



Crown Resorts Limited Audit & Corporate Governance Committee Charter

Crown Resorts Limited ACN 125 709 953
A public company limited by shares

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1. Introduction and background

The role of the Audit & Corporate Governance Committee includes the review and consideration of half and full year accounts of Crown, the consideration of the independence and competencies of external auditors, the review and assessment of the continuous disclosure obligations of Crown and the review and development of appropriate corporate governance policy for Crown.

2. Membership of the Committee

2.1. Structure

Committee members are appointed by the Board and the Committee will at all times include a minimum of three Directors, a majority of whom shall be independent.

The Chairperson of the Committee will be an independent director.

Independence of a Committee member will be determined in accordance with the principles described in paragraph 2.2 of the Crown Resorts Limited Board Charter.

Unless otherwise nominated by the Board, Crown Resorts Limited's Company Secretary will act as secretary of the Committee.

2.2. Compensation

The only compensation to members will be fees paid to them as a Director of Crown and for acting as a Chair or member of the Committee

2.3. Expertise

Members will have a range of diverse and yet complementary skills and the Chair of the Committee should have a significant background in the accounting and/or financial management disciplines.

3. Purpose of the Committee

The Committee assists the Board to fulfil its responsibilities in relation to Crown's:

- external financial reporting;
- internal financial controls;
- external audit function; and
- corporate governance policy and practices.

In carrying out these functions, the Committee will maintain unobstructed lines of communication between the Committee, the external auditors, Crown management and the Board. The Committee has full access to Crown's management and employees, and is able to engage any external independent counsel or advisors it feels appropriate in order to assist the Committee fulfil its functions.

4. Proceedings

4.1. Meeting frequency

The Committee shall meet three times annually and additionally as required.

4.2. Committee papers

Relevant documents to be considered at Committee meetings shall be compiled and distributed by the Committee Secretary to all members of the Committee, as well as to any invitees of the Committee.

4.3. Attendance at Committee Meetings

The Committee may extend an invitation to any person to attend all or part of a scheduled Committee meeting. This invitation may extend to management attending future meetings. Only Committee members shall be eligible to vote.

4.4. Quorum

A quorum for a meeting of the Committee is two members.

4.5. Minutes

Minutes of proceedings and resolutions of meetings of the Committee and resolutions passed by members of the Committee without a meeting, are to be approved by the Committee (or in the case of written resolutions, tabled) at its next meeting.

Minutes of a meeting must be signed by the chair of the meeting within a reasonable time after the meeting at which the minutes are approved.

A resolution may be made if a document containing the relevant resolution is assented to by all Committee members eligible and willing to participate in the making of the resolution.

The resolution will be taken to have been passed when the document is last assented to by a Committee member. Where a Committee member has assented by means other than writing, that Committee member must sign the document containing the relevant resolution within a reasonable time after having provided their assent.

5. Duties and responsibilities of the Committee

5.1. External Financial Reporting

The main responsibility of the Committee is to oversee the process of Crown's external financial reporting on behalf of the Board and to convey its observations to the Board. In particular, the Committee will review the full year ASX Appendix 4E and half year ASX Appendix 4D prior to submission to the Board.

This review may include making recommendations to the Board on the following matters:

- general accounting policies and practices, and any changes in them;
- whether Crown is compliant with relevant accounting standards and Listing Rules relating to financial reporting;

- the impact of any unusual transactions or audit adjustments on the Financial reports and the manner in which they are disclosed; or
- the clarity and adequacy of the financial reports.

The ultimate responsibility for Crown's accounting policies and external financial reports lies with the Board. The Committee can recommend changes in accounting policies to the Board as it feels appropriate, and the external auditor should provide any opinion on the appropriateness of any change in accounting policy for the Committee.

5.2. Assessing accounting and financial controls

The Committee will discuss with the external auditors and management:

- the effectiveness of Crown's accounting and financial controls; and
- the report to the Committee and the Board from the external auditors on the results of the audit. The Committee will report to the Board on any significant unresolved differences of opinion over Crown's external financial reporting, between Crown's management and the external auditors.

5.3. Appointment of the external auditors

The Committee will be responsible for recommending to the Board the appointment, reappointment and removal of the external auditors. The Committee will review the appointment of external auditors at least every five years.

5.4. Rotation of the External Audit Engagement Partners

The Committee will ensure that Crown's external auditor, from time to time, has an internal policy requiring rotation of audit partners every five years.

5.5. Independence of the external auditors

The Committee will periodically review the independence of the external auditors, having regard to any relationships with Crown beyond the external audit function that could impair the external auditor's independence or judgment of Crown. The Committee will consider annually any non-audit services provided by the external auditor to determine whether the provision of those non-audit services is compatible with the independence of the external auditor.

5.6. External audit scope

The Committee will review the scope and materiality level of the external audit with the external auditors and will have particular regard to any areas of identified risk. These areas of identified risk will be notified to the Risk Management Committee.

5.7. Good Corporate Governance

The Committee will review the corporate governance practices at Crown as against the ASX Corporate Governance Principles and Recommendations (as may be amended or updated from time to time) and other examples of best practice. The Committee shall review and develop corporate governance policies for recommendation to the Board it considers appropriate for Crown.

5.8. Continuous Disclosure

The Committee will review and report on compliance with the Crown Continuous Disclosure Policy.

5.9. Development and administration of the Diversity Policy

The Committee will be responsible for developing and monitoring the application of the Diversity Policy.

5.10. Board reporting

The Committee will update the Board from time to time as required and make relevant recommendations in relation to matters arising for consideration by the Committee.

6. Amendment and review

The Committee must review this Charter on an annual basis to ensure it remains consistent with its objectives, the Constitution and existing regulatory requirements and recommendations. Any proposed changes must be referred to the Crown Board for approval.

Crown Resorts Limited
February 2014