



SUN INTERNATIONAL LIMITED

BOARD CHARTER

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Approved by : 
M.V. MOOSA

Prepared by :
AG JOHNSTON

1. PREAMBLE

- 1.1 The Board of Directors of Sun International (Pty) Limited ("Sun International or the Company") regard corporate governance as fundamentally important to the success of the Company's business and are unreservedly committed to applying the principles of good corporate governance in their direction of the Company.
- 1.2 The Board is the focal point of the Company's corporate governance system and remains ultimately accountable and responsible for the performance and affairs of the Company.
- 1.3 The terms "Board", "directors" and "Board members" have been used interchangeably in this Board Charter.
- 1.4 Words importing the masculine gender shall include females and words importing persons shall include created entities (corporate or not).

2. AIM AND OBJECTIVES

- 2.1 The aim of this Board Charter is to regulate the parameters within which the Board operates and leads the Company to ensure the application of the core principles of integrity, transparency, accountability, fairness and responsibility in all dealings by, in respect and on behalf of, the Company.
- 2.2 This Board Charter sets out the specific responsibilities to be discharged by Board members collectively, as well as the roles and responsibilities incumbent upon directors as individuals.
- 2.3 The Board recognises that with regard to corporate governance, it is critical that substance prevails over form. In applying the principles contained in this Board Charter, the Board will be guided by the principles and recommendations contained in the Companies Act No 71 of 2008 (as amended) ("the Act"), the King Report on Corporate Governance for South Africa 2016 (King IV), the JSE Limited Listings Requirements, from time to time in force ("Listings Requirements"), as well as by established standards of best governance practice.
- 2.4 The provisions of this Board Charter shall at all times be interpreted in a manner consistent with the Company's Memorandum of Incorporation. In the event of any inconsistency between this Board Charter and the Memorandum of Incorporation of the Company, the provisions of the Memorandum of Incorporation shall prevail.

3. THE ROLE OF THE BOARD

- 3.1 The Board exercises ethical leadership, enterprise, integrity and judgement in directing the Company so as to achieve continuing prosperity for the Company and its stakeholders and shall at all times act in the best interests of the Company in a manner based on integrity, transparency, accountability, fairness and responsibility.

- 3.2 The Board's primary responsibilities include determining the Company's purpose and values and giving strategic direction to the Company, identifying key risk areas and key performance indicators of the Company's business, monitoring the performance of the Company against agreed objectives, advising on significant financial matters and reviewing the performance of executive management against defined objectives and, where applicable, industry standards.
- 3.3 The Board should specifically:-
- 3.3.1 lead the Company ethically, taking into account its impact on internal and external stakeholders;
 - 3.3.2 promote the spirit of Ubuntu in corporate governance by expressing compassion, justice, reciprocity, dignity, harmony and humanity in the interests of building, maintaining and strengthening the community;
 - 3.3.3 strategically direct, control and set the values of the Company and the Sun International group, as well as consider the interests of all stakeholders in any decisions to be taken by the Board;
 - 3.3.4 ensure that each director adheres to the duties of a director and acts at all times in good faith and in the best interests of the Company;
 - 3.3.5 define levels of authority, reserving specific powers to itself and delegating other matters, with the necessary written authority, to the Executive Committee of the Company ("executive management") and where appropriate the Chief Executive ("CE");
 - 3.3.6 continually monitor the exercise of delegated authority;
 - 3.3.7 ensure that a system of policies and procedures appropriate to the Company is in place and maintained and that suitable governance (including, without limitation, IT governance) structures exist to ensure the smooth, efficient and prudent stewardship of the Company;
 - 3.3.8 govern technology and information in a way that supports the Sun International group in setting and achieving its strategic objectives;
 - 3.3.9 ensure that the Company is and is seen to be a responsible corporate citizen;
 - 3.3.10 ensure compliance by the Company with all relevant laws and regulations, audit and accounting standards, the Company's code of ethics, as well as such other principles, codes and policies of best business practice as may be established by the Board from time to time;
 - 3.3.11 ensure the Company's ethics programme is managed effectively through building an ethical culture, setting ethical standards, measuring adherence and incorporating ethics into its risk management, operations, performance management and disclosure;

- 3.3.12 regularly review, evaluate and govern risks to the Company in such a way that supports the Sun International group in setting and achieving its strategic objectives and ensure the existence of comprehensive, appropriate internal controls to mitigate against such risks;
 - 3.3.13 ensure that no one person or a block of persons has unfettered power and that there is and remains an appropriate balance of power and authority on the Board which is, *inter alia*, usually reflected by separating the roles of the CE and Chairman and by having a balance between executive and non-executive directors;
 - 3.3.14 exercise objective judgement on the business affairs of the Company, independent from management, but with sufficient management information to enable a proper and informed assessment to be made; and
 - 3.3.15 identify and monitor non-financial aspects relevant to the business of the Company and ensure that the Company acts responsibly towards all relevant stakeholders having a legitimate interest in its affairs.
- 3.4 Having regard to its role set out above, the Board will consider in the course of its direction of the Company:-
- 3.4.1 reviewing the strategic direction of the Company as developed by executive management and adopting business plans proposed for the achievement of the Company's objectives;
 - 3.4.2 approving specific financial objectives, including budgets and non-financial objectives and policies proposed by executive management;
 - 3.4.3 reviewing the management of business risk;
 - 3.4.4 reviewing processes for ensuring compliance by the Company with its key legal obligations;
 - 3.4.5 delegating appropriate authority to executive management and the CE for capital expenditure and reviewing investment, capital and funding proposals for Board approval in terms of the delegation policy set out in this Board Charter;
 - 3.4.6 appointing a CE on the recommendation of the Nomination Committee;
 - 3.4.7 approving, on the recommendation of the Nomination Committee, succession plans in respect of key executive positions within the Company and the Sun International group;
 - 3.4.8 ensuring, via the Remuneration Committee, that the Company remunerates its employees fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term;
 - 3.4.9 overseeing the Company's performance against agreed targets and objectives; and

- 3.4.10 providing leadership and vision in a way that will enhance value and ensure the long-term organisational health of the Company.
- 3.5 The day-to-day management of the Company will be vested in the hands of the CE and the executive management team.

4. COMPOSITION OF THE BOARD

- 4.1 The constitution of the Board is dictated by the Company's Memorandum of Incorporation. The Company shall be headed by a unitary and effective Board that can both lead and control the Company. The Board should comprise a balance of executive and non-executive directors, preferably with a majority of non-executive directors, of whom sufficient should be independent of management for shareholder interests to be protected.
- 4.2 The Board should annually appoint a non-executive director as the Chairman of the Company. In addition thereto, the Board should appoint a lead independent non-executive director. The appointment of a Chairman who is not an independent non-executive director should be disclosed in the Company's integrated annual report, together with the reasons and justifications for the appointment.
- 4.3 The directors shall be required to retire in accordance with the terms of the Memorandum of Incorporation of the Company.
- 4.4 The Board shall, from time to time, be entitled to nominate persons whom they consider suitable to be appointed as non-executive directors of the Company on the basis prescribed in the Company's Memorandum of Incorporation. The Nomination Committee shall evaluate the prospective candidates having regard to, *inter alia*, the criteria set out in 4.6 and 4.7 below, for the purposes of making appropriate recommendations to the Board.
- 4.5 The Board shall appoint new directors, or remove directors from office in accordance with the Act and the Company's Memorandum of Incorporation. The appointment of new directors shall be subject to confirmation by the shareholders at the first annual general meeting following their appointment.
- 4.6 In determining the optimum composition of the Board, the Board shall seek to ensure that it collectively contains the skills, knowledge, experience, diversity, demographics and mix of personalities appropriate to the strategic direction of the Company and necessary to secure its sound performance.
- 4.7 Key qualifications and competencies for membership of the Board include:-
 - 4.7.1 the ability to make sensible and informed business decisions and recommendations;
 - 4.7.2 the ability to contribute an independent view to matters under consideration and to add value to Board deliberations;

- 4.7.3 high ethical standards and sound practical sense and the ability to demonstrate a wide and unfettered perspective on issues facing the Company and;
 - 4.7.4 an unequivocal commitment to furthering the interests of the Company in achieving its goals and where appropriate, to bring the benefit of broader national or international experience to the Board. In this regard, the Board, in conjunction with the Nomination Committee, should carefully consider the number of Board appointments prospective non-executive directors hold so as to ensure that the Company will enjoy the full benefit of their expertise.
- 4.8 Every director recognises that his primary fiduciary duty is to the Company as an entity and not any particular constituency by which the appointment of the director may have been recommended. Irrespective of a Board member's special expertise or knowledge, all members of the Board recognise that they are collectively responsible for and must be prepared to act with enterprise for the Company, in creating value. In doing so, the Board should appropriately consider the legitimate interests and expectations of all its stakeholders.
- 4.9 The termination of an employment contract for an executive director will result *ipso facto* in the termination of his membership of the Board and any committee, unless the Board determines otherwise.
- 4.10 The Chairman or any director may at any time appoint alternate directors to act in their place during their absence or inability to act personally, subject to the procedure for such appointment as laid down in the Company's Memorandum of Incorporation.
- 4.11 A director shall cease forthwith to hold office as such if he is absent from two consecutive Board meetings or three Board meetings in the aggregate during any one calendar year and has failed to obtain the prior leave of absence from the Chairman of the Board.
- 4.12 The Board should satisfy itself that there is appropriate succession planning in place for executive management and other key positions to provide continuity of leadership in the Company.

5. BOARD LEADERSHIP

- 5.1 There should be a clear division of responsibilities between the executive responsibility for the running of the Company's business and the leadership of the Board, such that no one individual has unfettered powers of decision-making.
- 5.2 In compliance with the Listings Requirements, the roles of the CE and Chairman will be separated.
- 5.3 The Chairman shall preside over meetings of the Board and shall be responsible for, among others:-
- 5.3.1 setting the ethical tone for the Board and the Company;

- 5.3.2 providing overall leadership to the Board without limiting the principle of collective responsibility for Board decisions, while at the same time being aware of the individual duties of Board members;
- 5.3.3 identifying and participating in selecting Board members (via the Nomination Committee) and overseeing a formal succession plan for the Board, CE and certain senior executive appointments such as, among others, the Finance Director;
- 5.3.4 formulating (with the CE and / or Sun International Group Company Secretary) the yearly work plan for the Board against agreed objective and playing an active part in setting the agenda for Board meetings;
- 5.3.5 ensuring that time in Board meetings is used productively. The Chairman should encourage collegiality among Board members without inhibiting candid debate and creating tension among Board members;
- 5.3.6 managing conflicts of interest in accordance with the provisions of the Act. The Chairman must ask affected directors to recuse themselves from discussions and decisions in which they have a conflict;
- 5.3.7 acting as the link between the Board and executive management and particularly between the Board and the CE;
- 5.3.8 being collegial with Board members and executive management while at the same time maintaining an arm's length relationship;
- 5.3.9 ensuring that Board members play a full and constructive role in the affairs of the Company and the Sun International group and taking a lead role in the process for removing non-performing or unsuitable directors from the Board;
- 5.3.10 ensuring that complete, timely, relevant, accurate, honest and accessible information is placed before the Board to enable directors to reach an informed decision;
- 5.3.11 monitoring how the Board works together and how individual directors perform and interact at meetings. The Chairman should know Board members' strengths and weaknesses;
- 5.3.12 mentoring to develop skills and enhance directors' confidence (especially those new to the role) and encouraging them to speak up and make an active contribution at meetings. The mentoring role is encouraged to maximise the potential of the Board;
- 5.3.13 ensuring, via the secretariat, that all directors are made aware of their responsibilities through a tailored induction programme and ensuring that a formal programme of continuing professional education is adopted at Board level;
- 5.3.14 ensuring that good relations are maintained with the Company's major shareholders and its strategic stakeholders and presiding over shareholders' meetings;

- 5.3.15 building and maintaining stakeholders' trust and confidence in the Company and ultimately the Sun International group;
 - 5.3.16 upholding rigorous standards of preparation for meetings by for example, meeting with the CE and / or Sun International Group Company Secretary before meetings and studying of the meeting information packs distributed; and
 - 5.3.17 ensuring that decisions by the Board are executed.
- 5.4 The Chairman will act as facilitator at meetings of the Board to ensure that no director, whether executive or non-executive, dominates the discussion, that relevant discussion takes place, that the opinions of all directors relevant to the subject under discussion are solicited and freely expressed and that Board discussions lead to appropriate decisions.
- 5.5 The Chief Executive ("CE")
- 5.5.1 the CE shall act together with executive management where appropriate, subject to the reporting requirements of the Board;
 - 5.5.2 without in any way limiting the obligations of the CE as determined in his employment contract, the CE shall, in particular, be responsible for:-
 - 5.5.2.1 monitoring and managing the day-to-day operational requirements of the Company and of the Sun International group;
 - 5.5.2.2 assisting the Nomination Committee, as and when requested by the Board, in identifying and appointing the Company's Finance Director and Group Company Secretary;
 - 5.5.2.3 recommending to the Nomination Committee the appointment of the executive management team, other than those referred to in 5.5.2.2. and ensuring their proper succession planning and performance appraisals once appointed;
 - 5.5.2.4 developing the Company (and by implication the Sun International group's) strategy for consideration and approval by the Board;
 - 5.5.2.5 developing and recommending to the Board annual business plans and budgets endorsed by executive management that support the Company and the Sun International group's long-term strategy;
 - 5.5.2.6 monitoring and reporting to the Board the performance of the Company and its conformance with compliance imperatives;
 - 5.5.2.7 establishing an executive management organisational structure for the Sun International group which is necessary to enable execution of its strategic planning;

- 5.5.2.8 setting the tone in providing ethical leadership and creating an ethical environment;
- 5.5.2.9 ensuring that the Sun International group complies with all relevant laws and applies sound corporate governance principles;
- 5.5.2.10 ensuring that the Sun International group applies all recommended best practices and, if not, that all failure to do so is justifiably explained;
- 5.5.2.11 overseeing the effective operation and administration of the Company and the Sun International group;
- 5.5.2.12 ensuring appropriate human resource strategies are in place to meet the Sun International group's objectives and legal compliance obligations;
- 5.5.2.13 maintaining personal awareness of business, economic and political trends that may affect the operations of the Sun International group;
- 5.5.2.14 attending Board meetings as CE;
- 5.5.2.15 involving himself in Sun International group affairs as set out in the mandate and terms of reference of the Sun International Executive Committee;
- 5.5.2.16 acting as Chairman of the Sun International Executive Committee;
- 5.5.2.17 ensuring that the assets of the Sun International group are adequately maintained and protected and not unnecessarily placed at risk;
- 5.5.2.18 ensuring that comprehensive and appropriate internal control mechanisms are approved by the Board in order to mitigate against key risks and to ensure that they function effectively;
- 5.5.2.19 not causing or permitting any practice, activity or decisions by or within the Sun International group that are contrary to commonly accepted good business practice, good corporate governance or professional ethics; and
- 5.5.2.20 confirming (when necessary) to the Board, via a Social and Ethics Committee, details of the Company's compliance with employment equity and human capital development imperatives.

6. INDUCTION OF NEW BOARD MEMBERS

- 6.1 On appointment, new Board members will undergo an induction programme aimed at facilitating their understanding of the Sun International group and the business environment and markets in which it operates.

The induction programme will be co-ordinated by the Sun International Group Company Secretary and where appropriate, with the Company's sponsor and other members of the Board and executive management team. The induction programme will include, but not necessarily be limited to:-

- 6.1.1 background on the Sun International group and guidance on the business of the Sun International group (products and services offerings, corporate (including globalisation) strategies, organisational structure, business risks and opportunities, management and people and comparison with local and international competitors and benchmarks);
- 6.1.2 background on the Sun International group, its history and its culture (which can be facilitated by making available to new Board members, scrapbooks (if applicable), corporate videos, publications and press releases);
- 6.1.3 instruction in the key financial statements (i.e. annual financial statements, directors' report, trends of the key financial ratios and financial performance of the business);
- 6.1.4 a clear identification of reciprocal expectations on appointment (by way of discussions with the Sun International Chairman, CE and Group Company Secretary and where appropriate, the Sun International sponsor, as regards the director's role, duties and responsibilities, as well as rights and obligations, Board practices and procedures, corporate strategy and organisation, disclosure and communication policies, financial management systems, internal control procedures, potential contributions and particular knowledge, the identification of any gaps in knowledge of Board or governance procedures where training may be required and a clear understanding of the director's own expectations from the Chairman and the Board as a whole);
- 6.1.5 familiarisation by means of, *inter alia*, site visits and factory tours of the Sun International group's hotels and casinos, meetings with executive management and information regarding the Sun International group's business environment;
- 6.1.6 formal induction in terms of their statutory and common law (fiduciary) duties and responsibilities; and
- 6.1.7 any other matters of interest to the Board.

7. UNDERTAKINGS BY BOARD MEMBERS

7.1 Every Board member shall:-

- 7.1.1 at all times conduct himself / herself in a professional and ethical manner, having due regard to his statutory and fiduciary duties and responsibilities to the Company;
- 7.1.2 uphold the core values of integrity and enterprise in all dealings on behalf of the Company and avoid conflicts of interest;

- 7.1.3 ensure that he / she has sufficient time available to devote to his / her duties as a Board member. In this regard:-
- i) executive directors should be encouraged to hold not more than one external non-executive directorship in order to ensure that this does not interfere with their immediate management responsibilities; and
 - ii) non-executive directors should carefully consider the number of board appointments they hold so as to ensure that the Company enjoys the full benefit of their expertise;
- 7.1.4 exercise care, skill and diligence in discharging his / her duties to the Company and seek to acquire a broad knowledge of the business of the Company so as to be able to provide meaningful direction to it;
- 7.1.5 attend scheduled meetings of the Board, strategic planning sessions and any committees on which he / she serves; and
- 7.1.6 endeavour to keep abreast of changes and trends in the business environment and markets, including changes and trends in the economic, political, social and legal climate generally, which may impact the businesses of the Company.
- 7.2 Every Board member should, in addition, be aware of and conversant with the statutory and regulatory requirements affecting the direction of the Company.

8. REMUNERATION OF BOARD MEMBERS

- 8.1 The Remuneration Committee, guided by the Sun International Remuneration Policy, will determine the level of remuneration paid to executive directors and executive management (including prescribed officers) of Sun International. As a general principle, the Remuneration Committee will as far as possible ensure that their interests are aligned with those of shareholders and the strategy of the Company and that no Board member shall be involved in deciding his own remuneration. The remuneration for non-executive directors shall be a matter for the shareholders in general meeting. The remuneration of executive directors shall be determined with due regard to what is fair and responsible in the context of overall employee remuneration in the organisation. The shareholders should approve the Company's Remuneration Policy whereafter the Remuneration Committee should (as per the authority delegated to it by the Board in its mandate and terms of reference), determine the remuneration of the Company's executive directors, executive management (including prescribed officers) in accordance therewith;
- 8.2 The form, objectives and quantum of any incentive scheme recommended by the Remuneration Committee shall be approved by the Board and / or shareholders, as and when appropriate.

9. BOARD GOVERNANCE

9.1 Board, Strategic Planning and Committee Meetings

- 9.1.1 Board members will use their best endeavours to attend all Board and where relevant strategic planning and committee meetings, to read all necessary documentation and prepare themselves thoroughly in advance of meetings. Board members are expected to participate fully, frankly and constructively in Board, strategic planning and where relevant committee discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to such discussions;
- 9.1.2 Board members who are unable to attend those meetings referred to in 9.1.1 shall advise the Chairman of the Board or the relevant committee Chairman, as the case may be, as well as the Sun International Group Company Secretary, in advance of a meeting;
- 9.1.3 The Board should allow every director to play a full and constructive role in its affairs;
- 9.1.4 The non-executive directors should meet from time to time without the executive directors to consider, *inter alia*, the performance and actions of executive management.

9.2 Frequency and Quorum

- 9.2.1 Meetings of the Board will be held at such times and at such venues as the Board deems appropriate, subject to a minimum of four (4) meetings per annum;
- 9.2.2 Reasonable notice in writing of meetings of the Board shall be given in advance to all Board members;
- 9.2.3 Unless otherwise determined by the Board, the quorum necessary for the transaction of business is the majority of the directors for the time being, of whom at least one half shall constitute non-executive directors;
- 9.2.4 In addition to the rules of procedures set out in this Board Charter, meetings and proceedings of the Board will be governed by the Memorandum of Incorporation of the Company and by the Act.

9.3 Confidentiality

- 9.3.1 The Board agrees that the maintenance of the confidentiality of Board proceedings is of paramount importance;
- 9.3.2 The Sun International Group Company Secretary shall keep records of all Board submissions and papers and all material presented to the Board together with the minutes of meetings. These records will be accessible to all directors on request.

9.4 Independent Professional Advice

The Board must approve a procedure in terms of which any director may take independent external professional advice, at the expense of the Company, where, *inter alia*, there is doubt as to whether a proposed course of action is consistent with his / her statutory and / or common law (fiduciary) duties and responsibilities.

9.5 Conflicts of Interest

9.5.1 On first appointment and at regular intervals thereafter (at least every quarter), or at any time when circumstances change, all directors shall, in good faith, disclose to the Sun International Group Company Secretary, any business or other personal financial interest that is likely to create a potential conflict of interest, including, without limitation:-

- a) all material financial and / or contractual business interests (direct or indirect) in any other company, partnership or other business venture which conducts business with the Sun International group;
- b) membership of trade, business or other economic organisations; and
- c) their directorship and shareholding in the Company including external directorships and / or shareholdings in any other entity where the director is entitled to exercise more than 5% of the voting rights of that entity.

9.5.2 Directors who have a personal financial interest in respect of a matter to be considered at a Board meeting or who know that a related person has a personal financial interest in that matter:-

9.5.2.1 must disclose the interest and its general nature before the matter is considered at the Board meeting;

9.5.2.2 must disclose to the Board meeting any material information related to the matter and known to the director; and

9.5.2.3 may disclose any observations or pertinent insights related to the matter if requested to do so by the other directors.

9.5.3 Unless the Board resolves otherwise, a conflict shall, without limiting the generality thereof, be deemed to exist where:-

9.5.3.1 a director is interested (directly or indirectly) in any contract entered into by or with the Company in which he / she has a material financial interest; or

9.5.3.2 a director is a director or a shareholder entitled to exercise more than five percent (5%) of the voting rights of any entity with which the Company is about to contract.

9.5.4 Directors must recuse themselves from meetings before decisions are taken on matters in which they have a conflict of interest;

- 9.5.5 In addition to the provisions set out in this Board Charter, conflicts of interest will be governed by Section 75 of the Act, the Memorandum of Incorporation of the Company and by the Sun International Conflict of Interest Policy, as amended or updated from time to time.

10. SHARE DEALINGS

In terms of the Company's Disclosure Policy and the Directors Trading in Securities Policy, directors are precluded from dealing in Sun International securities during closed and prohibited periods, including when the Company is trading user a cautionary announcement. "Securities" include, *inter alia*, stocks, shares and debentures, as defined in the Listings Requirements. Where appropriate, additional closed periods, as well as the persons to whom such closed periods apply, may, from time to time, be invoked by the Board.

11. COMMITTEES

- 11.1 The Board may form such committees as may be necessary to facilitate efficient decision making and to assist the Board in the execution of its duties, power and authorities. The Company presently has four standing Board Committees namely, the Remuneration Committee, the Nomination Committee, the Social and Ethics Committee and the Risk Committee.
- 11.2 The shareholders must appoint an Audit Committee of the Company at the annual general meeting. The Audit Committee shall be constituted as a statutory committee of the Company in respect of its statutory duties and as a committee of the Board in respect of all other duties assigned to it by the Board.
- 11.3 Each committee of the Board, as well as the statutory Audit Committee shall be constituted with formal terms of reference which shall determine, *inter alia*, the membership (subject to 11.4.4 below), purpose, powers, frequency of meetings and authority of the committee, the scope of its mandate and its relationship to the Board.
- 11.4 As general principles:-
- 11.4.1 Board committees, as well as the statutory Audit Committee, will observe the same rules of conduct and procedures as the Board, unless the Board specifically determines otherwise in the committees' terms of reference;
 - 11.4.2 Committees shall be entitled to act on behalf of the Board only when specifically so authorised;
 - 11.4.3 There shall be transparency and full disclosure from the Board committees, as well as the statutory Audit Committee, to the Board, except where the committee has been otherwise mandated by the Board; and
 - 11.4.4 The Board, after taking into account rotation and re-election of directors in terms of the Company's Memorandum of Incorporation at each Annual General Meeting, shall appoint the members of the committees (excluding the Audit

Committee whose members shall be elected by shareholders) at the first Board meeting following the Annual General Meeting.

- 11.5 The delegation of the Board's authority in certain defined areas to committees constituted in terms of this clause 11 will absolve neither the Board, nor its directors, from their respective accountability to ensure the due discharge of their duties and responsibilities.

12. MATTERS RESERVED FOR THE BOARD AND CERTAIN COMMITTEES

- 12.1 Subject to the provisions of 2.4 of this Board Charter and the Listings Requirements, the following matters shall be reserved for decision by the Board, supported by recommendations, where appropriate, from the various committees:-

- 12.1.1 the approval of the strategy, business plans and annual budgets and of any subsequent material changes in strategic decision or material deviations in business plans;
- 12.1.2 the undertaking of any new business activity outside the approved business strategy;
- 12.1.3 the conclusion of any contract outside the ordinary course of business;
- 12.1.4 any acquisition or merger exceeding R50 million per item and R120 million in aggregate per annum;
- 12.1.5 the approval of annual financial statements and interim financial statements;
- 12.1.6 determining the capital structure of the Company;
- 12.1.7 subject to Section 45 of the Act, the incurring of any borrowings with a repayment term of longer than twelve months and a capital amount exceeding R50 million, excluding finance leases entered into in the ordinary course of business;
- 12.1.8 subject to Section 45 of the Act, the incurring of any borrowings with a repayment term of less than twelve months and a capital amount exceeding R50 million;
- 12.1.9 the creation and modification of mortgages, liens or other charges on assets, otherwise than in the ordinary course of business;
- 12.1.10 the issue of any guarantees, suretyships or indemnities or other undertakings, otherwise than in the ordinary course of business;
- 12.1.11 the submissions of any tender, or the entering into of any contract for the sale of goods or provision of services where the value exceeds R50 million per annum and exceeds 36 months in duration, falling outside of approved budgets;

- 12.1.12 the making of any loan to any third party other than a subsidiary of the Company or otherwise than in the ordinary course of business;
- 12.1.13 the payment of any management fees by the Company to any third party;
- 12.1.14 a change in the financial year end of the Company or the name and / or logos of the Company;
- 12.1.15 the adoption of any significant change in the accounting policies and practices following the recommendation of the Audit Committee;
- 12.1.16 the conclusion of financial or suspensive sale contracts binding the Company to any on-going financial commitments over and above any provision made for the same in the then current budget or business plan of the Company;
- 12.1.17 the sale or disposal of any business with a market value greater than R50 million per item and R120 million in aggregate per annum;
- 12.1.18 the sale or disposal of any immovable property for a value greater than R50 million;
- 12.1.19 the sale or disposal of all or a major part of the assets or of any material asset, whether tangible or intangible and whether in the ordinary course of business or not, as per the relevant limits of authority approved by the Board;
- 12.1.20 the discontinuation of any of the material business activities;
- 12.1.21 any large scale retrenchments and / or restructuring;
- 12.1.22 any dividend payable by the Company;
- 12.1.23 the making of any political donations which will require the prior approval of the Board, as well as shareholders in general meeting;
- 12.1.24 transactions with related parties, including organisations in which directors / managers have an interest;
- 12.1.25 based on the recommendations of the Audit Committee and Risk Management Committee, the adoption of appropriate risk management and internal control strategies;
- 12.1.26 subject to the processes defined elsewhere in this Board Charter, the appointment of the CE and appointments to and removals from the Board of executive or non-executive directors;
- 12.1.27 the appointment of, approval of terms of reference of and changes in the composition of the Company's various committees as are established from time to time;
- 12.1.28 the appointment, removal or replacement of the Company's external auditor;

- 12.1.29 the appointment, removal or replacement of the individual acting as the Sun International Group Company Secretary;
 - 12.1.30 the monitoring of the exercise of delegated powers;
 - 12.1.31 any amendment to the Company's Memorandum of Incorporation;
 - 12.1.32 any increase, alteration or reduction of the issued and / or authorised share capital of the Company;
 - 12.1.33 the issue of any long-term or convertible debentures;
 - 12.1.34 the institution or defence of any legal proceedings other than those arising in the ordinary course of business;
 - 12.1.35 the winding up of the Company or any application for business rescue; and / or
 - 12.1.36 a compromise generally with the Company's creditors.
- 12.2 Where any of the provisions of this Board Charter are found to conflict with or differ from any of the provisions set out in the limits of authority, as delegated by the Board to the executive management or CE of the Company from time to time, the provisions as set out in this Board Charter and not in the limits of authority shall prevail and the Board shall take all reasonable steps to ensure that the limits of authority are amended to align with the provisions set out in this Board Charter.

13. COMMUNICATIONS

The Board shall, subject at all times to the provisions of the Company's Disclosure Policy, ensure that there is timely, relevant, balanced and accurate disclosure to shareholders of any information that would materially affect either the value or worth of their investment in the Company. All information affecting shareholders shall be prepared, audited (where appropriate) and disclosed in accordance with the aforesaid policy and with high quality standards of disclosure and objectivity. The Board shall further ensure that there is transparent communication with all stakeholders and that the quality of the information disclosed is based on substance over form.

14. INTERNAL AUDIT

The Board must ensure that the internal audit function has the necessary standing and that it reports to and has unrestricted access to the Chairman of the Audit Committee and other levels within the Company that allow it to discharge its responsibilities independently and effectively.

15. CODE OF ETHICS

As part of the Board's commitment to the highest standards of behaviour and accountability, the Company has adopted a code of ethics ("code") to guide executive management and employees in carrying out their duties and responsibilities in an ethical manner. The code covers such matters as responsibilities to shareholders, relations with customers and suppliers, employment practices and responsibilities to the community.

16. BOARD EVALUATION AND PERFORMANCE

- 16.1 In line with the recommendations of King IV, the Board shall, at least every other year, review its performance with a view to considering, reflecting on and evaluating its performance together with the performance of the Chairman.
- 16.2 The Board shall also, every other year, review the performance of each of the Board committees, as well as the statutory Audit Committee, to ensure that their composition, mandate and authority enables them to provide effective assistance to the Board in the key areas in which they function.

17. COMPANY SECRETARY

- 17.1 The Sun International Group Company Secretary shall work closely with the Chairman and the CE to ensure the proper and effective functioning of the Board and the integrity of the Board's governance process.
- 17.2 The Board should be aware of the Sun International Group Company Secretary's duties and should empower him to properly fulfil these duties. As the gatekeeper of good governance, it is important for the Sun International Group Company Secretary to maintain an independent and arms-length relationship with the Board, as far as reasonably possible. The performance and independence of the Group Company Secretary shall be reviewed at least annually by the Board.
- 17.3 In addition to the statutory duties of the Sun International Group Company Secretary, he must provide the Board as a whole and the Board members individually with detailed guidance as to how their responsibilities should be properly discharged in the best interests of the Company.
- 17.4 The Sun International Group Company Secretary should be responsible for ensuring the proper compilation and timely circulation (at least 5 days prior to the scheduled meeting) of Board papers and for assisting the Chairman of the Board and the various committees with the drafting of yearly work plans.
- 17.5 The Sun International Group Company Secretary should have the duty to obtain appropriate responses and feedback to specific agenda items and matters arising from earlier meetings in Board and committee deliberations. The Sun International Group Company Secretary's role should also be to raise matters that may warrant the attention of the Board, as well as ensure that all directors receive copies of relevant announcements and press releases prior to their publication.

18. **PROCESS FOR REVIEW OF BOARD CHARTER**

This Board Charter shall be reviewed by the Board as and when necessary to ensure that it remains relevant to the business objectives of the Company and where appropriate the Sun International group. The review process shall be initiated by the Sun International Group Company Secretary in consultation with the Chairman.



CHAIRMAN

29 SEPTEMBER 2017