



INSIDER TRADING POLICY

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COMPASS HOTEL GROUP LIMITED ACN 127 909 835 (Compass)

1. INSIDER TRADING OBLIGATIONS

This Insider Trading Policy has been developed to help you understand insider trading, as well as your obligations under Australian law. This document should not however be relied on as a substitute for legal advice and if you have any particular concerns on insider trading, you should speak with the Company's Chief Executive Officer (CEO), Company Secretary or obtain CEO permission to consult with external legal counsel.

During your career with Compass, you may become aware of information that could have an impact on the price of shares or other securities in the market. This information could be "inside information".

After reading this, you should be able to identify if you are in "insider" and, as such, you should be aware of your personal responsibilities as well as Compass's policy regarding insider trading.

Maintaining high ethical standards within Compass is one of our core values, critically important for our clients, our businesses and each of us personally.

2. POLICY

The purpose of this Policy Document is to assist you to understand and identify when you may have inside information about a company.

If you have confidential price sensitive information about a company's securities which is not generally available, under the Corporations Law, you cannot use this information to trade.

An insider cannot use confidential price sensitive information about an entity that is not generally available to others to:

trade in a company's shares; or

encourage others to trade; or

discuss or communicate that information with others who may be likely to use that information to trade.

If, as an employee of Compass, you breach this Policy, you not only face dismissal, but also possible serious civil and criminal liability.

3. WHO IS AN INSIDER?

You are an "insider" in the case of securities:

if you have information which is not generally available - but if it were, it would have a material effect on the price or value of securities ("inside information"); and

if you know, or should know, that this information is not generally available; and

if you know, or should know, that if the information was available it might have a material effect on the price or value of the securities.

4. WHAT DO WE MEAN BY INFORMATION?

When we use the term “information” in this Policy we mean: any fact, matter or circumstance; any supposition or any matter relating to the intentions or likely intentions of a person.

Information is not generally available if it is not readily observable; if it has not become known in a way which is likely to bring it to the attention of people who commonly invest in securities; or if a reasonable period for the information to be spread to these people has not passed.

Information has a material effect on the price or value of securities if it has the potential to influence people who commonly invest in securities (for instance a trader) in their decision to trade or not to trade in these securities.

You may come into possession of inside information if you become aware of any of the following when it is not generally available;

actual or internal forecast profit results;

details of a new business opportunity, new product or substantial new business contract;

the appointment or resignation of a chief executive officer, executive director or chairman;

a float, takeover, merger, purchase, sale or partial sale of business;

actual or proposed investigation by a regulator or government authority;

actual or proposed major litigation; or

any plans involving securities.

This information may relate to Compass, one of its subsidiaries, a corporate client or any other company.

5. SECURITIES

‘Securities’, in this Policy, can be broadly defined to include shares in a public company, units in a listed unit trust, a private company (be it listed or unlisted), its debentures (including convertible notes), “prescribed interests” made available by it and options to acquire shares or units.

“Prescribed Interests” means any rights or interests made available by a company in any profits or assets derived from any common enterprise, business or undertaking.

6. WHEN ARE YOU NO LONGER AN INSIDER?

You will become aware that you are no longer an Insider when that Inside Information becomes generally available and the process is completed when proper authorisation is given and details are released of the outcome of the process by the Chairman or the CEO of Compass, or the information becomes known in a way which is likely to bring it to the attention of people who commonly invest in securities. Once such authorisation is given and the information becomes generally available, you will no longer be considered an Insider.

7. PRESCRIBED EMPLOYEES

There will be some positions within Compass, which by their nature will mean that you will be an Insider all or most of the time, that is, you will know more about Compass than most other employees.

These employees may be in a position to know more about Compass strategy than other employees, and may be at senior level, but can also include staff members who support those senior employees. These employees are generally known as 'Prescribed Employees'.

"Prescribed Employees" of Compass, includes, but are not limited to, its Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, senior management and certain employees of the Finance Department.

On all occasions, it will be incumbent on Prescribed Employees to notify other staff and/or Consultants and Contractors engaged by Compass and any of its related entities from time to time, that they too are Prescribed Employees for the purposes of this Policy, if and when they are working on confidential transactions which may result in them having Inside Information.

If you are unsure whether you are a Prescribed Employee, you should immediately contact the Company Secretary or Chief Financial Officer for guidance.

Guidelines for Prescribed Employees

Compass does not permit the trading (buying or selling) of Compass securities at any time by any Prescribed Employees or employees who possess confidential price-sensitive information about Compass, which is not generally available to the market.

In general, Prescribed Employees are not approved to trade in Compass securities except:

- (a) with the express written consent of Compass's Chairman or CEO; such written consent will be valid and effective for a period of twenty one (21) days only. Thereafter, the Prescribed Employees will be required to obtain fresh written consent of Compass's Chairman or CEO to trade in Compass securities; or
- (b) in the thirty (30) day period commencing one (1) day after the release of Compass's half yearly and yearly results and in the thirty (30) day period commencing one (1) day after Compass's Annual General Meeting.

Compass employees having significant dealings with companies, or relevant responsibilities in the exercise of their position, which may expose them to price sensitive and non-public information, are prohibited from trading in securities issued by those companies, while in possession of such information.

8. EXCLUDED EMPLOYEES

All other Compass employees may trade in securities of the Company at any time, provided they do NOT have Inside Information.

Subscription for securities under any Compass Employee Share or Option Plan that may be implemented at any time will not constitute Insider Trading and is permitted under the Corporations Act.

9. QUERIES OR CONCERNS

If you inadvertently or accidentally give someone Inside Information when you should not have done so, you are required to immediately inform the person(s) that the information is Inside Information and warn them against trading on it, inducing others to trade on it, or communicating it to others. You should also immediately contact the Compass Chief Financial Officer or Company Secretary for guidance.

10. REVIEW

This Policy will be reviewed annually to ensure that it complies with and meets the objectives of the relevant legislation and remains effective for Compass. This Policy may be changed at any time, at the discretion of the Compass Board.

