



## **Review of Actions Taken to Address Workplace Culture And Improve Policies and Procedures**

### **INTRODUCTION**

Over the past 12 months, Wynn Resorts has undergone a corporate transformation. We have embarked on a comprehensive self-examination of our company, its management and our workplace policies, procedures and culture. While we acknowledge that this examination did not reveal any systemic issues regarding sexual harassment at the Company, we are deeply troubled that certain former executives did not follow Company protocols when becoming aware of allegations against the Company's founder, former chairman and CEO.

Consequently, we have made major changes at every level of key decision-making in the Company. Any employee identified as having been aware of allegations of sexual assault against the Company's former chairman and who did not investigate or report it is no longer with the Company. We have made meaningful changes to policies, practices, and procedures to ensure the Company has a safe, healthy and supportive workplace culture.

The following are among the specific actions the Company undertook in response to the allegations against Steve Wynn:

- Established immediately a Board of Directors Special Committee to review who at the Company was aware of the allegations against Mr. Wynn as well as conduct a sweeping review of the Company's workplace policies and procedures;
- Changed the leadership of Wynn Resorts. The Company separated the roles of CEO and Chairman of the Board, consistent with best corporate practice. Matt Maddox was appointed CEO of Wynn Resorts, and the Company fully separated from Steve Wynn.
- Embarked on a comprehensive review of workplace policies including scrutiny of the Company's harassment and human resource policies;
- Implemented changes including a revised and enhanced Preventing Harassment and Discrimination Policy, enhancements to the Company's reporting and investigative process, a revised and now best-in-class Compliance Program, as well as changes to policies to avoid potential conflicts of interest;
- Commenced a robust Board refreshment process so that, as of today, the median tenure of our eight independent directors is now less than two years. In April 2018, the Board elected three new female directors, Betsy Atkins, Winifred (Wendy) Webb and Margaret (Dee Dee) Myers, resulting in a Board that is now nearly 50% women

and in the top 10% of the S&P 500 in terms of female Board representation. In August 2018, the Board elected Philip G. Satre as Vice Chairman and Richard Byrne as a Director. In November 2018, Mr. Satre succeeded D. Boone Wayson as Chairman;

- Appointed Ellen Whitemore, a recognized expert in gaming regulatory and compliance matters, as General Counsel;
- Appointed Rose Huddleston, a seasoned human resources executive, to the new corporate position of Senior Vice President of Human Resources- North America;
- Appointed Marilyn Spiegel, an executive with significant hospitality and human resources experience, as President of Wynn Las Vegas.

In addition to these personnel changes and changes to the company's workplace policies and procedures, under the leadership of CEO Matt Maddox, the company has taken the following steps to further transform its workplace environment:

- Launched enhanced Workplace Compliance and Prevention of Sexual Harassment training for all employees, designed by a third-party expert and delivered in-person to all employees.
- Launched a Women's Leadership Council to promote equality within the workplace. The group's first activity was to produce a speaker series, "Women Who Thrive," to educate and inspire employees through powerful female role models.
- Commissioned pay and promotion equity studies to measure pay equality among men and women in the workforce.
- Launched a Paid Parental Leave program that provides paid time off to new parents.
- Implemented new Diversity, Inclusion and Unconscious Bias training for all employees taught by third-party experts. Company senior executives completed an eight-hour training program.
- Launched the Great Places to Work survey and focus groups which measure employee engagement against the *Fortune* "100 Best Places to Work."
- Launched a new annual Wynn Employee Foundation scholarship program, which has awarded ten \$7,500 college scholarships to employees and their dependents.
- Refocused efforts on the Company's workplace culture by making the aforementioned activities a top priority for the Company's new Human Resources leadership.

By establishing new reporting requirements and investigation processes, increasing workplace oversight, and mandating updated training, including training around sexual harassment, we have reestablished a culture in which employees are encouraged to come

forward and employees at all levels are held accountable. We are making clear, in both policy and action: Every employee is entitled to a safe and respectful workplace and no employee, at any level of our company, is above the rules.

## **BACKGROUND**

On January 26, 2018, the Wall Street Journal (“WSJ”) published an article identifying allegations of serious sexual misconduct and harassment spanning decades by Steve Wynn, the founder, then-Chairman of the Board, and then-CEO of Wynn Resorts. The Company’s initial response during this period was driven by Mr. Wynn’s adamant denial of all allegations resulting in the Company’s short-sighted focus on initially defending Mr. Wynn, rather than reassuring employees of the Company’s commitment to a safe and respectful work environment.

Despite a defiant initial public reaction to the allegations and Mr. Wynn’s denials, within hours the Company commenced an investigation by a Special Committee comprised of independent directors. **Within days, Mr. Wynn resigned as Chairman and CEO. Within weeks, Mr. Wynn ceased to own any part of the Company. Within months, the Company implemented dramatically-revised internal human resource and compliance policies, remade its Board, and installed new leadership in key positions.**

## **A Comprehensive, Independent Review by the Board**

Immediately following the publication of the WSJ article, the Board of Directors appointed a Special Committee of independent directors charged with investigating who at the Company had knowledge of the allegations levied against Mr. Wynn and what, if anything, was done in response. The Special Committee was also charged with conducting a comprehensive review of the Company’s internal policies and procedures. This review specifically considered:

- Who at the Company was aware of the allegations, when did they learn of them, and what actions, if any, were taken;
- To what extent were the available complaint procedures, including any internal human resources complaint procedures and union grievance processes, utilized with respect to the allegations, what actions, if any, were taken in response to any complaints, and, if such avenues were not used, why not;
- Whether there are systemic issues regarding sexual harassment or reporting thereof at the Company; and
- Whether and to what extent the Company’s human resources policies and procedures and Board reporting protocols should be revised to further safeguard employees, to enhance a positive workplace culture and to reflect state of the art best practices.

The Special Committee retained experienced counsel who had unlimited resources and access to Company records and employees, including over 135 in-depth interviews with employees and millions of Company documents and emails for review. Though the Special Committee ultimately found that there were “no systemic issues” of sexual harassment or misconduct at the Company, it ultimately determined that certain high-ranking executives did not follow Company protocols and procedures when becoming aware of the allegations of sexual assault against Mr. Wynn.

Regarding the Special Committee’s review of the Company’s policies, which the Committee found to be generally strong, all of the Committee’s recommended changes to enhance these policies have been adopted by the Board or management.

**New Corporate and Board Leadership**

Since the Massachusetts Gaming Commission Suitability Decision in 2013, the Board of Directors and executive management of Wynn Resorts has changed substantially, and the Wynn Resorts of today is governed by almost-entirely new leadership:

**WYNN RESORTS IS A DIFFERENT COMPANY**

<b>Original Massachusetts Qualifiers</b>		<b>Current Massachusetts Qualifiers</b>	
Steve Wynn	D. Boone Wayson	Matt Maddox <small>CEO/Director</small>	Philip G. Satre* <small>Chairman</small>
Matt Maddox	Alvin V. Shoemaker	Craig Billings <small>CFO</small>	Winifred “Wendy” Webb*
Kim Sinatra	Robert J. Miller	Ellen Whittamore* <small>EVY/GC</small>	Betsy Atkins*
John Strzemp	J. Edward Virtue		Richard J. Byrne*
	John J. Hagenbuch		Jay L. Johnson
	Elaine P. Wynn <small>(Board)</small>		Margaret J. “Dee Dee” Myers*
	Dr. Ray R. Irani		Patricia Mulroy
			Clark T. Randt, Jr.
			Elaine P. Wynn

  

<b>Legend</b>	
<small>Remains With Wynn</small>	
<small>No Longer With Wynn</small>	
<small>New Board and Management * Since 1/2018</small>	
<small>Shareholder Only</small>	

Indeed, none of the eight individuals on Wynn Resorts' Board of Directors at the time of the Suitability Decision remain on the Board. Of the four executives of Wynn MA, LLC and Wynn Resorts required to qualify at the time of the Suitability Decision, only one, Matt Maddox, remains. All nine of Wynn Resorts' current Board members have joined the Company since the Suitability Decision.

In 2018 alone, six new Board members were selected, including CEO Matt Maddox, and the Board elected a new, non-executive Chairman, Philip G. Satre. Four of the nine members of the Board are women. The Company has separated itself from Mr. Wynn, as well as other individuals affiliated with the Company during Mr. Wynn's tenure, specifically, any executive that did not follow Company protocols and procedures when becoming aware of the allegations of sexual assault against Mr. Wynn. **In short, the Wynn Resorts of today is a new company.**

In addition to the departure of Mr. Wynn as Chairman of the Board, Board members Robert J. Miller, John J. Hagenbuch, J. Edward Virtue, and Dr. Ray R. Irani each left the Board by May 2018. Then-Chairman of the Board, D. Boone Wayson, retired from the Board on November 6, 2018, and Alvin Shoemaker retired from the Board effective December 31, 2018.

In 2018, the Board of Director's Nominating & Corporate Governance Committee retained an independent search firm to help identify new director candidates. As a result, *independent directors* Betsy S. Atkins, Margaret J. (Dee Dee) Myers, and Winifred (Wendy) Webb joined the Board on April 18, 2018. In addition, independent directors Philip G. Satre and Richard J. Byrne joined the Board on August 3, 2018, with Mr. Satre serving as Vice-Chairman at the time. Matt Maddox, Chief Executive Officer and President of Wynn Resorts, also joined the Board of Directors on August 3, 2018, consistent with the CEOs of major corporations. Following the retirement of Mr. Wayson, the Board unanimously voted Philip G. Satre as Chairman on November 6, 2018. [Full biographies of all the new directors can be found at the end of this document.]

**Wynn Resorts is now in the top 10% of the S&P 500 in terms of female Board representation. These changes not only separate the Company of the future from the past, but also ensure that the Company is governed by independent diverse thought leaders, each with a proven track record, to help in the continued transformation of Wynn Resorts, particularly in regard to its corporate governance.**

### **Leadership Changes at the Senior Management Staff Level**

The leadership changes at the Company have not been limited to the Boardroom. Since being appointed Chief Executive Officer of Wynn Resorts, Mr. Maddox has spearheaded the transition of the Company to a more traditional structured leadership, with appropriate checks and balances. Ellen Whittemore, a world-renowned expert in gaming law and regulatory compliance matters, has replaced Kimmarie Sinatra as Executive Vice President,

General Counsel, and Secretary of the Company. Ms. Whittemore has represented gaming companies for over 30 years, including as a partner at leading Nevada gaming law firms. She has also worked with the Nevada Attorney General's Office, serving as a supervising deputy attorney general for the Gaming Division, which provides legal counsel to the Nevada Gaming Control Board and the Nevada Gaming Commission. She is the only woman on the Executive Committee of the Board of the American Gaming Association. Ms. Whittemore is keenly focused on regulatory compliance and transparent relationships with gaming regulators.

Additional recently appointed key executives at Wynn Resorts have extensive experience and proficiencies in the gaming industry and in compliance, internal audit and controls, and corporate governance. Craig Billings, who was named Chief Financial Officer and Treasurer of Wynn Resorts in March 2017 and is a qualifier of Wynn Resorts, along with Mr. Maddox and Ms. Whittemore, previously served as Director and Non-Executive Chairman of NYX Gaming Group (now part of Scientific Games) from 2015 to 2018, and Chief Digital Officer, Strategy & Business Development Managing Director, at Aristocrat Leisure Ltd. from 2012 to 2015. Mr. Billings is also a Certified Public Accountant, and has previously served as a Manager in the Audit Division of Deloitte & Touche in Las Vegas and as a Vice President in the Investment Banking Division of Goldman Sachs covering the gaming industry.

Larry Whelan, the Compliance Officer of Wynn Las Vegas since 2015, was selected on November 6, 2018 to be Chief Global Compliance Officer of Wynn Resorts North America. Mr. Whelan has over 25 years of experience in the gaming industry, including as a Senior Internal Auditor at MGM Grand Inc., Director of Casino Accounting and Casino Controller at Caesars Palace, Director of Finance of Sunset Station Hotel and Casino, and various property-level roles with Wynn Las Vegas, including Vice President of Casino Compliance and Finance.

Rose Huddleston also joined the Wynn Resorts corporate team in November as its Vice President - Human Resources - North America with oversight over all human resource and culture initiatives. Ms. Huddleston comes to Wynn Resorts with more than 25 years of experience in luxury hospitality, most recently with Marriott International where she was the Regional Director of Human Resources for Ritz-Carlton and Marriott and one of 25 members of Marriott's Leadership Advisory Council for Diversity and Development for North America. She also Co-Chaired Marriott's Eastern Region Diversity and Inclusion Council including teams in Atlanta, Boston, New York, Orlando, Philadelphia, Washington, and several other larger Eastern cities.

### **Departures of Key Executives**

First and foremost, Wynn executed a separation agreement with Steve Wynn that paid him no severance and arranged for the divestiture of all of his Wynn Resorts shares. Mr. Wynn's occupancy of his residence at Wynn Resorts was terminated and his personal property was removed.

In addition, every Wynn Las Vegas and Wynn Resorts executive identified in the Nevada Gaming Control Board's complaint, NGC 18-15, dated January 25, 2019, as having knowledge of reports of sexual assault or inappropriate sexual relationships by Steve Wynn and having failed to report and investigate it is no longer with the company today.

## **Policy and Organizational Changes Adopted by the Company**

### **1. Initiation of Workplace Compliance Review**

In the wake of the WSJ article and prior to any recommendations of the Special Committee, CEO Matt Maddox engaged experienced outside counsel, Kirkland and Ellis, LLP to conduct a top-to-bottom review of workplace compliance policies. As a result, the Company implemented significant changes to multiple policies to ensure a safe, empowered, and diverse workplace. These improvements included (i) Culture and Community Initiatives; (ii) Policy Enhancements; (iii) Refreshed Training programs; (iv) Reporting and Investigations; and (v) Workplace Compliance and Governance.

While this initiative would be followed by some additional enhancements recommended by the Special Committee, the vast majority of changes were initiated by management to reassure the Company's U.S. employees that the Company's workplace was safe and to empower employees to report any misconduct by any employee, vendor, or contractor, regardless of role or title, that made them feel otherwise.

### **2. Preventing Harassment & Discrimination Policy**

With the assistance of outside counsel, the Company moved quickly to enhance and update its Preventing Harassment & Discrimination Policy, which continues to promote a culture of diversity, inclusion, and respect. Enhancements to this Policy include:

- Updating the name of the Sexual Harassment Policy, from "Zero Tolerance" to "Preventing Harassment and Discrimination," in order to clearly reflect the Policy's purpose;
- Strengthening the Policy's statement of corporate commitment to diversity, inclusion, and respect;
- Clarifying that the Policy applies to all employees throughout the Company, including full-time, part-time, temporary, and seasonal employees, as well as the Board of Directors;
- Clarifying the Company's reporting procedure and emphasizing a manager's duty to report all instances of complaints or harassment;
- Adding a reporting channel directly to the Audit Committee for any complaints involving senior executives;
- Strengthening and clarifying the Policy's statement against retaliation by clearly defining "retaliation," and emphasizing that employees who engage in retaliation may be subject to discipline, up to and including termination;

- Clarifying that the Policy applies to third party harassment; and
- Strengthening the Company's anti-retaliation policy and language.

### **3. Enhancements to Reporting and Investigative Processes**

In an effort to ensure and bolster the effectiveness of its policies for all employees, the Company also implemented new efforts to enhance its existing reporting and investigative processes.

- ***New Reporting Channels***

The Company has added additional channels for reporting and filing complaints to ensure that employees have multiple avenues through which they may feel safe making a report or filing a complaint. The Company has also extended the hours of the Employee Relations Department to ensure access and availability for employees on all shifts. In addition to its anonymous reporting system, "In-Touch," the Company has retained a third party expert in human resource matters to establish an additional third-party reporting hotline for employees, available at WynnHotline@mcclainresources.com. Employees are made aware of these additional reporting channels through the Company's updated Annual Compliance Training, New Hire Trainings and intranet website called "The Wire," which requires all employees to complete acknowledgments.

- ***New Investigative Protocols and Distribution Lists***

The Company has adopted new written protocols to memorialize the process of workplace conduct investigations and ensure that every report and complaint it receives is appropriately and consistently addressed. Under the new protocol all employee reports and complaints of harassment and discrimination are sent to the Company's General Counsel, Senior Vice President of Human Resources, and Director of Employee Relations. Moreover, all reports involving allegations of sexual harassment and/or sexual assault are immediately sent to internal labor and employment attorneys and General Counsel, who consult with outside counsel in specifically addressing these reports. Any allegations of criminal activity, including sexual assault, are also reported to the Corporate Investigations Department for reporting to the applicable law enforcement. All reports and complaints of sexual harassment will be reported to the Company's Compliance Committee on a quarterly basis, unless the circumstances require more immediate reporting.

### **4. Comprehensive Harassment Training Led by Industry Expert**

In addition to the sexual harassment training included as part of the Company's annual Compliance Training and New Hire Orientation, the Company has also retained Carol Goodman, Esq. of the law firm Herrick, Feinstein LLP, a leading expert in the area of sexual harassment and discrimination, to perform live, in-person training sessions for all

employees located in the United States. At each session, Ms. Goodman was introduced to the audience by a member of senior management, reiterating the Company's strong commitment to diversity and inclusion and underscoring that the Company does not tolerate any form of harassment. To date, Ms. Goodman has conducted more than sixty training courses for more than 12,500 employees at Wynn Las Vegas and Encore Boston Harbor. Every employee at Encore Boston Harbor has received sexual harassment training within the past year.

#### **5. Permitted Disclosures Policy**

The Company has also adopted a Permitted Disclosures Policy, which reaffirms to employees that nothing in any Company policy or employment-related confidentiality or non-disparagement agreement restricts them from engaging in legally-protected disclosures. Although the practice of permitted disclosures is not new to the Company, its memorialization in a written policy is intended by the Company to facilitate employee reporting and legally-protected whistleblowing. As part of implementing this new policy, the Company has also sent letters advising affected current and former Company employees of the new policy and explaining the scope of disclosure activity that will not be deemed a breach of Company policy or any agreement.

#### **6. Workplace Oversight and Senior Human Resources Role**

In an effort to ensure that all forms of workplace compliance are taken seriously on a quarterly basis, the Compliance Committee will be given a report of all allegations of sexual harassment. Ms. Huddleston will attend the meetings of the Compliance Committee and will make regular reports to the Committee on issues related to workplace compliance, including discrimination and harassment issues, training and policies, and reviewing and overseeing Human Resources investigations. The Compliance Committee will make regular reports of workplace compliance to the Audit Committee.

#### **7. Personal Relationships and Potential Conflicts of Interest Policy**

The Company has also updated its existing Personal Relationships and Potential Conflicts of Interest Policy to ensure and maintain a professional working environment for all employees. The updated policy discourages personal relationships between all employees and expressly states that personal relationships must not interfere with any employees' professional behavior. The updated policy also provides added clarity by specifically defining "Restricted Relationships," and identifying certain personal relationships between employees that must be reported to Human Resources and to the Audit Committee of the Board of Directors. The new policy also enhances review and scrutiny of personal relationships in the Company's Legal, Compliance, Security, and Human Resources departments.

## **8. Spa and Salon Policies and Initiatives**

The Company has also implemented changes to its department-specific policies, including Spa and Salon policies, in an effort to increase the safety and security of employees and minimize the potential for misconduct. Updated policies related to Employee Interaction with Guests and Other Third Parties, now underscore that if an employee is uncomfortable or feels threatened during service, he or she should immediately end the service and leave the guestroom or treatment area; that solicitation by guests of the private information of employees is inappropriate; and that all inappropriate behavior must be reported to the manager on duty.

As part of these changes, the Company also made clear to all Spa employees that they are entitled to be escorted by a manager or security to and from any in-room service appointments. In addition, the Company has also implemented certain property-level policy changes, including, for example, the elimination of all in-room Salon services at Wynn Las Vegas and Encore. The Company has also committed that by the first quarter of 2019, at the latest, each guest room attendant (and spa attendant going to guest rooms) will be given a safety button that they can push in the case of an emergency. Finally, the Company has also initiated a new policy regarding the use of Spa and Salon services by executives, Board members, and their families.

## **9. Adoption of “Best in Class” Compliance Program**

As of August 2018, Wynn Resorts has adopted an entirely new Compliance Program. The new program features a completely-independent Compliance Committee comprised of individuals with extensive experience and familiarity with law enforcement, regulated businesses, ethics, and/or gaming compliance, who are not otherwise affiliated with the Company, to oversee and promote the Company’s compliance and ensure that it meets the Company’s strict policy to conduct business at the highest levels of honesty and integrity. Michelle Chatigny (former VP and Compliance Officer of International Game Technology), Thomas Peterman (former SVP and Chief Compliance Officer of MGM Resorts International), and Ed Davis (former Commissioner of the Boston Police Department) serve on the new Compliance Committee. Board members Patricia Mulroy and Phil Satre also serve as *ex officio* members of the Committee, allowing overlapping representation on the Company’s Compliance Committee, Audit Committee, and Board of Directors

Under the new Compliance Program, the Compliance Committee will work to ensure the Company’s compliance with gaming laws in all applicable jurisdictions. The Committee will review all transactions entered into during the previous quarter and, importantly, will also review all claims of sexual harassment reported by employees. In short, the Compliance Committee will regain its prominence and responsibility as a regulatory tool to ensure that the Company monitors individuals, activities, and associations that may result in unsuitable situations and appropriately manages and minimizes this risk.

The new Compliance Program further calls for enhanced communication between the Compliance Committee and the Audit Committee by requiring regular meetings between the Compliance Committee Chair, Chief Global Compliance Officer, and the Audit Committee, as well as the sharing of minutes between the Board and the Compliance Committee.

The new Compliance Program also calls for enhanced communication between the Company and its regulators. In addition to existing reporting requirements, Wynn Resorts will also provide the Massachusetts Gaming Commission and the Nevada Gaming Control Board, and the Gaming Inspection and Coordination Bureau of Macau (known as the “DICJ”), regular updates on the following issues: (i) disciplinary actions, settlements, or terminations regarding harassment or discrimination by a senior executive; (ii) significant compliance developments; and (iii) any known lawsuits or other public filings against senior executives or Board members involving harassment or discrimination.

The Company’s new Compliance Program aims to foster independent review and open communication, both internally and externally, to ensure that the inappropriate breakdown of controls experienced by the Company during the Steve Wynn era never happens again.

Finally, the Compliance Committee retained Larry Whelan as its Chief Global Compliance Officer. He will report directly to the Compliance Committee with administrative reporting to Ms. Whittemore, the General Counsel.

## **10. Policies Regarding Independent Contractors**

Independent contractors are also made aware of the Company’s sexual harassment policies and to allow employees of independent contractors to report misconduct or harassment to the Company as well.

### **Strengthening Workplace Culture and Values**

Under the leadership of new CEO Matt Maddox, the Company has undertaken several important initiatives to support its core values and strengthen its workplace culture, including:

- Enhancing its commitment to support diversity and inclusion, gender equality, fair treatment in the workplace, and employee charitable efforts in the community;
- Launching a new Women’s Leadership Council co-chaired by senior women executives, Chris Flatt, Executive Vice President of Hotel Sales and Marketing and Rose Huddleston designed to further close the gender gap in management, provide career opportunities

for female employees at all levels, create pay and title equity, and ensure a safe workplace;

- Launching the Women’s Leadership Forum’s “Women Who Thrive” speaker series;
- Revising the Company’s Brand Values to reflect a new era of leadership;
- Launching a new back-of-house workplace campaign, known as **#WynnForAll**, to demonstrate the Company’s commitment to creating a working environment where all employees can thrive; the mission statement of this campaign, which is highlighted throughout in the Company’s diversity trainings, reads:

## **#WYNNFORALL**

RESPECT. OPPORTUNITY. EXCELLENCE.

Wynn Resorts is committed to creating a workplace where everyone feels safe and supported, has equal opportunities to develop and thrive, and experiences the freedom to be who they are, empowered to bring their whole self to work every day.



- Holding Town Hall meetings with employees to update and stabilize the employee base;
- Introducing several progressive benefits initiatives for employees, including paid parental leave and a “perfect start” bonus for new parents;
- Launching the “Great Place to Work Survey” to measure employee engagement against the Fortune 100 Best Places to Work;
- Launching Diversity + Inclusion trainings to be completed by all employees, including members of the Board of Directors, taught by subject-matter experts at Guardian Quest;
- Retaining Mercer to conduct a study on pay and promotion equity. To date, the Company has increased compensation as appropriate for Assistant Directors and above. The Company is currently reviewing compensation at the Supervisor and Manager level.
- Enhancing on-property communications regarding workplace matters;
- Launching the Wynn Employee Foundation Scholarship Program and awarded ten \$7,500 college scholarships to employees and their dependents;
- Announcing a new five-tier Leadership Development Program to develop the leadership skills of employees from interns to the C-suite;

- Launching an Internship Program for college students that accepts 50% of students from the Company’s current workforce and 50% from outside institutions;
- Developing a Mentorship Program in partnership with expert and author Brad Johnson; and
- Launching an Executive Rotation program in which operations executives and corporate executives rotate into line-level positions. One of the first participants was CEO Matt Maddox who served as a guest room attendant for a day.

In addition to these newly-implemented initiatives, the Company has continued to support its existing commitments to promote diversity and inclusion as a core value, including:

- The Company’s in-house Diversity Council, which is comprised of employees from all parts of the business, who meet quarterly to support the Company’s diversity commitments, including creating a culture of inclusion, fostering a workplace that reflects and embraces diversity, and developing partnerships that support the Company’s commitment and help work toward a fair and equal economy;
- The Company’s LGBT Focus Group, which is comprised of employees from all parts of the business who identify as gay, lesbian, bisexual, or transgender, and their supporters, and is focused on recognizing and servicing the LGBT market and advising on Company participation in LGBT community events and services. The LGBT Focus Group was an instrumental part of the Company achieving a full score of 100% on the Human Rights Campaign Corporate Equality Index; and
- The Company also adheres to a Supplier Diversity policy, which recognizes the importance of minority-owned and women-owned business enterprises to national and state economies, communities, and the Company itself. Under this policy, the Company has been committed to actively and routinely pursuing business relationships with such minority and women-owned enterprises and seeking opportunities to assist in mentoring and outreach to these enterprises.

### **Emblematic Name Change and Rebranding of Encore Boston Harbor**

Following Mr. Wynn’s resignation, divestiture, and complete dissociation from the Company, on April 27, 2018, newly-appointed CEO Matt Maddox announced that the Company would change the name of its planned Everett property from “Wynn Boston Harbor,” to “Encore Boston Harbor,” rebranding the project entirely. This emblematic rebranding reflects the start of a new chapter for the Company in Massachusetts. The Company is also in the process of changing the corporate name from “Wynn MA, LLC” to “Encore Boston Harbor, LLC,” and has filed the requisite name-change request with the Commission.

## **Conclusion**

Wynn Resorts has been reshaped and renewed, led by CEO Matt Maddox and the newly comprised Board of Directors.

During the past year, the company has challenged itself to closely examine its leadership, policies, and culture. This self-examination has, in turn, inspired the Company to focus on and reinvigorate its longstanding commitments to its employees, its communities, and to being a leader in the hospitality and gaming industries. In pursuit of these goals, the Company set out to implement transformative change across all levels of the organization, to cultivate a safe, healthy, and supportive workplace culture, and to build on its core values of respecting its employees, corporate responsibility and citizenship. As demonstrated herein, the Company has made enormous progress. But it also remains focused on continuous improvement.

The changes implemented to the Company's corporate organization and leadership and the enhancements to its strong existing policies and procedures were specifically designed to ensure that the mistakes of the past cannot happen again. The individuals who failed to live up to the Company's high standards and values have all been removed.

Over the past four years, Encore Boston Harbor has become an active, committed corporate citizen in the Commonwealth and is poised to continue to have meaningful impacts on the lives of Massachusetts residents for years to come. Together, these efforts confirm the Company's privilege to be licensed to own and operate a gaming establishment in Massachusetts. The thoughtful and deliberate actions taken by the Company over the past year to address past failings have made the Company, as it stands today, stronger than ever and even more committed to its partnership with the Commonwealth of Massachusetts to construct a \$2.6 billion destination resort casino, create 5,000 permanent jobs, and provide billions of dollars in tax revenue to the Commonwealth over the life of its license.

## **Profiles of board members appointed since February 2018**

Highlights of the relevant experience and expertise of Wynn Resorts' new Board of Directors are set forth below.

### **Philip G. Satre**

Mr. Satre is a seasoned gaming executive with regulatory experience in several jurisdictions and has served in various leadership roles in the gaming industry for more than 38 years, including as Chairman and CEO of Harrah's Entertainment and Chairman of the Board of International Game Technology. He is the president of the National Center for Responsible Gaming and currently serves as a member of the Board of fashion retailer Nordstrom, Inc. Mr. Satre has also served on the boards of International Game Technology, NV Energy, Tabcorp Holdings Ltd., and Rite Aid Corporation. In the non-profit sector, he has also served various roles, including as a Trustee of the National World War II Museum, a Trustee of the National Automobile Museum – The Harrah Collection in Reno, NV, and an Emeritus Member of the Stanford University Board of Trustees. Mr. Satre has received numerous accolades for his notable work, including election to the American Gaming Association's Hall of Fame and UNLV's Business Hall of Fame. He has also received Lifetime Achievement Awards from the American Gaming Summit and the East Coast Gaming Congress. Mr. Satre has also previously been named to the Directorship 100 by the National Association of Corporate Directors, one of the nation's top 100 Chief Executives by Chief Executive Magazine, Gaming Executive of the Year by Casino Journal, and best chief executive in the casino and hotel industries by the Wall Street Transcript. Mr. Satre brings to the position of Chairman of the Board extensive leadership experience, an unparalleled skill to effectively respond to complex financial and strategic challenges, and wide-ranging experience with corporate governance matters. Mr. Satre will also serve as an ex officio member of the Company's Compliance Committee, allowing overlapping representation on the Company's Compliance Committee and Board of Directors.

### **Betsy S. Atkins**

Ms. Atkins is a three-time CEO, serial entrepreneur, and founder and the CEO of Baja Corporation, a venture capital firm focused on technology, renewable energy, and life sciences, since 1994. In addition to her service on the Wynn Resorts' Board, she also serves on the Boards of Schneider Electric and SL Green Realty, and has previously served on the Board of Cognizant Technology Solutions. She was the CEO of NCI, a creator and manufacturer of nutraceutical foods, such as PowerBar. Ms. Atkins was also the CEO of Clear Standards, which developed enterprise-level software for energy management and sustainability. Ms. Atkins is a corporate governance expert whose notable work in that area has been featured in The Financial Times, Business Insider, and Forbes. She is a frequent guest on financial news shows and is the author of Behind Boardroom Doors: Lessons of a Corporate Director. Ms. Atkins brings to the Company's Board of Directors

extensive expertise in corporate governance that includes technology, retail, financial services, healthcare, restaurants and hospitality, automotive, and logistics.

### **Patricia Mulroy**

Ms. Mulroy was the General Manager of the Las Vegas Valley Water District from 1989 to 2014 and served as the General Manager of the Southern Nevada Water Authority from 1993 to 2014. From 1995 to 2014, Ms. Mulroy was also Nevada's representative on Colorado River Basin issues, serving as the lead negotiator from 2007 to 2014. From July 2014 through October 2015, Ms. Mulroy served as a Commissioner of the Nevada Gaming Commission. She is currently a member of the Global Agenda Council on Water of the World Economic Forum. Ms. Mulroy is also a member of the Board of Directors of the International Women's Forum and an emeritus member of the Board of Trustees of the Water Research Foundation, and has previously served on the Board of Directors of the National Water Resources Association and the Association of Metropolitan Water Agencies, as well as a founding member of the Water Utility Climate Alliance and the Western Urban Water Coalition. Ms. Mulroy has received numerous accolades throughout her career, including a Lifetime Achievement Award from the Urban Water Institute, being named to the Nevada Business Hall of Fame, named Most Influential Southern Nevadan by InBusiness Las Vegas, Education Hero by the Public Education Foundation, and named one of Seven Most Powerful Women by Women of Diversity Productions, Inc. Ms. Mulroy is also actively engaged in community service and currently serves on the Board of Directors for Catholic Charities and has previously served as the Chairman of the University of Nevada, Las Vegas, College of Math and Sciences Advisory Board. Ms. Mulroy brings to the Company's Board of Directors over 30 years of government experience and provides unique advice and counsel from her time on the Nevada Gaming Commission. Ms. Mulroy will also serve as an ex officio member of the Company's Compliance Committee, allowing overlapping representation on the Company's Compliance Committee, Audit Committee, and Board of Directors.

### **Margaret J. (Dee Dee) Myers**

Ms. Myers has been the Executive Vice President for Worldwide Corporate Communications and Public Affairs at Warner Bros. Entertainment since September 2014. She leads the company's strategic communications, media relations, crisis management, branding, executive positioning, state and local government relations, corporate social responsibility, and philanthropy programs. Ms. Myers was notably the first woman to serve as White House Press Secretary from 1993 to 1995, where she traveled around the country and around the world with President Bill Clinton, serving as his primary spokesperson and senior advisor. After leaving the White House, she served as a political analyst and commentator, appearing frequently on network and cable television programs; writing for a wide range of publications including The New York Times, the Washington Post and Time magazine; and speaking on political and women's issues. She also worked as a consultant on the NBC television show, The West Wing, across its seven-year, award-winning run. In 2010, she joined the Glover Park Group as Managing Director of Strategic

Communications and Public Affairs, where she counseled a broad range of clients in the media, non-profit, political, and corporate sectors, helping them shape communications strategies, build advocacy campaigns, refresh brands, manage crises and plan and execute events. She is the author of the 2008 New York Times best-selling book, *Why Women Should Rule the World*, which argues that increasing the number of women in leadership positions across the public and private sectors will provide more diverse perspectives, improve decision-making and lead to better outcomes. Ms. Myers brings to the Company's Board of Directors expertise in global strategic communications, media relations, crisis management, branding, corporate social responsibility, and philanthropy.

### **Winifred (Wendy) Webb**

Ms. Webb is the CEO of Kestrel Corporate Advisors, an advisory services firm counseling organizations on strategic business issues, including growth initiatives, digital marketing, board governance and investor relations. From 1988 to 2008, she served as a senior executive at The Walt Disney Company, including as Senior Vice President of Investor Relations and Shareholder Services where she was responsible for the company's strategic and financial communications worldwide, and for governance outreach. From 2008 to 2010, she was part of the senior executive team at Ticketmaster, and from 2010 to 2013, she was Managing Director at Tennenbaum Capital, now part of BlackRock. In addition to Wynn Resorts, Ms. Webb currently serves on the Boards of ABM Industries, where she serves on the Audit and Strategy & Risk Committees, as well as on the board of trustees for American Homes, a real estate investment trust. She is also Co-Chair of nonprofit Women Corporate Directors (WCD), Los Angeles/Orange County Chapter. Previously, Ms. Webb was an Independent Director for TiVo Inc., where she served on the Audit and CEO Search Committees, and for Jack in the Box, where she served on the Finance and Audit Committees and chaired the Governance Committee. In addition, Ms. Webb's non-profit Independent Director roles have included PetSmart Charities Inc. and the Smith College Board of Trustees. Ms. Webb brings to the Company's Board of Directors experience developing award-winning investor relations, strategic communications, and brand-building programs. She also brings significant industry expertise in travel and tourism, hospitality, media and entertainment, and facilities services. She is also a board Audit Committee qualified Financial Expert. Ms. Webb has been recognized as a 2018 National Association of Corporate Directors (NACD) Directorship 100 Honoree, which recognizes the most influential leaders in the boardroom and corporate governance community, and those who have demonstrated a commitment to advancing exemplary board leadership, oversight, and courage. In addition, Ms. Webb has also recently received Directors & Boards Magazine 2018 "Directors To Watch" recognition, which recognizes up to 20 leading and accomplished women directors on public company boards. Ms. Webb was also recently honored as one of Women Inc.'s 2018 Most Influential Corporate Board Directors.

### **Jay L. Johnson**

Admiral Johnson had a distinguished 32-year military career in the U.S. Navy, retiring in July 2000. He served as Chief of Naval Operations and a member of the Joint Chiefs of Staff

from 1996 until 2000. In December 2012, Admiral Johnson retired as Chairman and Chief Executive Officer of General Dynamics Corporation, a publicly-traded manufacturer of defense, aerospace, and other technology products. Admiral Johnson is a member of the Council on Foreign Relations and currently serves as a director of International Paper Company, the U.S. Naval Academy Foundation, and The Peregrine Fund. As chair of the Nominating and Governance Committee, Admiral Johnson brings to the Company's Board of Directors an ability to guide corporate strategy and oversee public company governance. In addition, Admiral Johnson brings valuable public policy and government relations experience as well as extensive leadership and strategic skills.

**Clark T. Randt, Jr.**

Ambassador Randt is currently President of Randt & Co. LLC, which advises firms with interests in China. He also serves as a Director of Qualcomm Inc., UPS, and Valmont Industries. He is a member of the Council on Foreign Relations. Ambassador Randt served as the U.S. Ambassador to the People's Republic of China and is fluent in Mandarin Chinese. Ambassador Randt brings to the Company's Board of Directors over 25 years of experience in cross-border corporate and finance transactions and also invaluable experience in Asian business operations and U.S. investment in China.

**Richard J. Byrne**

Mr. Byrne has worked extensively with numerous gaming companies, including Wynn Resorts, in arranging debt and equity financing and providing strategic advice. He is currently the President of Benefit Street Partners, and had a long and illustrious career with Deutsche Bank including becoming the Global Co-Head of Capital Markets and the CEO of Deutsche Bank Securities, Inc. In the gaming, lodging, and leisure sector, Mr. Byrne was a perennially top-ranked credit analyst. He brings to the Company's Board of Directors extensive financial expertise and profound knowledge of the gaming, lodging, and leisure sector.