

Principle	Compliance / Explanation for Non-compliance
Board functions	
1.1 Formalise and disclose the functions reserved to the board and those delegated to management.	Crown complies with this principle. Please see section 10.5.1(b) of the PBL Scheme Booklet.
Board composition	
2.1 Majority of the board should be independent.	<p>A majority of Crown directors are not independent.</p> <p>The Board of Crown believes that the interests of shareholders are best served by all of the following:</p> <ul style="list-style-type: none"> • Directors having the appropriate skills and experience; and • 6 directors being independent, per the criteria set out in section 10.4.1 of the PBL Scheme Booklet. <p>Where any Director has a material personal interest in a matter (or has another potential conflict), other than as a shareholder, the Director will not be permitted to take part in any discussion concerning the matter or to vote on the matter. The enforcement of this requirement ensures that the interests of shareholders as a whole are pursued and are not jeopardised by, a lack of a majority of independent Directors.</p>
2.2 Chairperson is an independent director.	<p>The Chairman of the Crown Board, Mr James Packer, is not independent.</p> <p>The Board believes that the interests of shareholders will be served by appointing Mr Packer, who will act in the best interests of all shareholders. The Board also notes that Mr Packer's appointment was noted in section 14.1 of the PBL Scheme Booklet.</p>
2.3 Chairperson and chief executive must	Crown complies with this principle.

not be the same individual.	
2.4 The board should establish a nomination committee .	<p>Crown has chosen not to appoint a nomination committee.</p> <p>The Board does not consider that the process for determining potential Directors would be enhanced or made more efficient by the formation of a Nomination Committee, since the appointment of any new Board member is a matter reserved for the Board and requires the consent of all existing Board members.</p>
2.5 Provide the information indicated in <i>Guide to Reporting on Principle 2</i> .	<p>Crown intends to comply with this principle.</p> <p>See the following sections of the PBL Scheme Booklet:</p> <ul style="list-style-type: none"> • Sections 10.4.1 and 14.1 (<i>Crown Board</i>); • Section 10.5.2 (<i>Resources available to the Board</i>); • Section 10.5.1(c) (<i>Board Committees</i>)
Codes of conduct	
<p>3.1 Establish a code of conduct to guide the directors and key executives regarding</p> <p>3.1.1 the practices necessary to maintain confidence in the company's integrity;</p> <p>3.1.2 the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.</p>	<p>Crown intends to comply with this principle. See section 10.5.1 (c) of the PBL Scheme Booklet under <i>Code of Conduct for Crown Directors and Crown Employees</i>.</p>
3.2 Disclose the policy concerning trading in company securities by directors, officers	<p>Crown intends to comply with this principle. See section 10.5.1 (c) of the PBL Scheme Booklet</p>

and employees.	under <i>Securities Trading Policy</i> .
3.3 Provide information indicated in <i>Guide to Reporting on Principle 3</i>	Crown intends to comply with this principle. See section 10.5.1 of the PBL Scheme Booklet.
Audit	
4.1 Require CEO and CFO to state in writing to the board that the company's financial reports present a true and fair view, in all material respects, of the company's financial condition and operational results and are in accordance with relevant accounting standards.	Crown intends to comply with this principle.
4.2 The board should establish an audit committee .	Crown intends to comply with this principle. See section 10.5.1(c)(i) of the PBL Scheme Booklet.
4.3 Structure the audit committee so that it consists of: <ul style="list-style-type: none"> • only non-executive directors; • a majority of independent directors; • an independent chairperson, who is not chairperson of the board; • at least three members. 	Crown intends to comply with this principle. See section 10.5.1(c)(i) of the PBL Scheme Booklet.
4.4 The audit committee should have a formal charter.	Crown intends to comply with this principle. See section 10.5.1(c)(i) of the PBL Scheme Booklet.

<p>4.5 Provide information indicated in <i>Guide to Reporting on Principle 4</i></p>	<p>Crown intends to comply with this principle. See 10.5.1(c) of the PBL Scheme Booklet, in particular under <i>Audit and Corporate Governance Committee</i>.</p>
<p>Disclosure and communications</p>	
<p>5.1 Establish written policies and procedures to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.</p>	<p>Crown intends to comply with this principle. See section 10.5.1(c) of the PBL Scheme Booklet under <i>Continuous Disclosure Policy</i>.</p>
<p>5.2 Provide information indicated in <i>Guide to Reporting on Principle 5</i></p>	<p>Crown intends to comply with this principle. See section 10.5.1(c) of the PBL Scheme Booklet under <i>Continuous Disclosure Policy</i>.</p>
<p>Respect the rights of shareholders</p>	
<p>6.1 Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings.</p>	<p>Crown intends to comply with this principle. See section 10.5.1(c) of the PBL Scheme Booklet under <i>Communications Policy</i>.</p>
<p>6.2 Request the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.</p>	<p>Crown intends to comply with this principle.</p>
<p>Risk management</p>	
<p>7.1 The board should establish policies on risk oversight and management. In larger companies, it is recommended that a company establish a risk</p>	<p>Crown intends to comply with this principle:</p> <ul style="list-style-type: none"> • see section 10.5.1(c) of the PBL Scheme Booklet under <i>Risk Management Policy</i>, and

<p>management committee.</p>	<ul style="list-style-type: none"> • see section 10.5.1(c)(vi) of the PBL Scheme Booklet.
<p>7.2 The CEO and CFO should state to the board in writing that:</p> <p>7.2.1 the statement given in accordance with best practice recommendations 4.1 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board;</p> <p>7.2.2 the company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.</p>	<p>Crown intends to comply with this principle.</p>
<p>7.3 Provide information indicated in <i>Guide to Reporting on Principle 7</i></p>	<p>Crown intends to comply with this principle. See section 10.5.1(c) of the PBL Scheme Booklet under <i>Risk Management Policy</i>.</p>
<p>Performance evaluation of the Board and committees</p>	
<p>8.1 Disclose the process for performance evaluation of the board, its committees and individual directors, and key executives.</p>	<p>Crown intends to comply with this principle.</p>

Remuneration policies	
9.1 Provide disclosure in relation to the company's remuneration policies to enable investors to understand (i) the costs and benefits of those policies and (ii) the link between remuneration paid to directors and key executives and corporate performance.	Crown intends to comply with this principle. See sections 10.5.2 and 10.5.3 of the PBL Scheme Booklet.
9.2 The board should establish a remuneration committee .	Crown intends to comply with this principle. See section 10.5.1(c)(v) of the PBL Scheme Booklet.
9.3 Clearly distinguish the structure of non-executive directors' remuneration from that of executives.	Crown intends to comply with this principle. See sections 10.5.2 and 10.5.3 of the PBL Scheme Booklet.
9.4 Ensure that payment of equity-based executive remuneration is made in accordance with thresholds set in plans approved by shareholders.	Not relevant: Crown has no present intention to implement equity-based executive remuneration. See section 10.5.4 of the PBL Scheme Booklet.
9.5 Provide information indicated in <i>Guide to Reporting on Principle 9</i>	Crown intends to comply with this principle. See sections 10.5.2 and 10.5.3 of the PBL Scheme Booklet.
Code of conduct	
10.1 Establish and disclose a code of conduct to guide compliance with legal and other obligations to legitimate stakeholders.	Crown intends to comply with this principle. See section 10.5.1 (c) of the PBL Scheme Booklet under <i>Code of Conduct for Crown Directors and Crown Employees</i> .