



THE STAR

ASX Announcement

1 August 2017

REVISED SECURITIES TRADING POLICY

In accordance with ASX Listing Rule 12.10, The Star Entertainment Group Limited advises that its Securities Trading Policy has been revised.

Attached is the revised Securities Trading Policy which is effective from 1 August 2017.

A copy of the revised policy can also be found on the company's website at <https://www.starentertainmentgroup.com.au/corporate-governance>.



THE STAR

Securities Trading Policy

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CONTENTS

GENERAL INFORMATION	1
1. Purpose.....	1
2. Who the Policy Applies to	1
3. Breach of Policy.....	2
DETAILED INFORMATION	2
4. The Star Entertainment Group securities covered by this policy	2
5. Prohibition on insider trading at all times	2
6. Trading and Blackout Periods.....	4
7. Clearance required for dealing in securities by Directors, Executives and Executive Direct Reports at any time	5
8. Excluded Trades.....	7
9. Margin lending	8
10. Prohibition on short selling.....	8
11. Prohibition on hedging	9
12. Further information about this policy	9
13. Review	9

Related Information

- Corporations Act 2001 (Commonwealth) Part 7.10 Division 3 – sections 1042 to 1043 (insider trading)
- Australian Securities Exchange Listing Rules 3.19A, 12.9-12.12, 19.12 and Appendices 3X, 3Y and 3Z
- Australian Securities Exchange Guidance Note 27 – Trading Policies
- Minimum Shareholding Policy – Non-Executive Directors
- Minimum Shareholding Policy – Key Management Personnel
- Minimum Shareholding Policy – Executives

GENERAL INFORMATION

1. Purpose

This policy aims to promote integrity and ethical behaviour consistent with the Code of Conduct of The Star Entertainment Group Limited (**The Star Entertainment Group**), by minimising the risk of insider trading, or the perception of insider trading.

This policy sets out:

- a summary of the insider trading law;
- obligations and responsibilities of directors, employees, contractors and their associates;
- details of the Blackout Periods and other matters regarding the trading of securities by The Star Entertainment Group's directors (**Directors**), employees, contractors and their associates;
- the procedures for obtaining clearance to trade in The Star Entertainment Group securities;
- exceptional circumstances in which trading may be permitted with prior written clearance; and
- the types of trading that are excluded from the policy.

2. Who the Policy Applies to

This policy applies to all employees of The Star Entertainment Group, its subsidiaries and associate companies, including:

- Directors and other officeholders;
- permanent full-time and part-time employees;
- employees on a fixed term or fixed task contract;
- casual employees;
- temporary employees; and
- all individual contractors and employees of incorporated contractors engaged by The Star Entertainment Group, its subsidiaries or associate companies;

(together referred to in this policy as **Employees**).

It also extends to any person or entity which might in the circumstances be reasonably associated with The Star Entertainment Group (such as joint venture partners) or any of its Directors or Employees (such as spouses, de-facto partners, dependent children, family trusts, family companies, self-managed or other superannuation funds and entities which are controlled by these persons) (together referred to in this policy as **Associates**).

This policy is not contractual and does not give Employees any enforceable rights.

3. Breaches of Policy or insider trading law

Breach of insider trading law and/or this policy will be regarded by The Star Entertainment Group as serious misconduct, which will be subject to disciplinary action, and may include termination of employment and/or directions on how to deal with the securities and the proceeds of any sale.

Breach of insider trading law may also result in criminal and/or civil liability, the consequences of which may be severe, such as heavy fines and imprisonment.

DETAILED INFORMATION

4. The Star Entertainment Group securities covered by this policy

This policy covers trading in any securities in The Star Entertainment Group, including:

- ordinary shares, such as shares allocated under the employee or executive incentive plans established by The Star Entertainment Group;
- options over or rights in respect of ordinary shares, such as those which may be issued under the employee or executive incentive plans established by The Star Entertainment Group, or a renounceable or unrenounceable right to subscribe for an ordinary share;
- any hedging arrangement, financial instrument or derivative of The Star Entertainment Group ordinary shares (for example, warrants, exchange-traded and over-the-counter options, and contracts for difference (CFD)); and
- securities acquired as a result of participation in a security purchase plan or a dividend reinvestment plan.

5. Prohibition on insider trading at all times

The Corporations Act 2001 (Cth) prohibits the trading or influencing of trading in securities by anyone who has inside information relating directly or indirectly to the company which may have a material impact on the company's share price.

It is unlawful for anyone in possession of inside information in relation to a company's securities to:

- trade in the company's securities;
- arrange for another person to trade in the company's securities;
- pass the information to someone whom they know or ought reasonably to know may use the information to trade in the company's securities; or
- procure another person to trade in the company's securities,

(together referred to in this policy as **trade** or **trading**).

Any conduct by Employees or their Associates in breach of insider trading laws is strictly prohibited under this policy. This prohibition is absolute and not a matter of guidance.

A person who possesses inside information is prohibited from trading in The Star Entertainment Group securities even where:

- the trading occurs at a time that would otherwise be outside a Blackout Period;

- the trading falls within an exclusion under this policy; or
- the person has been given clearance under this policy to trade (whether in exceptional circumstances under this policy or otherwise).

Before trading in The Star Entertainment Group securities, Employees and their Associates should consider carefully whether they are in possession of any inside information that might preclude them from trading at that time, and if there is any doubt, they should not trade.

5.1 What is inside information

Inside information is information that:

- is not generally available (i.e. has not been publicly released or is not in the public domain); and
- if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the company's securities (i.e. would be likely to influence an investor's decision about whether to buy or sell the company's securities).

Such information is broad and may include:

- matters of supposition;
- matters that are insufficiently definite to warrant being made known to the public; and
- matters relating to the intentions, or likely intentions, of a person.

It does not matter how or where the person obtains the information – it does not have to be obtained from The Star Entertainment Group to constitute inside information.

Examples of possible inside information include, but are not limited to:

- The Star Entertainment Group's financial performance, particularly if it differs from market expectations;
- pending changes in the Board of Directors or Executives;
- an actual or proposed takeover or merger;
- any pending material acquisitions or divestments;
- confidential information about a material incomplete proposal or negotiation;
- a proposed dividend or a change in dividend policy;
- an actual or proposed change to the company's capital structure;
- entry into or termination of a material contract, licence or joint venture arrangement; and
- a material claim or litigation against the company or other unexpected liability.

5.2 Individual's responsibility

Directors and Employees have legal obligations not to use information acquired through their role in The Star Entertainment Group to gain an improper advantage for themselves or anyone else.

It is the individual responsibility of each Director, Employee, and their Associates to ensure that they do not do any of the things prohibited by insider trading laws. Any clearance or exemption obtained under this policy is subject to the overriding obligation of the individual to comply with insider trading laws.

A person trading in a company's securities is responsible for complying with the spirit and the letter of insider trading laws.

5.3 Trading in securities of other companies

During the course of their duties in respect of The Star Entertainment Group, Directors and Employees may obtain inside information relating to another company (for example, suppliers, contractors, customers, joint venture or associate companies, or where there are confidential negotiations about a material transaction).

Insider trading laws and this policy also relate to inside information about other companies, as well as trading or influencing trading of securities in other companies. Directors and Employees are also bound by a duty of confidentiality and must not disclose confidential information about another company which was obtained during the course of their duties.

6. Trading and Blackout Periods

In addition to the prohibition on insider trading that applies at all times, there are also other periods when trading is unwise due to the perception that someone may possess inside information.

As such:

- Directors;
- executives reporting directly to the Managing Director and Chief Executive Officer (**Executives**);
- all direct reports to those Executives (**Executive Direct Reports**);
- executive assistants of Directors and Executives;
- members of the financial reporting team; and
- Associates of the above,

must not trade in The Star Entertainment Group securities during Blackout Periods, subject to the processes, exceptional circumstances and excluded trades set out below.

All other employees, contractors and their Associates may trade in The Star Entertainment Group securities at any time, provided they do not have inside information and otherwise comply with their obligations of confidentiality.

Notwithstanding anything in this policy, the trading of The Star Entertainment Group securities must be in accordance with any other terms and conditions that may apply to specific securities in The Star Entertainment Group, such as any trading restrictions applicable under The Star Entertainment Group's employee or executive incentive share plans.

6.1 Blackout Periods

The following are the applicable **Blackout Periods**:

- commencing on 1 January and ending on the day The Star Entertainment Group announces its half year results (ASX Appendix 4D) inclusively;
- commencing on 1 July and ending on the day The Star Entertainment Group announces its preliminary full year results (ASX Appendix 4E) inclusively.

In addition to the Blackout Periods listed above, The Star Entertainment Group Board, Chairman, Managing Director and Chief Executive Officer or Company Secretary may also:

- determine other Blackout Periods at any time; and/or
- designate from time to time, individual employees to whom this policy applies (for example, employees who are working in a strategic planning group or on a particular potentially market-sensitive matter).

Trading that occurs outside the Blackout Periods is also subject to the legal prohibition relating to insider trading and the clearance procedures set out below.

7. Prior written clearance required for trading at any time

If a Director or an Associate of a Director wishes to trade in The Star Entertainment Group securities at any time, the Director must obtain prior written clearance from:

- the Chairman (in the case of Directors other than the Chairman); and
- the Chairman of the Audit Committee (in the case of the Chairman).

Directors are required to notify the Company Secretary of any changes to their relevant notifiable interests in The Star Entertainment Group securities no more than five business days after the change occurs, so that The Star Entertainment Group can make the relevant announcement pursuant to the Australian Securities Exchange Listing Rules.

If any Executive, Executive Direct Report, executive assistant of a Director or Executive, member of the financial reporting team, or any of their Associates wishes to trade in The Star Entertainment Group's securities at any time, the Executive, Executive Direct Report, executive assistant or member of the financial reporting team must obtain prior written clearance from any of the Company Secretary, the Chief Financial Officer, or the Managing Director and Chief Executive Officer.

7.1 Short-term trading

Clearance to trade will generally not be granted for proposed trades that are within 12 months of acquisition.

Trading in The Star Entertainment Group securities for short term gains or speculating on market fluctuations may be perceived to be insider trading, does not promote investor and market confidence, and does not support The Star Entertainment Group's long term objectives.

The trading of The Star Entertainment Group ordinary shares shortly after their acquisition following the exercise or vesting of options or rights pursuant to The Star Entertainment Group's employee or executive incentive plans (or other equity-based remuneration scheme) will not be regarded as short term trading.

7.2 Exceptional Circumstances

Clearance for trading during a Blackout Period or within 12 months of acquisition will only be granted in exceptional circumstances and where the trade is the only reasonable course of action available.

Whether circumstances are deemed exceptional and the type of supporting evidence required to accompany the application for clearance to trade will be determined on a case by case basis by the Chairman, the Chairman of the Audit Committee, the Managing Director and Chief Executive Officer, the Chief Financial Officer or the Company Secretary, as applicable.

Exceptional circumstances include:

- severe financial hardship such as a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant securities (Note: a liability to pay tax would not normally constitute severe financial hardship); or
- a court order, court enforceable undertaking, or other legal or regulatory requirement requiring a sale or transfer of securities.

7.3 Applications for clearance to trade

All applications for clearance to trade The Star Entertainment Group securities must be submitted in writing and state:

- that the applicant has read this policy;
- that the applicant is not in possession of any inside information; and
- if the application is for trading in a Blackout Period, the nature of the circumstances that may be deemed exceptional.

Clearance for trading can be:

- given or refused without giving any reasons, and the decision to refuse clearance is final;
- given subject to conditions;
- withdrawn if new information comes to light or there is a change in circumstances.

The applicant must keep confidential and must not disclose to any person, any information regarding the application or the outcome of the application.

7.4 Trading after written clearance

Any trading that is the subject of prior written clearance must be executed within five business days from and including the date the written clearance is granted, or such other period as is specified in the written clearance.

Irrespective of written clearance for trading being granted, the laws against insider trading continue to apply at all times (that is, an applicant must not trade if he/she subsequently comes into possession of inside information).

Clearance to trade or acknowledgement of a trade is part of a compliance monitoring function and is not an endorsement by The Star Entertainment Group or any of its officers of the proposed trade.

The applicant is individually responsible for their investment decisions and their compliance with insider trading laws. It is also the responsibility of the applicant to ensure that the trading of The Star Entertainment Group securities is in accordance with any other applicable terms and conditions, such as any trading restrictions applicable under The Star Entertainment Group's employee or executive incentive plans.

8. Excluded Trades

This policy does not apply to trading in The Star Entertainment Group's securities which relates to:

- an offer concerning The Star Entertainment Group securities made to all or most of the securityholders (for example a bonus issue, security purchase plan, rights issue or equal access buy-back);
- a disposal of rights or entitlements acquired under a renounceable pro-rata issue;
- an acquisition of securities under a pro-rata issue;
- an acquisition of The Star Entertainment Group securities under a security purchase plan or a dividend reinvestment plan that is available to all eligible holders of securities of the same class, where the participation in the plan was not commenced or amended during a Blackout Period;
- an allocation of, or agreement to acquire, or vesting of, The Star Entertainment Group securities under an employee or executive incentive plan (however, the prohibitions in this policy **will** apply to any subsequent disposal by those Employees of The Star Entertainment Group securities acquired under those employee or executive incentive plans);
- the obtaining by a Director of a share qualification as recommended in The Star Entertainment Group's Minimum Shareholding Policy;
- elections to participate in a corporate action (including undertakings to accept, or the acceptance of, an announced takeover offer);
- a disposal of The Star Entertainment Group securities as part of a takeover offer, scheme of arrangement or equal access buy-back;
- a transfer of The Star Entertainment Group securities resulting in no change in the underlying beneficial interest (for example, transfer from one personal shareholding to another personal shareholding or into a superannuation fund or other saving scheme in which the individual is a beneficiary), where the initial acquisition of those securities has previously been approved in accordance with this policy;
- off-market transfers conducted between an individual and their spouse, de-facto partner, child, step-child or other close family member;
- investments by a fund or other scheme (such as an independent superannuation fund) where the investment decision is at the discretion of a third party;
- cancellation of The Star Entertainment Group securities as a result of failure to vest or other forfeiture of securities received as part of performance based remuneration;

- vesting (but not any subsequent sale) of The Star Entertainment Group securities as a result of meeting performance hurdles or release of the securities from holding lock, in respect of securities received as part of performance based remuneration;
- indirect and incidental trading that occurs as a consequence of dealing in securities issued by a managed investment scheme, listed investment company, exchange-traded fund or similar investment vehicle that is managed by a third party and that hold The Star Entertainment Group securities as part of its portfolio; or
- an involuntary disposal of securities that results from a margin lender or financier exercising its rights under a margin lending or other secured financing arrangement that has previously been approved in accordance with this policy.

Note: An Employee who is in possession of Inside Information must comply with the insider trading laws and section 5 of this policy at all times, and must not engage in any trading of The Star Entertainment Group securities or communicate Inside Information to another person even where the trading falls within one of the Excluded Trades listed above.

9. Margin lending

Directors, Executives and Executive Direct Reports must receive prior written clearance from the Chairman before entering into margin loans or other financing arrangements involving The Star Entertainment Group securities where there may be a risk that The Star Entertainment Group securities will be traded pursuant to the terms of the margin loan or financing arrangement (for example, sale of The Star Entertainment Group shares to avoid a margin call).

In the case of the Chairman, clearance must be obtained from the Deputy Chairman (or where no Deputy Chairman has been appointed, from the Chairman of the Audit Committee). If required by The Star Entertainment Group, employees must provide the Company Secretary with information relevant to the margin loans or financing arrangements.

Directors and Employees should avoid financial arrangements involving The Star Entertainment Group securities which may lead to the ownership and rights of the securities being transferred to a third party.

It would be a breach of insider trading laws and this policy if a Director or an Employee decides to trade The Star Entertainment Group securities pursuant to a margin loan or other form of financing arrangement while in possession of inside information.

Where The Star Entertainment Group securities are traded and the Director or Employee is not involved in the decision to trade the securities, for example, where securities are provided to a lender as security and the lender decides to trade the securities, then the Director or Employee would not be in breach of this policy.

10. Prohibition on short selling

Directors and Employees are prohibited from engaging in short selling of The Star Entertainment Group securities. Short selling is a technique used by traders who believe that the market price of a security is likely to fall and they borrow the security and sell it in

the hope that they will be able to buy the security back at a lower price in the future (therefore closing out their short position at a profit).

11. Prohibition on hedging

Employees participating in any of The Star Entertainment Group's employee or executive incentive plans are prohibited from hedging the value of restricted shares and unvested performance rights or options and must not enter into any derivative arrangement in respect of restricted shares and unvested performance rights or options granted under such plans.

Breaches of this prohibition will result in the relevant shares, performance rights or options being forfeited by the participant.

12. Further information about this policy

This policy should be used as a general guide and not as legal advice.

If you do not fully understand this policy, or how it applies to you, you should speak to your manager, or to an appropriate representative of The Star Entertainment Group's:

- Company Secretariat Team; or
- Legal Department; or
- Human Resources Department.

13. Review

This policy will be reviewed every two years and updated as required.

The Company Secretary is responsible for conducting the review and updating this policy.

Changes to this policy are endorsed by the Risk & Compliance Committee, and referred to the Board for noting.