



<b>Company</b>	Crown Resorts Limited
<b>Code</b>	CWN
<b>Meeting</b>	AGM
<b>Date</b>	Thursday 24 October 2019
<b>Venue</b>	Crown Towers, Southbank, Melbourne
<b>Monitor</b>	Geoffrey Bowd assisted by Barbara Crook

<b>Number attendees at meeting</b>	75 shareholders/proxy holders plus 41 guests
<b>Number of holdings represented by ASA</b>	185
<b>Value of proxies</b>	\$5.8m
<b>Number of shares represented by ASA</b>	430,000
<b>Market capitalisation</b>	\$8.5bn
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre AGM Meeting?</b>	Yes, with Ken Barton Chief Financial Officer, Mary Manos General Counsel and Company Secretary, Matthew Young Manager Strategy & Investor Relations

### **Political and economic uncertainty subdue gambling activities**

Mr John Alexander, Executive Chair summarised the financial results as detailed in the Annual Report, explaining that the fall in 2018/2019 earnings was mainly due to a decline in the VIP segment of Crown's gaming business and subdued domestic activity on tables and machines. He outlined Crown's positive outlook including the Sydney Hotel Resort construction which is on schedule and Crown's significant profile in the Australian economy as a major direct and indirect employer, taxpayer and contributor to charity. Mr Alexander referred to the prevailing allegations of scandals such as money laundering; he emphasised Crown's strong credentials and its agreement to fully cooperate with any ensuing investigations.

Crown has a relatively small retail investor component in its shareholding. ASA's number of proxies exceeded those present. Apart from an isolated question about bicycle riders on Crown's promenade the only people who stood up to comment or ask questions were Mr Tim Costello (representing the Alliance for Gambling Reform), Mr Stephen Mayne (a shareholder) and me, the ASA monitor. ASA acknowledged the difficult operating conditions and that Crown is subject to exceptionally high regulation and oversight. Mr Costello commented or asked questions related to current Crown gambling issues and in particular

suggested that Crown should be a leader in seeking a Royal Commission into all gambling in Australia. This suggestion was not accepted by Mr Alexander. Mr Mayne commented frequently and asked many of questions– e.g. some related to the role and performance of the Executive Chair, some sought disclosure of James Packer’s current involvement. Mr Alexander addressed all questions but cited specific confidentiality and defended unproved allegations and inferences. He agreed to consider the ASA request that Crown provide a segmentation of earnings from gambling compared to earnings from non-gambling business.

The ASA opposed the election of Non- Independent Non-Executive director John Poynton. Mr Alexander refuted our concerns and, when doing so, announced that a current Independent Non-Executive Director, Geoffrey Dixon would retire at the end the AGM, would not be replaced and that, consequently, Crown would have a level of gender diversity sought by the ASA. The ASA supported the re-election of Independent Non-Executive Directors Helen Coonan, Andrew Demetriou and Harold Mitchell. All three, after speaking to their nomination, were subject to and responded to questions, comment and sometimes allegations from Mr Costello and Mr Mayne. In response to comments and a request from the ASA, Ms Coonan comprehensively addressed concerns about her workload and ongoing commitment to Crown. Mr Alexander asserted that Crown does not insist on directors having ‘skin in the game’ and that the Board does not believe it correlates with commitment or performance.

Mr Poynton and Mr Demetriou were, respectively, comfortably elected or re-elected. Ms Coonan was subject to a significant 23% protest vote, mainly from Proxy Advisor CGI Glass Lewis and Mr Mitchell a significant 27% protest vote, mainly from Proxy Advisor Ownership Matters.

The ASA noted some concerns when speaking in support of the remuneration resolution but also complimented Crown for the way they had addressed the issues ASA expressed last year about Short-Term Incentive reporting. When asked about a future Long-Term Incentive Plan with stretch performance incentives Mr Alexander said this was not being considered. ASA will pursue this. The resolution was subject to an 18% protest vote, mainly from Proxy Advisor ISS.

The AGM did not receive major media coverage; some was speculative commentary about Crown related culture and interests.