

4 November 2016

Graeme Stephens

Dear Graeme,

**SKYCITY Entertainment Group Limited**  
Federal House 86 Federal Street  
PO Box 6443 Wellesley Street  
Auckland New Zealand  
Telephone +64 (0)9 363 6141  
Facsimile +64 (0)9 363 6140  
[www.skycitygroup.co.nz](http://www.skycitygroup.co.nz)

SKYCITY Management Limited (the **Company**) is pleased to offer you employment as Chief Executive Officer (**CEO**) of the **SKYCITY** Entertainment Group (**SKYCITY**) from 1 May 2017 on the terms and conditions set out in this employment agreement (**Agreement**).

In accordance with the New Zealand Employment Relations Act 2000 (**ERA**), you are entitled to a reasonable opportunity to seek independent advice about your terms of employment and the Company encourages you to do so. However, we require a signed agreement before you commence work.

**1. Commencement Date**

Subject to the termination provisions below, your position as CEO is for an indefinite duration commencing on 1 May 2017 (**Commencement Date**).

**2. Conditional Offer**

This Agreement is entirely conditional upon the following conditions:

- (a) You providing satisfactory evidence confirming your resignation as CEO of Sun International Group.
- (b) You meeting and continuing to meet any licensing and approval obligations, applicable laws, regulations and determinations required by any regulator in New Zealand and Australia and any other jurisdiction in which SKYCITY operates now and in the future.
- (c) You authorising the Police and other nominated persons as may be required by the Company to release any relevant personal history and such information discloses no reason why the Company should withdraw this offer
- (d) You agreeing to sign any such document or form necessary for the Company to carry out a criminal records check or other check as required by the Company.
- (e) You having and maintaining the legal right to work in New Zealand and Australia and adequate proof of this is provided to the Company.
- (f) If required, you obtaining a satisfactory outcome of a pre-employment medical examination at the Company's expense and arrangement.
- (g) The completion of reference checks to the Company's satisfaction.

**3. The Position**

- (a) The Company will employ you in the position of CEO, SKYCITY Entertainment Group. The Position Description is annexed as **Schedule Two**.

- (b) The Company may, after consultation with you, amend your key accountabilities and the duties associated with the position and Position Description, but not so as to change substantially the nature or responsibilities of the position. In addition, you will be required to perform all other duties, which are reasonably incidental to your position, as directed by the Company from time to time.
- (c) You will report to the SKYCITY Entertainment Group Board of Directors through the Chairman.
- (d) You agree that during the term of this Agreement you will:
  - (i) diligently and faithfully serve the Company and use your best endeavours to promote and protect the interests, profitability, goodwill and reputation of the Company;
  - (ii) perform to the highest standards, including providing outstanding leadership; and
  - (iii) devote yourself to the discharge of your duties at all times as your services may reasonably be required by the Company.

#### 4. Hours of Work and Location

- (a) Your hours of work will normally be not less than 40 per week, worked during the usual operating hours of the Company. However, in order to perform the requirements of the position effectively, you agree to work additional hours necessary to perform your job and your remuneration represents payment for all those hours so worked.
- (b) Your principal place of work will be SKYCITY Auckland but as an integral requirement of your role you will be required to travel throughout New Zealand, Australia and internationally from time to time. The Company reserves the right to relocate you to a new workplace.

#### 5. Remuneration

- (a) You will receive an annual base salary, as is set out in **Schedule One**.
- (b) As an employee, you have the option to join a KiwiSaver Scheme. Your base salary is exclusive of any compulsory employer contributions the Company is required to pay.
- (c) Other benefits provided to you are set out in **Schedule One**.
- (d) Your remuneration (including potential bonus and other benefits) will be reviewed annually in accordance with Company policy, but the Company is not obliged to increase your level of remuneration. The total remuneration package detailed in **Schedule One** will not be reduced other than by agreement in writing between the parties.
- (e) You agree that deductions may be made from your remuneration, including final pay and holiday pay, for time lost through sickness (other than that for which sick leave is taken), accident, unauthorised absence, non-return of Company property, default by you, holidays taken in advance, overpayment of salary, outstanding debts or money owed to the Company by you.

## **6. Expenses**

Subject to prior sign off by the Chairman, the Company will reimburse you for all reasonable expenses actually incurred by you in the course of your employment in accordance with Company policy. You will be required to produce reasonably complete documentary evidence of these expenses including, where appropriate, a properly completed GST tax invoice.

## **7. Leave**

### **(a) Annual Leave**

- (i)** You will be entitled to five weeks' annual leave with pay, calculated under the New Zealand Holidays Act 2003. Annual leave will be taken at times agreed between you and the Company, subject to operational requirements. If you and the Company cannot agree on when you will take your annual leave, the Company may require you to take leave on 14 days' notice.
- (ii)** You must keep an accurate record of all annual leave that you have taken. You must provide this report to the Chairman of the Board within seven days of being requested to do so.
- (iii)** You agree to be paid holiday pay in the pay cycle that relates to the period during which any leave is taken.

### **(b) Sick and Bereavement Leave**

- (i)** You will be entitled to sick leave in accordance with the New Zealand Holidays Act 2003. For each period of 12 months, on the anniversary of your Commencement Date, you will be entitled to take 10 days' paid sick leave. This is inclusive of your entitlement to sick leave under the New Zealand Holidays Act 2003. Up to 15 days' sick leave may be carried over from one year to the next up to a maximum of 20 days in total.
- (ii)** You are entitled to three days' bereavement leave for the death of your spouse, child, grandchild, parent, grandparent, sibling, or spouse's parent. You may also be entitled to one day's bereavement leave on the death of other persons, depending on a range of factors including the closeness of your association.
- (iii)** The Company may require a medical certificate in accordance with the New Zealand Holidays Act 2003 or at any time after you have used up your statutory entitlement to sick leave.

### **(c) Public Holidays**

- (i)** You are entitled to public holidays in accordance with the New Zealand Holidays Act 2003.

## **8. Change of Control Prior to Commencement Date**

Where the Company has, after the date of this Agreement but prior to the Commencement Date, entered into a contract or arrangement under which its business (or part of it) is to be undertaken by another person or entity, or where the Company's business (or part of it) is to be sold or transferred to another person or entity and your employment does not proceed, as contemplated in this Agreement, you will be paid an amount equivalent to 24 months' base salary set out in **Schedule One**.

## 9. Termination of Employment

- (a) Either **party** may terminate this Agreement by giving six months' notice in writing.
- (b) The Company may, in its sole discretion, pay you in lieu of all or part of the notice period (where notice is given by either party). Should the Company **elect** to pay you in lieu of notice, you shall be entitled to receive your base salary and the Board may in its sole discretion, but acting reasonably, pay you pro rata a Short Term Incentive payment (STI) in respect of the notice period taking into account your progress towards achievement of the STI financial and non-financial objectives agreed for the year in question. Any Long Term Incentive Plan (LTI) rights will be determined in accordance with the provisions of the SKYCITY Executive Long Term Incentive plan.
- (c) The Company may, in its sole discretion, require you to undertake reduced or **alternative** duties consistent with your abilities or require that you do not attend the workplace during the notice period. In that event, you will continue to receive your full remuneration, remain an employee of the Company, and will continue to be bound by your duties of confidentiality and fidelity for the rest of the notice period.
- (d) Nothing in the above clauses will prevent your dismissal without notice in the case of serious misconduct, serious breach (including substantial non-performance), or other cause justifying summary dismissal. Should this occur, you will receive no entitlements other than base remuneration then due, any accrued holiday pay, any accrued or vested STI which has been awarded but not yet been paid to you. Any LTI rights will be determined in accordance with the provisions of the SKYCITY Executive Long Term Incentive plan.
- (e) The Company may elect to have you removed from the work site immediately upon termination if circumstances warrant.
- (f) All remuneration and any other payments due to you upon termination of this Agreement shall be made by SKYCITY Management Limited as employing company, or a related New Zealand company.

## 10. No Fault Termination

- (a) Given the seniority of your role and the need for there to be a high level of compatibility and trust between the parties, it is anticipated that there may be circumstances where the Board forms the view that substantial incompatibility and/or irreconcilable differences have developed with you, or the Board may otherwise wish to terminate your employment when you are not at fault (including a redundancy situation or medical incapacity). In the event that this occurs, both parties agree in advance that the Company is entitled to terminate your employment immediately and you will be paid an amount equivalent to 12 months' base salary, **PROVIDED** that if the Company gives you notice of termination of employment:
  - (i) where the Company has entered into a contract or arrangement under which its business (or part of it) is to be undertaken by another person or entity, or where the Company's business (or part of it) is to be sold or transferred to another person or entity, and your employment does not continue as contemplated in this Agreement; or
  - (ii) within the first year from the Commencement Date,

then the Company is entitled to terminate your employment immediately and you will be paid an amount equivalent to 24 months' base salary. You will not be entitled to any additional payment in lieu of notice.

- (b) Both parties agree in advance that each sum referred to in subclause 10(a) above represents a fair and reasonable payment to compensate you for loss of employment in the specified circumstances (including the manner of the termination) and that you will have no further claim against the Company or any of its representatives in any way relating to or arising from the termination of your employment.
- (c) Where termination of your employment occurs under this clause, any LTI rights will be determined in accordance with the provisions of the SKYCITY Executive Long Term Incentive plan. The Board may in its sole discretion, but acting reasonably, pay you a pro-rata STI payment for the then current financial year taking into account your progress towards achievement of the financial and non-financial STI objectives agreed for the year in question and any other relevant circumstances. In addition, the sign-on shares referred to in **Schedule One** may be issued to you in the circumstances contemplated in **Schedule One**.

## 11. Resignation from Related Positions

When your employment with the Company ends for any reason whatsoever, you agree that with immediate effect you will resign from any position you hold as a director, officer or trustee within the SKYCITY Entertainment Group and/or any other business organisation connected to or involving the Company.

## 12. Employee Protection Process

- (a) This clause applies to a restructuring (as defined in Section 690I of the New Zealand Employment Relations Act 2000) which occurs from the Commencement Date and therefore will apply where the Company has entered into a contract or arrangement under which its business (or part of it) is to be undertaken by another person or entity, or where the Company's business (or part of it) is to be sold or transferred to another person or entity.
- (b) In the event of such a restructuring affecting your position, the Company will, as soon as is reasonably practicable, taking into account the commercial and confidentiality requirements of the business, commence negotiations with the other party involved in the restructuring (**Other Party**) concerning the impact of the restructuring on you and will advise you of the proposed timeframes, discussions and relevant outcomes.
- (c) The general process the Company will follow in such negotiations with the Other Party, to the extent that it relates to affected employees, will include:
  - (i) advising you of intended timeframes for relevant meetings (if any) in the restructuring process;
  - (ii) letting you know what will generally be discussed in any such meetings; and
  - (iii) reporting back on outcomes of any such meetings with the Other Party to the extent that they relate to you.
- (d) In negotiations with the Other Party, the Company will, subject to any statutory, commercial confidence or privacy issues, provide the Other Party with all information about the employees who will be affected by the restructuring (including you), including all details of their terms and conditions

of employment, and it will encourage the Other Party to offer all affected employees, employment on the same or generally no less favourable terms and conditions of employment than they currently enjoy with the Company.

- (e) Whether the Other Party offers you ongoing employment and on what terms and conditions, will ultimately be the decision of that Other Party.
- (f) If you are not offered employment with the Other Party, the Company will meet with you to discuss:
  - (i) whether there are any options available for you to remain in employment with the Company; and/or
  - (ii) your entitlements under this Agreement and what this could mean for you, including notice arrangements.
- (g) In the event that the Other Party does offer you employment on terms and conditions which:
  - (i) are at least equal to the quantum of your existing remuneration (including STI, LTI and the other benefits prescribed in **Schedule One**);
  - (ii) maintain the termination of employment provisions contained in this Agreement to the extent that such provisions remain applicable at the time such offer is made;
  - (iii) are (other than the terms and conditions referred to in paragraphs (a) and (b) above) no less favourable, on an aggregate basis, than your existing terms and conditions; and
  - (iv) would not result in a substantial diminution of your role, status and responsibility,

then you will not be entitled to notice or any redundancy compensation from the Company, whether or not you accept that offer. However:

- (v) if you are not offered employment; or
- (vi) if you are offered employment that does not satisfy each of the requirements above in subclauses (g)(i)-(iv) and you decline such offer,

then you shall be entitled to the same entitlements as if the Company had terminated your employment in accordance with clause 10.

### 13. **Suspension**

If the Company considers it necessary, it may require you to undertake reduced or alternative duties consistent with your abilities or remain away from work, on pay. If any suspension extends beyond one month due to matters beyond the Company's control (such as a police investigation into your conduct) the suspension may continue without pay.

### 14. **Medical Examination**

- (a) The Company may, at its expense, require you to undergo a medical examination by a registered medical practitioner or practitioners nominated by the Company (after the Company has considered your wishes in respect of

the appointment of the registered medical practitioner). A copy of any relevant report provided by that medical practitioner will be available to both parties.

- (b)** The Company may exercise this right for the purposes of:
  - (i)** determining whether granting you ongoing sick leave is appropriate;
  - (ii)** determining whether your employment should be terminated for incapacity;
  - (iii)** assessing your fitness for work and/or return to work after a period of sick leave;
  - (iv)** obtaining a second opinion where you have provided the Company with a medical certificate or report; and/or
  - (v)** assessing your health for insurance purposes.

## **15. Conflict of Interest**

- (a)** You will be expected to devote your full time energies to this position and for this reason, together with a need to protect the Company's commercial interests, you will not be permitted to engage in any other business or outside activities, such as directorships without the Board's prior written consent.
- (b)** You will not enter into any contracts, business interests and/or outside activities which may conflict in any way with the Company's interests and your responsibilities to it, or reflect adversely on the Company's business or its public perception.
- (c)** Notwithstanding the above, you may hold shares in companies listed on any recognised stock exchange without the Company's prior written consent if less than 5% of the issued shares of any class of any one company are held, and provided that such company does not materially compete with the core business of the Company or any associated or related entities.
- (d)** You will immediately advise the Company if an immediate family member, partner, friend or close business associate is or becomes employed by the Company or any of its related entities or by a competitor or potential competitor of the Company.
- (e)** You must not receive any payment, fee, gratuity, commission or other benefit (i.e. incentive or gift) other than from the Company in payment for any matter or thing connected with your duties, except if consistent with Company policy and with the Company's prior written consent.

## **16. Restraint of Trade**

- (a)** In consideration of the remuneration provided in this Agreement, you agree that when your employment terminates, for any reason, you will be bound by the following restraints for 12 months after the termination of your employment. The restraints are that you will not:
  - (i)** be directly or indirectly concerned (whether as an employee, independent contractor, shareholder, director, agent, consultant, partner, or in any other capacity) in any business, organisation or venture in the casino industry in Australia or New Zealand or any geographical jurisdiction in which the Company is operating;

- (ii) attempt to encourage or persuade people who have been VIP clients of the SKYCITY Entertainment Group or any related entity during the 12 months before the termination of your employment to give their business to any other casino operation worldwide; and/or
  - (iii) attempt to encourage or persuade any of the Company's directors, key employees, contractors, or consultants with whom you have had dealings, to terminate their contracts or agreements with the Company or any associated or related entity. For the purpose of this subclause, "key employee" will mean an employee earning over NZ\$100,000 gross per annum.
- (b) You acknowledge that your position with the Company gives you access to and the benefit of confidential and strategic information and business relationships vital to the Company's continuing success and you therefore acknowledge and agree that the provisions of this clause are reasonable and necessary in their application to protect the genuine proprietary interests of the Company.
- (c) You acknowledge that the remuneration you receive includes consideration for accepting these restraint of trade terms.
- (d) In the event any portion of this clause is viewed as unenforceable by any Authority or Court with jurisdiction to consider such clauses, the clause will apply as modified by the Authority or the Court, or in the event it is not modified by the Authority or Court, the remainder of this clause and Agreement will continue to be enforceable by the parties, provided however that the parties may negotiate a valid and enforceable provision in replacement of the invalid provision.
- (e) The provisions of this clause are for the benefit of SKYCITY Entertainment Group Limited itself and as trustee for each other Related Company and may be enforced by any of those persons in accordance with the provisions of the New Zealand Contracts (Privity) Act 1982.
- (f) Within this Agreement, the term "Related Company" shall be given the meaning prescribed to it by section 2(3) of the New Zealand Companies Act 1993.

## **17. Confidentiality**

You agree to maintain strict confidentiality with respect to your employment and all aspects of the services and duties performed for the Company or any associated or related entity. You will not use (or attempt to use) or disclose to any person, firm, corporation or entity, except in the normal course of employment, any confidential or trade information acquired through the Company or any associated or related entity including, but not limited to, computer programmes, software, forms and documents, training manuals and techniques, products, services, the identities of the current, past and prospective clients and customers, prices charged by or to the Company or any associated or related entity, marketing and sales plans, financial information and any other information in intellectual property both during the term of this Agreement and after its termination. Confidentiality covers any company information not in the public domain.

## **18. Return of Property**

All property and information of the Company or any associated or related entity, including books, records, plans, letters, papers, documents, precedents, client information, software and any other material of any description (including all copies of or extracts from the same), whether physical and/or stored in any electronic form,

within your possession or control, relating to the affairs, business, property or clients or investors of the Company or any associated or related entity, its Related Companies, or their shareholders, must be returned immediately upon termination of employment.

**19. Proprietary Rights**

- (a) Any material and all intellectual property rights whatsoever in all materials including patents, registered designs, petty patents, utility models, plant variety rights, trade marks (including logos and trade dress), domain names, copyright, circuit lay-outs, rights in computer software and data bases, rights in inventions, confidential information, know-how and trade secrets and all other intellectual property, in each case whether registered or unregistered (including applications for the grant of any of the foregoing) and all rights or forms of protection having equivalent or similar effect to any of the foregoing which may subsist anywhere in the world, made, discovered or used by you pursuant to this Agreement or relating to your duties under this Agreement, will forthwith be disclosed to the Company and will belong to, and be at the absolute disposal of the Company world-wide even after termination of this Agreement.
- (b) You agree to irrevocably and unconditionally waive any and all moral rights in relation to any material produced pursuant to this Agreement.
- (c) You agree to do all things and execute all documents reasonably required by the Company to perfect the ownership or waiver of any intellectual property, including anything reasonably required to register the intellectual property in any intellectual property registry or anything to assist the Company's successors to do so, even after termination of this Agreement.

**20. Insurance**

You shall be entitled to the benefit of the insurance arrangements which the Company currently has in place for the benefit of its directors and employees.

**21. Gaming Restriction**

- (a) As an employee of the Company, you are prohibited from gaming at any premises owned and/or operated by the SKYCITY Entertainment Group. Failure to comply with this clause will be viewed as serious misconduct for which you will be liable to disciplinary action up to and including summary dismissal. This restriction does not apply to your immediate family members or at any other casino premises that are not owned, operated, controlled or otherwise related to the SKYCITY Entertainment Group.
- (b) You may not game at any SKYCITY Entertainment Group location for a period of 90 days following the termination of your employment.

**22. SKYCITY Securities and Insider Trading**

- (a) You must complete the SKYCITY shareholding disclosure attached in **Schedule Four**.
- (b) As CEO, you will have access to non-public price sensitive information relating to the SKYCITY Entertainment Group. It is important that you are aware that you are bound by specific rules regarding your ability to buy, sell or otherwise trade in SKYCITY securities, and in relation to insider trading.

- (c) The SKYCITY Group has developed internal policies relating to insider trading which are set out in the SKYCITY Securities Trading Policy. You are required to be familiar with and comply with the Policy at all times. If you wish to purchase, sell or otherwise trade in SKYCITY securities, you must do so in accordance with the Policy. Failure to comply with the Policy is viewed as serious misconduct by the Company for which you will be liable to disciplinary action up to and including dismissal.

### **23. Company Policy**

You must ensure that you are familiar with and observe at all times the Company's policies and procedures. The Company reserves the right to amend or replace all or any of the policies and procedures from time to time at its discretion on reasonable notice to you.

### **24. Privacy**

The Company may collect and retain personal information relating to your employment directly from you or any third party. Under the New Zealand Privacy Act 1993, you have rights and obligations and in particular rights of access to, and correction of, personal information (except insofar as it relates to any exemption provided by the Act). The Company may transfer personal information about you to its parent and/or related entities to increase efficiencies in its human resources systems and/or for other operational purposes.

### **25. Health and Safety**

- (a) You must comply with the Company's health and safety statutory obligations, policies, rules and procedures and in particular, ensure so far as is reasonably practicable your own fitness for work and safety and the safety of others in the place of work. You must ensure you maintain your ability to perform your duties safely and effectively.
- (b) You must advise the Company of any medical condition (including stress-related symptoms) which may impact on your ability to perform your duties safely or effectively.

### **26. Resolving Employment Relationship Problems**

- (a) If you have any problems in relation to your employment with the Company, you should raise these with the Board.
- (b) If you consider that you have an employment relationship problem, including a grievance, you should raise the issue with the Board as soon as practicable, and in any event within 90 days of it arising or coming to your attention. If you fail to do so, you may be prevented from seeking remedies under the New Zealand Employment Relations Act 2000.
- (c) A full explanation as to the resolution of employment relationship problems and the services available to assist you is set out in **Schedule Three**.

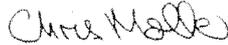
### **27. Governing Law**

This Agreement is governed by the laws of New Zealand.

**28. Entire Agreement and Modification**

- (a) This Agreement represents a full record of the agreement entered into between you and the Company and replaces all previous written or oral agreements, representations, negotiations, commitments and understandings. Any changes or additions to this Agreement will need to be mutually agreed in writing.

Signed for and on behalf of  
SKYCITY Management Limited by:



4/11/16

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

Chris Moller  
Chairman

Signed by the Employee:



Date: 6/11/2016

Graeme Stephens

I, Graeme Stephens, acknowledge that:

- (a) All representations, whether oral or written, made by me when applying for this position about my qualifications, and experience are true and correct.
- (b) I have not deliberately failed to disclose any matter which may have materially influenced the Company's decision to appoint me to this role.
- (c) I have been informed about my entitlements under the New Zealand Holidays Act 2003 and my ability to obtain further information in regard to those entitlements from the Ministry of Business, Innovation and Employment.
- (d) I have been advised to seek independent advice about the terms of this offer and I have had sufficient time to do so. In accepting this offer I have not relied on the advice of the Company or any of its representatives about what these terms mean.



\_\_\_\_\_  
Graeme Stephens

6/11/2016

\_\_\_\_\_  
Date

## Schedule One - Remuneration

<b>Position Title</b>	Chief Executive Officer, SKYCITY Entertainment Group
<b>Reporting To</b>	Board of Directors through the Chairman
<b>Type of Employment</b>	Permanent Full Time
<b>Commencement Date</b>	1 May 2017, unless otherwise agreed.
<b>Location</b>	<p>Your primary place of work is at the Company's premises at SKYCITY Auckland. The Company reserves the right to change its usual place of business without any change to your remuneration.</p> <p>You accept that you may be required to travel within New Zealand Australia and internationally from time to time to perform the duties of the position.</p>
<b>Hours of Work</b>	Your ordinary hours of work shall be no less than 40 hours per week. In order to perform the job effectively, you may be required to work additional hours as appropriate and your remuneration represents payment for all those hours worked.
<b>Notice</b>	Six months' written notice is required where either party wishes to terminate this Agreement.
<b>Remuneration and Benefits</b>	
Base Salary:	\$1,450,000 gross per annum in fortnightly payments.
STI Bonus:	<p>From 1 July 2017 you will be entitled to an annual STI bonus with a target incentive payment of 70% of base salary.</p> <p>Your target incentive payment is dependent on performance against both financial and non-financial measures - 70% of which will be based on Group Net Profit after Tax (NPAT) and 30% of which will be based on a small number of key non-financial goals.</p> <p>For each year from 1 July 2018 there will be a "gateway" of surpassing the previous year's Group NPAT. In the event that a gateway is not met, the Board has a discretion to nonetheless pay you an STI payment for the then current financial year taking into account your progress towards achievement of the financial and non-financial STI objectives agreed for the year in question and any other relevant circumstances.</p> <p>It is a requirement that 50% of your net annual STI bonus payment each year, if any, will be used to (subject to compliance with the SKYCITY Securities Trading Policy and all applicable laws) promptly purchase SKYCITY shares. Any shares so purchased are required to be held for a minimum two year period.</p> <p>Your participation in a company STI bonus scheme is discretionary. The details of this scheme will be outlined to you separately prior to the commencement of your employment. The Company may alter, amend or cease the bonus scheme at any time.</p>

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**LTI Scheme:** You will be allocated SKYCITY shares to the value of \$1,250,000 under the SKYCITY Executive Long Term Incentive plan (Plan) each year following your Commencement Date. The first allocation under the 'Plan' is intended to occur with effect from September 2017. A copy of the 'Plan Terms' and Disclosure Statement for the Plan will be provided to you.

**Sign-on Shares:** Please note that the Plan is currently under review and may change in the future but any future LTI plan will be no less advantageous to you. You will be issued (subject to compliance with all applicable laws) with 325,000 SKYCITY shares on the earlier of the:

- (a)** Second anniversary of the date of this Agreement; and
- (b)** Effective date of change of control where the Company has entered into a contract or arrangement under which its business (or part of it) is to be undertaken by another person or entity, or where the Company's business (or part of it) is to be sold or transferred to another person or entity and your employment does not continue as contemplated in this Agreement.

It will be a requirement that you are responsible for personal income tax related to this transaction.

**KiwiSaver:** You are eligible for KiwiSaver contributions as per the New Zealand KiwiSaver Act 2006. Your base salary is exclusive of any KiwiSaver employer contributions.

**Relocation:** The Company will provide the following to assist with relocation to New Zealand:

- a) You will be reimbursed for reasonable expenses incurred due to your relocation to Auckland, as per the SKYCITY Relocation Policy.
- b) The Company will also provide you and your family with temporary accommodation on arrival in New Zealand for 3 months or, if required and by mutual agreement, a longer period.

**Health Insurance:** You and your family will be entitled to private medical insurance in New Zealand at a level of coverage and with a provider to be determined by the Company from time to time.

**Travel:** You will be entitled to six return business class air tickets between South Africa and New Zealand for your family to be used during each year of the first 2 years of your tenure ie, a total of 12 return business class air tickets.

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## Schedule Two - Position Description

This position description provides an indicative outline of the purpose and accountabilities of the role.

You will work with the Chairman to further develop the structure and detailed responsibilities and decision-making authorities of the role.

Reports to: Chairman and Board of Directors

Major Responsibilities:

### *Business Strategy and Brand Management*

- Drives profitable growth, effective investment in the current and potential gaming business opportunities. Responsible for long term vitality of the business via strategy and effective management.
- Leads the development and adherence to the strategic planning and annual planning processes.
- Shapes and champions the vision and goals for the business with particular focus on major revenue and profit streams in the context of the legislative environment, consumer trends and other market dynamics.
- Sets, recommends and implements business strategy based on a sound understanding of current and future developments in the market. Translates the plans into objectives for the leadership team that can be cascaded throughout the organisation.
- Leads the development of contingency and risk management plans.
- Identifies and leads change management initiatives as required.
- Creates sustainable shareholder value.

### *Decision Making*

- Optimises the allocation of financial and human capital allocation to maximise long term shareholder value creation.
- Maintains unquestionable integrity, a deep appreciation of the social license to operate, a clear understanding of the brand values and a focus on shareholder value to guide decision making.

### *Business Results*

- Drives profitable and effective operations, strategies and initiatives to ensure relevant and innovative product and service delivery in all properties.
- Ensures effective business model and organisation structure in place to deliver results.
- Establishes overarching plans and oversees all facets of business model.
- Holds self and others accountable for delivering on commitments.
- Implements contingency plans as necessary to protect commitments.

### *Compliance*

- Sets and maintains a strong culture of compliance.

- 
- Ensures systems and controls, policy and processes are in place to identify and effectively manage risks.

*Team Leadership*

- Active in the recruitment, retention and engagement of staff at all levels by promoting staff development and alignment.
- Upgrades and manages talent as required to ensure the business has the capabilities and culture to implement its strategic plans.

*Relationship Management*

- Builds and maintains networks of key relationships with all key stakeholders including Board members, strategic partners, political communities, investors and industry.
- Builds and maintains effective relationship across the business engaging others early to socialise key decisions and proactively gain buy-in.

A detailed position description will be agreed between you and the Chairman within the first two months of the Commencement Date.

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## Schedule Three - Resolution of Employment Relationship Problems

We aim to provide a fair workplace for you. At times you may have concerns about your employment and how you are being treated. We would like you to talk to us if this happens.

If we cannot resolve matters between us, you can get outside help. We have set out the services available to you for resolving employment relationship problems.

### **What is an employment relationship problem?**

An employment relationship problem includes a personal grievance, dispute or other problem relating to your employment relationship with us. If you have a personal grievance you have 90 days in which to raise it with us.

### **Who can help you with an employment relationship problem?**

To help you solve your employment relationship problem you can contact:

#### ***Within your workplace***

- The Board

#### ***Outside your workplace***

If matters cannot be resolved internally or you wish to seek outside assistance, you may contact the following:

- The Ministry of Business, Innovation and Employment ("Ministry") offers free information and has a free mediation service which can provide assistance to help us work together to resolve the problem.
- You can contact:
  - the Ministry on:
    - 0800 20 90 20;
    - [www.employment.govt.nz/er](http://www.employment.govt.nz/er);
  - a union or an advocate; or
  - a lawyer.

### **Mediation Services**

If we cannot resolve your employment relationship problem between us then either or both of us may request help from the Ministry.

#### ***The Ministry provides mediation services which may include:***

- information about rights and obligations;
- information about services;
- assistance in resolving problems; and
- fixing new terms of employment.

#### ***Problem not resolved at mediation***

If we cannot resolve the problem at mediation you can refer it to the Employment Relations Authority.

**Schedule Four - Shareholding Disclosure**

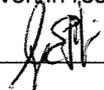
TO: SKYCITY Entertainment Group Limited

I, **Graeme Stephens**, advise that the securities in the SKYCITY Entertainment Group of Companies which I hold, or am deemed to hold, or in which I have a relevant interest or right (in terms of the New Zealand Securities Markets Act 2002 or the New Zealand Companies Act 1993) are as follows:

Securities

Particulars	Number of Amount	Relevant Interest
SKYCITY SHARES	325 000	Sign on shares subject to conditions being met

This notice is given in respect of the SKYCITY Entertainment Group of Companies.

Signature  Date 6/11/2016

Include all securities of SKYCITY Entertainment Group (including shares, options and capital notes) and securities of listed companies in which SKYCITY has a shareholding.

If you are the registered owner of the security (and are not holding the securities on behalf of someone else) you should insert the words "Legal and Beneficial Owner". If you hold the securities jointly with another person(s), you should include the name of the other person(s).

If you are the holder of the security, but are holding the security on trust for another person, you should insert "Held as trustee of the XXX Trust, constituted by a deed of trust dated XXX" with the relevant trust name and date of trust deed.

If you have (or may have) a right or power to exercise, or to control the exercise, of any right to vote attached to the security because of some other form of arrangement or understanding (whether formal or informal) you should disclose details of that arrangement or understanding. For example, wording such as "Control of voting rights attached to ordinary shares registered to XXX through [formal voting agreement] [informal arrangement] could be inserted if you have concluded such an arrangement with another person e.g. your spouse.

If you have any other sort of interest, or are unsure about the proper form of disclosure, you should contact SKYCITY Entertainment Group's Legal Department on (+649) 363 6143.

24 November 2017

Graeme Stephens  
Chief Executive Officer  
SKYCITY Entertainment Group Limited

**SKYCITY Entertainment Group Limited**  
Federal House 86 Federal Street  
PO Box 6443 Wellesley Street  
Auckland New Zealand  
Telephone +64 (0)9 363 6141  
Facsimile +64 (0)9 363 6140  
[www.skycitygroup.co.nz](http://www.skycitygroup.co.nz)

Dear Graeme

**AMENDMENT TO EMPLOYMENT AGREEMENT - FY18 SHORT-TERM INCENTIVE BONUS**

I refer to your employment agreement dated 4 November 2016 ("**Employment Agreement**").

As you are aware, the Board of SKYCITY Entertainment Group Limited ("**Company**") has recently established a Restricted Share Rights Plan ("**Plan**") for the financial year ending 30 June 2018 and invited selected employees of the Company to participate in the Plan. The Plan allows the Board to make an offer of restricted share rights ("**Restricted Share Rights**"), as a performance incentive, to selected employees of the Company.

You have agreed with the Board that your short-term incentive bonus ("**STI**") for the financial year ending 30 June 2018 (if any) will be aligned with SKYCITY executives and be payable to you in the form of Restricted Share Rights. In this regard, your STI will be calculated as per your existing STI arrangements (with a target incentive payment of 70% of base salary) and then converted into the applicable number of Restricted Share Rights in accordance with the terms and conditions outlined in the Plan offer documents provided to other employees of the Company.

The Restricted Share Rights (if any) will be issued to you on the terms and conditions outlined in the Plan offer documents provided to other employees of the Company.

The above STI arrangements will apply for the financial year ending 30 June 2018 in place of the STI arrangements set out in Schedule One (Remuneration) of your Employment Agreement. For any subsequent financial year, your STI arrangements will be as per Schedule One (Remuneration) of your Employment Agreement or such other arrangements as determined by the Board.

Except as varied by this letter, in all other respects the terms and conditions specified in your Employment Agreement remain unchanged and continue in full force and effect.

I would be grateful if you could countersign a copy of this letter and return it to me to confirm your acceptance of these arrangements.

Yours sincerely

**SKYCITY Entertainment Group Limited**



Brent Harman

Chairman, Remuneration & Human Resources Committee

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I, Graeme Stephens, confirm that I have read the terms and conditions of employment regarding my STI for the year ending 30 June 2018 as set out in this letter and accept this variation to my Employment Agreement. I confirm that, by signing this letter, I agree to be bound by this variation. I acknowledge that I have been advised that I may seek independent legal advice about the terms and conditions of this offer and I have been given a reasonable opportunity to do so.

Signed:



24 NOVEMBER 2017

Date:

14 September 2018

**SKYCITY Entertainment Group Limited**  
Federal House 86 Federal Street  
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Auckland New Zealand  
Telephone +64 (0)9 363 6141  
Facsimile +64 (0)9 363 6140  
[www.skycitygroup.co.nz](http://www.skycitygroup.co.nz)

Graeme Stephens  
Chief Executive Officer  
SKYCITY Entertainment Group Limited

Dear Graeme

### **AMENDMENT TO EMPLOYMENT AGREEMENT - PERFORMANCE INCENTIVE PLAN**

I refer to your employment agreement dated 4 November 2016, as amended by a letter agreement dated 24 November 2017, ("**Employment Agreement**").

As you are aware, the Board of SKYCITY Entertainment Group Limited ("**Company**") has recently established a Performance Incentive Plan ("**Plan**") and invited selected employees of the Company to participate in the Plan in respect of the financial year ending 30 June 2019.

The Plan provides an opportunity for selected employees to share in the success of SKYCITY by offering them, in addition to their base salary each financial year, the opportunity to:

- earn a cash payment under a short term incentive scheme; and
- acquire restricted share rights in SKYCITY ("**Restricted Share Rights**"), which may result in shares in SKYCITY being allocated to them, under a deferred incentive scheme,

upon the achievement of agreed financial and non-financial goals.

You have agreed with the Board that your short term incentive arrangements for the financial year ending 30 June 2019 and each subsequent financial year will be aligned with SKYCITY executives under the Plan and, accordingly, be payable to you in the form of cash and Restricted Share Rights in accordance with the terms and conditions of the Plan (as outlined in the Explanatory Booklet relating to the Plan, the Rules of the SKYCITY Restricted Share Rights Plan and your individual offer letter).

In this regard, for the financial year ending 30 June 2019, your:

- short term incentive target under the short term incentive component of the Plan will be 40% of your base salary as at 30 June 2019; and
- deferred short term incentive target under the deferred incentive component of the Plan will be 50% of your base salary as at 30 June 2019.

The above arrangements replace and supersede the short term incentive arrangements set out in Schedule One (Remuneration) of your Employment Agreement in relation to the financial year ending 30 June 2019 and thereafter.

Except as varied by this letter, in all other respects the terms and conditions specified in your Employment Agreement remain unchanged and continue in full force and effect.

I would be grateful if you could countersign a copy of this letter and return it to me to confirm your acceptance of these arrangements.

Yours sincerely

**SKYCITY Entertainment Group Limited**



Rob Campbell  
Chairman  
**SKYCITY Entertainment Group**

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I, Graeme Stephens, confirm that I have read the terms and conditions of employment regarding my short term incentive arrangements as set out in this letter and accept this variation to my Employment Agreement. I confirm that, by signing this letter, I agree to be bound by this variation. I acknowledge that I have been advised that I may seek independent legal advice about the terms and conditions of this offer and I have been given a reasonable opportunity to do so.

Signed:



17/09/2018

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Date: