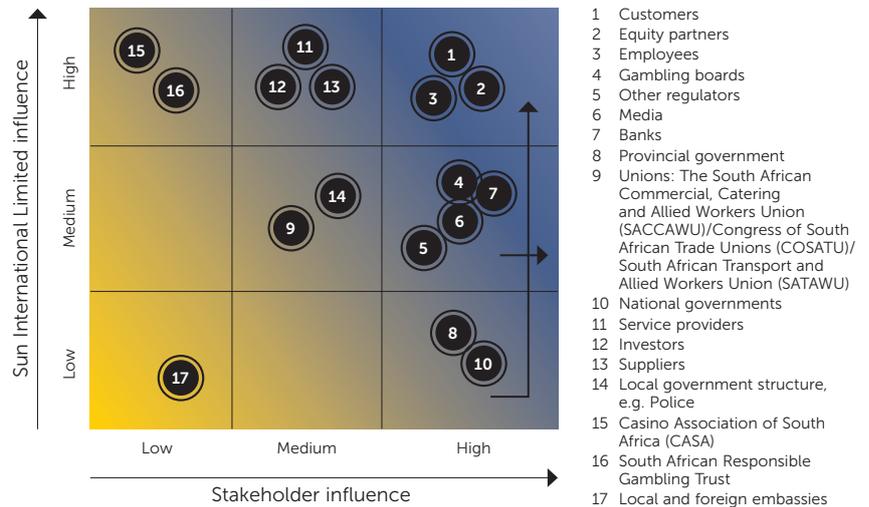


Stakeholder relations

We value constructive engagement and encourage the voicing of legitimate concerns and comments through the various communication channels that we make available.

All our stakeholder relationships impact directly and indirectly on our business and its reputation. Every aspect of our business interacts with stakeholders. Our reputation or relationship capital has a direct impact on our financial capital, as it influences whether consumers decide to become our guests; whether suppliers want to be vendors; and whether government believes that we are complying with regulations, willing to give back to the community and driving economic development. Achieving our five strategic priorities depends on our ability to engage with and respond to our stakeholders. Our various methods of engagement include face-to-face formal and informal meetings, results presentations and our annual general meetings. We also engage through our marketing efforts, advertising and communication through electronic media, newsletters and roadshows. We survey our guests and our employees with the aim of obtaining their feedback and responding to it. Further detail on our stakeholder engagement with the top five stakeholders is tabled below and on page 25.

The group has a formalised stakeholder engagement process in place and has identified stakeholders that have a material impact on the group and those on which the group may have a material impact. The group's stakeholder impact matrix is depicted alongside.



We annually assess our stakeholder universe based on their influence on the group and the group's influence on a particular stakeholder grouping. We determine any material issues that may exist and purposefully engage in order to resolve such issues or to build a better understanding of our stakeholders.

The risk and social and ethics committees provide oversight of the group's stakeholder engagement and are responsible for keeping the board abreast on material matters arising.

- Sun International brand differentiators**
- A strong brand with a proud legacy
 - The pioneers of gaming in South Africa
 - Industry leaders in the field of big events
 - Constantly demonstrating innovation in gaming
 - An international business
 - Significant contributors to the South African economy and communities throughout the country
 - A company with many iconic properties

Stakeholder engagement

| Stakeholder | Method of engagement | Key stakeholder issues | Actions to address stakeholder issues | Link to material issue | Link to strategic objective |
|-------------|--|---|---|---|---|
| Customers | <ul style="list-style-type: none"> • Sun MVG programme • International VIP gaming • Interactions at properties • Brand campaigns • Direct marketing • Guest feedback and experience measures • Customer management strategy | <ul style="list-style-type: none"> • Customer segmentation • Customer service • Perception of value • Discretionary spending under pressure | <ul style="list-style-type: none"> • Enhanced business analytics to improve customer segmentation • International Business (IB) launched in the North West and Panama • Ongoing learning and development programmes for employees to improve skills and customer service • Refreshed MVG offering • Ongoing customer surveys | <ul style="list-style-type: none"> • Remaining relevant in the societies within which we operate • Managing relations with our key stakeholders • Exploring and delivering on growth opportunities | <ul style="list-style-type: none"> • Improve our existing operations and guest experience • Grow our business into new areas and products |

| Stakeholder | Method of engagement | Key stakeholder issues | Actions to address stakeholder issues | Link to material issue | Link to strategic objective |
|---|--|---|---|---|--|
| Equity partners | <ul style="list-style-type: none"> Analyst presentations Shareholder meetings (annual general meeting) Direct engagement with executives Annual and interim reporting Investor relations Announcements Investor relations website | <ul style="list-style-type: none"> Dreams merger Debt funding Time Square feasibility | <ul style="list-style-type: none"> Dreams merger finalised in 2016 Funding secured for Dreams merger and Time Square Group debt restructured in 2016 Debt strategy communicated in investor presentation Time Square six months ahead of original timeline with feasibility anticipating good returns on investment | <ul style="list-style-type: none"> Exploring and delivering on growth opportunities | <ul style="list-style-type: none"> Grow our business into new areas and products |
| Employees | <ul style="list-style-type: none"> Roadshows Employee engagement surveys Online communication Quarterly One Sun magazine Performance reviews Employee inductions | <ul style="list-style-type: none"> Build morale following the section 189 process launched in 2014 Fair remuneration Learning and development Succession planning Talent management Transformation Performance management Onboarding food and beverage; GPI Slots and Sun Dreams employees | <ul style="list-style-type: none"> Launched new values through chief executive roadshows to integrate organisation and improve culture Reviewing remuneration processes, procedures and structures to ensure alignment with industry best practice Ongoing learning and development initiatives Finalised talent management strategy Embedded transformation key performance indicators (KPIs) in employee performance contracts Action plans to be implemented addressing employee concerns raised in employee surveys | <ul style="list-style-type: none"> Managing relations with our key stakeholders | <ul style="list-style-type: none"> Our people Improve our existing operations and guest experience |
| Gambling boards, government and other regulators | <ul style="list-style-type: none"> Direct engagement Lobbying through industry body CASA Workshops Submissions and applications Onsite inspections | <ul style="list-style-type: none"> Electronic Bingo Terminals (EBTs) licensing Ongoing engagement, which included: <ul style="list-style-type: none"> Time Square Morula Gaming and Hospitality school LPM licence applications Compliance with relevant legislation, i.e. gaming, B-BBEE and licence conditions | <ul style="list-style-type: none"> Executives, together with group compliance continue to build relationships with all provincial gaming boards through regular interaction Gaming boards were invited to the head office gaming lab for demonstrations during the financial year Engagements with the Financial Intelligence Centre which included representations made to Parliament Site visits to key properties | <ul style="list-style-type: none"> Managing relations with our key stakeholders Remaining relevant in the societies within which we operate | <ul style="list-style-type: none"> Protect and leverage our existing asset portfolio Governance and sustainability |
| Unions | <ul style="list-style-type: none"> Direct engagement Workshops | <ul style="list-style-type: none"> Fair remuneration | <ul style="list-style-type: none"> Our chief executive and management continue to meet regularly with the leaders of SACCAWU, our official union, to keep them updated on the business | <ul style="list-style-type: none"> Managing relations with our key stakeholders Remaining relevant in the societies within which we operate | <ul style="list-style-type: none"> Our people Improve our existing operations and guest experience |