Commission for Gambling and Liquor Regulation provides:**

**(r) the Holding Company Group [the Crown Group], if it pursues anywhere in Australia a business similar to that of the Company [Crown Melbourne Ltd], will**

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***use its best endeavours to ensure that such business is conducted in a manner:***

- (i) which is beneficial both to that business and to the Company and which promotes tourism, employment and economic development generally in the State of Victoria; and***
- (ii) which is not detrimental to the Company's interests;***
- (ra) the Company:***
  - (i) must ensure that the Holding Company Group locates the headquarters of its gaming business in Melbourne;***
  - (ii) will endeavour to maintain the Melbourne Casino as the dominant Commission Based Player casino in Australia; and***
  - (iii) will ensure that the Holding Company Group maintains the Melbourne Casino as the flagship casino of the Holding Company Group's gaming business in Australia,...***

**Q25. Please outline your understanding of:**

- (a) what these clauses require;***
- (b) whether and, if so, how Crown Melbourne is currently complying with this requirement;***
- (c) whether and, if so, how you expect Crown Melbourne to continue to comply with this requirement in the future; and***
- (d) the effect, if any, these clauses have on the governance of Crown Perth or operation of the Perth Casino.***

48 I have read this provision but have not read any background materials regarding this provision. I suspect that these arrangements were put in place at a time where the State of Victoria was keen to ensure that the Crown Melbourne resort was the pre-eminent gaming facility in Australia. This clause could be directed at, among other things, the quality of features, the size of the facilities, the number of offerings made available to the public. My impression is that this requirement is to be assessed in a qualitative sense such that Crown Melbourne should have enticing and attractive features as a casino. I do not read this provision as requiring Crown Resorts to act to the detriment of any of its other facilities.

49 I do not consider that this obligation is inconsistent with the proper governance of Crown Perth. There is significant benefit to Crown Perth in having a financially strong head company that provides robust governance and consistent risk management across all venues. For example, this enables expertise to be shared across the Crown Group so best practice can be maintained at all venues. Further, each member of a corporate group benefits from the shared resources, knowledge, expertise and personnel with the group.

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# **GAMBLING RELATED HARM MINIMISATION**

*(Questions 26 to 27)*

**Q26. *What do you consider to be the proper nature and extent of the Crown Group's role in minimising gaming related harm? In particular, what do you consider to be the obligations and/or duties the Crown Group has in that regard in respect of the operation of the Perth Casino? What do you consider to be the limits of those obligations and/or duties?***

50 In my view, minimising gaming related harm is an integral part of Crown Group's obligations and duties in relation to Perth Casino. Since I was nominated as a Board member, I have gained an understanding of Crown's approach to responsible gaming and am aware of some of the steps being taken by Crown Group to improve its responsible gaming capabilities. This includes the consideration of enhanced monitoring tools and technology as well as enhanced support systems for customers who may be experiencing gaming related harm.

51 At this early stage of my involvement with the Crown Group, I cannot say what I think the limits of Crown Group's obligations and duties are in respect of gaming related harm. I would need to know more about the issue, and more about the systems and processes Crown Group has in place to address it, before I could answer the question. I can say that I consider it to be a matter which is integral to Crown Group's operations and about which the Crown Group will need to be constantly vigilant.

**Q27. *Do you consider that at present the Crown Group or Crown Perth (or both) adequately mitigate the risk of gambling related harm at the Perth Casino?***

52 I understand generally that steps are being taken by the Crown Group nationally, as well as in Perth specifically, to improve its responsible gaming services and mitigate the risk of gaming related harm. This includes considering the use of improved technology and systems to detect problem gambling and improving the support available to customers. I am also aware of the establishment of the independent advisory panel which is providing input and recommendations to the Crown Group on the potential for gaming related harm and responsible gaming practices. As I understand it the advisory panel will continue to provide ongoing, evidence based advice about best practice in relation to responsible gaming and assist the Crown Group and Crown Perth in continuous improvement of its responsible gaming strategy, frameworks, practices and processes.

53 While I am aware of some of the steps being taken by the Crown Group in relation to improving its responsible gaming practices, I am not yet familiar enough with these matters to be able to say whether these steps are adequate to mitigate the risk of gambling related harm at Perth Casino.

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**CULTURE***(Questions 28 to 30)*

**Q28. *How would you describe the current corporate culture of the Crown Group? Do you regard that culture as satisfactory or appropriate for its operations? Are there any specific aspects of the Crown Group's culture about which you have concerns or which you consider could be improved?***

54 I have not yet been involved with Crown for long enough to speak to this. I am certainly aware of significant issues reported in the media and addressed in the Bergin Inquiry, Victorian Royal Commission and Perth Casino Royal Commission; these issues were the subject of my due diligence prior to accepting an invitation to join the Crown Resorts Board. I would not have accepted the invitation if I did not consider that I would be able to assist in implementing organisational reform at the Crown Group. I have held introductory discussions with the Crown Resort's directors and a number of Crown Group executives and satisfied myself that the Crown Resorts Board and senior management appreciate the need for improvements in the culture at the Crown Group and are committed to a cultural reform program.

**Q29. *How would you describe the current corporate culture of Crown Perth? Do you regard that culture as satisfactory or appropriate for its operations? Are there any specific aspects of Crown Perth's culture about which you have concerns or which you consider could be improved?***

55 I have not yet attended the Perth Casino in person (due to COVID-19 travel restrictions). As there are limitations on the sense of organisational culture that can be derived from video conferences and reading survey reports, I propose to visit Perth Casino in person when inter-state travel is permitted.

**Q30. *Deloitte have completed a Crown Culture Review Current State Culture – Final Report (CRW.701.004.9441) (Deloitte Culture Review) (Crown Resorts Remediation Plan item 33). Outline:***

- (a) *whether you have read the Deloitte Culture Review;***
- (b) *your views on the observations and conclusions in the Deloitte Culture Review;***
- (c) *whether the board of Crown Resorts has considered and discussed the Deloitte Culture Review, and if so, the content of that consideration and discussion;***
- (d) *what if any measures are being implemented or are being proposed to be implemented to address the issues identified in the Deloitte Culture Review;***
- (e) *the resources to be devoted to and timeline for completion of any such measures;***
- (f) *the level of oversight the board of Crown Resorts will have over the fact and progress of implementation of any such measures; and***

## Witness Statement of Anne Ward

**(g) your view as to the adequacy or effectiveness of any such measures.**

56 I have read the Crown Culture Review and accept that it provides an independent review and analysis of employee responses to survey questions at a particular point in time. I note the caveat from Deloitte that those responses were likely influenced by a range of factors at that time, including the Bergin Inquiry, the Victorian and WA Royal Commissions and associated media scrutiny, several COVID 19 related shutdowns, potential takeover bids and significant changes at board and senior executive level within the Crown Group. All of these matters may well have influenced responses to the Deloitte survey. I also note the Deloitte Culture Review identifies both strengths and opportunities for improvement in the Crown Group's culture. I am aware that Crown Group's management has carefully analysed the Deloitte Culture Review and has formulated a significant cultural reform program in response, including a review of Crown Group's purpose and values, the definition of Crown Group's aspirational culture, and a series of initiatives to drive the change required. I know that the Crown Resorts Board has also considered the Crown Culture Review and has discussed the Culture Change Program on a number of occasions and my understanding is that the Crown Resorts Board intends to play an active role in supporting the Program and monitoring progress against the Program. I am aware that substantial work has been completed and more is planned. I have not yet been involved with Crown Resorts for long enough to assess the adequacy or effectiveness of these measures.

**ANNUAL REPORT 2021***(Question 31)*

**Q31. The independent auditors report of 9 September 2021 on the financial report of Crown Resorts drew attention to Financial Note 1.1, 'Going Concern' in the report indicating that a material uncertainty exists that may cast significant doubt on the Crown Group's ability to continue as a going concern. Please advise whether there have been any changes to the circumstances outlined in the report or further consideration of the matter by the Crown Resorts Board since it was reported?**

57 I am aware of the report, but have not yet been involved with Crown Resorts for long enough to comment to what extent, and the significance of, any changes to the circumstances outlined in the report and I am not aware of further consideration of the matter by the Crown Resorts Board since it was reported


**ANNE WARD**

Dated: 20 October 2021