



THE STAR

The Star Entertainment Group

FRAUD POLICY

Version	Approval date	Approved by	Summary of changes
1.0	01 June 2018	TSEG Board	Original issue
2.0	29 June 2021	TSEG Board	Minor enhancements
2.1	22 February 2023	TSEG Board	Whistleblower Service contact information updated



THE STAR

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1. PURPOSE

In accordance with the Code of Conduct Guiding Principles, The Star Entertainment Group Limited (**The Star**) is committed to conducting business in a manner that is safe, ethical, professional and compliant with the law.

It is expected that our employees will always act in accordance with The Star Values (**Appendix A**) and in the best interests of The Star. Our employees are expected to use The Code Guiding Principles as the framework to deliver The Star Values.

This Fraud Policy (**Policy**) supports the Code of Conduct by defining activities that may be fraudulent, assigning accountabilities for the prevention, detection, reporting and investigation of suspected fraud, and describing reporting channels.

2. SCOPE

This Policy applies to everyone who performs work for and on behalf of The Star inclusive of all directors, employees, contractors and staff from labour hire firms (**employees**).

A breach of this Policy may be regarded as also breaching The Star's Code of Conduct. A breach of this Policy and/or the Code of Conduct may result in disciplinary action which may include termination of employment with The Star.

3. CONTEXT

Fraud is a challenge for most businesses. Serious events of fraud may diminish The Star's financial performance, damage The Star's reputation as a good corporate citizen, and undermine the effectiveness of The Star's corporate governance framework. Serious events of fraud may also expose The Star to increased levels of regulatory oversight, particularly if the fraud is attributable to actual or perceived weaknesses in key operational controls.

4. WHAT IS FRAUD

Fraud is dishonest behaviour causing actual or potential loss to any person and where deception is used at the time of, immediately before, or immediately after the behaviour. This may include the deliberate falsification, concealment, destruction or use of documentation relating to the behaviour. It may also include the intentional use of false representations or deception to avoid an obligation or to gain an unjust advantage.

Fraud may be undertaken by one person acting alone or by two or more persons acting in concert.

Common examples of fraud are set out in Appendix B.

5. FRAUD RISK APPETITE

The Star has no tolerance for fraud in any form.

The Star will maintain a framework for the detection and prevention of fraud which shall include processes and internal controls that are designed to prevent fraud, clear channels for the reporting of potential fraud, and accountabilities for the investigation and further actions for confirmed instances of fraud. Accountabilities will be established relevant to the nature and materiality of the fraud.

6. POLICY

Employees must report instances of fraud, or suspected fraud.

There will be no retaliation against any whistleblowers. Further information is contained in The Star Whistleblower Policy.

Allegations of fraud will be investigated in accordance with this Policy and related processes.

In instances where fraud is confirmed, the decision to prosecute or refer the investigation findings to law enforcement and/or regulatory agencies for independent investigation will be made by the Group Investigations Manager in consultation with the Chief Legal and Risk Officer.

Employees engaging in fraud are in breach of this Policy and will be subject to disciplinary action which might include dismissal.

The Star will seek to recover losses where restitution is available and where it is commercially sensible to do so.

7. REPORTABLE CONDUCT

Conduct which is reportable under this Policy includes conduct which you may reasonably suspect is:

- corrupt, fraudulent or dishonest behaviour, including soliciting, offering or accepting bribes, facilitation payments or any other such benefit
- illegal (including theft, drug sale/use, violence or threatened violence and criminal damage to property)
- in breach of The Star policies, procedures or Code of Conduct
- indicative of gross mismanagement or any other improper state of affairs
- indicative of serious misconduct
- the cause of financial or reputational loss to The Star
- unsafe in the workplace
- a danger to the public.

8. HOW TO MAKE A REPORT

It is expected that The Star employees report any behaviour which is Reportable Conduct. The report may be made to any of the following:

- your immediate leader, manager, or other senior manager within the area where you work.
- the Group Investigations Manager

You can also raise your concern confidentially using The Star's Whistleblower Service through either of the following options:

- The Star's online platform: star.relyplatform.com/report
- Your Call whistleblowing hotline: 1800 319 826 (a free call within Australia)

9. ACCOUNTABILITY

9.1 The Star Board

The Star Board is responsible for approving this Policy and amendments to this Policy.

9.2 Board Risk and Compliance Committee (BRCC)

The BRCC is responsible for:

- communicating to The Star Board all serious matters relating to the administration of or investigations resulting from the application of this Policy
- receiving reports from the Chief Legal and Risk Officer regarding breaches of this Policy
- reviewing the effectiveness of this Policy and other measures in place to prevent and detect fraud and recommending to the Board any amendments to this Policy.

9.3 Group Investigations Manager

The Group Investigations Manager is responsible for:

- Determining if there is a need to further investigate reports of fraud and investigating where deemed appropriate

- Reporting to the Chief Legal and Risk Officer any confirmed cases of fraud for consultation regarding referral of the investigation results to law enforcement or regulatory bodies
- Liaising with law enforcement or regulatory bodies where necessary in relation to fraud related activity.

9.4 Chief Legal and Risk Officer

The Chief Legal and Risk Officer is responsible for:

- Overseeing the application of this Policy and recommending to the BRCC any amendments that may be required to maintain its ongoing effectiveness
- Developing and implementing a framework to support the prevention and timely detection of fraudulent activity affecting The Star's business.

9.5 The Star Leaders

The Star Leaders are responsible for:

- Encouraging and maintaining a culture and working environment that fosters personal responsibility, integrity and accountability
- Demonstrating ethical leadership and high standards of behaviour consistent with the requirements of the Code of Conduct
- Adherence to The Star's risk management framework and risk management practices within their area of responsibility
- Establishing and maintaining procedures and processes which assist other team members to comply with relevant law and The Star Policy.

9.6 The Star Employees

The Star employees must:

- perform their role and tasks within that role in a manner consistent with this Policy
- be vigilant for instances of suspected fraud or illegal activity
- undertake all mandatory online compliance training
- comply with the requirements for reporting suspicions of fraudulent activity
- provide information that is true and correct when it is requested by Investigators, regulators or law enforcement agencies.

10. ADMINISTRATION OF THE POLICY

The Chief Legal and Risk Officer is responsible for reporting breaches of the Policy to the BRCC where appropriate.

This Policy shall be reviewed at least every three years and any changes approved by the Board.

11. GLOSSARY

Collusion, in the context of this Policy, means two or more persons acting in concert for fraudulent purposes

Ethics Panel means the Ethics Panel established under The Star's Code of Conduct

Intellectual property means ideas, inventions, symbols or designs that enable people to earn recognition or financial benefit.

The Star Leaders means any employee who exercises the function of a manager or supervisor of other employees

Work means either paid or unpaid duties designed to advance the business interests of The Star Entertainment Group Limited and all of its related bodies corporate

APPENDIX A - THE STAR VALUES

The Star Values are:

- Ownership
- True Teamwork
- Welcoming
- Do the Right Thing

	Code of Conduct Guiding Principle	The Star Values
1	<p>We Respect the Community We are a good corporate citizen and conduct our business in a manner that respects the community, protects the environment and seeks to prevent anti-social behaviour and illegal or undesirable activity (IUA) on, or in the vicinity of, the properties we operate.</p>	Do the Right Thing, Welcoming
2	<p>We are Diverse We provide an inclusive environment in which everyone is treated fairly and with respect. Our policies, procedures, work conditions and practices are designed to combat direct and indirect discrimination.</p>	Do the Right Thing, Welcoming
3	<p>We Comply with the Law We comply with our legal and regulatory obligations, voluntary commitments, industry standards and company policies and procedures. In doing so, we protect the interests of the company, the community, our guests and our employees.</p>	Ownership, Do the Right Thing, True Teamwork
4	<p>We are Ethical We conduct our business with honesty and integrity as this is the basis for maintaining our reputation.</p>	Ownership, Do the Right Thing, True Teamwork
5	<p>We are Professional We take ownership of our actions and aim for excellence in everything we do.</p>	Do the Right Thing, Welcoming, Ownership, True Teamwork
6	<p>We Work Safely We keep our properties healthy, safe and secure so our employees can return home safely at the end of each working day and our guests can enjoy their time with us.</p>	Do the Right Thing, Ownership, True Teamwork

APPENDIX B – EXAMPLES OF FRAUD

Internal	External	Collusion
Misuse of corporate credit cards, such as payment of personal expenses.	Guests deliberately claiming benefits they are not eligible to claim.	A guest acting in concert with an employee to gain information which increases the chances of the guest winning in relation to a table game.
Submission of false claims for reimbursement of expenses.	External service providers submitting false or overstated invoices.	A guest acting in concert with a The Star employee to gain property or services at no cost or at a heavily discounted cost.
Abuse of position and power, including to obtain a personal advantage.	Manipulation of procurement processes.	An employee approving the entry into a contract with a guest or other third party on terms more favourable than The Star's standard terms in exchange for a "kick back" from the guest or third party.
Deliberately recording incorrect hours of work on timesheets.	Third parties falsely representing themselves as a legitimate supplier of goods or services.	
Unauthorised use of The Star property, including intellectual property.		
Theft of The Star property, including intellectual property.		
Deliberate misstatement of financial results & financial position		
Deliberate misstatement of RG, RSA, environmental, safety and other sustainability related outcomes		