



PRESS RELEASE

CROWN RESORTS AND AUSTRAC REACH AGREEMENT ON AML/CTF PROCEEDINGS

Melbourne, 30 May 2023 – Crown Resorts Limited (Crown) has today reached an agreement with AUSTRAC, subject to Federal Court approval, to resolve civil penalty proceedings relating to historical non-compliance with anti-money laundering and counter-terrorism financing (AML/CTF) laws at Crown Melbourne and Crown Perth.

Under the agreement, the parties have today:

- filed with the Federal Court a Statement of Agreed Facts and Admissions
- proposed to the Court that Crown Melbourne and Crown Perth pay a combined civil penalty of \$450 million in relation to admitted historical contraventions of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

The agreement is subject to Federal Court approval. It is expected that the Court will consider the proposed settlement, including the proposed penalty, at a hearing on 10 and 11 July 2023.

Crown Resorts CEO Ciarán Carruthers said: "First and foremost, I want to reiterate that these historical failings were unacceptable and on behalf of Crown Resorts, our new owners and leadership, I apologise for the failings of the past.

"Today marks a significant step in the process and we are pleased to have reached this agreement with AUSTRAC, noting that it is still subject to consideration and approval by the Federal Court and we await that decision.

"The company that committed these unacceptable, historic breaches is far removed from the company that exists today. The Crown of today is committed to harm minimisation and becoming the world leader in the delivery of safe gambling and entertainment. To achieve this, we are focused on Future Crown, our multi-year transformation program, which is delivering whole-of-company reform and building a Crown that exceeds the expectations of our stakeholders and community. We take seriously the responsibility we have to the community, to law enforcement, to our industry and stakeholders to ensure that we continue to comply with our AML/CTF obligations.

"There is no place for money laundering or terrorism financing at Crown or anywhere within our communities, and we will continue to invest in developing a sophisticated and robust framework, supported by the right capabilities to combat this illegal behaviour. We are committed to implementing these reforms to make Crown a better business and lift the standards for the entire industry," Mr Carruthers said.

Since our commitment in October 2020 to strengthen our systems and processes in regulatory compliance to embed global best practice for the gaming sector, Crown has introduced sweeping reforms, working constructively and cooperatively every step of the way with AUSTRAC and our State regulators.

Crown Resorts

8 Whiteman Street Southbank, VIC 3006 Australia

Telephone: +61 2 8871 7188

crownresorts.com.au



PRESS RELEASE

This includes:

- investing more than \$40 million to bolster our financial crime compliance, with further significant investment committed for future financial years;
- expanding our Financial Crime and Compliance team by adding approximately 170 people, including professionals from the banking sector, other gaming organisations, regulators, and law enforcement agencies, in Australia and internationally;
- undertaking a significant uplift in financial crime training and staff awareness, including developing and facilitating training to all board members and senior management;
- adopting a new joint AML/CTF program in November 2020, ensuring a consistent, group-wide approach to the identification, mitigation and management of these risks. New versions of this program have been adopted and implemented in 2021, 2022 and 2023 and have been informed by two enterprise-wide risk assessments;
- implementing significantly improved financial crime reporting to Crown's Boards;
- applying a stricter and more conservative risk appetite with respect to customer and transaction types;
- improving controls to prevent and detect money laundering through Crown's bank accounts and enhancing controls and reducing limits relating to cash deposits at our casinos;
- resetting and enhancing relationships with AUSTRAC and law enforcement;
- demonstrating leadership and engagement with industry peers in relation to AML/CTF risk management;
- investing in automation, with a new automated transaction monitoring system and digitised tool to allow electronic submission and investigation of Unusual Activity Reports; and
- conducting ongoing external assurance and review of the Joint AML/CTF Program or aspects of AML/CTF compliance, with Crown accepting recommendations and incorporating them into its program of reform.

The Statement of Agreed Facts and Admissions can be found [here](#).

ENDS

For more information, please contact:

Libby Armstrong
Group General Manager Communications
Crown Resorts
M: 0472 729 434
E: libby.armstrong@crownresorts.com.au

Kris Taute
Head of Corporate Communications
Crown Resorts
M: 0413 829 142
E: kris.taute@crownresorts.com.au