

Sum

Sum International




2023
INTEGRATED ANNUAL REPORT


We welcome stakeholders' feedback on our reporting, particularly regarding our suite of reports. Feedback can be sent to investor.relations@suninternational.com or group.sustainability@suninternational.com


REPORTING FOOTPRINT AND NAVIGATION


Sun International only produces digital, interactive annual reports. Our reporting design with navigation bar, interactive icons, footnotes and links facilitates ease of use and enhances user experience.


Navigation tools



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Indicates where additional information can be found in this report


Indicates where additional information can be found on our website, www.suninternational.com


This report is best viewed in Adobe Acrobat for desktop, mobile or tablet*.

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ADOBE ACROBAT READER

* Functionality may differ according to device and app version used.

Social media

 Facebook

 YouTube

 Instagram

Capitals

FC

Financial

PC

Productive

HC

Human

IC

Intellectual

SC

Social and relationship

NC

Natural

Strategic objectives

SO1

People and culture

SO2

Operational excellence

SO3

Customer centricity

SO4

Maximise shareholder value

SO5

Environmental, social and governance (ESG)

Top 10 risks¹

R1

Weak economic conditions

R2

Utility supply and efficiencies

R3

Relocation of casino licence in the Western Cape

R4

Cyber threats and information security

R5

Playtech implementation

R6

Non-renewal of Boardwalk licence

R7

Smoking legislation

R8

Increase in gaming taxes and levies

R9

Amendments to gaming legislation

R10

Political and civil unrest

Key stakeholders


Communities


Employees


Gambling boards


Regulators and industry bodies


Customers, guests and site owners


Equity partners, shareholders and debt funders


Partners, suppliers, service providers, contractors and concessionaires

1 Top 10 risks as at 15 March 2024.

FORWARD-LOOKING STATEMENTS

This report may contain certain forward-looking statements, other than the statements of historical fact, which cannot be construed as reported financial results. Investors are cautioned not to place undue reliance on any forward-looking statements contained herein, as they have not been reviewed or reported on by the group's external auditors. Such statements may include predictions of or indicate future earnings, objectives, savings, events, trends or plans based on current expectations, forecasts and assumptions. As with any forward-looking statement, prediction or forecast, there are inherently unexpected events which could cause uncertainty and unexpected changes which have not, and could not, be accounted for. Whereas the company has made every effort to accurately and reasonably ensure the accuracy and completeness of the information contained within this report, any forward-looking statements speak only as at the date that they are made. The actual results may vary materially from those expressed or implied, and the company undertakes no obligation to publicly update or alter these, or to release revisions after the date of publication of this report.



ABOUT THIS REPORT

Welcome to Sun International Limited’s (Sun International) 2023 integrated annual report (IAR) for the financial period 1 January 2023 to 31 December 2023.

REPORTING SCOPE, STRUCTURE AND BOUNDARY

Sun International reports in a holistic, transparent, balanced and integrated manner to assist our providers of financial capital and other key stakeholders to make informed decisions about our business. This report demonstrates our ability to create and preserve value but also highlights the areas where we eroded value for the year under review. Our financial reporting scope and boundary incorporates all Sun International’s subsidiaries and operating units in the geographic locations where we operate – South Africa and Nigeria. Our sustainability reporting scope and boundary only includes South African operating units as Nigeria’s sustainability information is not deemed material.

Our integrated thinking, regular stakeholder engagement, risk and opportunity identification, capital resource prioritisation and the ability to take decisive action continue to stand the group in good stead. Our strategic progress, driven through our business model, continues to position the group for growth opportunities and value creation over the short, medium and long term.

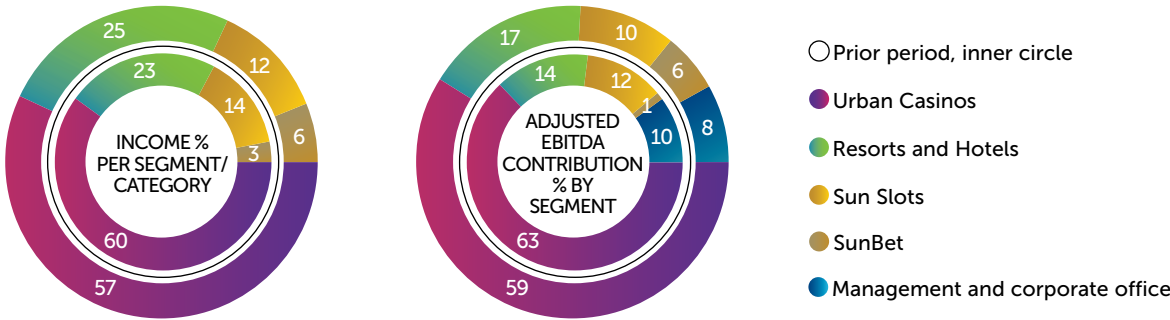
This report is structured around our sustainable value creation, leadership overviews, strategy, operational reviews, financial performance and environmental, social and governance performance. Previously the group produced a separate environmental, social and

governance (ESG) report and our remuneration report was incorporated in the annual statutory report. Now all our sustainability information and remuneration reporting is incorporated in this IAR, to provide a holistic overview of the group’s reporting. The other suite of reports include the group’s consolidated and separate annual financial statements (AFS) and the annual statutory report.

Our IAR’s content covers the reporting period’s most material matters and where applicable, content includes the period up to the report’s finalisation on 30 April 2024. Sun International’s material themes are topics that could substantively influence the assessment of providers of capital and other stakeholders regarding the group’s ability to create, preserve and erode value over the short, medium and long term. The process of determining materiality, outlined in the materiality section of this report, involves reviewing and assessing our risks (strategic, financial, operational, ESG, reputational and regulatory), opportunities, the external environment, capital resources and stakeholder concerns. This process is dynamic and evolves annually to ensure our material themes remain relevant and enable the group to achieve its strategic objectives, vision and purpose.

Our South African operations are the group’s single biggest revenue contributor and gaming remains the group’s primary revenue generator.

Contribution to group income



COMBINED ASSURANCE MODEL

Sun International’s combined assurance strategy and framework (Page 21) ensures optimal, cost-efficient and focused assurance coverage group-wide. Our hybrid top-down and bottom-up approach, which aligns with the JSE Listings Requirements and King IV™, ensures adequate assurance coverage on key business risks and processes. This model also enables an effective internal control environment and supports the integrity of information used for both internal decision making and external reporting to stakeholders. The internal audit function, which is overseen by the audit committee, provides assurance on the group’s financial, operating, compliance and risk management controls following a combined assurance approach. The audit committee has provided its feedback, and the information can be found in our audited financial statements on our website at <http://corporate.suninternational.com/investors>.

REPORTING SUITES AND REPORTING FRAMEWORKS

The group’s suite of reports is guided by various frameworks as depicted below. Our IAR is primarily guided by the International Integrated Reporting Framework’s recommendations for integrated reporting (the <IR> Framework). Our reporting is also guided by the SASB Casinos and Gaming and Hotels and Lodging industry standards and we have also adopted the TCFD disclosure recommendations. Our AFS follow the International Financial Reporting Standards (IFRS) and are externally assured by Deloitte & Touche.

[www https://corporate.suninternational.com/investors/investors-results-reports/](https://corporate.suninternational.com/investors/investors-results-reports/)

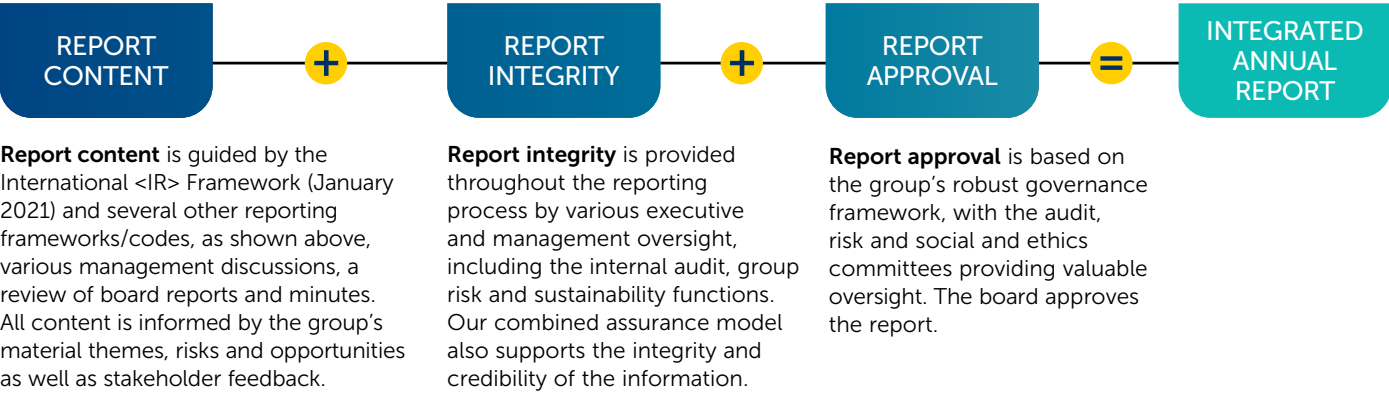
Certain sustainability information is externally assured by IBIS.

Page 105 (assurance statement)

A detailed register of our King IV™ application of governance principles is available on page 85. The group embraces the United Nations Sustainable Development Goals (SDGs), which encourage companies and individuals to take the necessary action to achieve the SDGs by 2030. Sun International welcomes the publication of the International Sustainability Standards Board (ISSB) IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and the IFRS S2 Climate-related Disclosures standards.

	International <IR> Framework	IFRS Accounting	Companies Act	King IV™	JSE Listings Requirements (LR)	JSE Sustainability Disclosure Guidance	SDGs	TCFD	SASB	AA1000AS
Integrated annual report	✓		✓	✓	✓	✓	✓	✓	✓	✓
Group audited consolidated financial statements		✓	✓	✓	✓					
Annual statutory report			✓	✓	✓					

INTEGRATED REPORTING PROCESS



DIRECTORS’ APPROVAL

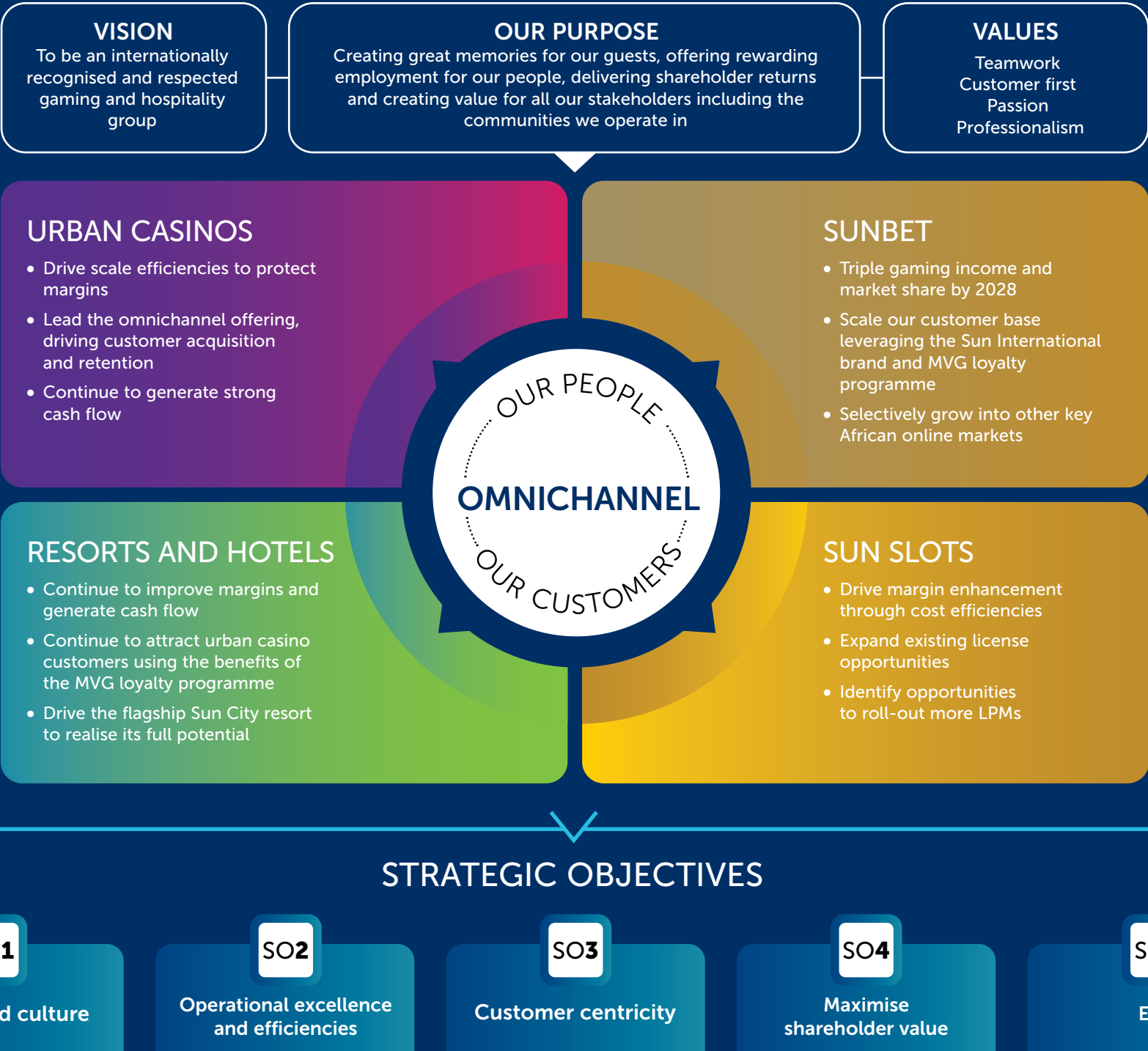
The board acknowledges its responsibility to ensure the IAR’s information integrity, completeness and preparation of the report is in accordance with the International <IR> Framework (January 2021). The audit, risk and social and ethics committees were involved in the review and guidance of this year’s IAR. The board is kept abreast of the reporting progress through various board committees’ feedback. The audit committee is tasked with the role of overseeing the preparation of the report and interrogates the content, process and assurance regarding its integrity. The audit committee has recommended the 2023 integrated annual report to the board for approval.

The board is of the opinion that the group’s rigorous integrated reporting process includes relevant executive oversight of the report’s content, its accuracy, relevance and transparency and that the report is presented in compliance with the <IR> Framework (January 2021). The IAR was approved by the board on 30 April 2024.

SAM SITHOLE Chairman 30 April 2024	ANTHONY LEEMING Chief executive 30 April 2024
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OUR BUSINESS STRATEGY

To be South Africa’s leading omnichannel gaming and leisure company. We have a focused strategy to achieve greater scale, through responsibly growing gaming revenue, both land–based and online. We continue to prioritise increasing free cash flows and disciplined capital allocation to maximise stakeholder value.



CAPITAL ALLOCATION: OUR STRATEGIC IMPERATIVE

CONSISTENT DIVIDEND PAY-OUT

Dividend pay-out ratio of 75% of adjusted headline earnings per share maintained on a sustainable basis

Dividend paid since June 2022 including 2023 final dividend totals R1.8 billion

MAINTAIN AND GROW EXISTING ASSETS

Alternate renewable energy strategy implementation

Targeting ongoing major refurbishment capex of 6%

Acquire minority interest

OTHER EXPANSIONARY PROJECTS/ ACQUISITION

Proposed acquisition of Peermont

Investment in Sun City Lefika Villas

Expansion of GrandWest Hotel

SHARE BUY-BACK

Share buy-back programme initiated in 2022



INVESTMENT PROPOSITION

We have a compelling investment opportunity with significant potential for scale, growth and returns.

In delivering on our strategic performance, the group focuses on its profitability; strong cash generation; sustainable growth; shareholder returns; supported by Sustaining Sun as depicted alongside.



DELIVERING ON OUR INVESTMENT PROPOSITION

SUSTAINABLE GROWTH

- Group income shows sustained growth
- Another record growth year for SunBet ahead of its 5-year target
- Protected strong urban casino market share
- Increased revenue and profit contribution from hotels and resorts

PROFITABILITY

- SunBet achieved an adjusted EBITDA margin of 30.2% up from 12.4%
- SunBet marketing resulted in sign-ups per day increasing from c.450 thousand to nearly 2 000 sign-ups with 176 thousand first time depositors
- Achieved record earnings from Sun City with adjusted EBITDA margin improvement from 17.8% to 24.2%
- Adjusted headline earnings per share (AHEPS) up 5.9% to 468cps

STRONG CASH GENERATION

- Cash generated by operations to free cash conversion (post capex) of 65.4%
- Adjusted EBITDA to cash generated by operations conversion of 107%
- Debt within target levels on the back of increased profitability and disciplined capital allocation
- Net debt: adjusted EBITDA below the 2x long-term target at 1.7x

SHAREHOLDER RETURNS

- Dividend pay-out ratio maintained at 75% of AHEPS
- 148cps interim cash dividend paid
- Final dividend of 203cps declared
- Total dividend of 351cps compared to 329cps in 2022

SCALING THE GROUP

- Scaling the group through the proposed acquisition of Peermont
- Expected to rapidly degear, while dividend is maintained
- Overall improved cash flow generation and lower pro-forma combined cost of funding
- Improved capital markets visibility

SUSTAINING SUN

ESG strategy embedded within the business 🏆 | Page 12, 39

First Sustainable Linked Loan in our industry in South Africa

Skilled and passionate people 🏆 | Page 47

Attracting and retaining customers

- Strong brand loyalty 🏆 | Page 11
- Quality portfolio base with iconic properties 🏆 | Page 8, 16
- Innovative rewards programme 🏆 | Page 10
- Informative customer data
- Enhanced customer relations management approach 🏆 | Page 10, 11

Alternative energy strategy in place 🏆 | Page 12

Brand enhanced through external recognition

- Achieved first place in the South African Breweries Beyond Awards - Sustainability Report Of The Year
- Received the Gender Iconic Standard Bank Top Women Awards

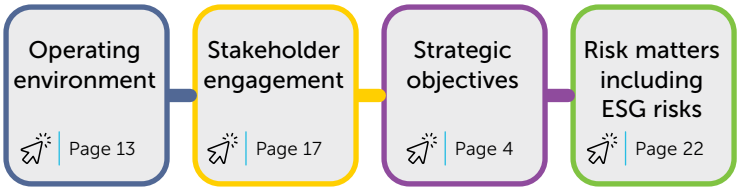
Operating as a responsible corporate citizen with an embedded ESG strategy



MATERIAL THEMES

Our material themes are based on our business risks, which include our ESG material matters. These all inform our business model, strategy, capital resource allocation and our stakeholder engagement process. They are influenced by our internal and external operating environment, our key stakeholder concerns, and the risks and opportunities impacting our business. ESG material matters and risks can also impact our ability to create and preserve stakeholder value over time.

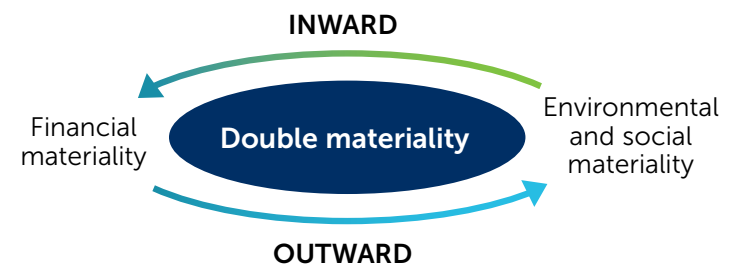
KEY FACTORS IMPACTING AND INFLUENCING OUR MATERIAL THEMES



Materiality approach

The group’s materiality approach combines Sun International’s ESG matters and top 10 risks. These ESG matters and risks have been categorised into material themes, which are assessed annually to ensure that they remain relevant to our business strategy and operations. During 2023, the eight themes listed alongside were confirmed to be the most material to the group.

Our ESG material matters were determined based on the double materiality approach where we assessed ESG matters from an inward (financial materiality) and outward (impact materiality) perspective. The inward impacts are threats and opportunities that could have an impact on the group enterprise value (financial) while the outward impacts consider Sun International’s impact on society, communities and the environment. ESG has been identified as a standalone risk category and the ESG matters have been linked to the existing group risks.



The group’s risks are considered in terms of the potential impact and likelihood of an identified threat or opportunity occurring and its resultant impact on the group, resulting in each risk being allocated an inherent risk rating. The potential impact is currently determined by considering the strategic, financial, reputational, regulatory, ESG and operational impact a risk could have on the group, while the likelihood is rated on a scale ranging from a remote to a definite possibility.

CLICK TO SEE EXPLANATION OF ICONS



The table below lists our material themes, why they are considered material and demonstrates how these are linked to the group’s top 10 risks, which are related to our ESG materiality.

Material themes	Why this is considered material	Related risks	ESG materiality	Capital resources impacted	Related strategic objectives
1. MACRO-ECONOMIC ENVIRONMENT Level of control: MEDIUM	Our business depends on consumer spending and guests staying at our properties. The prevailing tough South African economic environment continues to impact our profitability, debt levels, capital allocations and investments, and strains consumers’ disposable income, particularly discretionary spending on gaming and hospitality. Socio-economic challenges continue to impact lives and livelihoods, thereby highlighting inequalities prevalent in society. At Sun International we continue to experience stakeholder demands, specifically from our communities and supply chains, in respect of job creation, local procurement opportunities and community upliftment. In South Africa the socio-economic and political challenges include inequality, high unemployment, electioneering and extreme weather (floods and heatwaves).	R 1 R 2 R 10	• Energy and water security • Financial performance • Community protection • Employee development • Employee remuneration • Diversity, equity and inclusion	FC PC HC SC	SO1 SO2 SO3 SO4 SO5
2. CUSTOMER CENTRICITY Level of control: HIGH	Our customers and guests are among our most important stakeholders and are critical to our sustainability. It is important that we provide products and services that continue to attract and retain their patronage by providing excellent customer service, diversified entertainment opportunities and world-class facilities, in line with our vision of creating memorable experiences. We also ensure protection of our customers’ personal information.	R 4 R 5 R 6 R 8	• Product stewardship • Customer experience • Customer protection • Customer wellbeing • Disputes (stakeholders)	PC HC SC	SO1 SO2 SO3 SO4 SO5
3. REGULATORY ENVIRONMENT Level of control: MEDIUM	We operate in a highly regulated and complex environment. The group continues to focus on compliance requirements, ensuring we maintain our operational and social licence to operate. Specific regulatory requirements/amendments directly impacting our operations include the proposed amendments to smoking legislation, which will ban smoking in public areas and severely impact casino income. Ongoing changes in casino licence conditions remain concerning as this impacts the group’s profitability.	R 3 R 4 R 7 R 8 R 9	• Financial performance • Compliance • Disputes (stakeholders)	FC HC SC	SO1 SO3 SO4 SO5
4. COMPETITIVE DYNAMICS Level of control: MEDIUM	The competitive landscape is constantly evolving, particularly for the casino and LPM market which is relatively mature. This is observed through our competitors requesting new or relocated licences to be issued, and by the provincial gambling boards, which impact our market share within the areas where we operate. These businesses are also affected by the strong emergence and growth of online gaming in the country. Sun International has embraced these challenges and identified opportunities for growth, particularly in relation to SunBet and its significant growth prospects.	R 3 R 6 R 9	• Product stewardship • Financial performance	FC HC SC	SO1 SO3 SO4 SO5
5. DIGITAL TRANSFORMATION Level of control: MEDIUM	Consumer needs are constantly shifting and evolving in this digital era we operate in and where artificial intelligence continues to gain traction. Sun International embraces these changes and is constantly looking to integrate digital and information technology in all areas of its business. This ensures that we continue to innovate (Playtech, guest booking platform and the Sun App), transform and challenge the status quo. This results in an enhanced customer value proposition as well as creating opportunities for new customers and providing a secure platform that mitigates cyber risk.	R 4 R 5	• Product stewardship • Financial performance	FC IC	SO1 SO2 SO3 SO4
6. PEOPLE AND CULTURE Level of control: HIGH	The group’s unique casino and hotel business requires critical skills to grow the business in an ever-changing operating environment. Globalisation and virtual operating environments make it attractive for people to constantly seek new job opportunities globally. While competitive remuneration is an important retention tool, employees’ focus is shifting to a healthy work-life balance that incorporates flexibility, transformation (diversity, equity and inclusion) succession, development, retention and an empowering working environment. As a good corporate citizen, it is important that we demonstrate how we provide decent working conditions that include health, safety and wellbeing, quality education, equality and community upliftment.	R 1	• SED programme • Working conditions • Employee development • Supplier management • Community protection • Employee remuneration • Diversity, equity and inclusion • Business culture • Disputes (stakeholders)	FC HC SC	SO1 SO2 SO3 SO5
7. CORPORATE RESPONSIBILITY Level of control: MEDIUM	Responsible gaming for casinos and online betting companies involves prioritising player safety and wellbeing. Key measures include age verification, fair and transparent practices, preventing underage gambling, self-exclusion programmes, responsible marketing, financial controls, prevention of money laundering, terrorist activities and illegal gambling, education and awareness, collaboration with support organisations, data protection, and regulatory compliance. These initiatives aim to create a secure and enjoyable gambling environment while addressing potential risks and promoting ethical practices. The group’s governance framework provides a sound foundation for ensuring corporate responsible practices through policies, frameworks and King IV™ principles’ implementation. This drives the company’s value creation process.	R 4 R 5	• Product stewardship • Customer protection • Community protection • Customer wellbeing	HC SC	SO3 SO5
8. ENVIRONMENT AND SOCIAL SUSTAINABILITY Level of control: MEDIUM	Resource sustainability involves the responsible and efficient use of natural resources to meet current needs without compromising future generations. Sun International is dependent on these energy and water resources to operate and provide world-class facilities to its customers and guests. We remain focused on investigating alternative energy solutions. Climate change has a huge impact on our livelihoods, our health and our future. In South Africa, water resources are limited, electricity costs continue to increase significantly and the reliability of our energy supply remains fragile. A sustainable supply chain contributes to brand reputation, legal compliance, social responsibility, and long-term business viability. Sun International remains steadfast in its commitment to transformation, fostering a diverse and equitable supply chain ecosystem conducive to businesses prosperity.	R 1 R 2	• Energy and water security • Climate change • Supplier management • Disputes (stakeholders)	HC NC SC PC	SO1 SO2 SO3 SO4 SO5

OUR PRESENCE AND GROUP STRUCTURE

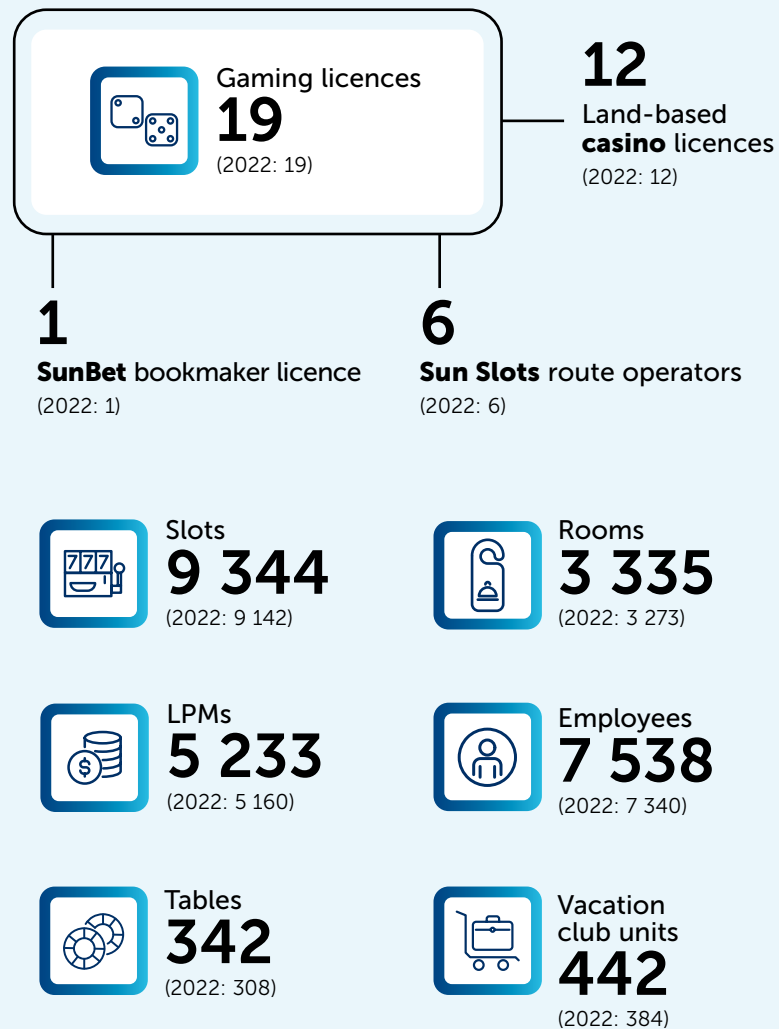
Sun International is a leading gaming and leisure company that has a presence in South Africa and Nigeria.

About Sun International

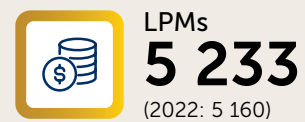
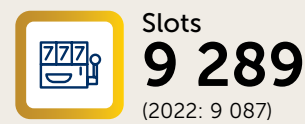
Sun International owns and operates casino, hotel and resort properties in South Africa and Nigeria. It also provides management service businesses in the hotel, resort, casino and gambling industry. Founded in 1967, Sun International is headquartered in Sandton, South Africa and maintains a listing on the main board of the JSE with a secondary listing on the A2X.

Sun International pioneered gaming in Southern Africa, introducing casinos to this part of the world in the late 1970s. This proud legacy has continued in the gaming, hospitality and entertainment industries, with diverse assets, including world-class five-star hotels, modern and well-located casinos, and some of the world's finest premier resorts. Its destinations offer experiential luxury, enduring quality and incredible adventure, supported by an authentic dedication to personal service.

GROUP



SOUTH AFRICA



FINANCIAL

Property						
Gauteng						
Carnival City	91.2	1 100	–	37	105	571
The Maslow Sandton	100	–	–	–	281	126
Time Square	96.5	1 550	–	55	238	805
Western Cape						
GrandWest	61.6	2 500	–	82	103	911
The Table Bay	61.6	–	–	–	329	319
Golden Valley	61.4	197	–	4	98	125
KwaZulu-Natal						
Sibaya	87.2	1 213	–	50	154	691
Limpopo						
Meropa	67.6	342	–	18	58	161
North West						
Sun City	100	600	–	32	1 287	1 813
Northern Cape						
Flamingo	71.4	250	–	7	–	113
Eastern Cape						
Boardwalk	76.2	700	–	21	140	369
Wild Coast Sun	50.1	500	–	17	396	406
Free State						
Windmill	70	337	–	13	–	135
Alternate gaming						
Sun Slots	70	–	5 233	–	–	220
SunBet	100	–	–	–	–	107
Management						
Sun International Management	100	–	–	–	–	374
Total		9 289	5 233	336	3 189	7 246

¹ The group has one SunBet bookmaker licence in South Africa, and three bookmaker licences internationally.

² Economic interest excludes the interest held by the Sun International Employee Share Trust (SIEST).

REST OF AFRICA
NIGERIA





CHAIRMAN'S MESSAGE

SAM SITHOLE
Chairman

2023 represented a third consecutive year of revenue and earnings growth for Sun International, demonstrating the resilience of our business and the dedication of our people to delivery. Pleasingly, it was also a year in which the company made significant strides towards our key strategic objectives.

DELIVERING ON OUR STRATEGY

Sun International's ambition is to be South Africa's leading omnichannel gaming and leisure company. We have a focused strategy to achieve greater scale, through responsibly growing gaming revenue, both land-based and online. We continue to prioritise increasing free cash flow and disciplined capital allocation to maximise stakeholder value.

During 2023 Sun International's key priorities included driving operational performance, further de-levering the balance sheet, and delivering significant return of capital to shareholders through dividends.

Urban casinos showed resilient performance, achieving R6.7 billion income for the year. Our larger casinos, particularly GrandWest and Time Square, performed well, while our regional casinos' performances reflected the challenging macro environment. We continue to see resilience in casino income and drive margin protection strategies to maintain high levels of cash flow generation from this segment.

SunBet, the group's online business had a very impressive year with record earnings. Overall income was up 116.2% to R0.7 billion. SunBet is now a significant contributor to group earnings. With run-rate performance well ahead of our five-year plan, the board has set an even more ambitious target to more than triple GGR from the business to R3.0 billion by 2028, targeting approximately 10% of the fast-growing domestic online gaming market. We also continue to evaluate opportunities to grow the SunBet brand in selected markets in the rest of Africa incrementally.

Sun Slots delivered attractive returns, with the number of active LPMs increasing marginally to 5 233 at over 1 009 outlets. In the current year, Sun Slots remains poised to roll out its existing licenced slots, and consider selected further growth opportunities despite Sun Slots' footfall and game play being negatively impacted during the year by loadshedding.

Resorts and Hotels delivered an impressive performance supported by buoyant domestic leisure demand, increased conferencing and a recovery in international travel. Achieving record earnings from Sun City was a very important milestone for the group, as we rebased its operating cost structure to 2017 levels. I have great confidence that even as we make disciplined investments to maintain and enhance the resort's product offering, Sun City will continue to contribute meaningful positive cash flow to the group.

During the year, the board reaffirmed its strategic decision to focus on growing omnichannel gaming revenue, and announced the landmark acquisition of the Peermont Group in December 2023. Included in Peermont's 11 properties and online sportsbook located across South Africa and Botswana is the world class Emperors Palace Casino Hotel Convention Resort, which will augment our strategy to operate best-in-class gaming assets. The combination of Sun International and Peermont will provide an even more compelling equity story for our business, increased scale and greater capital markets visibility.

LEADING RESPONSIBLY

Our industry leading role driving the responsible gambling agenda is a focus area for our board. Sun International continues to support responsible gambling through the South African National Responsible Gambling Programme and by promoting responsible gambling at all our gambling properties. As custodians of Sun International's globally trusted brand, we strive to position the group at the forefront of international responsible gaming best practice.

The regulatory environment in the industry is evolving. Sun International is committed to the principals of responsible corporate citizenship and broad ownership in the industry. In line with these priorities, we are focused on enhancing our productive relationships with our regulators, host communities and minority partners.

Information security and customer data protection remains a top priority for Sun International. We have further strengthened the group's enterprise risk management framework and continue to monitor compliance with relevant regulations and industry standards.

Sun International's leadership team was stable in 2023, with no changes to the board or senior executive management during the year. We continue to assess the skills on the board against those we have identified as critical to support Sun international's strategy and focus on deepening executive management bench strength, particularly for scarce and critical skills to support our online growth ambition.

DOING BUSINESS SUSTAINABLY

Sustainability remains at the core of our business, facilitated by our ESG framework – Sustaining Sun. We have intensified our efforts in environmental management, community engagement, and ensuring a safe, ethical gaming environment. We endeavour to making a positive impact in every community where we operate.

Loadshedding remains an operational challenge for the group, and we welcome the government's plans to enhance on-grid electricity generation capacity. The adoption of a group alternative energy strategy, largely focused on photovoltaic solar solutions as well as battery storage, plans to mitigate the effects of loadshedding to ensure uninterrupted service delivery and protect margins.

The introduction of our Sustainability Linked Loan in December 2022 was a landmark event for the industry. During 2023 we achieved our targets on improving black women-owned supplier procurement spend, however fell marginally short of our targets for waste recycling and renewable energy generated. With enhanced waste management control procedures and additional solar projects anticipated in 2024, the group should achieve these targets going forward.

LOOKING AHEAD

The outlook for the business is positive. Our omnichannel portfolio of integrated businesses have a proven track record of delivering both defensiveness and growth, and our balance sheet remains strong, underpinned by a disciplined capital allocation framework.

We anticipate that the Peermont acquisition will be concluded in late 2024, enhance our large urban casino portfolio with the addition of Emperors Palace, unlock meaningful scale benefits across the combined business, and support our online growth strategy. Preparation for integration is well underway. In welcoming the Peermont team into the combined business, our immediate financial objectives will be to increase free cash flow generation, accelerate de-gearing and enhance equity value.

Sun International operates in a complex macro-environment impacted by global uncertainties, local economic challenges, and regulatory demands. We will continue to navigate this climate through responsive leadership, proactive management of operational risks, and a keen eye on both local and international developments that could impact the gaming and hospitality sectors.

APPRECIATION

Sun International's achievements during 2023 are a testament to the hard work of our highly experienced executive team and the unwavering commitment of all our employees. I extend my heartfelt thanks to my board colleagues, Anthony Leeming and his executive team, and the dedicated people of Sun International who provide world class guest experiences every day.

To our valued customers – we remain as committed as ever to our purpose to create lasting memories for you and your families.

To our regulators, host communities and suppliers – your partnership allows us to continually set new standards as the leading omnichannel gaming and hospitality group in South Africa for the benefit of all stakeholders.

Finally, to our valued shareholders – we appreciate your continued belief in the potential of Sun International and our to vision to unlock even greater value in this iconic company.

SAM SITHOLE
Chairman
30 April 2024

CHIEF EXECUTIVE'S REVIEW



ANTHONY LEEMING
Chief executive

Sun International remains at the forefront of innovation and excitement in the casino, gaming and hospitality industry. We are an omnichannel group where the world of gaming, including online is complimented by our world-class hotels and resorts. Every game played and every stay experienced is a testament to our commitment to providing memorable guest experiences. Gaming is at the heart of what we do. Our online platforms extend this experience beyond physical boundaries, while our omnichannel strategy facilitates a seamless experience for all customers, supported by responsible gambling.


FINANCIAL PERFORMANCE

Sun International's performance reflects the quality of its operating businesses, the resilience of its omnichannel portfolio and disciplined execution on strategy, which continues to drive shareholder value. Income for the year was up 7.0% from the prior year to R12.1 billion and South African adjusted EBITDA was up 3.0% to R3.4 billion. Adjusted headline earnings was up 4.6% on the prior year, to R1.1 billion, with adjusted headline earnings of 468 cents per share, up 5.9% on the prior year.

Overall, the gaming market in South Africa grew for a third successive year to R55.8 billion gross gaming revenue (GGR). Our gaming income, which makes up 76.8% of total group income, showed continued sustained growth with income up 3.3%. Casino income proved resilient and decreased by only 1.0%. Sun Slots' operations were impacted by loadshedding with income slightly behind the prior year. SunBet generated record income during the 2023 financial year, up 116.2% and is ahead of its aggressive growth targets set for this business. Resorts and hotels income achieved exceptional growth, increasing by 17.4%, with Sun City achieving record profitability and net positive cash flow contribution to the group.

The adjusted EBITDA margin was impacted by increased diesel costs of R60 million compared to the prior year and the relatively higher growth in income from resorts and hotels, which operates at a structurally lower margin than urban casinos. Overall, the adjusted EBITDA margin improved from 27.2% at the 2023 half year, to 28.1% for the full year. Excluding the impact of the net diesel costs attributable to loadshedding, the group would have achieved a 28.9% adjusted EBITDA margin. A renewable energy strategy is being implemented to protect margins and ensure energy security.

Our net external interest increased by 19.0% compared to the prior year as a result of JIBAR increasing by approximately 2.7%. The reduction in minorities' share of earnings is attributable to the strong performance of our wholly-owned subsidiaries, namely Sun City and SunBet.

 Refer to the chief financial officer's review on page 35 for more information on our financial performance.

OPERATIONAL HIGHLIGHTS

Urban Casinos

Our urban casino strategy is anchored on our core focus areas being customer acquisition and retention, customer experience and driving scale and efficiencies to protect margins. We have made considerable investments in each of these areas. Despite a challenging operating environment, due to loadshedding and the resultant increase in diesel costs, income was up 0.2% with adjusted EBITDA of R2.4 billion for the year. The adjusted EBITDA margin of 35.2% was down 2.3% on 2022. We continue to drive cost mitigation strategies, including the launch of the renewable energy programme, that is discussed on page 12.


Effective customer relations marketing and management ensures we understand our customer needs and trends in the gaming industry so that we stay competitive and relevant, promptly address feedback and maintain a positive brand image. Our customer relationship marketing strategy was implemented across all casinos in 2023. Our larger urban casinos changed their customer relationship marketing approach, incorporating customer behaviour considerations, which increased the frequency of rewards and introduced choice offerings. The customer relationship marketing strategy for 2024 aims to reassess all customer touch points, ensuring a seamless experience across all Sun International casinos. Throughout the year, our group-wide gaming tournaments (Slots Royale, Black Opal Baccarat and Black Pearl Roulette) added excitement to our gaming floors and tournament buy-ins grew by 13.4%. Going forward, we are investigating a Group Slots large scale promotion.

GrandWest's Grand Hotel's new 64 room extension opened in December 2023, bringing the total number of rooms to 103. Royal Sibaya's Hotel rooms were refurbished resulting in the hotel being elevated to a five-star luxury standard.

Our tailored VIP strategy continues to attract and retain our VIP customers and it differentiates us in the gaming market. We continue to enhance our VIP strategy and during the year we created three ranks within our Diamond Tier customers, with the treatment and management of top-ranked VIP casino customers being individualised and personalised. The VIP team has also been strengthened with additional resources, with one resource dedicated to our top-ranked customers. There was also an ongoing focus on gaming floor service improvements and privé enhancements that enhanced our customer attraction.

Sun International's Most Valued Guest (MVG) loyalty programme will celebrate its 30th birthday in 2024 and continues to command strong brand equity in the market. The loyalty programme achieved remarkable success, with over 453,000 members actively participating and reaping the rewards across all our products, services and offerings. During 2023, we welcomed over 93,000 new members to the loyalty programme, marginally down from 2022. This success is

underscored by a 100% redemption of casino points and an increase in leisure point redemptions on the prior year. Our hotel portfolio remains a preferred choice among our MVG members, with accommodation discounts experiencing a rooms revenue increase of 20% comparatively. Notably, there was a 12.5% annual increase in food and beverage discount transactions by our MVG members in 2023.

 Refer to urban casinos operational review on page 27

SunBet


SunBet has continued its strong growth trajectory and is exceeding its five-year targets. Overall income was up 116.2% on the prior year, to R733 million delivering a record adjusted EBITDA of R221 million (2022: R42 million). Active players continued to grow with additional games being offered and the overall player experience being enhanced. At the end of 2023, we achieved substantial growth in our key performance indicators (KPIs) against the prior year, which included:

Unique active players up	First-time depositors up	Deposits up
269.4%	286.6%	162.65%

SunBet offers the group significant and exciting growth potential and with this in mind, we continue to invest in people and marketing to significantly increase our share of the fast-growing online gaming market. We have made significant improvements to registrations, customer deposits and withdrawal processes as well as an overhaul of the customer contact centre. Our customers are now able to interact with us seamlessly and we are well positioned operationally for higher volumes of business.

We continue to leverage the Sun International brand, presence and loyalty offering to attract and retain players, while positioning SunBet as the most trusted and responsible gaming operator in Southern Africa. In a highly commoditised online industry, our competitive advantage lies in our ability to add value to the offering through the wider Sun International stable. We remain focused on aligning SunBet's marketing efforts with the rest of the group and leveraging off the group's omnichannel strategy as well as adding new products as regulation permits.

As SunBet celebrates its 13th year, we are pleased to announce the appointment of former Liverpool, Manchester United and England football star, Michael Owen, as the platform's brand ambassador. We look forward to the positive impact Michael Owen's score predictions, expert tips and insights will have on bringing more people onto the platform.

 Refer to SunBet operational review on page 31

OPERATIONAL HIGHLIGHTS CONTINUED

Resorts and Hotels

Our resorts and hotels had an exceptional year with strong growth in income and an encouragingly significant improvement in the adjusted EBITDA margin, following the significant work done on the cost base. Total resorts and hotels revenue was up 17.4% to R3.0 billion on the prior year. Overall, an adjusted EBITDA of R705 million was achieved, which is an improvement from the R555 million in the prior year. The adjusted EBITDA margin of 23.3% reflects a substantial improvement from the 21.6% achieved in the prior year and represents meaningful progress towards our margin targets.

Domestic leisure, conferencing and sports and events revenues continue to grow while international leisure business recovered strongly during the year. Within the segment, rooms and food and beverage income achieved exceptional growth, increasing 28.9% year-on-year. GrandWest maintained its occupancy level of 97% and Boardwalk increased its occupancy to 78%. The Table Bay achieved an exceptional occupancy rate of 72% while Sun City and Time Square's occupancies closed the year at 67%. The Maslow Sandton end-of-year occupancy was at 63%.

Ongoing refurbishments at our hotels, restaurants and public areas continue to yield positive results. Fifty-eight new Lefika Villas, inspired by African heritage and immersed in nature, opened at the end of 2023 with exceptional demand for this luxury product. Gross sales since inception to January 2024 was at R246 million, exceeding feasibility by 200%. Royal Sibaya's Hotel rooms were refurbished resulting in the hotel being elevated to a five-star luxury standard. Refurbishments to the Sun City Hotel will commence in 2024 and The Table Bay Hotel closes in March 2025 for major refurbishments and is planned to re-open in December 2025, as an internationally branded hotel, managed by Sun International.

☛ Refer to resorts and hotels operational review on page 33

Sun Slots

Sun Slots income was down 2.7% on the prior year, to R1.5 billion, and adjusted EBITDA reduced from R382 million to R351 million. Loadshedding remains the key contributor negatively impacting this business. However, several interventions have been deployed to counter the impact of power outages and loadshedding. Costs are also being closely monitored and managed to ensure the preservation of margins and overall improvements.

Despite constrained economic conditions and numerous forced site closures, limited payout machine (LPM) numbers grew by 1.45%, thereby increasing the LPM market share, due to new site licence approvals and activations. Grandslots continued to be the biggest gross gambling revenue generator country-wide, and Sun Slots has a pipeline of applications across all units for future site roll-outs.

☛ Refer to Sun Slots operational review on page 32

CUSTOMER CENTRICITY AND SATISFACTION

Customer centricity is crucial for Sun International, as it directly influences the overall customer experience, impacting loyalty, retention, and the bottom line. In such a competitive industry, where customers have countless choices, prioritising their needs and preferences will ensure that we differentiate our offering from our competitors, so that we remain a destination of choice. Therefore, we constantly need to innovate and create memorable experiences to attract and retain customers. Our omnichannel strategy forms part of our commitment to ensure that our customers can transact seamlessly and enjoy the benefits of both our land-based casinos and our online business, SunBet and resorts and hotels. This strategy enables us to incorporate various methods of product offering and marketing initiatives into our various communication and marketing channels as well as the MVG loyalty programme. We profile each customer's behaviour and use this data to provide bespoke product offerings and promotions, thereby enhancing customer loyalty and retention as well as increasing the share of spend of casino customers.

Customer satisfaction underpins our ability to refine the customer experience, maintain a competitive advantage, foster customer loyalty and drive business growth through informed strategic decisions. Our group customer satisfaction rating reached 80%, and our gaming satisfaction scores averaged 84%, both surpassing results of the previous year. To drive the correct performance behaviour, customer satisfaction scores are aligned to relevant employees' KPIs.

PEOPLE AND CULTURE

Our people are the heart of our operations. We continued to focus on employee development, diversity and inclusion, fostering an environment where talent thrives and innovation flourishes. Our Sun Wish campaign continues to make a difference in a deserving employee's life and our Sun Stars employee award programme continues to celebrate those employees living the Sun values to the fullest. Our community programmes, particularly those focused on education and economic empowerment, have made positive impacts, demonstrating our commitment to being a good corporate citizen.

EFFICIENCIES, SYSTEMS AND TECHNOLOGY

We maintained our focus on driving cost efficiencies across the business, simplifying operational processes and leveraging group technology platforms. The Playtech project that will replace our current Bally gaming system continued during 2023; however, there were delays due to the significant amount of development required to Playtech's base system. The revised completion date is 2026. This delay impacted the project to implement the Playtech IMS system into the SunBet online environment, and to build an omnichannel solution between the casino and online Playtech systems. The Sun International App, on the other hand, experienced excellent growth with a 66% increase in downloads and registrations compared to 2022. A transactional functionality was implemented, allowing our members to actively participate in draws and redeem vouchers at various outlets using digital functionality. Our strategic focus is to provide a robust platform that enhances the overall customer experience and facilitates easy accommodation booking and the seamless management of their loyalty journey with us.



PEERMONT ACQUISITION

The proposed Peermont acquisition is a unique opportunity to acquire the world-class and highly cash generative business. The strategic merits of the proposed transaction, include:

An enhancement in the quality of earnings and cash flow generation of the group, which is underpinned by the flagship Emperors Palace Resort.

An increase in the contribution of land-based and online gaming income to the combined group.

The opportunity to leverage off Sun International's SunBet management team's proven expertise to accelerate and further grow the online and sports betting business, through extending the group's omnichannel strategy across a scaled customer base.

The ability to leverage off combined synergies to drive margin enhancement opportunities and capital efficiencies.

The ability to conclude a transaction of scale, rapidly de-gear and maintain a dividend pay-out ratio.

The combination of Sun International and Peermont provides a compelling equity story, through increased scale, a larger enterprise value and greater capital markets visibility.

The proposed acquisition was put to a vote by shareholders at an extraordinary general meeting, which was held on 4 March 2024. Shareholders overwhelmingly approved the proposed acquisition. This proposed acquisition is now awaiting regulatory approvals and the fulfilment of the remaining conditions precedent.

www The full details of the proposed acquisition and circular can be found online at <http://corporate.suninternational.com/investors>.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Our ESG strategy aims to embed the principles of ESG across all facets of our business to ensure that we deliver sustained value creation. Our holistic ESG focus allows us to measure, monitor and evaluate our contribution towards minimising our impact on the natural and social environments within which we operate, while ensuring sustainable value creation for all our stakeholders.

We are also focused on reducing our group-wide environmental footprint and investing in green energy solutions to become a more energy-efficient and sustainable organisation. We are creating shared value for the communities in which we operate, through preferential local procurement, socio-economic development (SED) and corporate social investment (CSI) in-kind programmes, recognising that these communities give us our social licence to operate and are integral to our long-term sustainability. The board remains committed to promoting an ethical culture from the top down as well as actively engaging with stakeholders. We embrace the governance pillars of integrity, responsibility, fairness, transparency, honesty and accountability for all stakeholders, which assist in preserving our long-term sustainability so we can create stakeholder value.

ALTERNATIVE ENERGY STRATEGY

We continue to work on an alternative energy plan, largely focused on photovoltaic (PV) solar solutions as well as battery storage plans, to mitigate the effects of loadshedding. It has become clear that our units need a blended energy solution comprising of on-site PV solar and battery solutions, wheeling of green energy from Independent Power Producers (IPPs) and Eskom or municipal power.

At Sun City, we have installed a R18 million solar plant to reduce our reliance on the national grid. This installation, which will provide a source of energy to Sun Central and the Valley of Waves, will free up an equivalent of 14% of Sun City's electricity demand from Eskom, which will be to the benefit of the grid in the vicinity. In addition, we are currently installing PV solar solutions at Sibaya and Carnival City.

BALANCE SHEET STRENGTH

The group is in a strong financial position as it continues to de-gear, with South African debt (excluding IFRS 16 lease liabilities) at R5.7 billion, down from R5.9 billion as at 31 December 2022, with debt to adjusted EBITDA at a comfortable 1.7 times. The debt levels take into account the payment of the 2022 final dividend of R632 million and the interim dividend of R388 million.

MAXIMISING SHAREHOLDER VALUE

The board declared a final gross cash dividend of 203 cents per share totalling R532 million, bringing total dividends for the year to 351 cents per share totalling R920 million and equating to a dividend yield of 9.0% as at 15 March 2024. This is in line with Sun International's dividend strategy to provide its shareholders with an appropriate, sustainable pay-out over the long term, while maintaining a targeted debt to adjusted EBITDA ratio of 2 times and a dividend pay-out ratio of 75% of adjusted headline earnings per share.

OUTLOOK

Our results once again demonstrate that Sun International has a unique integrated portfolio of high-quality gaming and hospitality businesses, that will continue to deliver sustainable earnings and position us well for growth.

We are executing effectively on our omnichannel strategy and are focused on extracting further operational efficiencies as we look to protect and grow our income and margins. While the economy and loadshedding is placing pressure on our urban casinos, trading levels at the start of 2024 have improved marginally and our LPMs operations are demonstrating continued resilience. SunBet is achieving significant income growth and is exceeding KPIs. This strong momentum is expected to continue with another substantial increase this year as the business expands rapidly. Our resort and hotel properties have continued to perform exceptionally well, and we anticipate another good year from them in 2024. Overall, we are seeing positive growth in both income and adjusted EBITDA.

Our balance sheet remains strong and positions us to continue delivering industry leading cash returns to shareholders. While we anticipate that the proposed acquisition of Peermont may be concluded this year, we do not expect it to have a significant impact on our 2024 financial performance. In the meantime, we will be focused on comprehensive integration planning and positioning the combined group to deliver earnings and cash flow accretion with comfortable levels of gearing immediately post completion.

Leveraging off our current momentum and proven leadership, we are confident our strategy will continue to yield exceptional results.

APPRECIATION

Thanks to the board and my executive team, who continue to provide wise counsel and support as well as to all employees whose unwavering support continues to deliver excellence, drive innovation and create value for all our stakeholders. Together, we are set to embark on another year of exciting opportunities, challenges and achievements.

ANTHONY LEEMING

Chief executive

30 April 2024



OPERATING ENVIRONMENT

Our operating environment continues to be influenced by external and internal factors that are not always under our control. Significant factors include the economy, South Africa's infrastructure, global and regional industry trends (gaming and hospitality) and regulation. This operating environment constantly informs and shapes our strategy as we adapt to these trends and navigate our way forward.



Economy

South Africa continued to experience a tough economic environment. The International Monetary Fund (IMF) is forecasting GDP growth of 1.0% in 2024. Risks to growth remain to the downside due to uncertainties surrounding loadshedding, transport infrastructure, fading global growth momentum, high unemployment rates, rising debt levels, fuel price increases, international supply chain disruptions and low investor confidence levels.

Consumers remain highly constrained, grappling with high interest rates and elevated unemployment, which continues to weigh heavily on consumer confidence.

The possibility of unease leading up to the 2024 national and provincial elections in South Africa exists. The rand exchange rate will remain volatile.

The global economy continues to recover slowly from the impacts of the pandemic. However, the Russia-Ukraine war and the more recent Israel-Hamas conflict as well as the cost-of-living crisis, continue to dampen global growth. The IMF is forecasting global growth of 3.1% in 2024 and 3.2% in 2025. These projections remain below the historical (2000-2019) average of 3.8%.

OUTLOOK

We anticipate that the economic environment will remain challenging. However, we remain optimistic that we are well positioned to deal with these challenges and that our business is agile in response to changing economic conditions. While urban casinos and LPMs are expected to remain under tough trading conditions we believe income will be resilient. We anticipate SunBet will continue its strong growth trajectory while our hotels and resorts are expected to deliver another good year.

KEY FACTS

South Africa	2022	2023 ¹	2024 ¹
GDP	1.9%	0.6%	1.0%
Inflation	6.9%	5.8%	4.8%
Unemployment rate	33.5%	31.9%	32.1%

GDP and inflation source: IMF's World Economic Outlook October 2023 and January 2024.

1 Projections.

GROUP RESPONSE

We continue to put measures in place to drive income and ensure we provide excellent customer service through our products and experiences, so that our casinos, resorts, hotels, LPMs and online offering remain relevant and a destination of choice. We continually look at ways to engage with our employees and this year we completed our employee engagement survey with 75% participation. Customer engagement and service, ongoing investment in our properties, offering new games, optimising cost structures and driving margins as well as managing our balance sheet remain a focus. Where feasible and aligned with our strategy, we continue to focus our portfolio on large urban casinos, with the ability to drive value-enhancing strategies across smaller regional assets and exploring online opportunities across the African continent. Specific points to note include:

- ✓ Improved use of data and analytics to grow market share.
- ✓ Reducing debt levels and managing unutilised facilities of R2.3 billion.
- ✓ Ongoing strategic capital allocation.
- ✓ Exploring and implementing renewable energy options to reduce reliance on fossil fuel energy, with emphasis placed on full back-up generation to mitigate effects of loadshedding (page 12).
- ✓ Opened 58 luxury timeshare Lefika Villas at Sun City to increase domestic leisure footfall.
- ✓ Opened an additional 64 hotel rooms at GrandWest's Grand Hotel.
- ✓ Completed refurbishments of Wild Coast Sun Privé, Royal Sibaya Hotel, Sibaya Lodge (4th floor) and the Sibaya Privé.
- ✓ Additional/new concessionaires at Sibaya, Wild Coast, Sun City and Time Square.
- ✓ Enhanced online offering and improved marketing capability.

South Africa's infrastructure

South Africa's infrastructure remains a challenge for businesses and consumers. South Africa's national electricity grid has been plagued by challenges leading to ongoing loadshedding, which continues to severely impact businesses and consumers. While our units have generators, the cost of diesel is having an impact on our margins and profitability. The ongoing loadshedding also poses safety and security concerns for our patrons, particularly at our Sun Slots operations.

Road infrastructure plays a critical role in South Africa's economy. It makes it possible to transport goods and services, but it also enables movement of people, enhancing productivity within the economy. Efficient transport infrastructure is vital for our gaming and hospitality industry, and the challenges in road, and air transport in particular, negatively impact footfall at our land-based properties.

Water scarcity and interruptions in supply constitute another critical infrastructure challenge. Loadshedding also impacts the ability to pump water.

The increasing pressure on businesses to operate sustainably also means extra costs for businesses to retrofit or upgrade venues to be more eco-friendly.

Reliable internet and telecommunications are essential for our gaming and hospitality businesses, especially with the rise of online gaming and digital bookings.

OUTLOOK

South Africa's national power grid remains unstable as loadshedding continues, placing businesses and consumers under financial and social pressures.

Apart from loadshedding impacting the ability to pump water, South Africa's water security is of concern due to the failure to adequately address the country's water infrastructure.

We continue to responsibly manage our natural resources and our approved renewable energy plan aims to reduce our reliance on the national power grid.

GROUP RESPONSE

- The group is in constant engagement and collaboration with government to invest in national and regional infrastructure. Specific focus has been placed on access roads to Sun City, the Pilanesberg airport and the Pilanesberg Game Reserve. We also continue to focus on our alternative energy and water solutions as noted below.
- ✓ Various renewable energy options were identified and implemented to reduce reliance on energy suppliers, with emphasis placed on full back-up generation to mitigate the effects of loadshedding:
 - R150 million capital expenditure was approved by the board to invest in renewable energy solutions.
 - On-site solar PV solutions for Sibaya and Carnival City will be operational in 2024.
 - The Maslow Sandton's 1MW battery energy storage solution became operational in March 2024.
 - Sun Central's rooftop solar 1.6MW PV installation was commissioned end July 2023.
 - Further PV solutions are being investigated at Sun City in particular.
 - Finalising energy wheeling solution.
 - ✓ ENVIRO-AMBITION 2025 in place to enable sustainable environmental management.

Gaming industry

The South African gaming market share has experienced robust growth over the last 13 years, due to the exponential rise in online gaming, particularly during the pandemic lockdown period. New products in the online gaming environment continue to bring direct competition to traditional gambling establishments. Illegal gambling remains prevalent and is difficult to control, with law enforcement having limited impact.

Consumers’ disposable incomes remain constrained, due to ongoing rising costs and inflation, high unemployment and other socio-economic factors.

GROUP RESPONSE

- We continue to invest in people, marketing and our omnichannel approach to increase our share of the fast-growing online gaming market. Our innovative gaming and marketing promotions, events and group gaming tournaments have contributed to a growth in casino market share. Specific points to note:

 - ✓ SunBet entering new geographies in Africa – the group concluded a 70% investment in a Mauritian company, which has online sports betting and casino licences to operate in Ghana, Zambia and Kenya.
 - ✓ Employed a dedicated group customer relationship management (CRM) team to drive a behaviour-based rewards CRM strategy.
- ✓ Ongoing gaming promotions, with specific focus on group gaming tournaments such as the SunBet Poker Tour.
 - ✓ Launched Sun International’s new payoff line – Love Every Moment.
 - ✓ Enhanced on-the-floor entertainment and activations.
 - ✓ Leveraged the entertainment arenas at GrandWest and Time Square.
 - ✓ Refreshed and improved our MVG loyalty programme and aligned marketing efforts with SunBet.
 - ✓ Strengthened the central office VIP team to focus on current and potential VIP customers.

OUTLOOK

Our casinos continue to generate significant revenue and cash flow. SunBet continues to grow strongly as it increases its share of the online gaming market.

We will continue to leverage our CRM strategy and our MVG programme to increase our active customer base and drive additional visits.



Hospitality industry

South Africa’s domestic leisure travel has exceeded pre-pandemic levels and conferencing, exhibitions and events demand is still growing.

Globally, inflation pressures and the wars in Ukraine and Gaza are affecting global travel demand patterns. Encouragingly, international travel and tourism demand into Cape Town continued its upward trend in 2023. Airlift capacity into Johannesburg is still not at pre-pandemic levels, which is impacting international arrivals into Johannesburg. The weaker rand has positively impacted the uptick in international tourism. Demand from China is still muted due to the visa application process. Once this improves, we should see a swift return to pre-pandemic arrivals from this country.

Transient corporate travel still lags pre-pandemic levels, due to hybrid work arrangements in many industries.

GROUP RESPONSE

- The group continues to invest in property upgrades and refurbishments, as well as product offerings, to ensure we attract and retain our customers. We are capitalising on an increase in conferencing demand and local leisure travel through focused sales efforts and digital marketing. We continue to leverage our resorts and hotels for MVG and VIP customers. There is also a strong focus on sports and events at resort properties.
- Specific points to note:

 - ✓ The Sun City Sun Vacation Club was expanded with the opening of 58 luxury Lefika Villas in the last quarter of 2023.
 - ✓ Planning is underway for the Sun City Hotel refurbishment, to commence in 2024 for a two-year period.
 - ✓ In discussions with the V&A Waterfront (Pty) Ltd to secure the longer-term future of The Table Bay Hotel, beyond the February 2025 lease agreement expiry.

OUTLOOK

Our hotels remain well placed to host all guests (local and international) and ensure safe and memorable experiences. The increased airlift to South Africa, Cape Town in particular, continues to boost international travel and tourism.

The Sun City Hotel will be refurbished over a two-year period commencing mid-2024.

We aim to secure a longer-term future for The Table Bay Hotel.



Regulation

The gaming sector is complex and heavily regulated. Critical legislation impacting our business is listed below and the group’s response is detailed under the enterprise risk management section on [Page 22](#).

Relocation of casino licence in the Western Cape [Page 23](#)

Non-renewal of Boardwalk licence by the Eastern Cape Gambling and Betting Board [Page 24](#)

Smoking legislation [Page 24](#)

OUTLOOK

Sun International continues to monitor regulatory developments and comply with all relevant legislation. We continue to engage relevant regulatory bodies and mitigate, where possible, relevant legislative risks.

KEY FACTS

- The Department of Trade and Industry (dti)** authorises the issuing of casino licences. In 2015 the dti increased the number of South African casino licences from 40 to 41, which is under appeal.
- The National Gambling Board (NGB)** oversees the regulation of South Africa’s gaming industry.

41 authorised casino licences in South Africa, and **39 have been issued**. Each province has its own gaming legislation and provincial licensing authority.



OUR CAPITALS AND KEY PERFORMANCE INDICATORS

Measuring KPIs is essential for effective strategic management. It provides the necessary feedback loops, promotes accountability, facilitates informed decision-making, and ultimately contributes to the success and sustainability of the business in a competitive landscape.

The tables below indicate the group’s material KPIs per capital and how they link to our strategic objectives and SDGs.

CLICK TO SEE
THE STRATEGIC
OBJECTIVES AND
SDG ICONS

KPI	2023	2022	Link to strategic objective	Link to SDG
<div><div>FC</div><div>FINANCIAL CAPITAL Our source of funds includes debt and equity, which we allocate to our business operations, including running costs, property refurbishments and maintenance and strategic acquisitions.</div></div>				
Adjusted EBITDA (R billion)	3.4	3.3	SO4	SDG 8
Adjusted attributable profit (R million)	1 142	1 091		
Adjusted headline earnings cents per share (cps)	468	442		
Group debt (R million)	6 540	6 647		
Debt to adjusted EBITDA (times)	1.7	1.8		
<div><div>PC</div><div>PRODUCTION CAPITAL Our unique properties form the bricks and mortar where our business activities are carried out to ensure we offer our guests a memorable experience. Our unused land also creates opportunities for development.</div></div>				
CAPEX (R million)	1 241	1 042	SO4	SDG 8
Properties (number)	14	14	SO3 SO5	SDG 11
<div><div>HC</div><div>HUMAN CAPITAL Our people are the primary interface with our guests and the custodians of the memorable experience we strive to offer our guests.</div></div>				
Diversity, equity, inclusion and belonging				
Training and development spend (R million)	84	84	SO1 SO2 SO3 SO5	SDG 4
Employee turnover rate (%)	10.3	11.1	SO1	SDG 8
Black* representation (%)	94.6	93.9	SO1 SO5	SDG 5 SDG 10
Female representation (%)	58	58		
Health, safety and wellness				
Lost time injury frequency rate (LTIFR) per 200 000 employee hours worked (rate)	0.98	1.04	SO1 SO2 SO5	SDG 3
Total recordable injury frequency rate (TRIFR) per 200 000 employee hours worked (rate)	1.28	1.65		
Total injury frequency rate (TIFR) per 200 000 employee hours worked (rate)	4.70	7.31		
Total work-related fatalities (number)	1	0		

KPI	2023	2022	Link to strategic objective	Link to SDG
<div><div>IC</div><div>INTELLECTUAL CAPITAL Our intellectual capital includes our gaming licences, innovation, brand and know-how, which provides our licence to operate and cultivates a wealth of management expertise and innovative IT.</div></div>				
Gaming licences (number)	19	19	<div>SO3SO4</div>	<div>SDG 8</div>
Land-based casino licences (number)	12	12		
Sun Slots route operators (number)	6	6		
SunBet bookmaker licence (number)	1	1		
<div><div>NC</div><div>NATURAL CAPITAL Our business activities depend on natural resources, particularly land, water and energy. Some of our properties are situated in pristine environments rich in biodiversity, which we protect and preserve.</div></div>				
Carbon emissions (Scope 1 and 2) (tonnes CO ₂ e)	210 468	219 273	<div>SO3SO5</div>	<div>SDG 13</div>
Grid electricity consumption (kWh)	183 599 298	195 146 801		<div>SDG 7SDG 12</div>
Renewable energy generated (kWh)	1 070 480	0		<div>SDG 13</div>
Water usage (withdrawals) (kl)	3 705 193	3 453 785		<div>SDG 6SDG 13</div>
Waste generated (kg)	6 933 703	7 278 120		<div>SDG 12SDG 13</div>
<div><div>SC</div><div>SOCIAL AND RELATIONSHIP CAPITAL Our guests, shareholders, employees, communities, gambling boards, government and regulators are key stakeholders, and we actively engage and manage these stakeholder relationships to build trust and promote a shared value proposition.</div></div>				
Socio-economic development spend (R million)	32.9	27.6	<div>SO5</div>	<div>SDG 11SDG 12</div>
Corporate social investment (R million)	4.7	5.3		
Supplier development (R million)	57.8	42.3	<div>SO1SO5</div>	<div>SDG 8</div>
Enterprise development (R million)	14.2	12		

* African, Indian and Coloured.

VALUE CREATION BUSINESS MODEL

Our four businesses operate in a dynamic environment, employing the six capital resources in a balanced manner across all our business activities. This results in outputs and outcomes that contribute to either value creation, preservation, or potential erosion over time. Our business model is underpinned by the group’s robust governance and enterprise risk management processes and influenced by various internal and external factors.

CLICK TO SEE THE CAPITALS AND STAKEHOLDER ICONS





STAKEHOLDER ENGAGEMENT

Stakeholder relationships impact directly and indirectly on our business and reputation. Our stakeholder engagement approach ensures that we continue to create and/or add stakeholder value in our operating environment. Sun International encourages constructive stakeholder feedback through the group’s various communication channels.

Our group-wide stakeholder engagement approach allows for ongoing key stakeholder engagement in an open and transparent manner. Achieving our five strategic objectives depends on our ability to proactively engage with and respond to our stakeholders. Our various engagement methods include online and face-to-face interactions, formal and informal communication platforms, social media, results presentations, reports and our annual general meeting. We also engage through our marketing campaigns, digital platforms, advertising, electronic media, newsletters, events and roadshows. We conduct regular surveys among our guests and employees, with the aim of continually improving service delivery, guest experience and employee satisfaction.

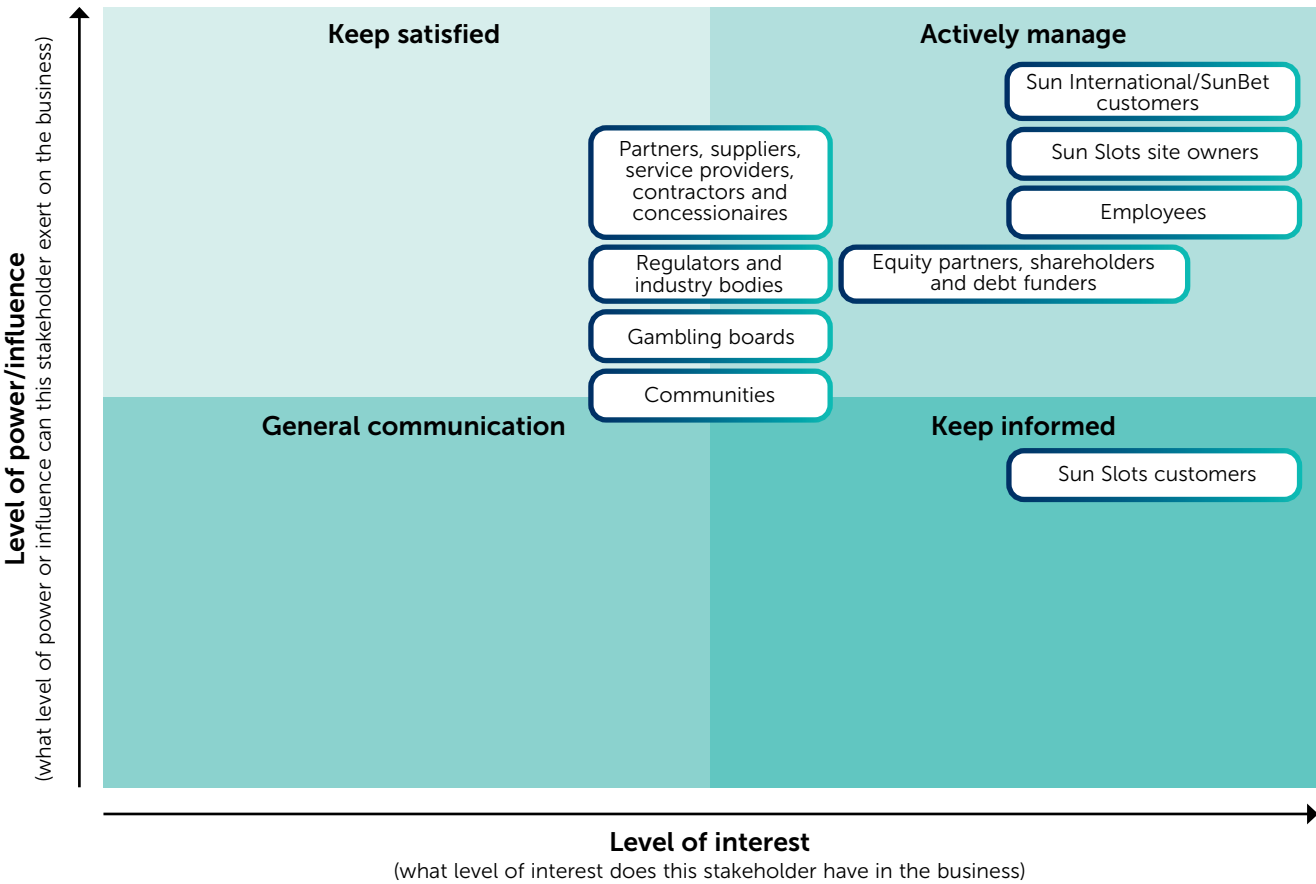
ENGAGEMENT PROCESS

We annually assess our stakeholder universe based on stakeholder influence, legitimacy and the urgency of their concerns. This engagement process allows us to identify any material concerns and opportunities that may exist, and to purposefully engage to resolve and build on these matters and acquire a better understanding of our stakeholders’ needs. The risk and social and ethics committees provide oversight of the group’s stakeholder engagement and are responsible for keeping the board abreast of material matters arising.



Focused engagement within the communities in which we operate is particularly important, as most of our properties are situated within or close to surrounding communities. Stakeholder concerns and demands, particularly from communities and local suppliers, continues to increase as the socio-economic environment weakens. Cultivating positive relationships with these stakeholders ensures that Sun International strives to offer shared value and sustainable socio-economic development (SED) opportunities.

The matrix alongside provides a consolidated view of the group’s stakeholder mapping including SunBet and Sun Slots.





Customers, guests and site owners

(site owners apply to Sun Slots)
have a direct impact on our financial sustainability, and we constantly need to innovate and create memorable experiences, to remain relevant and attract and retain our guests.

Methods of engagement

- Sun International App
- Customer surveys
- Online booking engine
- Digital communication platforms
- Sun MVG loyalty programme
- In-room TVs
- Media releases
- Website
- Social media
- Face-to-face engagements
- Hosted events

Value add

- Stringent safety protocols at all operations
- MVG loyalty programme that can be managed on the Sun International App
- Focused VIP teams at all our casinos to attend to the needs of our high-spending casino customers
- Rewarding our loyalty members through our Global Hotel Alliance affiliation
- Enhancing customer service and experience through new product offerings
- Creating memorable experiences
- Streamlining the customer experience with the new online booking engine

KEY STAKEHOLDER CONCERNS	ACTIONS TO ADDRESS CONCERNS
Ongoing customer concerns on health and safety protocols at our operations	<ul style="list-style-type: none">• Industry-leading health and safety protocols
Customer service complaints and perception of value	<ul style="list-style-type: none">• Focused VIP teams at our casinos• Learning and development programmes for employees to enhance customer service• Innovative product offerings• Focused refurbishments and upgrades• Customer surveys and proactive customer feedback• SunStars employee recognition and reward programme
Inconsistent customer communication around our facilities and service offerings	<ul style="list-style-type: none">• Customer surveys and staff training• Launched Sun International App and upgraded our online booking engine• Branding and marketing campaigns• Focused MVG communication
Limited discretionary spend in a tough economic climate	<ul style="list-style-type: none">• Promotional offers to encourage footfall
Customer information privacy	<ul style="list-style-type: none">• Compliant with the Protection of Personal Information Act (POPIA) and the General Data Protection Regulation (GDPR)



Employees

are the heart of our business and the primary interface with our guests and the custodians of the memorable experience we strive to offer them.

Methods of engagement

- Sun Talk
- Social media
- Email notifications
- Face-to-face meetings
- Podcasts
- Ongoing training – online and face-to-face

Value add

- Building on the SunWay culture and employee value proposition
- SunStars employee recognition and reward programme
- Proactively engaging and supporting employees through our wellness programme
- Ongoing training and development
- Retaining and attracting key skills
- Ongoing talent management

KEY STAKEHOLDER CONCERNS	ACTIONS TO ADDRESS CONCERNS
Temporary Employee/Employer Relief Scheme (TERS) payments not being paid on time	<ul style="list-style-type: none">• Ongoing engagement with Department of Labour concerning unpaid TERS claims
Sun International's viability and sustainability	<ul style="list-style-type: none">• Regular dialogue on the Sun Talk platform between leadership and employees• Focus on operational efficiencies to reduce costs group-wide
Employees' wellbeing	<ul style="list-style-type: none">• Wellness programmes in place to provide employee counselling and support• Supporting remote working opportunities• Ongoing leadership podcast messages
Transformation progress	<ul style="list-style-type: none">• Focusing on the group's diversity strategy and diversity policy• Focusing on implementing an equal pay for equal work strategy• Tracking the group's progress on transformation related to our employment equity plan
Attracting and retaining critical skills	<ul style="list-style-type: none">• Ongoing succession plans implemented across the group with a specific focus on critical skills



Gambling boards

provide our legal licence to operate and guide the group on how best to create shared value for the communities where we operate. They also provide oversight on the gaming industry to ensure a fair and responsible industry.

Methods of engagement

- Virtual and face-to-face meetings
- Written correspondence

Value add

- Supporting South Africa's economy by creating jobs and supporting empowerment opportunities through our SED and corporate social investment (CSI) spend, which are linked to gaming revenue generation and licensing conditions
- Ensuring the collection of gaming levies and taxes
- Uplifting small, medium and micro enterprises (SMMEs) through the awarding of limited payout machines (LPMs) licences, which result in the creation of additional income streams
- Creating co-operative interactions with regulators

KEY STAKEHOLDER CONCERNS	ACTIONS TO ADDRESS CONCERNS
Compliance with licence requirements	<ul style="list-style-type: none">• Ongoing monitoring of compliance to ensure we maintain our licences to operate
Responsible gambling	<ul style="list-style-type: none">• Support responsible gambling through financial contributions to the South African Responsible Gambling Foundation (SARGF)
Outstanding legal disputes between gaming regulators and the group	<ul style="list-style-type: none">• Engaging with the respective gaming regulators to resolve all outstanding legal disputes
Illegal gambling	<ul style="list-style-type: none">• Engaging with various stakeholders, including the National Gambling Board (NGB), provincial gambling boards, SAPS and the Specialised Investigations Unit to identify illegal gambling activities and to institute criminal action against offenders
Slow pace of phase 1 LPM industry roll-out	<ul style="list-style-type: none">• Stronger collaborations between licensees, regulators, state organs and suppliers in addressing industry bottlenecks



Communities

form an integral part of our operating environment as they provide our social licence to operate. It is imperative to create shared value for these communities to sustain our operations.

Methods of engagement

- Site visits
- Virtual meetings
- Local small, medium, and micro enterprises (SMME) workshops
- Community business forums
- Stakeholder face-to-face meetings
- Written correspondence
- Community business forums
- SED committees

Value add

- Building strong relationships and positively impacting on local communities
- Supporting local initiatives and creating employment opportunities – hosted career expos at units
- Identifying local procurement opportunities to benefit surrounding communities
- Develop and train SMMEs by hosting incubation workshops
- Creating sustainable project opportunities
- Supporting community upliftment

KEY STAKEHOLDER CONCERNS

Supporting communities needs in the areas where the group operates

ACTIONS TO ADDRESS CONCERNS

- Enhancing community stakeholder engagement opportunities
- Ongoing SED and CSI contributions
- Approving special SED projects to support the immediate needs of communities where we operate
- Support through mitigating and minimising hunger and poverty
- Assisting in improvement of government infrastructure within schools
- Collaborating with local government departments to identify needs and gaps
- Creating a platform for women engagement and support, specifically in supply chain

- Lack of tendering and procurement opportunities, particularly for black women-owned businesses
- Compliance with basic registration and supplier processes

- Sun International's portal for suppliers to register their businesses
- Participating in community business forums
- Reviewing procurement processes and inviting black women-owned businesses to stakeholder engagement sessions

- Reduced local procurement, lack of competitive pricing and job opportunities
- Access into further enterprise and supplier development opportunities to develop business

- Group and unit-specific engagement and request for proposal (RFP) opportunities
- Providing adhoc local job opportunities and training
- Feasibility study and research conducted on community needs within local procurement to scope key issues and attain solutions
- Partnering on an enterprise and supplier development fund with the National Empowerment Fund
- Ongoing ring-fencing of contract value for local partners in spend categories, where feasible



Regulators and industry bodies

provide the guidance within which we are required to operate, and industry bodies provide a platform to influence policy and legislation. This continues to create value for all stakeholders within the confines of the law.

Methods of engagement

- Written submissions
- Face-to-face and virtual meetings
- Regulatory disclosures and submissions

Value add

- Remaining abreast of any legislation change and/or new legislation
- Ongoing compliance with all relevant regulation

KEY STAKEHOLDER CONCERNS

- Non-compliance with relevant legislation
- Ongoing sustainability of the industry

ACTIONS TO ADDRESS CONCERNS

- Ongoing monitoring of legislative changes directly impacting the group
- Ongoing lobbying with relevant industry bodies including the Casino Association of South Africa (CASA) and bookmaker associations to inform and shape our regulatory landscape
- Internal and external compliance audits on relevant legislative aspects



Equity partners, shareholders and debt funders

provide us with the financial resources to deliver on our strategic objectives and create shareholder value.

Methods of engagement

- Interim and year-end financial results presentations
- Business updates on SENS
- Circulars, integrated annual report
- Virtual and face-to-face meetings
- Participation in investor conferences
- Monthly and quarterly financial submissions to lenders
- AGM
- Written correspondence
- Media – press releases and interviews

Value add

- Ensuring acceptable shareholder returns on investments
- Ensuring short-term liquidity and optimal capital structures
- Optimising cost of debt and transactional banking
- Ensuring sound corporate governance
- Improving lender insights into the group's financial and ESG performance, risks, opportunities and strategy

KEY STAKEHOLDER CONCERNS

The group's long-term business sustainability and return on investment and ensuring an acceptable dividend flow

ACTIONS TO ADDRESS CONCERNS

- Ensuring all operational and growth strategies are well communicated and implemented
- Improving the group's liquidity position and strengthening the balance sheet
- Complying with all good governance requirements
- Dividend payments

Current debt and liquidity levels

- Maintaining the group's liquidity position
- Strengthening the balance sheet
- Capital allocation framework in place



Partners, suppliers, service providers, contractors and concessionaires

provide support to ensure that we do not operate in isolation, thereby maximising the potential value creation. These stakeholders also provide the necessary supplies, services and systems to enable the group to conduct its business activities and improve the overall guest experience.

Methods of engagement

- Emails
- Telephone calls
- Face-to-face and virtual meetings
- Procurement notice board
- Workshops

Value add

- Ongoing enterprise supplier development (ESD) contributions (monetary and non-monetary) to empower smaller businesses and service providers
- Creating a pipeline of suitable businesses in the group's supply chain
- Partnering with local business to leverage synergies
- Providing market linkage opportunities for suppliers to obtain additional procurement opportunities from other corporates

KEY STAKEHOLDER CONCERNS

Limited work and tender opportunities

ACTIONS TO ADDRESS CONCERNS

- Ongoing work to deliver a fully functional tender bulletin board and e-sourcing tool for requests for quotations (RFQs)
- Ongoing unit-specific engagements with relevant local suppliers
- Hosting supplier conferences to help capacitate local SMMEs
- Ongoing work to improve functionality of current supplier portal for more efficient searching of suppliers



ENTERPRISE RISK MANAGEMENT

At Sun International, we recognise that our ability to manage our risks and opportunities, is key to business sustainability and delivering on our strategic objectives. The group’s enterprise risk management (ERM) process focuses on identifying and minimising the impact of the key risks facing the business in the geographies and economic sectors in which the group operates.

ERM is a strategic tool that adds value to the group by aligning our strategy, processes, people, technology and knowledge with the purpose of evaluating and managing the uncertainties we face in protecting and creating value. By maintaining a defined level of risk management, risk governance and assurance, we can provide the business with the information it needs to effectively manage its risks, leverage its opportunities, and continually take the corrective action that will allow it to deliver on its business strategy and objectives.

RISK PHILOSOPHY

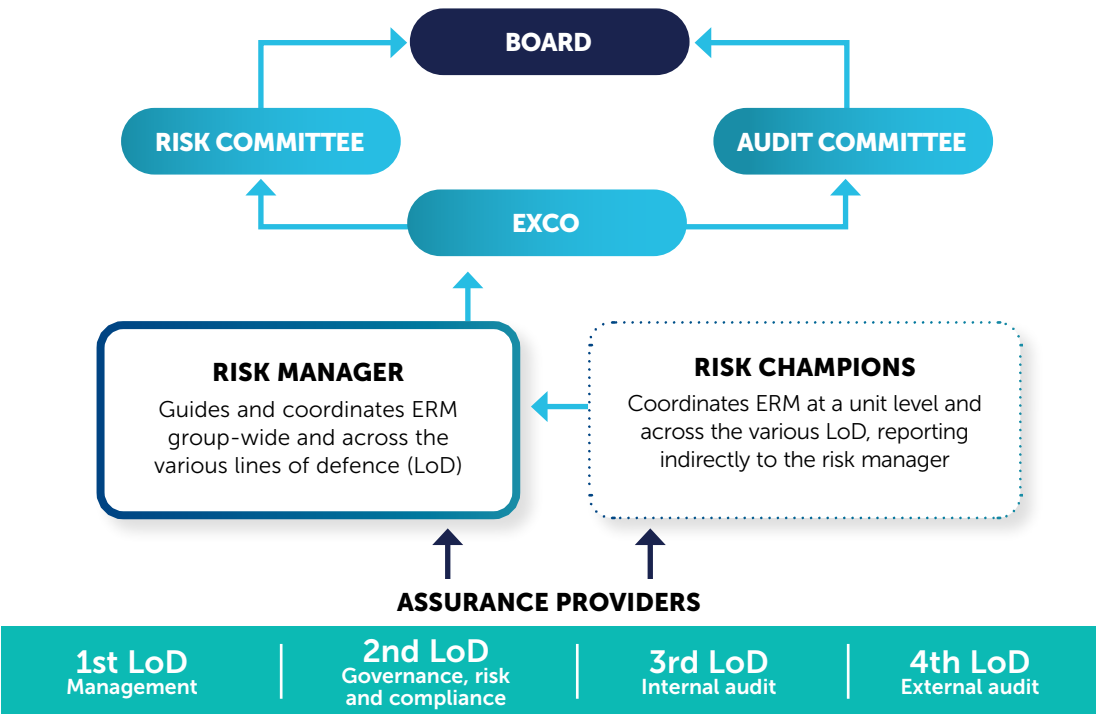
The group’s risk philosophy is one of openness and transparency, built on the principles of integration, consultation, engagement, and evaluation against best practice. This philosophy embraces the volatile nature of risk and aims to ensure that management is aware of the internal or external threats and opportunities that could impact business performance. This ensures informed strategic decision making that drives business performance, creates value and prevents value erosion for all stakeholders.

Risk maturity

To ensure the realisation of the group’s risk philosophy, an integrated ERM framework that is aligned to the ISO 31000:2018 standard for risk management was developed and approved in March 2023 by executive management (exco) and the board. The approved ERM framework and group risk maturity was benchmarked by an independent assurer against the ISO 31000:2018, Committee of Sponsoring Organisations standards for risk management, and other best practice guidelines. The outcomes of the assessment indicated that the group’s risk maturity is well managed, and we continue to review and improve our risk management approach.

GOVERNANCE OF RISKS AND OPPORTUNITIES

Risk governance and combined assurance



The board is ultimately responsible for the governance of the group’s risk management process and approving the group’s risk appetite and tolerance levels. The board discharges its duties by mandating specific risk management duties and responsibilities to the group’s risk committee, chief executive and exco, which includes ongoing oversight of the Sun International activities related to ERM. To execute our duties and responsibilities, management has committed to implementing ISO 31000 as the foundation for our risk management approach. The exco is collectively responsible for the compilation and continual review of the group’s risk register, which is tabled at each risk committee meeting for discussion as well as ensuring that the risk management culture and process is effective, inclusive and embedded throughout the group.

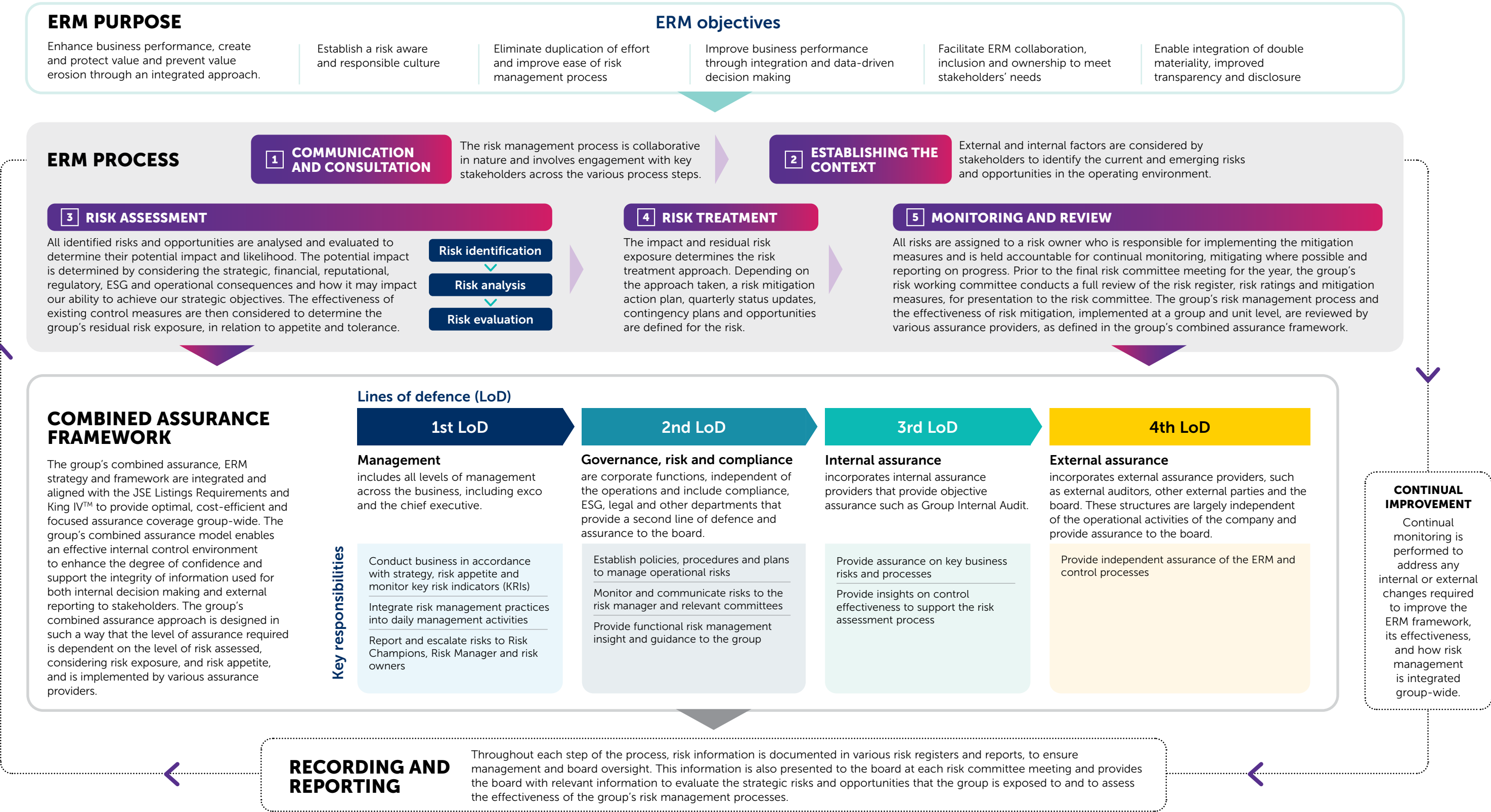
The risk committee chairman reports to the board following each meeting, in accordance with the committee’s terms of reference. The committee’s mandate provides that material matters are reported to the group’s audit committee to ensure that the committee has appropriate insight into the group’s material risks and opportunities and to avoid duplication of matters within the remit of both these committees. The board, through the audit and risk committees, considers the risks and opportunities the group may face. It also seeks assurance from the risk committee chairman that the risks have been assessed and mitigations are in place. The audit committee chairman is a member of the risk committee. The interaction between these two committees is such that the audit committee has an oversight role, specifically in relation to financial reporting risks.

Risk appetite and tolerance

The board approves the group risk appetite annually, based on an assessment of the various risks contained in the group risk register, and ensures that the group is positioned to achieve its strategic intent. The group’s risk appetite is defined as the level of risk and risk combinations that the group is prepared to accept or tolerate, to create value and achieve its strategic objectives. A quantitative measurement is currently applied to measure risk appetite and tolerance. This process considers the impact and likelihood of a risk occurring, as well as the existing management actions and controls that mitigate a threat or leverage an opportunity. Where the residual risk of exposure exceeds the defined risk appetite, management intervention is required to mitigate or control these risks through appropriate and economically viable mitigating measures, failing which the risk should be avoided or eliminated where possible.

MANAGING OUR RISKS AND OPPORTUNITIES FOR SUSTAINABLE VALUE CREATION

The group’s ERM framework (depicted below) enables an effective, standardised, structured, and comprehensive approach to risk management through integration, engagement, leadership and accountability.



TOP 10 RISKS

The table below identifies the group’s top 10 risks as at 14 March 2024. These risks are discussed in detail and include Sun International’s level of control, key stakeholders impacted and the primary board committee(s) responsible for oversight.

⬅ Constant ⬆ Increased ⬇ Decreased

Risk ranking and description	Residual risk	Change in ranking from 2022	2022 risk rating	Strategic objective	ESG materiality	Material themes	Lines of defence
R 1 Weak economic conditions	Extreme	⬅	(2022: 1)	SO2 SO4 SO5	Financial performance	• Macroeconomic environment	<div>1234</div>
R 2 Utility supply and efficiencies	Moderate	⬅	(2022: 2)	SO2 SO4 SO5	Energy and water security	• Macroeconomic environment • Environment and social sustainability	<div>1234</div>
R 3 Relocation of casino licence in the Western Cape	Moderate	⬆	(2022: 4)	SO4 SO5	Financial performance	• Regulatory environment • Competitive dynamics	<div>1</div>
R 4 Cyber threats and information security	Within appetite	⬆	(2022: 5)	SO1 SO3 SO4 SO5	Financial performance	• Customer centricity • Regulatory environment • Digital transformation • Corporate responsibility	<div>1234</div>
R 5 Playtech implementation	Within appetite	⬆	(2022: 6)	SO2 SO3 SO4 SO5	Product stewardship	• Customer centricity • Digital transformation • Corporate responsibility	<div>12</div>
R 6 Non-renewal of Boardwalk licence	Within appetite	New risk in top 10	(2022: 12)	SO1 SO4 SO5	Financial performance	• Regulatory environment	<div>1</div>
R 7 Smoking legislation	Within appetite	⬅	(2022: 8)	SO3 SO4 SO5	Financial performance	• Customer centricity • Regulatory environment	<div>1</div>
R 8 Increase in gaming taxes and levies	Within appetite	⬆	(2022: 17)	SO4 SO5	Financial performance	• Regulatory environment	<div>1</div>
R 9 Amendments to gaming legislation	Within appetite	⬆	(2022: 19)	SO4 SO5	Compliance	• Regulatory environment	<div>1</div>
R 10 Political and civil unrest	Within appetite	⬇	(2022: 3)	SO1 SO3 SO4 SO5	Financial performance	• Macroeconomic environment	<div>1</div>

SO1

People and culture

SO2

Operational excellence

SO3

Customer centricity

SO4

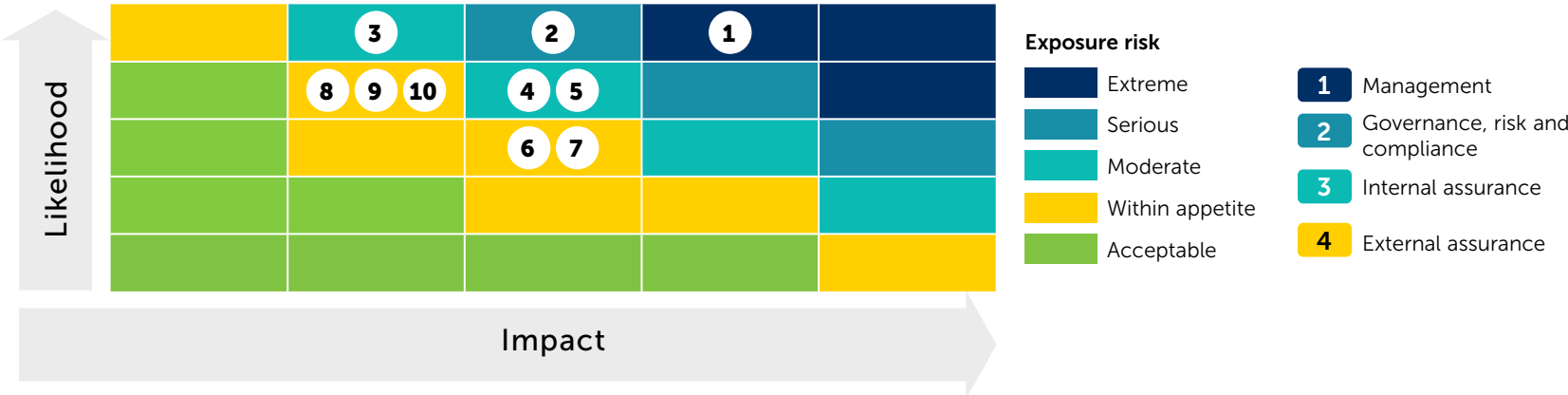
Maximise shareholder value

SO5

Environmental, social and governance (ESG)

Risk heat map

The risk heat map alongside depicts the group’s risks in terms of severity and the likelihood of these impacting the group.



TOP 10 RISKS continued

RISK 1 Weak economic conditions		(2022: 1)
DESCRIPTION <p>The macro-economic outlook remains under pressure. Key factors impacting the economic climate and growth include loadshedding, increased interest rates and inflation, higher fuel prices, socio-economic decline, transport bottlenecks which include the debilitating strike at Transnet's rails and port operations, and the deterioration of critical infrastructure.</p> OPPORTUNITIES <ul style="list-style-type: none">Implementing a new gaming system (Playtech) in a phased approach which will enhance our customer experience and drive efficiencies.	MITIGATION <ul style="list-style-type: none">Ongoing focus on improving operational and resource efficiencies as well as cost containment across the group.Ongoing strengthening of our balance sheet.Optimising capital allocation and capital expenditure.Focus on improving our customer experience and engagement through various initiatives.	Risk category <p>Financial</p>
		Sun International's level of control <p>Limited</p>
	OUTLOOK <ul style="list-style-type: none">The weak economic climate is set to continue. Crime, corruption and unrest also remain a concern and continue to impact our local economy. South Africa's energy supply remains fragile with loadshedding set to continue in the foreseeable future. Possible unease leading up to the 2024 national elections has resulted in a weaker outlook for the rand exchange rate.	Primary board committee <p>Risk and audit committees</p>
		Key stakeholders <p>Shareholders and potential investors and employees</p>



RISK 2 Utility supply and efficiencies		(2022: 2)
DESCRIPTION <p>Water and electricity supply constraints persist due to natural disasters and municipal/state-owned entity failure to supply these resources. Ongoing loadshedding has created pressure on electricity supply and increased electricity tariffs, including the cost of diesel which are impacting operating costs. There is a stock and skills shortage pertaining to generator servicing and repairs as generator capacity is being stretched with increased loadshedding. There has been a noticeable change in Sun Slots customers' behaviour due to safety concerns around loadshedding. While drought conditions in the Eastern Cape have eased, water scarcity throughout South Africa remains a risk.</p> OPPORTUNITIES <ul style="list-style-type: none">Identification of feasible renewable energy projects/solutions (solar and wheeling) that align with our renewable/alternate energy strategy. Borehole opportunities are being explored at Carnival City, Sun City and Sibaya.	MITIGATION <ul style="list-style-type: none">Sustainability awareness campaigns are being driven at a unit level. Water <ul style="list-style-type: none">All units have implemented bulk water meters to monitor incoming water consumption.Ongoing water infrastructure maintenance is being done at various units.A reverse osmosis plant at Boardwalk is fully operational and is being used for consumption in our hotel and casino, cooling towers, and for irrigation. Energy <ul style="list-style-type: none">A board-approved group renewable energy strategy and alternate energy plan to invest R150 million in green energy projects is in place. The 1.6 Megawatt Peak (MWp AC) solution atop the Sun Central roof went live in August 2023 and a 1MW battery storage solution was installed at The Maslow in February 2024.All units have implemented bulk electricity meters to monitor electricity and high consumptive areas.An approach for tracking generator diesel cost consumption and kWh is being implemented to ensure oversight of this cost impact. OUTLOOK <ul style="list-style-type: none">The group remains responsible in its energy and water resource usage and continues to implement its renewable energy strategy and ongoing sustainability awareness campaigns group-wide.	Risk category <p>ESG</p>
		Sun International's level of control <p>Medium</p>
		Primary board committee <p>Risk committee, social and ethics committee</p>
		Key stakeholders <p>Shareholders and potential investors, employees, customers</p>

RISK 3 Relocation of casino licence in the Western Cape		(2022: 4)
DESCRIPTION <p>The Western Cape High court recently ruled in favour of Tsogo Sun and compelled the Western Cape Gambling and Racing Board (WCGRB) to consider an application for relocation. It however suspended its decision for one year for the WCGRB to enact a new regulatory regime, which will expressly allow the WCGRB to approve applications to relocate casinos in the Western Cape. The Western Cape Provincial Government applied for an extension to the one-year period to allow for all regulatory processes for the introduction of the new regime to be followed. Subsequently, Tsogo Sun brought an application before the WCGRB for the relocation of the Caledon Casino. The group objected to the relocation and has been invited to submit a procedural legal framework within which the public hearings will be heard.</p> OPPORTUNITIES <ul style="list-style-type: none">The Grand Hotel extension of 64 rooms was completed in December 2023, which will assist in our VIP customer strategy for both local and out of town customers.Further non-gaming opportunities are being explored to increase footfall to GrandWest.The casino floor is continually being refreshed in terms of product and the customer experience to remain a preferred casino and entertainment destination in the Western Cape.	MITIGATION <ul style="list-style-type: none">Proactively engaging with the Western Cape Premier and national government to discuss relocation and the possibility of licence exclusivity.Substantive objections were made by the group against the relocation. OUTLOOK <ul style="list-style-type: none">Various applications and court rulings have been made between the WCGRB and Tsogo Sun and there is a likelihood of a public hearing process during 2024.	Risk category <p>Financial</p>
		Sun International's level of control <p>Limited</p>
		Primary board committee <p>Risk committee</p>
		Key stakeholders <p>Gambling boards, provincial government, shareholders and potential investors</p>

TOP 10 RISKS continued

RISK 4 Cyber threats and information security		(2022: 5)
DESCRIPTION <p>Increasing interconnectivity and ‘commercialisation’ of cybercrime are driving greater frequency and severity of cyber incidents, including data breaches and loss of data. Cyber threats to customer data, intellectual property and/ or the defacing or disablement of critical services are leading to system unavailability and business disruption. Loss of data due to unauthorised disclosure, cyber-attacks perpetrated by ransomware, phishing and other malware attacks are also a risk. Lack of operational security management such as training and awareness, ineffective patch management, use of outdated and unsupported software, or inadequate web security could lead to system compromise and increased breaches. Mitigation measures are actively being implemented.</p>	MITIGATION <ul style="list-style-type: none">• A vulnerability management practice is in place to provide reporting, monitoring and execution of identified threats across the application and infrastructure landscape.• Independent internal and external penetration testing has been conducted to understand current threats and vulnerabilities.• An identity and access management project was implemented in 2023 to enhance our access governance processes. This included improved logical and privileged access management processes with additional multi-factor authentication tools to ensure we have visibility of appropriate access rights and manage the risk of unauthorised changes.• Employee training and awareness, particularly in high-risk areas is ongoing.• Our remote working security protocols to combat new threats has been enhanced.• Privacy practices and controls to meet regulatory requirements have improved.• Revised our cyber insurance cover to ensure appropriate first responder and ransomware conditions are met.	Risk category <p>Strategic</p>
		Sun International’s level of control <p>Medium</p>
		Primary board committee <p>Risk and audit committee</p>
		Key stakeholders <p>Employees, shareholders and potential investors</p>
	OUTLOOK <ul style="list-style-type: none">• We are constantly assessing our threat landscape to ensure our information security management systems are effective and robust to deal with evolving threats.• We continue to partner with various organisations to help with our detection and response capabilities of increasing ransomware threats in South Africa.• We continue to enhance our employee awareness and communication regarding phishing attempts and business email compromise.• Enhancing our cloud security controls as we investigate more digital technology solutions.	

RISK 5 Playtech implementation		(2022: 6)
<div>DESCRIPTION</div> <p>The group is migrating its gaming platform Bally to Playtech in a phased approach. Risks associated with a project of this nature and scale include ensuring the functionality is fit for the Sun International business, that data is migrated from the existing platform accurately, regulatory compliance is obtained, and that it is deployed correctly with adequate service delivery. In addition, the group is also moving from Bede to Playtech IMS for SunBet and will build an omnichannel solution to seamlessly link the two.</p>	<div>MITIGATION</div> <ul style="list-style-type: none">• Playtech has strict project deadlines with penalties if any deadlines are not met. It will be rolled out in a phased approach (2025 and 2026) and will run in parallel with Bally during the roll-out. We will start with one casino and only roll it out to other casinos once we are satisfied that Playtech can support our business.• A project team has been allocated from gambling, marketing, IT and business support to ensure that the project is delivered. This is underpinned by extensive project governance structures.• SunBet has a separate project team working within the overall project structure to deliver on key areas of the IMS implementation. This project timetable is being reviewed due to delays in delivery of the casino system.	
	<div>OUTLOOK</div> <ul style="list-style-type: none">• A new project timetable will be finalised to ensure the delivery of a more functional and modern gaming platform to improve the business.• The omnichannel solution between land-based casinos and SunBet will allow our customers to move between the two environments seamlessly using the same wallet and loyalty programme.	
	<div>Risk category</div> Strategic	
	<div>Sun International's level of control</div> Medium	
	<div>Primary board committee</div> Risk committee	
<div>Key stakeholders</div> Shareholders, gambling boards, customers, employees		

RISK 6 Non-renewal of Boardwalk licence		(2022: 12)
<div>DESCRIPTION</div> <p>The non-renewal of the Boardwalk Casino licence by the Eastern Cape Gambling and Betting Board.</p>	<div>MITIGATION</div> <ul style="list-style-type: none">• Our partner in the Boardwalk and Sun International has been in ongoing discussions with the Eastern Cape Provincial Government with regards to its licence.• Sun International and its partners have agreed to the sale of Trust shares, which is currently before the gaming board for approval.	<div>Risk category</div> <div>Strategic</div>
		<div>Sun International's level of control</div> <div>Medium</div>
		<div>Primary board committee</div> <div>Risk committee</div>
		<div>Key stakeholders</div> <div>Shareholders, gambling boards</div>
<div>OUTLOOK</div> <ul style="list-style-type: none">• We will continue to have ongoing negotiations with the Eastern Cape Gambling and Betting Board to retain our Boardwalk licence.		

RISK 7 Smoking legislation		(2022: 8)
DESCRIPTION <p>The promulgation of the draft Control of Tobacco Products and Electronic Delivery System Bill, 2018 introduces a ban on smoking (including e-cigarettes) in public areas (both indoor and outdoor areas). This legislation will have a significant impact on group casino income and property infrastructure. Three public hearings were concluded in 2023 on the matter.</p>	MITIGATION <ul style="list-style-type: none">• We continue to engage with Casino Association of South Africa (CASA) and lobby with the gambling boards, trade unions and other affected corporates. Our attorneys, on behalf of all CASA members, drafted a submission to the committee setting out that the provisions of the Bill should be amended to include less restrictive measures. CASA will ensure that its members’ objections are tabled.	Risk category Regulatory compliance
		Sun International’s level of control Limited
		Primary board committee Risk committee
		Key stakeholders Employees, customers, health authorities and shareholders
		OPPORTUNITIES <ul style="list-style-type: none">• Proactive internal investigations are underway to identify opportunities for casino floor optimisation and leveraging our omnichannel capabilities.
OUTLOOK <ul style="list-style-type: none">• The group continues to lobby and coordinate efforts with other affected industries and provide comments where applicable.• The group’s legal department continues to monitor government gazettes and media statements.		

TOP 10 RISKS continued

RISK 8 Increase in gaming taxes and levies (2022: 17)		
<div><div>DESCRIPTION</div><div>An increase in gaming taxes, levies and fees further erodes gaming revenues nationally. The Gauteng, Western Cape, KwaZulu-Natal and North West provincial gaming boards have implemented and/or proposed increases to gaming taxes and levies.</div></div>	<div><div>MITIGATION</div><div><ul style="list-style-type: none">The group maintains a watching brief on national and provincial regulations and changes.We continue to engage through CASA and legal counsel to institute formal objections and appeals in respect of proposed amendments.</div></div>	<div><div>Risk category</div><div>Financial</div><div><div>Sun International's level of control</div><div>Limited</div></div><div><div>Primary board committee</div><div>Risk committee</div></div><div><div>Key stakeholders</div><div>Shareholders, gaming boards, CASA and provincial government</div></div></div>
<div><div>OPPORTUNITIES</div><div><ul style="list-style-type: none">The Constitutional Court confirmed the unconstitutionality of the North West Gambling Act. This allows the group to claim for overpayment in gaming taxes.</div></div>	<div><div>OUTLOOK</div><div><ul style="list-style-type: none">The group continues to proactively engage more constructively with gaming boards regarding gaming taxes and levies.</div></div>	

RISK 9 Amendments to gaming related legislation (2022: 19)		
<div><div>DESCRIPTION</div><div>Government amends existing gambling laws or introduces new gambling laws that are and onerous on the group's businesses. Recent developments include introducing rules that obligate licensees to implement onerous internal controls and adhere to more onerous requirements for the responsible gambling slogan in the Western Cape. Amendments to gambling legislation have been proposed in North West, Northern Cape, Eastern Cape and KwaZulu-Natal. Amendments to rules surrounding the recovery of fees associated with routine compliance work have also been proposed in KwaZulu-Natal.</div></div>	<div><div>MITIGATION</div><div><ul style="list-style-type: none">The group maintains a watching brief of proposed amendments to gaming legislation and responds through CASA in respect of gaming rules and legislation amendments.</div><div><div>OPPORTUNITIES</div><div><ul style="list-style-type: none">The group continues to explore opportunities to license online casinos through existing casinos.</div></div><div><div>OUTLOOK</div><div><ul style="list-style-type: none">The group continues to closely monitor proposed gaming legislation amendments.</div></div></div>	<div><div>Risk category</div><div>Regulatory</div><div><div>Sun International's level of control</div><div>Limited</div></div><div><div>Primary board committee</div><div>Risk committee</div></div><div><div>Key stakeholders</div><div>Investors and shareholders, regulators, government</div></div></div>



RISK 10 Political and civil unrest (2022: 3)		
<div><div>DESCRIPTION</div><div>The rising fuel price, higher inflation, loadshedding, high unemployment, poor service delivery and political instability all make the country vulnerable to civil unrest. There is also an increase in tax on our Sun Slots properties and crime at site owners.</div></div>	<div><div>MITIGATION</div><div><ul style="list-style-type: none">Increased security arrangements and business interruption plans at properties.Sun Slots incorporated safety training into their service offering.SASRIA insurance cover is in place but limited to R500 million.</div><div><div>OPPORTUNITIES</div><div><ul style="list-style-type: none">A group security and surveillance manager has been appointed to co-ordinate security and surveillance efforts at all our properties.Engaging with security companies to obtain early warnings of potential riots.Improving community and stakeholder relationships.</div></div><div><div>OUTLOOK</div><div><ul style="list-style-type: none">The group continues to closely monitor the socio-economic climate, as South Africa's economic inequality could lead to future political and civil unrest.</div></div></div>	<div><div>Risk category</div><div>Financial</div><div><div>Sun International's level of control</div><div>Limited</div></div><div><div>Primary board committee</div><div>Risk and audit committees</div></div><div><div>Key stakeholders</div><div>Employees, customers, shareholders, suppliers, communities</div></div></div>

OPERATIONAL REVIEW

Our four businesses – **Urban Casinos, SunBet, Resorts and Hotels and Sun Slots** – are purposefully connected by our omnichannel strategy, and driven by our people, to seamlessly serve our customers. The group is stronger than ever, well positioned and well-equipped to maximise shareholder value.

- **Strategically** located operations across the country
- **Strong cash** generator for the group
- **Defending and growing** market share
- **Operations and margins** improved
- **Attractive** returns

- **Premium** South African sports betting brand
- **New leadership** appointed to drive growth
- **Well positioned** to capitalise on strong online gambling growth
- **Leveraging** Sun International brand and presence
- **Complementing** but not cannibalising land-based operations

URBAN CASINOS

SUNBET

RESORTS AND HOTELS

SUN SLOTS

- **Focused** portfolio of iconic South African properties
- **Property** improvements made
- **Improving** operations and margins
- **Enhanced** customer experience
- **Distinctive** customer experience

- **Superior service** offering
- **Strong relationships** maintained at quality sites
- **Well placed** for further growth in South Africa
- **Africa expansion** under trial

Urban Casinos

Our urban casinos are strategically located across South Africa and are a strong cash generator for the group. We continue to defend and grow our market share, improve operations and margins. Our properties are well maintained to meet our customers’ expectations.

Geographic location

- Gauteng

1. Time Square

2. Carnival City

Free State

3. Windmill

Limpopo

4. Meropa

KwaZulu-Natal

5. Sibaya
- Eastern Cape

6. Boardwalk

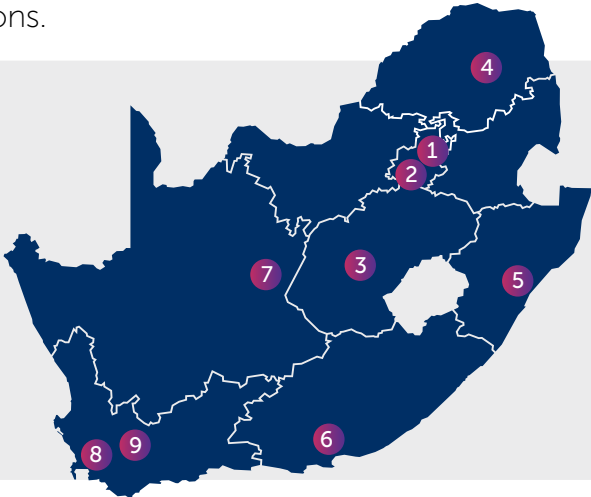
Northern Cape

7. Flamingo

Western Cape

8. GrandWest

9. Golden Valley



Operational plan

Our operational plan is anchored on three core focus areas.

Customer acquisition and retention

Our improved use of data and analytics, combined with a selective focus on certain market segments, will allow us to remain competitive. We will focus on an enhanced customer relationship management programme which will focus on customer behaviour. The implementation of Playtech as our new casino management system will enhance the management of customer value and data analytics. It is our intention for Playtech to be implemented in SunBet as well as at our urban casinos, again strengthening our omnichannel approach. The ongoing development of our Sun International App will also improve the effectiveness of our direct marketing.

Customer experience and VIP guests

Our omnichannel approach will allow us to reward our customers with special offers at other properties in the Sun International portfolio, utilising the MVG loyalty programme. This allows us to offer a seamless customer experience, behaviour-based rewards, offer group-wide promotions and provide an unparalleled VIP experience. This will enhance customer loyalty and increase the share of spend of casino customers.

Our dedicated and focused VIP team will focus on the group spend and value of customers. We will continue to maintain our position as the home of casino tournaments and entertainment. We continue to review our offerings in our casino privés and improve our ageing gaming product, to enhance our VIP customer experience.

Margin improvement

We continue to right-size our operations and drive margin improvements to generate strong cash flow. This includes outsourcing non-profitable operations, replacing slot machines and other casino equipment, driving cost efficiencies, simplifying operational processes, implementing upgrades to systems and leveraging group technology platforms. Loadshedding continues to impact on our margins through higher diesel costs and generator maintenance. We are implementing a renewable energy plan to mitigate some of these excessive costs.

Growth and outlook

A continued focus on market share growth and margin protection will ensure we continue to generate strong cash flow. A key group priority is to ensure properties are optimised and well maintained to meet the high standards promised to our customers. A focused customer relations management (CRM) plan will enhance customer loyalty through behaviour-based rewards, supported by an exciting promotions and entertainment plan and a world-class VIP experience.

PERFORMANCE OVERVIEW

Urban Casinos

Boardwalk

Income
R529 million
(2022: R482 million)

Adjusted EBITDA
R129 million
(2022: R112 million)



Slots
700
(2022: 700)



Tables
21
(2022: 21)



Rooms
140
(2022: 140)

Boardwalk successfully repositioned itself as the entertainment precinct of Nelson Mandela Bay by opening the refurbished and significantly upgraded Boardwalk Mall, a world-class lounge and restaurant, refreshing the casino floor, adding more tables product in the privé and enhancing our gaming promotions. To address our water scarcity challenge, we implemented a licensed reverse osmosis water plant, where groundwater is harvested for use in the hotel and casino.

Our marketing and out-of-town VIP strategy has also improved the unit’s gaming performance. These efforts resulted in a notable gaming market share increase in 2023. The food and beverage business demonstrated strong performance, particularly in banqueting, which experienced heightened demand for conferencing throughout 2023. The unit’s commitment to efficiency also contributed to the pleasing improvement in food and beverage profitability.

In 2024, the unit will be gearing up for the launch of a precinct gaming-linked promotion, leveraging the growing footfall in the Boardwalk Mall. Boardwalk remains dedicated to providing an unparalleled entertainment experience while adapting to emerging trends and challenges in the industry.



CASE STUDY

Boardwalk Hotel and Casino’s sponsorship realised a dream for a former South African cricketer, Malibongwe Maketa, of providing the Walmer Township youth with cricket nets, to inspire growing participation in cricket within the township. This safe and fun environment also creates an opportunity for young people to build friendships, participate in exercise and organised team sports, and create a pathway for a professional cricket career for talented players. Maketa aspires to grow this into a hub, supported by Cricket South Africa, to create a pipeline of players for Eastern Province Cricket.



PERFORMANCE OVERVIEW continued

GrandWest

Income
R1 884 million
(2022: R1 830 million)

Adjusted EBITDA
R597 million
(2022: R613 million)



Slots
2 500
(2022: 2 302)



Tables
82
(2022: 46)



Rooms
103
(2022: 39)

GrandWest: The sluggish economy and ongoing loadshedding is impacting our customers' disposable income. We are actively driving footfall through a dynamic marketing and promotions calendar, coupled with the implementation of a new VIP reinvestment strategy. GrandWest is engaged with socio-economic development initiatives to enhance Sun International's brand reputation. The Grand Hotel's new 64-room extension was opened on 1 December 2023. This brings our Grand Hotel inventory to 103 rooms, incorporating additional amenities such as a spa, gym and pool.

GrandWest's exclusivity remains under threat. Public participation has concluded, and the Gaming Board is currently reviewing objections regarding the relocation of an outlying casino licence to the new Helderberg zone. If approved, GrandWest's exclusivity zone will be reduced from 75km to 25km. The management team remains vigilant and committed to navigating these challenges, while upholding the standards of excellence that define GrandWest. We continue to explore further development opportunities to generate additional footfall to the GrandWest precinct. For more detail, refer to the risk section on [Page 23](#).



CASE STUDY

Valhalla High School, located in a socio-economically disadvantaged area, is over 40 years old, with more than 800 learners. Many of the learners come from homes where one parent is employed or, in some cases, no parent works and the family primarily depends on a social grant. In 2021, the Peninsula School Feeding Association, GrandWest and Breadline for Africa donated a fully fitted kitchen to feed the learners, which for some learners is the only meal they receive for the day. GrandWest has committed to assist in revamping the consumer studies classroom. This upgrade included various appliances, utensils, furniture and repainting the classroom. The handover took place in June 2023 with a cook-off activation between the consumer studies learners from Valhalla High School and Excelsior High School.



Time Square

Income
R1 506 million
(2022: R1 453 million)

Adjusted EBITDA
R508 million
(2022: 509 million)



Slots
1 550
(2022: 1 550)



Tables
55
(2022: 55)



Rooms
238
(2022: 238)

Time Square enjoyed another positive year with hotel occupancy increasing to 67.5%. Food and beverage revenues experienced an increase of 15.7%, while other revenues, including those from the arena, experienced a substantial increase of 50.3% on 2022. The hosting of numerous local and international conferences and events in the arena significantly contributed to the overall higher revenues. Gaming revenues were impacted by the lower hold in slots, resulting in slots revenues being 2.1% lower than the prior year. Tables achieved growth of 8.4% as a result of an increase in privé drop. The lower hold percentage in slots had a slight impact on the gaming market share, which was at 16.5%, showing a marginal decrease year-on-year. To enhance Time Square's family-oriented offerings, a new bowling alley with an expanded Magic Company offering and two additional fast-food outlets were opened. Despite facing higher levels of loadshedding throughout the year, resulting in increased diesel spend, the overall EBITDA was in line with the prior year. Time Square remains committed to providing a diverse and engaging experience for its customers while navigating challenges and sustaining growth.



CASE STUDY

Time Square will be supporting the Mamelodi East Pre-Vocational School, through funding and resources, over the next three years. This is aligned to Time Square's promise to create shared value by supporting initiatives that lead to sustainable communities. Since adopting the school in 2018, Time Square has invested R452 070 on enhancing the learning environment through projects like providing a fully equipped consumer studies classroom and a sewing and embroidery classroom. This initiative aligns with Sun International's Adopt-a-School programme, that is focused on upgrading hospitality classrooms at schools in underprivileged communities. The aim is to properly equip learners who want to pursue a career in the hospitality sector, which faces a skills shortage.



PERFORMANCE OVERVIEW continued

Carnival City

Income
R845 million
(2022: R901 million)

Adjusted EBITDA
R198 million
(2022: R220 million)



Slots
1 100
(2022: 1 100)



Tables
37
(2022: 37)



Rooms
105
(2022: 105)

Carnival City's trading has been challenging due to the softening in spend of our top casino customers. Activity on the casino main floor has been sluggish largely due to pressure on customers' disposable income. Aggressive marketing campaigns were introduced in the second half of 2023 to stimulate footfall and bring about additional gaming revenue. The EBITDA margin was under pressure due to R11 million in additional diesel costs as a result of loadshedding and additional promotional and VIP costs to stimulate revenue. A 1.4MW PV solar solution will be operational in 2024 to mitigate the effects of loadshedding and reduce diesel costs.

The Carnival City lifestyle estate was launched in the first quarter of 2023, and once the developer meets the required level of pre-sales, construction will commence. The refurbishment of the exterior facade, which commenced in 2023, will be completed as planned in 2024.

The Big Top has been rebranded to the SunBet Arena and an exciting entertainment calendar is being planned for 2024 to drive additional footfall and activity at the property. The restructuring of food and beverage has been completed and a specialist operator is being sourced to refresh and operate Bru's as an exciting entertainment bar and restaurant.

CASE STUDY

Pollen Ndlanya, a former Bafana Bafana, Kaizer Chiefs and Orlando Pirates player, has coordinated and hosted the Festive Soccer Games in Daveyton since 2000, with the aim of creating opportunities for talented but disadvantaged youth. Carnival City, the Ekurhuleni Municipality, the Gauteng Provincial Government and Ndlanya have all invested in this event, that has already produced professional soccer players. In 2023, the tournament attracted several top teams around Ekurhuleni and outside of our designated region.



Sibaya

Income
R1 287 million
(2022: R1 355 million)

Adjusted EBITDA
R428 million
(2022: R491 million)



Slots
1 213
(2022: 1 213)



Tables
50
(2022: 51)



Rooms
154
(2022: 154)

Sibaya's trading results were negatively impacted by increased loadshedding resulting in additional diesel costs and the weak economy putting pressure on customers' disposable income. Despite revenue challenges, our focus remained on protecting margins through cost-saving initiatives, reviewing service provider contracts and extracting efficiencies. The VIP tables market experienced heightened pressure as customers either self-excluded or reduced gambling levels. Positively, Sibaya paid out the largest slots jackpot (R13.1 million) in the history of Sun International.

Major refurbishment projects were undertaken, including elevating the Royal Sibaya Hotel rooms to a five-star luxury standard. The upper-floor rooms and breakfast area of Sibaya Lodge, the privé entrance, lounge and bar facility were upgraded, and the conference centre offering was refreshed. The property's retail offerings were also enhanced, featuring a new signature restaurant and popular food brands catering to the family market, significantly improving the overall property experience. Looking forward to 2024, Sibaya plans further refurbishments to the privé gaming areas and the five-star Royal Sibaya Hotel breakfast and dining room. The non-gaming offering is also being reviewed to enhance entertainment options for our customers.

The KwaZulu-Natal (KZN) Provincial Government gazetted changes to the casino directives, which allows for two additional licences in KZN. One of these licences will be allocated to Zone 1, which impacts casinos in KZN. For more detail, refer to the risk section on Page 25

CASE STUDY

In alignment with its social responsibility commitment, Sibaya invested R10 million in initiatives to combat gender-based violence (GBV) and femicide. These included funding women training and empowerment programmes, infrastructure upgrades for GBV shelters and the construction of 28 park homes at various South African Police station sites across KZN to house GBV survivors. Women at these shelters received support from Sibaya through facility upgrades and skills development programmes. Counselling and group therapy sessions are also held to assist GBV survivors in dealing with trauma and to promote healing in a safe environment.



PERFORMANCE OVERVIEW continued

Regional casinos

These casinos include Meropa (Limpopo), Windmill (Free State), Flamingo (Northern Cape) and Golden Valley (Western Cape). Challenging economic conditions continue to place stress on the performance of the regional casinos. The decrease in total revenue was 2.5% (2022: 25.9% increase) and adjusted EBITDA decreased by 28% (2022: 34.9% increase). Loadshedding continues to have an adverse impact on margins. There is an ongoing review of the operating model for these regional casinos to protect margins. Windmill, Golden Valley and Flamingo are in the final stages of outsourcing their food and beverage operations.

Meropa



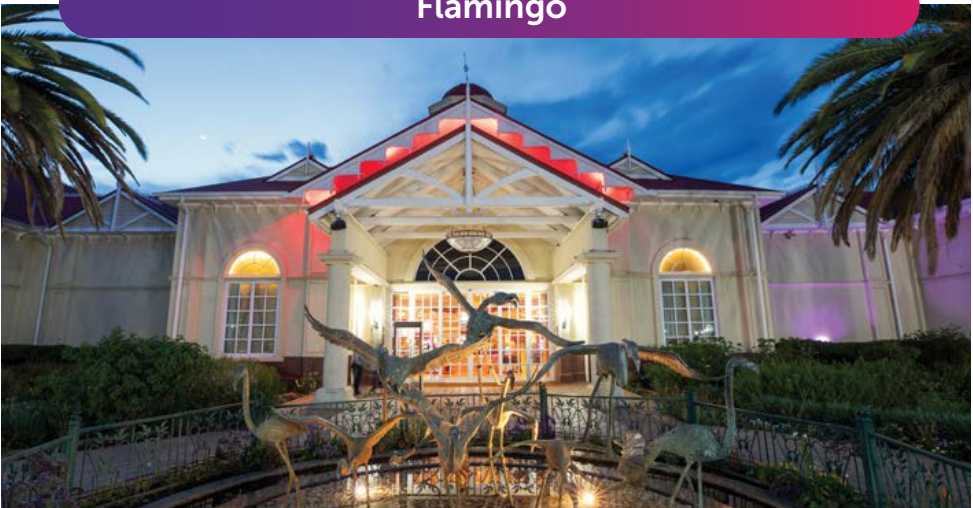
CASE STUDY

More than seven million learners in South Africa do not own shoes, which makes it difficult for those learners, who are forced to walk barefoot for long distances, to get to school every day.

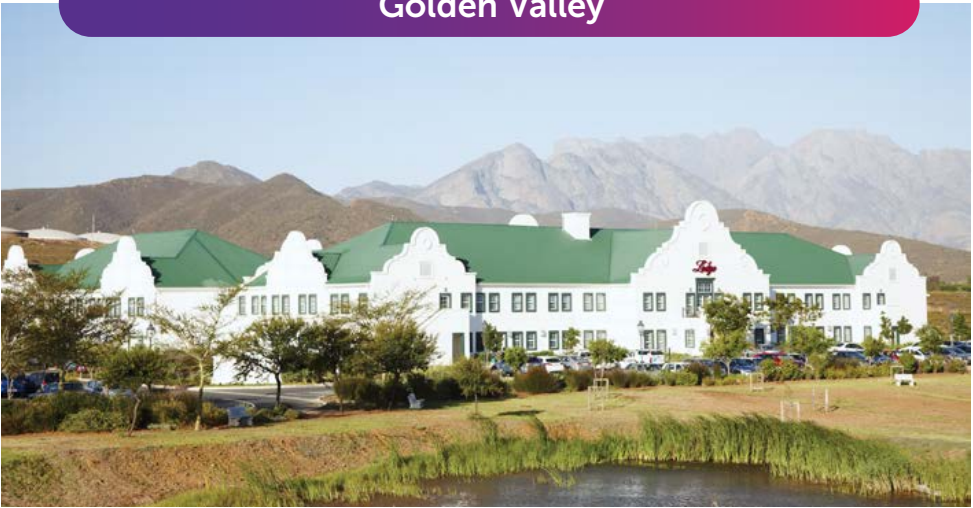
Meropa Casino and Entertainment World donated 476 pairs of shoes to five township schools in Polokwane, as part of a Back to School campaign. This initiative also encourages learners to take their education seriously, regardless of their financial conditions.



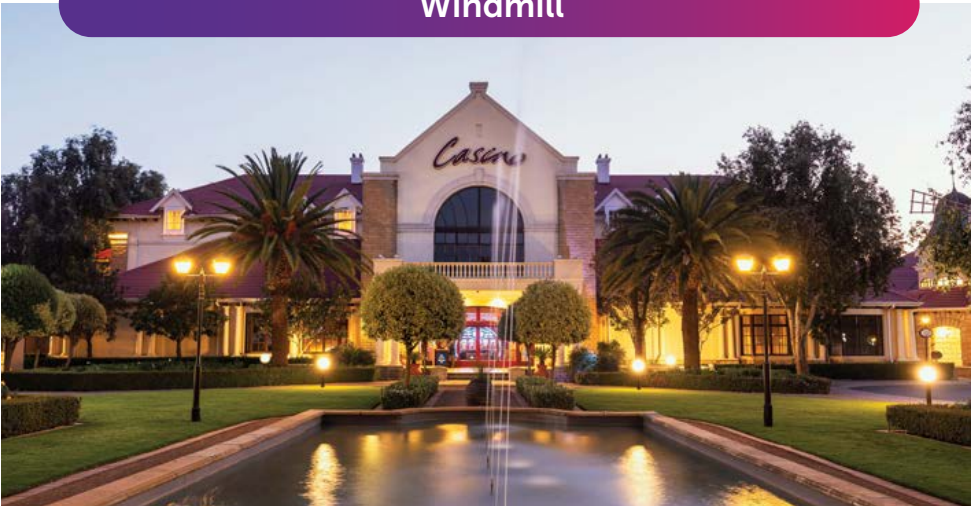
Flamingo



Golden Valley



Windmill



SunBet

SunBet is the group’s online betting and gaming division, comprising online sports betting, live dealer games and online slots.

Operational plan

SunBet aims to provide a first-class online betting and gaming experience to its customers. We strive to be the trusted and responsible gaming operator, adding value to our loyal customers through our premium service and offering.

Core to our strategy is the acquisition and retention of profitable, loyal customers. This is achieved through three key disciplines: effective marketing to attract customers, the provision of a first-class gaming experience and providing outstanding service and added value to retain our customers.

As an online business, SunBet aims to utilise its vast data set to deliver targeted, efficient, data-driven marketing. Through smart data analytics, our marketing aims to drive efficiencies by presenting the right offer to the right segment of customers at the right time to both acquire and retain our customers.

We continue to work with some of the best global software suppliers to offer a suite of products that provides an exciting, premium gaming experience. A key element of the wider group strategy is integrating the online and physical casino assets through our omnichannel project that will deliver a unified wallet to all Sun International customers, allowing seamless play both online and offline. We also aim to provide added value benefits to our customers’ game play by using the group’s hotel and casino properties. SunBet customers also enjoy the benefits of the group’s extensive loyalty programme, with benefits across the group portfolio. With these core principles in mind, we can deliver a first-class experience to our customers while gaining a reputation for excellence.

In addition to our core strategy of growing customers, SunBet will actively pursue market growth opportunities, either through technological development or geographical expansion. These strategic initiatives will position SunBet to capitalise on these fast-growing markets.

Responsible gambling and maintaining the trust of our customers are vital strategies in the current market environment. In a highly regulated business, we aim to offer a first-class entertainment experience to our customers, while ensuring that this is done in a controlled and affordable manner. We have robust ‘Know Your Customer’ requirements, in line with national legislative requirements. Control measures are in place to identify potential money-laundering red flags.

Growth

The global online betting and gaming market has demonstrated substantial growth over the last 25 years. The local South African market has grown steadily over the past decade, with a significant acceleration in growth rates during the Covid-19 pandemic, as operators invest in growing customer bases, and online/smartphone penetration and e-commerce trends increase. We expect this market to continue to exhibit high-growth characteristics, both locally and across the continent, into the foreseeable future.

The group set out a revised strategy for SunBet at the beginning of 2022, with the appointment of experienced leadership to drive business growth. Two years into this plan has seen the business grow fourfold, with revenue increasing from R169.7 million in 2021 to R728.1 million in 2023. The group continues to see SunBet as a significant and exciting growth opportunity and will continue to invest in people, marketing and operations to significantly increase our share of this fast-growing market.

The work undertaken in the past two years in terms of our people, our operational capabilities and our market position, along with current run rates within the SunBet business, give us full confidence to look forward to another year of strong growth from this business.

Outlook

We continue our strategy to grow the SunBet business in three directions:

- Focusing on organic growth of our existing South African business, through efficient and strategic customer acquisition and the retention of our valuable existing database. We will bring SunBet closer to the group’s assets through our marketing efforts, and operationally through the omnichannel approach.
- Adding additional products to our portfolio as regulation permits. This may include a wider variety of the existing betting options currently available, or new genres of games.
- Expanding across the African continent into regulated markets where we believe profitable returns can be achieved.

PERFORMANCE OVERVIEW¹

Gross gaming revenue (GGR)	Net income*	1 SunBet excludes SunBet Carnival and SunBet Time Square.
R926 million (2022: R411 million)	R578 million (2022: R263 million)	* GGR less gaming tax and bonuses.

Unique active customers
403 105 (2022: 109 122)
New customer registration
450 485 (2022: 171 550)
First-time depositors
176 286 (2022: 45 604)

The primary driver of performance in any online gaming business is the number of active customers. New customer registrations increased by 163% while new customers who made their first deposit during the year increased by 287%. Unique active customer numbers in the year increased by 269% from 109 122 to 403 107.

SunBet increased GGR (wagers placed less payouts) from its online players by 125% from R411 million in 2022 to R926 million in 2023, generating net income (GGR less bonuses and tax) of R578 million (2022: R263 million). Growth was driven by a full year of revenue from online slots, which increased GGR from R89 million (launched August 2022) to R523 million in 2023. In addition, the continued growth of Live Games added a further R215 million of GGR in the year (2022: 125 million) with sports betting adding R189 million (2022: R199 million).



CASE STUDY

SunBet Cares

SunBet Cares and the City of Cape Town sponsored Sporting Chance Street Netball – a regional street netball programme. Eight communities participated in this initiative that reached 768 girls under the age of 13, guiding them towards future opportunities through the valuable lessons of sport. The Street Netball programme teaches life skills through the game to children who need it most and in communities that are plagued by poverty and crime, and also provides an ideal venue for children to socialise in a positive and healthy manner.

Emthonjeni Counselling & Training, one of the supporting partners, worked with the girls across these communities to equip them with essential life skills and empowerment knowledge to help them plan for their futures.



Sun Slots

Sun Slots owns and operates six route operator licences across four key provinces in South Africa. Through partnerships with various establishments such as bars, pubs, taverns, and sports betting outlets, Sun Slots makes limited payout machines (LPMs) available for public use and entertainment.

In addition to driving revenue and growing the business, Sun Slots prides itself in assisting the communities we operate in. In 2023, more than R10 million was distributed to various communities in need and the business will be enhancing its participation in corporate social responsibility initiatives in future.

Geographic location

Gauteng

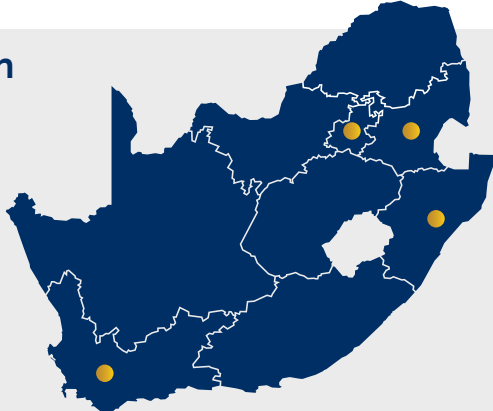
235 sites

1 398 LPMs

Western Cape

262 sites

1 194 LPMs



Mpumalanga

186 sites

853 LPMs

KwaZulu-Natal

326 sites

1 788 LPMs

Operational plan

Escalating stages of loadshedding reduced the available hours for businesses to operate. To address this, the Sun Slots team provided alternative power sources to their sites and launched several marketing initiatives throughout the year to sustain footfall. The Sun Slots team also implemented measures, including financial assistance, to ensure the smooth operation of the primary businesses that house our LPM machines.

Progress to drive new site acquisitions and roll-outs were hampered due to external dependencies and unplanned site closures. However, Sun Slots has a healthy pipeline of applications across all the units for future roll-out.

The number of active LPMs at the end of 2023 was 5 233 at over 1 009 outlets. Grandslots continued to be the biggest GGR generator across the country, despite the negative growth compared to the prior year. Although Gauteng continues to be adversely affected by the ongoing developments and challenges at the Gambling Board, Hot Slots showed strong performance, recording an improvement on 2022. The rest of the units performed below the prior year because of the challenges stated earlier.

There was 1.4% decline in EBITDA margin that was driven mainly by lower than expected revenues. Costs were maintained, with an overall savings of 2% on operating costs.

The business maintained its overall market share despite a competitive trading environment and the emergence of new forms of gaming. Sun Slots demonstrated resilience by maintaining an average market share of over 50%, showing a strong presence in the regions where it operates.

Outlook

- Focusing on the recovery of our primary businesses impacted by loadshedding through the sites financial assistance programme
 - Implementing various initiatives to maintain and grow market share through competitor site conversions
- Focusing on improving margins and efficiencies through more cost-effective process initiatives
 - Expanding existing licences opportunities and new RFPs
 - Enhancing engagement with regulatory agencies to improve site licence roll-out

Growth

Growth in 2024 will be underpinned by the strengthening of relations and partnership with carefully selected sites. Opportunities presented by the roll-out of Type B sites (up to 40 LPMs) will be maximised to ensure revenue growth and network expansion.

In 2024, the older machine fleet will be upgraded and refreshed to further assist in revenue growth and to reduce machine downtime. New products are expected to improve game time and attract a new range of customers.

Despite the slow pace of progress in the Africa expansion initiative, the business continues to look for opportunities in the region, particularly through the pursuit of an LPM request for application in Botswana. While no new licence opportunities are envisaged, the business remains poised to pursue existing licences that may become available.



PERFORMANCE OVERVIEW

GGR	EBITDA margin	Return on capex	LPM market share	LPMs
R1.465 billion	24.0%	31.8%	51.03%	5 233
(2022: R1.506 billion)	(2022: 25.4%)	(2022: 35.3%)	(2022: 51.15%)	(2022: 5 160)

GGR of R1 459 million was 2.1% down on the prior year and adjusted EBITDA of R349 million was 8.8% down comparatively. Despite constrained economic conditions and numerous forced site closures, LPM numbers grew by 1.45%, thereby increasing the LPM market share due to new site licence approvals and activations. The average GGR per machine per day declined to R830, which is still above the industry average for the year.

Operational efficiency

We continued implementing effective solutions to drive our cost and operational efficiencies around the business' focus areas.



DATA AND TECHNOLOGY

Sun Slots's focus on customer centricity, through digital and automation systems, has gained traction, resulting in cost savings and improved customer service.



PEOPLE

People remain an integral part of delivering quality service and driving excellence across the various touchpoints in the business. We have focused on developing talent and upskilling staff, resulting in an increased number of internal placements and promotions.



PROCESS

A combination of customer relations management enhancements, asset management applications and real-time systems monitoring has resulted in improved machine uptime. Further process improvements will continue in the short to medium term.

Resorts and Hotels

Our portfolio includes iconic resorts and hotels across South Africa. We continue to invest in regular property improvements resulting in ongoing improvement in operations and margins. This ensures we provide our customers with memorable experiences so that Sun International remains their destination of choice.

Geographic location

Gauteng

1. The Maslow Hotel

Western Cape

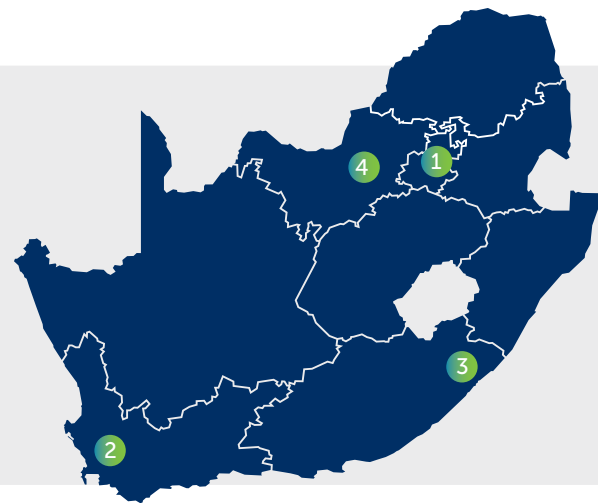
2. The Table Bay Hotel

Eastern Cape

3. Wild Coast Sun

North West

4. Sun City



Market context

Our iconic properties continue to uphold the high standards synonymous with our brand. Fortunately, we continue to observe varying degrees of recovery in the market segments we operate in. Domestic leisure has recovered well, with a continued increase in demand in 2023. International travel into South Africa has increased but is still lagging pre-pandemic levels. Corporate travel, despite having recorded growth in 2023, is also lagging 2019 levels. Conferencing and events continue to show exceptional growth. Restructuring at all our resorts and hotels, over the past few years, has yielded positive results, with impressive improvement in operating margins at all properties. The improvement in profitability and operating margin at Sun City Resort was particularly noteworthy. The investment in ongoing refurbishments at Sun City and at Wild Coast Sun has started to yield positive results. In November 2023, we opened the new luxury timeshare villas (Lefika) at the Sun City Resort as part of the Sun Vacation Club offering.

Growth and outlook

We remain optimistic about an improvement in international demand into South Africa. Airlift capacity has improved, with Cape Town reporting an increase in airlift capacity compared to 2019. This increase in demand will improve overall room rate yields at both The Table Bay Hotel and at Sun City Resort. Conferencing and events demand continues to be positive. The same can be said for the local leisure market segment, which continues to drive weekend and public and school holiday demand. Both Sun City Resort and Wild Coast Sun will continue to attract casino customers as a core benefit of our MVG loyalty programme.

Operational plan

We aim to continue to position our resorts and hotels as best in class in all market segments we operate in. We will do this by continuing to invest in our product, through the refurbishment of our hotels, restaurants and public areas. We will commence the refurbishment of the Sun City Hotel at Sun City Resort in 2024. This refurbishment is expected to take two years to complete and will include the refurbishment of rooms, corridors, restaurant and the pool deck. The Table Bay Hotel will close on 1 March 2025, for a complete refurbishment at the end of the current lease and is planned to be re-opened in December 2025, as an internationally branded hotel, managed and operated by Sun International. We will continue with our Sun Stars employee engagement and recognition programme, complemented by a focused service skills training programme to enhance the customer experience at all our resorts and hotels. Our marketing and sales efforts will focus on the Sun International brand proposition and the enhancements to our resorts brand identities and values.

PERFORMANCE OVERVIEW

Sun City

Income

R1 878 million

(2022: R1 636 million)

Adjusted EBITDA

R364 million

(2022: R260 million)



Slots

600

(2022: 600)



Tables

32

(2022: 32)



Rooms

1 287

(2022: 1 287)

Sun City successfully executed its operational turnaround plan, resulting in a 40% improvement in EBITDA compared to the prior year. The Sun City conferencing facilities were awarded a five-star grading and achieved 22% higher revenues comparatively. The resort's occupancy closed the year at 67%, up from 61% in 2022, with an average room rate growth of 13% on the prior year. In terms of gaming revenue, slots performance remained flat compared to the prior year, while tables experienced significant growth of 24% over 2022.

The Palace African suite refurbishment was completed in 2023 and The Palace recorded a 19% growth in average room rate, following the refurbishment completed in 2022. Insurance proceeds of R24.8 million relating to the Cabanas Hotel reception fire have been received. The Sun City team demonstrated resilience and exceptional teamwork during this period, minimising disruption to guests. Employee engagement was a strategic priority, and positive results from the employee engagement survey highlight the success of various initiatives in this regard. The installation of a 1.6MWp solar system atop the Sun Central roof became operational in August 2023, yielding positive results. Utility efficiency remains a focus, with plans to investigate further solar PV projects in 2024.

Another key focus area for 2023 was the addition of new restaurants and entertainment facilities. Additional retail opportunities, including the addition of padel courts, are being pursued. Sun City continues to evolve and invest in enhancing its facilities and offerings for an exceptional guest experience.

CASE STUDY

In 2023, Sun City sponsored The Teacher and Learner Development Programme for grade 10 and 12 learners from Tswaidi and Itumeleng secondary schools, to improve the performance of 250 learners. The Go Maths Foundation facilitated the programme, which required learners to attend extra lessons on Saturdays and during school holidays. Tswaidi maintained its standard with a 91.2% matric pass rate and Itumeleng improved significantly from 68% (2022) to 78.2% in 2023. The top learners were invited to Sun City's awards ceremony to celebrate their achievements. Sun City will award one learner a full bursary and each top learner receives R15 000 to aid their educational needs.

Tswaidi Secondary School:

Top 4 learners achieved **19** distinctions

Itumeleng Secondary School:

Top 3 learners achieved **9** distinctions




Sun Vacation Club's new third-phase 58 Lefika Villas timeshare development was completed during the last quarter of 2023. The total development cost amounted to R303 million. Demand for this luxury product has been exceptional and by 31 December 2023, sales of R246 million exceeded the feasibility by 200%. Encouragingly, the appeal of the existing Reserve and Aviary units has not been impacted, and occupancy increased marginally to 77% in 2023 (2022: 76%). Looking ahead to 2024, plans are underway to commence the Reserve refurbishment, with a budget of R130 million spread over eighteen months.

PERFORMANCE OVERVIEW continued

The Maslow Sandton

Income
R149 million
(2022: R120 million)

Adjusted EBITDA
R13 million
(2022: R6 million)


Rooms
281
(2022: 281)

The Maslow Sandton's occupancies increased by 7.8% to 62.6%, largely due to a new airline contract, an improvement in corporate demand and conferencing. The Maslow Sandton maintained its reputation as one of the top hotels in Sandton. The hotel's EBITDA recorded a substantial improvement, however diesel costs impacted profits by R4.7 million. The installation of a R12 million battery solution will become operational in 2024 and is expected to mitigate diesel costs, providing a more sustainable and cost-effective solution for the hotel going forward.




Wild Coast Sun

Income
R517 million
(2022: R508 million)

Adjusted EBITDA
R61 million
(2022: R95 million)


Slots
500
(2022: 500)


Tables
17
(2022: 18)


Rooms
396
(2022: 396)

Wild Coast Sun, a four-star-rated and award-winning luxury beach resort, continues to stand out as the ideal year-round family holiday destination. Key developments during the year comprised various customer attractions including the renovated Salon Privé – Sun International's only casino with an ocean view – a new coffee shop and room upgrades. A branch of Legends Barbershop, rated by the African Hair Awards Council as the leading barbershop in South Africa, was opened at our resort. Roads into the resort were also upgraded.

Our commitment to community development is evident through ongoing efforts to explore the development of local SMMEs, as well as initiatives to promote local procurement and employment opportunities. These initiatives aim to enhance the sustainability of the surrounding communities. Wild Coast Sun received various sustainability awards, underscoring its excellence in the industry.

Despite reporting a marginal improvement in revenue, diesel costs of R22 million affected EBITDA in relation to the prior year.



CASE STUDY


Nine schools received educational tools, valued at more than R400 000, to help learners from Mbizana in the Eastern Cape to advance their understanding of mathematics, science and technology. The kits include relevant laboratory equipment and chemicals and aim to create excitement around science. This initiative seeks to bridge the learning gap and provide practical exposure to pupils in schools that have no access to a science laboratory.



The Table Bay Hotel

Income
R476 million
(2022: R308 million)

Adjusted EBITDA
R135 million
(2022: R90 million)


Rooms
329
(2022: 329)

The Table Bay Hotel experienced an exceptional year, benefiting from a robust recovery in international travel to Cape Town and capitalising on high customer demand amid reduced inventory across our competitor hotels. A focus on rate growth, while maintaining occupancy levels, resulted in a 62% growth on revenue per available room compared to 2022, with margin improvement across the business.

Demonstrating a commitment to community engagement, The Table Bay Hotel made several education-focused donations, enhancing resources for learners from disadvantaged backgrounds. This included upgrades to four community schools and the provision of over 500 pairs of school shoes and socks to primary school learners. Sustainability and community upliftment continued to be central to The Table Bay Hotel's festive collaboration with the V&A Waterfront for the third consecutive year. All décor and gifting were handcrafted by local artisans, designers and illustrators.

Looking ahead, the Table Bay Hotel will close on 1 March 2025, at the end of our current lease, for a major refurbishment and is planned to re-open in December 2025 as an internationally branded hotel, managed and operated by Sun International. The V&A Waterfront, as the owner of the hotel, will be responsible for the investment in the hotel refurbishment.



KEY FINANCIAL HIGHLIGHTS

Income

▲ 7.0%
to R12.1 billion

Adjusted EBITDA

▲ 2.4%
to R3.4 billion

Adjusted EBITDA margin

at 28.1%
from 29.4% in 2022

Adjusted headline earnings
cents per share (cps)

▲ at 468 cps
from 442 cps

Total South Africa debt
(excluding lease liabilities)

▼ R5.7 billion
from R5.9 billion
(1.7x debt: adjusted EBITDA)

Total dividend declared

▲ 6.7%
with final dividend for the year at
203 cps, 75% pay-out of AHEPS



CHIEF FINANCIAL
OFFICER'S REVIEW

NORMAN BASTHDAW
Chief financial officer

Sun International once again produced a good set of results in spite of South Africa's economic headwinds and energy crisis.

Financial performance overview
for the year ended 31 December 2023

R million	2023	%	Restated* 2022
Income	12 096	7	11 302
Adjusted EBITDA	3 401	2	3 321
Depreciation and amortisation	(800)	3	(828)
Adjusted operating profit	2 601	4	2 493
Foreign exchange losses	(19)	<(100)	(1)
Net interest	(633)	(28)	(495)
Net external interest	(558)	(19)	(469)
Loss relating to the interest rate swaps	–	(100)	56
IFRS 16 interest	(75)	9	(82)
Adjusted profit before tax	1 949	(2)	1 997
Taxation	(564)	11	(632)
Adjusted profit after tax	1 385	1	1 365
Minorities	(243)	11	(274)
Adjusted attributable profit	1 142	5	1 091
Share of associates	–	(100)	1
Adjusted headline earnings	1 142	5	1 092
Adjusted headline earnings adjustments	(105)	80	(533)
Headline earnings	1 037	86	559
Headline earnings adjustments	168	>100	(4)
Basic earnings	1 205	>100	555
Continued basic earnings	1 032	86	555
Discontinued basic earnings	173	100	–

* The prior year comparative financial information was restated as per IAS 8. Change in accounting policies, whereby insurance receipts and restructuring costs are now included in adjusted EBITDA.

Income

Income for the year was up 7.0% from the prior year to R12.1 billion. SunBet generated record income during 2023, up 116.2% and is ahead of its aggressive growth targets. Resorts and hotels income achieved exceptional growth, income was up 17.4% to R3.0 billion comparatively.

Adjusted EBITDA

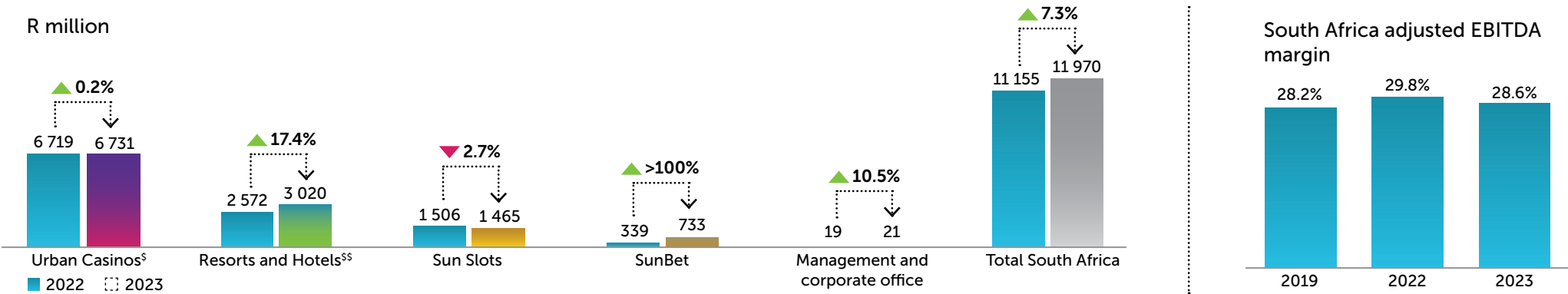
The adjusted EBITDA margin was impacted by increased diesel costs of R60 million comparatively, and the relatively higher growth in income from resorts and hotels, which operates at a structurally lower margin than urban casinos. Overall, the adjusted EBITDA margin improved from 27.2% at the 2023 half year, to 28.1% for the full year. Excluding the impact of diesel cost attributable to loadshedding, the group would have achieved a 28.9% adjusted EBITDA margin. A renewable strategy is being implemented to protect margins and ensure energy security.

Adjusted headline earnings

Adjusted headline earnings was up 4.6% on the prior year, to R1.1 billion, with adjusted headline earnings of 468 cents per share, up 5.9% comparatively.

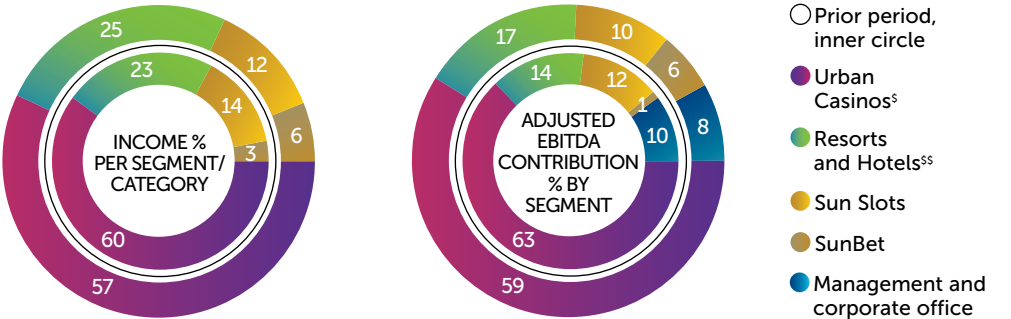
Segmental review

Gaming income, which makes up 76.8% of total group income, showed continued sustained growth with income up 3.3%. Casino income proved resilient and decreased by only 1.0%, while Sun Slots' operations were impacted by loadshedding, with income slightly behind the prior year.



Summary segmental income analysis for the year ended 31 December 2023

R million	Net gaming wins								Revenue from contracts with customers								Total income	
	Net gaming wins		Tables		Slots		Sun Slots and SunBet		Total revenue		Rooms		Food and beverage		Other*		2023	2022
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022		
Urban casinos	6 127	6 208	1 344	1 295	4 783	4 913	–	–	604	511	113	99	310	279	181	133	6 731	6 719
GrandWest	1 776	1 751	335	275	1 441	1 476	–	–	108	79	2	2	66	48	40	29	1 884	1 830
Time Square	1 286	1 273	411	380	875	893	–	–	220	180	49	42	108	94	63	44	1 506	1 453
Sibaya	1 237	1 289	293	335	944	954	–	–	50	66	7	8	33	38	10	20	1 287	1 355
Carnival City	785	848	169	185	616	663	–	–	60	53	9	7	24	23	27	23	845	901
Boardwalk [#]	415	397	59	49	356	348	–	–	114	85	31	24	49	49	34	12	529	482
Meropa	224	227	31	32	193	195	–	–	12	10	7	7	–	–	5	3	236	237
Windmill	195	195	27	23	168	172	–	–	9	9	–	–	8	8	1	1	204	204
Flamingo	106	114	9	10	97	104	–	–	10	10	–	–	10	10	–	–	116	124
Golden Valley	103	114	10	6	93	108	–	–	21	19	8	9	12	9	1	1	124	133
Resorts and hotels	932	900	231	189	701	711	–	–	2 088	1 672	1 071	782	637	543	380	347	3 020	2 572
Sun City	549	516	172	139	377	377	–	–	1 329	1 120	572	443	429	375	328	302	1 878	1 636
Wild Coast Sun	383	384	59	50	324	334	–	–	134	124	31	34	60	52	43	38	517	508
The Table Bay Hotel	–	–	–	–	–	–	–	–	476	308	386	239	84	65	6	4	476	308
The Maslow Sandton	–	–	–	–	–	–	–	–	149	120	82	66	64	51	3	3	149	120
Sun Slots	1 462	1 491	–	–	–	–	1 462	1 491	3	15	–	–	–	–	3	15	1 465	1 506
SunBet	729	336	–	–	–	–	729	336	4	3	–	–	–	–	4	3	733	339
Management and corporate office	–	–	–	–	–	–	–	–	21	19	–	–	1	–	20	19	21	19
Total South African operations	9 250	8 935	1 575	1 484	5 484	5 624	2 191	1 827	2 720	2 220	1 184	881	948	822	588	517	11 970	11 155
Nigeria and other ^{r^A}	40	62	11	14	29	48	–	–	86	85	45	46	38	36	3	3	126	147
Total group operations	9 290	8 997	1 586	1 498	5 513	5 672	2 191	1 827	2 806	2 305	1 229	927	986	858	591	520	12 096	11 302

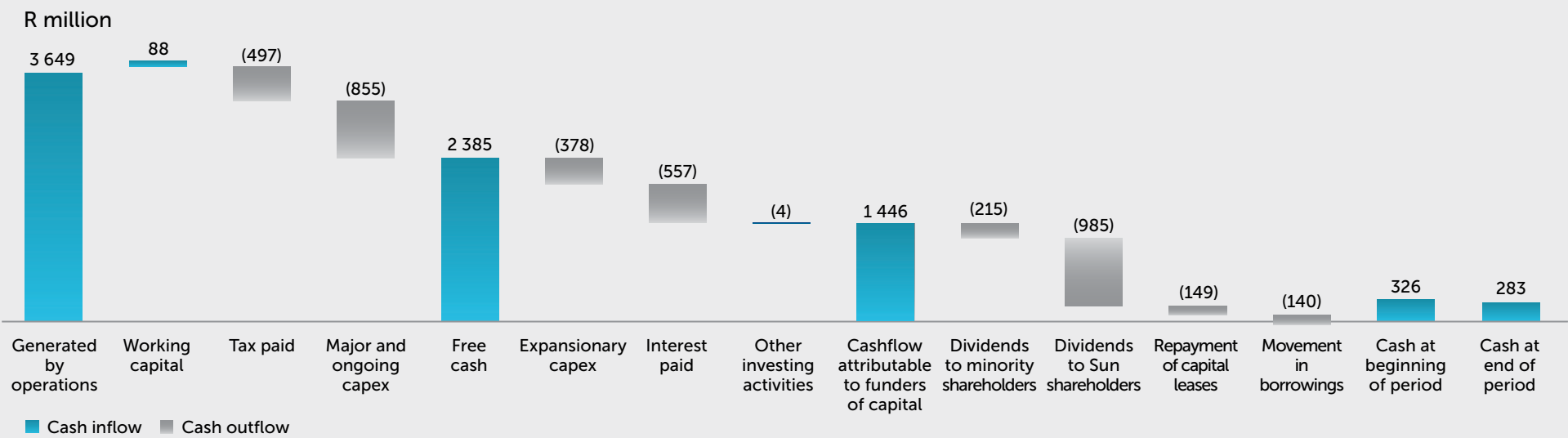


[§] Urban casino operations comprise of GrandWest, Sibaya, Time Square, Carnival City, Boardwalk, Meropa, Windmill, Flamingo and Golden Valley
^{§§} Resorts and hotels operations comprise of Sun City, Wild Coast Sun, The Table Bay Hotel and The Maslow Sandton.

R million	2023	2022
*Other:		
Revenue within the scope of IFRS 15		
Time share income	133	122
Other income ^{**}	244	192
Other income excluded from the scope of IFRS 15 (rental and concessionaire income [^])	206	178
Other income excluded from the scope of IFRS 15 (insurance receipts)	8	28
Total	591	520

^{**} Other income includes conferencing and entertainment revenue, management fees income, membership revenue, merchandise revenue and entrance fee revenue. Time share income was separately shown out of Other income to provide additional detail.
[^] Concessionaire income is based on an agreed percentage of that concessionaire's turnover.
[#] Boardwalk includes Boardwalk Mall.
^{^A} Nigeria and other includes Sun Chile, Sun Latam and SunBet Africa Holdings which are aggregated as they represent less than 2% of group revenue.

Cash flow



Relates to South Africa.

Cash generated from operations after working capital, tax and major and ongoing capex was R2.4 billion. We achieved a cash generated by operations to free cash (post-capex) conversion of 65.4%. The group is in a strong financial position as it continues to de-gear. The debt levels take into account the payment of the 2022 final dividend of R632 million and the interim dividend of R388 million.

Headline and adjusted headline earnings adjustments

Adjusted headline earnings improved from R1 092 million to earnings of R1 142 million, with adjusted headline earnings of 468 cents per share up from 442 cents per share, in the prior year. Sun International’s performance reflects the quality of its operating businesses and disciplined execution on strategy, which continues to drive shareholder value.

The group has incurred certain once-off or unusual items that have been adjusted for in adjusted headline earnings in the current year, the most significant of which are described alongside:

An increase in the estimated redemption value of the SunWest put option liability of R13 million.

The recognition of the first contingent consideration of R173 million relating to Dreams S.A.

Peermont transaction costs of R37 million.

Foreign exchange and monetary losses, net of minority interest, of R35 million relating to US Dollar denominated Nigeria minority loans.

Peermont group acquisition

On 18 December 2023, Sun International announced the proposed acquisition of Peermont Holdings Proprietary Limited (Peermont). Peermont is a leading hospitality and entertainment group of companies which operates 11 properties located across the Republic of South Africa and the Republic of Botswana, in addition to the online sportsbook, PalaceBet. The proposed acquisition is a unique opportunity to acquire the world-class and highly cash generative Peermont business at an attractive valuation of 5.8x EV/EBITDA. The combination of Sun International and Peermont provides a compelling equity story, through increased scale, a larger enterprise value and greater capital markets visibility. Key financial points and the strategic rationale of the proposed acquisition are depicted below.

Enterprise value	Estimated 2023 EBITDA	Implied EV/ EBITDA	Attractive implied P/E and cash flow multiples	Fully debt funded
R7.3 billion	R1.3 billion	c.5.8x		

Strategic rationale

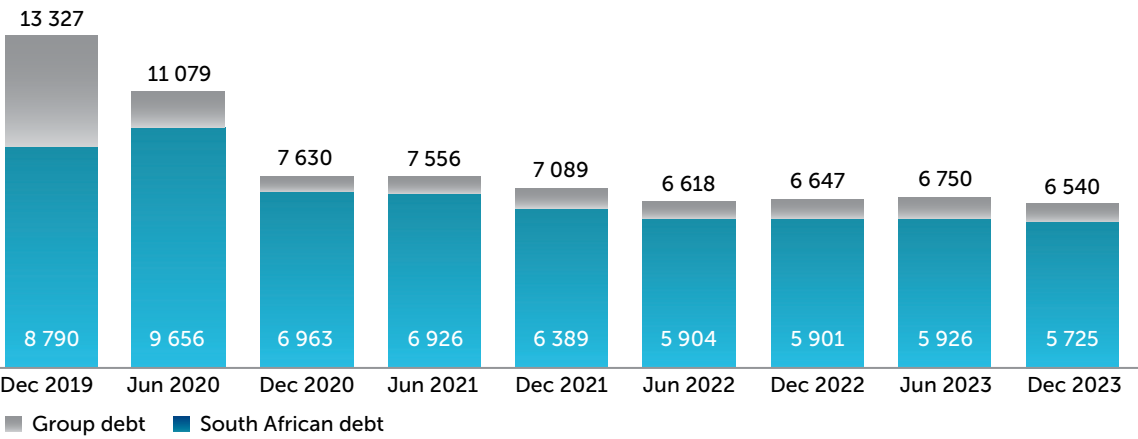
SCALE	ONLINE STRATEGY	DE-GEARING	RETURNS TO SHAREHOLDERS	TRANSACTION TIMING
Land-based casinos, underpinned by Emperors Palace, will enhance quality of earnings and cash flow generation; driving operational, procurement and capex synergies	Acceleration of the online and sports betting business through an enlarged database and omnichannel offering	Fully debt funded with a rapid de-gearing profile to below 2x within 24-36 months	Ability to maintain a disciplined dividend payout strategy of 50% AHEPS while debt: adjusted EBITDA above targeted 2x	Key conditions precedent remain to be fulfilled with the targeted completion date being Q4 2024



Group debt

The group is in a strong financial position with South African debt (excluding IFRS 16 lease liabilities) at R5.7 billion, down from R5.9 billion as at 31 December 2022, despite a 19.0% increase in net external interest. Our South African debt to adjusted EBITDA and interest cover of 1.7 times and 5.7 times respectively, are well within our lenders' covenants of 3.25 times and 3.0 times respectively. Our balance sheet is in a strong position with available liquidity of R2.3 billion. This is evidence of the strong cash generation by the group as well as its prudent allocation of capital. We continue to prioritise increasing free cash flows and disciplined capital allocation to maximise shareholder value within a set of fundamental capital allocation principles.

Group and South African debt (excluding IFRS 16 lease liabilities)
R million



WE ARE PROUD OF OUR ONGOING SUCCESSES IN SUBSTANTIALLY DECREASING OUR DEBT LEVELS

✓ **50.9%**
Decrease in group debt since 2019

1.7x
South African debt: adjusted EBITDA bank covenant: less than 3.25x

5.7x
South African interest cover bank covenant greater than 3.0x

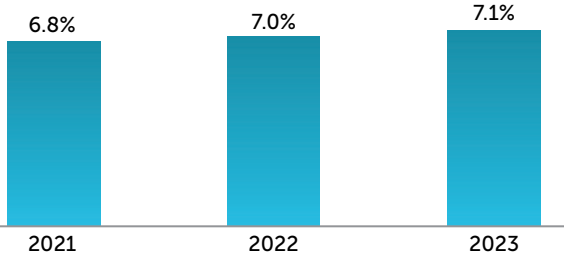
R2.3 bn
Available liquidity

R985 m
Capital returned to shareholders

Capital expenditure

Investment into several of our strategic priorities is critical in sustaining and growing our business and ultimately maximising shareholder returns.

Ongoing and major refurbishment capex as a percentage of income



Relates to South Africa.

EXPANSIONARY

R378 million
spent on expansionary capex

- Sun City Vacation Club (Lefika Villas): **R248 million**
- GrandWest Hotel: **R114 million**
- Time Square bowling alley: **R4 million**
- Sun Slots new LPMs: **R12 million**

MAJOR REFURBISHMENT AND ONGOING

R191 million
spent on major refurbishment capex

- GrandWest electrical: **R117 million**
- Sibaya Privé: **R40 million**
- Sun City - The Palace: **R15 million**
- Sun City - Cabanas: **R11 million**
- Sun City - Sun Central: **R8 million**

R664 million spent on ongoing capex

DIVIDEND

The group has declared an interim cash dividend of 148 cents per share and a final cash dividend of 203 cents per share, bringing the total cash dividend to 351 cents per share for the year, which represents a dividend payout ratio of 75% of adjusted headline earnings per share.

OUTLOOK

Our balance sheet remains strong and is guided by our clearly laid-out capital allocation framework. Going forward, we will continue to be disciplined with capital allocation, targeting a 2 times debt to adjusted EBITDA and paying out 75% of adjusted headline earnings per share as dividends.

NORMAN BASTHDAW

Chief financial officer
30 April 2024



SUSTAINING SUN

Conducting business sustainably is part of the group’s purpose of creating lasting memories for all key stakeholders. Sun International’s ongoing commitment to ESG ensures that we maintain our operational and social licence to operate and are viewed as a responsible corporate citizen.

Sustainability at Sun International is the commitment to maintaining a harmonious equilibrium between social and environmental responsibilities, ensuring the long-term viability of our operations and enhancing the experiences provided to our customers. The integration of sustainability is achieved through our comprehensive ESG Framework, called Sustaining Sun. Drawing on internationally recognised best practices, this framework provides a structured approach to operations, aligning with global standards and ensuring a balanced focus on ESG considerations.

The core pillars for Sustaining Sun are underpinned by key focus areas that were an outcome of the benchmarking and ESG materiality assessments conducted in 2022. The next materiality assessment will be conducted in 2025, following the integration of the Peermont Group into Sun International.



ENVIRONMENTAL



ENVIRO-AMBITION

Maps our journey towards being at the forefront of sustainable environmental management in the hospitality and gambling sectors.

- Carbon emission management
 - Electric energy
 - Waste management
 - Water management
- Biodiversity management

Waste

- Transition towards **zero-waste-to-landfill (ZWTL)**

Electric energy

- Transition to **renewable energy** supply

Water

- Drive **water efficiency and conservation** and secure alternative supply

Carbon emission

- **Review Scope 1 and 2 targets** and establish Scope 3 emissions for target setting

Biodiversity management

- **Reviewing robustness** of biodiversity management plans

SOCIAL



PEOPLE AND COMMUNITY CENTRICITY

We aim to foster a sense of belonging and empowerment through inclusivity and diversity to serve the interests of our stakeholders.

Socio-economic development (SED)

- Creating **shared value** by providing ongoing support to the communities in which we operate
- Aligning **our projects** with the needs of the communities, with a focus on education

Culture

- Integrating our **SunWay culture** into our employee value proposition (EVP), talent attraction and retention

Transformation

- Driving **transformation**, including race, diversity and inclusion
- Achieving employment equity and **broad-based black economic empowerment (B-BBEE)** targets

Enterprise and supplier development (ESD)

- Achieving and maintaining **preferential procurement spend of 95%**
- Enabling the **localisation of products** currently imported
- Supporting the development of **black-owned SMMEs** with an emphasis on black women-owned enterprises

Talent management

- Creating a **high-performance culture** aligned to our business strategy
- **Ensuring** succession planning

Learning and development

- Providing ongoing **professional and personal** training to empower, retain and motivate employees

Employee wellness

- Promoting a **balanced and healthy lifestyle**
- Standing firm against all forms of **gender-based violence (GBV)**

Health, safety and wellness

- Preventing **stakeholder harm** and protecting the group’s reputation
- Ensuring **proactive control and risk mitigation** with training and awareness
- Investigating innovative solutions through our **integrated wellness** approach
- Embedding a **caring and vigilant culture** focused on risk-based topics
- Maintaining **compliance** and alignment to standards and best practice

GOVERNANCE



ETHICAL AND TRANSPARENT GOVERNANCE

Our commitment towards prioritising ethical business conduct, board diversity and independence, emphasising transparency, ensuring customer welfare and robust risk management for long-term business sustainability.

Risk

- Integrating **enterprise risk management** across the businesses

Ethics

- Ensuring an **ethical business culture** through a zero-tolerance policy against ethical misconduct

Responsible gambling

- Supporting **responsible gambling** through the South African Responsible Gambling Foundation, the entity that supervises the National Responsible Gambling Programme (NRGP)

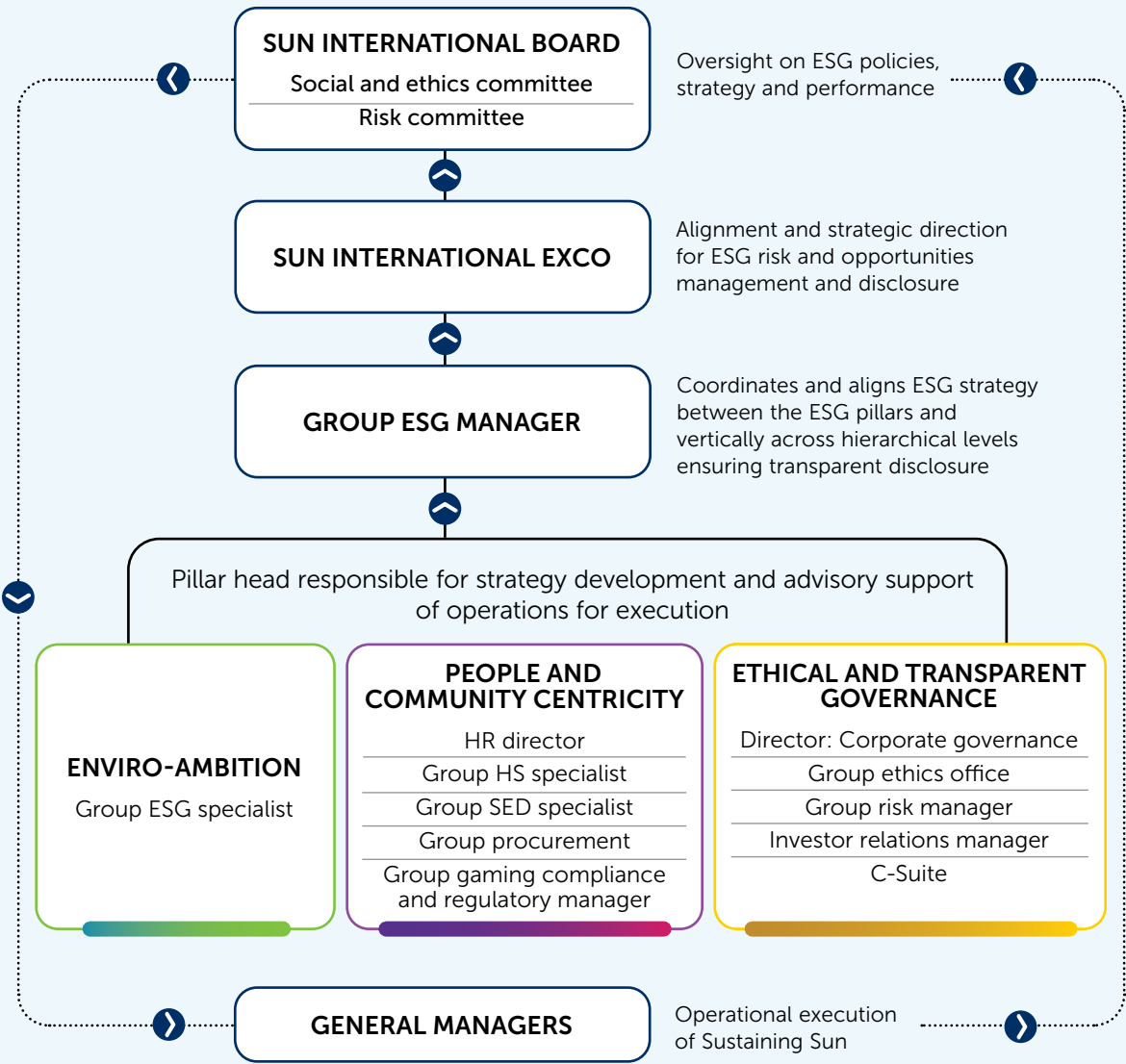
Board independence and diversity

- **Assessing** and ensuring the independence of the non-executive directors against the criteria set out in King IV™ and the JSE Listings Requirements
- Sun International’s board-approved **diversity policy**, aligned with the JSE Listings Requirements



ROLES AND RESPONSIBILITIES FOR ESG

The roles and responsibilities for the development and execution of **Sustaining Sun** flows both ways, from board level to operational execution, to ensure alignment across the organisation and to deliver an integrated sustainable business approach.



ESG and risks integration

Our holistic ESG focus allow us to measure, monitor and evaluate our contribution towards minimising our impact on the natural and social environments we operate in, while ensuring sustainable value creation for all our stakeholders. The integration of all ESG material topics into the enterprise risk management (ERM) framework ensures all group risks are aligned with these topics and overseen by exco members. With defined strategies and performance metrics across each pillar, Sun International is committed to being a responsible corporate citizen. This further solidifies our position as a leader in ESG within the South African travel and leisure sector.



SUSTAINABILITY LINKED LOAN

In December 2022, Sun International concluded the first sustainability linked loan (SLL) in the South African hospitality sector. The R2.4 billion SLL is aimed at promoting the achievement of key sustainability performance targets to demonstrate Sun International's commitment to being a responsible corporate citizen and further cementing our position as a leader in ESG in the South African travel and leisure sector.



The performance against our SLL KPIs presented a few challenges in 2023. While we achieved our KPI 2 on improving our black women-owned spend, we fell short by 1% against KPI 1 on the waste recycling rate of 80%. On KPI 3, we were able to generate 1 070 480 kWh of renewable energy, which was below the target of 3 557 188 kWh. We acknowledge that there needs to be an enhanced focus on waste separation at our operations and improved scrutiny of service delivery from our waste management service providers. Our renewable energy project roll-out was limited in 2023, however we are confident that this is being addressed by the group in 2024.

The scope and boundaries of the KPIs include all Sun International operations, which are owned and leased but exclude Meropa, SunBet and Sun Slots.




KPI 1 % Increase in recycling rate of general and hazardous waste



 Page 45

KPI 2 Increase in procurement spend from businesses with 30%+ black women ownership

























 Page 66

KPI 3 % Increase in renewable energy kWh

 Page 43, 44

 Achieved  Limited progress

KEY FOCUS AREAS IN 2023

ESG risk management	Develop full roadmap for TCFD reporting		 Page 123
	Leverage IsoMetrix for ESG data management		 Page 43, 44, 58, 61
Licence to operate	Engage with all stakeholders		 Page 17
	Employee engagement survey		 Page 53
	Assess our supply chain and top-tier suppliers from an ESG perspective		 Page 46
	Extend best-in-class waste management and recycling practice across all properties		 Page 45
	Local procurement and black women-owned businesses		 Page 66
Cost and liability reduction, efficiency building	Renewable energy targets, approve budgets and implementation schedule		 Page 40, 43
	Complete climate-related scenario analysis		 Page 123
Broadening market access	Assessing and quantifying the impact and value of SED projects and programmes		 Page 61, 62, 63, 64
Creating new markets	Engage the marketing team on PR programmes about ESG performance		 Page 6
	Design events to showcase ESG and climate change thought leadership using flagship property projects as case studies		 Page 46

 Achieved  In progress

Looking ahead

- ▶ Enhancing ESG literacy with targeted ESG training initiatives to elevate understanding and proficiency in ESG across the group.
- ▶ Optimising ESG data management with the going integration of IsoMetrix and Lumina ESG platform as essential tools for managing and maximising the value of ESG data.
- ▶ Establishing a robust sustainable supply chain framework and addressing environmental, social and governance considerations to reinforce our licence to operate.
- ▶ Identifying unit-specific risks related to water supply and collaborating on scenario planning to mitigate risks, including the exploration of alternative water supply or reuse projects.
- ▶ Developing and implementing an integrated stakeholder engagement management system to enhance communication and collaboration with key stakeholders.

BEST PRACTICE FRAMEWORKS THAT SUN INTERNATIONAL CURRENTLY CONSIDERS IN ITS REPORTING



JSE Sustainability Disclosure Guidance: aligns with the most influential sustainability/ESG and climate change global initiatives, which include the IFRS draft exposures, the Value Reporting Foundation Integrated Reporting Framework, the Global Reporting Initiative (GRI) and the TCFD recommendations.

Refer to annexures on page 107



United Nations Sustainable Development Goals (SDGs): the 17 SDGs provide a global framework for addressing social and environmental challenges.

Refer to annexures on page 122



Sustainability Accounting Standards Board (SASB): focuses on industry-specific standards, providing a set of guidelines tailored to different sectors. It identifies financially material sustainability issues within each industry.

Refer to annexures on page 126



Task Force for Climate-related Financial Disclosures (TCFD): a framework to help organisations more effectively disclose climate-related risks and opportunities through their existing reporting processes. In November 2023, the Financial Services Board tasked the IFRS Foundation with taking over monitoring of organisations' climate-related disclosures as per the IFRS S2 Standard (see below).

Looking forward Sun International is considering the following standards



IFRS S1 and S2 Standards – General Requirements for Disclosure of Sustainability- and Climate-related Risks and Opportunities: IFRS S1 standards aim to streamline the inclusion of disclosures in the general-purpose financial reports of entities, focusing on sustainability risks and opportunities. IFRS S2 standards promote the disclosure of information regarding how an entity manages potential adverse effects of climate change.

BENCHMARKING



IRAS Sustainability Data Transparency Index (SDTI)
Sun International was rated the best ESG reporting company in the travel and leisure industry by IRAS.

Annually IRAS, an independent integrated reporting and assurance services company, compiles an SDTI for JSE-listed companies. The SDTI focuses on ESG information reported in companies' integrated annual reports. In 2023, Sun International scored **80.3%** (2022: 84.3%) overall compared to the industry average of **54.9%** (2022: 50.7%).

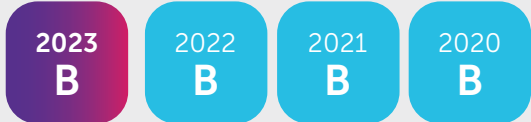
FTSE Russell Rating 2023

FTSE Russell's ESG scores shows a company's exposure to, and management of, ESG issues according to their environmental, social and governance pillars. The rating also breaks down into underlying pillars – environment, social and governance – built on over 300 individual indicator assessments that are applied to each company's unique circumstances. Sun International scored an overall 2.9 rating in 2023 (2022: 3.2) as tabled below.

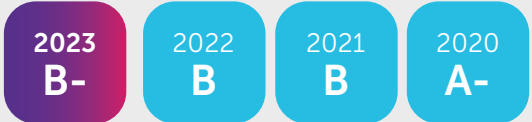


Carbon Disclosure Project (CDP) global environmental disclosure

CDP climate change scoring
Sun International participates in the annual CDP climate change survey. In 2023 we maintained our B rating, which is in the management band and is higher than the global average B- of the entertainment facilities sector average of C. We anticipate improvements from 2024 as our renewable energy projects gain traction.

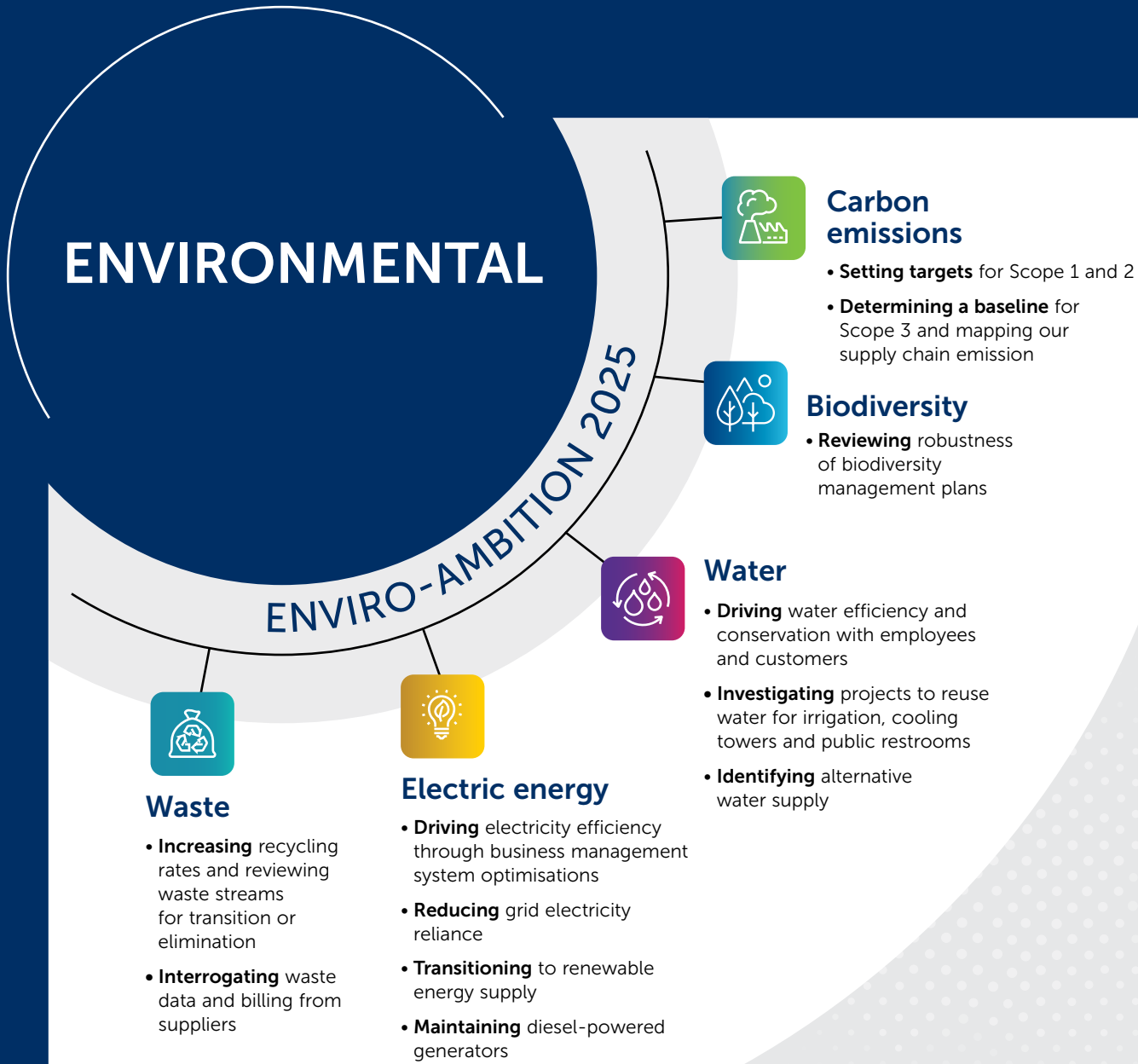


CDP water security scoring
Sun International participates in the CDP's annual water security survey. In 2023 the group had an overall score of B- (2022: B). As a group we continue to embed water risks into the business strategy and governance approach, to ensure a fully integrated approach.



SUN INTERNATIONAL'S SUSTAINABILITY JOURNEY









KEY PERFORMANCE INDICATORS (KPIs)

Sun International remains committed to reducing its environmental footprint across all units, as indicated in our capitals and key performance indicators section [📄](#) Page 15. .

The KPIs for the group are aligned with our ENVIRO-AMBITION 2025 framework, that maps our journey towards being at the forefront of sustainable environmental management in the hospitality sector. This approach also considers the group’s business strategy, SDG 6 – Clean water and sanitation, SDG 12 – Responsible consumption and production and SDG 13 – Climate Change and international best practices such as the CDP requirements for water and climate change, the TCFD and JSE Sustainability Disclosure Guidance. Our various KPIs reflect our journey and assist in monitoring and evaluating progress in achieving our ambition.

KPI metrics and targets

				
KPI	Carbon emission management	Water	Electric energy	Waste
Type of target	Absolute CO ₂ e reduction target	Absolute kL reduction target	Absolute kWh reduction target Absolute kWh transition target to renewable energy	Activity based – % increase in recycling rate of general and hazardous waste (transition towards ZWTL)
Timeframe	2018 – 2023	2021 – 2025	2021 – 2025	2021 – 2025
Base period	2017	2019	2019	2019
Milestone/ interim target	15% reduction by 2023	Annual targets	Annual targets	Annual targets
Consolidated group target/ unit target	Consolidated group target	Unit-specific	Unit-specific – kWh reduction Unit-specific – kWh transition to renewable energy that applies to consolidated group target linked to the sustainability linked loan	Unit-specific that applies to consolidated group target linked to the sustainability linked loan

An assessment of the group progress against the targets is measured according to the group combined assurance methodology [📄](#) Page 21.

Our SHE professionals are the operational custodians for collating all primary data used to assess the progress of the KPIs. The group ESG specialist is responsible for internal assurance over the data prior to annual third-party assurance for the integrated annual report. Any process or control gaps identified through the third-party assurance is communicated across the group for continual improvement in data reporting. From 2023 all environmental data and KPIs were reported through the IsoMetrix platform.

Resource consumption and emissions		2023	% change	2022
SOUTH AFRICA				
Water usage (withdrawals)	kl	3 705 193	7	3 453 785
Waste generated ¹	kg	6 933 914	(5)	7 278 120
Electric energy consumption	kWh	184 669 779	(5)	195 146 801
Carbon emissions (Scope 1 and 2)	tonnes CO ₂ e	210 468	(4)	219 273

1 Meropa is excluded from the SLL in terms of the waste reported.

Water KPIs		2023	% change	2022
SOUTH AFRICA				
Total water usage (withdrawals)	kl	3 705 193	8	3 453 785
Total water discharged ¹	kl	1 919 271	149	1 291 000
Recycled water	kl	623 649	73	359 497
% water recycled	%	17	62	10
Cost of water ²	Rand	86 108 880	18	73 211 119

1 The group is reporting this for the first time in FY2023.

2 This covers both withdrawal, sewerage and operational and maintenance costs for our purification plants.

Waste ¹		2023	% change	2022
SOUTH AFRICA				
Total volume of general waste to licensed landfill	kg	1 404 117	(39)	2 305 620
Total volume of general waste diverted from landfill for beneficiation	kg	121 706	(53)	260 974
Total volume of general waste recycled	kg	4 847 428	27	3 817 302
Total volume of hazardous waste to licensed landfill	kg	49 568	44	34 420
Total volume of hazardous waste recycled	kg	511 095	(41)	859 804
TOTAL WASTE	kg	6 933 914	(5)	7 278 120

1 Meropa is excluded from the SLL in terms of the waste reported.

Energy data	2023		2022		Year-on-year % change
	kWh	Rand	kWh	Rand	
Electricity purchased					
Grid electricity	183 599 298	328 835 638	195 146 801	300 763 56	(6)
Renewable energy	1 070 480	1 362 935	0	0	100
TOTAL ELECTRICITY	184 669 779²	327 472 703	195 146 801	300 763 56	(5)
Direct: Diesel use for generator	Litres		Litres		Litres
South Africa (consumed by generator)	4 810 494	98 509 020	2 708 890	62 002 374	73
TOTAL FUEL	4 810 494	98 509 020	2 708 890	62 002 374	73
Direct: LPG	kg		kg		kg
South Africa	393 492	10 669 977	527 228	11 785 800	(25)
TOTAL LPG	393 492	10 669 977	527 228	11 785 800	(25)

2 The audited number is 184 669 778.63 which has been rounded up to 184 669 779.

Scope	Source	2023 (tonnes CO ₂ e)	2022 (tonnes CO ₂ e)	Year-on-year % change
Scope 1	Company-owned vehicles	1 449	989	46
	Stationary fuels	13 950	8 865	57
	Refrigerant gas (Kyoto gases)	4 126	6 465	(36)
	SUBTOTAL SCOPE 1	19 524	16 321	20
Scope 2	Electricity consumption – Eskom	190 943	202 953	(6)
	Electricity consumption – Renewable ¹	0	-	
	SUBTOTAL SCOPE 1 AND SCOPE 2	210 468	219 273	(4)
Out of scope	Fugitive emissions (non-Kyoto gases)	567	997	(43)
TOTAL EMISSIONS		211 034	220 270	(4)

1 The group is reporting this for the first time in FY2023. As the group owns the renewable energy asset the carbon emission is zero (0).

MANAGEMENT APPROACH

The responsibility for environmental management is divided into three levels:

Operational management

Each unit has appointed SHE professionals responsible for environmental risk and data management and driving environmental awareness among employees and customers.

Strategic management

The group ESG specialist is responsible for setting out the ENVIRO-AMBITION 2025 strategy for the group and identifying specific mechanisms for achievement of the group KPIs and targets. This is an advisory role that collaborates with the SHE professionals to ensure operational execution of the group strategy.

Executive management

The group ESG manager and the group risk manager assess group-wide environmental risks and opportunities through the ERM framework and reports to exco, through the director of corporate services.

Environmental management is reported into the social and ethics and risk board committees, through the group ESG manager.

PERFORMANCE OVERVIEW



Water management

Water is a critical resource and key focus area of our ENVIRO-AMBITION 2025 strategy. We are committed to using it responsibly, while ensuring a secure supply to all our units. We continue to investigate additional sustainable water sources for each unit, based on what is feasible from a cost, time and efficiency perspective.

In 2023, there was an 8% increase in withdrawals when compared to 2022. This increase can be attributed to improved business operating conditions such as the opening of the Grand Hotel and the Lefika Villas, while at the same time infrastructural issues resulted in water leakages.

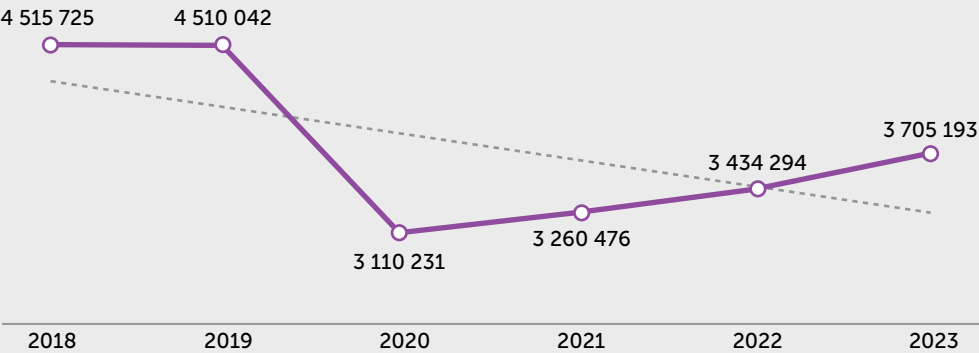
In 2021, following the WWF’s Water Target Setting Approach at a unit level, we set context-based targets instead of setting one target at a corporate level. Each unit set absolute water reduction targets that resulted in a cumulative quantitative reduction achievement of 12% for 2023 against the 2019 baseline.

Water performance

Municipal water supply remains the largest source of overall water withdrawals (water usage) and accounts for 92% of the main water supply used in our units. Implementing maintenance and operational strategies in 2023 resulted in the following water impacts:

Boardwalk completed the installation of a reverse osmosis plant, and it obtained approval to use the water supply for the hotel and casino. This will secure water quality and supply for the unit despite the ongoing water supply issues in Gqeberha.

Water withdrawals (kL)



Forward planning

The group will continue creating awareness around water-saving initiatives through environmental awareness and training programmes. With South Africa being a water-scarce country with increasing water quality and supply concerns, we will be focusing on mapping high-risk water areas, improving water efficiencies and, where feasible, identifying alternative water supply or water reuse projects.



Electric energy management

Electricity supply is critical to Sun International’s service offering. Loadshedding had a direct impact on the consumption of electric energy provided by Eskom and municipalities, which is reflected in the 5% reduction in 2023 versus our 2022 consumption. The group spent R98 million (2022: R62 million) on diesel consumed by the generators – a 73% increase from 2022. The generators were used for 14 509 loadshedding hours with an additional 82 hours due to unrelated power outages. In 2023, certain units increased the frequency of servicing the generators from 500 hours to 250 hours for a major service.

In August 2023, as part of the group alternative energy approach, Sun City installed a 1.6-Megawatt Peak (MWp) AC plant, with further installations being considered in 2024. Carnival City’s 2.0MWp solar project is in the detailed planning and procurement phase and will be operational in mid-2024. Sibaya’s project is of a similar size and timetable to completion. Both solutions are carport PV projects. Collectively,

these three projects will contribute towards achieving our renewable energy KPI in 2024.

Implementing on-site renewable projects is linked to our electric energy transition target, which Carnival City, Flamingo, Sibaya and Windmill did not achieve between 2021 and 2023. The group did not achieve the 2023 KPI of a 3% transition of total electricity to renewable energy or the sustainability linked loan kWh generated KPI as we awaited approval on the roll-out of additional projects. The group achieved a 1% transition with the Sun City project.

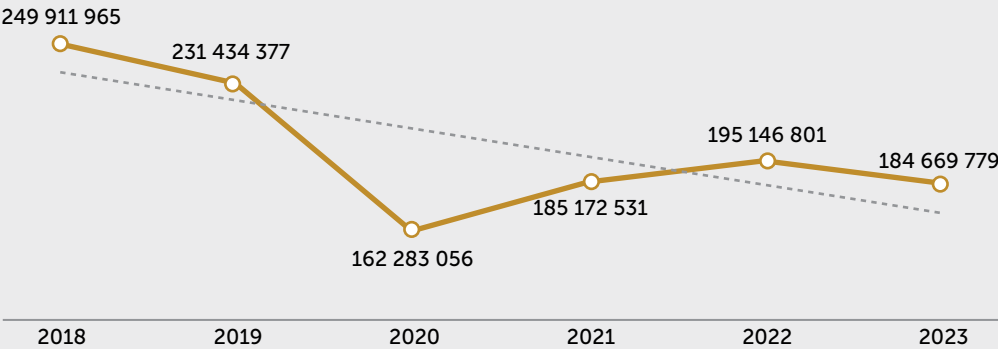
At The Maslow Sandton we have embarked on a 1MW battery energy storage system (BESS) solution as a trial and to curb the excessive costs linked to generator power. This solution will allow The Maslow Sandton to operate close to two hours per session on BESS power only. The BESS will be operational in 2024.

The rest of the operations achieved a 7.7 reduction in electric energy against the 2019 baseline. The group achieved a 16% reduction in 2023.

Electricity performance

Eskom is our primary electricity supplier, while our diesel-run generators provide back-up supply in the event of unscheduled power outages, loadshedding or load curtailment. In 2023, our operations electricity consumption decreased by 5% when compared to 2022. The Sun City Solar Project contributed 1% of renewable energy out of total electricity consumed group-wide.

Electric energy (kWh)



Forward planning

We will be implementing at least two on-site renewable projects across the group in 2024, with the potential for additional smaller projects group-wide. Further, we will investigate wheeling agreements for those operations supplied by Eskom and participating municipalities for supply in 2025.

PERFORMANCE OVERVIEW continued



Carbon emissions

Our current carbon emission strategy is focused on Scope 1 and 2, with the aim of reducing our annual carbon emissions by 2.6% year-on-year to achieve the 2023 and 2028 targets. The group commenced with identifying and compiling a Scope 3 emission inventory in 2023.

Carbon performance

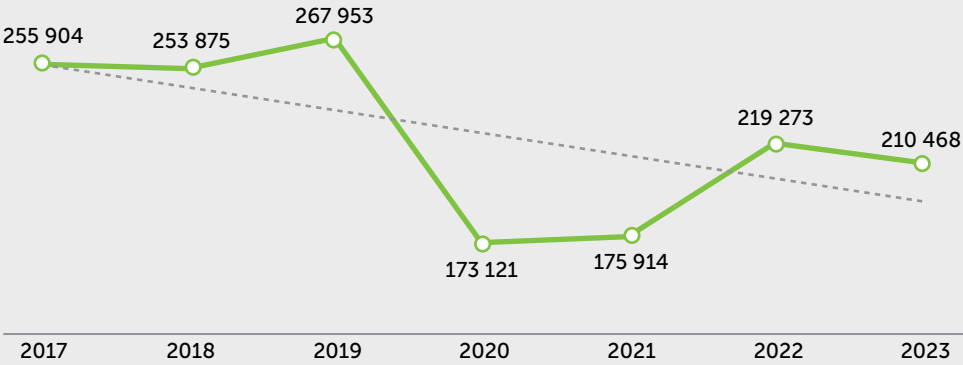
Total Scope 1 and 2 emissions decreased by 4% in 2023 (210 468) comparatively (2022: 219 273). Our stationary fuel consumption (diesel and LPGs) increased by 57%, largely due to loadshedding and increased generator runtime. We experienced a decrease in refrigerant gases (36%) and vehicle fuel consumption increased (46%).

Our liquefied petroleum gas (LPG) use decreased by 25% when compared to 2022. LPG is used primarily by our food and beverage operations and in some instances,

where food and beverage has been outsourced, the LPG consumption at those operations has been excluded. At certain operations, LPG usage and costs are recharged to concessionaires and, where applicable, staff villages (e.g. Wild Coast Sun).

In 2023, the group achieved the absolute CO₂e emissions reduction target of 18% from a 2017 baseline of 255 904. The achievement of the target from 2018 and the trend in emissions is show below.

Carbon emissions (tonnes of CO₂e)



Significant reduction of 35% in emissions took place in 2020 when compared to 2019 values due to the impact of Covid-19 on the operations.

With business resuming in 2021 there was a 2% increase in emissions when compared to 2020.

2022 is reflective of significant increase in our stationary fuels consumption related to the diesel needed for our generators and the pre-Covid operating levels of our operations.

The reduction in 2023 is reflective of our 5% reduction in electricity consumption (Scope 2) and the inclusion of the Sun City solar project. As an owned asset,

inclusive of environmental attributes, the group was able to deduct 1 070 480 kWh from the carbon emission calculations, and to mitigate the increase in emission from stationary fuels with the reduction in emissions from refrigeration gases.

In 2023, the group commenced with establishing new baselines for setting the next five-to ten-year carbon emission reduction targets for Scope 1, 2 and 3. This will align with the proposed approach for the group response to climate change and any major operational changes to the group.

Forward planning

Continuing focus on a back-to-basics approach and ensuring we implement low-hanging fruit projects, to optimise efficiencies based on business operating levels. The group will also be setting Scope 1, Scope 2 and Scope 3 emissions targets and we will be developing/considering our response to climate change to map out our low-carbon transition.



Waste management

In 2021 the group reset its ZWTL target to 2025 and regards this approach as a journey towards changing the overall mindset on how waste is viewed within the organisation. Each unit must engage with all facets of its operations, to critically review the types of waste generated and assess how to either eliminate a waste stream or transition to recyclable or biodegradable options.

To cement our commitment, we linked this target to our sustainability linked loan, to achieve a percentage increase in our recycling rate for general and hazardous waste until 2026. Within the group,

we acknowledge achieving ZWTL when an operation achieves a recycling rate of 90% or more.

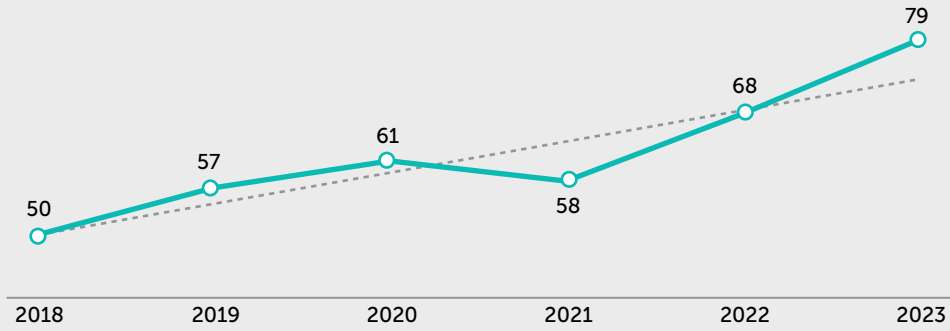
A key challenge for the group at the operations is proper waste sorting and segregation, as these are critical for effective recycling. Challenges arise when staff or guests mix different types of waste, leading to contamination that hampers recycling efforts. In addition, seasonal variations lead to fluctuations in waste generation. Managing waste efficiently during peak seasons and adapting to lower volumes during off-peak periods can be challenging.

Waste performance

Certain operations in the group rectified some of the supplier challenges from 2022 in 2023, which is reflected in seven units achieving their 2023 recycling rate target (2022: five units). Five units surpassed their target by 10% or higher, while conversely, four units were below their target by more than 10%. Total waste generated in 2023 decreased by 5% (2022: 61% increase).

We improved our 2023 recycling rate to 79% (2022: 68%). While this demonstrates that our recycling efforts and waste management processes are working, the group was 1% below the sustainability linked loan KPI target of 80%. In 2024, the operations will need to enhance efforts to achieve the 87% recycling rate by scrutinising the quality of the waste data provided, reassessing the waste separation process at the point of generation, and providing ongoing training and awareness to employees and guests.

Waste recycling rate (general and hazardous waste recycling %)



Forward planning

Implementing rigorous monthly reviews to track waste volumes and to proactively manage the recycling rate target per operation. Scrutiny of the waste data and billing provided by suppliers for traceability, accuracy and completeness.

PERFORMANCE OVERVIEW continued



Sustainable supply chain

We continue to apply the WWF-SASSI principles and include them in our procurement policy for food and beverage supplies. We are committed to driving positive change in how we source and serve seafood in our restaurants. We achieve this through various initiatives, including sourcing our seafood from legally and responsibly managed seafood suppliers as well as providing our guests with information on seafood products, allowing them to make environmentally responsible choices.

Forward planning

We will be assessing and engaging with group procurement to identify opportunities to make our supply chain more sustainable.



Biodiversity

Units continue to monitor and support biodiversity initiatives around their operations, including rhino and coastline protection. Sun International is also a member of the WWF. While most units have a limited impact on biodiversity, units such as Wild Coast Sun and Sun City are situated in sensitive areas, and we continue to monitor their impact through robust biodiversity management plans.

Forward planning

We will be reviewing the robustness of our biodiversity management plans and identify opportunities to enhance our management approach.



CASE STUDY

SUN CITY SOLAR PROJECT

Sun City has taken its name to heart and installed a R16 million solar plant to reduce electricity consumption from the national grid. With many sunny days throughout the year, the grid-tied solar photovoltaic system is rated at 1.6-Megawatt Peak of installed capacity.

The system was installed on the roof of the Sun Central and together with 12 installed inverters, will feed the power produced on the roof to the necessary delivery points.

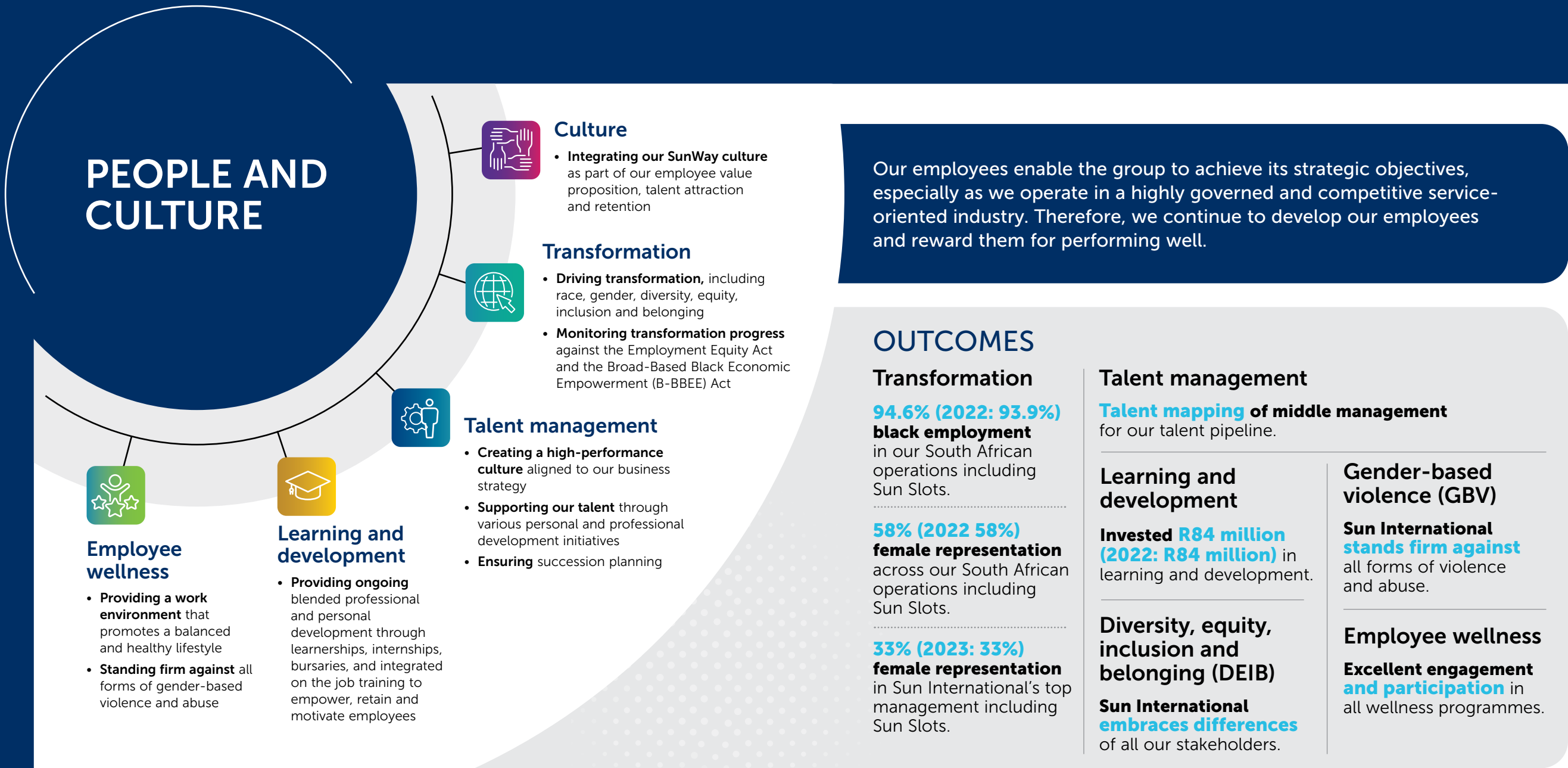
The plant will displace an equivalent of 2 367 571 kWh yield per annum, with the highest levels of energy production expected in nine out of the 12 months.

This is an equivalent of what 329 average-sized South African households consume over a year. On sunshine days, the facility will

free up an equivalent of 14% of Sun City’s electrical demand from Eskom, which will be to the benefit of the grid in the vicinity, and by extension to local communities that use the same supply.

From a sustainability perspective, the solar plant will reduce Sun City’s annual CO₂ equivalent emissions above 2 510 metric tons per annum, a positive contribution to mitigate climate change.

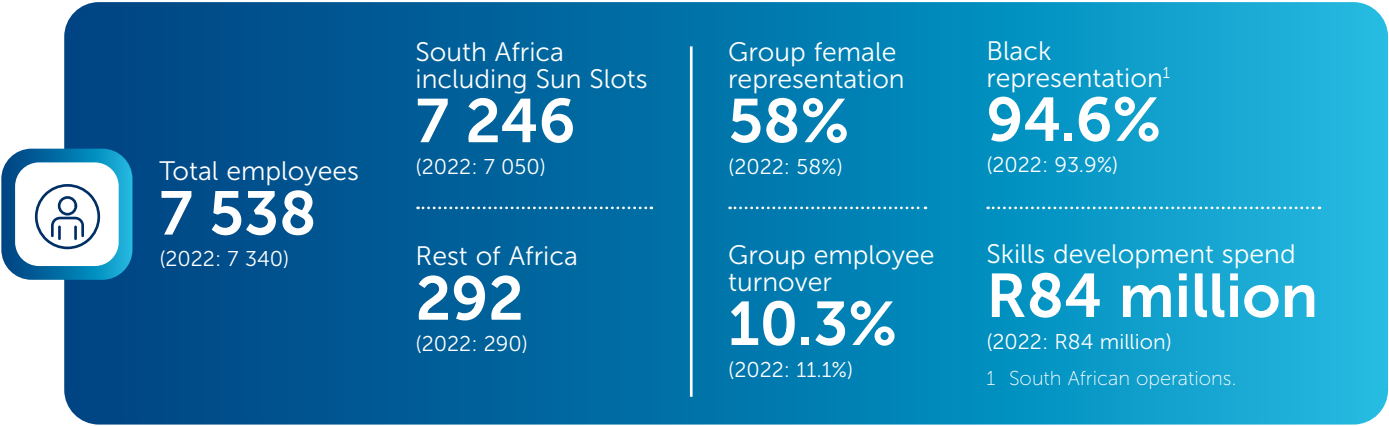
This investment will pay for itself within five years, driven by above-average annual electricity price escalations. The plant has an expected lifespan of beyond 25 years when coupled with a well-planned preventative maintenance plan.



KEY PERFORMANCE INDICATORS (KPIs)

The KPIs below include specific indicators that we monitor, as part of our HR strategy, against the requirements of the Employment Equity Act and B-BBEE Act.

Group employee statistics



MANAGEMENT APPROACH

Organisational design

Several structural reorganisations and more than 170 jobs were reshaped to support the evolving business to ensure our structures remain efficient and streamlined. Major projects for 2023 included: SunBet structure expansion; the regionalisation of Windmill and Flamingo support function, scoping of new roles in marketing and IT aligned to operational requirements; Lefika organisational structure at Sun Vacation Club; and a review of roles in the group VIP structure.

Legislation

We continue to uphold the principles contained in the group's Employment Equity (EE) Policy, Elimination of Harassment Policy and the Disability Management Policy, to protect employee rights in the workplace and ensure fair treatment and equality in employment processes. We tolerate no deviations here, complying with not only South Africa's constitutional protections but also international law, specifically the UN Global Compact, as relevant to employment practices, which address fairness, equality and non-discrimination in the workplace.

Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000 (Equality Act)

The amendments aim to prohibit unfair discrimination, including hate speech and harassment. Where unfair discrimination occurs, both the employer and employee will be jointly and severally liable for consequences.

Prevention and elimination of harassment in the workplace

We constantly strive towards creating a harassment-free environment. Following a group-wide baseline harassment survey, we developed an approach to preventing harassment, that was communicated group-wide. We believe awareness is important in preventing and eliminating harassment at work. Training was made available to all our employees, and we opened channels for communication through our wellness partner, employment equity forums and managers.

Human rights and freedom of association

The group is responsible for ensuring effective human rights management. The freedom of association principle, as it relates to the constitution of each country where we operate, is formally endorsed in our employee relations policy statements. It is also part of our recognition agreements with the trade unions in South Africa and other countries where we operate.

We follow the requirements of the Employment Equity Act, the B-BBEE Act, the Labour Relations Act, the Basic Conditions of Employment Act and other pertinent legislation that ensures we promote fairness in the workplace and have zero tolerance for any discrimination. Our policies and practices are underpinned by the South African Constitution requirements, particularly the Bill of Rights, which require that we promote equality, ensure fair employment practices, respect the right to human dignity, promote Ubuntu and the freedom of all individuals.

PERFORMANCE OVERVIEW

Many people are impacted by the economic crisis and the increased cost-of-living, including fluctuating fuel prices, high food costs, loadshedding and the concomitant increase in crime. These environmental and economic pressures exacerbate mental health stress. Our One Sun Wellness programme continues to monitor, measure and mitigate health and safety risks through specialised services, that are delivered in an integrated and collaborative model. Employee wellbeing is at the heart of this programme as we recognise that the sustainability of the business and the preservation of talent are inter-connected.

Retaining critical skills in the gaming and hospitality industry remains a challenge, together with critical support skills like IT and finance, as more people resigned due to emigration and other economic pressures facing the industry. Our succession and talent management programmes remain successful in transitioning employees into key positions. There was a focus on blended training, both online and face-to-face learning, and we continued to support employee engagement using the Sun Talk communication platform, email, WhatsApp and video messages. We also ensured ongoing communication among employees and still drive the employee recognition programme, Sun Stars, at group and unit levels. There was a notable positive change in employee behaviour following the introduction of our recognition programme.

Workforce profile

At 31 December 2023, we had 7 538 (2022: 7 340) group employees. Our permanent employees in South Africa including Sun Slots comprise 3 634 (2022: 3 593) permanent full-time employees and 3 612 (2022: 3 457) permanent part-time employees, who are paid the same hourly rate as full-time employees and work according to a roster that guarantees minimum monthly work hours.

Regional employee statistics		South Africa		Sun Slots		Africa	
		December 2023	December 2022	December 2023	December 2022	December 2023	December 2022
Permanent full-time employees	Number	3 414	3 355	220	238	292	290
Permanent part-time employees	Number	3 612	3 457	0	0	0	0
Skills development spend	R million	80.3	81.8	3.48	2.10	0.00	0
Female management employees	%	47	46	44.1	45.9	37	38
Employee turnover	%	10.1	11.4	11.4	12.1	13.1	15.9
Employees in bargaining unit	%	65	65	0	0	0	0



PERFORMANCE OVERVIEW continued

Employment equity at our South African operations

We aim to achieve legislative and substantive transformation by aligning numerical targets and our affirmative action measures to the group’s strategic objectives. These targets are tracked and monitored quarterly and included in the performance contracts of exco members. The social and ethics committee is responsible for monitoring our progress against set targets.

Employment equity plans

In 2023 we experienced good progress regarding the group’s employment equity objectives, specifically the group’s second-year objectives in terms of its employment equity plan. Although the numerical targets have been partially achieved, the group made great strides in creating inclusivity through our affirmative action measures. We also confirmed our good standing with the Department of Employment and Labour by achieving a clean employment equity inspection as well as approval of our employment equity plan.

The Department of Employment and Labour finalised the Amended Employment Equity Act in April 2023, however the accompanying regulations and effective dates are yet to be published. We continue with a proactive approach with the expectation that these will be gazetted by June 2024, with our baseline reporting period starting in December 2024.

In December 2023, the group filed its annual employment equity reports as required by the Employment Equity Act. Our South African (including Sun Slots) black employee representation increased to 94.6% and exceeded the national economically active population distribution. The management team is made up of 87% (2022: 86%) black people, and 47% (2022: 46%) are females. Although we have improved the representation of designated groups, we acknowledge that there will be a lag in the improvement at senior management as our middle management talent pool is still to be developed. Our women representation at junior and middle management level has improved considerably due to our women empowerment strategy and women development programmes. These will continue into 2024, with a positive impact on senior management anticipated in 2025.

African, Indian and Coloured (ACI) Sun International (South African operations excluding Sun Slots)

Occupational level	B-BBEE Target	Industry Benchmark	December 2022	December 2023	Progress
Top	60%	45%	50%	50%	⏪
Senior	60%	60%	57%	57%	⏪
Middle	75%	90%	71%	74%	✅
Junior	88%	95%	91%	92%	✅
TOTAL	n/a	86%	93%	95%	✅

ACI female (South African operations excluding Sun Slots)

Occupational level	B-BBEE Target	Industry Benchmark	December 2022	December 2023	Progress
Top	30%	16%	17%	17%	⏪
Senior	30%	23%	24%	23%	⏪
Middle	38%	47%	30%	32%	✅
Junior	44%	44%	45%	46%	✅
TOTAL	n/a	51%	55%	56%	✅

ACI (Sun Slots)

Occupational level	B-BBEE Target	Industry Benchmark	December 2022	December 2023	Progress
Top	60%	45%	100%	100%	✅
Senior	60%	60%	81%	81%	✅
Middle	75%	90%	81%	83%	✅
Junior	88%	95%	97%	97%	✅
TOTAL	n/a	86%	94%	94%	✅

ACI female (Sun Slots)

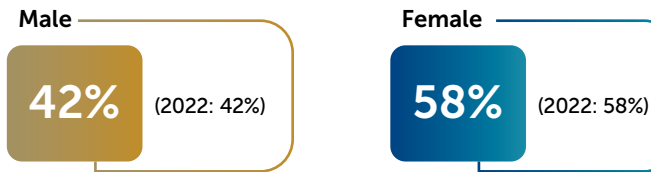
Occupational level	B-BBEE Target	Industry Benchmark	December 2022	December 2023	Progress
Top	30%	16%	44%	44%	✅
Senior	30%	23%	39%	38%	✅
Middle	38%	47%	41%	40%	⚠️
Junior	44%	44%	44%	41%	⚠️
TOTAL	n/a	51%	44%	43%	⚠️

✅ Achieved ⏪ In progress ⚠️ Limited progress

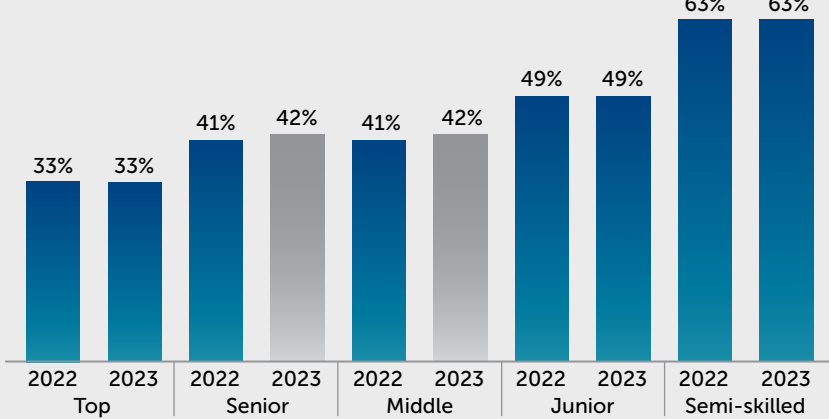
Gender distribution

During 2023, we continued to empower women through a series of self-development classes and learning opportunities. Female employees accounted for 58% of the total group workforce which was consistent with 2022. When analysing gender per occupational levels, our women empowerment programmes and learning initiatives continue to show fruitful results at operational levels, while representation at top and senior management remained constant.

Workforce profile by gender including Sun Slots



Female representation – Occupational levels



Occupational level	% Male	% Female
Top	67	33%
Senior	58	42
Middle	58	42
Junior	51	49
Semi-skilled	37	63

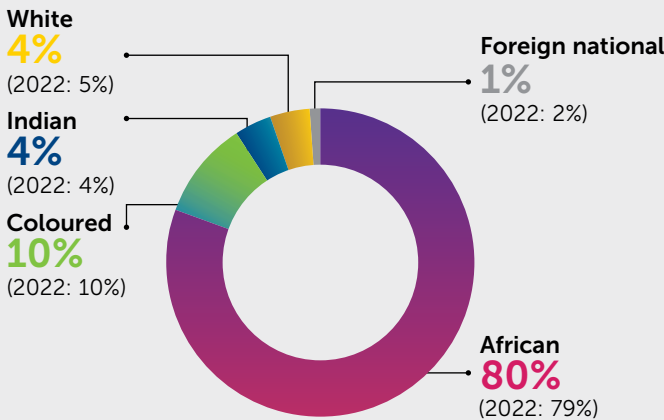
PERFORMANCE OVERVIEW continued

Employment equity at our South African operations continued

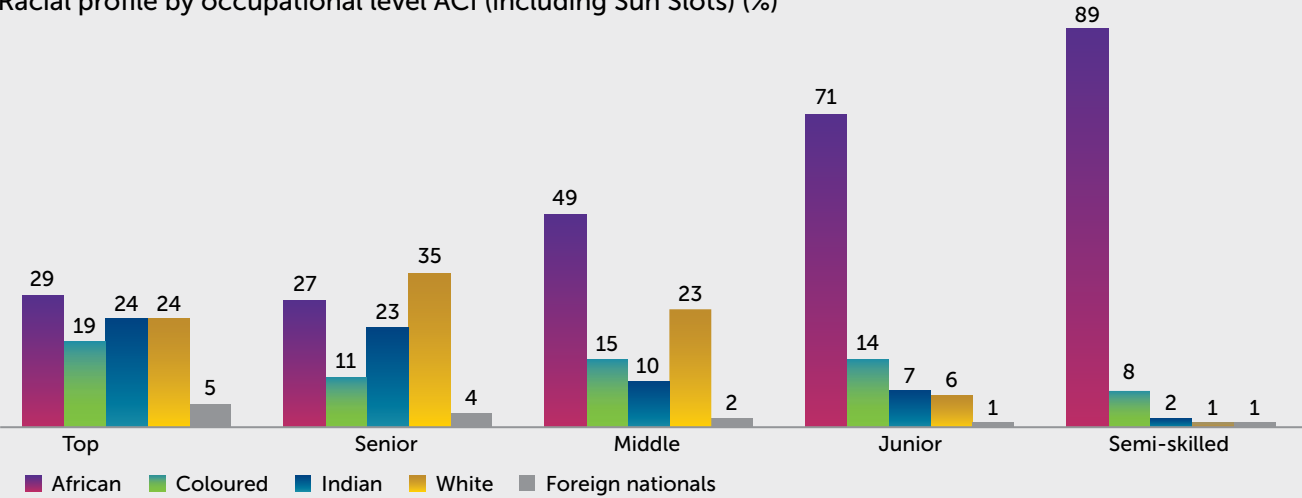
Racial distribution

During 2023, we continued to implement fair employment practices while monitoring our workforce against South Africa’s economically active population statistics. Analysis of the racial profile at occupational level showed that we have improved at top and senior management levels, but challenges still exist. However, our current succession plans, talent management and extensive training programmes will assist in closing the gaps.

Workforce profile by race including Sun Slots



Racial profile by occupational level ACI (including Sun Slots) (%)



Diversity profile South Africa

Occupational levels	Male					Female					Foreign nationals		
	A	C	I	W	Total	A	C	I	W	Total	Men	Women	Grand total
Top management	2		2	4	8	1	1		1	3	1		12
Senior management	17	7	18	26	68	15	4	10	21	50	5	1	124
Middle management	121	34	33	66	254	93	32	14	39	178	5	3	440
Skilled technical/supervisor/junior management	576	106	72	50	804	586	117	47	59	809	13	3	1 629
Discretionary decision-making	1 539	151	42	13	1 745	2 755	218	34	20	3 027	26	23	4 821
PERMANENT TOTAL	2 255	298	167	159	2 879	3 450	372	105	140	4 067	50	30	7 026
Temporary	183	44	2	13	242	273	29	5	6	313	1	1	557
GRAND TOTAL	2 438	342	169	172	3 121	3 723	401	110	146	4 380	51	31	7 583

Diversity profile Sun Slots

Occupational levels	Male					Female					Foreign nationals		
	A	C	I	W	Total	A	C	I	W	Total	Men	Women	Grand total
Top management	1	2	2	0	5	2	1	1	0	4	0	0	9
Senior management	4	3	4	3	14	5	2	3	2	12	0	0	26
Middle management	8	3	2	1	14	10	2	0	4	16	0	0	30
Skilled technical/supervisor/junior management	56	17	9	3	85	41	14	5	1	61	0	0	146
Discretionary decision-making	0	0	0	0	0	9	0	0	0	9	0	0	9
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0	0	0	0	0
PERMANENT TOTAL	69	25	17	7	118	67	19	9	7	102	0	0	220
Temporary	5	1	1	0	7	5	1	0	0	6	0	0	13
GRAND TOTAL	74	26	18	7	125	72	20	9	7	108	0	0	233

Disability management

Sensitising disability awareness has been a key objective of our diversity, equity, inclusion and belonging approach. We encourage open communication about disabilities with group discussions at wellness days and we have initiated disability awareness campaigns. These campaigns include a wheelchair challenge where in 2023, the group chief executive experienced life in a wheelchair for a day. The aim was not only to raise employee awareness but to also assist leaders in assessing accessibility in our work environment by experiencing challenges first hand. To further drive awareness and an inclusive culture, we implemented a video campaign that demonstrates the capabilities of people living with disabilities and affirms our commitment to people living with disabilities.



PERFORMANCE OVERVIEW continued

Women empowerment

The women empowerment strategy was developed to identify and address challenges that women employees may be experiencing. We focused on removing any perceived barriers to their progress through the personal mastery programme discussed below.

CASE STUDY

PERSONAL MASTERY SESSIONS

The personal mastery sessions for women started in 2021 and was rolled out across the organisation to 230 women at various management levels. This programme is a way for women to understand their own self-imposed limitations and to give them tools to transcend these limitations and thrive in the organisation. Many women have moved into new roles after attending the programme. The photos below capture some of the programme's participants.



The women's leadership programme

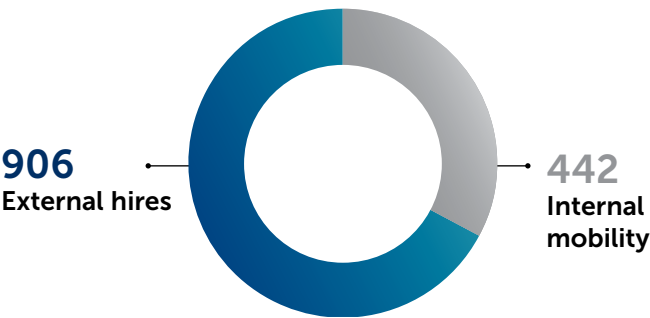
In 2023, 10 women from different business units and different functional areas participated in a 10-month women's leadership pilot programme. Participants provided positive feedback on the programme. The most common responses noted related to an increase in self-awareness and personal resilience and they indicated that the programme served as a catalyst for improved personal change. This approach to learning enables women to complete the programme at their own pace and requires participants to commit to one-hour per week during which they watch a recorded lesson on leadership and complete a reflection. The group also participated in a virtual two-hour session with a coach to discuss their learnings. The programme was structured in response to the women's challenge of insufficient time to complete additional qualifications amidst family and work commitments.

Talent acquisition strategy

Our 2023 talent acquisition strategy has contributed positively to our employment equity progress and talent management processes, as depicted in the graphics. There was a total of 2 487 hires (2022: 2 766) including 2 487 permanent hires and 1 139 contract or temporary hires for major events at our arenas.

We also focused on the internal mobility and upskilling of employees over the last couple of years, which resulted in many permanent placements being made internally. Of the 1 348 permanent placements, 906 (67%) placements were due to internal mobility including 284 promotions, 174 moves from temporary to permanent employment, 108 transfers between properties and 340 rehires.

Internal hires vs internal mobility



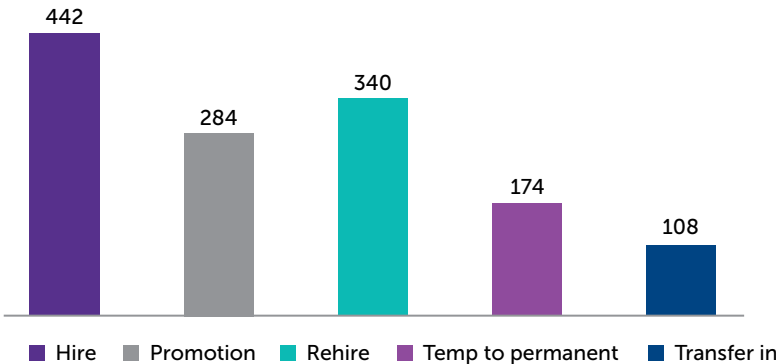
KEY HIGHLIGHTS

2 431 (98%) were appointees from designated groups, of which 2 163 (87%) were African appointees.

1 419 (57%) were female appointees, of which 98% were from designated groups.

502 management placements were made, of which 461 (92%) were from designated groups. 71% were African placements and 48% were female placements.

Hiring strategies 2023



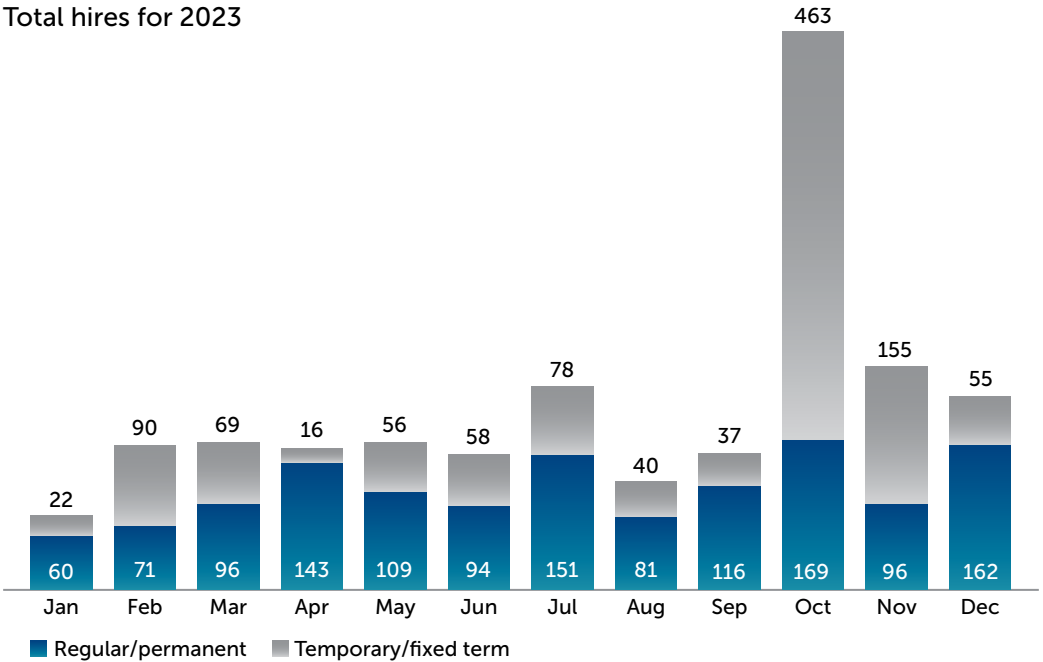
KEY HIGHLIGHTS FOR HIRES

2 715 (98.2%) were appointees from designated groups of which 87.3% were African appointees.

Senior management appointees accounted for **79.2%** from the designated groups.

1 517 (54.8%) were female appointees

Total hires for 2023



PERFORMANCE OVERVIEW continued

Employee turnover

During the year under review there were 759 (2022: 819) employment terminations group-wide, and group turnover was 10.3% (2022: 11.1%). The 2023 South African turnover has decreased to 10.2% (2022: 11.4 %).

Consolidated turnover	Terminations	Turnover percentage 2023 %	Turnover percentage 2022 %
South Africa	694	10.1	11.4
Sun Slots	27	11.4	12.1
SOUTH AFRICA, INCLUDING SUN SLOTS	721	10.2	11.4
Nigeria	38	13.1	11.7
TOTAL	759	10.3	11.1

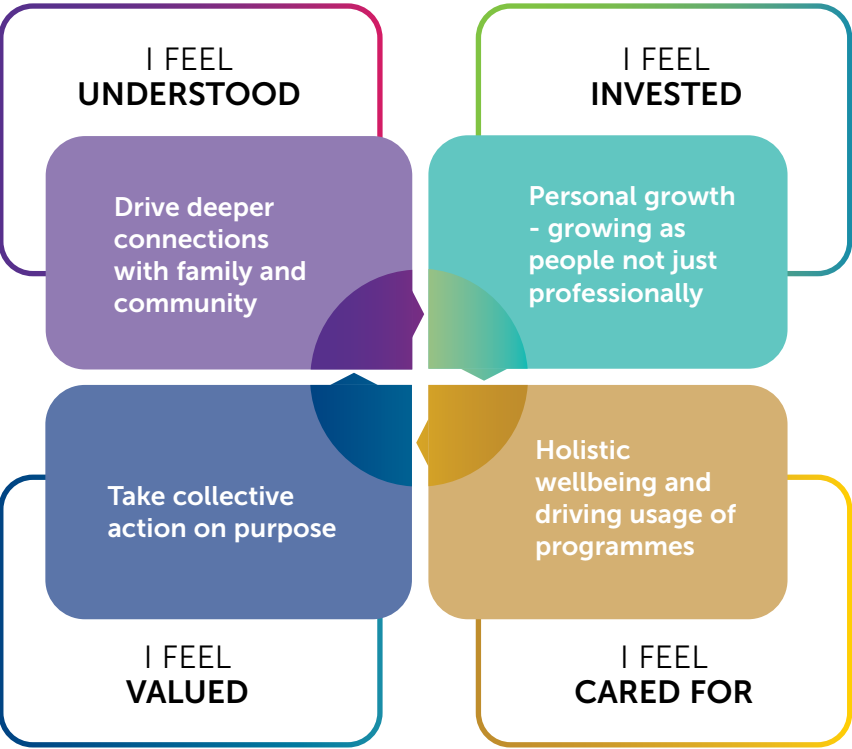


Improving our organisational culture

Sun International continues to improve the organisational culture through focused strategic initiatives. In 2023, we focused on diversity, equity, inclusivity and belonging, learning and a customer-centric culture. The group is cognisant that, as a service industry, we need to positively shift the ethos in the communities in which we operate, and we have rolled out targeted learning interventions to shift mindsets regarding diversity.

Employee value proposition

Our employee value proposition (EVP), The Home of The Game Changers, is reinforced within the group through our employee processes. Sun International’s EVP incorporates various components such as development opportunities and a challenging and enabling work environment. We drive the 12 EVP messages internally and externally and integrate them into various group initiatives to embed them in all processes. We continue to position our EVP externally to showcase Sun International’s brand and attract talent. The EVP has helped create a great brand for the group’s talent attraction. As depicted below, we focus on four elements that engage employees and make them feel part of the Sun family.



Source: Gartner 2021 research.

Sharing the Sun campaign

Our Sharing the Sun campaign senior leadership initiative grants wishes annually to some employees who contribute to our business every day. A total of R2 million (2022: R2 million) was allocated to grant the wishes of those Sun International employees most in need of help. To help as many employees as possible, the maximum amount allocated to any employee for assistance was R3 500. Categories considered most important included medical assistance, shelter and security, food and education.

We also continued with our chief executive’s award initiative – Changing a Life. Being in the business of providing incredible guest experiences, we love to give some of those positive experiences to our own people. We make a difference in the lives of many employees by granting wishes in the areas they need it most. In 2023, this financial award was presented to a Central Office employee, who was also a runner-up in the 2022 Sun Stars employee awards. This award will make a difference in her life at work and at home and reinforces Sun International’s commitment that employees are our most valuable asset.

The wishes granted since inception are shown below.

2019	512	194
wishes received		wishes granted
2020	556	501
wishes received		wishes granted
2021	808	485
wishes received		wishes granted
2022	812	848 ¹
wishes received		wishes granted
2023	1 223	837
wishes received		wishes granted

¹ Sun International granted a special allocation to our Sibaya employees in terms of flood relief, therefore the number of beneficiaries exceeds the actual wishes received.

PERFORMANCE OVERVIEW continued

Employee and union relations

Employee communication

We engage our employees in an open, honest and transparent manner through our Sun Talk platform. This mobile communication platform continues to gain traction, with 83% registrations (6 909) (2022: 7 041). The App also creates awareness around the group’s campaigns and initiatives.

Regarding the channel usage, most employees visited Sun Talk via the App (53%) or the mobi site (45%).

Unions and employee relations

Sixty-five percent (2022: 65%) of our South African workforce (excluding Sun Slots) is covered by collective agreements. It is imperative to maintain healthy relationships, through meaningful engagements, with the various unions. In the year under review our engagement focused on finalising the shop stewards’ representatives across our units.



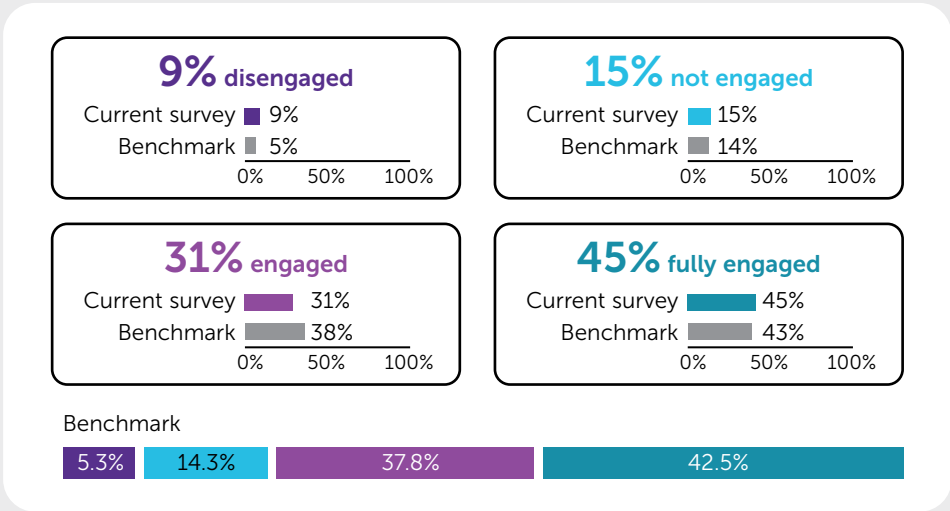
Talent management initiatives

Creating a high-performance culture

Talent management remains a critical enabler of the business strategy and of creating a high-performance culture. Our various talent management functions work together to support a streamlined approach to the employee life cycle.

Employee engagement survey

We conducted an employee engagement survey in 2023 and reached a group participation rate of 75%. Feedback sessions were scheduled with exco and the respective business unit executives to develop action plans. The results revealed that 76% of employees are engaged, which is positive in the hospitality and gaming industry. A breakdown of indicators levels is depicted below.



Organisational team effectiveness

The group continues to strive for team cohesion to improve the engagement of employees into different teams. There were various team effectiveness interventions held at a senior management level (Table Bay, Time Square and Sibaya) that focused on building self-awareness and promoting more effective team dynamics, to facilitate improved cross-functional working.

Succession management

Talent management remains a priority in the organisation. In 2023, we piloted a 360 leadership survey to assess 297 of our current leaders from middle management upwards across operations. The objective of this tool was to provide leaders with insights around how they are perceived by their peers, reports and management. There was a 70.1% response rate with 1 578 responses received for these 297 individuals.

Consolidated group results indicate that our leaders are demonstrating the values of passion, teamwork and professionalism which reinforces our SunWay culture.

All individuals have received a personalised report highlighting their strengths, development areas and blind spots to be used towards their development plans. This information will also be used to identify areas to focus for further leadership development including feeding requirements for the online LinkedIn Learning programme.

Recruitment and assessment

Sun International continued to use candidate search engines such as LinkedIn and Career Junction as a key source to attract the right talent. We also use PeopleSoft as our e-recruitment tool to improve our reporting functionality and enhance the candidate experience.

Coaching

Coaching continues to be an important talent development tool for high potential talent. Coaching provides a refinement of the individual’s set of behavioural competencies. Coaches were assigned to middle and senior managers to fast-track their competencies. This critical tool will continue to be used in 2024 to transition key talent into senior positions.

Learning and development

Educational development of group employees

The focus for 2023 was on creating a learning culture and encouraging employees to embrace the mindset of learning. Several business units ran career fairs and learnerships and promoted the group’s bursaries to encourage learning.

During 2023, all units increased their training initiatives and pursued a variety of courses offered by Reach Summit. There was also a drive for customer service, with the relaunch of the CLEAR training programme at all gaming units. Online courses, especially LinkedIn learning, remained the preferred learning medium for managers as the courses were carefully tailored to meet our managers’ needs. All senior and middle managers were assigned curated content that was aligned to the Sun International leadership competencies.

Bursaries

There were 197 employees who were awarded bursaries in 2023, with 94% awarded to black employees. A further increase is anticipated in the 2024 bursaries to be awarded.

Leadership programme (LinkedIn)

LinkedIn Learning offers accessible learning opportunities for employees, tailored to their availability to consume the content.



Learnerships

All Sun International unit learnerships in 2023 were conducted with Reach Summit. The second Education and Training Certificate: Gaming Supervision, with 12 learners from Boardwalk, Grand West, Golden Valley, Windmill, Flamingo and Sun City, was completed in November 2023. As this programme is proving successful the third roll-out commenced in January 2024.

Learning and development initiatives

Customer service programmes (CLEAR)

This programme was launched in July 2023 for dealers, inspectors and gaming shift managers, with a 94% uptake (863 employees). A delegate satisfaction rate of 90% was achieved.



Training costs as a percentage of leviable payroll (South African units excluding Sun Slots)		
	December 2023	December 2022
Leviable payroll (R million)	1 731	1 550
Training costs (R million)	80	82
% of leviable payroll	4.6	5.3
SOUTH AFRICA: GRANTS AND LEVIES		
Skills development levy paid (R million)	17.3	13.4
Mandatory grants received (R million)	4.2	4.9

PERFORMANCE OVERVIEW continued

Remuneration and benefits

The group continues to focus on fair, ethical and responsible remuneration in line with the Department of Labour’s amendments to regulations governing income differentials. We conduct equal pay for work of equal value analyses and assessments annually, to ensure that pay parity is retained between persons performing similar roles and functions across the group. Any anomalies identified are addressed. As part of the 2022/2023 equal pay analyses, we introduced once-off lump-sum payments for employees in respect of the 2023 financial year. This was implemented as a pro-active intervention to ensure ongoing motivation and retention of these employees, both non-bargaining and bargaining.

Equal pay for equal work

We conduct equal pay for work of equal value analyses and assessments annually, to ensure that pay parity is retained between persons performing similar roles and functions across the group. It also serves to reinforce the message to the operations that pay related decisions need to be justified in accordance with the Code of Good Practice (Employment Equity Act). Where anomalies are identified, these are addressed as part of the overall remuneration and human resources plan. Some of the existing gaps in Sun International will take some time and greater effort to close. We are continually improving our investigative approach to better track and report EPWEV progress.

Performance management

In 2022, we piloted the new performance review process for senior management and positive feedback was received. This process was extended to all non-bargaining employees in 2023, with some improvements actioned. The performance management module was streamlined to align with the new process.

A new quarterly talent check-in process was also introduced for all senior and top management employees, to foster a performance culture with a view to identifying top talent and identifying gaps in performance on a regular basis. A group-wide comprehensive leadership 360 assessment process was implemented in 2023 for middle management and upwards. This tool provides leaders with insights around how they are perceived by their peers, and areas that need to be addressed.

Consolidated group results indicate that our leaders are demonstrating the values of passion, customer service, teamwork and professionalism, which reinforce our Sunway culture. Areas that received lower scores included behaviours to develop talent, providing performance feedback and influencing skills. All individuals received a personalised report highlighting their strengths and development areas. This information will also be used to identify focus areas for further leadership development, including online learning programmes.

Employee wellness

One Sun Wellness (OSW)

The holistic One Sun Wellness (OSW) programme supported employees in various ways as discussed below. This programme monitors, measures and mitigates health and safety risks through specialised services in an integrated and collaborative model. Employee wellbeing is at the heart of the programme as we recognise that the sustainability of the business and the preservation of talent are inter-connected.

Psychosocial support

The Employee Wellbeing Programme (EWP) provides employees and their household dependents (including domestic helpers) with 24/7 access to professional coaching, counselling, nutritional and biokinetic consultation, legal advice, financial coaching and debt management services. In 2023, 1 132 cases were reported (2022: 1 163) where the top four areas requiring counselling related to stress, in-moment support, bereavement and anxiety.

Workplace absenteeism management

The Workplace Absence Management (WAM) programme reaches out to employees and offers professional health coaching and counselling to address the underlying reasons for sick absenteeism. Line managers also benefit from consultations with a health professional, to manage sick absenteeism appropriately. During 2023, the top five reasons for absenteeism related to respiratory disorders (26%), musculoskeletal conditions (19%), domestic/ personal matters (10%), digestive issues (10%) and psychiatric conditions (9%).

Onsite testing: health and lifestyle risk assessments and HIV counselling and testing

This workplace service is voluntary and confidential. Rapid health risk screening and lifestyle self-assessments promote the early identification of chronic lifestyle diseases that can inform our risk mitigation strategy. Employees gain insight into how to prevent or manage health and lifestyle risks and engage with a health coach to identify and address these risks. At-risk individuals are referred to the EWP, WAM or a chronic disease management programme. Onsite testing for 2023 was highly satisfactory with 2 216 (2022: 1 913) participants. The major health risk is obesity.

Managing HIV/Aids

Sun International’s LifeSense HIV disease management programme assists HIV-positive employees on primary healthcare to maintain adherence to anti-retroviral treatment, ensuring they live healthy and productive lives. There are currently 133 (2022: 116) active members across fourteen units. All employees and household members have access to the post-exposure prophylaxis (PEP) programme, which can prevent HIV infection through accidental exposure. This benefit is a vital component of the 365 Days of Activism campaign to end violence and abuse. The PEP benefit was accessed by seven employees in 2023 (2022: nine).

Addressing gender-based violence (GBV)

GBV is a social pandemic, exacerbated by many other forms of abuse and cruelty. Sun International has zero tolerance for all forms of violence and abuse. The 16 Days of Activism for No Violence against Women and Children Campaign (16 Days Campaign) is a United Nations campaign which takes place annually from 25 November (International Day of No Violence against Women) to 10 December (International Human Rights Day). In 2022, Sun International started a campaign to shed light on some factors contributing to GBV. In collaboration with the Father A Nation, Sun International has held various talks with employees to educate them on their roles and responsibilities. In 2023, Sun International sponsored the writing of an educational book that provides safety tips for women. This booklet was also distributed to all employees and certain patrons of The Maslow Hotel as well as some communities.

We are well positioned to reach people in the workplace and through our presence in surrounding communities. The group launched the #NOEXCUSES campaign on the strength of its allegiance with Father A Nation during the 16 Days of Activism period. In 2023, the business dedicated resources to embedding the EE Act Code of Good Practice to Eliminate Harassment in the Workplace. Sun International also adopted Father A Nation and the TEARS Foundation.

Several business units hosted awareness events and adopted local projects. The group also offers support through our EWP, OSW and community-based initiatives to those who are caught in the cycle of abuse in their professional and/or personal lives – both victims and perpetrators. Several awareness events were hosted by the units and our LifeAssist platform in 2023.

Training and wellness interventions

In 2023, more training opportunities presented for in-person engagements. The focus was on the transfer of knowledge and skills to managers and introducing staff to OSW benefits through onboarding programmes. In 2023, 478 (2022: 658) delegates participated in this EWP-related training initiative that covered various topic such as change management, retirement, teamwork and financial literacy. There were also talks on health and nutrition for employees.

To further enhance financial literacy, we launched PayMe Now App, which is a financial wellness solution that provides our employees with the ability to access a portion of their earned wages during a payroll cycle. This innovative benefit allows employees to unlock funds without resorting to expensive loans, while also enabling them to build savings and avoid financial difficulties. The PayMe Now App removed the lengthy administrative process of applying for salary advances. The App is powered by the Earned Wage Access (EWA) solution, which has been proven to reduce financial stress, leading to increased employee wellness.

As a group that prioritises the financial wellbeing of our employees, we believe that the PayMe Now implementation has helped us achieve this objective through the added financial education benefit that is complementary to this solution. The implementation of this platform is a critical step in enhancing the financial wellness of our employees.

The PayMe Now App offers several benefits to our employees, including:

- Improved financial wellness and reduced financial stress.
- Reduced reliance on costly loans.
- Reduced administration of cash advances in payroll.
- Opportunity to build savings and break the cycle of debt.

Communication

The Sun Talk and Let’s Talk App is the most effective platform for providing health and wellness content, promoting the benefits of the OSW programme, and inviting people to participate in activations. The LifeAssist website is a repository for content and practical resources.





KEY PERFORMANCE INDICATORS

Health and safety management, a pillar of ESG, focuses on the prevention of harm to all stakeholders that are directly or indirectly affected by the group's activities, products and services. Sun International remains committed to reporting on relevant and applicable indicators.

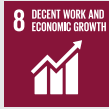
See our ESG annexure on page 116

Where feasible, we also align our health, safety and wellness initiatives to address specific SDGs, as shown below.

SDG 3 – Good health and wellbeing



SDG 8 – Decent work and economic growth



To measure performance against our social obligations, Sun International defined KPIs that measure and monitor the success of internal controls to detect issues and prevent harm. These indicators are designed to improve health and safety performance and risk mitigation for all stakeholders group-wide, namely employees, contractors, service providers, guests, communities, shareholders and regulators. Targets were set for five years (2020 to 2025) using 2019 as the baseline period. Incremental milestones were set for each year to assist business units in achieving the overall group targets. The injury-related KPIs were set using the 2019 JSE averages. All other KPIs were set against internal performance criteria, established and approved by management to ensure the health, safety and wellness strategy is successfully implemented.

All data used to measure KPI performance is gathered monthly through a defined reporting process, where business units submit their data to the health and safety specialist at central office. This data is checked and verified quarterly to ensure accuracy, reliability and transparency. Any discrepancies and performance gaps are reported back to the units to resolve before final management reporting.

The KPIs listed in the table alongside and in our capitals and key performance indicators section (Page 15) highlight the group's progress towards the achievement of its health, safety and wellness performance targets.

	Group target 2025	Milestone target 2023	Achieved 2023	Milestone target 2022	Achieved 2022	Progress
Group health and safety performance						
PREVENT HARM TO OUR STAKEHOLDERS						
Improve training on the management system procedures and SOPs for all employees and outsourced workers	100%	20% up y-o-y	18%	20% up y-o-y	40% up y-o-y	↻
Achieve or improve customer satisfaction survey targets relating to health and safety perception	95%	85%	88%	85%	90%	✓
Maintain a fatal injury frequency rate (FIFR) of 0.00	0.00	0.00	0.01	0.00	0.00	✗
Achieve a 10% or higher reduction in lost time injuries (LTIs) compared to the previous year. If the unit already achieved an LTIFR of 0.47 then this should be maintained	0.47	10% reduction in LTIs or maintain LTIFR of (0.47)	2% reduction in LTIs (0.98)	10% reduction in LTIs or maintain LTIFR of 0.47	1.04	✗
Achieve a 10% or higher reduction in all medical treatment cases (MTCs) compared to the previous year. If the unit already achieved a TRIFR of 0.89 then this should be maintained	0.89	10% reduction in MTCs or maintain TRIFR of (0.89)	48% reduction in MTCs (1.28)	10% reduction in MTCs or maintain TRIFR of 0.89	1.65	✓
Achieve a 10% or higher reduction in all first aid cases (FACs) compared to the previous year. If the unit already achieved a TIFR of 4.64 then this should be maintained	4.64	10% reduction in FACs or maintain TIFR of (4.64)	34% reduction in FACs (4.70)	10% reduction in FACs or maintain TIFR of 4.64	7.31	✓
PROACTIVELY CONTROL AND MITIGATE OUR RISKS						
Utilise the audit module for ALL paper-based monthly, quarterly, and annual compliance inspections and achieve a minimum of 90%	100%	90%	59%	85%	81%	✗
Improve incident reporting on the SHE management system platform, closing out 90%	100%	90%	98%	100%	98%	✓
Record 100% of health and safety incidents according to the newly developed incident reporting procedure	100%	100%	93%	New KPI	New KPI	↻
Implement all OHS training as per the unit's predetermined training matrix	100%	100%	99%	Improve by 20% compared to 2022	(8%)	↻
IMPLEMENT INNOVATIVE SOLUTIONS TO MANAGE HEALTH, SAFETY AND WELLNESS						
Implement, at minimum, one new or innovative solution to improve risk management or employee wellness	14 (100%)	14 (100%)	15 (>100%)	28 (100%)	29 (>100%)	✓
Implement a minimum of two wellness initiatives based on anonymous data and trends identified by the unit wellness committee	28 (100%)	28 (100%)	30 (>100%)	New KPI	New KPI	✓
EMBED A CARING AND VIGILANT CULTURE						
Implement a minimum of four sustainability awareness initiatives	56 (100%)	56 (100%)	52 (93%)	New KPI	New KPI	↻
Recognise employees at each property for sustainable behaviour	15 employees per unit, total 210 (100%)	15 employees per unit, total 210 (100%)	64 (30%)	10 employees per unit, total 140 (100%)	84 (60%)	✗
MAINTAIN COMPLIANCE, ALIGN TO INTERNATIONAL STANDARDS AND ADOPT BEST PRACTICE						
Implement the unit-specific medical surveillance plan for all employees	100%	100%	80%	100%	55%	↻
Achieve a minimum audit score in the SHE cross-unit audits	100%	90%	91%	90%	87%	✓
Achieve zero penalties, infringements or convictions from government, regulatory or local authorities	0 (100%)	0 (100%)	0 (100%)	0 (100%)	0 (100%)	✓
Close out all high-priority findings from the last fire and life safety inspection	100%	100%	93%	100%	63%	↻
Close out a % of all moderate-priority findings from the last fire and life safety inspection	100%	80%	87%	70%	81%	✓
Close out a % of all low-priority findings from the last fire and life safety inspection	100%	70%	91%	50%	73%	✓
Close out a % of all risk control audit inspection findings	100%	80%	87%	70%	82%	✓
Close out all critical and major findings from the food safety and legionella audits	100%	100%	96%	100%	76%	↻
Close out a % of all minor findings from the food safety and legionella audits	100%	90%	95%	85%	97%	✓
Close out a % of all findings from the prior year's SHE cross-unit audits	100%	90%	96%	85%	85%	✓

STRATEGIC OUTCOMES



✓ Target achieved ↻ Target not achieved / Good progress made
✗ Target not achieved / Additional action required

MANAGEMENT APPROACH

The responsibility for health, safety and wellbeing management is divided into three levels:

Operational management

SHE professionals are appointed at each unit and are responsible for embedding health and safety management principles into management processes. This includes implementing the group SHE management system, using IsoMetrix and driving training and awareness initiatives.

Strategic management

The group health and safety specialist is responsible for setting out the health, safety and wellness strategy for the group and identifying specific mechanisms for the achievement of the group objectives and targets. This is an advisory role working collaboratively with the SHE professionals to ensure operational execution of the group strategy.

Executive management

The group ESG manager and the group risk manager assess group-wide health and safety risks and opportunities through the ERM framework and report to exco, through the director of corporate services.

Health and safety management is reported to the social and ethics and risk committees via the group ESG manager.



PERFORMANCE OVERVIEW



Preventing stakeholder harm

Occupational health

The group health and safety specialist oversees the monitoring of occupational health risks. In 2023, zero cases of noise-induced hearing loss or other occupational diseases were recorded across the group.

Smoking

Sun International accommodates smoking within the casino environment, where smoking areas comprise 25% of the total gaming floor capacity across the group. Out of the 7 583 Sun International employees, 1 588 (21%) are gaming staff who work in the smoking environment.

Prioritising our guests' and employees' health is essential and we have implemented comprehensive measures to minimise the impact of smoking on them. Initiatives include restricting pregnant individuals from working in or entering smoking areas, rostered breaks to limit exposure, and implementing medical surveillance where it was identified as a requirement in the occupational health risk assessments. Monthly inspections are conducted on all smoke extraction and ventilation systems including ongoing maintenance, annual servicing, air quality control testing and independent third-party air quality risk assessments every two years. These efforts aim to create a healthier and safer environment where smoking is prevalent.

Group SHE management system

The group's SHE management system underwent revision and implementation in 2023. Refresher training on the group SHE management system procedures was conducted and will continue in 2024, aiming for a 20% year-on-year improvement in training. In 2023, seven of the 14 units met their targets, with 18% employees trained across the group (2022: 40%). Training will continue to be a focus in 2024.

Customer satisfaction

We consider customer satisfaction to be a key metric for measuring our health and safety performance, and the effectiveness of implementing the group SHE management system. We conducted a review of the existing survey method to integrate health and safety criteria. This adjustment has enabled us to establish a benchmark that reflects customers' perceptions of their health and safety at our properties. The group achieved an average satisfaction score of 88% (2022: 90%) against the target of 85%, with 12 out of the 14 units achieving their target.

Injury reduction and prevention

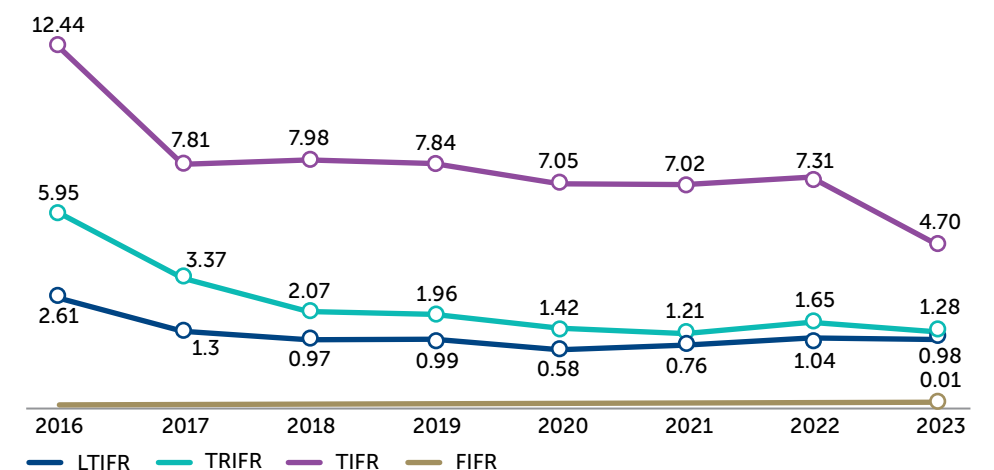
Fatalities

Sun International remains committed to the protection of employees, guests and communities, and strives to achieve this through comprehensive mitigation efforts, including but not limited to risk management, strict adherence to regulations and ISO 45001:2018 standards, regular internal and external audits, and the utilisation of our IsoMetrix platform for proactive risk management. Regrettably, we encountered a fatality in 2023 involving a service provider which resulted in a FIFR of 0.01 (2022: 0.00).

Injury frequency rates

Our group LTIFR decreased by 6% to 0.98 (2022: 1.04), our TRIFR decreased by 22% to 1.28 (2022: 1.65) and our TIFR decreased by 36% to 4.70 (2022: 7.31). The comparative decreases can be attributed to our ongoing focus on incident prevention, improved reporting through the IsoMetrix system, and monthly monitoring processes. Our focus for 2024 will be on preventing severe injuries that may become fatal or result in lost time.

Injury frequency rates 2016 – 2023



Forward planning

Ensuring stakeholder health and safety is a primary focus for the group in 2024. The implementation of IsoMetrix and regular interactions with business units each month will guarantee timely reporting, investigation and remediation of all incidents. This approach aims to identify trends and effectively reduce injury frequency rates.

PERFORMANCE OVERVIEW continued

Proactive control and risk mitigation

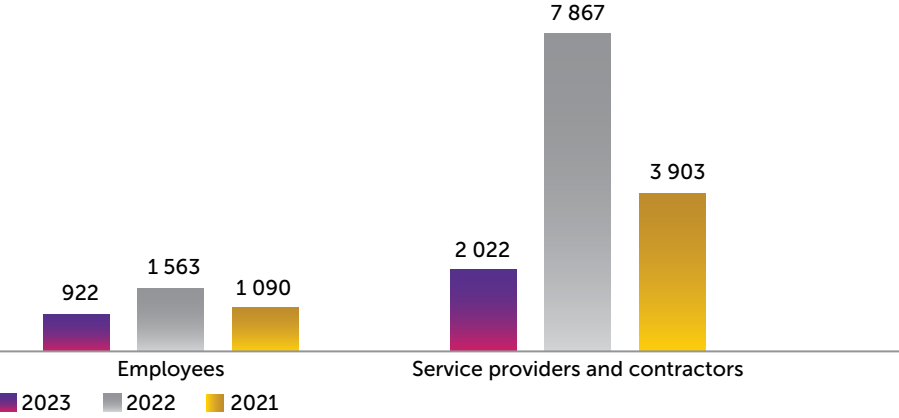
Compliance and risk management platform

The development and roll-out of IsoMetrix commenced in 2022 and was launched in 2023. Our target of closing out incidents on the system was 90% and we achieved 98%. Our target of reporting 100% of incidents on the system was not achieved, with 93% being reported and 11 of the 14 units fully utilising the module. We experienced challenges with system adoption initially, however continual engagement and monthly monitoring of reported incidents are expected to close this gap in 2024. We achieved a 59% utilisation of the audit modules for all inspections, which is below our target of 90%. We will focus on improving this utilisation in 2024.

Training and awareness

In 2023, all units completed regular compliance and awareness training initiatives, with 13 out of the 14 units meeting their targets, and achieving 99% of the targeted training needs. The decrease in the total number of employees, service providers and contractors trained is attributed to the significant effort focused on general safety awareness and training, including induction sessions in 2022. Most of the training is not an annual requirement and spans over a two-year period.

Health and safety training



Succession planning

Succession planning ensures a smooth leadership transition, retains institutional knowledge, mitigates key personnel turnover and identifies high-performing employees for development. This process commenced in 2023 to identify successors for SHE key positions. Succession plans will be formulated and implemented in 2024.

Forward planning

In 2024 we will focus on fully utilising the IsoMetrix system, finalising succession plans, and implementing risk-based training as required.

Innovative solutions to manage health, safety and wellness

Occupational health and wellness integration

The One Sun Wellness programme, designed to address health and safety risks in line with corporate governance, achieved a record number of engagements amounting to 43 870, with Life Assist engagements up 33%. This demonstrates our wellness programme's success in fostering a proactive approach to employee health and safety.

Forward planning

We will continue to enhance employee wellness through our integrated wellness approach.

Embedding a caring and vigilant culture

Sustainability awareness initiatives and recognition

The group's approach to sustainability awareness empowers business units to implement tailored on-site initiatives. In 2023, 52 diverse initiatives were rolled out to improve awareness on health, safety and environmental topics. These efforts resulted in a reduction of injuries in cashiering, improved storage solutions for slot machines and information awareness days. The group's drive toward embedding a caring and vigilant culture also includes reward and recognition, with 64 employees being recognised for demonstrating sustainable behaviour in 2023. These initiatives showcase the group's commitment to proactively managing risks and promoting the wellbeing of its employees.

Forward planning

In 2024, awareness and recognition initiatives will continue focusing on pertinent risk-based topics. This will involve setting clear goals and metrics, targeting specific audiences, leveraging new technologies, measuring KPIs and maintaining adaptability to accommodate emerging trends.

PERFORMANCE OVERVIEW continued

Maintaining compliance, alignment to standards and best practice

Medical surveillance

Our medical surveillance programme offers employees the opportunity to undergo risk-based and voluntary medical assessments. The group's medical surveillance policy underwent a review in 2023, with quarterly monitoring of implementation by the group health and safety specialist. Among the 14 units, 10 (2022: 9) embedded the medical surveillance policy and implemented medical assessments for employees and shift workers exposed to various risks.

All properties are required to implement compliance-related medicals at their operations. While this was not achieved due to changes in medical service providers, we improved the policy roll-out to 80% in 2023 (2022: 55%). The policy adoption remains a focus for 2024.

Internal audits

SHE cross-unit audits

The SHE cross-unit audits were conducted in 2023, and focused on compliance and risk prevention. The group achieved an average health and safety audit score of 91% (2022: 87%), which is an improvement of 4% and exceeded the group target of 90%.

External audits

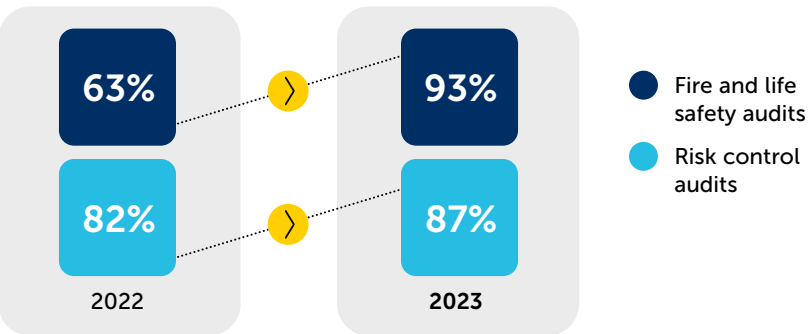
Government and local authority inspections

In 2023, 90 (2022: 70) formal inspections were conducted by government and local authorities, with numerous informal inspections having been performed. We received zero (2022: zero) penalties or fines. Inspections were done by the provincial gambling boards; municipal, district and provincial departments of health; the Department of Employment and Labour; the Department of Environmental Health; fire and disaster management services; and the South African Police Service. These inspections were regulatory inspections in respect of the OHS Act and its regulations, the Compensation for Occupational Injuries and Diseases Act, and other relevant legislation pertaining to health, safety or wellness.

Fire, life safety and risk control audits

External audits are conducted independently to evaluate fire prevention, life safety and risk control throughout the year. These audits covered fire equipment servicing, maintenance, repair interventions, compliance with the OHS Act, public health and safety, and emergency preparedness.

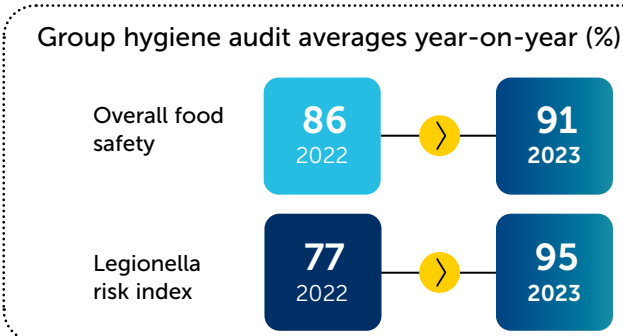
Significant progress has been made to improve the closure rate for high-priority findings identified in the fire prevention and life safety audits, with an increased 93% (2022: 63%). The closure rate for risk control audit findings increased to 87% (2022: 82%) and surpassed the target of 80%. The graphic below illustrates the progress in closing our fire and life safety and risk control audit findings.



Hygiene audits

Sun International maintains a high food safety and hygiene standard by monitoring and mitigating hygiene-related risks through independent third-party assurance audits, focusing on food safety and legionella risk management. Our 2023 performance pertaining to the closure of food safety audit findings resulted in 96% of critical and major findings and 95% of minor findings being closed out.

Our audit score target is set at 90% and we achieved an overall food safety audit score of 91% (2022: 86%) and an overall legionella risk index score of 95% (2022: 77%), achieving our targets. We remain committed to enhancing performance through monthly monitoring initiatives. The graphic below depicts the overall audit scores across both audits and performance.



Forward planning

Ensuring compliance and addressing the closure of audit findings from the previous year continue to be our focus for 2024. Additionally, ongoing staff training on food safety standards and the utilisation of the business intelligence platform to monitor progress will be emphasised.

CASE STUDY

PRIORITISING HEALTH AND WELLBEING

WILD COAST SUN

During healthy lifestyle awareness month, Wild Coast Sun engaged in various workout activities to promote wellbeing. Each department was encouraged to do a five-minute exercise routine weekly throughout February 2023, sharing their activities on Sun Talk. The initiative aimed to inspire employees to manage mental health and fatigue through exercise.



SIBAYA

Sibaya conducted a health and wellness screening in October 2023, extending invitations and access to all health and wellness services on-site for employees, service providers and contractors. The primary aim was to raise awareness, and prioritise and enhance overall workforce health and wellbeing. Various programmes were implemented incorporating activities geared towards promoting physical, mental and emotional wellness. Tests were also included for blood pressure, cholesterol, blood sugar, body mass index and HIV, with counselling available. Additionally, prostate cancer screening was provided for those interested. Sibaya is confident that fostering a healthier and more engaged workforce will result in increased productivity and reduced absenteeism.



SOCIO-ECONOMIC DEVELOPMENT



Socio-economic development and CSI in-kind donations

- **Creating shared value** by providing ongoing support to the communities where we operate
- **Aligning our projects** with the needs of the communities, with a focus on education



Gaming licence conditions

- **Ensuring we comply** with our gaming licence conditions as part of our social licence to operate

Our investment in socio-economic development (SED) creates shared value and empowers and uplifts the communities we operate in. It also helps us fulfil our licence conditions and promote B-BBEE and corporate governance processes.

OUTCOMES

SED spend

R32.9 million
(2022: R27.6 million)

CSI in-kind spend

R4.7 million
(2022: R5.3 million)

PROJECTS SUPPORTED

Launched the Sun International Festival of Giving campaign – aimed at strategic skill-based and impact-driven programmes to enhance a culture of volunteerism.

Promoted and implemented the Smile, Shimmer and Shine book, which emphasises the importance of educating girls about gender equality and sustainable development (Page 62).

Raised awareness in the fight against gender-based violence (GBV) by distributing a booklet with practical safety advice for girls and women during the 16 Days of Activism Campaign.

Partners with Purpose: In partnership with WESSA (Page 63) Sun International implements and supports innovative programmes, provides resources and training, and creates a supportive environment that promotes the holistic wellbeing of schools and the community at large.

Empowering and building resilient educators: Commemorating World Teachers Day by hosting a personal mastery workshop to strengthen resilience and provide educators with tools to help both themselves and their learners.

KEY FOCUS AREAS IN 2023

Aligning our social investment with current and emerging issues.



Developing an annual monitoring assessment model to ensure we track our impact and measure the level of improvement since the inception of Sun International's funding model.



Building strong social, environmental and governance practices.



Developing and implementing the IsoMetrix software toolkit to optimally manage our community stakeholder relations and drive our social risk management and compliance.



Achieved In progress

LOOKING AHEAD

- ▶ **Investing and increasing** the level of youth development programmes by providing opportunities within learnerships, bursaries and work experience, specifically aimed at the Adopt-a-School learners.
- ▶ **Creating and implementing an SED employee volunteerism survey** to ensure we provide opportunities for employees to connect with our communities in a meaningful way.
- ▶ **Increasing environmental and health and safety awareness** through the Sun International Eco-Schools programmes that contribute to building a sustainable community.
- ▶ **Enhancing the quality of education** outcomes for our learners from early childhood development to entrepreneurship and employment.
- ▶ **Continuing to align our investment** with the specific needs of the regions in which we operate.
- ▶ **Conducting baseline assessments** on group initiatives.

SOCIO-ECONOMIC DEVELOPMENT

Education has been a key area of focus for Sun International. Over the years we have invested in improving literacy, numeracy and matric results, with the aim of developing talent to enhance employment opportunities in various sectors. Sixty percent of our SED investments is geared towards education and youth development, where we can have the greatest impact. Our educational programmes are highlighted below.

Eco-schools – the development of a range of critical skills to support our learners to achieve a sustainable future.

Mathematics and science – providing learners with additional academic and educational equipment support.

Career readiness initiatives – hosting annual career expos and job readiness programmes.

Bursary programmes – awarded to deserving students in the fields of hospitality and the performing arts.

Supporting and developing initiatives linked to SDG 5 – achieve gender equality and empower all women and girls.

Key performance indicators

Sun International's group SED strategy, incorporated into our SED framework, ensures all processes are streamlined across units and provides guidance in respect of adherence to the various gaming licence conditions and group targets. This framework also guides applicable standards when identifying, approving and implementing projects, and provides a platform for projects that integrate the environment, health and safety, as well as SED.

R million	2023	2022
SED spend ¹	32.9	27.6
CSI in-kind ²	4.7	5.3
Complying with gaming licence conditions	24 447 894	23 412 557

- Sun International's SED spend is based on 1% net profit after tax (NPAT) and is allocated to education (R20.5 million), sport (R3.6), arts and culture (R2.4) and other (R6.4 million).
- Sun International's CSI in-kind spend includes both in-kind monetary and non-monetary contributions. In-kind donations with a rand value include the donation of venues, accommodation, linen, venue hire, restaurant vouchers and any other donations that could have been sold.

MANAGEMENT APPROACH

Our SED policy and framework aim to direct the group's intent and commitment to invest in projects that bring about positive social change in the areas where we operate. At Sun International we are guided by our strategic framework and follow a robust process in identifying and governing SED approvals and ensuring we manage and create greater impact in our communities.

SED project approval governance process

OPERATIONAL AND IMPLEMENTATION

All unit SED practitioners develop an SED plan which ensures continued focus on SED and allows for a comprehensive and holistic overview of the strategic approach to SED, including prioritisation, planning and implementation.

These plans are reviewed and approved by the unit SED committees and submitted to the group SED specialist annually.

MANAGEMENT

The group SED specialist is responsible for defining the group flagship projects, key targets and KPIs.

Unit plans are reviewed by the group SED specialist to ensure alignment with the focus areas, namely education, sports and the arts.

As set out in our group SED policy regarding projects that fall outside of our focus areas, units are required to submit a special motivation form for Trust approval.

SUN INTERNATIONAL SOCIAL COMMUNITY DEVELOPMENT TRUST (SISCDT)

The SISCDT committee representatives meet on a quarterly basis to review and approve all unit SED implementation plans.

Once approved the group SED specialist advises the unit of the outcome and provides the sign-off.

All projects and data are captured on the internal accounting system for auditing and monitoring on a quarterly basis.

www Communities are encouraged to apply via Sun International's website and complete the online application form at: <https://corporate.suninternational.com/sustainability/socio-economic-development/>



Measuring impact

Our stakeholder-focused approach ensures that we have a mutual understanding of the areas where we can have a measurable impact, as discussed in our case studies on pages 62 - 64. We are guided by the contribution our initiatives make to the SDGs and the National Development Plan (NDP) of South Africa. The group's three KPIs are aligned to our group strategic framework and support the achievement of the global SDGs, while driving our target and initiatives through our shared value approach.



Community stakeholder engagement

We continue to focus on building and maintaining transparent community relationships. The group SED specialist and the SED unit professionals are responsible for these engagements and ensure transparent communication for shared value and sustainable SED initiatives. This is achieved by leveraging the IsoMetrix software toolkit. Over the long term we aim to:



Community stakeholders include:

Communities and traditional leaders	Provincial and national governments	NGOs, NPOs, PBOs	Foundations	Labour organisations
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Social capital

Our social capital is accumulated through the contributions of our units and group initiatives that resonate with our communities. Social capital investments ensure our long-term business sustainability by maximising shared value in the communities we operate in. Return on investment is measured by the lasting positive impact and self-sustaining structure of all SED projects (page 61). Our employees actively invest their personal time in the social investment projects that resonate with them, from volunteering and mentoring bursary students to providing business advice and training.

SED vs CSI in-kind spend

CSI is a unit-specific operational expense allocated to projects of interest to the group and its employees. Most CSI initiatives are funded by business units, and donations received from our guests and partners. Although the gaming boards recognise CSI in-kind spend, the B-BBEE Act only recognises the SED spend based on 1% NPAT. These CSI in-kind donations do not form part of the NPAT for calculating the group's SED spend per the B-BBEE Codes.

Our SED projects are allocated to initiatives that facilitate sustainable access to the economy for our beneficiaries and are governed by our SED policy. Our SED investment is allocated according to Sun International's SED project focus areas – education, sports, and arts and culture – with an emphasis on education, which is critical to alleviating poverty and ensuring economic stability. As a group 70% of our spend is allocated to group-wide SED projects and 30% to unit-specific projects, still focusing on education, sports and arts and culture projects. Our focus areas unify the Sun International brand and meet the various gaming board licence conditions of different gaming regulatory authorities.

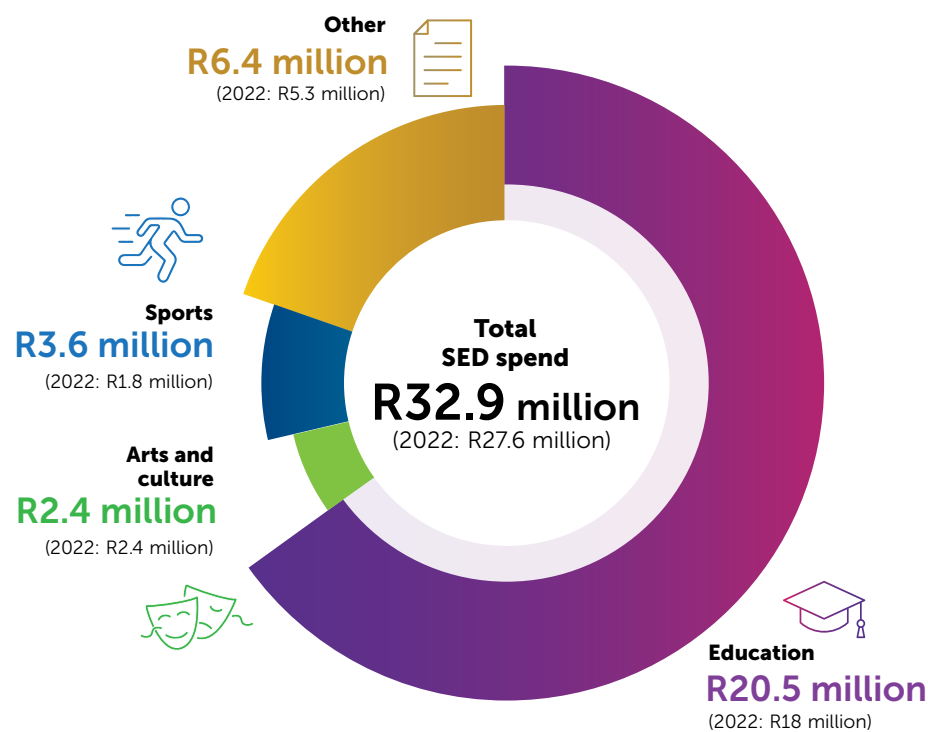
The group's SED policy allows units to contribute to any SED project based on local community needs and not only education, sports and arts and culture. Units completed a special projects motivation, which is reviewed and approved by the group SED specialist as opposed to the SISCDT or chief executive, as per the group's normal project approval process. The social and ethics committee and SISCDT provide input and oversight for all approved projects.

PERFORMANCE OVERVIEW



SED spend

Sun International's SED spend for the period under review amounted to R32.9 million (2022: R27.6 million). We obtained the maximum eight points allocated for SED spend during 2023, constituted of five points for the SED spend and three bonus points for our Tourism Marketing Levy for South Africa (TOMSA) payments, as part of our B-BBEE commitment.



CSI in-kind spend

Total CSI
R4.7 million
(2022: R5.3 million)

The group invested in various CSI initiatives – both in-kind monetary and non-monetary – including donations, sponsorships and charitable givings of approximately R4.7 million (2022: R5.3 million) across our South African units.

CREATING SHARED VALUE THROUGH OUR PROJECTS

Sustainable value creation

Creating shared value is at the core of our business strategy. We support programmes that focus on empowering our youth through education, helping to alleviate food insecurity and creating economic value by supporting community-based organisations. We do this while simultaneously addressing societal needs and challenges. All our selected programmes align closely with the SDGs depicted alongside.



CASE STUDY

EMPOWERING GIRLS THROUGH EDUCATION



Impact investment

In 2023, Sun International piloted an initiative (Smile, Shimmer and Shine book) to equip Grade 8 female learners with coping skills that will help them better manage the challenges they may face. Sun International's decision to focus on Grade 8 girls underscores the recognition of this pivotal stage in a learner's life.

The first workshop was held at Tembisa High School, which specialises in consumer and tourism studies, which aligns with Sun International's hospitality opportunities. This campaign was also rolled out to an additional 800 learners nationally with a total investment of R220 000.

By providing these resources, Sun International contributes to the academic development of the learners and encourages them to cultivate essential life skills.



Looking ahead

Activities	Expected outcome	Performance indicators
Identifying learnerships, internships	Placements that offer candidates the opportunity to gain on-the-job experience within the hospitality and tourism sector	<ul style="list-style-type: none">No. of learnership/ internship placementsNo. of workplace experience placements
Matching graduates to job opportunities	Candidates are matched to their most suitable work opportunity	No. of placement opportunities created
Equipping learners with the skills needed for job interviews	Work readiness/career expo programmes during youth month	No. of learners attending work readiness activations
Mentorship	Learners are assigned to a mentor	No. of sessions/school visits

CASE STUDY

EDUCATION MEETS ENVIRONMENTAL AWARENESS



A partnership inspiring a generation of environmental stewards

Impact investment

The Sun International WESSA Eco-Schools project has impacted 14 426 learners at 19 schools. Conducting biodiversity surveys with learners at school fosters environmental awareness, scientific skills and a deeper connection to nature while integrating with the CAPS curriculum. These surveys also raise awareness about the importance of biodiversity and sustainability and encourage responsible behaviour in learners. Participation in citizen science at school is beneficial as it offers first-hand learning experiences, fosters environmental awareness and nurtures critical thinking skills. It promotes interdisciplinary learning, community involvement, scientific literacy and civic engagement, empowering learners to become responsible and informed citizens. Involvement in citizen science projects not only benefits their education but also contributes to data collection for scientific research and conservation efforts.

Develop and nurture the skills of future leaders

Prepare learners for the world of work

Respond to challenges communities face

Ensuring quality and equal education

Sustainable change in communities



Looking ahead

Annual baseline assessments and impact measurement to be conducted for all eco-schools, which will provide valuable insights into the current state of each school's environmental initiatives and identify gaps for required skills to ensure success in higher education and future careers.

Our long-term goal is to instil a sense of empowerment, potentially inspiring future careers in the science, technology, engineering and mathematics fields, which will promote sustainability, environmental stewardship and a scientifically engaged society.



The teacher workshop opened my eyes! It made me realise that there are some gaps in CAPS (geography) with regards to biodiversity. The learners cannot wait to get started next year and they cannot wait to start planting.

Mr Kok, Teacher, Ekukhanyisweni Primary School

I liked the link created by the workshop to our various subjects. It impacted my knowledge on how I can integrate my curriculum lesson with biodiversity.

Mr Ramaoka, Teacher, Ipontshe Primary School

The teacher workshop was very informative and enjoyable. It changed how I think about nature.

Karabo, Teaching Assistant, Moduopo Primary School

“



The teacher workshop was informative, as the life skills subject does not cover or touch on biodiversity. I liked the game of different insects and how we should link biodiversity to the curriculum.

L. Molai, Teacher, Ekukhanyisweni Primary School

CASE STUDY

SCI-COM FOUNDATION 2023



A youth education and development structure, which started in 2009 and develops learners and students from grassroots to universities and colleges. We are proud of our academic impact (see below) on the African child from disadvantaged areas in Gauteng.

241

Number of matric learners who **pass annually through our intervention**

600

Number of learners who receive a **free meal during holidays and at Saturday classes**

18

Number of educators and youth **employed by the Foundation**

2 000

Number of girls who benefit from **mentoring programmes**

5 000

Number of learners who receive **valuable career guidance**

53

Schools

195

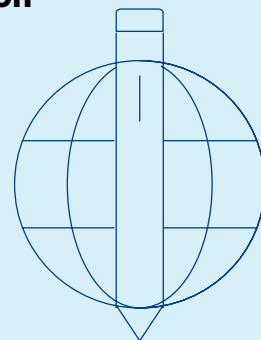
Number of annual university entrants made possible by this **financial support**

1 200

Number of learners who benefit from **intensive mathematics and science tuition**

R750 000

Rand value contributed to or **invested in this social partner**



Looking ahead

Introduction of a new teaching methodology whereby learners are taught context-based science activities, coupled with the insight of technology content. This methodology will prepare learners for challenges after school.

Organising youth science, technology and society camps.

Paying it forward — learners are encouraged to donate their old school uniforms to learners from impoverished communities.

ENTERPRISE AND SUPPLIER DEVELOPMENT



Enterprise and supplier development

- **Creating opportunities** for SMMEs to access the economy through capital funding
- **Supporting the development** of black-owned SMMEs
- **Achieving meaningful value** through effective use of funding



Preferential procurement

- **Driving preferential** procurement across the B-BBEE procurement pillars
- **Sourcing and onboarding** B-BBEE compliant suppliers
- **Procuring** supplies and services nationwide to increase spend in local communities

Our supply chain helps create value across the group's broad supplier base and supports the group's vision of creating genuine value in the communities we operate in, by investing in local procurement opportunities. The group also maintains an efficient and equitable supply chain aligned to ethical standards and practices through a robust governance process.

OUTCOMES

R57.8 million

(2022: R42.3 million)

invested in supplier development

109 beneficiaries assisted
(2022: 129)

R14.2 million

(2022: R12 million)

committed to enterprise development

39 beneficiaries assisted
(2022: 50)

KEY FOCUS AREAS IN 2023

Fostering collaboration between other corporate entities and development finance institutions to create an ecosystem that helps the long-term sustainability of SMMEs.



Exploring localisation of MVG Programme cards and leveraging available enterprise and supplier development (ESD) funds to support supplier development.



Exploring request for proposals (RFPs) for business development service providers that add additional value to the beneficiaries funded.



Implementing beneficiary impact reporting, including an assessment of revenue growth and job creation.



Engaging our top non-compliant suppliers on their transformation goals to identify areas of collaboration and/or support for Sun International's business strategy.



 Achieved  In progress

LOOKING AHEAD

- ▶ Developing a sustainable supply chain framework.
- ▶ Focusing on category management and category strategies to unlock additional procurement savings.
- ▶ **Enhancing quality, reliability, and innovation** in the products and services we procure by improving supplier relationships and strengthening communication channels.
- ▶ **Continuing to engage with our top non-compliant suppliers** to identify areas of collaboration and support
- ▶ **Identifying opportunities between ESD and SED** to identify projects where synergies exist.
- ▶ **Hosting diversity forums with industry peers** to promote sharing best practices and black women-owned (BWO) initiatives to encourage transformation.

KEY PERFORMANCE INDICATORS

R million	Spend 2023 R million	Spend 2022 R million	B-BBEE score achieved 2023 Points/(%)	B-BBEE score achieved 2023 Points/(%)
Preferential procurement ¹	4 701	4 084	100	100
Supplier development ²	57.8	42.3	100	100
Enterprise development ³	14.2	12	100	100
Black women spend	1 551	1 005	100	100

1

Preferential procurement is spend focused on goods and services procured from small and black-owned suppliers.

2

Supplier development refers to the financial and non-financial support provided to suppliers within our supply chain.

3

Enterprise development refers to any loans, grants, guarantees or other financial and non-financial support provided to suppliers that are not currently included in our supply chain.

The group has made good progress with all its KPIs. Procurement spend increased, largely due to business returning to 24/7 operations as well as economic factors such as inflation, forex and geopolitical issues. Enterprise and supplier development spend increased 33%, with significant work done to maximise this spend.

We made good progress on our procurement KPI – 30% black women-owned – that is part of the group’s SLL that was launched in the prior year. In 2023, we achieved 26.5% spend and there has been further engagement with suppliers to improve their black women ownership, which has yielded positive results.

While Sun International already exceeds B-BBEE targets and typically contributes over double the required spend, the intention is to surpass this metric by further supporting businesses owned by some of the most marginalised within our communities and in business.

Our focus on cost savings, through optimised procurement strategies and enhanced data analytics, is gaining traction.

SLL BWO KPI – WOMEN IN BUSINESS SUMMIT

We hosted a Women in Business Scale Up Summit at The Maslow Sandton for 200 SMMEs in construction and facilities management. The event was successful because it gave the SMMEs a voice, valuable insight, and access to market opportunities with Sun International, ABSA and Empact.


Businesses that attended signed up to our database and shared their company profiles. We have distributed their details to the applicable units to be considered for procurement opportunities and funding. Some units have already engaged the suppliers for procurement opportunities.



MANAGEMENT APPROACH

Sun International’s governance structure enables it to identify and manage material ESG topics. Matters related to the supply chain are overseen by the central procurement team in collaboration with relevant stakeholders, and comprehensive reports are submitted to the social and ethics committee for oversight. This committee promotes ethical supplier standards, monitors potential conflicts of interest, guards against bribery and corruption, and ensures suppliers apply fair labour practices (including preventing child labour and unfair discrimination).

Engagement with stakeholders and suppliers occurs through a variety of channels, including site visits, meetings, supplier audits, supplier conferences, daily interactions with operational and procurement staff, and collaborative efforts on projects aimed at enhancing efficiency and waste reduction at our units.

 These engagement methods are further detailed on page 19

Sun International remains steadfast in its commitment to transformation, fostering a diverse and equitable supply chain ecosystem conducive to businesses prosperity. This commitment is spearheaded by the head of procurement and the group ESD manager, who work closely with the various units.

Each potential initiative undergoes a review to ensure alignment with the group’s ESD plan, and sustainability for the beneficiary and Sun International. Identifying initiatives involves a review and evaluation from a commercial and strategic perspective. Upon successfully passing the application and evaluation stages, agreements are signed in line with the B-BBEE Codes to facilitate a seamless and effective implementation.

As part of our good governance and due diligence processes to ensure compliance with our procurement policy, we annually conduct random B-BBEE compliance reviews on various suppliers group-wide. These reviews determine whether the black ownership and transformation initiatives of the sampled businesses are genuine and sustainable, to ensure no fronting is taking place. During 2023, no material risk of fronting was noted.

A total of 49 suppliers were randomly selected for this review. The suppliers were sent a standard email which provided a high-level overview of the purpose of this process. These suppliers were asked to ensure that all relevant representatives attended, with an emphasis on their black shareholders.

- Eight suppliers were classified as medium risk, and we are conducting more in-depth reviews to satisfy ourselves as to the legitimacy of their B-BBEE credentials.
- Suppliers seem to fear the term, compliance, especially relating to B-BBEE. Many were reluctant to engage until it was confirmed that there was no preparation required and no documentation that needed to be submitted before the review.
- A few suppliers also invited their B-BBEE advisors and legal representatives to the meeting. This was common with suppliers whose black ownership/BWO is based on trusts. This could be due to a limited understanding of the codes and their B-BBEE structure.

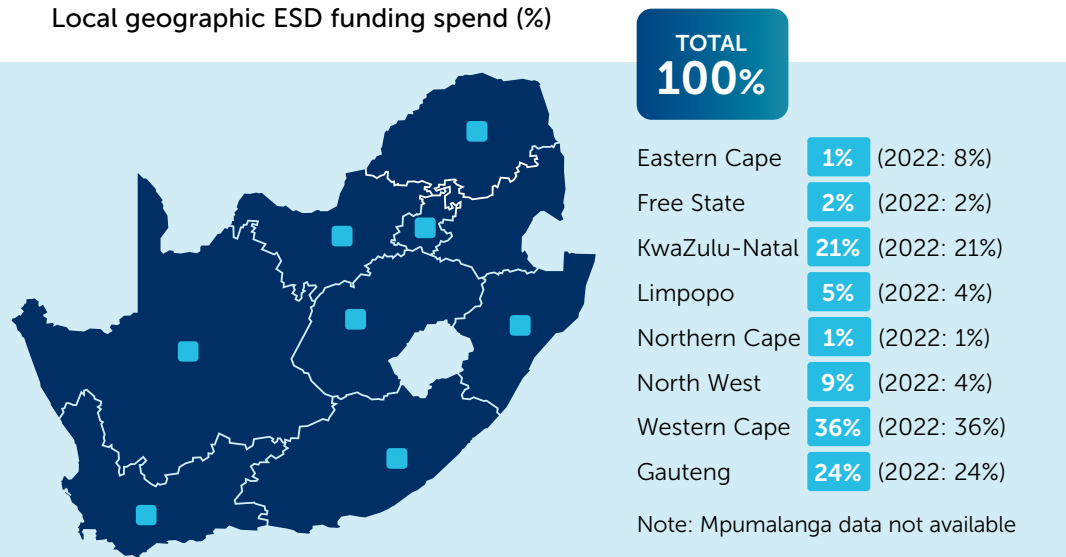
It is noted that some suppliers view transformation as a means to satisfy their clients. Future transformation initiatives are considered with this in mind, and many need to consider further transformation as they have achieved the perceived minimum requirement.



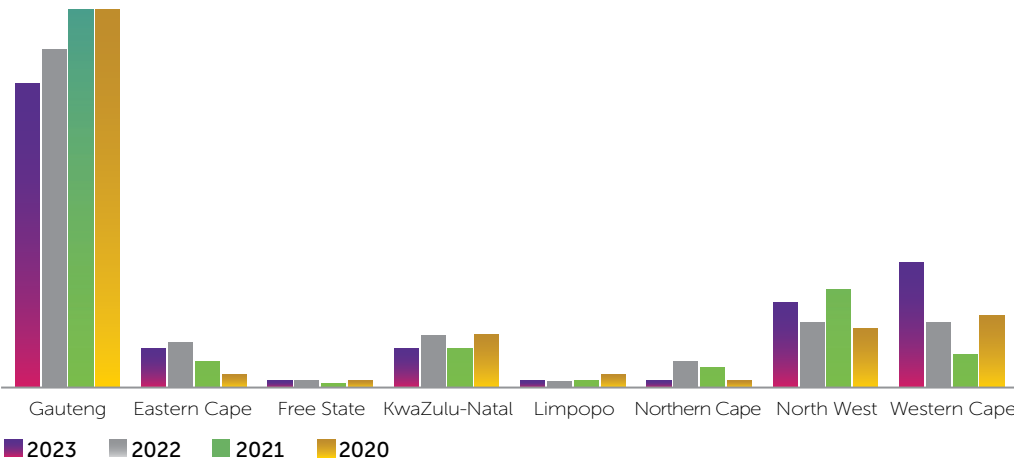
PERFORMANCE OVERVIEW

We are committed to creating opportunities for all suppliers, especially B-BBEE-compliant SMMEs. The group maintained our B-BBEE levels across all pillars to support economic upliftment through our supply chain nationally. We continue to promote procurement spend across the provinces where we operate, while ensuring optimal strategic spend. In 2023, we disbursed the majority of our ESD funds in the Western Cape, Gauteng and KwaZulu-Natal. Most of our procurement spend was concentrated in Gauteng, Western Cape and North West (85% combined).

Local geographic ESD funding spend (%)



Local geographic procurement spend %



Sun International is continually working to increase supplier and procurement spend based in local communities. Procurement opportunities are posted in community forums and local suppliers are regularly invited to our units to be briefed on upcoming opportunities in procurement and ESD funding.

Preferential procurement

Sun International's total measured procurement spend for the financial year was R5.36 billion (2022: R4.45 billion), of which R4.70 billion (2022: R4.08 billion) was procured from 2 821 (2022: 2 712) verified B-BBEE-compliant suppliers. This 88% (2022: 77%) valid spend shows a growth in the B-BBEE spend towards the group target of 95%.

Category	Suppliers		Spend 2023	
EME	2 419	43.9%	R1 100 968 425	21%
QSE	982	17.8%	R845 775 854	16%
Generic	1 650	30%	R1 907 864 783	36%
Non-compliant	455	8.3%	R1 500 667 156	28%
B-BBEE spend			R5 355 276 218	

Despite the challenges facing the group, we continue to engage suppliers that support our objectives and meet our optimum B-BBEE standard: black-owned with a level 3 rating or better. In 2023, 58.3% (2022: 60%) of group spend met this optimum requirement. Our revised 2025 goal is to reach and maintain 70%.

B-BBEE compliance controls are in place to ensure only B-BBEE-compliant suppliers are included in the group's supplier database and any non-compliant suppliers are suspended until they prove B-BBEE compliance. At the end of 2023, 28.1% (2022: 20.5%) of our suppliers were non-compliant.

Indicator categories	Revised target by 2024 (%)	Achieved in 2023 (%)	Achieved in 2022 (%)	Achieved in 2021 (%)	Achieved in 2020 (%)
Black-owned spend	60	59	51	39	54
Black women spend	30	29 ¹	23 ¹	23	54
Level 1 to 3	70	58	60	67	71
SMMEs	45	36	40	30	34

¹ This includes Meropa, SunBet and Sun Slots.

Sourcing and supplier onboarding process within Sun International

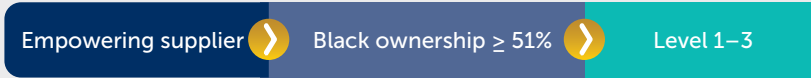
Sourcing suppliers remains commercially driven, and we remain committed to economic transformation in South Africa by adopting the B-BBEE framework that encourages black SMME participation. We give preference to commercially competitive suppliers who meet our optimum B-BBEE compliance standard and have a local presence. All potential suppliers must register on the Sun International supplier database for inclusion in any sourcing opportunity, and ensure they keep their registration information updated.

The below graphic details what Sun International considers a best-fit supplier.

Onboarding process



Preference will be given to commercially competitive suppliers who demonstrate optimum Sun International B-BBEE compliance.



Significant efforts have been made to develop and implement a suitable e-sourcing tool to support SMMEs with getting more opportunities with leverage spend items. Progress has been made with the development of the portal to ensure that it is suitable for both small-scale and large-scale projects. The e-sourcing tool will also be integrated with a supplier bulletin board, which will enable potential suppliers to be informed of upcoming RFQs and RFPs on the Sun International website. The e-sourcing tool is expected to go live in 2024.

The group intends to make further progress with engaging our top 100 suppliers to sign our sustainability memorandum. While progress has been slightly subdued, commitment to sustainability has been included in all RFP documents and forms part of the evaluation criteria. Sustainability also forms part of the evaluation criteria for selecting ESD funding beneficiaries. The development of a comprehensive sustainable supply chain framework in 2024 will ensure that the group is better positioned to engage our top 100 suppliers to walk the journey with us.

In 2023, there were several RFPs awarded to level 1 black-owned businesses. These contracts represent a significant amount of procurement spend in key areas such as diesel supply, cleaning services, security and linen.

Where possible, we ensure large organisations sub-contract at least 30% of contract value to suitably qualified exempted micro enterprises (EMEs) and qualifying small enterprises (QSEs). This was successfully implemented at several properties, most notably Sibaya and Meropa. Support for this development is in the form of business development services and funding for equipment/machinery.

Several non-compliant suppliers group-wide have been engaged to identify ways to improve their transformation credentials. Several of them have successfully improved on their B-BBEE scores, particularly in areas related to black ownership and black women ownership. This is an ongoing initiative across our supply chain and efforts will continue to engage non-compliant suppliers to transform.

Enterprise and supplier development

Sun International’s ESD strategy remains a group priority, emphasising responsible corporate citizenship and a commitment to the environment, community and economy. These objectives drive our supplier sourcing and create opportunities for small businesses to enter our supply chain. The endorsement of a small business goes a long way in supporting market access, job opportunities and uplifting local and regional communities.

Community engagement

Community concerns about inequality in certain operational areas remain an issue, especially around securing local procurement spend and local employment to provide socio-economic upliftment. To facilitate proactive community engagement, each unit will work closely with local communities to develop their local supply chain. Where necessary a dedicated liaison officer is appointed to streamline this engagement process. In addition, central procurement continues to assist units in implementing these and other initiatives.

The group’s ESD programme identifies and assists businesses at our various properties through capital funding or other business development services, with the goal of:

Creating opportunities for access to the economy, financial empowerment and moving beyond incubation and into true economic participation.

Enabling localisation of industries where we currently import products, leading to improved GDP and economic growth.

Creating opportunities for suppliers to develop beyond supplying an individual unit and into group or regional suppliers.

Supporting the development of black-owned SMMEs.

Offering consistent and structured application of ESD projects.

Focusing on the sustainability of our beneficiary organisations by creating an ecosystem within which businesses can thrive and grow beyond only supplying Sun International. This can be done by leveraging existing relationships with suppliers and customers.

Supporting strategic category management plans.

Achieving meaningful value through effective use of funding.

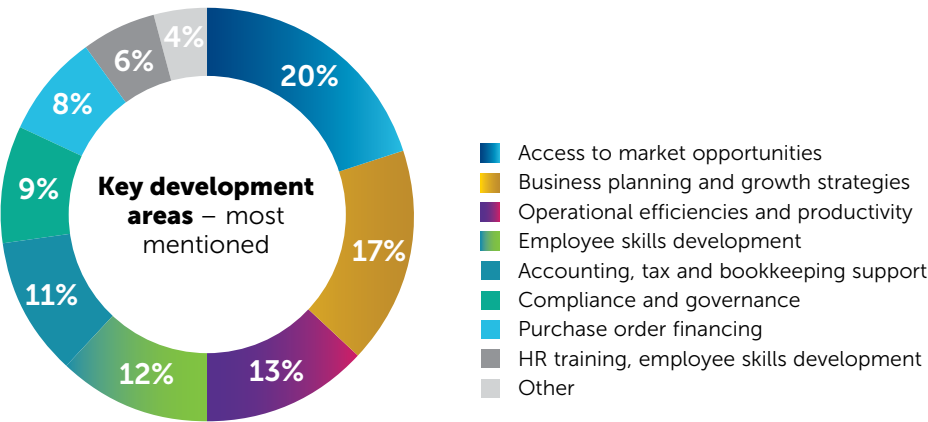
The group committed R57.8 million (2022: R42.3 million) in supplier development, including early settlements substantially above the claimable value. An additional R14.2 million (2022: R12 million) was committed in enterprise development, supporting a pipeline of new business in the supply chain. The companies that have been funded include those specialising in cashless payment devices, access control, coffee roasting, cleaning services, food production, packaging, Ed-Tech and facilities management.

Sun International has also made efforts to open opportunities for greater market access for our SMMEs by engaging other corporate entities to unlock procurement opportunities. Furthermore, Sun International has made efforts to foster greater collaboration among SMMEs within our supply chain to develop a stronger SMME ecosystem within the group. In June 2023, we hosted a Women in Business Conference at The Maslow Sandton for 200 female entrepreneurs in construction and facilities management, in order to increase Sun International’s access to suitable suppliers. Some of the partners at the event included ABSA, Empact, the Gordon Institute of Business Science, the National Empowerment Fund, the South African Institute of Black Property Professionals, the National Housing Finance Corporation and the South African Women in Construction and Built Environment.



ESD BENEFICIARY IMPACT REPORTING

A survey was conducted with our ESD beneficiaries group-wide, to determine the suitability of our current initiatives. Some of the survey insights and key development areas are listed below.



227

(including both temporary and permanent) **jobs were created by our ESD beneficiaries during 2023**

ESD beneficiaries reported several operational efficiencies as a direct result of our funding

ESD beneficiary revenue increased **67% to R75 million**

(2022: R45 million), of which R20.5 million was noted as a direct result of our **funding initiatives**

Significant progress was made in terms of further enhancements to our current BEE 123 platform, with major improvement on inputs for total measured procurement spend. This will be more reflective of how the units capture their financial information and enhance information accuracy.

We also hosted numerous ESD masterclass sessions throughout the year. Industry experts and entrepreneurs conducted these sessions free of charge. Some internal Sun International staff members also shared their knowledge and insights with SMMEs. Topics covered included effective responses to RFPs, building a disruptive business, the importance of compliance and governance, and digital marketing.

ESD INITIATIVES

CASE STUDIES

GRANDWEST AND SIBAYA: KINOVETIC



Overview

Kinovetic is a well-established, experienced whole and processed fresh produce distributor based in the Western Cape, which has been supplying the food and beverage industry for over 18 years. The business is venturing into the manufacturing and supply of frozen potato chips to meet the rising demand in the Western Cape. GrandWest and Sibaya have jointly funded the supplier with an interest-free loan of R3.8 million to enable Kinovetic to procure frozen potato chips. Grand West has also committed to procure all its frozen potato chips from Kinovetic and to provide additional support to the supplier, through business development services and further support through its executive chef.

IMPACT: Enabling job creation
Developing entrepreneurs to breakdown supplier monopolies



SUNBET AND CENTRAL OFFICE: APOLLO INSTRUMENTATION



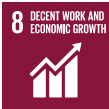
Overview

South African-based Apollo Instrumentation provides communication technology, software, hardware and infrastructure solutions. Apollo is currently a supplier of linen tracking as well as locker system management solutions at Sun International's resort properties. Central Office and SunBet have provided Apollo Instrumentation with R1.7 million to enable it to procure machinery and equipment as well as expand its business operations into other regions. Apollo Instrumentation has consistently delivered excellent service to our properties.

IMPACT: Supporting business growth



CENTRAL OFFICE: LEVEL INNOVATIONS



Overview

Level Innovations is a technology startup driven by the desire to create technology wearable devices that enhance people's livelihood. The company was founded by a team of ambitious university graduates who have endeavoured to provide innovative solutions for consumers and businesses. The young company has provided solutions to several tertiary institutions in KwaZulu-Natal and has implemented a container tracking solution for a leading shipping company. Central Office provided an interest-free loan of R500 000 to enable the company to purchase additional machinery, acquire a bigger workshop space and continue with research and development for its innovative solutions. Some of Level Innovations products include smart glasses, which allow the wearer to listen to music and make and receive phone calls. It also produces digital business cards, digital student cards, access control wearable bands and attendance register apps. Sun International has already brought Level Innovations into its supply chain and aims to identify additional procurement opportunities to expand the company's footprint within Sun International.

IMPACT: Supporting business growth

CORPORATE GOVERNANCE REPORT



SAM SITHOLE
Chairman

This governance report should be read with the separate sub-committee reports – audit, risk, remuneration and social and ethics – in order to obtain a holistic view of the governance matters under consideration during the year under review. Certain fundamental principles are discussed in this report. These reflect the governance and workings of the board given that the board’s primary role is to exercise effective, ethical and responsible leadership in determining the group’s strategy, overseeing the implementation of this strategy by the management team, and closely monitoring business performance.

The governing body (the board) is the custodian of governance within the group, and we embrace the pillars of integrity, responsibility, fairness, transparency, honesty and accountability for all stakeholders. These pillars preserve the group’s long-term sustainability so we can create and deliver value to all stakeholders. Good corporate governance ensures an ethical and cohesive culture, effective controls, compliance and accountability, responsive and transparent stakeholder engagement, performing to strategic expectations, and legitimacy and trust.

MESSAGE FROM THE CHAIRMAN

Dear stakeholders

I am honoured to have been re-appointed as Sun International’s chairman, effective 1 January 2024 and look forward to leading the group, together with my board colleagues. During the past year, there were no changes to the board composition.

Collectively the board, in its exercise of effective and moral leadership, continues to drive and maintain an ethical culture from the top. The board achieves this by maintaining a zero-tolerance approach towards unethical conduct group-wide and by guiding the group based on the principles of integrity, competence, transparency, honesty, accountability, fairness and responsibility.

The group’s compliance with King IV™ is detailed in our King IV™ application register. The board is satisfied with the extent of the group’s application of the King IV™ principles, the group’s regulatory universe, and compliance with the JSE Listings Requirements, as articulated later in this report.

The Tourist Company of Nigeria Plc’s (TCN) governance structure includes a statutory audit committee, finance and risk committee, and a nomination and governance committee that monitors remuneration and governance policies in Nigeria. Sun International’s director: corporate services is a director of TCN and chairs the nomination and governance committee. He is also a member of the finance and risk committee. Sun International is TCN’s operating manager and, where feasible, we have aligned Nigeria’s governance framework with South Africa’s regarding terms of reference, codes of good practice, mandates and policies. All TCN committees operate under approved mandates and terms of reference and all non-executive directors have letters of appointment. The non-executive directors’ fees are recommended by the remuneration committee to the board for endorsement and to shareholders for approval.

Sun International’s risk management committee is satisfied with the group’s enterprise risk management approach. The risk management process is embedded throughout the group and has identified, assessed and reported the risks facing the group in all territories. The chairman of the risk committee reports to the board at each board meeting to provide assurance that the identified risks are being managed in accordance with principle 11 of King IV™. Each risk is assigned to risk owners within their areas of responsibility and expertise and are responsible for risk mitigation. While these risk owners are identified, the executive management team assumes collective responsibility through the executive committee for monitoring risk mitigation and providing the risk committee with regular progress reports.

The group’s social and ethics committee focuses on environmental, health, safety and wellbeing, socio-economic development (SED), enterprise and supplier development (ESD), responsible gambling, ethics and the group’s progress against broad-based black economic empowerment (B-BBEE) targets. Further, the policy revitalisation management sub-committee continues to review, update and consolidate group policies.

The group’s IT governance structures remain resilient and responsive in securing the information stored across the group’s various systems and aligning business objectives to the group’s IT strategy. These structures continue to strengthen group-wide IT investment decision-making practices and enhance alignment with business needs.

Stewardship of customer information and data protection is paramount. We continue to enhance our controls to ensure compliance with the Protection of Personal Information Act (POPIA) and the General Data Protection Regulation (GDPR). During the year under review, Sun International received zero POPIA applications (2022: 26) and three applications (2022: 1) were received in terms of the Promotion of Access to Information Act, 2000 (PAIA).

Sun International’s remuneration policy, which was adopted at the 2023 annual general meeting (AGM), outlines performance incentives and ensures that executive remuneration packages are aligned to shareholders’ interests.

There were no material instances of non-compliance with relevant legislation and regulations during the year under review. The board is satisfied with the group’s level of compliance in accordance with applicable governance and regulatory requirements and it will continue to review the group’s governance against best practice.

Looking ahead our key focus areas include:

- Continuing to embed an ethical culture, setting the tone at the top and leading the group ethically and effectively in pursuing sustainable growth, through regular ethics awareness campaigns and regularly monitoring incidents and providing feedback on findings.
- Governing technology, information, cybersecurity, disclosures, ensuring compliance with legislation and relevant regulations, including King IV™, JSE Listings Requirements and appropriate best practices.
- Ensuring fair, responsible and transparent people practices.
- Safeguarding the interests of the group’s stakeholders.
- Continuing to improve corporate reporting practices and transparency around activities and performance in supporting the fight against corruption.
- Continuing to ensure that the board composition reflects the needs of the group as well as diversity.

We are satisfied that the group meets the requisite standards of governance and compliance, and that matters for our consideration have been robustly interrogated and canvassed. We will continue to apply our minds individually and collectively to guide the group’s strategic direction and to facilitate the group’s delivery of its strategic objectives.

I would like to thank the board and management for their confidence in me as chairman. The board is confident that the group’s resilience, diversity, robust corporate governance and strong leadership will continue to guide and steer the group to explore new opportunities and grow the business.

SAM SITHOLE
Chairman

15 March 2024

SUPPORTING VALUE CREATION THROUGH GOVERNANCE OUTCOMES, SUSTAINABILITY AS WELL AS EFFECTIVE AND ETHICAL LEADERSHIP

The board acknowledges its responsibility to lead the group in an ethical, effective and sustainable manner through the mindful application of King IV™ with substance prevailing over form. This entails the integration of the King IV™ recommended 16 principles that culminate in specific outcomes mentioned below.

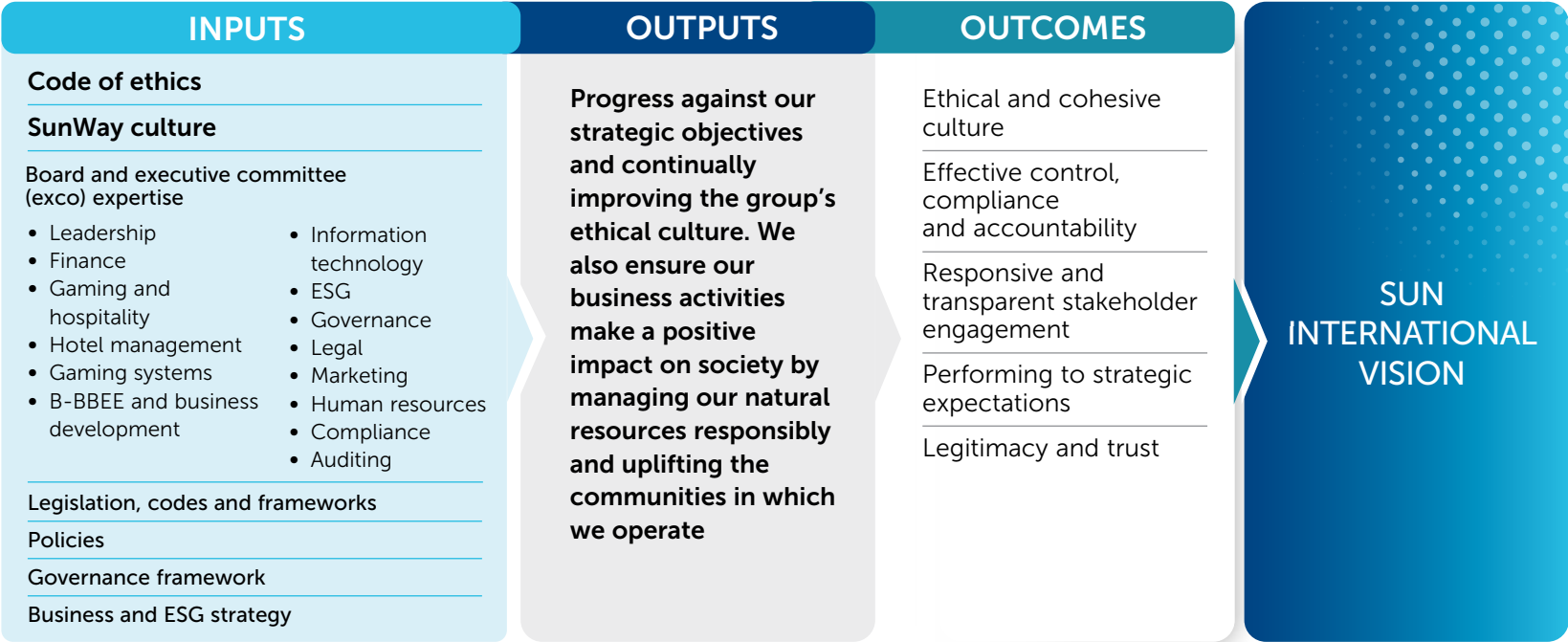
Ethical and cohesive culture	Effective control
Responsive and transparent stakeholder engagement	Performing to strategic expectations
Compliance and accountability	Legitimacy and trust

The group’s corporate governance and sustainability approaches embrace ethical practices that are responsive to stakeholders and the operating environment. Good corporate governance and sustainability are important enablers in managing the group’s reputation, making strategic progress, creating and preserving stakeholder value.

Collectively, Sun International’s board and executive management have a wealth of knowledge that spans across South Africa and internationally to provide the necessary expertise to guide the group towards achieving its governance outcomes and strategic objectives as well as, to create great memories for its guests, employees and stakeholders. The SunWay culture and code of ethics further reinforce positive behaviours to ensure a cohesive ethical culture group-wide.

Sun International’s governance framework and policies are the foundation of responsible, accountable and transparent reporting. Through the various inputs and outputs, the board achieves specific outcomes that support the group’s sustainable value creation. These outcomes include maintaining an ethical culture from the top down and demonstrating our commitment to responsible corporate citizenship. Through effective control of our risk universe, material matters and responsive stakeholder relations, the group maintains compliance with relevant legislation, codes and frameworks. These enable performance according to strategic expectations to enhance its legitimacy and trust among its stakeholders.

Governance value creation



GOVERNANCE FRAMEWORK

Sun International’s governance framework provides clear direction for implementing robust governance practices in line with the Companies Act, the JSE Listings Requirements, King IV™ and Sun International’s memorandum of incorporation (Mol). Our framework is underpinned by our corporate governance policies, ethics and human rights to promote an organisational culture that embraces the SunWay culture and ensures that we remain a good corporate citizen.



GROUP COMPANY SECRETARY

KING IV™ APPLICATION AND GOVERNANCE OUTCOMES

The board is committed to best practice governance through the application of King IV™ principles. All 16 principles are applied and align with our governance outcomes as detailed in the King IV™ application register.

BOARD OVERVIEW

The board’s role is to exercise effective and ethical leadership, and sound judgement in directing Sun International and thereby the group, to achieve sustainable growth in the best interests of all its stakeholders.

Board charter

The board operates under a formal and defined board charter that sets out specific responsibilities collectively discharged by board members and the roles and responsibilities of individual directors. This board charter is reviewed periodically and as and when necessary to ensure relevance. The board is satisfied that it has fulfilled its responsibilities in accordance with the charter for the reporting period.

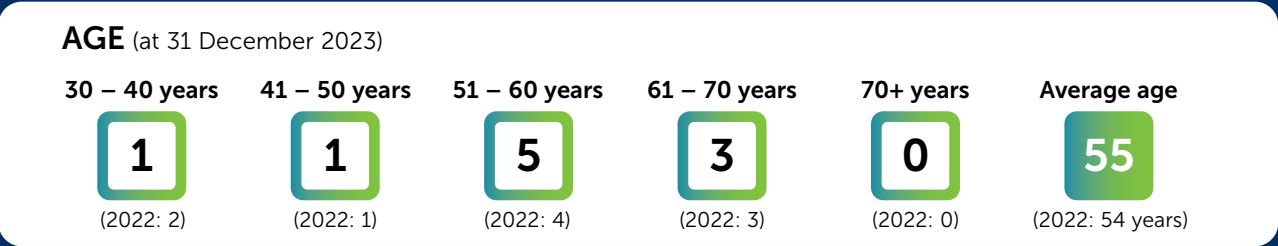
Board and committee attendance: 1 January 2023 to 31 December 2023

	Board	Remuneration committee	Nomination committee	Audit committee	Social and ethics committee	Risk committee	Investment committee
Non-executive directors							
Graham Dempster (lead independent director)	5/5	–	4/4	–	–	3/3	7/7
Caroline Henry	5/5	–	4/4	3/3	–	2/3	–
Dawn Marole ¹	5/5	4/4	–	1/1	3/3	–	–
Sindi Mabaso-Koyana	5/5	4/4	4/4	3/3	–	–	7/7
Tapiwa Ngara ²	5/5	–	–	–	1/1	3/3	7/7
Nigel Payne	5/5	4/4	–	–	3/3	3/3	7/7
Sam Sithole (chairman)	5/5	4/4	4/4	–	–	–	6/7
Zimkhitha Zatu Moloi	5/5	–	–	2/3	3/3	3/3	–
Executive directors							
Norman Basthdaw	5/5	–	–	3/3	3/3	3/3	7/7
Anthony Leeming	5/5	4/4	3/4	3/3	3/3	3/3	7/7

1 Dawn Marole was appointed to the audit committee with effect from 8 September 2023.
2 Tapiwa Ngara resigned from the social and ethics committee with effect from 10 March 2023.

BOARD COMPOSITION

Sun International’s unitary board structure comprises both executive and non-executive directors, with the latter being predominantly independent non-executive directors. The non-executive directors have the necessary skills, qualifications, industry experience and diversity to provide judgement independent of management on material board issues. The board skills matrix assesses what the future composition of the board should look like from a diversity perspective and is broader than just gender and race, and includes culture, age, field of knowledge, skills and experience which is in line with the JSE Listings Requirements. The board skills matrix aligns with the group’s strategy and complies with best international corporate governance practices.

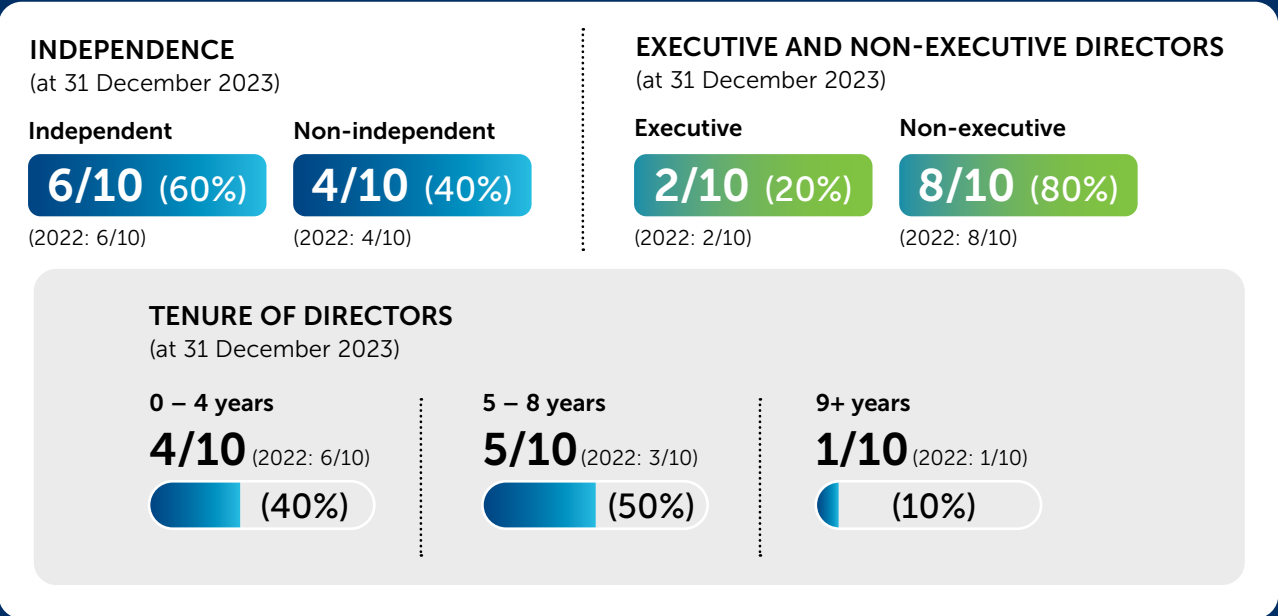


INDEPENDENCE

The board, through the nomination committee, annually assesses the independence of the non-executive directors against the criteria set out in King IV™ and the JSE Listings Requirements. On and prior to the date of this report, the nomination committee agreed that the current six non-executive directors satisfied the independence criteria. These directors are Graham Dempster, Nigel Payne, Caroline Henry, Sindi Mabaso-Koyana, Dawn Marole and Zimkhitha Zatu Moloi. On and prior to this report date, the nomination committee agreed that Sam Sithole and Tapiwa Ngara are not classified as independent non-

executive directors as they represent a major shareholder of the group. Anthony Leeming and Norman Basthdaw are classified as executive directors.

Sam Sithole, Tapiwa Ngara and Zimkhitha Zatu Moloi, who retired from the board in accordance with articles 25.6.1 and 25.17 of the company’s Mol were re-elected at the company’s AGM held on 9 May 2023, while Dawn Marole, who retired from the board in accordance with articles 25.5 and 25.17 of the company’s Mol, was elected at the company’s AGM held on 9 May 2023.

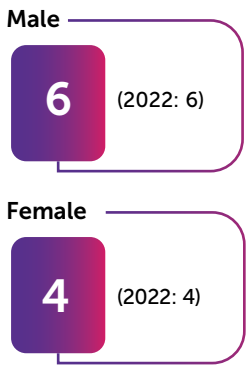


GROUP DIVERSITY

Sun International’s board-approved diversity policy, which is in line with the JSE Listings Requirements, includes diversity requirements broader than just gender and race. It also includes culture, age, field of knowledge, skills and experience. These requirements help maintain the group’s competitive advantage and optimal composition. The board’s and committee’s composition, collective skills (industry knowledge, experience, technical skills and governance competencies) and competency are documented and monitored in terms of a board skills matrix. Governance competencies are considered in terms of strategy and strategic planning, financial performance, risk and compliance oversight, gaming and hospitality strategy, commercial experience, stakeholder engagement and knowledge and experience in companies with operations internationally. Gaps identified on the main board include IT/technology, marketing/sales and hospitality sector skills and experience as well as black female representation on the board. In respect of other diversity indicators, the group’s board is satisfied that the composition of the board adequately reflects diversity and demographics.

Factors considered in ensuring appropriate gender and race targets included the current composition and expected changes in the board, the B-BBEE Codes of Good Practice, the sectoral charter for the tourism industry, the gaming board licences and their respective requirements, and the group’s employment equity plan. Black directors comprised 40% of the total directors serving on the board (Sam Sithole and Tapiwa Ngara being excluded per the B-BBEE Codes of Good Practice). The number of female directors equalled 40% of the total board composition.

GENDER (at 31 December 2023)



ETHNICITY (at 31 December 2023)



EFFECTIVE LEADERSHIP

The board provides effective leadership and directs the group within the group governance framework and delegation of authority.

Chairman and lead independent director

The board is chaired by Sam Sithole, a non-executive director appointed as board chairman effective 2 July 2021. The chairman of the board is responsible for, among others, ensuring the integrity and effectiveness of the board’s governance processes. In terms of the company’s board charter, the board chairman is subject to an annual appointment from its board members. During November 2023 the board approved the re-appointment of Sam Sithole as non-executive chairman of Sun International for a further 12 months, with effect from 1 January 2024.

The board charter, which is aligned with King IV™, requires the appointment of a lead independent director. This is particularly relevant where the board chairman is conflicted in relation to executive management, other directorships or stakeholders. During November 2023, the board confirmed the appointment of Graham Dempster, as lead independent director, for a further period of 12 months effective 1 January 2024. In terms of the board charter, the chairman, lead independent director and chief executive have separate responsibilities, as shown below.

Chairman’s responsibilities

Responsible for providing ethical and effective board leadership by encouraging candid board debates; overseeing the group’s strategy; board succession and performance; managing any conflicts of interest; actively engaging with the chief executive; and ensuring positive stakeholder relations are maintained.

Lead independent director responsibilities

Responsible for providing support and advice to the chairman as a trusted confidante. If the chairman has a conflict of interest, the lead independent director maintains ethical and effective leadership in the chairman’s absence.

The lead independent director is instrumental in leading and introducing discussion at board and committee meetings regarding the performance and evaluation of the board chairman including his remuneration.

Chief executive’s responsibilities

Responsible for effectively monitoring and managing the business and implementing the policies and strategies adopted by the board; ensuring appropriate internal control mechanisms are in place to maintain compliance with all relevant laws and best practice as well as safeguarding assets; and guiding and assessing executive management’s performance against strategic objectives. The chief executive delegates the appropriate authority to his management team in terms of defined levels of authority and retains accountability to the board.

Chief executive and delegation of authority

Anthony Leeming is Sun International’s chief executive and the board’s governance and management functions are linked through the chief executive. The chief executive’s role and function is formalised, and the board, through the remuneration committee, annually evaluates his performance against specified key performance indicators. In addition, the chief executive’s performance as a director is assessed by the chairman of the board in conjunction with the nomination committee. Following a performance assessment conducted in 2023 the chief executive was found to be adequately equipped and suitable to carry out the duties of his role.

Group company secretary

Andrew Johnston continued to serve as group company secretary during the year under review. Andrew holds the following qualifications: BA, LLB, FCIS PGDip in Environmental Law and a Certificate in Advanced Corporate and Securities Law. He was previously a member of the Accounting and Auditing Task Force of The King Committee responsible for implementing the second King Report on Corporate Governance for South Africa. He is a qualified and admitted attorney and has served as a senior executive and group company secretary of several large publicly listed companies in South Africa for more than 26 years. The appointment and removal of the group company secretary is a matter for the board as a whole.

In line with the JSE Listings Requirements, the board is satisfied that, following an assessment by the nomination committee, the group company secretary has the requisite competence, qualifications and experience to carry out the duties of his role. The board believes that in each instance, the group company secretary has maintained an arm’s-length relationship with the board and its directors.

Group company secretary responsibilities include the following:

GUIDES	PROVIDES	ENSURES
The board and committees (collectively and individually) on how their responsibilities should be discharged in the company’s best interests.	Ongoing legal, secretarial and corporate governance support and advice to the board.	Appropriate induction of board members on joining the board and committees in terms of their responsibilities.
FACILITATES	DISTRIBUTES	CERTIFIES
Ongoing board training to ensure directors are made aware of relevant legislation, codes or frameworks impacting the group.	Board packs and the minutes of all the board and committee meetings and ensures that copies of the group’s annual financial statements are distributed to relevant persons.	That the group has filed the required returns and notices as per the Companies Act and complied with the JSE Listings Requirements.

ETHICAL LEADERSHIP

Code of ethics

The group subscribes to the highest standards of lawful, ethical and responsible business conduct, and requires that all stakeholders in their interaction with the group adhere to similar principles. The group seeks to achieve sustainable growth by recognising the vested interests of all stakeholders and the group’s commitment to sustainable business practices in building and maintaining a sustainable ethical culture across the group, emphasising the role each of its stakeholders play by leading by example.

The group appreciates that it operates within a network of relationships that requires collaboration with all stakeholders being honest, acting with integrity and being accountable, fair and respectful, which ultimately protects its name and reputation. The code of ethics is premised on the 10 UNGC Principles, the SunWay culture aimed at identifying enabling and disabling behaviours across the group, our values (which helps to ensure that all employees always act ethically) and our CLEAR (connect, listen, engage, act and reconnect) customer principles and strategy.

www A copy of the group code of ethics can be accessed on the group’s corporate website <https://corporate.suninternational.com/investors/investors-governance/code-of-ethics/>

In Nigeria, TCN has its own code of ethics and regularly reports ethical issues to the TCN board.

Ethics advice facilities and whistle-blowing hotline

The group has a zero-tolerance policy towards ethical misconduct. Each employee is required to encourage colleagues to speak up about any ethical concerns they may have and to do what is right. Stakeholders have several avenues to report whistle-blowing incidents and/or ethical concerns or dilemmas. These include the group’s 24-hour anonymous tip-off hotline independently run by Deloitte Tip-off Anonymous Pty Ltd (via the portal, email and toll-free number). Operators respond to calls in all South Africa’s official languages and guide stakeholders through standardised questions in compliance with section 159(7) of the Companies Act. An in-house walk-in function is available at any of the ethics office representatives located at central office, and there is a dedicated, secure and confidential ethics office email address for reporting ethical concerns.

Deloitte & Touche are the group’s auditors and Deloitte Tip-off Anonymous Pty Ltd provides tip-off hotline facilities to the group. While both being part of the Deloitte organisation, they operate independently with different teams handling their respective services. This ensures a level of independence and impartiality in dealing with sensitive matters, such as whistleblowing and auditing, within the organisation. Deloitte Tip-off Anonymous Pty Ltd facilitates the capturing of the tip-offs received from the group’s stakeholders and provides same directly to the ethics office to review, investigate and close out. Therefore the risk of self-review by Deloitte’s entities is limited.

The ethics office investigates all tip-offs received at every level of the organisation, and allows the company to take decisive action, reinforce our policies, and improve controls where necessary. Once a tip-off has been reported, the ethics office is notified and

all tip-offs reported are confidentially investigated, monitored and actioned accordingly. The ethics office liaises with whistleblowers through these avenues to obtain information to investigate. The chief executive is advised of any matter involving senior management and any of the ethics office’s representatives. The chairman of the board and of the social and ethics committee are advised of any matter implicating the chief executive. There is ongoing commitment from management to ensure that all incidents reported are thoroughly investigated and that the relevant and appropriate remedial actions are taken.

Anonymity is always maintained to curb perceptions of victimisation or fear of intimidation or retaliation. All stakeholders are encouraged to report actual events or suspected events of bribery, corruption, improper inducement or influencing, or any other unlawful or unethical conduct, through these incident reporting channels.

The predominant category of incidents reported during 2023 were human resources-related incidents. Based on observations made by the ethics office, it appears that the incidents are being reported by both internal and external stakeholders (including customers) – this could indicate stakeholder confidence in the tip-off hotline process. The incidents reported were received through independent service provider hotline facilities, as well as directly to the group ethics office email address.

All reported incidents were investigated by management, and where necessary, corrective actions were taken. In addition, where possible, the ethics office directly interacted with the whistle-blowers or indirectly through the independent service provider hotline platform to obtain additional information. Sun International is legally bound by the Protected Disclosures Act 26 of 2000 and is committed to the protection of whistle-blowers. None of the incidents related to human rights abuses emanating from Sun International.

Ethics management

The board, through its social and ethics committee, manages organisational ethics and has an ethics office. The ethics office strategy and implementation plan is premised on its mandate as set out in the social and ethics committee mandate and terms of reference and aligned to legislation and industry best practices, including the Companies Act, the Protected Disclosures Act, the King IV™ Report, and the ethics management framework established by The Ethics Institute. The ethics office is an independent, active and dedicated department within the group, comprising of the group ethics officer, chief financial officer, director: corporate services and director of internal audit. Its duties include, among others:

- **Partnering** with management to facilitate the enhancement of an ethical culture across the group and discouraging unethical behaviour to promote a sound ethical tone at the top.
- **Contributing** towards ethics risk management group-wide.
- **Planning**, organising, directing and controlling of all formal ethics-related group activities, including creating awareness around and advising on standards of ethical behaviour and discouraging unethical behaviour.
- **Providing** oversight, management, coordination and reporting of whistle-blowing matters investigated through all incident reporting channels.
- **Promoting** ethics awareness group-wide through periodic training, campaigns and surveys.

Sun International has several processes, policies, codes and controls in place and supports several initiatives to ensure that a cohesive ethical culture is seamlessly applied group-wide. The code of ethics is supported by associated ethics related policies which include, among others, the group supplier

code of conduct, anti-fronting statement, the suite of group sustainability related policies, the suite of human resources related policies, the anti-corruption and economic crime policy, anti-money laundering, anti-terrorism and proliferation financing statement and the conflict of interest policy.

The code of ethics helps the group fulfil its responsibility to all stakeholders and proactively encourages all stakeholders to abide by, and operate within, the code of ethics, including through its contracting processes. All suppliers and service providers are required to abide by the group’s supplier code of conduct. This supplier code is based on recognised international standards, principles and best practices, including the 10 UNGC Principles, relating to, among others, labour conditions, human rights, competitive conduct, occupational health and safety, environmental impacts and combating bribery and corruption.

The ethics office meets with members of senior executive management to discuss trends arising from the matters reported through the incident reporting facilities and material incidents of ethical misconduct reported to management group-wide. The ethics officer serves as a member of the combined assurance forum, which contributes to the group’s enterprise risk management processes, and is also an invitee to the group risk working committee. Closed sessions are held between the social and ethics committee chairman, independent member directors, members, chief executive and the ethics officer after each social and ethics committee meeting, to discuss any material ethical issues reported group-wide and the investigation methodology utilised to close these out.

The executive committee signed a declaration confirming their personal commitment to the code of ethics as part of their commitment to ethical leadership and setting the ethical tone at the top.



ETHICAL LEADERSHIP continued

Group values

Our values represent an unwavering commitment to behaving in a consistent, positive manner every day, in everything we do.

Teamwork | Customer first |
Passion | Professionalism

SunWay

Employees are committed to the group's SunWay culture, which is consistently driven through all employee and customer services initiatives. The SunWay culture confirms that they recognise their employee responsibilities to uphold the principles that support the establishment of an ethical culture and abide by the principles enforced in the code of ethics.

Conflicts of interest

Directors are required to inform the board, at every board meeting, of any conflicts or potential conflicts of interest that they may have in relation to any area of business. Directors are required to recuse themselves from discussions or decisions on any matters where they have conflicts, or potential conflicts of interest, in terms of the Companies Act, board charter and a separate conflicts of interest policy.

United Nations
Global Compact

Sun International remains committed to voluntarily embedding the 10 UNGC Principles as part of its business strategy, culture and day-to-day operations. These principles cover human rights, labour, environment and anti-corruption.



Insider trading and dealing in securities

The following policies are in place:

Group disclosure policy

This policy deals with the determination of price-sensitive information, the maintenance of confidentiality and the prompt dissemination of such information in accordance with JSE Listings Requirements. This policy is applicable to all group employees.

Dealing in securities policy

This policy regulates the dealings in securities of Sun International by directors, the company secretary, directors of major subsidiaries, prescribed officers and other employees of the group in compliance with this policy, the JSE Listings Requirements and the Financial Markets Act 19 of 2012. This policy is applicable to all employees and directors who may be deemed to be insiders for the purposes of dealing in the company's securities. Furthermore, this policy is binding on the immediate family members of all persons deemed to be insiders and any persons who may have acquired insider information from an insider.



Organisation for Economic
Cooperation and Development

The group adheres to the guidelines for multinational enterprises regarding anti-corruption.

Equal pay for work of equal
value

The work around equal pay for work of equal value (EPWEV) remain ongoing. The EPWEV principles are applied when appointing new employees, promoting existing employees as well as reviewing all remuneration packages to ensure EPWEV.



Sustainable Development Goals (SDGs)

Sun International embraces the United Nations SDGs, and we endeavour to contribute to achieving them through our operations and business strategies. The SDGs depicted below are the most relevant SDGs for the group and remained the key focus for 2023.



Responsible gambling

Being a responsible corporate citizen is part of the group's DNA and we fully support responsible gambling through the South African Responsible Gambling Foundation (SARGP), the entity that supervises the National Responsible Gambling Programme (NRGP) in cooperation with the gambling industry operators and governmental regulators. The NRGP integrates education, research and treatment into one programme. In 2023, Sun International contributed about R6.3 million (2022: R8 million) towards the NRGP in respect of casinos, sports betting and LPMs collectively.



The group also has various measures in place to promote responsible gambling at all our gambling properties and sites. These include responsible gambling brochures and posters on site and all gambling-related advertising complies with national and provincial gambling laws and contain the NRGP contact details. All surveillance and security departments continuously scan the gaming areas for problem gamblers and minors and if identified, they are warned and removed from the gaming areas. At a minimum all gaming employees receive responsible gambling training from the NRGP to identify possible problem gamblers. To register for a Sun International MVG card, the applicant's age is verified, and a copy of their identity document is retained.

Sun International offers a self-exclusion programme whereby any person with a gambling problem can exclude themselves from gambling at specific Sun International gambling operations, or all of them. Self-excluded persons are removed from the marketing mailing list, and they do not receive any gambling-related communication. The players' MVG cards are deactivated, and their cash desk profile is blocked. If a person wants to uplift their self-exclusion status, they are required to attend professional counselling sessions through the NRGP and are only reinstated upon receipt of a letter from a professional psychologist or psychiatrist. Any winnings accruing to self-excluded persons and minors are forfeited, with winnings donated to a charity supported by the gambling operation. Minors' winnings are remitted to the National Gambling Board.

BOARD PROCESSES

To operate effectively, the board and its committees conduct several processes and procedures that align to legislative requirements, King IV™ and best practice.

Board appointments and rotation of directors

Procedures for board appointments are formal, transparent and concern the whole board. The board is assisted in this process by the nomination committee, which applies specific criteria for selecting board directors. In terms of the company's Mol, new non-executive directors appointed since the last AGM may only hold office as casual vacancies until the next AGM, at which time they will be required to retire and offer themselves for election.

In accordance with the company's Mol, one-third of the non-executive directors are required to retire at the AGM and being eligible may offer themselves for election or re-election, as the case may be. The directors who are to retire are firstly those who have been appointed to fill a casual vacancy and secondly those who have held their positions the longest period since their last election or re-election. In addition thereto and if at the date of any AGM of the company, any non-executive director will have reached the age of 70 years or older and/or held office for an aggregate period of nine years since his or her first election or appointment, he or she shall retire at such meeting, either as one of the non-executive directors to retire in pursuance of the foregoing or additionally thereto and being eligible, may offer themselves for election or re-election. At the upcoming AGM in May 2024, Graham Dempster, Caroline Henry and Sindi Mabaso-Koyana retire from the board in accordance with articles 25.6.1 and 25.17 of the company's Mol while there are no directors who retire from the board in accordance with article 25.5 and 25.17 of the company's Mol.

The nomination committee reviewed the board composition against corporate governance and transformation requirements and recommended the re-election of these directors.

A brief CV of each director offering themselves for re-election will form part of the annual statutory report as Annexure B.

Nomination and selection process for board appointments

The nomination committee is mandated by the board and its terms of reference to regularly review the composition of the board and its committees. When necessary, the nomination committee makes recommendations to the board on its composition, any new appointments and board committee membership. The nomination committee reviews the annual employment equity results of the group, the board skills matrix and ensures succession planning for the board and committees.

Board induction

The chairman, in consultation with the group company secretary, is responsible for ensuring each director receives an induction on joining the board and ongoing training in terms of their board responsibilities. During the induction process, each new non-executive director meets with key executive management to better understand the group's operations. The company conducts specific JSE Listings Requirements training for each new director, so they are familiar with the regulations affecting listed companies. The directors also meet with the company's sponsor, Investec. The directors have access to a directors' handbook that includes a quick reference to their duties and responsibilities.

Ongoing director training and development

Keeping up to date with key legal, regulatory and business developments within the group and industry is essential to enhancing the board's effectiveness. During 2023, ongoing training was conducted including:

- Presentations from executives on matters of significance to the group.
- Engagement with the major investors on their market views.
- Circulation of articles, briefings and updates on the regulatory environment, from external specialists and the group company secretary.
- An update regarding the JSE's pro-active monitoring of financial statements.
- The Financial Intelligence Centre (FIC) Act, regarding the various risks the group's gambling activities may be exposed to in terms of money-laundering, terror financing and proliferation financing as well as the group's APEX Risk Management Compliance Programme. Directors receive ongoing training regarding Anti-Money Laundering (AML) contemplated in the FIC Act.

Following the board's ongoing review of its effectiveness, the board is confident that all members have the requisite knowledge, skills and experience to perform the functions required of a director of a listed company.

Succession planning

Succession planning, which involves identifying, developing and advancing future leaders and executives of the group, is an ongoing board responsibility and is facilitated by the nomination committee. Detailed succession and talent plans are presented annually to the nomination committee. The nomination committee reviews the composition of the board and all committees, and the committee members' readiness to succeed a committee chairman if the need arises. This also applies to the executive committee, prescribed officers and unit general managers.

Board, directors and committee evaluations

The board, board chairman, lead independent director, board committees and board members are evaluated every other year, or more frequently as required, on their performance in relation to their governance of economic, environmental and sustainability issues, and board and committee processes and procedures. Every other year, the board reviews the performance of each of the board committees and the statutory audit committee to ensure that their composition, mandate and authority enable them to provide effective assistance to the board in the key areas in which they function. Board and committee evaluations were conducted towards the end of 2022, with no adverse findings and will take place again towards the end of 2024. An external board and committee evaluation is conducted every six years and took place in 2023. These evaluations revealed that the board and its committees are performing effectively, with most aspects of their performance meeting expectations. The members of the board and its committees have the necessary qualifications, expertise and independence to fulfill their responsibilities diligently, and there is effective communication and feedback between the committees and the board.

Sun International remains cognisant that the performance of the board, and its statutory and board committees is essential considering the increased focus on accountability, transparency and creating value.

Board meetings

A minimum of four board meetings are scheduled for each financial year. The board also reviewed and approved changes to the composition of the Sun International audit committee and Sun International social and ethics committee. Dawn Marole was appointed as a member of the Sun International audit committee effective 8 September 2023. Tapiwa Ngara resigned from the social and ethics committee effective 10 March 2023.

The board held its annual strategy session with the broader executive management team, to deliberate on the group's strategic direction and agree on the group's annual budget as proposed by management. The group's key strategic objectives were set at the strategy meeting and progress thereon is reported at each board meeting. The group's strategy and annual budget were approved by the board.

BOARD COMMITTEES AND ATTENDANCE

The board and its committees have a symbiotic relationship that ensures knowledge is shared, and not siloed, across the committees. The board is authorised to form committees to assist in executing its duties, powers and authorities, and has one statutory committee, and five board committees.

The board approved the strategy developed and presented by management and oversees that management implements the strategy. This is supported by committees that focus on specific areas within the business. The committees' composition and member attendance during the year are tabled in the sections to follow.

Each committee comprises three or more members, the majority of whom are independent, except for the risk committee of which 57% of the members are independent and 71% non-executive. All committees operate in accordance with their terms of reference, which are reviewed and updated annually where applicable, to ensure alignment with the latest developments in legislation, King IV™, the JSE Listings Requirements and business requirements. Key senior management members are invited to attend certain meetings as invitees and to provide input on matters for discussion.

Sun International's audit committee performs the same function for all of Sun International's subsidiary companies as well as Meropa, being an associate company. This is subject to annual confirmation. The Sun International social and ethics committee performs the same function for all Sun International subsidiaries. Meropa has however established its own social and ethics committee.

Each committee satisfied itself that it discharged its responsibilities in accordance with its terms of reference during the year under review.

Audit committee

COMMITTEE PURPOSE

- **enhances** the credibility of financial reporting
- **ensures** an effective control environment is maintained by supporting the board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems and controls, risk management and the integrity of financial statements and reporting
- **reviews** activities of the internal audit function and the external auditor
- **oversees** effective governance of the group's financial results

Committee members	Number of meetings	Attendance	Independence*
Caroline Henry	3	3	100% (2022: 100%)
Sindi Mabaso-Koyana	3	3	
Zimkhitha Zatu Moloi	3	2	
Dawn Marole ¹	1	1	
Right of attendance			Attendance**
Anthony Leeming (CE) [^]	3	3	90% (2022: 92%)
Muxe Mambana [^]	3	3	
Norman Basthdaw (CFO) [^]	3	3	
Graham Wood (COO) ^{2^}	2	2	

* Independence % is calculated as at 31 December 2023.
** Attendance % is calculated based on attendance throughout the year.
1 Dawn Marole was appointed to the Sun International audit committee with effect from 8 September 2023.
2 As of the 15 November 2023 audit committee meeting, Graham Wood was no longer required to attend audit committee meetings by right of attendance.
^ Executive.

In addition to the above, Deloitte & Touche and certain key members of senior Sun International management attend the audit committee meetings by right of attendance.

FOCUS AREAS DURING 2023

- ▶ Reviewed group internal audit's opinion on internal financial controls, including the effectiveness of governance, risk management and control processes and implementation of the combined assurance framework.
- ▶ Reviewed the summary of audit findings and status update relative to the annual audit plan.
- ▶ Reviewed the information technology risks as they relate to financial reporting.
- ▶ Reviewed the adequacy of internal audit resources and expertise.
- ▶ Reviewed and approved the scope of the risk-based internal audit plan for the year ended 2023.
- ▶ Reviewed non-audit services.
- ▶ At the audit committee meeting in March 2023, it evaluated the performance of the external auditor and assessed the external audit firm and individual lead audit partner pursuant to the auditor accreditation model.
- ▶ Recommended the re-election of the external auditor to the board and shareholders.
- ▶ Reviewed the combined assurance policy and framework and implementation plan.

SATISFIED ITSELF AS TO THE:

- Fulfilment of the audit committee's duties pursuant to Section 94 of the Companies Act.
- Competence of the chief financial officer, who is an executive director, and was satisfied with his expertise and experience.
- Establishment of appropriate financial reporting procedures and that those procedures are operating, which included consideration of all entities in the consolidated group IFRS financial statements, to ensure that the audit committee has access to all Sun International's financial information to allow Sun International, to effectively prepare and report on the financial statements of Sun International.
- Chief executive's and chief financial officer's signed responsibility statement, which confirms that the company's annual financial statements are complete and an accurate reflection of the group's financial performance as well as confirming that adequate and effective internal controls are in place.
[www](#) See the audit committee report for more detail.
- Information received from the external auditor in accordance with paragraph 22.15(h) of the JSE Listings Requirements (and following consultations with the external auditor in this regard) in the assessment of their suitability regarding the external auditor's reappointment, as well as the designated individual partner, and satisfied itself that the appointment and independence of the external auditor were as per the requirements of the Companies Act, and that the individual audit partner was an accredited auditor (as per the JSE Listings Requirements).
- Group's ability to satisfy the solvency and liquidity test as set out in Section 4(1) of the Companies Act immediately after the payment of the dividends declared during 2023.
- Group's ability to meet all obligations and operate as a going concern for the following 12-month period.
- Risk committee's overview of the top risks within the group.
- General IT controls across the group being satisfactory and the absence of material concerns in terms of cyber-attacks.
- Performance of audit committee functions required under Section 94(7) of the Companies Act on behalf of the company's subsidiaries and associate companies.
- Non-audit-related services performed by Deloitte & Touche not impairing the independence of Deloitte.
- Fact that the audit committee has executed its responsibilities set out in paragraph 3.84(g) of the JSE Listings Requirements.
- Amendment of the audit committee's terms of reference to exclude the chief operations officer, who is no longer required to attend meetings by right of attendance.

LOOKING AHEAD THE COMMITTEE WILL CONTINUE TO FOCUS ON:

- ▶ Ensuring the group's financial systems, processes and internal financial controls operate effectively.
- ▶ Reviewing reports presented by the JSE regarding its proactive monitoring process.
- ▶ Reviewing changes to the JSE Listings Requirements.
- ▶ Monitoring accounting reporting standards, including IFRS S2 effective from 1 July 2024 in terms disclosure relating to climate-related risks and opportunities that could affect cash flows.
- ▶ Monitoring the Companies Amendment Bill, 2021.
- ▶ The group's combined assurance policy and framework and implementation plan.
- ▶ Obligations of an audit committee in terms of the Companies Act, JSE Listings Requirements and King IV™.

Stakeholders addressed



Top risks addressed

R1 R3 R4 R5 R6 R8 R9

CLICK HERE TO SEE EXPLANATION OF ICONS



Nomination committee

COMMITTEE PURPOSE

- **evaluates** the skills requirements of the board, committees and executive management
- **continually** evaluates the performance of the chairman, lead independent director, board committees and its members, and the group company secretary for recommendation to the board
- **makes** recommendations on board, committee and executive composition, succession planning and diversity
- **considers** the independence of directors and their correlating classification and thereafter makes recommendations to the board
- **ensures** that employment equity and race diversity are considered in all appointments and that the board's employment equity status is either maintained or improved
- **confirms** the appointment of employer-appointed trustees to the retirement fund

FOCUS AREAS DURING 2023

- ▶ Annual independence evaluation of each non-executive director.
- ▶ Re-appointment of Sam Sithole as non-executive chairman of Sun International and Graham Dempster as lead independent director of Sun International.
- ▶ Changes to board committee memberships.
- ▶ Assessed the qualifications, competency and expertise of Andrew Johnston, Sun International's company secretary.
- ▶ Nominated and approved trustee appointments to pension and/provident funds and their sub-committees.
- ▶ Assessed voluntary board diversity targets.
- ▶ Development of black employees for top and executive management positions, with particular focus on black females.
- ▶ Reviewed succession and developmental planning throughout the group and on the main board to ensure talent is retained and/or sourced, especially black talent, particularly black females.
- ▶ Considered executive committee, prescribed officers and general manager succession planning across the group as well as board and committee succession planning.
- ▶ Considered directors who retire in accordance with the Mol.
- ▶ Appointed Nwabisa Piki as Head of Investor Relations with effect from 1 January 2024.
- ▶ Development of the Nomination and Appointment of Directors Policy which was approved by the board.
- ▶ Management's engagement with the National Gambling board and the dti regarding aligning national key employee licence/probity application templates with POPIA and other data privacy laws.
- ▶ The external board and committee evaluation.

Committee members	Number of meetings	Attendance
Sam Sithole	4	4
Graham Dempster	4	4
Caroline Henry	4	4
Sindi Mabaso-Koyana	4	4
Invitee		
Anthony Leeming (CE)^	4	3

* Independence % is calculated as at 31 December 2023.
** Attendance % is calculated based on attendance throughout the year.
^ Executive.

Independence*



(2022: 75%)

Attendance**



(2022: 100%)

Stakeholders addressed



Top risks addressed

R 1

CLICK HERE TO SEE EXPLANATION OF ICONS



SATISFIED ITSELF AS TO THE:

- Independence of each non-executive director categorised as independent.
- Appointment of Sun International's chairman and lead independent director.
- Proposed election and re-election of directors at the 2023 and 2024 AGMs.
- Competence, experience and qualifications of the group company secretary.
- Succession plan for Sun International's executive management, the group chairman, chief executive, chief financial officer and prescribed officers.
- Gaps identified on the board included IT/technology, marketing/sales and hospitality sector skills and experience (including gaming), as well as black female representation on the board.
- Fact that a diversity policy is in place and is on the company's website.
- Fact that there is a board skills matrix in place.
- Achievement of voluntary targets of black directors and female directors on the main board.
- Noted and confirmed the appointment of new employee elected trustees for the Sanlam Umbrella Fund.
- Noted that there had been zero changes to the board members' JSE schedule 13 declarations since their initial appointments to the boards.
- Positive results of the external board evaluation exercise with no material issues identified by members.
- Group's employment equity strategy is being well managed and that overall, the group meets and, in most cases, exceeds its EE targets and that the only areas the group needs to focus on and improve its EE targets was at senior/executive level.

LOOKING AHEAD THE COMMITTEE WILL CONTINUE TO FOCUS ON:

- ▶ Monitoring the skills, experience and composition requirements of the main board and committees, with specific focus on increasing the black female, youth, sales and marketing, IT and international hospitality skills complement considering the group's gender, race and diversity policy and diversity requirements per the JSE Listings Requirements.
- ▶ Engaging with Sun International's social and ethics committee in terms of seeking its guidance and input around both gender and race diversity at board level.
- ▶ Monitoring of non-executive directors' independence and potential conflicts of interest.
- ▶ Succession and developmental planning throughout the group and on the main board.



Risk committee

COMMITTEE PURPOSE

- **reviews** the adequacy, effectiveness and integrity of the group's risk management and internal controls, and assists the board to discharge its functions in terms of the management, assurance and reporting of risks
- **provides** oversight of the IT governance risks
- **monitors** and reviews stakeholder engagement with regard to assessing and dealing with stakeholder issues and concerns
- **assesses** the compliance environment in which the group operates
- **reviews** and satisfies itself regarding the group's insurance portfolio

Committee members	Number of meetings	Attendance
Tapiwa Ngara	3	3
Norman Basthdaw (CFO)^	3	3
Anthony Leeming (CE)^	3	3
Nigel Payne	3	3
Caroline Henry	3	2
Graham Dempster	3	3
Zimkhitha Zatu Moloi	3	3
Standing Invitees		
Verna Robson^	3	3
Graham Wood^	3	3
Pragasen Pather^	3	3
Muxe Mambana	3	3

Independence*

57%

(2022: 57%)

Attendance**

95%

(2022: 96%)

* Independence % is calculated as at 31 December 2023.
** Attendance % is calculated based on attendance throughout the year.
^ Executive.

In addition to the above, certain other key executives and members of senior management (including the risk manager) attend the risk committee meetings by invitation.

Stakeholders addressed



Top risks addressed

- R1R2R3R4
- R5R6R7R8
- R9R10

CLICK HERE TO SEE EXPLANATION OF ICONS



FOCUS AREAS DURING 2023

- ▶ Reviewed the group's risks and opportunities identified the top 10 risks detailed in the risk management report.
- ▶ Ongoing impact of weak economic conditions, utility supply and efficiencies, as well as political and civil unrest.
- ▶ Reviewed water and electricity efficiencies and supply risk and focused on fast-tracking the group's renewable energy strategy.
- ▶ Reviewed the group's insurance programme before presentation to the board for approval.
- ▶ Reviewed cyber security controls as cyber threats increase.
- ▶ Finalisation of core information technology standards that align to the Control Objectives for Information Technologies 2019 (COBIT), to enhance information management and IT governance.
- ▶ Monitored legislation impacting the group.
- ▶ Monitored various legal matters.
- ▶ Focused on continued relationship building with minority shareholders.
- ▶ Reviewed risk control and internal audit management reports.
- ▶ Considered the monitoring of employee wellness, and retention as a risk to the group.
- ▶ Considered the risk of governments placing restrictions on operators' marketing activities.
- ▶ Considered market erosion impact of illegal gambling.
- ▶ Ensured management actively and adequately addressed the risks facing the group and the current risk environment.
- ▶ Reviewed the group's combined assurance framework underpinned by its four assurance layers – management, support functions, internal and external assurance.
- ▶ Potential Playtech implementation risks.
- ▶ Reviewed gaming and non-gaming compliance and group sustainability matters.
- ▶ Reviewed the group's Business Continuity Management Strategy and Policy.
- ▶ Approved Sun International's risk enterprise management strategy and framework (aligned with the ISO 31000:2018 international standard for risk management, King IV™ and the Companies Act) that supports the integration of risk management with strategy, combined assurance and across all business processes.
- ▶ Compliance with data protection laws, such as POPIA.
- ▶ Reviewed key matters and initiatives related to the promotion of responsible gambling practices.

SATISFIED ITSELF AS TO THE:

- Sun International's control processes around governance, risk management and controls had been adequately designed and effectively implemented to support the achievement of the strategic objectives.
- The third-party risk management framework that had been approved by executive management.
- 2023 evolved POPIA compliance into the management phase with the implementation of an established culture, continued monitoring of compliance and automated personal information inventories and third-party due diligence assessments.
- Sun International's approved ESG strategy.
- A dedicated enterprise risk management function had been established. The enterprise risk management strategy framework and policy had been approved by the board.
- Sufficient training had taken place regarding awareness of the provisions of the Code of Good Practice on Prevention and Elimination of Harassment in the Workplace.
- Sufficient APEX Risk Management controls were in place and sufficient training and Anti-Money Laundering training had been provided.
- Management remained focused on embedding controls in partnership with Internal Audit, in terms of King IV™ IT governance.
- Sustainability initiatives such as waste and utility management, health, safety and wellbeing received ongoing focus.
- The continued heightened risk of power outages was being monitored and the impact of this on group electrical infrastructure.
- Management had conducted a scenario planning exercise on a potential total electrical grid failure and defined various response plans for regional and country-wide outages.

LOOKING AHEAD THE COMMITTEE WILL CONTINUE TO FOCUS ON:

- ▶ Monitoring the group's IT governance structure to ensure it addresses critical IT risk and IT investments, particularly retaining IT resources, and other critical skills.
- ▶ Organisational resilience in terms of market risk, any potential impact on revenue generation and the domestic leisure industry.
- ▶ Monitoring of cyber security controls as cyber-attacks increase.
- ▶ Monitoring of legislation impacting the group.
- ▶ Relationship building with minority shareholders.
- ▶ Employee wellness and retention.
- ▶ Assessing group risks from an environmental, social and corporate governance perspective.
- ▶ Ensuring that management implements the group's third-party risk management framework.
- ▶ Integrating the group's enterprise risk framework with the combined assurance framework to further enhance the group's risk management and assurance process.
- ▶ APEX Risk Management Compliance and Compliance Programme training and Anti-Money Laundering training.
- ▶ Ensuring that management implements Sun International's approved ESG strategy.
- ▶ Ensuring that management implements Sun International's enterprise risk management strategy and framework.
- ▶ Enhancing POPIA controls and practices.
- ▶ Climate-related risks and opportunities .
- ▶ Risks relating to the increasing role artificial intelligence (AI) is starting to play in the hospitality industry.

Social and ethics committee

COMMITTEE PURPOSE

- **monitors** the group’s social, transformation, economic and environmental performance and the social impact of its reputational risk
- **reports** to the board and the group’s stakeholders on social, transformation, economic and environmental developments and progress
- **oversees** the group’s ethical conduct and confirms that it carries out its responsibilities in accordance with section 72 and Regulation 43 of the Regulations to the Companies Act as well as the JSE Listings Requirements
- **monitors** the group’s prioritised SDGs
- **assists** the board in assessing aspects of governance applicable to the committee’s function and terms of reference
- **ensures** that Sun International remains a socially committed and responsible corporate citizen
- **ensures** gaming promotions are ethical

Committee members	Number of meetings	Attendance
Zimkhitha Zatu Moloi	3	3
Anthony Leeming (CE) [^]	3	3
Dawn Marole	3	3
Nigel Payne	3	3
Tapiwa Ngara ¹	1	1
Standing Invitees		
Norman Basthdaw (CFO) [^]	3	3
Andrew Johnston [^]	3	3
Verna Robson [^]	3	3
Muxe Mambana [^]	3	3
Shruti Singh ^{^^}	3	2
Raveshni Naidoo ^{^^}	3	3
Lenny Reddy ^{^^}	3	3

Independence*

75%

(2022: 60%)

Attendance**

100%

(2022: 100%)

* Independence % is calculated as at 31 December 2023.
** Attendance % is calculated based on attendance throughout the year.

1 Tapiwa Ngara resigned from the Sun International social and ethics committee with effect from 10 March 2023.

[^] Executive.

^{^^} Shruti Singh is Sun International’s Ethics officer.

Raveshni Naidoo is Sun International’s ESG manager.

Lenny Reddy is Sun International’s Gaming Compliance & Regulatory Manager.

In addition to the alongside, certain key members of senior management attend the social and ethics committee meeting by invitation.

The social and ethics committee is constituted as a statutory committee in respect of its statutory duties in terms of section 72(4) of the Companies Act, read together with Regulation 43 of the Regulations to the Companies Act, and as a board committee in respect of its responsibilities prescribed by the board in its mandate and terms of reference.

Stakeholders addressed



Top risks addressed

R1 R2 R3 R4
R5 R6 R7 R8
R9 R10

CLICK HERE TO SEE
EXPLANATION OF ICONS



FOCUS AREAS DURING 2023

- ▶ Reviewed the sustainability reports regarding the group’s impact on the natural environment to ensure environmental sustainability, current SHE policies and the group’s contribution to SED and CSI. Pertinent matters included energy and water consumption and zero-waste-to-landfill at certain operations.
- ▶ Satisfying itself in conjunction with the remuneration committee that the group’s remuneration policies are fair and equitable.
- ▶ Monitored the group’s diversity and inclusion strategy implementation and EPWEV to reduce the gender pay gap within the group and empowerment of women.
- ▶ Employment equity progress in accordance with the group’s employment equity plan and the company’s B-BBEE results as issued by the verification agency.
- ▶ Material matters arising from the group’s ethics hotline and feedback received from the ethics office and whistle-blowing report.
- ▶ Group’s social, health, safety and wellness and environmental and transformation performance in line with relevant codes and legislation, and the principles set out in the UNGC and SDGs, as well as the OECD recommendations regarding corruption and noted that this is dealt with in various group policies.
- ▶ Ongoing pressures being exerted on the group by various community forums.

- ▶ Group’s engagement with stakeholders on the group’s social, transformation, economic and environmental progress.
- ▶ Reviewed information governance.
- ▶ Considered consumer relationships including Sun International’s advertising and public relations initiatives, as well as any other matter relating to the group’s contribution to the development of communities, as well as the group’s adherence to consumer laws.
- ▶ Reviewed responsible gambling reports submitted by management and monitored crèche usage and self-exclusion applications.
- ▶ Employment Equity Act: Code of Good Practice on the Prevention and Elimination of Harassment in the Workplace.
- ▶ Reviewed initiatives around preventing gender-based violence.
- ▶ Reviewed the group’s activities around responsible and transparent procurement and sustainable supply chain, including a review of the group’s top suppliers, their B-BBEE ratings, and Sun International initiatives to procure locally within the communities.

SATISFIED ITSELF AS TO THE:

- Based on the committee’s performance during the year, it had fulfilled its mandate in terms of Regulation 43 of the Regulations to the Companies Act, the JSE Listings Requirements and Mol.
- There were no known instances of material non-compliance with legislation or regulations, or non-adherence with codes of best practice in terms of the areas within its mandate during the year under review, or repeated regulatory penalties, fines, censures, or compliance orders.
- The group has operated as a socially responsible corporate citizen demonstrating an ongoing commitment to sustainable development, and community upliftment.

LOOKING AHEAD THE COMMITTEE WILL CONTINUE TO FOCUS ON:

- ▶ Monitoring the group’s social, transformation, economic and environmental performance.
- ▶ Transparent and proactive engagement with communities where we operate.
- ▶ Sun International’s approved ESG strategy.
- ▶ Monitoring the group’s progress against and focus on sustainable development goals.
- ▶ Continued training and communication with employees through the Sun Talk platform, and engagement with employees in terms of their wellness through the employee wellness programme.
- ▶ Monitoring provisions relating to a social and ethics committee in the proposed Companies Amendment Bill, 2021.

Remuneration committee

COMMITTEE PURPOSE

- **assists** the board in discharging its responsibilities to ensure fair and responsible remuneration by the group
- **reviews** and recommends the group's remuneration policy and oversees its implementation
- **oversees** benefit schemes in the group such as pension, retirement fund and medical aid
- **reviews** proposed changes to the short-term incentive scheme (STI) and the long-term share-based incentive plans

Committee members	Number of meetings	Attendance
Sindi Mabaso-Koyana	4	4
Sam Sithole	4	4
Dawn Marole	4	4
Nigel Payne	4	4
Invitees		
Anthony Leeming (CE) [^]	4	4
Verna Robson [^]	4	4

* Independence % is calculated as at 31 December 2023.
** Attendance % is calculated based on attendance throughout the year.
[^] Executive.

Independence*



(2022: 75%)

Attendance**



(2022: 88%)

Stakeholders addressed



Top risks addressed

R1

CLICK HERE TO SEE EXPLANATION OF ICONS



FOCUS AREAS DURING 2023

- ▶ Ongoing initiatives to evaluate and where necessary address EPWEV.
- ▶ Ensured that remuneration practices align with the remuneration policy.
- ▶ Monitored the fair remuneration framework for the group.
- ▶ Aligned with the principles of fairness and responsibility and continued to make inroads in terms of addressing the gender pay gap.
- ▶ Implemented the variable pay structure (following the Covid-19 pandemic years) as detailed in the Remuneration Policy tabled at the 2023 AGM.
- ▶ Continued to address the concept of a living wage in accordance with the Framework for Fair Remuneration Policy.
- ▶ Assessed talent requirements in conjunction with succession plans.
- ▶ Building on softer human capital remuneration issues, with continued focus on the Sun Star Award programme.
- ▶ Annual appraisal of performance of chief executive, executives, prescribed officers and unit general managers.
- ▶ Determined and agreed the executive committee members', prescribed officers' and unit general managers' key performance indicators (KPIs) for the year.
- ▶ Reviewed the remuneration report and required disclosures, plus remuneration policy. Reviewed feedback on the outcome of non-binding advisory vote of shareholders.
- ▶ Reviewed compulsory employee benefits – retirement funding and healthcare benefits.

- ▶ Reviewed the limits of authority of the chief executive and recommended to the board for approval.
- ▶ Noted the vested and unvested long-term share-based incentives awarded to executives and senior management in the last few years.
- ▶ Reviewed the proposed changes to the Companies Amendment Bill, 2021 which would impact remuneration committees and remuneration going forward.
- ▶ Engaged with Bowmans Reward Advisory Services, 21st Century and PricewaterhouseCoopers Inc. (PwC) remuneration consultants to advise on, among others, the benchmarks for certain non-executive directors' fees, as well as senior executives', general managers', and other senior managers' total cost of employment (TCOE) and total reward packages. Additionally, PwC reviewed the peer group of companies against which Sun International benchmarks its senior executives' TCOE packages and non-executive directors' fees.
- ▶ The non-executive directors' fees as approved by the shareholders at the AGM, be paid to the non-executive directors with effect from 1 July 2023 following a benchmark exercise conducted by 21st Century.
- ▶ Focused on ESG KPIs which form part of the senior executives', general managers' and senior managers' STIs.
- ▶ Examined the feasibility of paying non-executive directors who are permanently based in the UK or Europe their fees for services as directors in British pounds.

APPROVED THE:

- KPIs for executive committee members and general managers for FY2024 and confirmed the performance rating for the chief executive for the 2023 financial year.
- Performance metrics attaching to performance shares (conditional share plan) to include adjusted headline earnings per share (HEPs) and return on capital (ROC).
- Amended STI financial targets to differentiate between the group and unit financial performance. Adopted adjusted EBITDA and adjusted HEPs as the performance metrics in respect of the STI FY2023, as opposed to a single performance metric used during the Covid-19 years.
- Remuneration report (policy and implementation) for endorsement by shareholders at the 2024 AGM.
- Amended mandate and terms of reference to align with best practice.

LOOKING AHEAD THE COMMITTEE WILL CONTINUE TO FOCUS ON:

- ▶ Improving annual remuneration practices disclosure.
- ▶ Improving engagement with shareholders in accordance with the principles enunciated by King IV™.
- ▶ Dialogue with shareholders around evolving remuneration practices and policies.
- ▶ Continuing to evaluate fair and ethical remuneration practices and the concept of a living wage.
- ▶ Preparing for the anticipated enactment of the Companies Amendment Bill, 2021.

Investment committee

COMMITTEE PURPOSE

- **operates** under a separate mandate of the board and is chaired by an independent non-executive director
- **considers** and evaluates, on an ad hoc basis, the viability of proposed investment opportunities (mergers and acquisitions), disposals and expansion projects for recommendation to the board for consideration and approval
- **reviews** capex budget of the group
- **regularly** values the portfolio of group assets to see where returns on investment are being achieved

Committee member	Number of meetings	Attendance
Graham Dempster	7	7
Sam Sithole	7	6
Sindi Mabaso-Koyana	7	7
Tapiwa Ngara	7	7
Nigel Payne	7	7
Invitees		
Anthony Leeming (CE) [^]	7	7
Norman Basthdaw (CFO) [^]	7	7

* Independence % is calculated as at 31 December 2023.
** Attendance % is calculated based on attendance throughout the year.
[^] Executive.

In addition to the above, certain key members of senior management attend the investment committee meeting by invitation.

FOCUS AREAS DURING 2023

- ▶ Noted the capex budget for 2023 and capex budget for 2024.
- ▶ Reviewed potential acquisitions, including the Peermont Group.
- ▶ Reviewed the combined valuation of the group.

LOOKING AHEAD THE COMMITTEE WILL CONTINUE TO FOCUS ON:

Due to the nature of the price-sensitive information discussed during the investment committee meeting, which may not already be in the public domain, no details pertaining to the deliberation of this committee or focus areas are disclosed in this report.

IT GOVERNANCE

The board is responsible for overseeing IT governance within Sun International, which operates within its IT mandate, incorporating King IV™ IT governance requirements and is aligned with the group's strategic objectives. The board delegates the group's IT responsibilities to the IT governance sub-committee, which reports to the risk committee. This IT governance sub-committee provides oversight to ensure appropriate governance and management of enterprise IT, which includes financial and investment updates, operational stability and cyber threats. In addition, it provides assurance on managing key risks and audit findings together with the status of mitigation plans. Sun International's chief information officer reports directly to the chief executive and is responsible for IT operations and IT strategy within the group.

Sun International's IT governance framework is aligned to COBIT (an international best practice framework for ICT governance). The IT steering committee is designed to drive the approval and execution of group-wide projects. It continues to strengthen group-wide IT investment decision-making has enhanced its alignment to business needs. This has positioned the group to better co-ordinate delivery of group-wide initiatives, and explore new and emerging technologies like AI and other digital capabilities.

The initiatives to execute our key business objectives are still relevant and will continue to be assessed as our business seeks to enhance our customer-centric omnichannel capabilities. We are cognisant of the increasing importance of a holistic IT strategy and constant re-alignment of the key strategic objectives to risk indicators. Our IT governance sub-committee is confident we have the right processes in place to adapt to changing business needs, as well as emerging technologies and risks.

Key 2023 focus areas included:

- Continuing maturity of our privacy controls and data governance practices.
- Enhancing our cyber security controls to address new and emerging threats.
- Reviewed the group's cyber insurance cover, including an approved first responder incident provision.
- Migrated our primary data centre to a new world class tier 4 location at Africa Data Centre.
- Continued driving human security training and awareness campaigns using various simulation scenarios.
- Defined a new third party risk management framework to better manage data privacy requirements.
- Successfully tested our disaster recovery and business continuity plans for critical systems, as well as defined crisis plans for various threat scenarios.
- Exploring new technologies, like AI and metaverse and defining opportunities and value drivers for our industry.

RISK GOVERNANCE AND COMBINED ASSURANCE FRAMEWORK

In line with King IV™, Sun International has adopted a combined assurance model which is an integral part of the group's enterprise risk management process. Our combined assurance approach ensures among others, the following:

- The group's assurance arrangements are executed in an integrated and holistic manner.
- That an adequate and correct level of assurance is provided by various assurance providers on key organisational risks.
- Any assurance gaps are identified and mitigated.
- Prevents duplication of efforts.



SUPPORTING SUSTAINABLE BUSINESS PRACTICES

The group is aware of its responsibility of being a good corporate citizen as it considers sustainability and the potential business impact on all stakeholders and the environment. Sustainability is interwoven into Sun International's business strategy and decision-making process, from board and management level to our employees at each unit.

Achieving the group's key strategic imperatives is underpinned by the group's sustainable business practices; and is often an enabler by ensuring that a sound corporate reputation and the group's brand are synonymous. Two strategic objectives, people and culture and ESG, ensure that sustainability remains at the heart of our business operations.

The group's sustainability approach continues to evolve and includes, among others, measurable sustainability practices that engage all our stakeholders through relevant internal and external sustainability reporting, face-to-face community engagement, health, safety and environmental initiatives, and sustainability campaigns.

During 2023, the board engaged the services of an external assurance provider to provide an independent assurance statement on the group's ESG reporting. This external review assessed the processes and data reported in the integrated annual report for group's environmental, health, safety and wellness, as well as SED portfolios. The external review gives our stakeholders the assurance that the sustainability information we report on is accurate, relevant and transparent. The review also helps identify areas for improvement. The group uses the JSE Sustainability Disclosure Guidance as the basis for its integrated ESG reporting. No material issues were identified during the assurance audit that needed to be brought to the attention of the relevant committee, the board or other stakeholders.

THE ACTS, REGULATIONS, FRAMEWORKS AND LISTINGS REQUIREMENTS THAT APPLY TO SUN INTERNATIONAL

Sun International conducts business in a highly regulated industry. We have identified our legal and regulatory universe, which we continually monitor given the increased changes in law and the varied jurisdictions in which we operate. Being a responsible corporate citizen is imperative for maintaining our casino licences. We provide a snapshot of our legal and regulatory universe below.

What we comply with	
JSE Listings Requirements	Sun International is a public company listed on the Johannesburg Stock Exchange and accordingly complies with the JSE Listings Requirements.
King IV™	King IV™ and its recommended practices are applied throughout the group as shown in our King IV™ application register. The board confirms that the group applied the 16 principles of King IV™ and that the spirit of King IV™ is preserved and embedded in the way the group operates.
Local and international legislation	Sun International is committed to complying with all relevant legislation and best practices in the jurisdictions in which it operates. The group identified the main areas of legislation that materially affect its operations and regularly engages with key regulators to make public comments and submissions on proposed new industry and other relevant legislation.
Licence conditions and directives issued by the various gambling boards	The gaming industry is highly regulated and subject to significant probity and external regulatory monitoring both locally and internationally. In addition, the casino licence conditions contain their own requirements, which must be adhered to.

What we choose to comply with	
Carbon Disclosure Project (CDP) – water and climate	Sun International participates annually in the CDP.
International <IR> Framework (January 2021)	Sun International applies the IIRC's <IR> Framework in compiling its integrated annual report.
United Nations Global Compact (UNGC)	Sun International voluntarily embeds the 10 UNGC Principles as part of its business strategy, culture and day-to-day operations.
United Nations (UN) Sustainable Development Goals (SDGs)	Sun International supports the UN SDGs and focuses on the most relevant goals to the business.
JSE Sustainability Disclosure Guidance	Sun International has included the JSE Sustainability Disclosure Guidance as an annexure in its IAR report.
Task Force on Climate-Related Financial Disclosures (TCFD)	Sun International has included the TCFD as an annexure in its IAR report.
Sustainability Accounting Standards Board (SASB)	Sun International has included SASB as an annexure in its IAR report.

BOARD OF DIRECTORS



S (SAM) SITHOLE (51)
Non-executive chairman
Appointed: 2018
Qualifications
BAcc (Hons), CA(SA), ACA, CA(Z), PLD (Harvard Business School) Advanced Diploma in Banking (UJ)
Committee memberships:   
Experience

- Finance and investment industries expertise
- Sound business and leadership experience



GW (GRAHAM) DEMPSTER (68)
Lead independent non-executive
Appointed: 2017
Qualifications
BCom, CTA, CA(SA), AMP (Harvard)
Committee memberships:   
Experience

- Banking and finance (local and international)
- Sound business and leadership experience



AM (ANTHONY) LEEMING (54)
Chief executive
Appointed: 2013
Qualifications
BCom, BAcc, CA(SA)
Committee memberships:   
Experience

- Gaming and hospitality
- Financial and corporate finance
- Governance and IT



N (NORMAN) BASTHDAW (56)
Chief financial officer
Appointed: 2017
Qualifications
BCompt (Hons), CTA, CA(SA), MCom, HDip (Company Law)
Committee memberships:  
Experience

- External and internal audit
- Financial management expertise
- Corporate finance advisory and private equity

TOTAL COLLECTIVE SKILLS MATRIX

Strategy

10

(2022: 11)

Commercial

10

(2022: 9)

Gaming and hospitality

4

(2022: 3)

Risk

5

(2022: 3)

Finance

10

(2022: 10)

Executive management

4

(2022: 3)

Community/stakeholder engagement

2

(2022: 2)

International

1

(2022: 2)

COMMITTEE MEMBERSHIP KEY

Chairman:       

 Social and ethics committee 1 British
 Nomination committee
 Audit committee
 Risk committee
 Remuneration committee
 Investment committee
 Executive committee



CM (CAROLINE) HENRY (57)
Independent non-executive
Appointed: 2016
Qualifications
BCom, BCompt (Hons), CA(SA)
Committee memberships:   
Experience

- Finance and investing experience
- Treasury, debt capital markets, and retirement funds
- Sound business experience



SN (SINDISIWE) MABASO-KOYANA (54)
Independent non-executive
Appointed: 2020
Qualifications
BCom, P Grad Dip Accounting, CA(SA)
Committee memberships:    
Experience

- Finance and investing expertise including private equity
- Sound business and leadership experience
- Auditing and risk management expertise
- Corporate governance



MLD (DAWN) MAROLE (63)
Independent non-executive
Appointed: 2022
Qualifications
BCom (Accounting), MBA (North Eastern University, Boston), EDP programme from The Wharton School of Business in Philadelphia, US
Committee memberships:   
Experience

- Finance and investing
- Financial regulation
- Sound business and leadership experience



TR (TAPIWA) NGARA (42)
Non-executive
Appointed: 2020
Qualifications
BBusSc, PGDA (UCT), CA(SA), MBA (London Business School)
Committee membership:  
Experience

- Finance and investing expertise
- Capital allocation expertise
- Sound business, investor relations and leadership experience



NT (NIGEL) PAYNE¹ (64)
Independent non-executive
Appointed: 2021
Qualifications
Economics and Accounting (Hons), Executive MBA
Committee memberships:     
Experience








- Global sport betting and alternate gaming expertise
- Sound business and leadership experience
- Group finance, business development and IT








Z (ZIMKHITHA) ZATU MOLOI (40)
Independent non-executive
Appointed: 2018
Qualifications
BCom, HDip Acc, CA(SA), MSc in Corporate Finance, RE5
Committee memberships:    
Experience

- Expert in entrepreneurship and strategic insights
- Strong financial and operational expertise
- Consulting in commercial and business practices
- Sound governance, business and leadership experience
- Driving innovation in financial services

EXECUTIVE MANAGEMENT

						
AM (ANTHONY) LEEMING (54)	N (NORMAN) BASTHDAW (56)	GRAHAM WOOD (54)	ANDREW JOHNSTON (58)	VERNA ROBSON (52)	MIKE WILSON (53)	KHATI MOKHOBO (58)
Chief executive	Chief financial officer	Chief operating officer: Resorts and Hospitality	Director: Corporate services and group company secretary	Director: Group human resources	Director: Business support management	Director: Strategic projects
Qualifications BCom, BAcc, CA(SA)	Qualifications BCompt (Hons), CTA, CA(SA), MCom, HDip (Company Law)	Qualifications BCom, BCompt (Hons), CA(SA)	Qualifications BA, LLB, FCIS, PGDip (Environmental Law), Certificate in Advanced Corporate Law and Securities Law	Qualifications BProc, Certificate (Advanced Human Resources Management), MBA Core (University of Stellenbosch)	Qualifications BCom, BCom (Hons), PGDA, CA(SA)	Qualifications BCom, BAcc, ACMA, CA(SA)
Experience <ul style="list-style-type: none">Gaming and hospitalityFinancial and corporate financeGovernance and IT	Experience <ul style="list-style-type: none">External and internal auditFinancial management expertiseCorporate finance advisory and private equity	Experience <ul style="list-style-type: none">Strategic leadershipCommercial and operational expertise in the gaming, hospitality and tourism industry	Experience <ul style="list-style-type: none">Legal, secretarial, compliance, sustainability and corporate and remuneration governanceCorporate finance and investor relationsAdmitted attorney and certified ethics officer	Experience <ul style="list-style-type: none">Management of labour riskHuman resourcesOrganisational restructuringManagement of B-BBEE compliance	Experience <ul style="list-style-type: none">Business financeBusiness process optimisationProject managementShared service centre	Experience <ul style="list-style-type: none">Financial managementForensic investigationsNew business developmentCommercial project executionGaming and hospitalityStakeholder management
Memberships <ul style="list-style-type: none">South African Institute of Chartered Accountants (SAICA)Director: School of Tourism and Hospitality	Memberships <ul style="list-style-type: none">South African Institute of Chartered Accountants (SAICA)	Memberships <ul style="list-style-type: none">South African Institute of Chartered Accountants (SAICA)	Memberships <ul style="list-style-type: none">JSE Company Secretary Forum	Memberships n/a	Memberships <ul style="list-style-type: none">South African Institute of Chartered Accountants (SAICA)	Memberships <ul style="list-style-type: none">South African Institute of Chartered Accountants (SAICA)Chartered Institute of Management Accountants (CIMA)

				
PRAGASEN PATHER (48)	BOTLHALE MADITSE (44)	HELEN STEWART (58)	MUXE MAMBANA (38)	NWABISA TITUS (50)
Chief information officer	Director: SIML Finance	Chief marketing and sales officer	Director: Internal audit	Director: Investor relations
Qualifications BCom: Business Management	Qualifications BCom, BCom (Hons), CA(SA), MBA	Qualifications PR and Communications Diploma (Wits), Business Coach, International Coaching Federation (ICF), Executive Development Programme (Wits)	Qualifications BAcc, CA(SA), CIA, MBA	Qualifications BCom (Acc), PDBA (GIBS), Certificate in Investor Relations (CIR)
Experience <ul style="list-style-type: none">IT strategyInformation management and cyber securityIT governance, risk and complianceBusiness continuity managementProject execution	Experience <ul style="list-style-type: none">Financial and corporate financeShared servicesAuditing and risk management expertiseFinancial managementCommercial expertise	Experience <ul style="list-style-type: none">Marketing and brand strategistDigital marketingSocial media strategyCRM and loyalty expertiseBusiness coach and mentor	Experience <ul style="list-style-type: none">External and internal auditFinancial managementForensicsCorporate governance, risk and complianceDiverse industry experience	Experience <ul style="list-style-type: none">Investor relationsFinancial markets and investment bankingStrategyCorporate governanceJSE Listings Requirements
Memberships <ul style="list-style-type: none">Information Systems Audit and Control Association (ISACA)IT Enterprise Forum Board	Memberships <ul style="list-style-type: none">South African Institute of Chartered Accountants (SAICA)	Memberships <ul style="list-style-type: none">International Coaching FederationPublic Relations Institute of South Africa (PRISA)	Memberships <ul style="list-style-type: none">South African Institute of Chartered Accounts (SAICA)Institute of Internal Auditors of South Africa	Memberships <ul style="list-style-type: none">UK Investor Relations SocietyInstitute of Directors (IoD SA)

STANDING INVITEES

	
FELIX MTHEMBU (51)	SIMON GREGORY (50)
Sun Slots: Chief executive officer	SunBet: Chief executive officer
Qualifications NDP: Operations Management	Qualifications BSc (Hons), CA(UK)
Experience <ul style="list-style-type: none">Manufacturing – textiles, food and petrochemicalsFuel retail and convenience store operationsOrganisational restructuring	Experience <ul style="list-style-type: none">Online gamingCommercial and operational managementStrategy and finance

[www](#) Please refer to the corporate website link for the detailed CVs of Sun International's general managers, who are all standing invitees: <https://corporate.suninternational.com/about/general-management/>

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 supported by the group’s governance framework, that is based on the mindful and relevant application of the King IV Report on Corporate Governance for South Africa 2016 (King IV™)¹ principles and practices. The group’s governance framework provides a sound foundation for King IV™ implementation 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 environmental, social and governance (ESG) 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 98% (2022: 93%). 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: 100% (2022: 87%)
- Audit committee: 90% (2022: 92%)
- Investment committee: 97% (2022: 94%)
- Nomination committee: 100% (2022: 100%)
- Remuneration committee: 100% (2022: 88%)
- Risk committee: 95% (2022: 96%)
- Social and ethics committee: 100% (2022: 100%)

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
- 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 oversee 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 Tip-Off Anonymous Pty Ltd, which operates independently from the Deloitte & Touche external audit team.

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 continues to conduct training and awareness around health, safety and environmental aspects.

Several projects are in place group-wide to develop small businesses, facilitate transformation and uplift local communities. Our SED and Corporate Social Investment (CSI) in-kind investments create shared value and empower and uplift the communities we operate in. It also helps us to fulfill our licence conditions. Our enterprise and supplier development (ESD) also helps to create value across the group’s broad supplier base.

EXPLANATION:

As a responsible corporate citizen, Sun International focuses on community upliftment through its SED, CSI and ESD 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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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 themes. Sun International’s enterprise risk management strategy and framework supports Sun International’s enterprise risk management policy. All ESG matters are discussed at the Sun International executive committee and any pertinent issues are elevated to the social and ethics committee and risk committee. The ESG department assists with assessing and monitoring environmental, health and safety, SED, ESD and B-BBEE issues, internal and external, to the business. The audit committee and board consistently monitor the going concern status of the group.

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 themes are constantly reviewed to ensure they remain relevant. The 2023 material matters have been revised to incorporate the group’s ESG material topics, following the integration of these topics in the enterprise risk management process. The group’s risks and ESG topics were then grouped under relevant themes and are discussed in the directors’ report and the material themes section in the integrated annual report.

OUTCOMES

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

Other references

- Strategic objectives
- Integrated annual 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, ESG, 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.

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 chairman provides feedback to the board. The chairman of the social and ethics committee reports back to shareholders at each annual general meeting (AGM). 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.

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

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.

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 on 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.

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

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.

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, age culture and skills diversity, field of knowledge and experience, regional industry 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 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. Gaps identified include IT/technology, marketing/sales and hospitality sector skills and experience as well as black female representation on the board. 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.

Black directors comprised 40% (2022: 40%) of the total directors serving on the board (Sam Sithole and Tapiwa Ngara being excluded per the B-BBEE Codes of Good Practice). The number of female directors equalled 40% (2022: 40%) of the total board composition.

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

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 comprises of senior executives and certain members of management attend by standing invitation. The risk committee has an IT governance sub-committee. 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 57% (2022: 57%) of the members are independent. All committees, except for the remuneration 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. Board and committee evaluations were conducted towards the end of 2022, with no adverse findings and will take place again towards the end of 2024. An external board and committee evaluation was conducted during 2023 which revealed that the board and its committees are performing effectively, with most aspects of their performance meeting expectations. The members of the board and its committees have the necessary qualifications, expertise and independence to fulfil their responsibilities diligently. There is effective communication and feedback between the committees and the board.

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 experiences 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 TCOE and STIs. The audit committee reviews the chief financial officer and the director of 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 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 risk committee and the board, which ensures 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 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 executive, 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 co-ordinates and enhances the group's risk management process as well as facilitates 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.

Top three risks

2023	2022
Weak economic conditions	Weak economic conditions
Utility supply and efficiencies	Utility supply and efficiencies
Relocation of casino licence in the Western Cape	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

PRINCIPLE 13: The governing body should govern compliance with applicable laws and adopted 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 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 with 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 remuneration policy and report. This remuneration policy and report are 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 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, as well as the approved ESG strategy. This engagement approach takes community concerns into account in respect of developing local business and employment opportunities. Sun International appointed a group investor relations executive during January 2024. She is responsible for creating and presenting a consistently applied message, to the equity research and investor community, to ensure Sun International is appropriately and strategically positioned with analysts, investors and other stakeholders.

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 ESG 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

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 reviews the ESG reporting 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



SOCIAL AND ETHICS COMMITTEE REPORT

Sun International is committed to ethical and responsible leadership. Being a good corporate citizen includes driving an ethical culture group-wide; ensuring our customers’ and employees’ health, safety and wellbeing; engaging with local communities; providing opportunities for shared socio-economic value; protecting our environment; monitoring our transformation progress; and complying with relevant legislation and codes.

COMMITTEE’S ROLES AND RESPONSIBILITIES

Monitors the group’s social, transformation, economic and environmental performance, responsible gambling and the social impact of its reputational risk

Reports to the board and the group’s stakeholders on social, transformation, economic and environmental developments and progress

Reviews the group’s ethical conduct and confirms that it carries out its responsibilities in accordance with section 72(4) and Regulation 43 of the Regulations to the Companies Act as well as the JSE Listings Requirements

Approves/supports the group’s prioritised sustainable development goals (SDGs)

Assists the board in assessing aspects of governance applicable to the committee’s function and terms of reference

Ensures that Sun International remains a socially committed and responsible corporate citizen

Ensures gaming promotions are ethical and responsible

The social and ethics committee is constituted as a statutory committee in respect of its statutory duties in terms of section 72(4) of the Companies Act, read together with Regulation 43 of the Regulations to the Companies Act, and as a board committee in respect of its responsibilities prescribed by the board in its mandate and terms of reference.



ZIMKHITHA ZATU MOLOI
Chairman

Dear stakeholders

I am pleased to present Sun International’s social and ethics committee (the committee) report for the year ended 31 December 2023. The purpose of this report is to inform our stakeholders on the discharge of our duties as set out in the Companies Act and as supplemented by the committee’s terms of reference. The salient matters of interest during 2023 are elaborated in this report.

We operate in a highly regulated industry and our corporate credentials and socially responsible behaviour are critical in terms of our licence to operate. To guide us in this oversight role, we task management with implementing principles contained in relevant legislation, regulations and prescribed legal requirements or prevailing codes of best practice.

This includes the group’s standing in terms of the goals and purpose of the:

- 10 principles set out in the United Nations Global Compact (UNGC) principles.
- Organisation for Economic Cooperation and Development (OECD) recommendations regarding anti-corruption.
- International Labour Organisation Protocol and Employment Equity Act.
- B-BBEE Act and amended B-BBEE Codes of Good Practice.
- SDGs prioritised by the group.

The committee performs the requisite statutory functions on behalf of all subsidiary companies across the group, including those that score above 500 points as contemplated in Regulation 43 of the Regulations to the Companies Act. This ensures that group-wide practices are consistent and aligned, and that our ethical practices are applied irrespective of the jurisdiction we operate in. Meropa, an associate company, has its own social and ethics committee. In Nigeria, Tourism Company of Nigeria’s Plc’s (TCN) has its own code of conduct and regularly reports any ethical issues to the TCN nomination and governance committee as well as to the board. Furthermore, the Sun International director: corporate services, chairs the nomination and governance committee in Nigeria in his capacity as a director of TCN, which reinforces the group’s governance structures framework and practices.

Management discharges this duty by reporting to the committee on the group’s:

Good corporate citizenship, including promotion of diversity, equality and the prevention of unfair discrimination.

Progress against transformation as per the B-BBEE Act and amended B-BBEE Codes of Good Practice.

Implementation of its environmental, social and governance (ESG) strategy.

Contribution to the development and upliftment of the communities around which it operates.

Environmental, health and safety initiatives across all relevant areas.

Progress towards the group’s prioritised SDGs.

Consumer relationships and marketing initiatives.

National Responsible Gambling Programme (NRGP) implementation.

Labour and employment activities, including the company’s standing in terms of decent work, working conditions, fair and transparent labour practices and our relationships with our contribution towards the wellness, educational and skills development of our employees.

Gaming promotions to ensure that they are conducted ethically, fairly, and transparently.

Procurement spend, to ensure that it creates value across the group’s broad supplier base and supports local procurement opportunities through enterprise and supplier development.

Management of ethics in line with best practice principles including in line with the ‘Governance of Ethics Framework’ that was developed by The Ethics Institute.

These reports correlate with the committee’s mandate and the areas mentioned above are reported on at each meeting. As chairman of the committee, I also provide regular feedback at board meetings regarding the committee’s activities and provide feedback to the shareholders at the annual general meeting (AGM). The 2023 social and ethics report will be tabled at the Sun International AGM to be held on 8 May 2024.

Composition, meetings and assessment

Committee members	Number of meetings	Attendance
Zimkhitha Zatu Moloi	3	3
Anthony Leeming (CE)^	3	3
Dawn Marole	3	3
Nigel Payne	3	3
Tapiwa Ngara ¹	1	1
Standing Invitees		
Norman Basthdaw (CFO)^	3	3
Andrew Johnston^	3	3
Verna Robson^	3	3
Muxe Mambana^	3	3
Shruti Singh^^	3	2
Raveshni Naidoo^^	3	3
Lenny Reddy^^	3	3

* Independence % is calculated as at 31 December 2023.
** Attendance % is calculated based on attendance throughout the year.
1 Tapiwa Ngara resigned from the Sun International social and ethics committee with effect from 10 March 2023.
^ Executive.
^^Shruti Singh is Sun International's Ethics officer.
Raveshni Naidoo is Sun International's ESG manager.
Lenny Reddy is Sun International's Gaming Compliance & Regulatory Manager.

The committee's current composition includes three non-executive directors, and one executive director. The committee met three times during the year, which was adequate to deal with the various matters contemplated in the Companies Act, read with Regulation 43 of the Regulations to the Companies Act, as well as the committee's mandate and terms of reference. In addition, Sun International executives and senior management whose areas of discipline are covered by the committee, and who attend committee meetings as standing invitees include the chief financial officer, director: corporate services, director: human resources, director: internal audit, ESG manager, gaming compliance and regulatory manager, and ethics officer. In addition, the risk manager attends committee meetings by invitation. As per the mandate of the committee, its terms of reference were reviewed and approved.

As part of its commitment towards complying with best corporate governance practice in terms of King IV™, Sun International conducts committee reviews every two years. The last evaluation of the committee was performed towards the end of 2022, with no adverse findings. The next evaluation of the committee will be performed towards the end of 2024.

Ongoing stakeholder participation from various areas within the group assures that appropriate feedback on all matters is provided. The mix of committee experience allows for robust debate on topics put forward to the committee. Furthermore, we are satisfied that initiatives undertaken by the group are adequately challenged when tabled at committee meetings.

SALIENT MATTERS OF INTEREST

Ethics and culture

Our ethical and responsible commitment is driven by the group's code of ethics (the code) which commits all stakeholders to the highest ethical conduct and standards. The board is responsible for setting the tone from the top and to lead ethically and effectively towards the achievement of an ethical culture across the group.

The executive committee, senior management and heads of departments across the group annually sign a compliance declaration confirming that they and their team members are and remain committed to carrying out their functions in a manner compliant with, among others, the code, anti-bribery and corruption, competition law, Protection of Personal Information Act (POPIA) and Financial Intelligence Centre Act (FICA) requirements. Ongoing awareness ensures all employees understand how to contribute to the group's ethical conduct, brand reputation and integrity. The group's whistle-blowing and fraud response policies, which are disseminated group-wide, contain clear guidelines for reporting any criminal, illegal, discriminatory or other unethical behaviour without fear of discrimination, intimidation or occupational detriment. Employees can contact the 24-hour anonymous tip-off hotline independently run by Deloitte Tip-off Anonymous Pty Ltd (via the portal, email and toll-free number) to report any ethical concerns or dilemmas, which are handled confidentially. The ethics office oversees ethics throughout the group and receives regular feedback on any matters of concern.

The ethics office meets with members of senior executive management, to discuss trends arising from matters reported through incident reporting facilities, and material incidents of ethical misconduct are reported to management group-wide. The ethics officer serves as a member of the combined assurance forum, which contributes to the group's enterprise risk management processes, and is also an invitee to the group risk working committee. Closed sessions are held between the social and ethics committee chairman, independent member directors, the chief executive and the ethics office after each social and ethics committee meeting, to discuss any material ethical issues reported group-wide and the investigation methodology utilised to close these out.

Responsible gambling

Contributed
R6.3 million
(2022: R8 million)
towards the NRGP in respect of casinos, sports betting and LPMs collectively

The group is committed to, and financially supports, the South African Responsible Gambling Foundation (SARGF), a leading global programme for promoting responsible gaming. The SARGF, through the National Responsible Gambling Programme (NRGP), creates awareness around public initiatives undertaken in the industry, which include prevention, treatment and counselling initiatives, training for regulators and industry employees, research audits, and life skills programmes for schools. Sun International reports progress on these NRGP principles across all gambling operations to relevant governance committees. In addition, the group reports to relevant governance committees on matters such as crèche utilisation statistics and any attempts by minors and excluded persons to access the gambling floors, which remain strictly monitored at all units. Training employees in the different stages of the NRGP is also reported.

Group internal audit is responsible for conducting various internal audits and reports its findings regarding responsible gambling to the social and ethics committee. Group compliance monitors the group's gaming entities for compliance with prescribed requirements and reports its observations to the social and ethics committee. SunBet performed a gap analysis to compare its responsible gambling measures against international leading practice and commenced with its action plan to align accordingly. The Western Cape Gambling and Racing Board (WCGRB) hosted the Western Cape Responsible Gambling Summit 2023 at GrandWest, that was well attended by local and international guests. The purpose of the summit was to find ways to align the South African responsible gambling regime with international standards and was the ideal platform for stakeholder and regulators to engage on the various issues relating to this topic. Subsequently, the WCGRB will be undertaking local research to better understand problem gambling in the Western Cape.

The group continues to explore ways to improve its anti-money laundering and anti-terrorism controls to identify and report related transactions and customers. These controls include identifying its customers, identifying politically exposed persons, vetting its database of customers against the UN sanctions list, and the filing of cash transaction reports and suspicious transactions. The group has implemented various intelligence reports that are investigated by its anti-money laundering personnel, which include high balances maintained by players without any gambling activity or where the gambling activity is not in keeping with the amount maintained by players. Also, the group continues to conduct integrity and competency verification of employees involved in its gaming operations, who conduct transactions with customers. The Sun International board has issued a compliance statement confirming its commitment towards preventing the group from being exploited in respect of money-laundering and terror financing. All gaming employees are trained on FICA and each gaming business has a dedicated anti-money laundering compliance officer, and the group has also appointed a group anti-money laundering compliance officer.

Zero tolerance of bribery and corruption

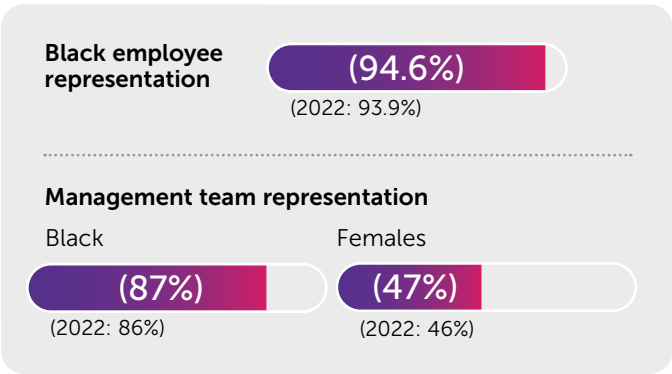
The committee continues, to review the group's standing and progress in accordance with the 10 principles of the UNGC (on a voluntary basis) and the OECD recommendations regarding anti-corruption. The company monitors compliance with its policies in relation to bribery and corruption; gifts, entertainment and tips; and responsible gambling. The committee concluded that the group substantially complied with the requirements of the UNGC principles, and that there were no material areas of concern. Sun International remains committed to improved reporting practices and transparency around activities and performance in combating corruption. The board is satisfied that sufficient APEX Risk Management Compliance Programme controls, and sufficient training were in place and that Anti-Money Laundering training had been provided to the various boards. The executive committee, senior management and heads of departments across the group completed training regarding anti-bribery and corruption, POPIA and competition law compliance. There were no tip-offs received via the whistleblowing facilities of incidents of fraud, bribery, and/or corruption in 2023.

Board diversity

Sun International's board diversity policy recognises and embraces the benefits of having a diverse board, as increasing board diversity is essential in maintaining a competitive advantage. In accordance with the JSE Listings Requirements, Sun International's board diversity policy incorporates additional diversity elements including, over and above gender and race, skills, field of experience, field of knowledge, regional and industry experience, age and culture. Black directors comprised 40% of the total directors serving on the board (Sam Sithole and Tapiwa Ngara being excluded per the B-BBEE Codes of Good Practice). The number of female directors equalled 40% of the total board composition. The board's and committees' composition, collective skills (industry knowledge, experience, technical skills and governance competencies) and competency, are documented and monitored in terms of a board skills matrix. This assists with assessing what the future composition of the board should look like from a skills and experience perspective and assists in terms of identifying key gaps. The board skills matrix aligns with the group's strategy and complies with best international corporate governance practices.

Governance competencies are considered in terms of strategy and strategic planning, financial performance, risk and compliance oversight, gaming and hospitality strategy, commercial experience, stakeholder engagement and knowledge, ESG and experience in companies with international operations.

People, culture and transformation



Sun International's SunWay culture and employee value proposition (EVP) continues to embed the group's culture as well as attract and retain top-performing employees. The EVP reinforces the world-class employee benefits and positive working environment in Sun International. Sun International's employee recognition programme, Sun Stars, continues to motivate employees and drive positive change in behaviour. The Sharing the Sun campaign – Changing Lives – continued to make a difference in the life of a deserving employee.

Transformation is integral to Sun International's sustainability and is rooted in our South African operations. The social and ethics committee monitors appointments, retirements and resignations to ensure we achieve a demographic workforce in line with both internal targets and commitments to legislation.

The Department of Employment and Labour finalised the Amended Employment Equity Act in April 2023, however the accompanying regulations and effective dates are expected to be gazetted by June 2024, with our baseline reporting period starting December 2024. The group continued to make good progress against its three-year employment equity targets and we confirmed our good standing with the Department of Employment and Labour as our employment equity plan was approved. We are currently undergoing our B-BBEE verification audit and the results will be made available on our website at the end of March 2024.

We achieved an overall black employee representation of 94.6% (2022: 93.9%), exceeding the distribution of the national economically active population. Sun International's management team comprises of 87% (2022: 86%) black people, and 47% (2022: 46%) are females. Demographic representation at middle and senior management levels improved, however, challenges still remain where representation of black people, particularly black females, are lower than the economically active population statistics. We are confident that our current succession plans, talent management and extensive training programmes will have a positive outcome at these levels going forward. Our women representation at junior and middle management has improved considerably due to our women empowerment strategy and women development programmes. These will continue into 2024, with a positive impact on senior management anticipated in 2025.

Sun International's talent acquisition strategy contributed positively to our employment equity progress, with 99% appointees (2022: 98%) from designated groups of which 90% (2022: 87%) were African appointees. Sun International's recruitment of persons with disabilities remains challenging and the group continues to host awareness campaigns to remove the stigma and fear of victimisation experienced by employees living with disabilities.

Ongoing learning and development remains a key focus for the group and during the year we invested R84 million (2022: R84 million) in skills development. During 2023, all units increased their training initiatives and pursued a variety of courses offered by Reach Summit. There was also a drive for customer service, with the relaunch of the CLEAR (connect, listen, engage, act and reconnect) training programme at all gaming units. Online courses, especially LinkedIn learning, remained the preferred learning medium for managers as the courses were carefully tailored to meet our managers' needs. All senior and middle managers were assigned curated content that was aligned to the Sun International leadership competencies.

We conducted an employee engagement survey in 2023 and reached a group participation rate of 75%. These results revealed that 76% of employees are engaged, which is positive in the hospitality and gaming industry.

The group continues to focus on fair, ethical and responsible remuneration in line with the Department of Labour's amendments to regulations governing income differentials. We conduct equal pay for work of equal value analyses and assessments annually, to ensure that pay parity is retained between persons

performing similar roles and functions across the group – any anomalies identified are addressed. As part of the 2022/2023 equal pay analyses, we introduced once-off lump-sum payments for employees in respect of the 2023 financial year. This was implemented as a pro-active intervention to ensure the ongoing motivation and retention of these employees, for both non-bargaining employees and bargaining employees.

Equal Pay for Work of Equal Value (EPWEV)

Sun International's EPWEV exercise continues to update and improve our analysis process. The purpose of this exercise is to investigate and identify possible risks and discriminatory remuneration practices that could give rise to claims of unfair discrimination. It also serves to reinforce the message to the operations that pay-related decisions need to be justified in accordance with the Code of Good Practice (Employment Equity Act).

Differentiation is said to occur frequently at the workplace, for example, due to performance or when an employee has accumulated years of service in their current role, or they bring critical skills needed by the business. This form of differentiation is acceptable if it serves a valid purpose and is based on valid grounds. Therefore, it is permissible to treat employees differently. However, differentiation becomes discriminatory only if it is unjustifiably prejudicial or demeaning or based on arbitrary grounds.

The work around EPWEV is not a once-off project and pay equality cannot be achieved overnight. Rather, like employment equity, pay equity is a target to be achieved over a period of time. Some of the existing gaps in Sun International will take some time and greater effort to close. We are continually improving our investigative approach to better track and report EPWEV progress.

Our sustainability journey

Sustainability at Sun International is the commitment to maintaining a harmonious equilibrium between social and environmental responsibilities, ensuring the long-term viability of our operations and enhancing the experiences provided to our customers. Sustainability integration is achieved through our ESG framework – Sustaining Sun. Drawing on internationally recognised best practice, this framework provides a structured approach to our operations, aligning with global standards and ensuring a balanced focus on ESG considerations.

The core pillars for Sustaining Sun are:



The performance against our sustainability linked loan (SLL) key performance indicators (KPIs) presented a few challenges in 2023. While we achieved our KPI on improving our black women-owned spend, we fell short by 1% in achieving our KPI on waste recycling rate of 80% and our renewable energy generated of 1 070 480 kWh was below the KPI of 3 557 188 kWh. We acknowledge that there needs to be an enhanced focus on waste separation at our operations and improved scrutiny on the service delivery from our waste management service providers. Our renewable energy project roll out was limited in 2023, however we are confident that this is being addressed by the group in 2024.

Independent assurance

As part of our independent assurance scope, IBIS Consulting conducted a review of the group's environmental, health, safety and wellbeing as well as socio-economic development (SED) portfolios. A Type II (moderate) assurance approach was adopted by way of onsite visits to three operations and desktop reviews for two operations, which included a review of key data indicators, with additional evidence provided and interviews conducted, to ensure a fair and transparent process. Specific units were assessed for selected individual indicators. A further review of the remaining operations' data was undertaken to assess for anomalies or data trends. No material issues were identified during the assurance audit that needed to be brought to the attention of the committee, the board or other stakeholders.

Enterprise and supplier development

Communities' concerns around securing local procurement spend and local employment to provide socio-economic upliftment remains an issue. Each unit works closely with local communities to develop their local supply chain and a supplier portal is used by the various units to identify potential suppliers to be brought into the Sun International supply chain. Additionally, an upgraded e-sourcing tool is nearing completion. This tool will enable suppliers to have visibility of upcoming procurement opportunities within the group and units will be able to advertise opportunities specific to the unit's area of operation, so that local community members can respond directly to these opportunities. This ensures a transparent procurement process and dispels potential suppliers' fears of responses not being considered for specific services. Good progress was made during 2023 to enhance our procurement portal to ensure it is suitable for both small-scale and large-scale projects, as well as being more user friendly for suppliers. In 2023, Sun International hosted a Women in Business Conference at The Maslow Sandton for 200 female entrepreneurs in construction and facilities management, to increase the group's supplier base. Numerous enterprise and supplier development masterclass sessions were also held where industry experts, entrepreneurs and some Sun International staff shared their knowledge, experience and insights with small businesses.

Sun International's supplier code of conduct ensures all suppliers adhere to minimum best practice ethical standards. The group is committed to creating opportunities for all suppliers, especially B-BBEE compliant SMMEs. We maintained our B-BBEE levels across all pillars to support economic upliftment through our supply chain nationally. We continue to promote procurement spend across the provinces where we operate, while ensuring optimal strategic spend. The group implemented a new B-BBEE system to assist with information accuracy and monitor trends to optimise B-BBEE spend. One of the KPIs included in Sun International's SLL is spend on suppliers that are at least 30% black women owned. This KPI aims to enhance value sharing and provide economic upliftment for businesses owned by some of the most marginalised within our communities. During 2023, we made good progress by achieving and exceeding this KPI target of 19.5% and there has been further engagement with suppliers to improve their black women ownership, which has yielded positive results.

Socio-economic development

The group's SED strategy continued to positively impact the communities with whom we interact with. Our units' SED and corporate social investment (CSI) projects focus on addressing the needs of the community, as identified through our community stakeholder engagement process. In 2023, we completed a social engagement management module development on the IsoMetrix system, which the group will use to optimally manage our community stakeholder relations. Our SED focus areas include education, sports, and arts and culture projects, where these investments continue to make a difference in the lives of the communities where we operate.

All our selected SED programmes align closely with the following SDGs: SDG2 (zero hunger), SDG3 (good health and wellbeing), SDG4 (quality education), SDG6 (clean water and sanitation) and SDG13 (climate change). Initiatives also incorporate environmental and social elements where relevant. The majority of our SED spend is allocated to educational projects. For example, Sun International's Eco-Schools project, in partnership with WESSA, continues to raise awareness of the importance of biodiversity and sustainability and encourages responsible behaviour in learners. The group also focused on raising awareness in the fight against gender-based violence (GBV), as well as emphasising the importance of educating girls about gender equality and sustainable development. Another educational project the group invests in, Sci-Com Foundation, develops learners from grassroots levels to university and college levels. In support of emerging artists, the group sponsored art scholarships. The Sun International festival of giving was launched during the year, which aligned to our employee volunteering programme. Over 850 employees volunteered and supported over 1 200 beneficiaries.

Environmental

Sun International’s ENVIRO-AMBITION 2025 five-year strategy focuses on carbon emissions, water, electric energy, waste and biodiversity. It maps our journey towards being at the forefront of sustainable environmental management in the hospitality sector and outlines our KPIs and mechanisms for realising our environmental ambition. This approach also considers the group’s ESG strategy, the JSE Sustainability Disclosure guidelines, SDGs and international best practice such as the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). Our various KPIs were updated to reflect our journey and assist in monitoring and evaluating progress in achieving our ambition.

The group continues to explore innovative environmental initiatives to address waste management and pressing water and energy resource concerns facing South Africa. In 2023, the group installed the first onsite solar project at Sun City and further projects are planned at Sibaya and Carnival City in 2024. By owning these types of projects, we also own the environmental attributes. Therefore we can deduct the generated kWh from our overall electricity consumption when calculating our Scope 2 emissions. Boardwalk obtained a water use licence to secure water quality and supply with the ongoing water supply issues in Gqeberha.

We have transitioned all our environmental data reporting across onto the IsoMetrix management system and while some control issues were highlighted in terms of the accuracy of the data this has been addressed with the appointment of an ESG specialist to drive data accuracy across the group.

As we reached our first milestone in our carbon management journey, the group exceeded its 2023 target of a 15% reduction by achieving an 18% reduction against a 2017 baseline. With the roll-out of renewable projects and the group addressing Scope 3 emissions, new targets for Scope 1, 2 and 3 emissions will be developed in 2024. These targets will align with our response to climate change and enable the group to map out its low-carbon transition.

Our waste management journey has progressed well. However, a challenge for the group at the operations is the proper waste sorting and segregation, which are critical for effective recycling. While we improved our 2023 recycling rate to 79% from 68% in 2022, the group was 1% below the SLL KPI target of 80%. Enhanced controls, training and awareness have been earmarked for 2024 so that the operations can achieve the 87% recycling rate in 2024.

Health, safety and wellbeing (HSW)

Sun International’s five key focus areas include preventing stakeholder harm, proactive control and mitigation of risks, implementing innovative solutions to manage HSW, embedding a caring and vigilant culture, and maintaining compliance with legislation and the adoption of best practice. While we are pleased to report that we recorded zero penalties or fines during the year, regrettably, we had a fatality involving a service provider. The group continues to look for innovative ways to manage HSW, such as the new ESG and ERM management platform (IsoMetrix) that was launched in 2023. The roll-out of this system has highlighted opportunities for improvement in our data management controls and enables a proactive approach to risk and compliance management.

Safety health and environmental (SHE) succession was a focus during the year, to ensure a smooth transition of leadership and to address key personnel turnover. Potential successors for SHE key positions were identified, and a succession plan will be formulated and implemented in 2024. We also ensure that stakeholder feedback is considered when managing our risks and have incorporated the feedback of our customers when evaluating health and safety performance. In 2023 the group achieved an average customer satisfaction score of 88% for health and safety against a target of 85%. Ongoing compliance training and awareness took place during 2023, with 52 awareness campaigns featuring diverse sustainability initiatives including health, safety and the environment.

Through our medical surveillance programme, we continue to maintain compliance and align with best practice. The group’s medical surveillance policy was reviewed during 2023, with quarterly monitoring of policy implementation by the group health and safety specialist. There was a notable improvement of 30% in fire prevention and life safety where we achieved a 93% (2022: 63%) closure rate for high-priority findings.

Protection of personal information

Received zero POPIA applications
Received three Promotion of Access to Information act, 2000 (PAIA) applications

The stewardship of customer information and data protection is paramount. During 2023, we continued to enhance our controls to ensure compliance with the Protection of Personal Information Act (POPIA) and the General Data Protection Regulation (GDPR).

Conclusion

Based on the committee’s performance during the year, we are satisfied that it has fulfilled its mandate in terms of the Companies Act, read with Regulation 43 of the Regulations to the Companies Act. There were no known instances of material non-compliance with legislation or regulations, or non-adherence with codes of best practice in terms of the areas within the committee’s mandate, during the year under review, or repeated regulatory penalties, fines, censures or compliance orders. As such, we are satisfied that the group has operated as a socially responsible corporate citizen demonstrating an ongoing commitment to sustainable development.

During the 2023 financial year, Sun International was compliant in all material respects with the Companies Act, Regulations to the Companies Act, the JSE Listings Requirements, King IV™ and its memorandum of incorporation.

Going forward, the committee will focus on:

- ▶ **Overseeing** the group’s corporate citizenship and ensuring it continues to improve on its already embedded principles of carrying out its actions as a responsible and ethical corporate citizen, and having a positive impact on the communities in which we operate.
- ▶ **Ensuring** in conjunction with the remuneration committee that the group pays its employees fairly, ethically and responsibly in accordance with the equal pay for work of equal value principle and addresses the gender pay gap.
- ▶ **Ongoing** training and communication with employees through the Sun Talk platform and engaging with employees in terms of their wellness through the employee wellness programme.
- ▶ **Overseeing** the implementation and roll out of Sun International’s ESG strategy and addressing any concerns.

- ▶ **Monitoring** the group’s activities around responsible and transparent procurement and sustainable supply chains.
- ▶ **Monitoring** anti-money laundering and anti-terrorism controls to identify and report the related transactions and customers.
- ▶ **Monitoring** the responsible online gambling programme.
- ▶ **Monitoring** social and ethics committee trends in general.
- ▶ **Monitoring** regulatory developments:
 - Tobacco Products and Electronic Delivery Systems Control Bill.
 - Employment Equity Act: Code of Good Practice on the Prevention and the Elimination of Harassment in the Workplace.
 - Proposed changes set out in the Companies Amendment Bill, 2021 as they pertain to the social and ethics committee.
 - Proposed JSE Listings Requirements amendments as may pertain to the social and ethics committee.
 - FICA regarding various risks that gambling operations may be exposed to in terms of money-laundering, terror financing and proliferation financing.
- ▶ **Ensuring** that the committee continues to review its mandate and terms of reference to ensure that it is aligned with the Companies Act and Regulation 43 of the Regulations to the Companies Act, 2011 and whether there is any material non-compliance that requires disclosure.

ZIMKHITHA ZATU MOLOI

Chairman of the social and ethics committee
15 March 2024



REMUNERATION REPORT

SUN INTERNATIONAL (“SUN INTERNATIONAL” OR “THE COMPANY”) FY 2023 REMUNERATION REPORT

PART ONE: BACKGROUND STATEMENT WITH FEEDBACK FROM THE CHAIRMAN OF THE REMUNERATION COMMITTEE

Dear Shareholders

As chairman of the Sun International remuneration committee (“the Committee”), I am pleased to present to shareholders our annual remuneration report, setting out the Committee’s activities during the 2023 financial year.

If one had to summarise 2023 from a Committee perspective, the year was spent focussing on the Company’s (and the Sun International group) (“the group”) remuneration policy and practices to ensure that all aspects of employee remuneration not only continued to align with shareholders’ interests, but that the Company’s short- and long-term incentive plans were “normalised” to pre-Covid 19 levels.

The aforesaid took place during a year where the South African economy continued to be negatively impacted by various factors, such as, among others, the Russian and Ukraine war, plus instability in the Middle East, which impacted travel, constrained supply chains, ongoing and heightened loadshedding and increased interest rates which resulted in ongoing high levels of inflation and reduced discretionary spend by consumers. However, and despite pressures on the South African economy and consumer spend respectively, it was pleasing to note the continuing recovery of our industry and in particular the gaming industry following the Covid-19 pandemic years. The latter resulted in the Company producing good results over the last couple of years and returning to more normalised trading.

A highlight during the year under review included Sun International being recognised by The South African Reward Association, along with six other JSE Top 40 Companies, as a finalist for the Best Remuneration Report for 2023.

Key Focus Areas and Decisions Taken During the Reporting Period

One of the key realisations for management both during and after the Covid-19 pandemic years has been the recognition that a company’s employees are its biggest asset and that without motivated, committed, dedicated and passionate employees, Sun International would not have a business to talk of in the hospitality and gaming industries.

Building on the softer human capital remuneration issues initiated during 2022/2023, Sun International continued to roll-out the Sun Stars employee reward and recognition programme, which identifies and recognises those employees who go above and beyond the call of duty. This programme continues to be well received by employees across the group and has been successful in inculcating a healthy, yet competitive culture between units and departments in terms of driving the desired behaviours and outcomes; namely: teamwork, passion, customer first and professionalism, all of which are aligned with Sun International’s values. Each month, three employees at each unit are recognised for their overall contributions to the organisation, with the winner receiving a token monetary award. At the end of the year, each monthly winner competes for the overall Sun Star Award at a prestigious event held at one of the group’s hotels. The overall winner is crowned the Sun Star of the year and receives a cash award, plus other minor non- financial benefits.

As we have confirmed in past remuneration reports, a core function and responsibility of the Committee is to ensure that the Sun International remuneration philosophy and policy supports the group’s business strategy and that the Company is able to attract, motivate, reward and retain executive directors and prescribed officers (“senior executives”), as well as the general managers of the various South African business units (“general managers”) and other senior managers of the group (“senior managers”) so as to maximise stakeholder value, while at the same time also complying with relevant legislation and the requirements of the King IV Report on Corporate Governance for South Africa™, 2016 (“King IV™”) when it comes to remuneration.

As members of the Committee, our focus during 2023 was threefold, namely to:

- implement the variable pay structures (following the Covid-19 pandemic years) proposed by the Committee as detailed in our Remuneration Policy tabled at the 2023 annual general meeting (“AGM”). This was enhanced following multiple engagements with various shareholders during the year under review around Sun International’s remuneration policies and practices;
- ensure that the wages payable to Sun International’s bargaining unit employees and remuneration packages payable to other non-bargaining unit employees in the form of Total Cost of Employment (“TCOE”) was fair and responsible, including addressing equal pay for work of equal value, focussing on the pay gap between male and female employees across the group and continuing to address the concept of a living wage in accordance with the Framework for Fair Remuneration Policy which was previously adopted by the Committee and the board; and
- continue assisting and advising the board on matters relating to remuneration governance and the remuneration of top management.

In addition to the foregoing, key focus areas and decisions taken by the Committee during the reporting period included:

- reviewed the performance metrics attaching to the performance shares forming part of the long-term share-based incentive plan known as the Conditional Share Plan (“CSP”) to include both adjusted HEPS and return on invested capital (“ROIC”), which were approved by shareholders at the 2023 AGM;

- amended the short-term incentive (“STI”) financial targets to differentiate between the group and unit financial performance. In addition, the Committee adopted adjusted EBITDA and adjusted HEPS as the performance metrics in respect of the STI for the 2023 financial year, as opposed to a single performance metric used during the Covid-19 years. The Committee believed these to be the most relevant indicators of short-term financial performance for Sun International and accurately measures the cash profitability of its operations. These metrics were likewise approved by shareholders at the 2023 AGM;
- having regard to the group’s ESG strategy and framework approved in 2022, focussed on environmental, social and governance (“ESG”) key performance indicators (“KPIs”) which form part of the senior executives’, general managers’ and senior managers’ STIs. These included targets relating to Broad-Based Black Economic Empowerment (“B-BBEE”), the reduction of water usage (withdrawals) waste recycling rates and carbon emissions (Scope 1 and Scope 2 emissions) for the group. In addition to the foregoing and as previously communicated, Sun International concluded the first sustainability linked loan for the hospitality industry in South Africa, which has committed the group to achieving certain targets pertaining to waste recycling rate, procurement spend with black women owned businesses and the generation of renewable energy over a three year period which commenced in 2023 and ends in 2025;
- incentivised the Sun City General Manager to turn the resort around from a profitability perspective by awarding him restricted shares subject to the achievement of certain stretch financial targets;
- continued to engage with shareholders regarding their suggestions and concerns pertaining to Sun International’s remuneration practices and policy. A summary of shareholders’ feedback and Sun International’s response thereto is set out hereunder;
- continued reviewing equal pay for work of equal value across the organisation;
- examined the feasibility of paying our non-executive director who is permanently based in the UK his fees for services as a director, in Great Britain Pounds (“GBP”);
- conducted an independent evaluation of the Committee which, inter alia, concluded that the chairman and the members have the necessary qualifications, expertise and independence to fulfil their responsibilities diligently and that there was effective communication and feedback between the Committee and the board. An area identified for improvement included eliminating the duplication of reports across committees which resulted in meeting packs containing excessive detail;
- assessed and took note of the proposed new remuneration provisions contained in the Companies Amendment Bill and the responsibilities which this will impose on both remuneration committees and the Company from, among others, a disclosure perspective; and
- approved and adopted an amended mandate and terms of reference for the Committee to align with best practice.

Non-Binding Advisory Vote on Remuneration Policy and Implementation Report

As in previous years, this report is presented in three separate parts, namely this background statement and letter (Part 1), an overview of the main provisions of the Remuneration Policy (Part 2) and the Implementation Report for the Remuneration Policy applied in the 2023 financial year (Part 3), in line with best practice and good governance principles for South African remuneration reporting.

We believe that this structure continues to represent best practice and provides sufficient clarity and transparency around how the Remuneration Policy is linked to the actual pay received by senior executives, displaying the strong link between pay and performance, which is the backbone of Sun International’s remuneration policies and practices.

We are pleased to report that at the AGM held in May 2023, both the previous Remuneration Policy and Implementation Report resolutions were overwhelmingly endorsed and approved by shareholders. The endorsement of the Sun International Group Remuneration Policy received a 95.72% vote in favour of the resolution, while the endorsement of the Implementation of the Sun International Group Remuneration Policy received an 89.67% vote in favour of the resolution.

Notwithstanding that both remuneration resolutions were passed by in excess of 89% of the total votes cast at the 2023 AGM, the Committee continued to engage with its major shareholders and to this extent has adopted several of their recommendations going forward. A summary of the material feedback received and the responses and action taken by Sun International are set out in the table below. Further details regarding the changes can be found in Part 2 of this report:

Shareholder Feedback	Sun International Responses and Action Taken
Sun International has indicated that they make use of remuneration consultants, and the remuneration is benchmarked but it’s not clear which companies are included in the comparator group.	Going forward, Sun International will make it clearer that the comparator group approved by the Committee from time to time is used to benchmark both non-executive directors’ fees, as well as executive directors and prescribed officers’ remuneration.
The Remuneration Policy has been improved however the LTI performance metrics are not clear.	Sun International has included a table of the performance metrics in the Implementation Report (Part 3) detailing all current unvested LTIs per executive director and prescribed officer.
The presence of the Sun International CE and HR Director at every single meeting is not good practice.	This Background Statement (Composition of Committee) forming part of the remuneration report now makes it clear that neither the CE nor HR Director have a right of attendance at Committee meetings but attend purely as invitees and recuse themselves when aspects of their remuneration and/or performance are discussed.

PART ONE: BACKGROUND STATEMENT WITH FEEDBACK FROM THE CHAIRMAN OF THE REMUNERATION COMMITTEE continued

Shareholder Feedback	Sun International Responses and Action Taken
Malus and claw-back need to be expanded upon in the report.	The Remuneration Policy forming Part 2 of the remuneration report has now expanded on what constitutes malus and claw-back for purposes of the LTI plans.
The definition of ROIC needs to be better explained.	Invested capital includes capital provided by both equity holders and debt providers. This has been made clearer in the Remuneration Policy (Part 2).
More specific detail around ESG targets, forming part of the KPIs is required.	Specific ESG targets especially those linked to the sustainability linked loan implemented in 2022 have been referenced in this report (Part 3).

Remuneration Consultants

During the 2023 financial year, the Committee engaged with Bowmans Reward Advisory Services, 21st Century and PricewaterhouseCoopers (“PwC”) remuneration consultants to advise on, among others, the benchmarks for certain non-executive directors’ fees, as well as senior executives, general managers and other senior managers’ TCOE and total reward packages. Additionally, PwC reviewed the peer group of companies against which Sun International benchmarks its senior executives’ TCOE packages and non-executive directors’ fees. The Committee is satisfied that these remuneration consultants acted independently and were objective in their advice.

Remuneration Challenges and Focus Areas for 2024

Consistent with the approach adopted in prior years, a key focus of the Committee during 2024 will be to maintain an appropriate balance between incentivising senior executives, general managers and other senior managers to continue demonstrating significant leadership, resilience and performance, while at the same time ensuring that these employees interests remain aligned with the interests of shareholders and encourage the right type of behaviour.

At the same time, the Committee intends to continue its work and vision to ensure that Sun International’s remuneration practices are aligned with the principles of fairness and responsibility. This will include, among others:

- ongoing analysis and monitoring of equal pay for work of equal value, the payment of a living wage to all permanent employees and ensuring that there is no disparity in remuneration packages across the group, taking into account gender;
- the monitoring, management and measurement of KPIs for the senior executives, general managers and other key senior managers linked to environment, social and governance (“ESG”); and
- preparing for the anticipated enactment of the Companies Amendment Bill and the impact which this will have on remuneration disclosure and practices as well as the potential implications for Committee members.

Composition of Committee

During the year under review there were no changes to the composition of the Committee.

At present, the Committee is chaired by an independent non-executive director and a majority of its members are independent non-executive directors.

While the CE and HR Director have no right of attendance at Committee meetings, they are invited to attend Committee meetings, but recuse themselves whenever aspects of their remuneration and/or performance are discussed.

Shareholder Voting at AGM

As required by the Companies Act, the JSE Listings Requirements and King IV™, the following resolutions will be tabled for non-binding advisory votes by shareholders at the AGM, which is taking place on Wednesday, 8 May 2024, further details of which can be found in the notice of AGM:

1. binding vote on non-executive directors’ fees;
2. advisory vote on the Remuneration Policy; and
3. advisory vote on the implementation of the Remuneration Policy in the previous financial year.

We have included provisions in our Remuneration Policy to ensure that, in instances where either the Remuneration Policy or the Implementation Report are voted against by 25% or more of the voting rights exercised, the Committee will take proactive steps to constructively engage with dissenting shareholders in order to address concerns pertaining to our remuneration practices, procedures and governance and provide detailed feedback on the nature and outcomes of the engagements in the following year’s Implementation Report.

Finally, I would like to take this opportunity of thanking the Committee members for their unwavering support towards myself as Chairman of the Committee and look forward to their ongoing contributions during 2024.

Ms SN Mabaso-Koyana
Chairman: Remuneration Committee

PART TWO: OVERVIEW OF THE MAIN PROVISIONS OF THE REMUNERATION POLICY

Set out below is an overview of the main provisions of the Remuneration Policy, as applicable to the senior executives, the general managers and senior managers and on a high level, other employees. The Remuneration Policy, as it appears in this Part 2 of the remuneration report and which is referenced in the notice of AGM will be put forward for the non-binding vote.

Remuneration Governance and the Remuneration Committee

The Remuneration Policy within the group is reviewed annually by the Committee, which is constituted as explained in the governance report posted on the company’s website, which is available at www.suninternational.com/investors. The responsibilities and the composition of the Committee, as well as attendances at committee meetings are set out in that report. The mandate of the Committee covers, among others, the formulation of remuneration policy as it affects employees at all levels throughout the group. The Committee’s terms of reference and this report, incorporating the Remuneration Policy, are both available on Sun International’s website and can be accessed from the following link www.suninternational.com/investors.

The Committee oversees compliance in this respect by the Company and its major subsidiary companies with the requirements set out in the JSE Listings Requirements, the principles set out in King IV™ and with the terms of the Companies Act (2008) in relation to the remuneration of senior executives and non-executive directors. Following the publication of King IV™, the Committee has afforded much attention to the implications and application of the same for Sun International. The Committee is satisfied that the Remuneration Policy of Sun International has achieved its stated objectives and except for those changes documented in this report, there have been no material deviations to the said Remuneration Policy during the year under review. As indicated in prior remuneration reports, Sun International is also adequately represented on the TCN nomination and governance committee, which oversees remuneration governance and the remuneration of the group’s employees in Nigeria.

The Company is also guided by international best practice and, to this end, is an active participating member of the International Corporate Governance Network (“ICGN”) and has substantially aligned its Remuneration Policy with the best practice standards expounded by the ICGN.

In general, the Committee ensures that the Remuneration Policy is applied consistently across the group in a manner that is free from bias and unfair discrimination and that decisions taken are made irrespective of personal characteristics. The group commits to eliminating unfair remuneration discrimination or unjustified differentiation and to preventing the same in the future. All remuneration decisions are based on the Remuneration Policy, merit, market and internal pay data, as well as each employee’s performance effectiveness.

Remuneration Policy in Overview

The Remuneration Policy places an emphasis on rewarding consistent and sustainable individual and corporate performance in the short, medium and long term. It also seeks to ensure that the remuneration of the senior executives is fair and responsible in the context of overall employee remuneration throughout the organisation.

Some of the methods in which the Remuneration Policy seeks to align remuneration practices with the strategic objectives of the business are summarised below:

Strategic objective	Policy highlights
Improving relationships with all external stakeholders.	The interests of senior executives are aligned with the interests of shareholders and with the business strategy as adopted by the board, through the linking of remuneration to sustainable individual performance through the utilisation of performance-based rewards to drive corporate performance. The Company is committed to communication and ensuring that all stakeholders are aware of the Remuneration Policy.
Emphasising financial sustainability, focusing on profitable growth and capital and cost management.	Remuneration practices seek to reinforce, encourage and promote superior performance through STIs and LTIs. The Company adopts remuneration practices, which reward consistent and sustainable individual and corporate performance. High-performing employees are rewarded for the contribution they make to the Company and / or the group. To achieve effective cost management, the Company manages guaranteed pay levels using TCOE. Performance management is directly linked to both TCOE and annual STIs. There is no contractual right to the payment of any STI in any circumstances.

PART TWO: OVERVIEW OF THE MAIN PROVISIONS OF THE REMUNERATION POLICY continued

Remuneration Policy in Overview CONTINUED

Strategic objective	Policy highlights
Establishing a unified, group-wide culture.	<p>Remuneration practices are designed to ensure that Sun International and each subsidiary company have a top management team at their helm and top-level expertise available to management at all times.</p> <p>Sun International group standards are adopted and uniformly applied, while recognising that the different nature of the major underlying units and operating subsidiaries may require a differential approach between them.</p>
Develop, retain and attract core skills.	<p>The Remuneration Policy guidelines have been developed to attract, motivate, reward and retain senior executives and other key personnel by providing attractive, appropriate and market related remuneration packages.</p> <p>Our total reward levels are appropriately set to encourage and reward superior performance, whilst ensuring that market competitive levels are maintained where target performance is met. The Company identifies and positions itself against the organisations or companies from which skills are acquired, or to which skills are lost. It also considers and benchmarks itself against similar sized companies in other sectors and in the case of the chief executive ("CE"), considers international benchmarks of chief executive officers' TCOE in the gaming and hospitality sectors.</p>
Drive sustainable growth and financial sustainability.	<p>Ensure that 'pay mix' is designed to focus on achievable organisational goals and personal objectives.</p> <p>Total remuneration for senior executives, senior managers, key talent and scarce skills, includes a guaranteed package, a STI and LTI.</p> <p>The performance conditions of the STI include both financial performance indicators as well as key performance indicators relevant to each participant, which ensure that pay-out is dependent on performance resulting in sustainable growth and financial sustainability.</p> <p>Similarly, the vesting of performance share awards in terms of the CSP are based on performance conditions, which drive sustainable growth and financial sustainability.</p>

Elements of Pay

Set out below are the various elements of pay applicable to senior executives, general managers, senior managers, as well as other staff (as may be applicable) across the group:

Remuneration element	Purpose
Total Cost of Employment (TCOE) – Guaranteed Pay	This "pays" for the overall job requirements, accountability, and complexity of tasks and the diversity of tasks.
STI	Variable component to reward contribution to the annual business plan. "Gets results and ensures successful execution of the strategic plan".
LTI	Focuses attention on longer term strategic imperatives as well as to identify more closely with strategic goals. "Crucial in retaining key employees and growing the business".
Benefits	Provides programmes and special payments e.g., long service awards, Christmas vouchers, etc.

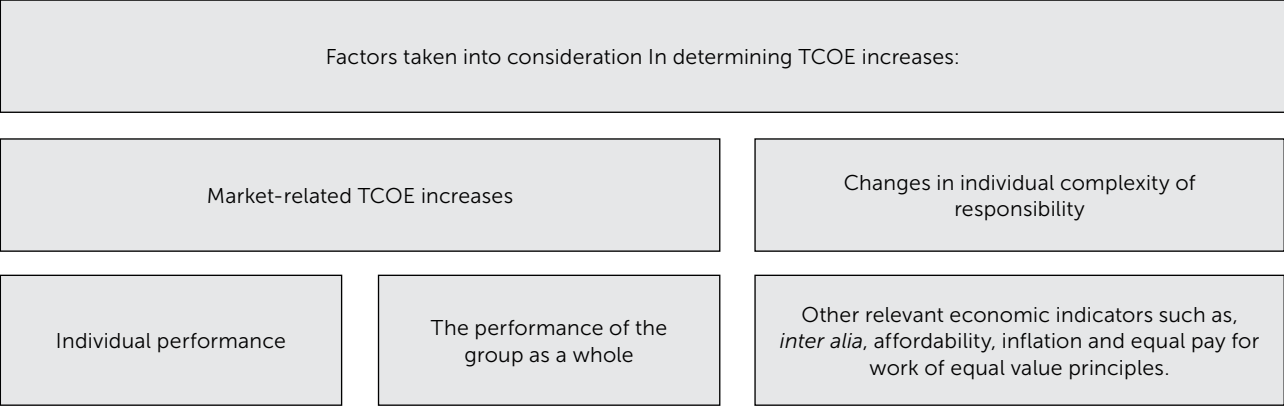
TCOE includes the guaranteed pay, i.e., base salary of each employee, travel allowance (as may be applicable), retirement benefits, as well as death, disability and healthcare contributions.

The combination of TCOE, STI, LTI and other benefits is what is referred to as Total Reward.

Guaranteed Pay

The Company positions senior executives', general managers' and senior managers' guaranteed pay and total reward to the 50th percentile, whilst allowing Total Reward to reach the 75th percentile, where stretch performance is achieved. This allows STIs and LTIs to be utilised to reward superior performance, whilst ensuring that the reward offering remains competitive in the market, allowing us to retain our senior executives, general managers and key talent.

The group's annual TCOE increase review process is performed between October of the previous year and February of the new year. Increases are determined by the Committee in conjunction with Sun International's executive committee and come into effect in March of each year.



In assessing the TCOE increases to be awarded in respect of the 2024 financial year, in addition to the aforementioned factors being taken into account, senior executives, general managers and senior managers' TCOE packages will be benchmarked against the comparator peer group evaluated and approved at the February 2024 Committee meeting. Furthermore, job sizing audits are conducted periodically to ensure that the guaranteed pay base remains competitive and relevant to the remainder of the market.

Short-Term Incentive

STIs which can be earned by senior executives, general managers and senior managers are calculated with reference to a specific percentage in relation to their annual TCOE packages and having reference to their relevant job grades (see diagram on page 45 below). The amount of an employee's STI payable each year, if any, is informed by:

1.

financial performance based on group and/or company financial measures and targets agreed annually in advance by the Committee; and
2.

a score derived from their personal performance rating, which is based on their achievement of pre-determined and agreed personal KPIs, as well as a 360-degree peer and behavioural review component.

The annual STI for senior executives, general managers and senior managers is generally made up 70% by financial measures and targets set annually in advance by the Committee and approved by shareholders, while 30% of the STI is payable subject to the achievement of their personal KPIs, as well as a 360-degree peer and behavioural review. In the case of the Sun International CE, his financial measures for his annual STI are set between 60% to 70% and embody a number of financial targets including, *inter alia*, achieving group adjusted EBITDA, group adjusted HEPS, EBITDA and margin growth at various major operations including Sun City and SunBet and controlling capital expenditure within agreed targets. As such his individual KPIs can range between 30% to 40% per annum.

The financial measures making up 70% of the annual STI (for all senior executives other than the CE) include adjusted EBITDA (35%) and adjusted HEPS (35%). For general managers and other senior managers their financial measures are recorded on page 45 hereof. In order for the financial component to be unlocked (i.e., any value to accrue), a minimum threshold performance level of 90% of the target needs to be achieved.

Less than threshold performance for any financial measure will thus unlock 0% score for that measure. On-target performance is based on achieving the target set, which will unlock 100% score for that financial measure, while stretch performance is set at 120% of target performance, which will unlock a 200% score for that financial measure. Linear vesting takes place between the minimum (threshold) and target, as well as between the target and stretch targets.

PART TWO: OVERVIEW OF THE MAIN PROVISIONS OF THE REMUNERATION POLICY continued

Short-Term Incentive CONTINUED

In respect of the 2024 financial year, the financial measures and targets making up 70% of the senior executives STI (other than the CE) have been set as follows:

35% against achievement of Sun International's budgeted adjusted EBITDA FY 2024	Vesting level	% STI vesting (Financial measure only)
Less than 90% of budgeted adjusted EBITDA	Below threshold	0%
90%–100% of budgeted adjusted EBITDA	Threshold to target	0%–100% (with linear vesting in between)
100%–120% plus of budgeted adjusted EBITDA	Stretch	100% – maximum 200% (with linear vesting in between)

35% against achievement of Sun International's budgeted adjusted HEPS FY 2024	Vesting level	% STI vesting (Financial measure only)
Less than 90% of budgeted adjusted HEPS	Below threshold	0%
90%–100% of budgeted adjusted HEPS	Threshold to target	0%–100% (with linear vesting in between)
100%–120% plus of budgeted adjusted HEPS	Stretch	100%–maximum 200% (with linear vesting in between)

In respect of the 2024 financial year, the financial measures and targets making up between 60% – 70% of the CE's STI include achieving budgeted adjusted EBITDA (group), budgeted adjusted HEPS (group), improving the EBITDA margin at Sun City, achieving budgeted adjusted EBITDA at SunBet and maintaining capital expenditure within set targets. The CE's STI can only be enhanced up to a maximum of 200% if the budgeted adjusted EBITDA (group) and budgeted adjusted HEPS (group) stretch targets are achieved.

The aforementioned targets have been reviewed by the Committee and the Sun International board in respect of FY 2024 as part of a rigorous bottom-up budgeting process to ensure sufficient stretch and alignment.

The KPIs comprising 30% of the annual STI are likewise robust and stretching and in the case of the senior executives, approved by the Committee. These KPIs which are referred to in Part 3 of the remuneration report include, among others, targets pertaining to ESG, Broad Based Black Economic Empowerment, employee retention and development and performance against the targets agreed in the sustainability linked loan. Employees' performance against their individual KPIs coupled with the outcome of their peer and behavioural review will result in them having a rating ascribed to them which will determine the percentage of the KPI portion of their STI which they can earn in any one year (see table on following page).

Those employees who significantly exceed their KPIs in most areas and who are highly rated in terms of their peer and behavioural reviews will receive an A rating, which will result in them earning up to 125% of the 30% KPI portion of their STI.

Those employees who receive a C rating as a result of consistently meeting their performance objectives/KPIs will earn 75% of the 30% KPI portion of their STI, while those employees who fail to meet their performance objectives/KPIs and who receive an E rating will earn 0% of the 30% KPI portion of their STI. In circumstances where financial stretch targets are achieved, the KPI portion of the STI will be enhanced by the outperformance subject to a maximum of 200% of the 30% KPI portion. This ensures that the maximum STI which any employee can earn (200% of financial and KPI components) can only be unlocked where truly exceptional performance in the current business context has been achieved on both a personal (KPI) and organisational (financial) level.

As per before and given the continued uncertainty of global and local markets, the Committee will have the discretion to make adjustments where appropriate in the circumstances taking into consideration the interests of shareholders, the senior executives, general managers and senior managers and the business environment at the time of determining the final STIs, in order to provide an equitable result.

The diagram below sets out how individual STIs will be calculated in respect of FY 2024:

TCOE	x	On-target (OT)	x	Modifier if Stretch Targets are Achieved (0–200%)	
		Job Grade	OT%	Financial measures	Personal measures – (KPIs)
		Chief Executive	85	60%–70% Adjusted EBITDA (group) 20% weighting Adjusted HEPS (group) 20% weighting Adjusted EBITDA Margin Improvement at Sun City 5% weighting Adjusted EBITDA (SunBet) 10% weighting Capital Expenditure Maintenance 5% weighting	40%–30% Measured against individual KPIs and awarded a performance rating per the table set out below.
		Chief Financial Officer and chief operating officer (Hospitality)	60	70% Adjusted EBITDA (Group) 35% weighting Adjusted HEPS (Group) 35% weighting	30% Measured against individual KPIs and awarded a performance rating per the table set out below.
		Other senior executives including large unit general managers	50	70% Adjusted EBITDA (Group) 35% weighting Adjusted HEPS (Group) 35% weighting	30% Measured against individual KPIs and awarded a performance rating per the table set out below.
		Remaining unit general managers/ group senior managers	40	70% Adjusted EBITDA (Unit) 35% weighting Adjusted EBITDA (Group) 17.5% weighting Adjusted HEPS (Group) 17.5% weighting	30% Measured against individual KPIs and awarded a performance rating per the table set out below.
		Group managers	30	70% Adjusted EBITDA (Unit) 35% weighting Adjusted EBITDA (Group) 17.5% weighting Adjusted HEPS (Group) 17.5% weighting	30% Measured against individual KPIs and awarded a performance rating per the table set out below.

KPI Rating Scale (A–E) and the percentages used for the calculation of the financial compensation:

Rating	Description	Percentage of KPI earned
A	Significantly exceeds performance objectives/KPIs in most areas	125%
B	Consistently exceeds performance objectives/KPIs in some areas	100%
C	Consistently meets performance objectives/KPIs	75%
D	Meets minimum performance objectives/KPIs	50%
E	Does not meet performance objectives/KPIs	0%

PART TWO: OVERVIEW OF THE MAIN PROVISIONS OF THE REMUNERATION POLICY continued

The Long-Term Share-Based Incentive Plans

The award of LTIs act as a retention mechanism and ensure that senior executives, general managers and senior managers’ (collectively “the senior management”) interests are aligned with those of the shareholders. The senior management of the group is appropriately incentivised through the various LTI plans.

The existing LTI plans for the senior management are described below. For those senior executives and general managers who are graded Hay Level 21 and above, they only participate in the **Conditional Share Plan (“CSP”)** and save as set out hereunder, are not eligible to receive bonus matching shares (“BMS”) or restricted shares in terms of the BSMP (defined below).

However, restricted shares may be awarded to senior executives to compensate them for LTIs abandoned at a previous employer when joining the group or for retention in exceptional circumstances.

For all other general managers and senior managers who are graded between Hay Levels 19–20, they only participate in the **Bonus Share Matching Plan (“BSMP”)** and are not eligible to participate in the CSP.

Previously the group also granted Equity Growth Plan Rights which were discontinued after June 2018 with the remaining vested grants lapsing in June 2025.

Existing LTI Plans Include:

- a BSMP element (which includes BMS and restricted shares); and
- a CSP element (which includes STI matching shares and performance shares).

BSMP		
	BMS	Restricted shares/ RS
Nature of instrument	BMS are forfeitable shares, which are awarded based on performance during the previous financial year, quantified as a specified percentage of the preceding financial year’s pre-tax STI.	Restricted shares are forfeitable shares made to key employees or prospective employees for a retention award or in exceptional circumstances for buy-out / sign-on awards for senior executives.
On-target award levels	The number of annual BMS awarded is determined based on the seniority of the employee concerned. BMS % The following percentages are applied to the pre-tax STI to determine the number of BMS awarded: <ul style="list-style-type: none">▪ General managers/senior managers: 30% to 40%▪ Other group managers: 25% to 30%	Generally there are no financial metrics or targets linked to the award of restricted shares which are used predominantly for retention purposes. However and from time to time, financial performance conditions may be attached to these restricted shares
Frequency of awards and vesting period	<ul style="list-style-type: none">▪ Annual awards – subject to an STI being awarded.▪ Three-year vesting period.	<ul style="list-style-type: none">▪ No annual awards of restricted shares.▪ From time to time and on an <i>ad-hoc</i> basis.▪ Three to five-year vesting period.
Applicable conditions	The Shares are forfeited if the participant terminates employment during the vesting period, with the exception of certain ‘no fault’ terminations as provided for by the rules of the BSMP.	
Malus	Malus applies to unvested awards in the event of certain ‘trigger events’ occurring. Should a participant engage in any misconduct including, without limitation, fraud, dishonesty or anti-competitive behaviour or as a result of the foregoing, it becomes necessary to restate any financial statements of the group which have a material negative impact on Sun International’s financial statements, the board in its sole discretion shall be entitled to cancel any BMS or restricted shares awarded to a participant during that period which have not yet vested. In the event of fault terminations prior to the vesting date, participants are required to repay dividends received in terms of these awards. No clawback applies in respect of the BSMP.	
Limits	The maximum aggregate number of Sun International ordinary shares which have been reserved for the BSMP plan and which were previously approved by shareholders is limited to 10 780 000 shares, equating to approximately 4.11% of the total issued ordinary shares of Sun International. The maximum aggregate number of Sun International ordinary shares which may be held by an individual participant under BSMP plan is limited to 1 078 026 shares, equating to approximately 0.41% of the total issued ordinary shares of Sun International. Historically, as and when Sun International has awarded and/or delivered shares to participants under the BSMP it has purchased these shares in the open market at the ruling share price to avoid having to issue new shares and thereby dilute shareholders’ interests.	

CSP	
STI Matching Shares and Performance Shares	
Nature of instruments	Only senior executives, general managers and senior managers who are graded at Hay Level 21 and above are eligible to participate in the CSP. Two types of awards may be made under the CSP namely STI matching shares and performance shares: STI Matching Shares An award of STI matching shares by Sun International may be made to eligible employees who have acquired open market shares (using the post-tax proceeds of their STI) up to a maximum 25% of their annual LTI allocation and who are required to remain employed by the group for not less than three years. No financial performance conditions will be attached to open market shares or STI matching shares; although in order to receive an STI in respect of the previous financial year, eligible employees will have to achieve certain financial targets making up the annual STI. Performance Shares An award of performance shares equal in value to the annual LTI allocation of the eligible employee less the value of the award of STI matching shares that the eligible employee is entitled to for that year may be made to eligible employees. FY 2024 Performance Conditions in respect of Performance Shares For the 2024 financial year, the performance conditions to be applied towards the performance shares will be as follows: <ul style="list-style-type: none">▪ 50% based on achieving FY 2024 adjusted HEPS, plus inflation, plus 2% per year;▪ 50% based on achieving the required return on invested capital (“ROIC”) which will be measured against the following targets:<ul style="list-style-type: none">– a weighted average cost of capital (WACC) of 14.2% over the three-year period from the date of award of the performance shares (with no re-measurement) will result in 50% of this ROIC performance metric vesting; while– WACC of 14.2% plus 2% over the three-year period from the date of award of the performance shares (with no re-measurement), will result in 100% of this ROIC performance metric vesting; and– with linear vesting between. For purposes of the performance shares, ROIC shall mean: <div>NOPAT for the year (EBIT after tax) Invested capital at book value*</div> <div>* Invested capital at book value = Book value of net assets excluding net debt (excluding SunWest put option)</div> Adjusted HEPS for purposes of the financial measures above means headline earnings per share of Sun International adjusted for exceptional items as approved by the Committee and confirmed by the Sun International audit committee.
On-target award levels	The annual allocation of shares under the CSP to be awarded to eligible employees and expressed as a percentage of TCOE will be as follows: <ul style="list-style-type: none">▪ CE: 90% of TCOE.▪ CFO and COO: 70% of TCOE.▪ Other senior executives including large unit general managers: 65% of TCOE.▪ Remaining unit general managers and other senior group managers: 40% of TCOE.
Frequency of awards and vesting period	Annual awards. Three-year vesting period (financial performance conditions tested after three years).
Applicable conditions	The STI matching shares and the performance shares are forfeited if the participant terminates employment during the vesting period, with the exception of certain no fault terminations as provided for by the rules of the CSP.
Malus and Clawback	Malus and clawback provisions have been included in the rules of the CSP. In the event that a participant (“offending participant”) commits any act of fraud or dishonesty, or has been involved in the falsification or misrepresentation of financial statements of any member of the group, or any member of the group has been subject to regulatory investigation as a result of any breach of laws, rules or codes of conduct and suffered reputational damage as a result of the conduct of the offending participant, or the conduct by a participant, in the opinion of the board, amounts to serious misconduct which would justify the dismissal of that participant as an employee (“fault trigger events”), then the board shall be entitled prior to the vesting of any STI matching shares and performance shares awarded to these offending participants, be entitled to cancel the award of these shares (“malus”). In addition, should a fault trigger event occur following the vesting date of STI matching shares and performance shares but before the expiry of a period of 12-months from the vesting date, the board shall be entitled to require that the offending participant repay the proceeds realised following the vesting of these shares, as more fully set out in the rules of the CSP.
Limits	The total number of shares reserved for the new CSP equals 6 836 548 shares, being 5% of Sun International’s issued share capital on the date of approval of the CSP and the total number of shares, which may be allocated to any one participant shall not exceed 683 655 shares being 0.5% of Sun International’s issued share capital on the date of approval of the CSP. No unutilised shares in terms of the BSMP will be utilised for the CSP. In the determination of the number of shares, which may be acquired by or settled to Participants, shares acquired as open market shares or on the open market shall not be counted towards the overall or individual limits referred to above.

PART TWO: OVERVIEW OF THE MAIN PROVISIONS OF THE REMUNERATION POLICY continued

The Remuneration of Senior Executives

Contractual Provisions of Senior Executives

No special contractual arrangements apply to the appointments of and termination of employment of the senior executives and no fixed-term contracts of employment remain to be fulfilled.

For senior executives, notices of termination vary between one month and a maximum of six months. For other group employees, notices of termination range from one to three months. Severance packages are not less than the minimum prescribed by law at the relevant time but may in special circumstances be negotiated on more preferential terms.

Although, in line with prevailing practice in South Africa, the Committee has the discretion to negotiate separation payments with executives, none of the senior executives of Sun International have special termination benefits or balloon payment provisions in their employment contracts. During the period under review, there were no special contractual arrangements entered into between the group and any departing senior executives, general managers and other senior managers. This included, among others, any balloon payments made to these employees.

The Sun International CE is subject to a restraint of trade condition prohibiting him from taking up employment with competing organisations for a period of 12-months after the termination of his employment. No additional consideration is paid to the CE in terms of his restraint.

Executive directors do not draw any additional remuneration for attending the main board or the subsidiary company board meetings. Sun International executive directors who sit on internal boards of companies forming part of the Sun International group do not personally receive fees for serving on the boards of those companies.

The Remuneration of Non-Executive Directors including Policies and Benefits

The Remuneration of the Sun International Non-Executive Directors

Non-executive directors conclude service contracts with the company upon appointment, which are distinct from employment contracts. Whilst the appointment of non-executive directors is considered and resolved based on proposals received from the Sun International nomination committee, the remuneration of non-executive directors is based on proposals submitted by executive management (in conjunction with independent remuneration consultants) to shareholders for approval.

The increases to the non-executive directors’ fees, which are tabled annually by Sun International at its AGM for shareholder approval, are disclosed in the notes to each of the special resolutions pertaining to the non-executive directors’ remuneration, in the notice of AGM.

Non-executive director remuneration is determined and paid in the form of an annual fee (or “retainer”). This annual retainer is paid by way of four equal instalments, quarterly in arrears. Non-executive directors do not receive STIs and do not participate in Sun International’s LTI plans.

During the year under review, the Committee noted that it is common practice to provide for different and higher fees for international directors who are not resident in South Africa. The reasons for this include the much higher director fees in international markets such as, *inter alia*, the UK and the additional effort in travelling and attending meetings from more distant locations, despite the latter having been ameliorated in recent years by remote meetings.

With Sun International’s future strategy being heavily focussed on online gaming and the globalisation thereof, the need to attract and retain experienced offshore based non-executive directors who possess the necessary skills and are experts in this field is paramount. In this regard, the committee has deemed it prudent to propose to shareholders that Mr N Payne, a UK resident and non-executive director of Sun International, be paid an annual composite fee by Sun International in Great Britain Pounds (“GBP”) in order to recognise Mr Payne’s global, online gaming advice to the group and his services as a director on the main board and a member of various board committees.

Based on specialist remuneration advice received from Bowmans Reward Advisory Services which analysed the fee differentials between locally resident non-executive directors and UK/European resident non-executive directors, they advised that an annual composite fee of GBP 80 000 payable by Sun International to Mr Payne for his services as a director on the main board and as a member of various of the company’s committees, would be aligned with market related accepted practice.

This fee, which takes into account market related factors recognises that UK/European non-executive directors get paid fees of between 2x–2.8x the fees paid to their contemporaries in South Africa. In Mr Payne’s case, the Committee applied a 2.1 x factor to the South African non-executive directors’ fees, which is well within accepted market norms and practice.

As reported previously, the Committee periodically reviews and agrees a peer group of similar sized companies to Sun International, having regard to a closeness metric which considers revenue, total assets, number of employees, market cap and enterprise value, against which executive remuneration and non-executive directors’ fees is benchmarked. During the review period, this peer group was again reviewed and included the following companies:

City Lodge Hotels Limited	Oceana Group Limited	Truworths International Limited
Tsogo Sun Hotels Limited	Southern Sun Limited	Cashbuild Limited
AVI Limited	Famous Brands Limited	RCL Foods Limited
Astral Foods Limited	Lewis Group Limited	Dischem Pharmacies Limited

The remuneration of both executive and non-executive directors is reviewed annually by the Committee and is compared to the median of the selected peer companies. The term of office of non-executive directors is governed by the Sun International memorandum of incorporation, which provides that:

- non-executive directors who have served for three years will retire by rotation, but may, if eligible, offer themselves for re-election for a further three-year term;
- non-executive directors who have served for more than nine years will retire at the end of each year thereafter, but may, if eligible, be re-elected annually for further periods of one year at a time; and
- non-executive directors’ who have attained the age of 70 years will likewise retire at the end of each year thereafter, but may, if eligible, be re-elected annually for further periods of one year at a time.

Non-Executive Directors’ Expenses

The travel and accommodation expenses of non-executive directors and premiums for directors’ and officers’ insurance cover are paid by Sun International in terms of a formal approved policy.

Non-Executive Directors’ Duties and Responsibilities

Non-Executive Directors’ Fees Resolutions and Non-Binding Advisory Vote

The resolutions relating to Sun International non-executive director fees for the 12-month period commencing on 1 July 2024 can be found in Sun International’s notice of AGM at www.suninternational.com/investors

Shareholders are requested to cast a non-binding advisory vote on Part 2 of this report at the Company’s AGM to be held on **Wednesday, 8 May 2024**.

PART THREE: IMPLEMENTATION REPORT FOR THE 2023 FINANCIAL YEAR

Equal Pay for Work of Equal Value Analysis Including Gender Pay Gap Disparity

In terms of current legislation, management, in conjunction with the Committee, conducts regular equal pay for work of equal value analyses and assessments, to ensure that pay parity is retained between persons performing similar roles and functions across the group. Where anomalies are identified, these are addressed as part of the overall remuneration and Human Resources plan.

In respect of those employees whose salaries were identified as being misaligned with the market benchmarks or who were paid more than their peers performing the same or similar roles and functions, they received zero TCOE increases in respect of the 2023 financial year. Alternative interventions were implemented to ensure the ongoing motivation and retention of these employees. E.g., employees were paid once off lump-sum payments *in lieu* of their annual increases and in certain instances employees were paid reduced annual increase as well as once off lump sum payments in order to minimize the salary gap when compared to their peers.

The Committee is satisfied that it has made significant progress in terms of addressing equal pay for work of equal value across the group and will continue to monitor and where appropriate make the necessary adjustments to affected employees’ remuneration packages as may be identified from time to time.

The table set out below indicates the number of employees of the group whose TCOE packages were adjusted during 2023 to address disparities in respect of equal pay for work of equal value.

Gender	Final recommended action	No. of employees
Female	Salary adjustment	254
Male	Salary adjustment	203
Total	–	457

*Note – In 2022 the figures were as follows (female – 150 and male – 104)

Alongside our commitment towards equal pay for work of equal value, Sun International initiated an exercise during 2023 to assess any potential discriminatory pay practices which may have existed between employees based on race, gender, age etc. The Committee, after addressing pay gap disparities, satisfied itself that overall, it remunerates its employees fairly and equitably and does not discriminate against any person, based on their gender.

In terms of recent Employment Equity Act reporting requirements (“EEA4”), an analysis was conducted on Sun International’s gender pay gap for the period August 2022 until July 2023, the findings of which were as follows:

Head count			
Group	Male	Female	How much do Sun International women earn compared to men?
Junior management	830	821	On average, women earn 97 cents for every R1 earned by men.
Middle management	254	172	On average, women earn 93 cents for every R1 earned by men.
Senior management	70	50	On average, women earn 85 cents for every R1 earned by men.

The table above excludes semi-skilled employees due to the fact that they form part of the bargaining unit, and their wages are as per the bargaining agreement.

The overall findings reflected above are extremely encouraging. Although the average total remuneration for males is higher than that of females, the gap between the two is not that significant. The main factor which influences the gap is the length of service. On average for junior and middle management, males have one year of service longer than females hence the gap between these males and females being only between 3 cents and 7 cents for every 1 Rand earned. When looking at senior management there are 20 males more than females and males have on average five years longer service than females and hence why these females earn 5 cents less for every 1 Rand earned when compared to their male counterparts. It is evident that length of service is also a contributing factor when it comes to pay gaps.

The group remains wholly committed to reducing the disparities in remuneration paid to employees based on their gender and will continue, if applicable, to take the appropriate steps to rectify any identified anomalies.

Living Wage

Sun International’s goal is to ensure that none of its permanent employees are paid below a living wage. A living wage not only serves as a compensation guideline for our organization, but a commitment to providing employees with sufficient income to lead a decent life.

With the recent analysis that was conducted, we can confirm that Sun International does not pay any of its permanent employees below a living wage nor below the Sun International minimum wage that is agreed to annually within the bargaining unit collective agreement. The financial benefits that all permanent employees enjoy include medical benefits, provident fund benefits, 13th cheque/bonus, Christmas voucher, Sun International Employee Share Trust dividends, bursary/study assistance and statutory payments including night shift allowance and night shift transport allowance. There is also Company funeral cover, long service awards (sounding in money), voluntary gap cover and voluntary funeral cover. Bargaining unit employees are entitled to a housing subsidy.

Guaranteed Package Increases

During the 2023 financial year, the TCOE increases for non-bargaining unit employees were aligned with inflation and the average increase that was approved for the group was 6% (compared to 4.4%in 2022). In terms of the wage agreement concluded with SACCAWU, the lift in wages ranged between 7% (tier 1), 7.5% (tier 2) and 8% (tier 3), compared to 6% (tier 1), 6.5% (tier 2) and 7% (tier 3) in 2022.

The Committee conducts an annual benchmark of the guaranteed pay of the Sun International senior executives, which is considered when TCOE increases are awarded. From time to time, the Committee uses the services of, PwC and 21st Century to benchmark the remuneration of its senior executives, general managers and senior managers as follows:

- Senior executives and senior managers against the 50th percentile of those peer companies agreed by the Committee, which are listed on the JSE Limited.
- Employees with scarce or technical skills against the 50th – 75th percentile of the relevant benchmarks prepared by Rem-channel, 21st Century and Korn Ferry from time to time (which includes appropriate comparator companies within the gaming and hospitality sectors).
- Other employees against the 50th percentile of the hospitality survey prepared by 21st Century and the gaming survey prepared by Korn Ferry.
- Due to the group operating in a globally attractive sector, it recognises that its employees are highly mobile. Accordingly, the Committee deems it appropriate to obtain benchmarks for the remuneration of the senior executives using both JSE listed company data and other relevant international benchmarks, as appropriate.

Annual Short-Term Incentive

Unlike the Covid-19 pandemic years (where the Committee and shareholders approved and adopted only one financial metric for the STI), in respect of the 2023 financial year, the Committee reverted to including two financial metrics for the senior executives’ (other than the CE) STI namely, adjusted HEPS (35%) and adjusted EBITDA (35%).

As detailed in Part Two, for senior executives (other than the CE), general managers and other senior managers, the financial performance component of the STI has a weighting of 70% with the personal KPI component weighted at 30%. The resulting financial performance and personal KPIs are added to achieve the final STI which is earned.

The table below reflects the performance based financial achievements of Sun International for the 2023 financial year. The STIs earned by each senior executive (other than the CE) was calculated as follows:

Financial metrics	Target	Stretch target	Actual
R Million/cents per share (cps)	(100% of 70%)	(200% of 70%)	achieved
Budgeted Adjusted EBITDA (2023)	3 686	4 423	3 401
Budgeted Adjusted HEPS (2023)	487 cps	584 cps	468 cps

The table below reflects the performance based financial achievements of the Sun International CE for the 2023 financial year, which made up 60% of his STI:

Financial metrics	Target	Stretch Target	Actual
R Million	(100% of 60%)	(200% of 60%)	achieved
Budgeted Adjusted EBITDA (group) (2023)	3 686	4 423	3 401
GrandWest: (2023)			
– Revenue	2 100	N/A	1 885
– Adjusted EBITDA	756	N/A	597
– Margin Improvement	36%	N/A	31.7%
Adjusted EBITDA (SunBet)	104	N/A	223
Sun City Margin Improvement	18%	N/A	19.4%

PART THREE: IMPLEMENTATION REPORT FOR THE 2023 FINANCIAL YEAR continued

Annual Short-Term Incentive CONTINUED

The KPIs making up 30% of the senior executives, general managers and senior manager’s STIs are determined and agreed by the individual employee concerned in conjunction with his/her line manager and may include both financial and non-financial metrics. Without derogating from the generality of the foregoing and having regard to the group’s ESG strategy and framework, ESG targets, forming part of the 30% KPIs and incorporating reduction of water usage (withdrawals), waste recycling rates and carbon emissions (Scope 1 and Scope 2) for the group, set in respect of the 2023 financial year and the actual targets achieved are displayed in the table set out hereunder:

Indicator	Target FY 2023	Actual performance FY 2023 (Independently Assured)	Notes
Environmental			
Carbon emission reduction	15% reduction against a 2017 baseline	Group achieved a 18% reduction against the 2017 baseline.	
Water withdrawals	11% reduction target against 2019 baseline	Group achieved a 12% reduction against the 2019 baseline.	
Electricity reduction	7.7% reduction against a 2019 baseline	Group achieved a 16% reduction against the 2019 baseline.	
Electricity transition	3% transition of total electricity to renewable	Group achieved a 1% transition with the Sun City project coming online in August 2023. This will furthermore improve in FY 2024 with the installation of the Carnival City and Sibaya onsite projects.	
Sustainability-linked loan (Meropa excluded from scope of loan): 2023 – 2025 (inclusive)			
KPI 1 – % Increase in Recycling Rate of General and Hazardous Waste	80%	79% as verified by IBIS Consulting. The group needed to have recycled at least 73 608.2 kg of waste which went to landfill. Targeted interventions are planned for those units which did not achieve their specific target in FY 2023.	The group in 2021 reset its Zero Waste to Landfill (“ZWTL”) target to 2025 and regards this approach as a journey towards changing the overall mindset on how waste is viewed within the organisation. All group operations are mandated to engage with all facets of their operations, to critically review the types of waste generated, assess the opportunities to either eliminate a waste stream or transition to recyclable or biodegradable options. For this KPI, it is imperative that every unit within the scope achieves its percentage recycling rates to ensure that the overall KPI is achieved. * No penalties were imposed in respect of FY 2023.
KPI 2 – % Increase in Procurement Spend from businesses with 30% plus Black Woman ownership	19.5%	24% achieved – this is based on the last available data as at FY2023 Q2. Based on Q2 performance, we are comfortable that we will meet the target for the black woman ownership KPI. Verification is currently underway through the B-BBEE audits.	The second KPI is focused on increasing procurement spend with businesses which are at least 30% or more Black Woman Owned (“BWO”). The target is to increase the percentage of spend with 30% plus BWO businesses by 5% above the baseline percentage which each unit achieved in the baseline year. This essentially translates to a requirement to increase procurement spend with 30% plus BWO businesses by a minimum of 1.67% each financial year.
KPI 3 – Increase in Renewable Energy	3 557 188 kWh	1 070 480 kWh generated from August 2023 with the installation of the Sun City solar project. We anticipate that with the Carnival City and Sibaya projects approved for 2024 that the group will achieve this KPI going forward.	The roll out of a blended alternative energy solution links into the renewable energy KPI which has been set out for group. While unit specific targets have not been set for this KPI the kWh is required to be generated between 2023 and 2025. Sun International will be able to make up this KPI during FY 2024 and before the sustainability linked loan expires. * No penalties were imposed in respect of FY 2023.

CE STI Outcomes (based on 85% of TCOE)

	Weighting	Achievement
Financial performance	60%	Based on the review conducted by the Committee, Anthony achieved 60.7% of the 60.0% financial component of his STI for FY 2023.
Personal performance	40%	Based on the review conducted by the Committee, Anthony achieved 81.0% of the personal KPI component of his STI for FY 2023.

Highlights of the CE’s performance during the year included key progress on the growth and value unlock strategy for Sun International, expansion and refurbishment of structural assets and improvement of cost efficiencies at a group level.

In addition to these highlights, other aspects regarding Anthony’s performance included:

- pursuing the acquisition of the Peermont Group at a fair multiple with the objective of acquiring Emperors Palace and smaller gaming assets. This resulted in Sun International signing a written sale and purchase of shares and loan agreement with Peermont Holdings in December 2023;
- improving investor relations at Sun International including the appointment of a qualified investor relations officer, clear capital allocation discipline and continued strong return of cash to shareholders;
- progressing the move towards securing energy security and cheaper and greener energy. This included the installation of a solar solution at Sun City and the development of a strategy regarding a PV solution for GrandWest, Sibaya and Carnival City; and
- focusing on succession planning and transformation, gender at a senior management level and development plans for top black talent. In 2023, Sun International was again rated a Level 1 B-BBEE contributor and succession planning and talent management have become standing items on the nomination committee agenda; and
- championing the adoption and roll out of the group’s ESG strategy and embedding governance and compliance throughout the group.

CFO STI Outcomes (based on 60% of TCOE)

	Weighting	Achievement
Financial performance	70%	Based on the review conducted by the Committee, Norman achieved 41,9% of the 70.0% financial component of his STI for FY 2023.
Personal performance	30%	Based on the review conducted by the Committee, Norman achieved 125.0% of the personal KPI component of his STI for FY 2023.

Highlights of the CFO’s performance during the year included the crucial role which he performs relative to the executive team, collaborating closely with the CE to execute group strategy and overseeing the financial, risk and control aspects of the business.

In addition to these highlights, other aspects regarding Norman’s performance included:

- playing a pivotal role in ensuring the successful execution of the Peermont transaction;
- maintaining strong relationships with investors, lenders and regulators;
- ensuring that capital is optimally allocated according to the capital allocation framework and maximising its effectiveness throughout the organisation;
- maintaining a strong focus on balancing risk and control resulting in the delivery of accurate and reliable financial results; and
- overseeing the successful mandatory audit rotation process resulting in Deloitte Inc. being appointed as Sun International’s external auditor.

The below table represents all senior executives’ STIs awarded in respect of FY 2023 represented as a ZAR value:

Name of executive director/prescribed officer	STI (R)
Anthony Leeming	5 682 214
Norman Basthdaw	2 014 008
Andrew Johnston	1 290 653
Verna Robson	1 235 147
Graham Wood	6 055 535

PART THREE: IMPLEMENTATION REPORT FOR THE 2023 FINANCIAL YEAR continued

The Long-Term Incentive Share-Based Plans

Long-Term Incentives Awarded

Bonus Share Matching Plan

During March 2023, Sun International awarded bonus matching shares (BMSs) and restricted shares (RSs) to certain of its senior managers. These awards took place in accordance with the rules of the BSMP.

Subject to these senior managers remaining in the employ of the group three years from the date of award of these BMSs and RSs, these BMSs and RSs will vest in March 2026.

Conditional Share Plan

During March 2023 and following the award of a STI in respect of the financial year ended 31 December 2022, eligible employees in terms of the CSP were invited to acquire Sun International shares in the open market (“open market shares”) up to a maximum of 25% of their annual allocation of LTIs, using the after-tax proceeds of their FY 2022 STI per the rules of the CSP.

In return, Sun International acquired the equivalent number of STI matching shares in the open market which were settled to those employees who acquired open market shares, as restricted shares for a period of three-years post the date of their award.

In addition to the foregoing, senior executives, general managers and other qualifying senior managers were awarded performance shares in March 2023 which are subject to the following vesting conditions: –

- Continued employment with the group for a period of three years from the Award Date;
 - The achievement of those financial performance conditions set out in Part 2 of this report which includes adjusted HEPS and ROIC; and
- Neither the malus nor clawback provisions in the CSP rules were invoked during the prior year.

The tables below represent all LTIs awarded in terms of the various group share plans and the vesting criteria in respect of each instrument forming part thereof:

Committed shares

For details regarding the once off purchase of committed shares by certain senior executives and general managers in the open market and the award of open market matching committed shares in 2022 by Sun International, please refer to page 52 of the 2022 Annual Statutory Report.

Current Unvested LTIs Pertaining to Various Group Share Plans

Share Scheme	Awarded in December 2021	Awarded in March 2022	Awarded in March 2023	Total Unvested Shares
Bonus Matching Shares (BSMP)	–	197 938	412 959	610 897
Restricted Shares (BSMP)	669 703	161 984	–	831 687
Performance Shares (CSP)	1 083 116	–	1 350 431	2 433 547
STI Matching Shares (CSP)	–	193 329	241 599	434 928
Committed Shares (2022)	–	696 972	–	696 972
Allocated Shares	1 752 819	1 250 223	2 004 989	5 008 031
% of issued shares	0.7%	0.5%	0.8%	1.9%

Shares awarded in December 2020 vested as follows:

- Restricted Shares – 1 307 068 shares delivered to employees in December 2023. Due to the Peermont announcement in December 2023, 1 095 378 shares will only be delivered to senior executives in March 2024 after Sun International’s closed period ends.
- 50% of Performance Shares are expected to vest as only 50% of the performance conditions will be met once Sun International’s results are released. Expecting 617 129 shares to vest in March 2024 after Sun International’s closed period ends.

Vesting Criteria

		Adjusted EBITDA*		AHEPS	ROIC*	
Award Date	Vesting Date	Vesting Threshold	Vesting Stretch Target	Vesting Threshold	Vesting Threshold	Vesting Stretch Target
3 December 2020	3 December 2023	2019 EBITDA x 90% x 120%	2019 EBITDA x 120%	–	WACC of 10%	WACC of 10% + 2%
10 December 2021	10 December 2024	–	–	302** cps + inflation + 2% p.a.	WACC of 10%	WACC of 10% + 2%
20 March 2023	20 March 2026	–	–	439^ cps + inflation + 2% p.a.	WACC of 12.82%	WACC of 12.82% + 2%

Legend

* With linear vesting in between threshold and stretch target.

** Which is based on the South African 2019 adjusted HEPS.

^ Which is based on the Group 2022 adjusted HEPS.

Long-Term Incentive Vesting Outcomes

Equity Growth Plan Rights

As indicated in the 2021 Implementation Report EGP rights granted in 2017 and which vested in 2020 based on the achievement of the HEPS target contained in the 2017 grant letters remain “under water” and cannot be exercised by participants until the exercise price exceeds the grant price which was R59.66 per EGP right in 2017. These EGP rights will lapse in 2024 unless exercised per the aforesaid. With effect from June 2018, no further EGP rights have been granted and these rights are currently ‘underwater’.

Bonus Matching Shares and Restricted Shares

Certain bonus matching shares (BMS) and restricted shares (RS) awarded to participants in 2020, vested during December 2023, in respect of those participants who remained employed by the group at the vesting date or who were ‘no fault’ terminations.

The provisions relating to malus were not invoked during the prior year.

Remuneration of Key Management

Details of Remuneration Paid

As per the recommendations set out in Principle 14 of King IV™, Sun International has again reported on the executive directors’ and other prescribed officers’ (senior executives) emoluments in a single figure format in respect of the 2023 financial year.

The Committee benchmarks its senior executives’ Total Reward packages against the peer group of companies disclosed to shareholders and while above the market, they are not significantly misaligned and fall within the 15%–20% threshold either side of the relevant quartiles of the benchmark conducted.

The remuneration of the senior executives of Sun International for the past two financial years, in a single figure format, is shown in the table below:

Total single figure remuneration (Income statement)

Executive directors and prescribed officers	Financial year	Base salary ¹	Retirement ²	STI Performance-related payment ³	Other ⁴	LTI reflected ⁵	Total single figure of remuneration
	R	R	R	R	R	R	R
Executive Directors							
AM Leeming	2022	7 796 754	1 058 083	8 206 199	188 607	10 772 774	28 022 417
	2023	8 242 618	1 118 846	5 682 214	201 324	8 688 450	23 933 452
N Basthdaw	2022	4 119 702	550 364	3 434 800	33 900	5 342 609	13 481 375
	2023	4 354 121	581 970	2 014 008	38 013	3 515 031	10 503 143
Prescribed Officers							
AG Johnston	2022	2 977 163	423 233	2 201 151	216 981	126 952	5 945 480
	2023	3 158 480	447 538	1 290 653	219 096	2 082 502	7 198 269
VL Robson	2022	2 909 330	498 500	2 106 487	53 976	108 477	5 676 770
	2023	3 012 050	582 560	1 235 147	66 000	2 051 542	6 947 299
GI Wood	2022	4 003 977	595 627	4 327 404	127 596	3 318 253	12 372 857
	2023	4 225 818	629 833	6 055 535	143 022	3 149 268	14 203 475

1. Base rate salary reporting on the 2022 and 2023 financial year.
2. Benefits are reported as the sum of retirement contributions for the 2022 and 2023 financial years.
3. The short-term incentive bonus known as the Executive Bonus Scheme (‘EBS’) is payable on the basis of achieving the budgeted results at the Sun International group and operational level, as well as KPI or personal performance objectives for the 2022 and 2023 financial years.
4. Other benefits include the medical aid contributions and car allowance for the 2022 and 2023 financial years.
5. Directors were awarded STI matching shares in terms of the CSP and open market matching shares were acquired in the 2023 financial year.

Unvested long-term incentives awards and cash value of settled award

The following table reflects the status of unexercised equity growth plan rights (EGP), bonus matching shares (BMS), restricted shares (RS), CSP performance shares and STI matching shares as well as open market matching committed shares held by executive directors and prescribed officers and the gains made by them as a result of past awards during the year.

PART THREE: IMPLEMENTATION REPORT FOR THE 2023 FINANCIAL YEAR continued

Remuneration of key management

Unvested long term incentives awards and cash value of settled award

Notes				1,2,3,4,5										6,7,8,9,10,11		
Incentives scheme	Award date	Award price	Vesting Date	Opening number on 1 Jan 2022	Awarded during 2022	Shares forfeited/ lapsed 2022	Share settled/ vested 2022	Closing number as at 31 Dec 2022	Value of Receipts 2022	Estimated closing fair value as at 31 Dec 2022	Awarded during 2023	Shares forfeited/ lapsed 2023	Share settled/ vested 2023	Closing number as at 31 Dec 2023	Value of receipts 2023	Estimated closing fair value as at 31 Dec 2023
									R	R					R	R
AM Leeming	Executive Director															
EGP	20/06/2017	59.66	20/06/2020	108 109	–	–	–	108 109	–	–	–	–	–	108 109	–	–
EGP	15/06/2018	60.08	15/06/2021	–	–	–	–	–	–	–	–	–	–	–	–	–
CSP (performance shares)	03/12/2020	14.17	03/12/2023	194 100	–	–	–	194 100	–	6 713 919	–	(97 050)	–	97 050	–	3 979 050
CSP (performance shares)	03/12/2021	25.80	03/12/2024	150 465	–	–	–	150 465	–	4 960 831	–	–	–	150 465	–	6 169 065
CSP (performance shares)	20/03/2023	36.42	20/03/2026	–	–	–	–	–	–	–	178 906	–	–	178 906	–	7 335 146
BMS	09/09/2016	90.86	09/09/2019	–	–	–	–	–	–	–	–	–	–	–	–	–
BMS	20/06/2017	54.85	20/06/2020	–	–	–	–	–	–	–	–	–	–	–	–	–
BMS	15/06/2018	60.07	15/06/2021	–	–	–	–	–	–	–	–	–	–	–	–	–
RS	03/12/2020	14.17	03/12/2023	303 145	–	–	–	303 145	–	10 924 758	–	–	–	303 145	–	12 719 868
RS	10/12/2021	25.80	10/12/2024	75 232	–	–	–	75 232	–	2 711 215	–	–	–	75 232	–	3 156 711
CSP STI Matching	28/03/2022	26.02	28/03/2025	–	74 588	–	–	74 588	–	2 688 007	–	–	–	74 588	–	3 129 689
Matching Committed Shares	19/05/2022		19/05/2025	–	339 431	–	–	339 431	–	12 232 435	–	–	–	339 431	–	14 242 417
CSP STI Matching	20/03/2023	36.42	20/03/2026	–	–	–	–	–	–	–	59 635	–	–	59 635	–	2 502 266
Total				831 051	414 019	–	–	1 245 070	–	40 231 165	238 541	(97 050)	–	1 386 561	–	53 234 212
N Basthdaw	Executive Director															
EGP	20/06/2017	59.66	20/06/2020	34 394	–	–	–	34 394	–	–	–	–	–	34 394	–	–
EGP	15/06/2018	60.08	15/06/2021	–	–	–	–	–	–	–	–	–	–	–	–	–
CSP (performance shares)	03/12/2020	14.17	03/12/2023	76 005	–	–	–	76 005	–	2 629 013	–	(38 002)	–	38 003	–	1 558 123
CSP (performance shares)	10/12/2021	25.80	10/12/2024	58 918	–	–	–	58 918	–	1 942 526	–	–	–	58 918	–	2 415 638
CSP (performance shares)	20/03/2023	36.42	20/03/2026	–	–	–	–	–	–	–	72 379	–	–	72 379	–	2 967 539
BMS	09/09/2016	90.86	09/09/2019	–	–	–	–	–	–	–	–	–	–	–	–	–
BMS	20/06/2017	54.85	20/06/2020	–	–	–	–	–	–	–	–	–	–	–	–	–
BMS	15/06/2018	60.07	15/06/2021	–	–	–	–	–	–	–	–	–	–	–	–	–
RS	03/12/2020	14.17	03/12/2023	166 757	–	–	–	166 757	–	6 009 599	–	–	–	166 757	–	6 997 071
RS	10/12/2021	25.80	10/12/2024	29 459	–	–	–	29 459	–	1 061 645	–	–	–	29 459	–	1 236 090
CSP STI Matching	28/03/2022	26.02	28/03/2025	–	28 771	–	–	28 771	–	1 036 851	–	–	–	28 771	–	1 207 222
Matching Committed Shares	19/05/2022		19/05/2025	–	176 556	–	–	176 556	–	6 362 736	–	–	–	176 556	–	7 408 234
CSP STI Matching	20/03/2023	36.42	20/03/2026	–	–	–	–	–	–	–	24 126	–	–	24 126	–	1 012 319
Total				365 533	205 327	–	–	570 860	–	19 042 370	96 505	(38 002)	–	629 363	–	24 802 236
AG Johnston	Prescribed officer															
EGP	20/06/2017	59.66	20/06/2020	27 153	–	–	–	27 153	–	–	–	–	–	27 153	–	–
EGP	15/06/2018	60.08	15/06/2021	–	–	–	–	–	–	–	–	–	–	–	–	–
CSP (performance shares)	03/12/2020	14.17	03/12/2023	56 703	–	–	–	56 703	–	1 961 357	–	(28 351)	–	28 352	–	1 162 432
CSP (performance shares)	10/12/2021	25.8	10/12/2024	43 956	–	–	–	43 956	–	1 449 229	–	–	–	43 956	–	1 802 196
CSP (performance shares)	20/03/2023	36.42	20/03/2026	–	–	–	–	–	–	–	51 684	–	–	51 684	–	2 119 044
BMS	20/06/2017	54.85	20/06/2020	–	–	–	–	–	–	–	–	–	–	–	–	–
BMS	15/06/2018	60.07	15/06/2021	–	–	–	–	–	–	–	–	–	–	–	–	–
RS	03/12/2020	14.17	03/12/2023	100 321	–	–	–	100 321		3 615 374	–	–	–	100 321	–	4 209 437
RS	10/12/2021	25.80	10/12/2024	21 978	–	–	–	21 978		792 045	–	–	–	21 978	–	922 190
CSP STI Matching	28/03/2022	26.02	28/03/2025	–	1 153	–	–	1 153	–	41 552	–	–	–	1 153	–	48 380
Matching Committed Shares	19/05/2022		19/05/2025	–	3 726	–	–	3 726	–	134 278	–	–	–	3 726	–	156 342
CSP STI Matching	20/03/2023	36.42	20/03/2026	–	–	–	–	–	–	–	5 491	–	–	5 491	–	230 401
Total				250 111	4 879	–	–	254 990	–	7 993 835	57 175	(28 351)	–	283 814	–	10 650 422

PART THREE: IMPLEMENTATION REPORT FOR THE 2023 FINANCIAL YEAR continued

Remuneration of Key Management CONTINUED

Notes										1,2,3,4,5			6,7,8,9,10,11			
Incentives scheme	Award date	Award price	Vesting Date	Opening number on 1 Jan 2022	Awarded during 2022	Shares forfeited/ lapsed 2022	Share settled/ vested 2022	Closing number as at 31 Dec 2022	Value of Receipts 2022	Estimated closing fair value as at 31 Dec 2022	Awarded during 2023	Shares forfeited/ lapsed 2023	Share settled/ vested 2023	Closing number as at 31 Dec 2023	Value of receipts 2023	Estimated closing fair value as at 31 Dec 2023
									R	R					R	R
VL Robson	Prescribed officer															
EGP	20/06/2017	59.66	20/06/2020	25 985	–	–	–	25 985	–	–	–	–	–	25 985	–	–
EGP	15/06/2018	60.08	15/06/2021	–	–	–	–	–	–	–	–	–	–	–	–	–
CSP (performance shares)	03/12/2020	14.17	03/12/2023	54 265	–	–	–	54 265	–	1 877 026	–	(27 132)	–	27 133	–	1 112 453
CSP (performance shares)	10/12/2021	25.80	10/12/2024	42 066	–	–	–	42 066	–	1 386 916	–	–	–	42 066	–	1 724 706
CSP (performance shares)	20/03/2023	36.42	20/03/2026	–	–	–	–	–	–	–	49 461	–	–	49 461	–	2 027 901
BMS	09/09/2016	90.86	09/09/2019	–	–	–	–	–	–	–	–	–	–	–	–	–
BMS	20/06/2017	54.85	20/06/2020	–	–	–	–	–	–	–	–	–	–	–	–	–
BMS	15/06/2018	60.07	15/06/2021	–	–	–	–	–	–	–	–	–	–	–	–	–
RS	03/12/2020	14.17	03/12/2023	121 052	–	–	–	121 052	–	4 362 479	–	–	–	121 052	–	5 079 304
RS	10/12/2021	25.80	10/12/2024	21 032	–	–	–	21 032	–	757 953	–	–	–	21 032	–	882 496
CSP STI Matching	28/03/2022	26.02	28/03/2025	–	2 306	–	–	2 306	–	83 104	–	–	–	2 306	–	96 759
Matching Committed Shares	19/05/2022		19/05/2025	–	1 863	–	–	1 863	–	67 139	–	–	–	1 863	–	78 171
CSP STI Matching	20/03/2023	36.42	20/03/2026	–	–	–	–	–	–	–	6 864	–	–	6 864	–	288 011
Total				264 400	4 169	–	–	268 569	–	8 534 617	56 325	(27 132)	–	297 762	–	11 289 801
GI Wood	Prescribed officer															
CSP (performance shares)	03/12/2020	14.17	03/12/2023	67 000	–	–	–	67 000	–	2 317 530	–	(33 500)	–	33 500	–	1 373 500
CSP (performance shares)	10/12/2021	25.80	10/12/2024	59 209	–	–	–	59 209	–	1 952 121	–	–	–	59 209	–	2 427 569
CSP (performance shares)	20/03/2023	36.42	20/03/2026	–	–	–	–	–	–	–	72 736	–	–	72 736	–	2 982 176
RS	03/12/2020	14.17	03/12/2023	167 000	–	–	–	167 000	–	6 018 356	–	–	–	167 000	–	7 007 267
RS	10/12/2021	25.80	10/12/2024	29 604	–	–	–	29 604	–	1 066 871	–	–	–	29 604	–	1 242 174
CSP STI Matching	28/03/2022	26.02	28/03/2025	–	26 899	–	–	26 899	–	969 388	–	–	–	26 899	–	1 128 674
Matching Committed Shares	19/05/2022		19/05/2025	–	100 628	–	–	100 628	–	3 626 438	–	–	–	100 628	–	4 222 319
CSP STI Matching	20/03/2023	36.42	20/03/2026	–	–	–	–	–	–	–	13 727	–	–	13 727	–	575 981
Total				322 813	127 527	–	–	450 340	–	15 950 704	86 463	(33 500)	–	503 303	–	20 959 660

Notes: 2022 Financial Year

- ¹ The 2021 CSP Performance Share awards are included at an estimate fair value based on an indicative valuation of R32.97.
- ² The 2021 RS awards are included at the 5 day VWAP of R36.04.
- ³ The 2017 EGP met the vesting condition however participants have to exercise the option and the 2017 EGP awards are included at an estimated fair value based on an indicative valuation of R1.87 and an estimate of 100% of the performance conditions being met.
- ⁴ The 2018 EGP awards are included at an estimated fair value based on an indicative valuation of R3.12 and an estimate of 0% of performance conditions being met.
- ⁵ Includes the matched open market shares and committed shares.

Notes: 2023 Financial Year

- ⁶ The CSP awards are included at an estimate fair value based on an indicative valuation of R41.00.
- ⁷ Of the CSP performance shares awarded in December 2020, 50% have been forfeited as the EBITDA performance criteria was not achieved. The remaining 50% did not vest in December 2023 per the rules of the CSP, but instead were deferred by the remuneration committee until after the end of the closed period due to the announcement of the Peermont transaction and the inability to secure clearance to deal during the December shut down period.
- ⁸ The RS awards are included at the 5 day VWAP of R41.96.
- ⁹ The RS's awarded to the Sun International prescribed officers in December 2020 did not vest in December 2023 per the rules of the BSMP, but instead were deferred by the remuneration committee until after the end of the closed period due to the announcement of the Peermont transaction and the inability to secure clearance to deal during the December shut down period.
- ¹⁰ The 2017 EGP met the vesting conditions however participants cannot exercise the options as they are under water. 2017 EGP options expire in June 2024.
- ¹¹ Includes the matched open market shares and committed shares.

INDEPENDENT ASSURANCE STATEMENT

INTRODUCTION

IBIS Environmental Social Governance Consulting Africa (Pty) Ltd (IBIS) was commissioned by Sun International Management Limited (Sun International) to conduct an independent third-party assurance engagement in relation to the sustainability information in its Integrated Annual Report (the Report) for the financial year that ended 31 December 2023.

IBIS is an independent licensed provider of sustainability assurance services. The assurance team was led by Petrus Gildenhuys with support from Megan Nair, Johan Oosthuizen, Ibrahim Akoon, Denite Swanepoel, Meriska Singh, Sanuri Moodley, Mathapelo Matlakala and Thabo Mokate from IBIS. Petrus is a Lead Certified Sustainability Assurance Practitioner (LCSAP) with more than 25 years' experience in sustainability performance measurement involving both advisory and assurance work.

ASSURANCE STANDARD APPLIED

This assurance engagement was performed in accordance with AccountAbility's AA1000AS v3 (2020) ("AA1000AS") and was conducted to meet the AA1000AS Type II moderate level requirements as indicated below:

RESPECTIVE RESPONSIBILITIES AND IBIS' INDEPENDENCE

SUN INTERNATIONAL

Sun International is responsible for preparing the Report and for the collection and presentation of sustainability information within the report.

Sun International is also responsible for maintaining adequate records and internal controls that support the reporting processes.

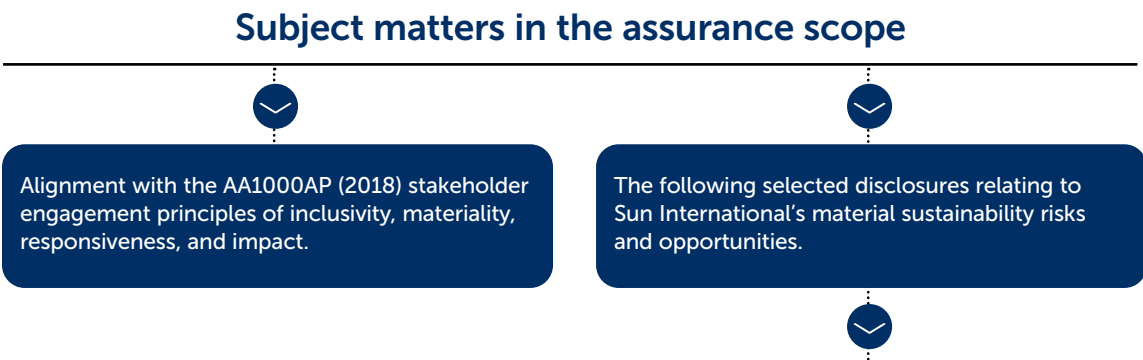
IBIS


IBIS' responsibility is to the management of Sun International alone and in accordance with the scope of work and terms of reference agreed with Sun International.

IBIS applies a strict independence policy and confirms its impartiality to Sun International in delivering the assurance engagement.

ASSURANCE SCOPE

The scope of the subject matter for moderate assurance in accordance with the AA1000AS assurance standard, as captured in the agreement with Sun International is set out below:



Type of KPI	Key performance indicators	Unit of measure	IAR page reference 
Environmental	Total Scope 1 and Scope 2 greenhouse gas (GHG) emissions	tCO ₂ e	Page 43
	Total volume of renewable energy produced	kWh	Page 43
	Total volume of withdrawal	m ³	Page 43
	Total volume of water discharged	m ³	Page 43
	Total volume of general waste to licensed landfill	kg	Page 43
	Total volume of general waste recycled	kg	Page 43
	Total volume of hazardous waste to licensed landfill	kg	Page 43
	Total volume of hazardous waste recycled	kg	Page 43
	Recycling Rate of general and hazardous waste (calculated)	Percentage	Page 45
Health and Safety	Total person hours worked (used as the Group's intensity measure)	Number	Page 116
	Lost Time Injury Frequency Rate (LTIFR)	Per 200 000 hours worked	Page 116
	Total Recordable Injury Frequency Rate (TRIFR)	Per 200 000 hours worked	Page 116
	Total Injury Frequency Rate (TIFR)	Per 200 000 hours worked	Page 116
Social	New cases of noise-induced hearing loss (NIHL)	Number	Page 57
	New cases of occupational diseases (other)	Number	Page 57
	SED budget spent as per the B-BBEE requirement of 1% NPAT	Millions of Rands	Page 61
	Rand Value SED spend split between education, sport and arts and culture	Millions of Rands	Page 62
	CSI (in kind non-monetary and monetary value spend)	Millions of Rands	Page 62
	SED Stakeholder engagement: <ul style="list-style-type: none">List of Unit community stakeholdersUnit reporting on engagement opportunitiesUnit List of stakeholder concerns and feedback	Qualitative	Page 19, 61
Ethics	Incidents of corruption	Number and description	Page 74, 119
	Grievance mechanism	Number and description	Page 74, 119
	Initiatives to improve ethical culture	Description	Page 74

ASSESSMENT CRITERIA

The following assessment criteria were used in undertaking the work:

AA1000AP (AccountAbility Principles)
AA1000AP (2018) adherence criteria for the Principles of inclusivity, materiality, responsiveness and impact

Sun International 's Sustainability Reporting Guideline
Sustainability manual that specifies definitions and guidance for reporting sustainability information maintained by Sun International

Greenhouse Gas Protocol
Greenhouse Gas Protocol: Revised Edition (WRI & WBCSD, 2004) (GHG Protocol)

ASSURANCE PROCEDURES PERFORMED

Our assurance methodology included:

TESTING

Testing, on a sample basis, the measurement, collection, aggregation, and reporting processes in place.

INTERVIEWS

Interviews with relevant data owners to understand and test the processes in place for maintaining information in relation with the subject matters in the assurance scope.

INSPECTION

Inspection and corroboration of supporting evidence received to evaluate the data generation and reporting processes against the assurance criteria.

ASSESSING

Assessing the presentation of information relevant to the scope of work in the Report for consistency with the assurance observations.

REPORTING

Reporting the assurance observations to management as they arose to provide an opportunity for corrective action prior to completion of the assurance process.

ENGAGEMENT LIMITATIONS

IBIS planned and performed the work to obtain all the information and explanations believed necessary to provide a basis for the assurance conclusions for a moderate level of assurance in accordance with AA1000AS. The procedures performed in a moderate assurance engagement vary in nature from, and are less in extent, than for a high assurance engagement. As a result, the level of assurance obtained for a moderate assurance engagement is lower than for high assurance as per AA1000AS. The scope of work did not extend to any subject matters other than specified in this assurance statement. IBIS experienced no limitations to the agreed extent of work required for the engagement.

ASSURANCE CONCLUSION

In our view, based on the work undertaken for moderate assurance as described, we conclude that the subject matters as described in the scope of this assurance engagement have been prepared in accordance with the defined criteria and are supported by the evidence obtained.

KEY OBSERVATIONS AND RECOMMENDATIONS FOR IMPROVEMENT

Based on the work set out above, and without affecting the assurance conclusion, the key observations and recommendations for improvement are set out below.

In relation to AA1000AP

Inclusivity: Sun International's sustainability policy, available on its website, articulates its stakeholder commitments and responsible behaviours (including commercial; environmental; social; health and safety; and governance behaviours). These commitments form the main mandate of its Board Social and Ethics Committee. It has also implemented policies and procedures to enable the achievement of its sustainability policy objectives. Sun International's enterprise risk management framework outlines the scope and objectives of stakeholder engagement. The framework covers material sustainability topics and their integration into organisational risk management. There are designated group representatives for stakeholder engagement across all categories of stakeholders, who are overseen by Group risk and ESG managers.

IBIS recommends that Sun International continue with its plans to extend the scope of stakeholder engagements, as part of enhancing its stakeholder engagement strategy.

Materiality: Sun International's materiality determination process reflects a systematic, organisation-wide process to determine material issues, that includes the identification, evaluation, and prioritisation of relevant material sustainability topics. The enterprise risk management framework, which incorporates sustainability risks, describes the management, roles, and responsibilities, that are allocated to manage sustainability risks. Sun International's corporate reporting provides a comprehensive and balanced understanding and prioritisation of material sustainability topics.

It is recommended that Sun International continue with its process to enhance the materiality determination process by incorporating emerging material topics and enhance articulation of the rationale underpinning its material topic prioritisation.

Responsiveness: Sun International's enterprise risk framework outlines the principles that responses to stakeholders must conform to, and includes references to being factual, timely, relevant, accurate, and understandable. Processes are in place to ensure appropriate oversight of responses to stakeholders.

It is recommended that Sun International continue to formalise the communication plan for its ESG strategy, ensuring that both the reputation of Sun International as a responsive organisation is maintained, and that stakeholders continue to receive appropriate, comprehensive, and timely responses to queries.

Impact: Sun International has identified and assessed its impacts on society and the environment, and implemented policies and procedures to ensure that it can measure, evaluate, and manage its impacts. It's ENVIRO-AMBITION 2025 Framework is an example of Group strategies to manage its impacts. The ESG Framework, which outlines the materiality approach, includes impact focus areas under each pillar, each entity within the Group is required to develop their own individual strategies, policies, SOP's and KPI's to measure the impacts, aligned to the Group ESG Framework.

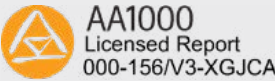
IBIS recommends that Sun International improve the articulation of how the business model and strategic objectives relate to its impact goals and specific SDG targets.

In relation to the selected disclosures

IBIS observed that appropriate measures are in place to provide reliable source-data related to the selected sustainability disclosures in the assurance scope for 2023. The general control environment for sustainability information continues to improve by use of the Group sustainability manual, which is intended to ensure consistent interpretation of definitions across the Group and provide guidance on the implementation of key internal controls. Discrepancies in data identified during the assurance process for 2023 were subsequently corrected. IBIS recommends the implementation of a more rigorous review process, including periodic secondary reviews of data against supporting evidence and the Sun International Internal sustainability guideline before finalisation and submission. A comprehensive management report detailing specific findings and recommendations for continued sustainability reporting improvement has been submitted to Sun International management for consideration.

PETRUS GILDENHUYIS

Director, IBIS Environmental Social Governance Consulting Africa (Pty) Ltd
Johannesburg
24 April 2024



The assurance statement provides no assurance on the maintenance and integrity of sustainability information on the website, including controls used to maintain this. These matters are the responsibility of Sun International.

ESG METRICS

The JSE released its Sustainability Disclosure Guidance in June 2022 to create an enabling environment for better disclosure practices. This guideline is aligned with the most influential global initiatives on sustainability/ESG and climate change disclosure, including the IFRS Exposure Drafts on Sustainability-related Financial Information (IFR S1) and Climate-related Disclosures (IFR S2), the Value Reporting Foundation’s Integrated Reporting Framework, the GRI Sustainability Reporting Standards and the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations, as well as an extensive range of frameworks and standards and the ESG guidance of various peer exchanges.

The metrics are divided into ‘core’ C and ‘leadership’ L where leadership would be over and above what is normally disclosed i.e. best practice reporting. Sun International’s progress against these metrics is tabled below.

ENVIRONMENTAL

Metric		Unit	Sun International's response	Material Not material	Disclosure	Other frameworks	Rationale	
E1 CLIMATE CHANGE								
E1.1 GHG Emissions								
E1.1a	C	Absolute gross greenhouse gas emissions expressed as metric tonnes of CO ₂ equivalent and measured in accordance with the Greenhouse Gas Protocol for: Scope 1 , Scope 2 , and Scope 3 emissions. Scope 1 and Scope 2 emissions should be disclosed separately for (i) the consolidated accounting group (the parent and its subsidiaries) and (ii) associates, joint ventures, unconsolidated subsidiaries or affiliates not included in (i).	Metric tonnes of carbon dioxide equivalent (tCO ₂ e)	Scope 1 = 19 524 Scope 2 = 190 943 Scope 3 = this is currently not reported	Material	Yes	IFRS S2 GRI 305:1-3 ESRS E1-7 ESRS E1-8 ESRS E1-9 ESRS E1-10 SASB 110 TCFD GHG Protocol	GHG emissions cause climate change, which is expected to have increasingly significant economic, environmental, and social impacts. As a result, GHGs are a key focus area for policy, regulatory, market and technology responses to limit rising temperatures. Organisations with emission-intensive business models are likely to face greater risks from the transition to a lower emission economy in terms of increased regulatory requirements and additional capital expenditure. For many organisations, the most significant GHG emissions are found in their supply chains, not in their own operations. Reporting on Scope 3 emissions can assist in identifying potential supply chain risks in terms of exposure to the transition to a lower emission economy. It can also help improve energy efficiency and cost reduction programmes.
E1.1b	L	Scope 3 emissions should include upstream and downstream emissions. The categories of Scope 3 emissions and basis for measurement for information provided by entities in the value chain should be disclosed. Recognising the challenges related to the disclosure of Scope 3 emissions, including data availability, reasons should be provided when Scope 3 emissions or categories of Scope 3 emissions are omitted.	Metric tonnes of carbon dioxide equivalent (tCO ₂ e)	Currently this is not reported. Scope 3 emissions sources were identified in 2023 and will be reported from 2024 onwards.	Material	Yes	IFRS S2 GRI 305:1-3 ESRS E1-9	
E1.1c	C	GHG emissions intensity for Scope 1, 2 and 3, expressed as metric tonnes of CO ₂ equivalent per unit of physical or economic output.	MtCO ₂ -e per unit of output	Total Scope 1 and 2 emissions = 210 468 Unit of output = Revenue below = R12.1 billion Intensity = 0.000017	Material	Yes	GRI 305:1-3 ESRS E1-10	
E1.2 Energy mix								
E1.2	C	Total energy use and share of energy usage by generation type noting use of energy from renewable non-fossil sources, (namely wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas).	MWhs or GJ/ Percentage by type	1 070.48 MWh 100% of onsite solar photovoltaic	Material	Yes	GRI 302 ESRS E1-5 SASB 130	

ENVIRONMENTAL continued

Metric			Unit	Sun International's response	Material Not material	Disclosure	Other frameworks	Rationale
E1 CLIMATE CHANGE continued								
E1.3 Science-based targets								
E1.3	L	Define and report progress against time-bound short-, medium-, and long-term science-based GHG emissions targets that are in line with the goals of the Paris Agreement and Glasgow Climate Pact. This includes reducing global carbon dioxide emissions by 45% by 2030 relative to the 2010 level, and to net zero around mid-century, based on the best available scientific knowledge and equity, taking into account common but differentiated responsibilities and respective capabilities, and in the context of sustainable development and efforts to eradicate poverty. Science-based emissions reduction targets should be informed by recognised scientific methodologies and verified through approved processes; they should (as an absolute minimum) be consistent with relevant host country/ies' Nationally Determined Contribution.	Description	The group has absolute carbon emission reduction targets which were developed using the Equity Method proposed by Promethium Carbon in 2018. In 2023 the group commenced with the review of the Scope 1, 2 emission targets as well as identifying the Scope 3 emissions. The group will apply an appropriate science-based target methodology for setting carbon emission reduction targets.	Material	Yes	GRI 305 SASB 110	The Paris Agreement and recent Glasgow Climate Pact aim to limit the global average temperature increase to well below 2°C above pre-industrial levels and preferably to 1.5°C above pre-industrial levels. Climate-related risks such as extreme weather events are projected to increase substantially as temperatures increase. Science-based targets are emission reduction targets aligned with the latest climate science that provide companies with a pathway that is consistent with the Paris Agreement. Under the Paris Agreement, the principle of common but differentiated responsibilities and respective capabilities acknowledges different national circumstances while calling on all parties to take action.
E1.4 Just transition								
E1.4a	C	Existence and nature of a 'transition plan' that commits to stakeholder engagement with affected workers and communities (see the JSE Climate Disclosure Guidance for further detail).	Description	The group commenced in late 2023 to articulate our response to climate change to map out our low carbon transition.	Not material	No	TCFD consultation WBA GRI 11 (Oil and Gas supplement)	The Paris Agreement incorporated the notion of a 'just transition', which originated in the labour movement, to signal the importance of minimising the negative impacts and maximising the positive opportunities for communities and workers as part of the shift toward a low emission economy. Given the importance of the just transition, it will be critical to pay increasing attention to the related risks and opportunities and ensure that social considerations are also addressed in decarbonisation and energy transition plans.
E1.4b	C	Number of workers in the past year recruited, retrained, retrenched, and/or compensated due to implementation of the decarbonisation plan.	#	The group commenced in late 2023 to articulate our response to climate change to map out our low carbon transition.	Not material	No		
E1.4c	L	Number of engagements undertaken with affected parties by group and geography.	#	The group commenced in late 2023 to articulate our response to climate change to map out our low carbon transition.	Not material	No		
E1.4d	L	Nature of climate-related lobbying activities, and those of relevant associations and membership groups, and their alignment with the objectives of the Paris Agreement and Glasgow Climate Pact.	Description	The group commenced in late 2023 to articulate our response to climate change to map out our low carbon transition.	Not material	No		
E1.4e	L	Nature of provision for delivery of the transition plan within executive remuneration.	Description	The group commenced in late 2023 to articulate our response to climate change to map out our low carbon transition.	Not material	No		
E1.4f	L	Nature of provision for impacts on workers and communities within climate scenario plans.	Description	The group commenced in late 2023 to articulate our response to climate change to map out our low carbon transition.	Not material	No		
E1.4g	L	Amount of capital and expenditure deployed on direct and indirect climate adaptation and climate mitigation efforts.	ZAR/US\$	The group commenced in late 2023 to articulate our response to climate change to map out our low carbon transition.	Not material	No		
E2 WATER SECURITY								
E2.1 Water usage								
E2.1a	C	Total water consumption from all areas, and from areas with water stress.	Megalitres	Total consumption is calculated as: Total withdrawals – total discharges = 3 705 193kl – 1 919 271kl Total consumption = 1 785 923 kl Converted value = 1 785.923 megalitres	Material	Yes	GRI 303-5 ESRS-E3-4 SASB 140	Water is a finite resource, and its consumption has implications for the environment and society at both local and national levels. Organisations can face operational, regulatory and reputational risks relating to water use, while failing to manage water use efficiently can result in additional costs. Water usage in water-stressed areas can result in negative societal impacts due to greater competition over scarce resources. There is also a greater risk of possible operational disruptions and shutdowns.
E2.1b	L	Total water withdrawal from all areas with water stress, with a breakdown by following sources if applicable: surface water, groundwater, seawater, produced water, third-party water.	Megalitres	Surface water = 3 426.282 megalitres Groundwater = 0.770 megalitres River abstraction = 278.065 megalitres Rain water = 0.076 megalitres	Material	Yes	GRI 303-3 ESRS-E3-4 SASB 140	
E2.1c	L	Freshwater consumption intensity: total freshwater use per material unit (eg sales revenue, unit of production, m² of building, or other).	Megalitres per unit	Total consumption as per E2.1a = 1 785.923 megalitres Unit of output = R12.1 billion Intensity = 0.000000148	Material	Yes	ESRS-E3-4 SASB 140	

ENVIRONMENTAL continued

Metric			Unit	Sun International's response	Material Not material	Disclosure	Other frameworks	Rationale
E3 BIODIVERSITY AND LAND USE								
E3.1 Biodiversity footprint (ecosystems)								
E3.1a	C	Number and area of sites owned, leased, or managed in or adjacent to areas of high biodiversity value (Key Biodiversity Areas – KBAs), for operations (if applicable) and full supply chain (if material).	# and hectares (or km² if applicable)	Number of KBAs = 1 Sun City size: 3053.72 hectares Locally, the site falls within a Nature Reserve Protected Areas in accordance with the South African Protected Areas Database (2017) and falls within a Critical Biodiversity Area 2 in terms of the North-West Biodiversity Sector Plan. The ecological sensitivity categorisations provided for the site are mainly attributed to its proximity to the Pilanesberg National Park, which is a protected area.	Not material	No	GRI 304-1 ESRS-E2-6	As noted in the World Economic Forum's 2020 Global Risks Report 'biodiversity loss has critical implications for humanity, from the collapse of food and health systems to the disruption of entire supply chains.' Key biodiversity areas (KBAs) are sites that contribute significantly to the global persistence of biodiversity, while protected areas are areas of recognised ecological or cultural importance that typically have specific legal protections. KBAs as defined in South Africa by SANBI include Critical Biodiversity Areas and Ecological Support Areas Companies with operations inside or close to such areas may pose a greater threat to biodiversity and, as a result, face a heightened risk of exposure to associated legal or reputational risk. A primary driver of biodiversity loss is the growth in demand for land or marine areas and the associated conversion of ecosystems. Current demand for land is indicated in the area of land used in a company's operations and supply chains while the annual change reflects whether there is increasing or decreasing pressure for new conversions of ecosystems.
E3.1b	C	Area of land used for the production of basic plant, animal or mineral commodities (e.g. the area of land used for forestry, agriculture or mining activities).	Total surface Hectares	Zero hectares	Not material	No	GRI 304-2 ESRS-E4-5	
E3.1c	C	Level of capital and expenditure deployed towards implementation of measures undertaken to manage positive impacts and avoid, minimise, restore/rehabilitate and/or offset negative impacts on biodiversity and ecosystems.	ZAR, \$US or other currency	Vacation Club (VC) Phase 3 construction project which includes the rehabilitation and landscaping of disturbed biodiversity area. Costs – R1 821 096, Appointment of an independent Environmental Impact Assessment (EIA) consultant prior to construction – Costs R350 000. Landscaping and management plant species within the resort – Appointment of Top Turf – Cost approximately R1 000 000 per month.	Not material	No	ESRS-E4-7	
E3.1d	L	Describe wherever material across the value chain mechanisms aimed at enhancing management of biodiversity and ecosystem impacts (such as policies, targets, certifications, and audits).	Description	An environmental policy has been developed. There is an existing biodiversity management policy, plan and procedure implemented by Sun City. An environmental authorisation and management programme was obtained for management purposes. Environmental management monitoring is conducted monthly in disturbed areas such as the VC Phase 3 construction project. Protected tree removal, disturbance certifications are obtained prior to any actions taken.	Not material	No	GRI 304 ESRS-E4-7	
E3.1e	L	Describe and report results of any processes aimed at identifying, assessing and/or managing the biodiversity footprint of the organisation, including for example: size and location of all habitat areas protected or restored, and whether the success of the restoration measure was or is approved by independent external professionals; and status of each area based on its condition at the close of the reporting period, noting the standards and methodologies used.	Description Hectares (or km²)	Biodiversity survey for identification of plant species with a South African National Botany Institute (SANBI) botanist, Professor Michael Cheek was conducted in 2021. Specialists reports for identifying fauna and flora on-site were provided during the EIA survey prior to authorisation. These reports were conducted by external professionals and describe the status of each area based on its pre-development status quo and includes the standards and methodologies used.	Not material	No	GRI 304-3	

ENVIRONMENTAL continued

Metric			Unit	Sun International's response	Material Not material	Disclosure	Other frameworks	Rationale
E4 POLLUTION AND WASTE								
E4.1 Solid waste								
E4.1a	C	Total weight of waste generated (non-recycled), with a breakdown by composition of waste, noting % directed to disposal (including landfill and incineration), and % diverted from disposal (eg reuse, recycling, recovery).	Tonnes and %	Refer to page 43 in the Environmental Performance Section. Note the values are provided in kg.	Material	Yes	GRI 306-3 ESRS-E5-6 SASB 150	Waste is a growing concern in many economies due to factors such as urbanisation, poor regulation and standards, inadequate facilities, and new sources of waste such as plastic and e-waste. Waste management is critical for both environmental protection and public health. Effective waste management, which can include circular economy principles, can reduce operational and capital costs through improved efficiencies and, in some case, provide new input sources. A failure to manage waste can result in reputational damage and increase potential financial and legal liability costs.
E4.1b	C	Total weight of hazardous waste generated, noting % directed to disposal (including landfill and incineration), and % diverted from disposal (eg reuse, recycling, recovery).	Tonnes and %	Refer to page 43 in the Environmental Performance Section. Note the values are provided in kg.	Material	Yes	GRI 306-4 GRI 306-5 ESRS-E5-6 SASB 150	
E4.1c	C	Waste intensity: total waste per material unit (eg sales revenue, unit of production, or other).	Tonnes / ZAR or US\$ etc / unit	Total waste = 6 933 703 kg Total waste = 6 933.703 tonnes Unit of output = R12.1 billion Intensity = 0.000000573	Material	Yes	GRI 306-3	
E4.2 Single-use plastics								
	L	Report wherever material along the value chain: estimated metric tonnes of single-use plastic consumed and share (%) of single-use plastic weight of total plastic weight.	Tonnes / %	This is not measured and tracked for reporting purposes. The reporting of plastics waste is consolidated in the recycling waste figures for the group.	Not material	No	ESRS-E5-4 ESRS-E5-5 SASB 410	Eliminating plastic pollution requires a shift from single-use to reusable packaging. Recycling is important, but reusable packaging will reduce the need for single-use products. Plastic waste has significant environmental impacts that range from the loss of marine life to the build-up of potentially toxic material in the food chain.
E4.3 Atmospheric pollution								
E4.3a	C	Report wherever material along the value chain: nitrogen oxides (NOx), sulphur oxides (SOx), volatile organic compounds (VOC), persistent organic pollutants (POP), particulate matter, and other significant air emissions identified in relevant regulations.	Kilograms or multiples per emission type	Minimal progress was made in 2023 to report against this metric.	Not material	No	GRI 305-7 ESRS-E2-4 SASB 120	Air pollutants, which include particulate matter, volatile organic compounds and the oxides of sulphur and nitrogen, are harmful to human health and a leading cause of respiratory illnesses and premature death around the world. Pollutant emissions in densely populated areas are often particularly harmful due to the large number of people affected and the higher level of ambient pollution.
E4.3b	L	Wherever possible estimate the proportion of specified emissions that occur in or adjacent to urban/densely populated areas.	Description	Minimal progress was made in 2023 to report against this metric.	Not material	No	ESRS-E2-5	
E4.4 Water pollution								
	L	Total water discharge to all areas in megalitres, and list of priority substances of concern for which discharges are treated, including how these substances were defined, approach to setting discharge limits, and number of incidents of non-compliance with discharge limits.	Megalitres, description and # of incidents	Two sources for water discharges are captured for the group: Discharge to municipal sewer = 629.853 megalitres * Discharge to rivers/streams/wetlands = 1 289.417 megalitres There were zero incidents in 2023. * Applicable to Sun City and Wild Coast Sun which operate wastewater treatment facilities.	Material	Yes	GRI 303-4 ESRS-E2-5 ESRS-E2-6	Water pollution can result from a range of economic activities. Sources of water pollution include industrial waste, sewerage, and agricultural runoff. The effective functioning of ecosystems and the services that they provide requires the nitrogen, phosphorus and potassium cycles to be kept in balance. Where levels of nitrogen, phosphorus and potassium exceed sustainable thresholds, freshwater and oceanic dead zones may occur. Water pollution can also result in a variety of other ecological and public health issues.

ENVIRONMENTAL continued

Metric			Unit	Sun International's response	Material Not material	Disclosure	Other frameworks	Rationale
E5 SUPPLY CHAIN AND MATERIALS								
E5.1 Supply chain (environmental)								
	L	Report wherever material across the supply chain: mechanisms (eg supplier screening, and audits) to identify and address significant actual and potential negative environmental impacts, nature of these impacts, and measures to address these.	Description	Supplier screenings and audits are undertaken by procurement. There are no specific audits undertaken to assess environmental impacts. The review of this will be considered when developing the sustainable supply chain framework in 2024.	Not material	No	GRI 308-1 GRI 308-2 SASB 440 SASB 430	Environmental issues in the supply chain can lead to operational risks, such as shutdowns, financial risks from fines and compliance orders, and reputational risks. These can impact an organisation's ability to access finance and capital. Mechanisms such as supplier codes of conduct can reduce environmental risks in the supply chain by improving business practices. These can result in positive returns through lower costs, improved efficiency and access to new markets.
E5.2 Materials of concern								
E5.2a	C	Process to identify and manage emerging materials and chemicals of concern in products (materials of concern could include conflict minerals or recognised high impact raw materials such as palm oil).	Description	Minimal progress was made in 2023 to report against this metric.	Not material	No	GRI 417-1 SASB 430	Materials of concern in the supply chain can raise both reputational and operational risks due to environmental factors such as biodiversity loss, deforestation, water pollution and waste management. A process to identify and manage materials of concern, such as a due diligence and supply chain mapping process, should be used to prevent and/or address potential environmental impacts.
E5.2b	L	Percentage of materials identified in point 1 above that are covered by a sustainability certification standard or formalised sustainability management programme.	% materials	Minimal progress was made in 2023 to report against this metric.	Not material	No	SASB 430	Signing up to a sustainability certification standard or formalised sustainability management programme can provide stakeholders with a degree of confidence that materials of concern within the supply chain are being properly addressed.

SOCIAL

Metric	Unit	Sun International's response	Material Not material	Disclosure	Other frameworks	Rationale																																																																																																						
S1 LABOUR STANDARDS																																																																																																												
S1.1 Diversity and inclusion																																																																																																												
S1.1a	C	Percentage of employees per employee category by race, gender, age group (under 30, 30-50, over 50), and where relevant other diversity indicators .	% workforce by category	<table><tr><th colspan="3">Gender</th><th colspan="3">Age</th><th colspan="4">Racial</th></tr><tr><th>Category</th><th>%M</th><th>%F</th><th>< 30</th><th>30 - 50</th><th>> 50</th><th>A</th><th>C</th><th>I</th><th>W</th></tr><tr><td>Top</td><td>66.67%</td><td>33.33%</td><td>0.00%</td><td>33.33%</td><td>66.67%</td><td>28.57%</td><td>19.05%</td><td>23.81%</td><td>23.81%</td></tr><tr><td>Senior</td><td>58.00%</td><td>42.00%</td><td>0.79%</td><td>69.05%</td><td>30.16%</td><td>27.33%</td><td>10.67%</td><td>23.33%</td><td>34.67%</td></tr><tr><td>Middle</td><td>58.09%</td><td>41.91%</td><td>2.02%</td><td>79.33%</td><td>18.65%</td><td>49.36%</td><td>15.11%</td><td>10.43%</td><td>23.42%</td></tr><tr><td>Junior management/ Skilled</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Technical</td><td>50.82%</td><td>49.19%</td><td>8.22%</td><td>79.21%</td><td>12.57%</td><td>70.93%</td><td>14.31%</td><td>7.49%</td><td>6.37%</td></tr><tr><td>Discretionary decision making</td><td>36.67%</td><td>66.33%</td><td>27.74%</td><td>62.45%</td><td>9.81%</td><td>89.09%</td><td>9.85%</td><td>1.57%</td><td>0.68%</td></tr><tr><td>TOTAL</td><td>42.05%</td><td>57.95%</td><td>21.42%</td><td>67.22%</td><td>11.37%</td><td>80.61%</td><td>10.03%</td><td>4.11%</td><td>4.32%</td></tr><tr><td>% PWD</td><td colspan="9">1.16%</td></tr></table>	Gender			Age			Racial				Category	%M	%F	< 30	30 - 50	> 50	A	C	I	W	Top	66.67%	33.33%	0.00%	33.33%	66.67%	28.57%	19.05%	23.81%	23.81%	Senior	58.00%	42.00%	0.79%	69.05%	30.16%	27.33%	10.67%	23.33%	34.67%	Middle	58.09%	41.91%	2.02%	79.33%	18.65%	49.36%	15.11%	10.43%	23.42%	Junior management/ Skilled										Technical	50.82%	49.19%	8.22%	79.21%	12.57%	70.93%	14.31%	7.49%	6.37%	Discretionary decision making	36.67%	66.33%	27.74%	62.45%	9.81%	89.09%	9.85%	1.57%	0.68%	TOTAL	42.05%	57.95%	21.42%	67.22%	11.37%	80.61%	10.03%	4.11%	4.32%	% PWD	1.16%									Material	Yes	GRI 405-1 SASB 330	Organisations with higher levels of diversity, particularly within executive teams, are generally better able to innovate, attract top talent, improve their customer orientation, enhance employee satisfaction, access more wide-ranging networks, and secure their licence to operate.
Gender			Age			Racial																																																																																																						
Category	%M	%F	< 30	30 - 50	> 50	A	C	I	W																																																																																																			
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S1.1b	C	Number of allegations and confirmed incidents of discrimination and/or human rights incidents relating to workers incidents during the reporting period, noting the investigation status of reported and actual incidents, actions taken, and total amount of monetary losses due to legal proceedings associated with labour law violation, employment discrimination, and/or human rights violations.	# and description	The group had zero reportable incidents or financial losses in 2023	Material	Yes	GRI 406-1 ESRS-S1-18 ESRS-S1-25 SASB 310	To be effective, organisational culture should be built on a foundation of respect, courtesy, and professionalism, free from any acts of discrimination, bullying or harassment.																																																																																																				
S1.2 Pay equality																																																																																																												
S1.2a	C	Ratio between the CEO's total annual remuneration and the median, lower quartile, and upper quartile of the total annual remuneration of all the organisation's employees (excluding the CEO).	Ratio	There is no statutory requirement yet in South Africa to report against this metric.	Not material	No	GRI 2-21 GRI 202-1 ESRS-S1-14 ESRS-S1-17	Globally, economic analysis has shown that high levels of inequality undermine economic growth. As noted under G2.1 Remuneration practices, incentives provided to senior executives, and the manner in which they are structured, can significantly reinforce or impede long-term value creation. However, at an organisational level, a wide gap between CEO compensation and the median reinforces inequality and could undermine long-term value creation. This is seen to be particularly relevant in South Africa given that it has one of the highest levels of inequality globally.																																																																																																				
S1.2b	L	The ratio of the average annual remuneration of the top 10% of the organisation's top earners, and the average annual remuneration for the bottom 10% of the lowest earners in the organisation.	Ratio	There is no statutory requirement yet in South Africa to report against this metric.	Not material	No																																																																																																						
S1.2c	C	The total annual remuneration of both the highest paid employee and the lowest paid employee; the average remuneration; and the median remuneration of all employees.	ZAR	There is no statutory requirement yet in South Africa to report against this metric.	Not material	No																																																																																																						
S1.2d	C	Ratio of the total annual remuneration of women to men, and by race group, for each employee category , by significant locations of operation (as defined by the organisation).	Ratio	There is no statutory requirement yet in South Africa to report against this metric.	Not material	No	GRI 202-1 SASB 310	Corporate policies promoting pay equality reflect an organisation's culture and help organisations to bridge diversity gaps, attract talent and drive long-term competitiveness. Organisations with racial and other discrimination imbalances, expose themselves to reputational and potential legal risk.																																																																																																				

SOCIAL continued

Metric			Unit	Sun International's response	Material Not material	Disclosure	Other frameworks	Rationale
S1 LABOUR STANDARDS continued								
S1.3 Wage level and living wage								
S1.3a	C	When a significant proportion of employees are compensated based on wages subject to minimum wage rules, report the relevant ratio of the standard entry level wage by race and gender compared to the applicable legislated minimum wage for the sector.	Ratio	The group continues to focus and develop its remuneration practices to ensure that all employees are remunerated fairly, responsibly, and transparently. Part of this exercise included adopting a framework for Fair Remuneration Policy, which included addressing equal pay for work of equal value; the pay gap between male and female employees across the group and continuing to address the concept of a living wage. In respect of the latter, the group is satisfied that it pays all of its employees fairly and that no permanent full-time employee earns below a living wage. A description has been provided as a response to this metric in place of a ratio for 2023.	Material	No	GRI 202-1 SASB 310	A wide gap between the highest-paid individual and the median reinforces inequality and could impede long-term value creation. Disclosure provides greater insight into how organisations are spending on top-management, their basis for doing so, and the opportunity costs that might impact their performance.
S1.3b	C	Ratio of lowest wage to living wage for employees and non-employee workers for each significant location of operation.	Ratio	Refer to response for S1.3a.	Material	No	Accounting for a Living Wage (Shift and Capitals Coalition)	The provision of living wages offer companies a wide range of internal benefits, including: lowering staff turnover, a more motivated and productive workforce, greater economic security, strengthening value chain stability, improving company reputation, and stimulating local economies leading to various positive multiplier effects.
S1.3c	L	Percentage of employees and non-employee workers whose wages fall below a specific living wage methodology or benchmark .	% workforce	Refer to response for S1.3a.	Material	No		
S1.4 Freedom of Association and Collective Bargaining								
S1.4a	C	Describe how the organisation manages freedom of association and collective bargaining, noting any policy or policies considered likely to affect workers' decisions to form or join a trade union, to bargain collectively or to engage in trade union activities.	Description	The group has a written relationship agreement with our Recognition Union which has been in place since 1995 which contains a clause that endorses freedom of association and such is aligned with the labour legislation and the Constitution.	Material	Yes	GRI 407 ESRS-S1-2	The right to freedom of association and collective bargaining are not only internationally recognised as fundamental rights of employees, but are also useful tools for organisations and employees to engage, build trust, and negotiate solutions when potential conflicts arise.
S1.4b	C	Percentage of total employees covered under collective bargaining agreements.	%	65% of employees are covered under the agreement.	Material	Yes	GRI 2-30 ESRS-S1-22 SASB 310	
S1.4c	C	Disclose the extent of major work stoppages (including both strikes and lockouts) due to disputes between the undertaking and its workforce, including the number of major work stoppages, and for each: number of workers involved; length in days of stoppage, reasons, and steps taken to resolve each dispute.	No and description	There were no work stoppages due to disputes in 2023	Material	Yes	ESRS-S1-23	
S1.4d	L	An explanation of the due diligence assessment performed on suppliers for which the right to freedom of association and collective bargaining is at risk including measures taken by the organisation to address these risks.	Description	All the group service provider contracts contain an undertaking where suppliers must undertake that they fully comply with all the requirement of the labour law pertaining to its employees. The labour laws clearly set out 'freedom of association and associated provisions' relating to collective bargaining where applicable within that particular industry. This is a desktop questionnaire and check system that we now have in place to ensure that we fully understand each individual beneficiary and also mitigate any risk that could affect the relationship going forward.	Material	Yes	GRI 407-1	

SOCIAL continued

Metric			Unit	Sun International's response	Material Not material	Disclosure	Other frameworks	Rationale
S1 LABOUR STANDARDS continued								
S1.5 Characteristics of employees and workers in workforce								
S1.5a	C	Describe key characteristics of employees in own workforce, including: total number of all employees by country; permanent employees; temporary employees; non-guaranteed hours employees; full-time employees; and part-time employees – with breakdown by race and gender for each.	Ratio workers	Refer to the People Section on pages 48 – 50 under Social Performance for employee data.	Material	Yes	ESRS-S1-7	This provides insight into the organisation's approach to employment, including the nature of impacts arising from its employment practices, to provide contextual information that aids an understanding of the information reported in other disclosures.
S1.5b	C	Describe key characteristics of non-employee workers in the organisation's own workforce, including: total number of non-employee workers, noting the most common type of workers and their relationship with the organisation.	Description	Non-employees consist of independent contractors sourced through an IT service agreement, attending to specialised skills like server updates, e.g oracle specialist. Other non-employees would be those employees on all our properties employed by service providers and concessionaires in speciality restaurants (Wimpy), spas (Camelot Spa), lawns (Top Turf), clinics (Medicare) and gardens (BidVest) and others.	Material	Yes	ESRS-S1-8	
S2 COMMUNITY DEVELOPMENT								
S2.1 Community human rights								
S2.1a	C	Total number and percentage of operations that have been subject to a human rights due diligence process or impact assessments, by country.	# and % operations + description	None of the operations required assessment in 2023.	Not Material	No	GRI 408-1 GRI 409-1 GRI 410-1 GRI 205-1 ESRS S3-2 ESRS S3-3 SASB 210 UN Guiding Principles on Business and Human Rights	The activities of organisations may cause or contribute to environmental or social abuses that violate the human rights of individuals, workers and communities. Without a mechanism for employees and other key stakeholders to report human rights violations, organisations could miss opportunities to identify and mitigate such underlying issues.
S2.1b	C	Nature of processes for engaging with affected communities and their representatives, and channels for affected community members to raise concerns.	Description	Each operation in the group, where applicable, has a community engagement forum managed by the general manager of the property.	Material	No		
S2.1c	C	Number and type of grievances reported with associated impacts related to a salient human rights issue in the reporting period, and an explanation of the % of these that are remedied in agreement with those who expressed their grievance.	# + description	None of the operations had grievances reported 2023.	Material	No		
S2.1d	L	Number and percentage of relevant sites (typically those involved in extracting, harvesting, or developing natural resources or energy) that implement a human rights and security approach consistent with the Voluntary Principles on Security and Human Rights.	# + % operations	This is not applicable as the core business activities of the group relate to hospitality, entertainment and gambling.	Not material	No		
S2.1e	L	Number and percentage of sites at which the ownership, use of or access to land is contested, and an explanation of actions taken to address related social risks.	# + % operations	The two sites where there have been purported land claims in the last 36 months. Both matters have been contested by the group which believes that the claimants have no legitimate rights nor expectations to claim ownership and title thereto. The group has invoked legal proceedings in both matters to contest the allegations made by the claimants.	Material	No		

SOCIAL continued

Metric		Unit	Sun International's response		Material Not material	Disclosure	Other frameworks	Rationale
S2 COMMUNITY DEVELOPMENT continued								
S2.2 Skills for the future								
S2.2	C	Describe the employee and external skills development programmes aimed at developing skills that increase the recipient's future mobility, career development, and/or income earning potential.	Description	<p>Sun International undertakes unemployed learnership such as gaming learnership or one of the various food and beverage learnerships (crockery, chef etc). A learnership is a work-based learning programme that leads to a National Qualifications Framework (NQF) registered qualification. Learnerships are directly related to an occupation or field of work, for example, learnerships are managed by Sector Education and Training Authorities (SETAs). They were introduced by government to help skill learners and to prepare them for the workplace.</p> <p>Learnership programmes can help an individual to gain the necessary skills and workplace experience that will lead to better employment or self-employment opportunities.</p> <p>Learnerships are based on legally binding agreement between an employer, a learner and a training provider. This agreement spells out the tasks and duties of the employer, the learner and the training provider. It is designed to ensure the quality of the training and to protect the interests of each party.</p> <p>A learnership requires that a learner enter into a fixed-term employment contract with the company whilst studying towards a qualification registered on the NQF, which is in line with the learnership (the cost of the qualification falls to the company). Once the qualification is completed, the learnership will also end.</p>	Material	Yes	GRI 404-2 SASB 101	Building human capital to secure a motivated, productive and skilled workforce is a key priority for organisations. When firms fail to invest in training, education, skilling and reskilling of their employees, it can affect their business performance, reputation and ability to attract talented workforce. It can also lead to higher operating costs related to recruiting, developing and retaining employees.
S2.3 Employment and wealth creation								
S2.3a	C	Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity, and region.	# and rate	Refer to the People Section on page 51 under Social Performance.	Material	Yes	GRI 401-1 GRI 202-2 SASB 310	Employment and job creation are key drivers of economic growth, dignity and prosperity. The metrics provide a basic indication of an organisation's capacity to attract diverse talent, which is key to innovate new products and services. Employee turnover may serve as an indication of employee satisfaction or dissatisfaction and potential unfairness in the workplace.
S2.3b	C	Total number and rate of employee turnover (for permanent employees) during the reporting period, by age group, gender, other indicators of diversity, and region.	# and rate	Refer to the People Section on page 52 under Social Performance.	Material	Yes	GRI 401-1 SASB 310	
S2.4 Community development								
S2.4a	C	Direct economic value generated and distributed (EVG&D) on an accrual basis, covering the basic components for the organisation's global operations, ideally split out by: (i) Revenue (ii) Operating costs (iii) Employee wages and benefits (iv) Payments to providers of capital (v) Payments to government (taxes, royalties, levies, etc.) (vi) Community investment (including charitable giving, impact investment and other social investment).	ZAR	Minimal progress was made in 2023 to report against this metric.	Not material	No	GRI 201-1	The metrics on economic contribution provide a broad indication of how an organisation has created wealth for its various stakeholders by summarising the direct monetary value added to local economies. Disclosure on the financial assistance received from government, when compared with separate disclosures on taxes, is often useful in developing a more balanced review of the balance of transactions between the company and government.

SOCIAL continued

Metric		Unit	Sun International's response		Material Not material	Disclosure	Other frameworks	Rationale																																																												
S2 COMMUNITY DEVELOPMENT continued																																																																				
S2.4 Community development continued																																																																				
S2.4b	C	Description of significant identified indirect economic impacts of the organisation, including for example: number of jobs supported in supply or distribution chain; number of suppliers/ enterprises supported from defined vulnerable groups; nature of economic development in areas of high poverty; availability of products and services for those on low incomes or previously disadvantaged; enhanced skills and knowledge in a professional community or geographic location.	Description – with # and spend where relevant	The group has 145 Enterprise and Supplier Development (ESD) beneficiaries which have been funded and developed, with the aim of enabling job creation. Beneficiaries are required to outline their anticipated number of jobs created over a 3-year period. Additionally, they are required to create a community development plan which speaks to how they will give back to local previously disadvantaged communities through their businesses, with a particular focus on skills transfer initiatives which enable local community members to develop a skill which they can leverage to live sustainably and independently.	Material	Yes	GRI 203-2 203-2 GRI 204-1 GRI 413-1 GRI 413-2 SASB 210																																																													
S2.4c	C	Percentage of the procurement budget used for significant locations of operation that is spent on local suppliers , noting the organisation's definitions of 'local' and for significant locations of operation.	% of spend	R4.7 billion (81%) of the R5.3 billion in procurement spend in 2023 was spent with suppliers based in South Africa. Significant efforts are being made to improve on reporting to allow more detailed spend breakdowns in local and doorstep community suppliers. Additionally, efforts are underway to identify and implement localisation of procurement spend with suppliers outside of South Africa.	Material	Yes	GRI 204-1																																																													
2.4d	L	Description (quantitative and qualitative) of the extent of significant infrastructure investment and services supported.	ZAR + description	Minimal progress was made in 2023 to report against this metric.	Not material	No	GRI 203-1																																																													
2.4e	L	Total monetary value of financial assistance received by the organisation from any government during the reporting period.	ZAR	The group does not receive monetary financial assistance from any government department.	Not material	No	GRI 201-4																																																													
S3 HEALTH AND SAFETY																																																																				
S3.1 Workplace health and safety																																																																				
S3.1a	C	Number and rate of fatalities as a result of a work-related injury or ill-health during the reporting period across the organisation; the disclosure should include both employees and workers who are not employees, but whose work and/or workplace is controlled by the organisation.	# and rate	<div>Refer to the Health, Safety and Wellbeing section on pages 56 - 57 under Social Performance.</div> <table><tr><th></th><th></th><th>2023</th><th>2022</th><th></th></tr><tr><td colspan="5">Health and Safety Incidents</td></tr><tr><td>Total work-related fatalities⁹</td><td>Number</td><td>1</td><td>0</td><td>S3.1a</td></tr><tr><td>Fatal injury frequency rate (FIFR)¹</td><td>Rate</td><td>0.01</td><td>0.00</td><td>S3.1a</td></tr><tr><td>Lost time injury frequency rate (LTIFR)²</td><td>Rate</td><td>0.98</td><td>1.04</td><td>S3.1b</td></tr><tr><td>Total recordable injury frequency rate (TRIFR)³</td><td>Rate</td><td>1.28</td><td>1.65</td><td>S3.1b</td></tr><tr><td>Total injury frequency rate (TIFR)⁴</td><td>Rate</td><td>4.70</td><td>7.31</td><td>S3.1b</td></tr><tr><td>Total number of employee/contractor/ service provider first aid cases⁵</td><td>Number</td><td>438</td><td>663</td><td>S3.1b</td></tr><tr><td>Total number of employee/contractor/ service provider medical treatment cases⁶</td><td>Number</td><td>37</td><td>71</td><td>S3.1b</td></tr><tr><td>Total number of employee/contractors/ service provider lost time injuries⁷</td><td>Number</td><td>125</td><td>122</td><td>S3.1b</td></tr><tr><td>Total number of employee/contractor/ service provider recordable injuries⁸</td><td>Number</td><td>163</td><td>193</td><td>S3.1b</td></tr><tr><td>Person hours worked</td><td>Number</td><td>25 561 051</td><td>23 412 557</td><td>S3.1b</td></tr></table>			2023	2022		Health and Safety Incidents					Total work-related fatalities ⁹	Number	1	0	S3.1a	Fatal injury frequency rate (FIFR) ¹	Rate	0.01	0.00	S3.1a	Lost time injury frequency rate (LTIFR) ²	Rate	0.98	1.04	S3.1b	Total recordable injury frequency rate (TRIFR) ³	Rate	1.28	1.65	S3.1b	Total injury frequency rate (TIFR) ⁴	Rate	4.70	7.31	S3.1b	Total number of employee/contractor/ service provider first aid cases ⁵	Number	438	663	S3.1b	Total number of employee/contractor/ service provider medical treatment cases ⁶	Number	37	71	S3.1b	Total number of employee/contractors/ service provider lost time injuries ⁷	Number	125	122	S3.1b	Total number of employee/contractor/ service provider recordable injuries ⁸	Number	163	193	S3.1b	Person hours worked	Number	25 561 051	23 412 557	S3.1b	Material	Yes	GRI 403-9 GRI 403-10 ESRS-S1-11 SASB 320	Maintaining strong safety and health standards can improve employee productivity and operational efficiency. Working proactively in these areas of business will help identify and mitigate risks and it is increasingly required by law.
		2023	2022																																																																	
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Lost time injury frequency rate (LTIFR) ²	Rate	0.98	1.04	S3.1b																																																																
Total recordable injury frequency rate (TRIFR) ³	Rate	1.28	1.65	S3.1b																																																																
Total injury frequency rate (TIFR) ⁴	Rate	4.70	7.31	S3.1b																																																																
Total number of employee/contractor/ service provider first aid cases ⁵	Number	438	663	S3.1b																																																																
Total number of employee/contractor/ service provider medical treatment cases ⁶	Number	37	71	S3.1b																																																																
Total number of employee/contractors/ service provider lost time injuries ⁷	Number	125	122	S3.1b																																																																
Total number of employee/contractor/ service provider recordable injuries ⁸	Number	163	193	S3.1b																																																																
Person hours worked	Number	25 561 051	23 412 557	S3.1b																																																																

1 FIFR is the frequency of fatalities resulting from a work injury or work-related disease/illness, i.e., the number of fatalities per 200 000 employee hours worked.

2 LTIFR is the frequency of LTIs, i.e., the number of LTIs per 200 000 employee hours worked.

3 TRIFR is the frequency of all reportable injuries (RIs) – inclusive of all fatalities, LTIs and medical treatment cases (MTCs) per 200 000 employee hours worked.

4 TIFR is the sum of all injuries (i.e., first aid cases (FACs), MTCs, LTIs and fatalities) per 200 000 employee hours worked, where the difference between TRIFR and TIFR is the addition of FACs.

5 Total number of employee, contractor and service provider injuries that only required first aid.

6 Total number of employee, contractor and service provider injuries that required treatment beyond first aid but did not result in lost time.

7 Total number of employee, contractor and service provider injuries that resulted in lost time beyond the day of the injury.

8 Total number of recordable employee, contractor and service provider injuries that resulted in medical treatment, lost time, or a fatality.

9 Total number of employee, contractor and service provider injuries that resulted in a fatality.

SOCIAL continued

Metric			Unit	Sun International's response	Material Not material	Disclosure	Other frameworks	Rationale
S3 HEALTH AND SAFETY continued								
S3.1 Workplace health and safety continued								
S3.1b	C	Number of recordable work-related injuries , and number of work-related illnesses or health conditions arising from exposure to work-related hazards during the reporting period; the disclosure should include both employees and workers who are not employees, but whose work and/or workplace is controlled by the organisation.	No / rate	Refer to the Health, Safety and Wellbeing section on page 57 under Social Performance.	Material	Yes	GRI 403-9 GRI 403-10 SASB 320	
S3.1c	L	An explanation of how the organisation facilitates workers' access to nonoccupational medical and healthcare services and the scope of access provided for employees and workers, and a description of any voluntary health promotion services and programmes offered to workers to address major non-work-related health risks, including the specific health risks addressed.	Description	All employees belong to either a registered medical aid scheme or health insurance to ensure that they have access to non-occupational healthcare services. Some of our properties also have on-site clinics due to the nature and size of their operations. These clinics provide employees with access to basic primary healthcare. Furthermore, the group has an employee wellness programme which provides all employees annually with a free health and lifestyle risk assessment (HRA) to detect non work related health risks, and provides counselling and testing where appropriate. Health risks commonly addressed during wellness interventions include: Human immunodeficiency virus (HIV), tuberculosis (TB), heart disease, stroke, diabetes, cancer, obesity, sleep, substance use, stress management and exercise.	Material	Yes	GRI 403-6	
S4 CUSTOMER RESPONSIBILITY								
S4.1 High Risk Products and services								
S4.1a	C	Description of products and services that present specific risks to individuals, communities or the environment; an outline of the nature of these risks and the measures taken to mitigate these.		<p>The company has implemented a responsible gambling policy that enables customers to exclude themselves from participating in gambling at specific gaming businesses or across the group. The company also gives effect to self-exclusion requests received from the provincial gambling boards. Also, the respective gaming employees are trained by the SARGF to identify problem gamblers.</p> <p>All gaming advertisements comply with national and provincial gambling legislation in respect of responsible gambling. In particular all gaming adverts contain a responsible gambling slogan and the toll-free contact details for the SARGF. Such adverts are placed within appropriate parameters from places where minors are mostly present.</p> <p>To add, all gaming properties offer responsible gambling brochures to the public, and player smart cards and Cashdesk profiles of excluded persons are deactivated. Excluded persons may only uplift their exclusion after receiving professional counselling and producing a certificate that they are capable of gambling responsibly.</p> <p>The company makes financial contributions of 0.01% of its gross gaming revenues towards funding the SARGF to provide counselling and in-patient treatment to problem gamblers and any person affected by problem gambling.</p>	Material	Yes	GRI 416-1 GRI 417-1 SASB 250 SASB 0 SASB 270	Disclosure should demonstrate how well an organisation manages the potential impact of its products or services on customers, its exposure to product recalls, and the strength of organisation policies, practices and procedures regarding supply chain, sourcing, and manufacturing compliance. Potential areas of concern include (but are not limited to) products and services associated with gambling, alcohol, tobacco, food and nutrition, medicines, breast milk substitutes, consumer finance, and retailing of processed foods and alcohol.
S4.1b	C	Number and nature of any product recalls.		This is not applicable to the group activities.	Not material	No	GRI 416-2 GRI 417-2 SASB 270	



ESG metrics

Sustainable Development Goals

Task Force on Climate-related Financial Disclosures (TCFD)

SASB index

SOCIAL continued

Metric			Unit	Sun International's response	Material Not material	Disclosure	Other frameworks	Rationale
S4 CUSTOMER RESPONSIBILITY continued								
S4.2 Product innovation								
S4.2a	C	Total research and development spend.		The group is in the process of transitioning from the current Bally gaming system to Playtech system. Total cost development is not available as the project is ongoing.	Material	No	Adapted from US GAAP ASC 730	Innovation is a significant contributor to ensuring longer-term prosperity. Total costs relating to R&D can be regarded as a basic indication of an organisation's efforts to innovate new products and services and be fit for the future. This can also provide insights into the capacity of the organisation to create new offerings and generate social or environmental benefits. The metric is a proxy to measure the effectiveness and productivity of an organisation's investments in innovation and serves as a primary metric for the maturity phase of innovation.
S4.2b	L	Total costs related to research and development aimed at enhancing social or environmental attributes of products and services.		Minimal progress was made in 2023 to report against this metric.	Not material	No	Adapted from US GAAP ASC 730	
S4.2c	L	Percentage of revenue from products and services designed to deliver specific social or environmental benefits or to address specific sustainability challenges; if the company applies a taxonomy or benchmark to label their activities as sustainable, they should report on the benchmark used and how they meet the criteria of the benchmark.		Minimal progress was made in 2023 to report against this metric.	Not material	No	Adapted from GRI (FiFS7 + FiFS8) and SASB FN0102-16.a, EPIC)	
S4.3 Customer data and privacy								
S4.3a	C	A description of the mechanisms and steps taken to ensure privacy of consumer data.		Mechanisms and steps already implemented have been noted below (at a high level): - Training and awareness relating to privacy best practices and the practical application of POPIA principles. - Development and monitoring of a Privacy CRMP as primary monitoring tool. - Completion of personal information inventories for all business processes (this included review of all related forms, notices, terms, etc. relating to each of these business areas). - Identification and risk rating of third parties who process personal information – followed by in-depth due diligence of high risk rated third parties. - High level review of the Sun International information security environment.	Material	Yes	GRI 418-1 SASB 230	With the world becoming increasingly digitised, and with many organisations having significant access to potentially sensitive data on customers, clients and/or consumers, there is a heightened need to safeguard consumers' rights of privacy by limiting the types of information gathered and the ways in which such information is obtained, used and secured. Increasing use of electronic communication (including for financial transactions), as well as growth in large-scale databases, raise concerns about how consumer privacy can be protected, particularly with regard to personally identifiable information.
S4.3b	C	Total number of substantiated complaints received concerning breaches of customer privacy (categorised by complaints received from outside parties and substantiated by the organisation, and complaints from regulatory bodies), and total number of identified leaks, thefts, or losses of customer data.		The group received zero substantiated complaints concerning breaches of customer privacy in 2023. As part of our process, unsubstantiated matters are regularly investigated.	Material	Yes	GRI 418-1 SASB 230	
S5 SUPPLY CHAIN								
S5.1 Supply chain (social)								
S5.1a	C	Description of the operations and suppliers considered to have a significant risk of child labour, forced or compulsory labour, or other significant actual and potential negative social impacts, given the type of operation, commodities, or geographic region, and the nature of the measures taken by the organisation intended to contribute to eliminating these risks.	Description	All suppliers or bids that have been awarded are subject to vetting process and all suppliers and bidders are required to sign general terms and conditions that covers all aspect ethical labour practices across the entire value chain and adhere with the group suppliers code of conduct.	Material	Yes	GRI 408-1 GRI 409-1 ESRS S2-2 ESRS S2-3 ESRS S2-5 SASB 430 SASB 440	All organisations have the responsibility to respect human rights, including within their sphere of influence. Delivering on this responsibility requires that organisations exercise due diligence to identify, prevent and address any actual or potential human rights impacts resulting from their activities or the activities of those with which they have relationships. Identifying, managing and disclosing these risks, helps to mitigate potential abuses, in the interests of the organisation, affected stakeholders and society at large.
S5.1b	C	The number and percentage of identified child labour or forced and compulsory labour incidents in its operations or value chain; and percentage of these where the reporting entity has played a role in securing remedy for those affected.	# and %	Minimal progress was made in 2023 to report against this metric. To be considered in the development of the sustainable supply chain framework.	Not material	No	SASB 440	
S5.1c	C	Report material matters across the supply chain: mechanisms (eg supplier screening, and audits) to identify and address significant actual and potential negative social impacts, nature of these impacts, and measures to address these.	Description	Minimal progress was made in 2023 to report against this metric. To be considered in the development of the sustainable supply chain framework.	Not material	No	GRI 414-1 GRI 414-2 ESRS S2-5 SASB 430 SASB 440	
S5.1d	C	% of products certified by external agencies, % of traceable origin.	%	Minimal progress was made in 2023 to report against this metric. To be considered in the development of the sustainable supply chain framework.	Not material	No	SASB 430	

GOVERNANCE

Metric			Unit	Sun International’s response	Material Not material	Disclosure	Other frameworks	Rationale
G1 BOARD COMPOSITION								
G1.1 Board Diversity								
G1.1	C	Composition of the board and its committees by race, gender, age group (<30, 30-50, >50) and, where relevant any under-represented social groups.	# and %	Refer to Board Overview Section pages 72 – 73.	Material	Yes	GRI 2-9 ESRS G1-1	The capabilities and perspectives of board members are important for making robust decisions. This disclosure captures a variety of important dimensions relating to composition, going beyond a single metric, and emphasises competencies relating to economic, environmental, and social G1.2 topics.
G1.2 Board competence								
G1.2	C	Description of the specific skills, competencies, and experience on the Board to address the organisation’s significant sustainability-related impacts, risks, and opportunities.	Description	Refer to Board of Directors Section page 83.	Material	Yes	GRI 2-9 ESRS G1-3	
G1.3 Board independence								
G1.3	C	Composition of the board regarding: executive or non-executive; independence; tenure on the governance body; and number and nature of each individual’s other significant positions and commitments.	# and %	Refer to Board Overview Section pages 72 – 73. - 60% independent and 40% non-independent. - 20% executive (CE and CFO) and 80% non-executive.	Material	Yes	GRI 2-9 ESRS G1-1	
G2 REMUNERATION								
G2.1 Remuneration practice								
G2.1	C	How the remuneration policies for board members and senior executives relate to their objectives and performance in relation to delivery of the organisation’s strategy and management of its impacts on people, the environment and the economy, noting the split between fixed pay and variable pay, and with variable pay split into short- and long-term incentives.	Description	Refer to Remuneration Report page 94.	Material	Yes	GRI 2-19 ESRS G1-6	The incentives provided to board members and senior executives, and the manner in which they are structured, can significantly reinforce or impede long-term value creation. Importantly, this disclosure requires the reporting organisation to explicitly address how its approach to remuneration relates to the organisation’s economic, environmental and social objectives.
G3 ETHICAL BEHAVIOUR								
G3.1 Anti-corruption								
G3.1a	C	Total percentage of governance body members, employees and business partners who have received training or awareness-raising on the organisation’s anti-corruption policies and procedures, broken down by employee category and region.	% Board members	The Sun International board, all subsidiary boards of gaming companies and their employees received training on anti-money laundering, terror financing and proliferation financing. All gaming employees receive refresher training annually.	Material	Yes	GRI 205-2 ESRS G2-5 SASB 510	Corruption undermines stakeholder legitimacy and trust; it is linked to misallocation of capital, environmental harm, human exploitation and unethical and illegal behaviour. Anti-corruption training and investment in initiatives to improve both operating environment and culture develop an organisation’s anti-corruption capabilities. The total number and nature of corruption incidents are a proxy for the effectiveness of an organisation’s overarching anti-corruption culture and capabilities.
G3.1b	C	Total number and nature of incidents of corruption confirmed during the current year, related to this year and previous years, with a description of the activities taken to address confirmed incidents, and of the outcomes of these activities.	# and description	Refer to Ethical leadership Section page 74. Description of the nature of incidents are provided while the quantity has not been reported.	Material	Yes	GRI 205-3 ESRS G2-3	
G3.1c	C	A description of: i) the internal and external grievance mechanisms (including whistle-blowing facilities) for reporting concerns about unethical or unlawful behaviour and lack of organisational integrity; ii) mechanisms for seeking advice about ethical and lawful behaviour and organisational integrity; and iii) the extent to which these various mechanisms have been used, and the outcomes of processes using these mechanisms.	# and description	Refer to Ethical leadership Section page 74. The ethics advice facilities and whistle-blowing hotline details are provided.	Material	Yes	GRI 2-25 GRI 2- GRI 205-3 ESRS G2-6 ESRS G2-7 SASB 510	
G3.1d	L	Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, to combat corruption.	Description	Refer to Ethical leadership Section page 74. The ethics management section describes how the group is embedding an ethical culture amongst employees.	Material	Yes	GRI 205 ESRS G2-3	

GOVERNANCE continued

Metric			Unit	Sun International’s response	Material Not material	Disclosure	Other frameworks	Rationale
G3 ETHICAL BEHAVIOUR continued								
G3.2 Lobbying and political contributions								
G3.2a	C	Total monetary value of financial and in-kind political contributions made directly and indirectly by the organisation, by country and recipient/ beneficiary.	ZAR, \$US or other currency	Minimal progress was made in 2023 to report against this metric.	Not material	No	GRI 415-1 ESRS G2-9	Consistency between an organisation’s activities related to lobbying and its publicly stated purpose and strategy is a core component of alignment on long-term objectives, which is essential for long-term value creation. Monitoring this consistency is an important element of overall transparency and the authentic pursuit of the organisation’s objectives.
G3.2b	C	Identify the significant issues that are the focus of the company’s participation in public policy development and lobbying, including within any business association that the company is a member of; describe the company’s strategy relevant to these areas of focus, identifying any differences between its lobbying positions and its purpose, policies, goals and other public positions.	Description	Where applicable,the company engaged as a member of CASA to make contributions in respect of comments regarding provincial and national legislation that impacted the casino industry. SunBet, a non-CASA member also submitted various comments in respect of proposed amendments to provincial legislation that affects the book making industry. In certain instances where comments were in respect of the companys’ own views, these were submitted to provincial government and regulatory authorities regarding proposed amendments.	Not material	No	GRI 415-1 ESRS G2-9	
G4 COMPLIANCE AND RISK MANAGEMENT								
G4.1 Incidents								
G4.1	C	Number and nature of significant environmental, social and/or governance related incidents during the reporting period, including incidents of legal non-compliance (whether under investigation, pending finalisation, or finalised) and directives, compliance notices, warnings or investigations, and any public controversies.	# and description	There were no known significant ESG related incidents for 2023.	Material	Yes	GRI 2-27 SASB 510 SASB 270	The number and nature of significant environmental, social and/or governance related incidents can be a proxy for the general effectiveness of an organisation’s overarching culture, management systems and capabilities, particularly when tracked over time.
G4.2 Fines and monetary loss								
G4.2	C	Total number and monetary value of fines, settlements, penalties, and other monetary loss suffered in relation to ESG incidents or breaches, including individual and total cost of the fines, settlements and penalties paid in relation to ESG incidents or breaches; and description of plans to address any incidents or breaches.	# / ZAR, \$US or other currency; and description	There were zero reported for 2023.	Material	Yes	GRI 2-27 SASB 510 SASB 270	







GOVERNANCE continued







Metric			Unit	Sun International’s response	Material Not material	Disclosure	Other frameworks	Rationale										
G5 TAX TRANSPARENCY																		
G5.1 Tax paid and estimated tax gap																		
G5.1a	C	A description of the organisation’s approach to tax, including: i) whether the organisation has a tax strategy and, if so, a link to this strategy if publicly available; ii) the governance body or executive-level position within the organisation that formally reviews and approves the tax strategy, and the frequency of this review; iii) how its approach to tax is linked to the business and sustainability strategies of the organisation.	Description	The Financial Operations Managers are responsible for its operations tax from a preparation and approval point of view. The organisation’s Group Tax function operates as a review function and oversees the Groups taxes. Furthermore, Group tax ensures that it keeps abreast with updates and amendments to tax legislation and ensures that this is implemented in the group where applicable. The internal and external auditors provide an assurance function.	Material	No	GRI 207-1	Reporting of total tax paid provides global information on the organisation’s contribution to governmental revenues. This disclosure provides information on the organisation’s global tax profile and on the various categories of taxes that support governmental functions and public benefits.										
G5.1b	C	For each tax jurisdiction: the total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes and other taxes that constitute costs to the company, by category of taxes.	ZAR, \$US or other currency	<table><tr><th>Tax type</th><th>R’million</th></tr><tr><td>Income Tax</td><td>498</td></tr><tr><td>VAT</td><td>703</td></tr><tr><td>PAYE</td><td>345</td></tr><tr><td>TOTAL</td><td>1 546</td></tr></table>	Tax type	R’million	Income Tax	498	VAT	703	PAYE	345	TOTAL	1 546	Not material	No	GRI 207-4	
Tax type	R’million																	
Income Tax	498																	
VAT	703																	
PAYE	345																	
TOTAL	1 546																	
G5.1c	L	Extent of exposure to countries and jurisdictions recognised for their corporate tax rate, tax transparency and tax haven status; estimated tax gap (gap between estimated effective tax rate and estimated statutory tax rate).		3.The group currently operates in South African and Nigeria. There is no tax gap.	Not material	No												

SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. Through the 17 SDGs they recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

Sun International originally identified six focus SDGs (SDG 4, 6, 8, 3, 5 and 12) depicted below in order of priority. Subsequently we have identified further SDGs which we believe are also important in our business and we can have a positive impact through our operations. These SDGs align with the group's strategy. Progress against these SDGs is regularly monitored by relevant board and management governance committees and reported on internally and externally. These prioritised goals may vary depending on changes in our business strategy or external environment.

SDG		Why it matters	Our response	 Page
	SDG 3 Good health and wellbeing	The health, safety and wellbeing of our employees, guests and communities is important to our business as they directly impact on our reputation and sustainability.	The group manages and monitors health and safety group-wide, protecting relevant stakeholders and maintaining legislative compliance. Our One Sun Wellness programme supports employees through various health and wellbeing measures/initiatives.	54, 55
	SDG 4 Quality education	Education is the foundation that ensures our employees have the ability to fulfill their duties in the workplace and attain personal goals. This educational foundation also positively impacts the economic and social health of our communities.	Sun International creates a learning culture and encourages employees to pursue their work and personal goals, through various training programmes and initiatives that are offered group-wide. Education is also one of the group's socio-economic development (SED) focus areas.	53, 62, 63, 64
	SDG 5 Gender equality	A work environment that has a diverse culture and rich heritage lends itself towards gender equality group-wide and ensures positive socio-economic outcomes.	Sun International embraces our diverse culture and rich heritage in our working environment. We continue to promote gender equality group-wide to ensure positive socio-economic outcomes. Our women empowerment strategy aims to identify and address challenges that women employees may be experiencing.	51
	SDG 6 Clean water and sanitation	Water is a critical and scarce resource that we are committed to using responsibly. We use this resource to provide pools, spas and exquisite landscapes as part of our memorable experience offered to our guests.	Water is a key focus area of our ENVIRO-AMBITION 2025 strategy. We continue to investigate additional sustainable water sources, to ensure we continue creating memorable guest experiences. All units implemented water metering in 2023 and Boardwalk completed the installation of a reverse osmosis plant, to secure water quality and supply.	42, 44
	SDG 7 Affordable and clean energy	Electricity supply is critical to Sun International's service offering and creating memorable customer experiences.	Sun International's alternative energy plan includes renewable energy solutions such as photovoltaic (PV) solar, battery storage and wheeling. These solutions also contribute positively to the world-wide climate change challenge.	42, 44

SDG		Why it matters	Our response	 Page
	SDG 8 Decent work and economic growth	Providing decent work in an all inclusive work environment promotes economic growth	Sun International's casinos and hotels and resorts provide employment and career opportunities to our workforce and supply chain, as well as training and development opportunities. Effective human rights management is embedded within Sun International.	48, 53
	SDG 10 Reduced inequalities	Providing equal opportunities to all employees fosters an inclusive and diverse workforce that leads to a working environment conducive to increased morale and innovation as well as improved customer service. This strategy also ensures a more sustainable, resilient, and ethical business environment.	Sun International, through various initiatives, continually strives to provide a work environment that ensures a culture of diversity, equity, inclusion and belonging.	49, 50, 51
	SDG 11 Sustainable cities and communities:	As a good corporate citizen Sun International appreciates that we have a direct impact on achieving a harmonious balance between economic growth and environmental stewardship.	We are committed to reducing our carbon footprint and improving resourcing efficiencies to promote a better quality of life for all, and to remain resilient in an ever-evolving operating environment.	42, 45
	SDG 12 Responsible consumption and production	Through our iconic and pristine resorts and hotels, we host many events and procure products and services that are consumed by our guests and waste is generated.	Sun International continues to improve its waste recycling rate and we are committed to assessing how to either eliminate a waste stream or transition to recyclable or biodegradable options.	42, 45, 46
	SDG 13 Climate action	Sun International appreciates that climate change presents a threat to the environment as well as the global economy and public health, which can impact business profits.	Our ENVIRO-AMBITION 2025 framework maps our journey towards being at the forefront of sustainable environmental management in the hospitality sector. We continue to take proactive steps in reducing our carbon emissions. We also acknowledge that energy solutions can open up new business/job opportunities in the green economy, and resonate with consumers, investors, and stakeholders who increasingly demand environmental stewardship.	42, 45

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

The following subsections provide a disclosure of Sun Internationals’ climate change information aligned to the TCFD recommendations.

GOVERNANCE

The following information outlines Sun International’s governance around climate-related risks and opportunities. The aim of these disclosures is to enable readers to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities.

GOVERNANCE DISCLOSURE – BOARD RESPONSIBILITY

Board of Directors

The primary responsibility of the board is to demonstrate effective and ethical leadership, exercising sound judgment in steering both the company and, by extension, the entire group toward sustainable growth for the benefit of all stakeholders. The board, through the audit and risk committees, considers the environmental (including climate-related), social, governance and financial risks and opportunities the group may face. It also seeks assurance of the risk committee chairman that the risks have been assessed and mitigations are in place by management.

Risk Committee

The risk committee chairman reports to the board following each meeting, in accordance with the committee’s terms of reference. From a climate-related issues perspective, the Group Environmental, Social and Governance (ESG) Manager attends and provides feedback to the risk committee based on the relevant ESG issues affecting the business. The committee’s mandate provides that material matters are reported to the group’s audit committee to ensure the committee has appropriate insight into the group’s material risks and opportunities and to avoid duplication of matters within the remit of both committees. Embracing ESG principals is one of Sun International’s material matters over which we have a medium level of control. During 2023, the risk committee was advised by the Group ESG of the new accounting standard IFRS S2 (effective from 1 July 2024) regarding disclosures around climate-related risks and will be assessing the impact and advising the committee in 2024 on the impact to the group from a reporting perspective.

Audit committee

The audit committee chairman is a member of the risk committee. The audit committee ensures an effective control environment is maintained by supporting the board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems and controls, risk management (that include material ESG matters and risks) and the integrity of financial statements and reporting. A future focus of the audit committee is to monitor accounting reporting standards, including IFRS S2 effective from 1 July 2024, in terms of disclosures relating to climate-related risks and opportunities that could affect cash flows.

Remuneration committee

The remuneration committee supervises the company’s compensation policies to assess if they pose risks that could reasonably or likely lead to a significant negative impact on the company. Our executive remuneration is linked to the company’s ESG performance and metrics.

Social and ethics committee

The social and ethics committee functions both as a statutory committee in line with its obligations under section 72(4) of the Companies Act and Regulation 43, and as a board committee, handling responsibilities outlined in its mandate and terms of reference. From a climate-related issues perspective, the Group ESG Manager attends and provides feedback to the committee based on the relevant issues affecting the business.

Committee roles and responsibilities include:

- Monitors the group’s performance in social, transformational, economic, and environmental aspects, as well as responsible gambling and the social impact on reputational risk.
- Reports on social, transformational, economic, and environmental progress to both the board and the group’s stakeholders.
- Oversees the group’s ethical behaviour, ensuring compliance with section 72(4), Regulation 43 of the Companies Act, and the JSE Listings Requirements.
- Monitors the group’s ten prioritised Sustainable Development Goals (SDGs).
- Assists the board in evaluating governance aspects related to the committee’s function and terms of reference.
- Ensures that Sun International maintains its commitment as a socially responsible corporate entity.
- Ensures that gaming promotions adhere to ethical and responsible standards.

GOVERNANCE DISCLOSURE – EXECUTIVE LEADERSHIP

Chief executive (CE)

Sun International recognises the importance of a comprehensive approach to responding to climate change. The Chief Executive is accountable for Sun International’s environmental management and environmental footprint reduction. The responsibility for climate related issues therefore lies with the company’s Chief Executive, who is instrumental in determining the strategic direction and objectives of the group, including the group’s environmental strategy which considers the risks and opportunities related to climate matters.

The Chief Executive is assisted in managing climate-matters on behalf of the board and various board committees (the Sun International Executive Committee, the social and ethics and risk committees).

Chief financial officer (CFO)

The Chief Financial Officer is assisted in managing budgets related to climate-matters on behalf of the board and various board committees (the Sun International Executive Committee, the social and ethics and risk committees).

Audit committee

The audit committee chairman is a member of the risk committee. The audit committee ensures an effective control environment is maintained by supporting the board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems and controls, risk management (that include material ESG matters and risks) and the integrity of financial statements and reporting. A future focus of the audit committee is to monitor accounting reporting standards, including IFRS S2 effective from 1 July 2024, in terms of disclosures relating to climate-related risks and opportunities that could affect cash flows.

Group ESG Manager

The Group ESG Manager is responsible for identifying and managing climate related issues and ensuring that the Board is adequately advised on potential issues that could affect the group operationally. The Group ESG Manager reports directly, with the support of the Chief Executive, to the Social and Ethics Committee and the Risk Committee. In addition, the Group ESG Manager reports to the Sun International Executive Committee.

STRATEGY

To demonstrate our commitment to Sun International’s ESG journey, we signed a R2.4 billion sustainability linked loan, the first in the South African hospitality sector. This loan aims to promote the achievement of key sustainability performance indicators (KPIs), to demonstrate Sun International’s commitment towards being a responsible corporate citizen and further cementing our position as an ESG leader in the South African travel and leisure industry. We have targets that align with our ENVIRO-AMBITION 2025 and enterprise and supplier development strategies, to address key environmental and social challenges faced within South Africa. These include reducing airspace in landfills and securing electricity supply.

Our ENVIRO-AMBITION 2025 focuses on carbon emissions, water, electricity, and waste. It maps our journey towards being at the forefront of sustainable environmental management in the hospitality sector and outlines our key performance indicators and mechanisms for realising our environmental ambition. Our strategy also inherently considers the United Nations’ SDGs.

The impacts of climate-related risks and opportunities on Sun International’s business, strategy, and financial planning are presented below.

Impact	Mitigation strategy
PHYSICAL CLIMATE RISKS	
Energy security	
Electricity supply is critical to Sun International’s service offering and creating memorable experiences for our customers. Electricity supply constraints persist due to natural disasters. The unavailability of electricity due to climate events and loadshedding results in increased diesel consumption and greenhouse gas emissions.	<ul style="list-style-type: none">To enhance energy security, bulk electricity meters have been installed across all units for effective monitoring.We have adopted a board-approved renewable energy strategy and alternate energy plan, committing R150 million to green energy projects. This includes a 1.6MW renewable energy solution at the Sun Central Centre, operational from August 2023, and a 1MW battery storage system to be installed at The Maslow in February 2024.We will investigate wheeling agreements for those operations supplied by the national electricity utilities provider (Eskom) and participating municipalities for supply in 2024.
Water security	
Water is a critical resource and key focus area of our ENVIRO-AMBITION 2025 strategy. While drought conditions in the Eastern Cape have somewhat eased, water scarcity throughout South Africa remains a risk. We are committed to using it responsibly. Natural disasters due to climate change pose a risk to water supply security to our business sites.	<ul style="list-style-type: none">A water solution is in place at Boardwalk Hotel – the unit installed a reverse osmosis plant, which can supply both the hotel and casino.To improve data collection our approach includes the installation of onsite water meters for real-time monitoring of bulk water withdrawal and monitoring of high-water consumption areas and our concessionaires.At Sun City, Wild Coast, Sibaya and GrandWest we recycle and reuse water. We will investigate the feasibility of implementing similar initiatives across the group.Going forward, the group will continue creating awareness around water-saving initiatives through environmental awareness and training programmes. With South Africa being a water-scarce country with water quality and supply concerns, we will be focusing on improving water efficiencies and, where feasible, identify alternative water supply or water reuse projects.

Impact	Mitigation strategy
TRANSITIONAL CLIMATE RISKS	
Emerging regulation	
Enhancing emissions-reporting obligations	The Climate Change Bill, introduced into Parliament in February 2022, aims to facilitate South Africa’s transition to a low-carbon and climate-resilient economy. Sun International will be affected by the bill’s provisions, including sectoral emission targets, listed greenhouse gases, and carbon budgets, as well as the phasing-down and phasing-out of synthetic greenhouse gas emissions. Compliance with these requirements will necessitate careful management of carbon emissions and energy consumption to mitigate risks and avoid penalties. Sun International will continue to align its climate change management strategies with the evolving regulatory landscape, awaiting further details to assess the full impact of the bill on its operations.
Technology risks: transitioning to lower emissions technology	
Increased capital expenditure	<p>With the ongoing electricity supply challenges from Eskom, alternative viable solutions are required for business to remain operational. In the context of Sun International, although all our units have on-site generators, the cost of power (diesel fuel) and to maintain them can increase over time with regular usage and have a negative carbon emissions impact on the environment. Generators represent a short-term solution to our electricity supply challenges however a more viable long-term solution is required.</p> <p>For Sun International, we commenced investigations into renewable energy to serve us as follows:</p> <ul style="list-style-type: none">Supplementing our electricity supply to reduce our dependence on Eskom or municipalities;Assisting the group with achieving our carbon emissions targets;Saving costs by i) reducing electricity costs and ii) reducing carbon tax liabilities; andImprove our reputation as a responsible corporate citizen. <p>When we considered the advancements in solar technology over the last decade, coupled with the rapidly declining costs of technology, we identify this as a viability solution for our operations. Technology for battery solution types and costs are becoming more competitive and prices are making storage solutions more viable which we will continue to investigate.</p>

In addition to the risks above, we have identified climate-related opportunities.

Impact	Mitigation strategy
CLIMATE-RELATED OPPORTUNITIES	
Resource Efficiency: Water sustainability enhancement	
The implementation of a purification plant at Boardwalk presents an opportunity to enhance water sustainability by supplementing the hotel and casino’s water supply with treated water, thereby reducing dependency on municipal water sources.	<p>This opportunity was realised in 2022 and with the approval of the water use license in 2023, the unit has secured water quality and supply with the ongoing water supply issues in Gqeberha.</p> <p>In 2024 we will be undertaking a mapping exercise to identify high-water risk areas for the group over the medium to long term to identify alternative water supply projects.</p>

STRATEGY CONTINUED

Scenarios

Scenario analysis is an effective tool for identifying climate change risks and vulnerabilities to aid in strategic planning for mitigation and adaptation efforts. A climate change scenario is a projection of potential future greenhouse gas emissions and associated climate conditions based on the best available science, estimates of aspects such as land use, governance and population, and constantly evolving modelling approaches.

A climate change scenario analysis was conducted in April 2023 to help Sun International manage the potential financial impacts of climate-related risks and inform the group’s business strategy. The STEEP analysis was used to consider the environmental, social, and economic factors that may affect Sun International’s business, including the impact of adverse weather events, civil stability and tension, community perspective, energy, sustainable travel, GDP, income distribution patterns, and disposable income.

Scenarios assessed	Time horizons
PHYSICAL	
STEEP Analysis (social, technology, economic, environmental, and political)	Current, 2030, 2050
SSP 1 - Sustainability (RCP 2.6)	Current, 2030, 2050
SSP 3 - Regional rivalry	Current, 2030, 2050
SSP 4 – Inequality (RCP 6.0)	Current, 2030, 2050
SSP 5 – Fossil-fuel development (RCP8.5)	Current, 2030, 2050

Scope covered	
SCOPE OF SCENARIOS	
Own operations	Included – 13 facilities (hotels and casinos)
Upstream and downstream activities	Included – supply chain and community
ADDITIONAL REFERENCE USED	
2023 CDP Climate Change and Water Response	Pg. 4, 8-10, 12-13,
2023 Integrated Annual Report	Pg 39-46
2023 Scenario Analysis Report	Pg. 21-36

RISK MANAGEMENT

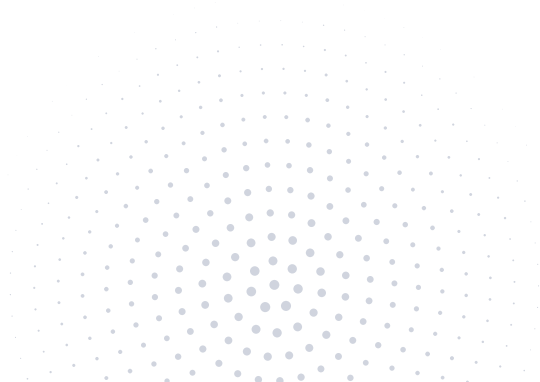
Sun International’s processes to identify, assess and manage climate change risks are presented below.

Assessment	Management
ENTERPRISE RISK MANAGEMENT	
Under the risk assessment component of the enterprise risk management (ERM) process, the focus lies on analysing and evaluating all identified climate related risks and opportunities.	The Sun International executive committee, supported by the risk and audit committees, ensures alignment and strategic direction for ESG risk and opportunities management and disclosure, which links to the organisation’s ERM process.
This involves determining their potential impact and likelihood, which then results in assigning inherent risk ratings to each identified risk. Additionally, the effectiveness of existing control measures is assessed to determine the group’s residual risk exposure.	The risk management aspect of the ERM process deals with responding to the assessed risks. It begins by determining whether further risk treatment is necessary based on the residual risk ratings. If required, detailed risk mitigation action plans are developed, often accompanied by quarterly status updates and contingency plans.
Strategic, financial, reputational, regulatory, environmental, social, and operational impacts on strategic objectives are considered during this assessment phase.	Opportunities for risk treatment are also identified and defined at this stage. Risks are assigned to designated risk owners who are responsible for implementing mitigation measures and ensuring continuous monitoring. These risk owners are held accountable for reporting progress. The ERM process is subject to continuous monitoring and review. A comprehensive review of the risk register, risk ratings, and mitigation measures is conducted before the final risk committee meeting for the year.

METRICS AND TARGETS

Our metrics and targets used to assess and manage relevant climate-related risks and opportunities are presented below.

Timeframe	Notes
CLIMATE-RELATED TARGETS DISCLOSURE	
15% reduction in absolute CO2e emissions by 2023	
2018– 2023	Our total carbon footprint reduced by 18% from 2022 to 2023.
Annual water reduction target	
2021– 2025	Total water withdrawals increased from 2022 - 2023 by 8%. This increase can be attributed to improved business operating conditions such as the opening of the Grand Hotel and the Lefika Villas, while at the same time we had infrastructural issues resulting in water leakages. In 2023, the group achieved a cumulative quantitative reduction target of 12% reduction against the 2019 baseline.
Annual electricity reduction target	
2021– 2025	Electricity consumption decreased by 5% in 2023.
Transition to renewable energy target	
2023– 2026	The group implemented a 1.6-Megawatt Peak plant at Sun Central at Sun City in August 2023. This contributed to a 0.6% transition.



SASB INDEX

As of August 2022, the International Sustainability Standards Board (ISSB) of the IFRS Foundation assumed responsibility for the Sustainability Accounting Standards Board (SASB) Standards. The disclosure topics and associated metrics contained in this Standard have been identified as those that are likely to be useful to investors. As part of Sun International’s ESG approach and reporting journey, we have included the SASB Standards as per the Casinos and Gaming and Hotels and Lodging Industry requirements. These metrics aim to assist the investment community to better understand our operations. The tables below contain our disclosure on the topics included in these standards.

Sustainability disclosure topics and metrics

ACTIVITY METRICS

	Unit of measure	2023	Code
Number of tables	Number	342	SV-CA-000.A
Number of slots	Number	9 344	SV-CA-000.B
Number of active online gaming customers ¹	Number	403 105	SV-CA-000.C
Total area of gaming floor	Square metres (m²)	46 074.8	SV-CA-000.D
Number of available room nights	Number	1 292 025	SV-HL-000.A
Average occupancy rate	Rate	71.2	SV-HL-000.B
Total Area of logging Facilities	Square metres (m²)	Zero – 0 m²	SV-HL-000.C
Number of logging Facilities and percentage that are: (1) Managed (2) owned and leased (3) Franchised	Percentage	Zero – 0 %	SV-HL-000.D

¹ **SV-CA-000.C** – The number of active customers shall be considered as the number for which there was at least one financial transaction (bet, deposit, withdraw) with real currency within the reporting period, where real currency is defined by the US. Financial Crimes Enforcement Network.

ENVIRONMENT

Topic	Accounting metrics	Unit of measure	2023	Code
Energy management	Total energy consumed	Gigajoules (GJ)	664 811	SV-CA-130a.1. & SV-HL-130a.1.
	Percentage grid electricity	Percentage (%)	99	SV-CA-130a.1. & SV-HL-130a.1.
	Percentage renewable	Percentage (%)	1	SV-CA-130a.1. & SV-HL-130a.1.
Water management	Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Percentage (%)	100% – South Africa	SV-HL-140a.1
Ecological impacts	Number of lodging facilities located in or near areas of protected conservation status or endangered species habitat	Number	2 – Wild Coast and Sun City	SV-HL-160a.1
	Description of environmental management policies and practices to preserve ecosystem services.	Discussion and analysis: Dedicated Safety Health Environmental (SHE) Officers are posted at each operation. They are trained professionals who oversee day-to-day operations to ensure they align with environmental regulations and standards. Implementation of environmental resource targets: These targets are set at the group level, representative of our overarching goals for environmental sustainability. The SHE officers are responsible for implementing these targets at the operations level. Support from environmental professionals at Group Level: Sun International ensures that expertise is available at a higher level to support the SHE officers and ensure that biodiversity conservation and environmental compliance are promoted effectively. Investigation of climate impacts and mitigation projects: The organization recognises the importance of understanding its climate impacts and takes proactive steps to mitigate or reduce its carbon footprint. This involves conducting assessments, implementing energy-saving measures, and investing in renewable energy sources. Continuous monitoring and site-specific environmental management plans: Given the proximity of certain operations to biodiversity conservation areas, Sun International has monitoring in place to assess and minimize any potential impact on the environment. Site-specific environmental management plans are developed at the relevant operations. Overall, our approach demonstrates a commitment to environmental stewardship and sustainability, with measures in place to ensure compliance, conservation, and continual improvement.		SV-HL-160a.2

ENVIRONMENT CONTINUED

Topic	Accounting metrics	Unit of measure	2023	Code
Labour practices	(1) Voluntary and (2) involuntary turnover rate for lodging / Hotel facility employees	Percentage (%)	(1) Voluntary turnover rate 8.03% (2) involuntary turnover rate 5.48%	SV-HL-310a.1
	Total amount of monetary losses due to legal proceedings associated with labour law violations	Rand value	None for 2023	SV-HL-310a.2
	Average hourly wage Hotel / lodging Employees	Rand value	R46.32, with none on or below the R25.42 minimum	SV-HL-310a.3
	Percentage of lodging facility employees earning minimum wage, by region.	Percentage (%)	Eastern Cape: 11% Free State: 0.46% Gauteng: 18% KwaZulu-Natal: 8% Limpopo: 0.13% Northern Cape: 1% North West: 42% Western Cape: 20%	SV-HL-310a.3
	Description of policies and programmes to prevent worker harassment.	Discussion and analysis: Sun International continues to uphold the principles and guidelines as set out in its policy on the prevention of harassment at work. This policy defines harassment, sets out the criteria to test for existence of harassment and provides for reporting procedures. The company takes a proactive approach by conducting surveys and continually raising awareness on harassment and the prevention thereof.		SV-HL-310a.4
Climate change adaptation	Number of Hotel / lodging facilities located in 100-year flood zones	Number	Zero	SV-HL-450a.1

SOCIAL

Topic	Accounting metrics	Unit of measure	2023	Code
Responsible gambling	Percentage of gaming facilities implementing the Responsible Gambling Index	Responsible Gambling Index is N/A in the South African Context.	As a prominent player in the gaming and hospitality sectors, Sun International recognises the paramount importance of fostering a culture of responsible gambling. Page 73 and 89 of the IAR details our approach to responsible gambling.	SV-CA-260a.1
	Percentage of online gaming operations that implement the National Council on Problem Gambling (NCPG) Internet Responsible Gambling Standards	N/A. In South Africa it is critically that Sun International fully supports responsible gambling through the South African National Responsible Gambling Programme (NRGP) in all physical and online operations.	Contributed about R6.3 million towards the National Responsible Gambling Programme	SV-CA-260a.1
Smoke-free casinos	Percentage of gaming floor where smoking is allowed	Percentage (%) of gaming floor area	25% of the total gaming floor	SV-CA-320a.1
	Percentage of gaming staff who work in areas where smoking is allowed	Percentage (%) of man-hours	21% are gaming staff work in the smoking environment.	SV-CA-320a.1

GOVERNANCE

Topic	Accounting metrics	Unit of measure	2023	Code
Internal controls on money laundering	Description of anti-money laundering policies and practices	n/a	Refer to page 72 - Ethics Management.	SV-CA-510a.1
	Total amount of monetary losses as a result of legal proceedings associated with money laundering	R million	This information was not available for 2023.	SV-CA-510a.2

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SUN INTERNATIONAL LIMITED

**Incorporated in the Republic of
South Africa**

Registration number: 1967/007528/06

JSE share code: SUI

ISIN: ZAE000097580

LEI: 378900835F180983C60

SPONSOR

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- Investec Bank Limited
- Nedbank Limited
- FirstRand Bank Limited
- Standard Bank of South Africa Limited

Institutions

- Sanlam

Transactional bankers

- Nedbank Limited
- Standard Bank of South Africa Limited
- ABSA Bank Limited
- Investec Bank Limited

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(Incorporated in the
Republic of South Africa)

Registration number:
1967/007528/06

Share code: SUI

ISIN: ZAE 000097580

LEI: 378900835F180983C60

("Sun International" or "the company")

www.suninternational.com



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