Sun International

STRATEGIC LEADERSHIP   SUSTAINABLE VALUE CREATION   STRONG BUSINESS RESPONSE   SUPPORTING GOOD GOVERNANCE   50

Corporate governance report | King IV application register | Social and ethics committee report | Independent assurance statement

KING IV™ APPLICATION REGISTER

Sun International's board steers the group ethically and effectively towards achieving our sustainable business strategy and instilling confidence in our stakeholders. The board is aided by the group's governance framework that is based on the mindful and relevant application of the King IV™ Code of Corporate Governance South Africa 2016 (King IV™)[1] principles and practices. The company's governance framework provides a sound foundation for the implementation of King IV™ and the board applies these recommended principles to drive the company's value creation process.

The summary below outlines how Sun International applied the King IV™ principles, the outcomes thereof, and references to further information contained in our report.

PRINCIPLE 1: THE GOVERNING BODY SHOULD LEAD ETHICALLY AND EFFECTIVELY   ✓ ALIGNED

APPLICATION:
Ethics training is provided to all newly appointed directors through an induction programme and directors are kept apprised of the group's codes and policies. Directors attend various board committee meetings, which allows direct oversight of group operations. The delegated levels of authority and terms of reference relating to the committees are regularly reviewed. The board determines the group's strategic direction in support of a sustainable business and monitors management's implementation and execution thereof. The group sustainability department continues to enhance synergies across the group in relation to health, safety, the environment and socio-economic development (SED) initiatives and ESG elements.

The nomination committee is responsible for identifying and recommending suitable appointments to the board to ensure effective governance group-wide.

EXPLANATION:
Induction and ethics training ensures directors have the necessary competence and knowledge to execute their functions and responsibilities. Committee meeting attendance ensures oversight in delivering group objectives and executing delegated powers.

Committee meeting attendance is greater than 90% (2020: 95%). This is testament to the members' commitment and purposeful oversight of the group's activities. Attendance at the board and various committee meetings are:

- Board: 2021: 98% (2020: 99%)
- Audit committee: 2021: 93% (2020: 100%)
- Investment: 2021: 100% (2020: 98%)
- Nomination committee: 2021: 100% (2020: 100%)
- Remuneration committee: 2021: 100% (2020: 97%)
- Risk committee: 2021: 96% (2020: 100%)
- Social and ethics committee: 2021: 100% (2020: 96%)

Board members and committee members' competencies in terms of collective skills (industry knowledge, experience, technical skills and governance competencies) are documented and monitored in terms of a board/committee matrix. Governance competencies are considered by the nomination committee in terms of strategy and strategic planning, policy development, financial performance, risk and compliance oversight, gaming and hospitality strategy, commercial experience, stakeholder engagement and knowledge and experience in companies with operations internationally.

OUTCOMES
- Ethical and cohesive culture
- Effective control, compliance and accountability
- Responsive and transparent stakeholder engagement
- Legitimacy and trust

Other references
- Corporate governance report
- Ethics declaration
- Environmental, social and governance (ESG)
- Board committees and attendance

PRINCIPLE 2: THE GOVERNING BODY SHOULD GOVERN THE ETHICS OF THE ORGANISATION IN A WAY THAT SUPPORTS THE ESTABLISHMENT OF AN ETHICAL CULTURE   ✓ ALIGNED

APPLICATION:
The directors set the overall tone for ethical leadership of the board. Executive committee members are signatories to a declaration that lists their commitment to Sun International's ethical principles. Sun International's code of ethics and policies, as well as a dedicated ethics officer, are assigned to overseeing ethics within the group. Contracts with third parties include a provision on adherence to Sun International's code of ethics.

The social and ethics committee ensures the group's ethics are managed effectively. The group adopts a zero-tolerance approach to breaching ethical standards.

EXPLANATION:
The board's commitment to ethical practices sets the tone for the company's ethical conduct. Sun International's anonymous tip-offs ethics hotline is managed by Deloitte.

OUTCOMES
- Ethical and cohesive culture
- Effective control, compliance and accountability
- Responsive and transparent stakeholder engagement
- Legitimacy and trust

Other references
- Code of ethics
- Ethics declaration
- Supplier code of conduct policy
- Anti-fronting statement and policy

PRINCIPLE 3: THE GOVERNING BODY SHOULD ENSURE THAT THE ORGANISATION IS AND IS SEEN TO BE A RESPONSIBLE CORPORATE CITIZEN   ✓ ALIGNED

APPLICATION:
Several initiatives ensure the workplace becomes more responsive to the needs of society and the environment in which the company operates. Compliance with relevant laws, including the Constitution of South Africa and the Bill of Rights is core. Our SunWay culture continues to promote enabling values and continues to discourage disabling ones. The group continued to conduct training and awareness around health, safety and environmental aspects, in particular ongoing Covid-19 training and awareness.

Several projects are in place group-wide to develop small businesses, facilitate transformation and uplift local communities. The total spend on SED initiatives over the past year was R14 million (2020: R18.6 million) and applied mainly to projects related to education, sports, and arts and culture. The group also invested in various CSI initiatives — both monetary and in-kind (non-monetary) — including donations, sponsorships and charitable givings of R13.1 million (2020: over R7.1 million) across our South African units. This amount includes a R2 million (2020: R1.6 million) education funding contribution to employees and their families.

Supplier development and enterprise and supplier development (E&SD) spend was R30.7 million (2020: R30.9 million) and R8.3 million (2020: R6.9 million) respectively.

EXPLANATION:
As a responsible corporate citizen, Sun International focuses on community upliftment through its SED, CSI and E&SD initiatives. Sun International is also committed to supplier development and upliftment through its business development support programme.

OUTCOMES
- Ethical and cohesive culture
- Effective control, compliance and accountability
- Responsive and transparent stakeholder engagement
- Performing to strategic expectation
- Legitimacy and trust

Other references
- ESG
- People and culture
- Environmental
- Health, safety and wellbeing
- Socio-economic development
- Enterprise and supplier development

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| Corporate governance report | King IV application register | Social and ethics committee report | Independent assurance statement |

PRINCIPLE 4: THE GOVERNING BODY SHOULD ENSURE THAT THE ORGANISATION'S CORE PURPOSE, ITS RISKS AND OPPORTUNITIES, STRATEGY, BUSINESS MODEL, PERFORMANCE AND SUSTAINABLE DEVELOPMENT ARE ALL INSEPARABLE ELEMENTS OF THE VALUE CREATION PROCESS ✓ ALIGNED

APPLICATION:
The board convenes an annual strategy meeting to approve the strategy and goals for each financial year and measures performance against the targets established for the comparative year. Management is responsible for implementing this strategy to achieve the desired goals and to assess and respond to any issues that may impact the group's activities and outputs. The risk assessment and ranking methodology, led by the executive team, ensures that the board is apprised of the risks and opportunities facing the group and it takes an integrated approach to assessing risks and material matters. All sustainability matters are discussed at the group's quarterly operations committee meetings, the Sun International executive committee and any pertinent issues are elevated to the social and ethics committee and risk committee. The sustainability department assists with assessing and monitoring environmental, health and safety, SED, E&SD and B-BBEE issues, internal and external, to the business. The audit committee and board consistently monitor the going concern status of the group.

OUTCOMES
- Effective control, compliance and accountability
- Responsive and transparent stakeholder engagement
- Performing to strategic expectation

Other references
- Strategic objectives
- Integrated annual report

EXPLANATION:
Sun International's strategy is discussed prior to the start of the new financial year, following which an executive conference is held where senior and executive management are advised on the group's performance over the past year and the strategy for the upcoming year. The strategy implementation is included in the key performance areas for executives, to ensure the effective execution of the group's objectives, and their individual performance is measured against the achievement of the company's objectives. Bonuses are linked to the execution and delivery of group performance to ensure that the correct behaviour is driven group-wide, ultimately creating value for all stakeholders.

Strategy sessions are held by the executive committee throughout the year at the units during July/September and by the full board during November.

The risk committee continues to annually review and update the material risks specific to Sun International. The top 10 risks are discussed in detail in the risk section of our integrated annual report.

The group's material matters are reviewed in depth every three years to ensure the group's material matters remain relevant. This review was last conducted in 2020 and the material matters for 2021 have remained largely the same, with some minor changes. Material matters are discussed in the directors' report, governance report and the material matters section in the annual integrated report.

PRINCIPLE 5: THE GOVERNING BODY SHOULD ENSURE THAT REPORTS ISSUED BY THE ORGANISATION ENABLE STAKEHOLDERS TO MAKE INFORMED ASSESSMENTS OF THE ORGANISATION'S PERFORMANCE AND ITS SHORT, MEDIUM AND LONG-TERM PROSPECTS ✓ ALIGNED

APPLICATION:
Several operations issue reports to the board committees, namely the executive, risk, social and ethics, remuneration, nomination, audit and investment committees. These reports incorporate areas of the business including, inter alia, human resources, operations, finance, sustainability, procurement, compliance and B-BBEE. The committees prepare a final report, which is included in the online integrated annual report. The company issues unaudited interim results and audited consolidated financial statements for year-end results. Reports are issued as necessary to comply with legal requirements. Internal and external role players ensure the integrity of all reporting, which forms part of the integrated assurance process.

OUTCOMES
- Effective control, compliance and accountability
- Responsive and transparent stakeholder engagement
- Performing to strategic expectation

Other references
- Corporate governance report
- Investor presentations
- Social and ethics committee report
- Audit committee report
- Annual statutory report
- Integrated annual report

EXPLANATION:
The regular tabling of reports at the various committee meetings ensures the board is aware of all developments group-wide and can track progress against established targets in the short, medium and long term. Each committee chairperson provides feedback to the board. The chairman of the social and ethics committee reports back to shareholders at each annual general meeting. This bottom-up approach is vital as it ensures accountability.

The integrated annual report provides details on the operations and performance of the company over the past year and allows stakeholders to assess and gauge how value is created, preserved and/or eroded. This report sets out the group's highlights, challenges and future focus areas to provide stakeholders with a realistic view of the company.

PRINCIPLE 6: THE GOVERNING BODY SHOULD SERVE AS THE FOCAL POINT AND CUSTODIAN OF CORPORATE GOVERNANCE IN THE ORGANISATION ✓ ALIGNED

APPLICATION:
A protocol guides the board in relation to obtaining external advice. The board charter guides the board in executing its duties and is revised periodically. A director's handbook guides directors on their duties under the Companies Act and King IV™. The group's memorandum of incorporation (MoI) aligns with several corporate governance practices.

OUTCOMES
- Ethical and cohesive culture
- Effective control, compliance and accountability
- Performing to strategic expectation
- Legitimacy and trust

Other references
- Corporate governance report
- Board of directors
- Board charter
- Memorandum of incorporation
- Committees' terms of reference

EXPLANATION:
The board charter sets out the board's expectations in relation to its duties towards the group, including in Nigeria. With various directors sitting on the different committees, there is first-hand oversight of the group's activities. The external advice protocol allows the board to understand what process to follow regarding obtaining external advice, and ensures the board obtains the necessary advice and expertise in the execution of and delivery of the group's objectives. Though the board remains ultimately responsible, the committees provide focused attention on areas to ensure initiatives and projects are properly assessed and implemented. The company secretary is pivotal in ensuring good corporate governance.

The board is comfortable that it has fulfilled its responsibilities in accordance with its charter and is satisfied with the strategic direction set for the group. It appropriately manages its duty, as custodian of corporate governance.

PRINCIPLE 7: THE GOVERNING BODY SHOULD COMPRISE THE APPROPRIATE BALANCE OF KNOWLEDGE, SKILLS, EXPERIENCE, DIVERSITY AND INDEPENDENCE FOR IT TO DISCHARGE ITS GOVERNANCE ROLE AND RESPONSIBILITIES OBJECTIVELY AND EFFECTIVELY ✓ ALIGNED

APPLICATION:
The board consists of a diverse group of people in terms of gender, race, age, skills and experience. The race and gender targets for the board were reviewed to ensure that future appointments align with the group's diversity policy on gender and race diversity, and the B-BBEE Codes. The board comprises of executive, non-executive and independent directors. The chief executive and chief financial officer are executive board members. The board includes more independent than executive or non-executive directors.

OUTCOMES
- Ethical and cohesive culture
- Effective control, compliance and accountability
- Responsive and transparent stakeholder engagement
- Performing to strategic expectation

Other references
- Corporate governance report
- Annual statutory report
- Board of directors
- Executive leadership
- Board charter
- Diversity policy

EXPLANATION:
The board embraces diversity by improving gender, race, age and skills representation. The variety of board member qualifications provides further assurance, that the business is considered from different perspectives to provide a holistic review of the group's strategy. A brief CV of each director is available in the integrated annual report. The board-approved diversity policy incorporates gender, race, culture, age, field of knowledge and skills diversity and experience, as required by the JSE Listings Requirements. The board and nomination committee reviews progress in respect of the diversity policy and on agreed voluntary targets and why any diversity indicators have not been met. Members of committees are carefully selected, having regard to race, culture, gender, age, field of knowledge and skills and experience, and the provisions of the Companies Act, the JSE Listings Requirements and good corporate governance practices.

Directors' independence is monitored in accordance with King IV™ and the JSE Listings Requirements. We believe that the board has the appropriate mix of knowledge, skills and experience, diversity and independence. The company secretary and chief financial officer are evaluated annually in terms of their skills, experience and expertise.

The remuneration committee conducts annual evaluations of each executive director and prescribed officer.

	Target	Actual 2021	Actual 2020	Actual 2019	Actual 2018
Race	50% black directors	50%*	58%	57%	57%
Gender	30% female directors	33%	33%	29%	29%

* Excludes Jabu Mabuza who passed away from Covid-19 complications during the year.

Sun International

STRATEGIC LEADERSHIP   SUSTAINABLE VALUE CREATION   STRONG BUSINESS RESPONSE   **SUPPORTING GOOD GOVERNANCE**   52

Corporate governance report | King IV application register | Social and ethics committee report | Independent assurance statement

PRINCIPLE 8: THE GOVERNING BODY SHOULD ENSURE THAT ITS ARRANGEMENTS FOR DELEGATION WITHIN ITS OWN STRUCTURE PROMOTE INDEPENDENT JUDGEMENT, AND ASSIST WITH BALANCE OF POWER AND THE EFFECTIVE DISCHARGE OF ITS DUTIES ✓ ALIGNED

APPLICATION:
There are six standing committees: nomination, audit, risk, remuneration, social and ethics, and the investment committee. Most committee members are independent non-executive directors. The executive committee has an operating management committee (gaming and hospitality), and the risk committee has an IT governance sub-committee. These committees comprise of senior executives and management only. The board charter and composition of the committees are determined and approved by the board.

EXPLANATION:
The committees are pertinent to overseeing the group's business and its core operations. The non-executive directors are included across the various committees, with many sitting on more than one committee, to ensure that there is effective collaboration across the committees and an integrated approach is adopted in relation to the execution and evaluation of all strategic projects and plans. The committees regularly provide feedback to the board, which facilitates the execution of its responsibilities. The independent directors provide an objective assessment of the company's projects, plans and initiatives.

The composition of the board committees contributes to effective collaboration, balanced distribution of power and the board's effectiveness in fulfilling its duties. The board and its committees' composition are monitored in terms of King IV™ recommendations and are compliant, except for the risk committee of which 50% of the members are independent. All committees, except for the nomination committee, are chaired by an independent non-executive chairman.

There is a clearly defined delegation of authority matrix for all executives and senior managers of the group.

OUTCOMES
- Ethical and cohesive culture
- Effective control, compliance and accountability
- Performing to strategic expectation
- Legitimacy and trust

Other references
- Corporate governance report
- Committees' terms of reference

PRINCIPLE 9: THE GOVERNING BODY SHOULD ENSURE THAT THE EVALUATION OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES, ITS CHAIR AND ITS INDIVIDUAL MEMBERS, SUPPORT CONTINUED IMPROVEMENT IN ITS PERFORMANCE AND EFFECTIVENESS ✓ ALIGNED

APPLICATION:
The board chairman, the lead independent director, board members and the board committees are evaluated every other year, and by an independent third party every six years regarding their performance, processes and procedures. The members of the board are evaluated annually by the nomination committee, and the executive directors' performance is assessed by the remuneration committee and nomination committee by way of an annual performance review for purposes of awarding total cost of employment (TCOE) incentives and short-term incentives (STIs). Non-executive directors are evaluated by the nomination committee annually, to determine eligibility for election and re-election. The chief financial officer and company secretary are evaluated annually by the audit committee and board respectively.

EXPLANATION:
The evaluations assess individual and committee performance against the specific terms of reference, the board charter and best governance practices. The nomination committee annually considers the competence of the group company secretary and the audit committee annually considers the competence of the chief financial officer. As recorded in the annual financial statements, the chief financial officer and the group company secretary were declared competent and have the necessary expertise and experience to carry out their functions and duties on behalf of the company. Bonuses and remuneration of the executive directors are linked to their performance reviews.

Sun International is aware that the performance of the board, statutory and board committees is essential considering the increased focus on accountability, transparency and adding value.

OUTCOMES
- Ethical and cohesive culture
- Effective control, compliance and accountability
- Responsive and transparent stakeholder engagement
- Performing to strategic expectation
- Legitimacy and trust

Other references
- Corporate governance report
- Audit committee report
- Board charter

PRINCIPLE 10: THE GOVERNING BODY SHOULD ENSURE THAT THE APPOINTMENT OF, AND DELEGATION TO, MANAGEMENT CONTRIBUTE TO ROLE CLARITY AND THE EFFECTIVE EXERCISE OF AUTHORITY AND RESPONSIBILITY ✓ ALIGNED

APPLICATION:
The chief executive was appointed by the board and the nomination committee considers executive succession planning. The chief executive's performance is evaluated annually by the chairman and the remuneration committee. The board annually reviews the delegation of authority to the chief executive, who in turn delegates authority to other executives and prescribed officers. Professional governance services are provided by the group company secretary, who is evaluated annually by the nomination committee and board. Following an assessment by the nomination committee, the group company secretary has the requisite competence, qualifications and experience to carry out his duties. The board always has access to governance support and guidance.

EXPLANATION:
The nomination committee has the experience and skills required to ensure a balanced board constitution and is most suitably placed to evaluate the executive team's performance. The chief executive's delegation of authority to the executive committee ensures the company's strategy delivery and implementation. The executive management team includes the units' general managers of key units, to improve decision-making and enhance alignment with the group strategy. The central office operating structure ensures an efficient way of working together and serving the units.

The nomination committee evaluates the board and the company secretary. The chief executive evaluates other executives and prescribed officers. The remuneration committee evaluates the performance of executive directors and prescribed officers for their TCOE and STIs. The audit committee reviews the chief financial officer and the director internal audit.

The board is comfortable and satisfied that the delegation of authority framework provides for effective exercise of authority and responsibilities.

OUTCOMES
- Ethical and cohesive culture
- Effective control, compliance and accountability
- Responsive and transparent stakeholder engagement
- Performing to strategic expectation
- Legitimacy and trust

Other references
- Corporate governance report
- Board of directors
- Executive leadership
- Committees' terms of reference

PRINCIPLE 11: THE GOVERNING BODY SHOULD GOVERN RISK IN A WAY THAT SUPPORTS THE ORGANISATION IN SETTING AND ACHIEVING ITS STRATEGIC OBJECTIVES ✓ ALIGNED

APPLICATION:
The group's governing body oversees risk management. Sun International's risk methodology and risk ranking system require each division, under the direction of their respective executives, to complete a risk assessment dashboard. The results are consolidated using a formula that categorises all risks in order of importance and details actions to mitigate the risks. This risk categorisation guides the group in relation to its business operations' priorities going forward. The risk function is assisted by the audit and risk management committees. A dedicated group risk manager was appointed to further co-ordinate and enhance the group's risk management process as well as facilitate risk management integration group-wide. Risk management workshops are also conducted three times a year.

EXPLANATION:
An evaluation of risks group-wide ensures all risks and opportunities are identified and ranked, which informs the group's material matters and strategy. The risk methodology ensures each executive is assigned responsibility for a specific area and that risks are managed and mitigated.

The three key risks identified in 2021:
Weak economic conditions.
Coronavirus (Covid-19).
Political and civil unrest.

OUTCOMES
- Effective control, compliance and accountability
- Performing to strategic expectation
- Responsive and transparent stakeholder engagement

Other references
- Corporate governance report
- Risk management

Sun International

STRATEGIC LEADERSHIP   SUSTAINABLE VALUE CREATION   STRONG BUSINESS RESPONSE   **SUPPORTING GOOD GOVERNANCE**   53

Corporate governance report | King IV application register | Social and ethics committee report | Independent assurance statement

PRINCIPLE 12: THE GOVERNING BODY SHOULD GOVERN TECHNOLOGY AND INFORMATION IN A WAY THAT SUPPORTS THE ORGANISATION SETTING AND ACHIEVING ITS STRATEGIC OBJECTIVES
✓ ALIGNED

APPLICATION:
The IT governance sub-committee is a risk committee sub-committee. This sub-committee is responsible for monitoring, developing, and communicating the processes for managing IT governance, information and cyber security and technology group-wide.

The deliberations of the IT governance sub-committee do not reduce the individual and collective responsibilities of the risk committee members and board members regarding their fiduciary duties and responsibilities. They continue to exercise due care and judgement in accordance with their statutory obligations.

The board has the ultimate responsibility for IT governance of the company, and the IT governance sub-committee assists the risk committee and the board in fulfilling this responsibility.

The company monitors the IT governance structure to ensure it addresses critical IT risks and IT investments. IT governance includes group business continuity, data governance, IT policies, cyber security threat (which is a key focus area), IT projects and key incidences management.

EXPLANATION:
Through the IT governance sub-committee, operations report to the board, which ensures that significant information and technology risks are identified with the mitigating controls. Adequate controls are in place to address any potential cyber threats. Projects involving various areas of the business are monitored and overseen by the IT governance sub-committee, as well as the IT steering committee. Progress is reported to the risk committee to ensure an integrated approach to monitoring and assessing IT risks within the business.

OUTCOMES
- Effective control, compliance and accountability
- Performing to strategic expectation
- Responsive and transparent stakeholder engagement
- Legitimacy and trust

Other references
- Corporate governance report
- Operational excellence and efficiencies
- IT policies

PRINCIPLE 13: THE GOVERNING BODY SHOULD GOVERN COMPLIANCE WITH APPLICABLE LAWS AND ADOPT NON-BINDING RULES, CODES AND STANDARDS IN A WAY THAT SUPPORTS THE ORGANISATION BEING ETHICAL AND A GOOD CORPORATE CITIZEN
✓ ALIGNED

APPLICATION:
The compliance function supports the broader group sustainability objectives. Policies are reviewed and revised as necessary and the policy revitalisation management sub-committee reviews, updates and consolidates group policies. Where necessary, policies are reviewed and updated pursuant to changes with latest legislative developments.

EXPLANATION:
The compliance function ensures all aspects of the business are covered. By monitoring policy access and review, the group ensures that employees keep abreast of the latest developments and can address any evident gaps. The central policy portal prompts employees on any policy updates.

There were no material or repeated regulatory penalties, fines, censures or compliance orders for the year under review.

OUTCOMES
- Ethical and cohesive culture
- Effective control, compliance and accountability
- Responsive and transparent stakeholder engagement
- Performing to strategic expectation
- Legitimacy and trust

Other references
- Corporate governance report
- Chairman's message
- Social and ethics committee report
- Code of ethics

PRINCIPLE 14: THE GOVERNING BODY SHOULD ENSURE THAT THE ORGANISATION REMUNERATES FAIRLY, RESPONSIBLY AND TRANSPARENTLY TO PROMOTE THE ACHIEVEMENT OF STRATEGIC OBJECTIVES AND POSITIVE OUTCOMES IN THE SHORT, MEDIUM AND LONG TERM
✓ ALIGNED

APPLICATION:
The remuneration committee reviews the group's remuneration policy annually, which is approved by the board and tabled at the AGM for a non-binding shareholder advisory vote. The policy is published online as a part of the remuneration committee report.

EXPLANATION:
The remuneration policy is reviewed annually to ensure that Sun International attracts top talent and returns value to shareholders in a fair, transparent and balanced manner.

Remuneration is linked to performance to ensure executives and employees are motivated to achieve the company's strategic objectives and goals, and that their interests are aligned with those of shareholders.

Sun International engages with its shareholders around its remuneration policy and procedures, which are disclosed in the 2021 remuneration policy and report. This remuneration policy and report were approved by the board and by shareholders at the AGM.

OUTCOMES
- Ethical and cohesive culture
- Responsive and transparent stakeholder engagement
- Legitimacy and trust

Other references
- Remuneration committee report
- Annual statutory report

PRINCIPLE 15: THE GOVERNING BODY SHOULD ENSURE THAT ASSURANCE SERVICES AND FUNCTIONS ENABLE AN EFFECTIVE CONTROL ENVIRONMENT, AND THAT THESE SUPPORT THE INTEGRITY OF INFORMATION FOR INTERNAL DECISION-MAKING AND OF THE ORGANISATION'S EXTERNAL REPORTS
✓ ALIGNED

APPLICATION:
The board, in the statement of responsibility of directors, provides their independent assurance of the company's integrated annual report and confirms this to be an accurate reflection of the company to all stakeholders. The chief executive's and chief financial officer's responsibility statement confirms that the company's annual financial statements are complete and an accurate reflection of the group's financial performance, as well as confirmation that adequate and effective internal controls are in place. An external independence assurance provider was appointed to review the sustainability aspects of the sustainability practices of the company, and external auditors assure the financial information.

EXPLANATION:
The company follows a combined assurance model to ensure objectivity of all information provided to stakeholders. The board and its committees consist of persons from varied backgrounds with diverse skills and experience to ensure risks and opportunities are considered from various perspectives.

OUTCOMES
- Effective control, compliance and accountability
- Responsive and transparent stakeholder engagement
- Performing to strategic expectation
- Legitimacy and trust

Other references
- Audit committee report
- Independent assurance statement
- Combined assurance framework

PRINCIPLE 16: IN THE EXECUTION OF ITS GOVERNANCE ROLE AND RESPONSIBILITIES, THE GOVERNING BODY SHOULD ADOPT A STAKEHOLDER-INCLUSIVE APPROACH THAT BALANCES THE NEEDS, INTERESTS AND EXPECTATIONS OF MATERIAL STAKEHOLDERS IN THE BEST INTERESTS OF THE ORGANISATION OVER TIME
✓ ALIGNED

APPLICATION:
The board is the custodian of Sun International's corporate governance framework, and the risk committee reviews the stakeholder register regularly. The stakeholder register comprises, inter alia, the gambling boards, the communities, and shareholders. Engagement with stakeholders is undertaken throughout the year and material matters are reported to the board. Our SED strategy, that includes community stakeholder engagement, is in place across all units. This engagement approach takes community concerns into account in respect of developing local business and employment opportunities.

EXPLANATION:
Sun International follows a stakeholder-inclusive engagement approach. Regular stakeholder engagement ensures the board is advised of all material matters that may impact the company. The group's community stakeholder engagement ensures that all community engagement and interventions align with the group's sustainability strategy and, more broadly, with provincial and national growth and development plans. Specific executives are tasked with stakeholder engagement according to their executive responsibilities. A group SED specialist is responsible for targeted community engagement.

OUTCOMES
- Responsive and transparent stakeholder engagement
- Performing to strategic expectation
- Legitimacy and trust

Other references
- Corporate governance report
- Stakeholder engagement
- Social and ethics committee report