

# SKYCITY Entertainment Group Limited

## Securities Trading Policy

February 2015

### Introduction

SKYCITY Entertainment Group Limited ('SKYCITY' or 'the company') is committed to transparency and fairness in dealing with all of its stakeholders and to ensuring adherence to all applicable laws and regulations.

This Policy sets out the requirements that apply to all directors, senior managers and employees of SKYCITY and its subsidiaries in relation to any trading by them in (or advice to any third party in respect of) SKYCITY's listed securities (and any derivatives of those listed securities). This Policy is a fundamental and cornerstone component of SKYCITY's corporate governance regime and must be complied with at all times.

### Policy Statement

No director, senior manager or employee of the SKYCITY group may use his or her possession of confidential knowledge of SKYCITY or its business to engage in trading in the company's securities for personal benefit or to provide benefit to any third party.

### Additional Restrictions

This Policy also includes 'Additional Trading Restrictions for Restricted Persons' (refer pages 4-6). The Additional Trading Restrictions apply to SKYCITY personnel who are likely to have access to or knowledge of SKYCITY's financial performance or other key strategic information. The categories of personnel who are considered 'Restricted Persons' are set out on page 4.

Restricted Persons may only trade in SKYCITY securities in accordance with the 'Approved Trading Procedure'. The Additional Trading Restrictions do not apply to personnel who are not designated as Restricted Persons.

### Fundamental Rule: Insider trading is prohibited at all times

If you have any **material information** about SKYCITY which is not public knowledge, it is illegal for you to:

- trade the company's listed securities;
- advise or encourage another person to trade or hold the company's listed securities;
- advise or encourage a person to advise or encourage another person to trade or hold the company's listed securities; or
- pass on the information to anyone else where you ought reasonably to know that the other person will or is likely to use that information to trade or continue to hold the company's securities or advise or encourage others to do the same.

You must comply with this fundamental rule even if you buy SKYCITY securities in someone else's name, for example in the name of your spouse or partner, a close relative (including dependent child), or a company or trust in which you have a material interest or where you can influence the decisions of trustees.

This prohibition applies regardless of how you learn of or acquire the information and regardless of why you are trading.

Note that the prohibition on insider trading applies to trading in all listed securities, not only to information concerning SKYCITY's securities. Therefore, if a person has material information in relation to listed securities of any other issuer (including derivatives of such listed securities), that person must not trade in those listed securities.

### **Material (Inside) Information**

'Material information' is information that is not generally available to the market and, if it were generally available, a reasonable person would expect it to have a material effect on the price of the company's shares or other listed securities. 'Material information' is information that is likely to influence a person in deciding whether or not to acquire or dispose of shares.

Material information can include rumours, matters of supposition, intentions, confidential information of or about the company, and information that is insufficiently definite to warrant disclosure to the public.

Some examples of information which could be deemed 'material' in the context of SKYCITY's share price are set out below. The listing is for illustrative purposes only and is not intended as a complete listing:

- the financial performance of the company or any of its major subsidiaries, profit centres, or operational departments;
  - a possible change in the strategic direction of the company;
  - knowledge of potential takeover interest in the company;
  - a possible acquisition or sale of any assets or companies by the company;
  - any possible regulatory or legislative change of significance that could impact on the company's earnings potential;
  - potential regulatory action in respect of a possible breach of one of the company's casino licences;
  - possible changes or restrictions of significance with respect to any of the company's casino licences or other regulatory parameters;
  - a possible change in the company's capital structure or availability of funds or the pricing of funds;
  - senior management or SKYCITY board changes;
  - a possible change in profit distribution policy;
  - a potential material legal claim against the company;
  - a significant win or loss or significant accumulated wins or losses by a player or groups of players, most likely to occur under the company's commission player programme;
  - a significant uninsured loss;
  - a potential claim against the company of any nature which might prejudice the company's earnings potential or significantly impact its reputation; or
  - any other unexpected liability,
- which has not been released to the market.

For the purposes of this Policy, 'trade' includes buying or selling securities or agreeing to do so, except where the acquisition or disposal occurs by way of gift or inheritance.

### **Short-Term Trading**

As a general rule, short-term trading of SKYCITY securities (within a six month period) should be avoided.

## **Monitoring of Trading**

SKYCITY may monitor the trading of directors, senior managers and employees as part of the administration of this Policy.

## **Individual Responsibility and Personal Liability**

It is up to each director, senior manager and employee to make their own determination before buying or selling securities - as to whether or not you are in possession of material information not publicly available, and have therefore become an insider.

Liability is presumed, even if you are unaware of the sensitivity of the information.

Any breach of insider trading regulations is your personal responsibility and potential liability, not the company's.

The offence of insider trading can subject you to criminal liability including substantial fines and/or imprisonment, and civil liability which may include being sued by another party for any loss suffered as a result of illegal trading.

SKYCITY will take disciplinary action, up to and including termination, against any employee who breaches this Policy - a breach of this Policy will be deemed to be a breach of your employment contract with the company.

## **Take a Conservative Approach**

The rules contained in this Policy do not replace your legal obligations.

The boundary between what is (and is not) in breach of the law is not always clear. If in doubt, the appropriate action is not to trade.

## **Application of Policy**

The SKYCITY board has approved this Policy. The board may approve updates, amendments to and exemptions from this Policy from time to time.

'SKYCITY securities' include SKYCITY shares, capital notes, bonds and any other securities which the company may have on issue. This Policy applies to any listed securities of SKYCITY Entertainment Group Limited and/or of any of its subsidiary or associated companies.

For the purposes of this Policy the term 'director' includes any proposed director of SKYCITY who, pending approval from all applicable regulatory bodies, is acting as a consultant to the SKYCITY board.

To the extent of any inconsistency with any previous policy or rules relating to this subject matter, this Policy prevails over them.

If you do not understand any part of this Policy, or how it applies to you, you should raise the matter with the Company Secretary before dealing with any securities covered by this Policy.

The requirements imposed by this Policy are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand and Australia (and elsewhere). This Policy covers certain provisions and procedures that apply to SKYCITY directors, senior managers and employees but does not constitute an exhaustive set of statements about the law and the situations under which individuals may be liable for insider trading.

## Additional Trading Restrictions for Restricted Persons

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**Restricted Persons** are defined as below:

- all directors of SKYCITY and its relevant subsidiaries;
- the Chief Executive Officer, his or her direct reports, and their direct reports;
- staff involved in the compilation of reports identifying the financial performance of significant components of the business and those staff who receive or have access to financial performance reports for significant components of the business;
- any other employees or associates of the SKYCITY Group designated by the company and notified in writing by it from time to time; and
- trusts and companies controlled by such persons.

The **Additional Trading Restrictions** set out in this section of this Policy apply to Restricted Persons.

If you are a Restricted Person you may only trade SKYCITY securities:

- within the 'window' (or trading) period as set out on page 5; and
- where a signed authorisation to trade has first been obtained in accordance with the Approved Trading Procedure; and
- where your decision to trade is not based on material or inside information.

Additionally, certain other dealings with SKYCITY securities may only be undertaken with the prior written consent of the Company Secretary in accordance with the Approved Trading Procedure set out in this Policy.

For Restricted Persons, approval to trade securities outside of the window periods will not be given, except in exceptional circumstances, as determined by the SKYCITY board in its absolute discretion.

Please note that if you hold material information about SKYCITY you must not trade SKYCITY securities at any time, regardless of the window periods, as nominated in this Policy.

The Additional Restrictions are an integral component of this Policy and impose additional restrictions to those set out elsewhere in the Policy.

### Approved Trading Procedure

A 'Request for Consent to Trade in Listed Securities' (Attachment 1 to this Policy) must be submitted to and approved by the Company Secretary prior to a Restricted Person:

- trading SKYCITY securities;
- granting security over SKYCITY securities;
- entering into any margin loan or similar instrument in respect of such securities; or
- entering into any hedging arrangements which reduce the risk elements essential to effective employee incentive schemes.

In the absence of the Company Secretary the Request for Consent to Trade may be submitted to and approved by any person authorised by the Company Secretary to provide such authorisation.

The Request for Consent to Trade must be signed and dated and contains certain declarations made by you to the Company Secretary

On receiving the request notice, the Company Secretary will consider the request contained in the notice. The criteria for considering the request will include (without limitation):

- whether the Company Secretary is reasonably satisfied as to the truth of the statements made in the application forms;
- the intended date of the transaction in relation to the window or trading periods specified in this Policy;
- whether the sale or purchase, or transactions or arrangements, would have the effect of limiting the economic risk of the Restricted Person's entitlement to SKYCITY securities that have not vested; and
- the period of time the Restricted Person has held their SKYCITY securities.

The Company Secretary may consent or withhold consent to the proposed transaction in their absolute discretion.

If your request to trade is accepted, you must trade within 10 trading days of the consent being given or the end of the 'window', whichever occurs first. A trading day is a day on which SKYCITY's securities are traded on the Australian or New Zealand Stock Exchanges (NZSX/ASX). If your approved trade has not been completed within the 10 trading day period, then that consent will be deemed to have lapsed and a new Request for Consent must be applied for. No further trading in SKYCITY securities can occur until the subsequent consent has been granted.

A consent is automatically deemed to be withdrawn if the person becomes aware of material information prior to trading and in that event, that person must not trade.

If the Company Secretary is the Restricted Person proposing to buy or sell securities, the above restrictions shall apply as if references therein to "the Company Secretary" were references to "the Chairman of the Board" or "the Chairman of the Audit and Risk Committee"

### **Window (or Trading) Periods**

The securities must not be sold or purchased or the transactions or arrangements entered into, outside of the periods commencing the day after announcement to the NZX/ASX of the financial results of SKYCITY for the most recently completed financial year (30 June) or the most recently completed financial half-year (31 December), whichever occurred last, and ending 60 days after the day after the relevant announcement, or such other date as the SKYCITY board may specify from time to time.

### **Requirements after trading**

A Restricted Person who is a director or 'senior manager' of the company must advise the Company Secretary promptly following completion of any trade, and the Restricted Person must comply with any disclosure obligations that person has under subpart 6 of the Financial Markets Conduct Act 2013 and the Listing Rules of the NZX and/or the ASX.

### **Excluded Trades**

The Additional Restrictions set out above do not apply to:

- the following categories of passive trades:
  - acquisition of SKYCITY securities through a dividend reinvestment plan;
  - acquisition of SKYCITY securities through a share purchase plan available to all retail shareholders;
  - acquisition of SKYCITY securities through a rights issue; and

- o the disposal of SKYCITY securities through the acceptance of a takeover offer;
- dealings that do not result in a change to the beneficial interest in SKYCITY securities;
- a disposal of SKYCITY securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement; and
- participation in an employee share plan operated by SKYCITY (e.g. applying for an allocation of SKYCITY securities under an employee share offer). However, once the SKYCITY securities that are granted under an employee share plan cease to be held under the terms of that plan, any dealings in those SKYCITY securities must only occur in accordance with all provisions of this Policy.

### **Exceptional Circumstances**

If a Restricted Person needs to deal in SKYCITY securities outside of the window periods due to exceptional circumstances, the Restricted Person may apply to the SKYCITY board for a waiver from compliance with the Additional Restrictions.

Exceptional circumstances for these purposes include severe financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the SKYCITY board.

Restricted Persons seeking a waiver must submit to the Company Secretary a 'Request for Consent to Trade in Listed Securities' (Attachment 1 to this Policy) and provide an explanation of the exceptional circumstances and the reason the waiver is requested. A waiver will only be granted if the Restricted Person's application is accompanied by sufficient evidence (in the opinion of the Company Secretary) that the dealing of the relevant securities is the only reasonable course of action available in the circumstances.

If a waiver is granted, the Restricted Person will be notified in writing (which may include notification via email) and in each circumstance the duration of the waiver to deal in the relevant securities will be 10 trading days.

Unless otherwise specified in the notice, any dealing permitted under a waiver must comply with the other provisions of this Policy (to the extent applicable).

**SKYCITY Entertainment Group Limited**  
**Request for Consent to Trade in Listed Securities**

**TO:** Company Secretary  
 SKYCITY Entertainment Group Limited ("SKYCITY")

Email to: [companysecretary@skycity.co.nz](mailto:companysecretary@skycity.co.nz)

In accordance with SKYCITY's Securities Trading Policy, including its Additional Trading Restrictions for Restricted Persons (and the Approved Trading Procedure as set out in those Restrictions), I request that SKYCITY consents to the following proposed transaction, to be undertaken by me or persons associated with me, within 10 trading days of approval being given. I acknowledge that SKYCITY is not advising me or encouraging me to trade or hold (or not trade or not hold) securities and does not provide any securities recommendation.

<b>Name:</b>	
<b>Name of registered holder transacting (if different):</b>	
<b>Address:</b>	
<b>Position:</b>	
<b>Class and number of securities:</b>	
<b>Type of proposed transaction:</b>	Sale / Purchase / Transfer / Other
<b>To be transacted:</b>	On NZX / On ASX / Off-market trade / Other (please specify)
<b>Anticipated date of transaction:</b>	

I declare that:

- I do not hold information which:
  - is not generally available to the market; and
  - would have a material effect on the price of SKYCITY's securities if it were generally available to the market;
- I believe that the transaction will be at a fair value; and
- I am not aware of any reason why I should be prohibited from trading SKYCITY securities (or entering into a transaction with a similar effect).

I certify that the details given above are complete, true and correct and request that SKYCITY consents to this proposed transaction.

**Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

Notes:

- *Directors and certain 'officers' of SKYCITY will need to complete ASX/NZX disclosures relating to this transaction. Disclosure is your responsibility and is required to be made to NZX within 5 business days.*
- *Any approved transaction must take place within the trading window as advised to you by SKYCITY unless you have applied for exemption on the basis of exceptional circumstances.*
- *If the proposed transaction is not completed within 10 trading days of consent then this consent will lapse and a new request for consent will need to be submitted for approval. No further trading can occur until that subsequent consent has been granted.*
- *Any approved transaction must be carried out in compliance with the provisions of the Securities Trading Policy.*

SKYCITY hereby consents / does not consent to the proposed transaction above. Any consent is conditional upon the proposed transaction being completed within 10 trading days of the date of this consent, and in compliance with SKYCITY's Securities Trading Policy.

**Date:** \_\_\_\_\_

For and on behalf of SKYCITY Entertainment Group Limited