

Internal Audit Charter

1. Purpose

The primary purpose of Group Internal Audit (GIA) is to assist the Board and Executive Management in protecting the assets, reputation and sustainability of the group. GIA does this by assessing whether all significant risks are identified and appropriately reported by management and the risk function to the Board and Executive Management, assessing whether they are adequately controlled; and by challenging Executive Management to improve the effectiveness of governance, risk management and internal controls.

2. Authority

GIA derives its authority from the Group Audit Committee (GAC), a committee of the Board of Sun International Limited with the directive to, among other things, review the activities of GIA and to evaluate the group's financial, operating, compliance and risk management controls. This authority provides GIA with direct access to the Chairman of the GAC and Chairman of the Board of Directors (the Board) of the group.

GIA staff are authorised to:

- Have free and unconstrained access to all functions, records, property and personnel of the group in fulfilling their responsibilities. Subject to the confidentiality of information, access may be restricted to the GIA director;
- Attend and participate in the meetings of all business entities within the group; and
- Obtain the necessary assistance of personnel in the business units of the group where they conduct audits, as well as specialised services from within or outside the group.

The GIA Director and staff are not authorised to:

- Perform any operational duties for the group, unless authorised by the GAC;
- Audit any activity for which they had responsibility for within the past year as objectivity is presumed to be impaired in these circumstances; and
- Direct activities of any employee of the group not employed by GIA, except to the extent such employees have been appropriately assigned to GIA or to otherwise assist the internal controls.

To serve the Company effectively, GIA requires full co-operation from all levels of management. Any restriction of scope will be reported to the Chief Financial Officer, Chief Executive and the GAC.

3. Independence

To provide for the independence of GIA, the GIA Director is accountable to the Chairman of the GAC, reports administratively to the Chief Financial Officer and has access to the Chairman of the Board. Financial independence is provided by the GAC approving a budget to allow GIA to meet the requirements of this charter.

GIA is functionally independent from the activities audited and the day to day internal control processes of the organisation. Where advisory services are delivered, GIA will manage any perceived or actual conflict of interest.

4. Scope and Responsibilities

The scope of GIA's work is determined by the business strategy as well as an independent view of the key risks facing the group and how well those risks are managed. As a result, GIA's audit approach is risk-based, driven by on-going review of the organisation's risk profile.

GIA will evaluate continually and decide which areas to include in the scope of its annual plan. As such, the scope will not necessarily include all areas of high risk of its plan every year.

GIA's scope specifically includes, but is not limited to:

- The design and operating effectiveness of the internal governance structures;
- The information presented to the Board and Executive Management for strategic and operational decision making;
- The risk and control culture of the organization;
- The integrity of dealings with customers, giving rise to conduct and reputational risk;
- Key corporate events – e.g. introduction of new products or services, significant business changes;
- The outcomes of policies and processes and whether these are in line with the group objectives and values of the organisation; and
- Confirming to the Audit Committee, at least annually, that the Audit staff is independent of the internal audit activity.

5. Accountability

The GIA director, in the discharge of his/her duties, shall be accountable to the Chairperson of the GAC to:

- Annually declare GIA's conformance to relevant industry code of ethics – *refer to Section 7*;
- Comply with regulatory and corporate governance expectations of the internal audit functions;
- Maintain an up-to-date set of policies, procedures and methodology;
- Develop, deliver and report on a rolling and agile risk-based audit plan;
- Have in place a robust process to follow-up management's agreed actions to address issues raised by GIA;
- At least annually report on the overall effectiveness of the governance, risk and control framework of the group;
- Provide the GAC with an annual written assessment of the effectiveness of the group's system of Internal Financial Controls;

- Report periodically on the measurable performance of GIA – including plan delivery and financial performance;
- Maintain and report on whether GIA has sufficient professional audit staff resources with the knowledge, skills, experience and professional qualifications to meet the requirements of this Charter and the audit plan;
- Lead combined assurance through liaison with external auditors and other assurance providers to minimise duplication of effort; and
- Ensure that GIA is subject to an independent and objective external assessment at appropriate intervals – at least once every *five (5)* years to ensure the function remains effective.

6. Ad Hoc Project Request

All requests to GIA to perform ad-hoc assignments not included in the approved Internal Audit plan must be in writing and should be directed to the Chief Audit Executive. The GAC will be notified of all ad-hoc assignments.

The process for fraud investigations by GIA is detailed in the Fraud policy.

7. Standards of Audit Practice

At a minimum, GIA will comply with International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors (IIA), including the IIA's Code of Ethics. GIA will also maintain an internal quality assurance and improvement programme through self-assessments to monitor the performance of the internal audit activity.

The GAC will evaluate the performance of GIA annually to ensure that it is fulfilling its responsibilities in assisting and advising the Committee members.