Integrated report

for the year ended 31 December 2024

ENTER

Love Every Moment | Sun International

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

CAPITALS

- Financial
- Productive
- Human
- Intellectual
- Social and relationship
- Natural

STRATEGIC OBJECTIVES

- People and culture
- Operational excellence and efficiencies
- Customer centricity
- Maximise shareholder value
- ESG

STAKEHOLDERS

- Employees
- Customers, guests and site owners
- Partners, suppliers, service providers, contractors and concessionaires
- Communities
- Investor community
- Gambling boards
- Regulators and industry bodies

The Sun International **Integrated Report 2024**

Founded in 1967, Sun International pioneered gaming in southern Africa when it introduced casinos in the late 1970s. Today, we own and operate various gaming operations and hotel and resort properties in South Africa and provide management services. Our diverse assets include modern, well-located urban casinos, an online betting business, limited payout machines and world-class hotels and premier resorts, which offer unique adventures in luxury destinations complemented by superior personal service.

We maintain a listing on the main board of the Johannesburg Stock Exchange (JSE), with a secondary listing on the A2X Markets.

Delivering on our purpose

Value creation

Driven and inspired by our purpose to ensure our guests love every moment, deliver shareholder returns and create value for all our stakeholders, we are focused on becoming South Africa's leading omnichannel gaming and leisure group and achieving greater scale by responsibly growing our land-based and online gaming businesses. To maximise shareholder value, we prioritise increasing our free cash flows and employing a disciplined approach to capital allocation.

Our commitment to doing business sustainably, reflected in our strategic objective, environmental, social, and governance (ESG), is integral to our ability to create sustainable enterprise value in the short, medium, and long term. Sun International is committed to contributing to the United Nations Sustainable Development Goals (UN SDGs). We have identified 10 of the goals to which we can make a meaningful contribution. (Refer to pages 54, 56, 59)

Sun International recognises its ethical and social responsibility to address addictive behaviour by promoting responsible gambling (Refer to page 8) through our investment in the National Responsible Gambling Programme (NRGP) and the many measures we take at our land-based and online gaming sites, including the responsible gambling training provided to our gaming employees and our self-exclusion programme. The social and ethics committee oversees our compliance with the National Gambling Act 7 of 2004 (the Act) and the various provincial licencing authorities.

Rewarding employment

We operate in a competitive service-oriented industry. Our people and our Sunway culture are at the heart of our business. They make it possible for Sun International to achieve its strategy and create and deliver stakeholder value by delivering an exceptional customer experience.

Creating value for the communities in which we operate

A crucial part of our contribution to these communities' sustainability and UN SDG 8, Decent Work and Economic Growth, is our ability to offer local community members employment in our operations. Through local procurement, we contribute to the sustainability of the communities in which we operate (Refer to page 59). The ongoing support we provide communities, focusing on enhancing the quality of education, creates value by better equipping community members for decent employment. (ESG report.)

Forward-looking statements

This report may contain certain forward-looking statements other than those 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 that could cause uncertainty and unexpected changes that have not, and could not, been 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 of the date that they are made. The actual results may vary materially from those expressed or implied, and the company undertakes no obligation to update or alter these publicly or to release revisions after this report's publication date.

About **our report**

Sun International's integrated report, our primary report to stakeholders, is published annually and covers the period from 1 January 2024 to 31 December 2024. It provides insight into how our purpose drives our strategy, approach to value creation, stakeholder engagement and prospects for creating value in the medium to long term. It also demonstrates why Sun International's potential for scale, sustained growth and returns makes it a compelling investment opportunity.

Investment proposition page 15

Information on anything material that occurred after 31 December 2024 and up to the date our board approved this report has also been included in this report.

Our integrated report is supplemented by the environmental, social and governance, remuneration, and social and ethics committee reports and the group-audited consolidated financial statements.

Our integrated reporting process

Our reporting begins with a materiality identification process that informs the report's content. It is overseen by our Executive Committee (Exco), prepared using groupwide collaboration, and approved by the Sun International Board. During the drafting process, the heads of various functions and Exco reviewed the content and provided the reporting team with feedback, which was included in the proof circulated to all board members. A revised version of the integrated report was prepared based on input received from the board, which was reviewed by the board committees, who recommended the report for approval by the board at the board meeting on 14 March 2025.

The reporting frameworks applied in the preparation of our report

Our integrated reporting is guided by the:

- Principles and requirements of the International Integrated Reporting Framework (2021)
- The Casinos and gaming, hotels and lodging and restaurants standards of the Sustainability Accounting Standards Board (SASB)
- JSE's Sustainability and Climate Disclosure Guidance
- Global Reporting Initiative's (GRI) Standards

Adheres to the:

- Companies Act 71 of 2008, as amended (Companies Act)
- JSE Listings Requirements
- Principles of the King IV Report on Corporate Governance for South Africa, 2016 (King IV™*)
- International Financial Reporting Standards (IFRS)

Providing information required by the readers for whom this report has been prepared

Our reporting is intended to provide the information that the investor community and debt providers require to make an informed assessment of our performance in terms of creating, sustaining or eroding value during the year under review. It also provides information on what our performance is likely to be in the medium to long term. We also aim to provide information relevant to our other key stakeholders, including our employees, customers, government, regulators and society.

Our report addresses Sun International's financial and non-financial aspects at group level. It also includes information about our operations and the key functions over which we exercise control.

Published annually, our integrated report provides material information on our strategy, business model, operating context, operational performance from 1 January 2024 to 31 December 2024, stakeholder relationships, governance, material matters, and the risks and opportunities they create. It also provides information on the business's prospects. Information on anything material that occurred after 31 December 2024 and up to the date our board approved this report has also been included.

Ensuring the integrity of our report

We use a combined assurance model to ensure the information we provide and our underlying processes support the credibility and integrity of our reporting. Execution of our assurance plan includes assurance obtained from management and our internal and external assurance providers. Our external auditors, Deloitte & Touche, audited our consolidated annual financial statements. IBIS ESG Consulting Africa Proprietary Limited provided a moderate level of assurance on selected sustainability information included in this report and our ESG report.

ESG report

The execution of our assurance plan and our reporting are monitored by the audit committee, which is responsible for annually assuring the board that the assurance plan has been executed. The group's financial, operating, compliance and risk management controls are assessed by the internal audit function and overseen by the audit committee. The audit committee has provided feedback on its progress.

This information can be found in our annual financial statements at **http//corporate.suninternational.com/investors**

Materiality determination

Double materiality

We have adopted a double materiality approach to identify and prioritise information on the group's economic value creation that benefits the investor community (inward-focused Financial materiality) and its impact on society, communities, and the environment (outward-focused Impact materiality).

A matter is material if it can significantly affect our ability to create or preserve value over the short, medium and long term. Our material matters are determined through our materiality determination process.

Our material matters and the risks and opportunities they create on page 24

Feedback

We value your feedback. We need to know whether we are providing you with the required information. Please send us your feedback at Nwabisa. Titus@suninternational.com.

Integrated reporting boundary

Sun International Limited

- Our business strategy
- Our operating environment
- Material matters, Enterprise risk management
- Stakeholder engagement
  - Employees
  - Customers
  - Partners, suppliers, service providers, contractors and concessionaires
  - Communities
  - Investor community
  - Gambling boards and other regulators
  - Industry bodies
  - Site owners

Financial reporting boundary
Aligns with our financial statements reporting boundary

Combined assurance

We use a combined assurance model to ensure the information we provide and our underlying processes support the credibility and integrity of our reporting. The audit and risk committees monitor the execution of our combined assurance plan and report to the board quarterly and to shareholders annually in our annual financial statements.

Type of assurance provided on our integrated report

- Auditing of our annual financial statements
- Material sustainability information
- Financial, operational, compliance and risk management controls

Assurance providers and assurance functions

- External auditors, Deloitte & Touche
- IBIS ESG Consulting Africa Proprietary Limited
- Internal Audit function overseen by the audit and risk committees

Reporting suite

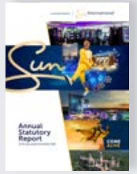
All the reports listed below are available online at **https://corporate.suninternational.com/investors/investors-results-reports/**

Integrated Report 2024

ESG Report 2024

Remuneration Report 2024

Annual Financial Statements 2024



Annual Statutory Report 2024

Who **we are**

Our purpose

To create great memories for our customers, offer rewarding employment for our people, deliver shareholder returns and create value for all our stakeholders, including the communities in which we operate

Our vision/ambition

To be an internationally recognised and respected gaming and hospitality group

Values

Teamwork

Treating each other with respect and working together to create memorable experiences

Customer first

- Putting the customer at the heart of everything we do
- Exceeding customer expectations every time

Passion

- Inspiring each other with a positive attitude and energy
- Striving to be the best

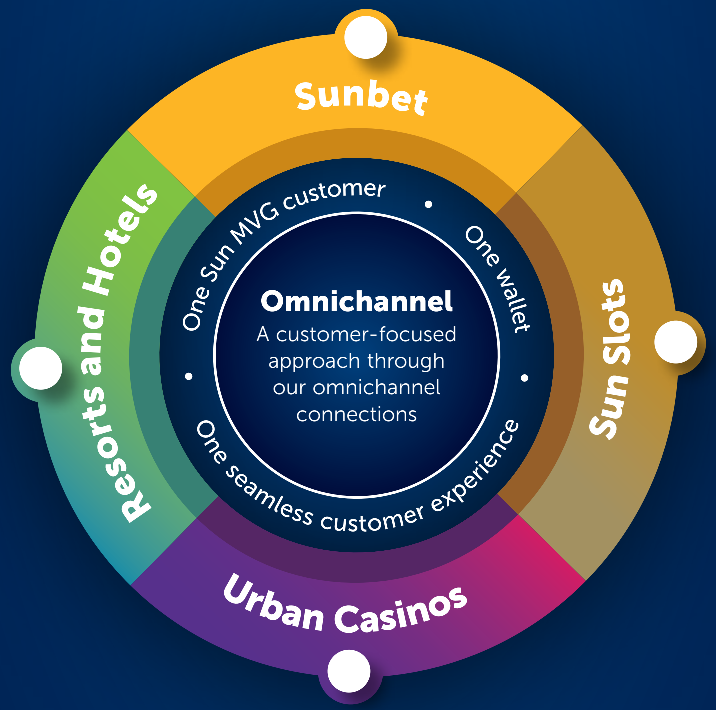
Professionalism

- Using skills and competence to provide the highest standards of work
- Providing ethical conduct at all times

Our business

Omnichannel connections

To deliver on our customer-centric approach, we offer customers an omnichannel experience. Our customers can access our casinos, online gaming, restaurant bookings, room service, hotel reservations, events, and retail through our app, websites and properties.



23 (2023: 18)
GAMBLING LICENCES

11 (2023: 11)
LAND-BASED CASINO LICENCES

6 (2023: 6)
SUN SLOTS ROUTE OPERATORS

6 (2023: 1)
THREE SUNBET BOOKMAKER LICENCES IN SOUTH AFRICA AND THREE BOOKMAKER LICENCES INTERNATIONALLY

SLOTS
9 035
(2023: 9 289)

LIMITED PAYOUT MACHINES (LPMs)
5 209
(2023: 5 233)

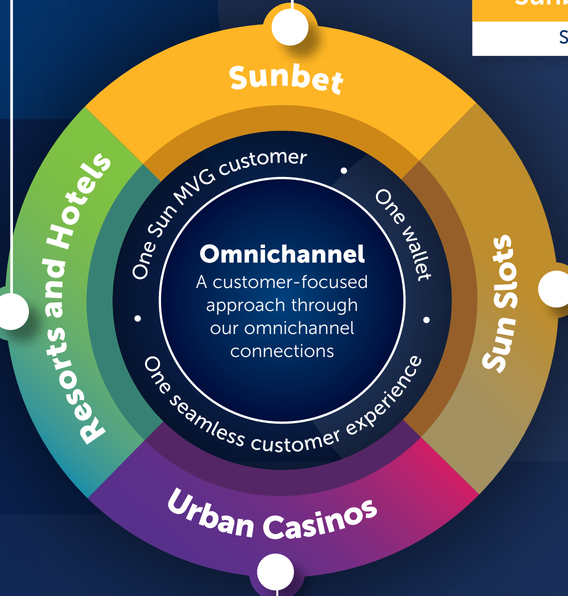
TABLES
308
(2023: 336)

ROOMS
3 189
(2023: 3 189)

VACATION CLUB UNITS
442
(2023: 442)

7 057
OF OUR PEOPLE (2023: 7 246) ARE DRIVING OUR BUSINESS THROUGH THEIR COMMITMENT TO DELIVERING SEAMLESS, SUPERIOR SERVICE

What we **own and operate**



Sun International management
100%

Resorts and Hotels

The Maslow Sandton (Hotel)
100%*
R166 million
281 rooms
GAUTENG

Sun City (Resort)
100%* | R2.0 billion
600 slots | 32 tables | 1 287 rooms
NORTH WEST

The Table Bay Hotel# (Hotel)
61.6%*
R506 million
329 rooms
WESTERN CAPE

Wild Coast Sun (Resort)
50.1%* | R582 million
500 slots | 17 tables | 396 rooms
EASTERN CAPE

Sunbet
100%* R1.2 billion
SOUTH AFRICA AND BOTSWANA

Sun Slots
70%* R1.4 billion

	LPMs	Sites
GAUTENG	1 476	242
WESTERN CAPE	1 126	243
KWAZULU-NATAL	1 744	309
MPUMALANGA	863	185

Urban Casinos

	Carnival City	Time Square	GrandWest	Golden Valley	Sibaya	Boardwalk	Flamingo	Windmill	Meropa
Economic interest	91.2%*	96.5%*	61.6%*	61.4%*	87.2%*	76.2%*	71.4%*	70.0%*	67.6%
Income	R816 million	R1.4 billion	R2.0 billion	R118 million	R1.3 billion	R547 million	R104 million	R163 million	R224 million
Slots	1 100	1 550	2 260	197	1 207	700	250	332	339
Tables	37	54	52	4	54	21	7	12	18
Rooms	105	238	103	98	154	140			58
Province	GAUTENG	GAUTENG	WESTERN CAPE	WESTERN CAPE	KWAZULU-NATAL	EASTERN CAPE	NORTHERN CAPE	FREE STATE	LIMPOPO

Key:
- Hotel
- Tables
- Economic interest
- Income
- Resort
- Slots
- Rooms
- LPMs
- Sites

* Excludes the Sun International Employee Share Trust (SIEST) interest. # The Table Bay closed on 1 March 2025 and will reopen in December 2025 as the Intercontinental Table Bay, managed and operated by Sun International.

How we create value
by delivering on our purpose

In this section of the report, we review what value we have been able to create and preserve for our stakeholders through our focus on delivering on our purpose.

Value we create and preserve

Employees

Our employees make it possible for the group to achieve its strategic objectives in a competitive service-oriented industry

- Our investment in learning and development and our talent management programme create career opportunities for our employees
- Our drive to achieve diversity, equity, inclusion and belonging is an important step in creating value for our people from previously disadvantaged backgrounds
- Employee wellness and providing a work environment that promotes a balanced and healthy lifestyle and where we stand firm against all forms of gender-based violence and abuse is a crucial part of how we create and preserve employee value

Investor community

The financial capital available to Sun International includes the equity from shareholders and the funding available from debt providers

- Dividends and share price appreciation
- Cash flow generation
- Value accretive capital allocation
- Operating within our risk appetite and risk tolerance limits
- ESG practices that ensure the sustainability of our business in the long term
- Accurate and timeous reporting

Our customers and guests

- **To deliver on our purpose of creating great memories for our customers we put them at the heart of everything we do**
- **The group believes that it is our duty as a responsible corporate citizen to support and promote responsible gambling with our customers**

- Our iconic urban casinos, resorts and hotels and our focus on service excellence offer our guests value in the form of memorable experiences
- Our gaming clients enjoy loyalty rewards and VIP treatment
- The group believes that it is our duty as a responsible corporate citizen to support and promote responsible gambling, which includes contributing >R7 million to the NRGP in 2024 and a range of online and onsite activities

Society

- **To deliver on our purpose of creating value for all our stakeholders including the communities we operate in we focus on meeting and where possible exceeding our investment in socio-economic development**
- **We have a social responsibility to address our impact on climate change and the impact of climate change on the communities in which we operate**

- Our investment in education gives the children in our communities the opportunity to find rewarding careers
- We create value in the communities in which we operate through our local procurement and enterprise and supplier development
- The group invested R105 million in 2024 to yield 4.9 MWh of solar power and is committed to increasing its renewable energy

Government and regulators

- **The taxes we pay and those paid by our employees contributed to the government's capacity for economic and social development**
- **Compliance with legislation and regulations and ensuring we have good corporate governance in place, protects our licence to operate and our social licence. It also protects our reputation**

- By paying our taxes we create financial value that the government can convert into social value
- By complying with legislation and regulations and establishing a robust system of corporate governance we protect our licences to operate, and we preserve value. Through preserving value, we make it possible to create value

Our pioneering approach to **responsible gambling**

Sun International regards our support and promotion of responsible gambling as a vital aspect of our role as an ethical and responsible corporate citizen.

In May 2000, Sun International launched its responsible gambling programme, the first of its kind in South Africa. It included a national toll-free helpline, counselling and treatment for problem gamblers (an international industry first), a public education campaign, and a research programme that monitored gambling trends in the country. At the time of its launch, the programme was based on the latest international insights regarding problem gambling. Sun International's investment in the programme exceeded that of any comparable operator in the United States and Australian gambling industries.

The research programme was necessary to understand the extent and severity of the problem in South Africa. Professor Peter Collins, director of the National Centre for the Study of Gambling, led a group that monitored trends in gambling behaviour countrywide and the latest international developments. The aim was to use the research to inform how best to approach and deal with the phenomenon of problem gambling in South Africa.

In November 2000, the Gold Reef City Casino and the Caledon Spa Casino joined the programme.

In 2002, Chris Fismer, South Africa's National Gambling Board chairperson, was elected vice chairman of the international body that represents regulators in more than 50 jurisdictions and countries around the world. His election was an endorsement from the international community of our gambling policy, legislative model, and tightly controlled regulatory environment.

Today, the programme is known as the National Responsible Gambling Programme and it is a crucial part of the work done by the South African Responsible Gambling Foundation (SARGF).

The National Responsible Gambling Programme (NRGP)

On a national level, our commitment to responsible gambling includes our annual contribution to the SARGF, of which Sun International is a founding member. In 2024, our contribution exceeded R7 million for our casinos, sports betting, and limited payout machines (LPMs). SARGF, a public-private initiative involving government gambling regulators and the South African gambling industry, is funded by industry contributions and receives public grants for specific special projects and provincial responsible gambling interventions and programmes.

The NRGP is a crucial part of the work done by the SARGF to address problem gambling through a programme that integrates education, research and treatment.

Customer protection

Our efforts to protect our customers include promoting responsible gambling through a variety of communications displayed prominently at all our gambling properties and sites. Our surveillance and security departments continually scan gaming areas for problem gamblers and minors. If identified, they are warned and removed from the gaming areas. Before applicants can register for a Sun International MVG card, their age is verified, and a copy of their identity document is retained. Our gaming employees receive responsible gambling training from the NRGP, which includes how to identify possible problem gamblers.

The Time Square Casino received a gold award from the SARGF at its 20th anniversary celebration in recognition of the casino's innovative use of facial recognition cameras and surveillance technology to identify self-excluded people. The group has taken a phased approach to implementing this system across its casinos. In addition, the group is exploring systems to enhance its current transaction monitoring and our ability to detect players who may have a gambling problem.

We worked closely with innovative service providers in the surveillance industry to set up facial recognition cameras at the entrances to the casino floors. These cameras can identify anyone who may be a minor. The casino's surveillance team is automatically alerted to a potential identification, and members of our security team and management are immediately dispatched to address a possible attempted illegal entry to the casino. This system has been successfully trialled at the Sun City Casino and will be phased in throughout the group's casinos.

Various tools are employed online to ensure minors do not access our systems. These include identity verification checks during sign-up and, more recently, facial recognition software to confirm the user's identity against the chosen form of identification. For player protection, we offer a range of tools to discourage irresponsible behaviour, including deposit limits, various stop-loss limits, 'Take a Break', and 'Self-Exclusion'. AI software is now available to accurately monitor changes in player behaviour, providing early indicators of irresponsible gambling, and Sunbet is currently at an advanced stage of evaluating these technologies.

Sunbet research into best practices

Sunbet commissioned research to review its player protection standards, not only for compliance with local legislation but also in relation to broader, global standards. This report made several recommendations regarding improvements in responsible gambling identification and tools, responsible marketing, including how Sunbet is represented on the web, the effectiveness of its anti-money laundering controls, and the countering of terrorist financing. These recommendations are being implemented and updated as standards and technology evolve.

In support of responsible gambling

Sun International offers a self-exclusion programme for problem gamblers. Anyone experiencing gambling issues can exclude themselves from gambling at specific or all Sun International operations, as well as with all operators nationally. A self-excluded individual is removed from our marketing mailing list. They do not receive any gambling-related communications; their MVG cards and online profiles are deactivated, and their cash desk profile is blocked. If someone wishes to uplift their self-exclusion status with Sun International, they must attend professional counselling sessions through the NRGP and will only be reinstated once Sun International receives a letter from a qualified psychologist or psychiatrist confirming it is appropriate to restore their status. Reinstatements are only considered after a minimum of six months from the date of exclusion.

Responsible marketing

Our marketing approach reflects our commitment to promoting a responsible attitude to gambling and protecting children, young people, and vulnerable individuals. When we prepare to launch a new marketing campaign, we send it to the relevant provincial regulator for approval where relevant. Our gambling-related advertisements comply with stringent responsible gambling requirements set out in national and provincial gambling legislation. Sunbet commits a proportion of its advertising budget to promoting responsible gambling awareness.

SAM SITHOLE
Chairman

Chairman's message

I am pleased to report that Sun International continues to deliver on its strategy to achieve greater scale by responsibly growing its gaming income, increasing its free cash flow, and practising disciplined capital allocation to maximise stakeholder value. By leveraging the advantages our gaming operations, hotels, and iconic resort properties provide, our omnichannel strategy positions us well to become South Africa's leading omnichannel gaming and leisure group, delivering sustainable enterprise value over the long term.

Focus on responsible gaming

The growth of online gaming, propelled by technology, shifting social attitudes, and factors such as load-shedding diverting players from physical venues, necessitates an increased focus on compliance monitoring. The group invests in education, research, and treatment programmes through the South African Responsible Gambling Foundation. Our online gaming business, Sunbet, examines best practices to guide its ongoing review of regulations and legislation affecting the gaming industry, while balancing growth with robust responsible gaming practices to safeguard our consumers. We have also collaborated closely with service providers to advance surveillance technology that upholds responsible gambling practices among our customers, as detailed in our responsible gambling and responsible marketing report. We will remain vigilant regarding the country's proposed amendments to the regulatory framework as we await further clarity on the gambling bills previously tabled in Parliament (the National Gambling Amendment Bill and the Remote Gambling Bill (2022)). Building trust is essential for us as operators, and our transparent terms and conditions, combined with the simplicity of our infrastructure, ensure we provide responsible access.

We remain mindful of our responsibility as good corporate citizens as we navigate an increasingly vulnerable digital environment. In line with our focus on maximising shareholder value, we work closely with our regulators and the rest of the industry to improve our systems and processes.

Our strategy continues to create value

The company has consistently demonstrated resilience and innovation, navigating challenges and seizing opportunities to drive growth. This year, we have achieved significant milestones in expanding our online gaming business, enhancing our omnichannel offerings, and improving operational efficiencies. These accomplishments have strengthened our competitive position and delivered robust financial performance. The group grew its income from its continuing operations to R12.6 billion, up 5.1% from the prior year.

A key pillar of our success is strengthening our balance sheet, which affords us the financial stability to invest in future growth opportunities and navigate economic uncertainties. Furthermore, our emphasis on operational excellence has empowered us to maintain sustainable margins, ensuring we can keep delivering value to our shareholders.

Sun International's ability to execute its strategy was aided by the remarkable growth in online gaming in South Africa. Although gambling growth in South Africa has increasingly shifted to online platforms over the past few years, we have achieved commendable results from our land-based casinos, resorts, and limited payout machine (LPM) operations.

The group's urban casino business continued to demonstrate resilience, upholding its strategy of delivering operational efficiency and margin improvements to generate strong cash flows. The business recorded flat income at R6.7 billion, as the smaller regional casinos reflect the economic challenges prevalent in their areas. Our urban casinos continue to defend their market share, concentrating on product alignment and leveraging technology to enhance customer experience.

Sunbet has once again achieved impressive income growth, surpassing last year's figures by 60.6% to reach R1.2 billion, driven by an increase in online slots and live games as the business concentrated on providing a premium gaming experience. Sunbet is among the country's fastest-growing online gaming operations, with new customer registrations rising by 44%. The benefits of a new website, an exciting suite of games, and the launch of the Sunbet app have enhanced its growth. The business continues to pursue market expansion in selected regulated markets, having acquired a licence in Botswana for both retail and online offerings in December 2024.

Our LPM business, Sun Slots, reported a 3.1% decline in gross gaming income to R1.4 billion, while managing an improved adjusted EBITDA margin of 24.1%. This business remains a key part of our gaming offering in a demographic distinct from the group's broader portfolio, holding a 51.2% share of the LPM market in the provinces where it operates. Key site closures have impacted Sun Slots, as the industry has not yet fully recovered from load-shedding and a constrained customer base. However, Sun Slots continues to generate attractive returns as it defends and acquires key sites, implementing cost optimisation and improved machine deployment as part of its mitigation plans.

Our resorts and hotels delivered an impressive 7.6% revenue growth to R3.3 billion, reflecting the benefits of investing in these iconic properties over the years. Our iconic resorts, Sun City and The Wild Coast Sun, benefited from the continued increase in domestic leisure, conferencing, and international travel. The profitability improvement at Sun City and Wild Coast was particularly noteworthy during 2024, as these resorts contributed positive cash flows.

The group has also achieved a remarkable portfolio review and optimisation over the past three years. The fulfilment and payment of the first of the Chile earnouts, along with the closure of the Nigerian business, are further testaments to the strategic gains that the Company has made.

We have also conducted oversight of the group's ambition to expand its gaming assets and increase scale inorganically through the proposed acquisition of the Peermont group. The board continues to exercise oversight over the proposed transaction while maintaining focus on that which is in our control such as overseeing the execution of our omnichannel strategy and leveraging all the group's assets to meet the needs of our customers.

Creating sustainable value for all our stakeholders

Our purpose and strategy align with maximising stakeholder value by prioritising the increase of free cash flows and exercising disciplined capital allocation. We are pleased with the business's continued cash-generative capacity, which allows for comfortable growth while providing returns to shareholders. Of the cash generated from South African operations, 61.2% was converted to free cash. Since reinstating the dividend in FY2022, the group has returned total capital of R3.0 billion through R2.8 billion in ordinary dividends and R199 million in share buy-backs. The total dividend yield delivered in FY2024 is 10.2% (calculated using the 14 March 2025 closing price). In 2024, the board also ensured the alignment of our purpose and strategy in creating memorable experiences for our customers while offering our employees a rewarding workplace.

Remuneration report.

At Sun International, we recognise that the sectors in which we operate are significant consumers of energy and water. The group's commitment to reducing its environmental impact is reflected in our strategic objectives, which include our focus on environmental, social, and governance (ESG) issues. Our holistic Sustaining Sun strategy aligns with international standards and integrates sustainability into all our activities, employing clear strategy and performance metrics across each strategic pillar, which are meticulously tracked by the board. (ESG report.) Through the social and ethics committee, the board oversees engagement with the communities in which we operate to ensure that stakeholder concerns are formally documented and that our ongoing socio-economic development (SED) projects align with the group's policies. Progress on gender and racial equality is a standing agenda item in our board reports.

Our ESG strategy is closely aligned with the enterprise risk management (ERM) framework to ensure that our risks incorporate these topics, and our senior management oversees them. Our ESG ambitions are also closely linked to our financial performance through our Sustainability-linked Loan (SLL) issued in 2022. The key performance indicators for the R2.4 billion loan reflect our environmental ambitions and our enterprise and supplier development strategies. We achieved all our KPIs for our SLL in 2024, with a 87% increase in our recycling of general and hazardous waste, and we exceeded the renewable energy target of 3.9 kWh to 4.9 kWh by the end of the year. The group is making good progress regarding the SLL KPI associated with increasing our procurement spend with companies that are 30% or more Black woman-owned businesses. For 2024, the target was set at 21.2%, and we significantly exceeded this target reaching 25.3% (2023: 26.6%).

Sustainability linked loan performance.

During this period, Sun International maintained its B-BBEE Level 1 status and continued to maintain good standing with the Employment Equity requirements.

Maintaining a balance of skills and experience on the board

The board's diverse knowledge, skills, and experience inform our business decisions while committing to demonstrating and entrenching a culture of ethics and good governance across the group. The board conducted internal committee evaluations towards the end of 2024. These will take place again towards the end of 2026. There were no adverse findings, and the board remains confident in its balance and composition. No changes were made to the board composition during 2024.

Governance.

Conclusion

I wish to express my appreciation and gratitude to the Sun International board and management team, who have successfully implemented the group's strategy during the year under review. I also extend my thanks to our key stakeholders and employees, who ensure that we remain dedicated to responsibly creating lasting memories for our valued customers.

To our regulators and industry bodies, collaborating with you allows us to set and maintain standards responsibly as South Africa's leading omnichannel gaming and hospitality group.

I also appreciate the support we receive from our shareholders as we continue to unlock value in our iconic company. We are committed to creating long-term value through our strategic initiatives, which focus on sustainable growth, leveraging cutting-edge technology, and fostering a culture of excellence. Consequently, we have consistently delivered strong returns to our shareholders, reflecting our dedication to maximising shareholder value.

Sam Sithole
Chairman
14 March 2025

ANTHONY LEEMING
Chief executive

Chief executive's review

Through our omnichannel strategy, Sun International is well-positioned and well-equipped to navigate the changing gaming environment. The strategy combines the world of gaming, including our rapidly growing online platform, with our world-class hotels and resorts. Our focused portfolio of iconic properties offers our customers multi-faceted experiences, driven by our people's commitment to superior service. We aim to provide all our customers with a seamless experience, supported by responsible gambling. Every game played and every stay experienced is a testament to our commitment to delivering memorable guest experiences. Through our role in tourism, employment and training, and our corporate responsibility programmes, we are a major contributor to the South African economy.

Financial performance

The year saw another resilient performance from all our businesses, with the group recording continuing income of R12.6 billion. Sunbet grew another notable 60.6% compared to the prior year, surpassing its long-term targets. Urban Casinos recorded flat income at R6.7 billion as smaller regional casino earnings lagged those of the larger urban casinos. Resorts and hotels grew revenue by an impressive 7.6% despite a slow start as election uncertainty impacted tourism, events and conferencing. The investment into our resorts and a substantial contribution from our rooms and food and beverage revenues contributed to an excellent performance. Conversely, Sun Slots' income dropped by 3.1% to R1.4 billion as the LPM sector continues to experience site closures and the lagging effects of load-shedding and economic factors.

The group's continuing adjusted EBITDA rose by 3.0% to R3.5 billion, and the adjusted EBITDA margin at 27.9% was impacted by lower casino income and higher revenue in resorts and hotels, which operate on a structurally lower margin than our urban casinos.

Sun International has consistently demonstrated the ability of its diverse portfolio to generate significant cash flow. The group is in a strong financial position with South African debt (excluding IFRS 16 lease liabilities) at R5.2 billion and with debt to adjusted EBITDA well within our debt covenants at 1.5 times. Our debt levels take into account the payment of the 2023 final dividend of R510 million, an interim dividend of R401 million and share buy-backs of R141 million.

Maintaining strong shareholder returns

The group recorded continuing income of
R12.6 billion
a resilient 5.1% increase on 2023

Sunbet grew another notable
60.6%
compared to the prior year, surpassing its long-term targets

The group's continuing adjusted EBITDA rose to
R3.5 billion
a resilient 3.0% increase on 2023

The board has declared a final gross cash dividend of 237 cents per share, bringing total dividends for the year to 398 cents per share, in line with our stated dividend payout ratio of 75% of adjusted headline earnings per share. This equates to a dividend yield of 10.2% as at 14 March 2025.

Operational highlights

Urban Casinos

Our urban casinos in South Africa generate significant cash for the group, strategically focusing on market share growth, operational improvement, and margin enhancement. The group continues implementing strategies to keep our urban casinos relevant and attractive in the gaming market. Key initiatives include data analytics, market segmentation, and an upgraded customer relationship management programme.

Our omnichannel strategy leverages the MVG loyalty programme to offer seamless customer experiences and rewards, enhancing customer loyalty and spending. During the year, our dedicated VIP teams focused on enhancing the VIP experience and casino offerings.

A strong focus on market share growth and margin protection will ensure robust cash flows from our casinos in the future. The group's customer relationship management (CRM) plans seek to enhance customer loyalty through behaviour-based rewards, supported by exciting promotions and entertainment. Through our omnichannel approach, we aim to align products, offer a single customer wallet, and provide a seamless experience across our properties. Our technology plans are discussed in further detail in the following section on transforming our technology for growth.

During 2024, the group optimised our urban casino assets to drive footfall. The GrandWest expansion of the Grand Hotel in December 2023 supported its revenue growth and market share. The Boardwalk positioned itself as the entertainment precinct of Nelson Mandela Bay, showing revenue growth driven by tables income and food and beverage sales. Sibaya's upgrade to the Royal Sibaya hotel and additional upgrades to the dining and conference facilities were completed. Carnival City and Time Square also completed their planned upgrades to ensure an enriched customer experience.

Sunbet

Sunbet is the group's online betting and gaming division, comprising online sports betting, live dealer games, and online slots. Key performance indicators include a 44% increase in new customer registrations, a 47% increase in new customers making their first deposit, and a 35% growth in unique active customer numbers from 403 107 to 544 224. Net income increased to R1.2 billion, up 60.6% from R733 million in 2023.

Sunbet provides a first class online betting and gaming experience by focusing on customer acquisition and retention through enhancing the user experience, effective marketing and premium service. The business utilises data-driven marketing with smart data analytics and integrates online and physical casino assets to apply the group's omnichannel strategy. Its new marketing strategy featured the iconic Sun City to complete its brand relaunch during the year. Additionally, the group leverages its loyalty programme to provide customer benefits across the entire portfolio. We are also acquiring new licences to expand product offerings and market reach, including a Botswana Gaming Authority licence.

Sunbet aims to organically grow its existing South African business through strategic customer acquisition and retention. We plan to capitalise on fast-growing markets through strategic initiatives and new product rollouts. Sunbet is committed to maintaining responsible gambling practices and customer trust in a highly regulated environment. The business will continue to invest in people, marketing, and operations to increase its market share significantly.

Sun Slots

In 2024, Sun Slots saw a 3.1% decline in gross gaming revenue (GGR) and a 2.6% decline in EBITDA compared to the previous year. Sun Slots is focusing on retaining key sites, improving margins through cost optimisation, and better machine deployment to protect and grow market share. It is also implementing plans to increase foot traffic and site profitability through marketing initiatives and punter engagement programmes. Sun Slots is also working with regulatory authorities to combat illegal gambling.

Refurbishing existing sites, adding new sites, and rolling out Type B* licences in the Western Cape will drive growth in 2025. Sun Slots has secured a new route operator licence in Botswana which it will roll out in 2025.

Resorts and hotels

Our resorts and hotels achieved strong growth in revenue to R3.3 billion, an improvement of 7.6% from the prior year. Adjusted EBITDA, pre-management fees grew 11.8% to R788 million, and the adjusted EBITDA margin, pre-management fees of 24.2%, reflect an improvement on the 23.3% in the prior year.

The group is committed to ongoing property upgrades to enhance operations and margins. Key projects include refurbishing the Sun City Hotel and Sun Vacation Club Reserve units, which started in August 2024. A complete refurbishment of the Table Bay Hotel will be undertaken by the V&A Waterfront company with the hotel reopening in December 2025 as the InterContinental Table Bay, Cape Town, which will be managed by Sun International.

Sun City continues to thrive, with a 6.3% improvement in income and a 13.4% increase in average room rates. Enhancements include additional solar panels, new padel courts, retail outlets, and restaurant planning. The Sun City Hotel rooms and the Sun Vacation Club Reserve units refurbishments are ongoing and expected to be completed in mid-2026. The Sun Vacation Club's popularity has surged, with the Lefika Villas highly sought after and timeshare sales exceeding projections.

* Type B sites are a licence type which has six to 40 positions and are currently rolled out across South African jurisdictions.

Our resorts and hotels remain dedicated to providing exceptional guest experiences through continuous improvement and strategic investments, positioning us for sustained growth and success in the years ahead.

An improved macroeconomic climate with lower interest rates is expected to boost demand across various market segments. We anticipate improved international demand, aided by increased airlift capacity and the introduction of the Travel Tour Operator Visa Scheme for Indian and Chinese tourists.

Transforming our technology for growth

During 2024, we decided to remain with our existing Bally casino management system, rather than implement Playtech IMS. The Bally gaming system is owned by Light & Wonder (L&W). This decision was due to delays caused by the significant development required to implement the Playtech IMS system. With the global increase in smartcard prices and supply chain challenges, we decided to upgrade our smartcard-based Bally system to their magstripe solution.

In addition, during our investigation of the Playtech IMS system, L&W upgraded its technology and could offer the company improved systems and benefits at a lower cost. These include the Engage module, which will facilitate our omnichannel strategy through its integrated wallet, loyalty, and marketing capabilities. We were able to upgrade the Bally system at a total cost of R41 million, giving us a net saving on magstripe cards of R25 million per year and a clear upgrade path to Engage. The upgrade has also prepared us for further system changes which will optimise customer value management and data analytics, supporting a unified customer strategy across casinos, resorts, and Sunbet. Our strategic focus remains on providing a robust casino platform that enhances the overall customer experience and allows us to pursue our strategy of a seamless omnichannel solution across all channels.

Alternative energy strategy

We continue to work on an alternative energy plan, primarily focused on solar photovoltaic (PV) solutions, to mitigate the effects of load-shedding and rising energy costs. It has become clear that our units need a blended energy solution comprising onsite solar PV, the wheeling of green energy from Independent Power Producers (IPPs) and Eskom or municipal power.

We have invested in the following green energy solutions:

At Sun City, we invested an additional R10 million in rooftop solar PV at The Palace Hotel and The Sun City Hotel. This is in addition to the Sun Central PV solution installed in 2023. Currently, our PV energy production accounts for 10% of our daytime energy demand at the resort.

We installed a 2.6 MWp plant at Carnival City and a 2.5 MW direct current plant at Sibaya commissioned in October 2024 and November 2024, respectively. Both installations exceeded energy production projections. These investments totalled R95 million in 2024.

We are investigating the wheeling of green energy from IPPs, and we hope to be operational in the first quarter of 2026.

Our people are our enablers of value creation

Sun International recognises that our people are an integral part of our ambition for our guests to 'Love every moment' spent with us. We aim to achieve this by attracting, motivating, and retaining the talent required to execute our strategy. We continue to focus on employee development, diversity and inclusion, fostering an environment where talent thrives and innovation flourishes. During the year, we have focused on improving employee engagement by introducing several regular interactive sessions with employees, including televised webinars and regular newsletters. We have also created change networks and culture training to enable our people to remain agile and adaptive. Recognition programmes throughout the group were also a key highlight in incentivising our employees, and the group continues to drive its Sun Stars programme throughout our organisation, as well as more informal 'in the moment' initiatives where employees are recognised immediately for demonstrating appropriate values and behaviour.

Peermont transaction

The proposed acquisition of Peermont received approval from the shareholders in 2024, with lenders granting the company credit-approved funding. In October 2024, the company received notification that the Competition Commission had recommended that the Competition Tribunal prohibit the transaction. The Competition Tribunal has now begun its review and deliberation of the proposed transaction, which it may still approve despite the recommendation made by the Competition Commission. Sun International intends to make a representation at this hearing, and in the interim, we are preparing our case and working closely with our legal advisors and senior counsel.

Prospects

The gaming industry is experiencing dynamic changes and Sun International, through its omnichannel strategy, will continue leveraging its strong brand and market presence to retain and expand its customer base. Our balance sheet remains robust, providing us with the financial flexibility to invest and to continue paying dividends at our targeted payout ratio. Through strategic planning, efficient capital allocation, cost management, and a focus on operational excellence, Sun International will sustain its growth trajectory and grow stakeholder value.

Appreciation

I am grateful to our board for their support and guidance. To my leadership team and all the Sun International employees, I offer my deepest thanks and appreciation for all you do to make Sun International the wonderful company it is. Your continued support and drive will help us add value and implement our strategy.

To our customers, industry partners, suppliers, and stakeholders, thank you for doing business with us and for making it a pleasure to provide you with memorable experiences.

Anthony Leeming
Chief executive
14 March 2025

Our **business strategy**

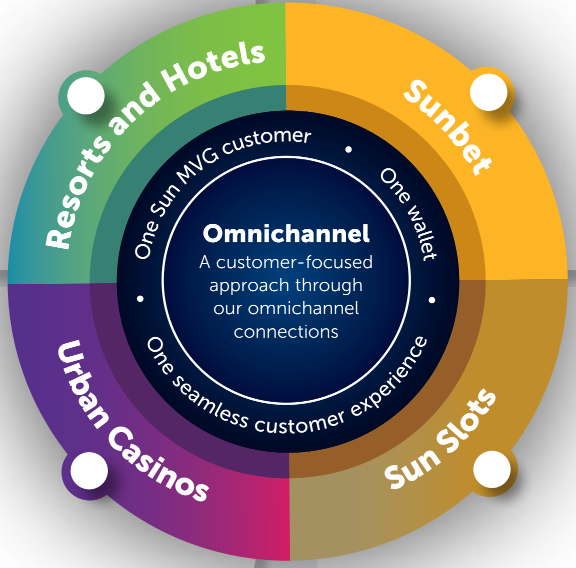
Our focused strategy, driven by our purpose, is designed to achieve greater scale through responsibly growing our land-based and online gaming revenue. We continue to prioritise increasing free cash flows and disciplined capital allocation to maximise stakeholder value.

Sun Resorts and Hotels

- Continue to improve margins and generate cash flow
- Continue to attract urban casino customers using the benefits of the MVG loyalty programme
- Drive the flagship Sun City resort to realise its full potential

Sunbet

- Triple gaming income and market share by 2028
- Scale our customer base leveraging the Sun International brand and MVG loyalty programme
- Selectively grow into other key African online markets



Sun Urban Casinos

- Drive scale efficiencies to protect margins
- Lead the omnichannel offering driving customer acquisition and retention
- Continue to generate strong cash flow

Sun Slots

- Drive margin enhancement through cost efficiencies
- Expand existing licence opportunities
- Identify opportunities to roll out more LPMs

Our strategic imperatives

- **Disciplined capital allocation**
- **Consistent dividend payout**
- **Maintain and grow existing assets**
- **Other expansionary projects/acquisitions**
- **Share buy-backs**

Strategic objectives

People and culture
- Creating an inclusive culture that delivers excellent customer service, innovation and creative thinking
- Driving transformation to achieve inclusion and belonging
- Creating a high-performance culture through talent management
- Ongoing investment in blended professional and personal learning and development
- Provide a work environment that promotes employee wellness

Operational excellence
- Strong balance sheet – debt within targeted levels
- Sustainable margins
- Focus on improving operational and resource efficiencies
- Margin management

Customer centricity
- Enhancing customer choice through an omnichannel offering
- Responsible gaming
- Hotel and resort upgrades

Maximise shareholder value
- Strong cash generation
- Free cash flow
- Healthy dividend payout ratio
- Share buy-back programme

ESG
- Leader in environmental management in our sectors
- Socio-economic development contributing to community sustainability
- Enterprise and supplier development
- Sunway culture
- Transformation
- Talent management
- Ethical and transparent governance
- Board independence and diversity
- Enterprise risk management
- Support of responsible gambling

Our **investment proposition**

Positioned for growth

- **Diversified portfolio** of iconic resorts and hotels, growing online gaming offering, competitive urban casinos, and cash generative Sun Slots LPMs
- **Achieving greater scale** through the responsible growth of our land-based and online gaming businesses
- **Growth in regulated African markets**
- **Selective expansion** in major African online markets
- **Scaling our Sunbet online offering** leveraging our brand and MVG loyalty programme
- **Acquisitive growth** – Peermont, a hospitality and entertainment group operating in South Africa and Botswana.

Maximise shareholder value

- **Strong cash flow generation** from all our operations (Sunbet online gaming, Resorts and hotels, Urban casinos, and Sun Slots LPMs)
- AHEPS **up 13.5%** to 531 cps
- **Income** of R12.6 billion includes **record 60.6% increase** in Sunbet income to R1.2 billion
- **Share buy-backs**
- **Dividend payout guided by policy ratio of 75%** of adjusted headline earnings per share
- **Resorts and hotels** continued **margin improvement,** realising **full potential of Sun City resort**
- **Benefits of MVG loyalty programme omnichannel** offering driving **customer retention** and brand loyalty, attracting customers to urban casinos
- Scale efficiencies **protecting margins**

+13.5%	+60.6%	+13.4%	61.2%
AHEPS to 531cps	Sunbet income	to 398cps Total dividend (2023: 351cps)	Cash generated by operations to free cash conversion (2023: 65.4%)

A responsible corporate citizen

- **Player protection focus:** Launched first of its kind responsible gambling programme in South Africa in 2000
- Player protection includes: Self-exclusion programme, deposit limits, various stop-loss limits
- Gold award received for innovative use of **facial recognition and surveillance** technology at Time Square Casino to identify the self-excluded and minors entering casinos
- Responsible marketing programmes
- **Workforce transformation** focus on women in management
- 41% of senior managers are women of which 26% are black
- **Alternative energy** strategy reduced consumption of grid electricity
- First **sustainability-linked loan** in our industry in South Africa
- Overall **recycling rate** of 87% achieved

Omnichannel seamless customer experience

- **Well-positioned and equipped** for the changing gaming environment
- **A customer-focused omnichannel approach connecting** our customers seamlessly to our urban casinos, Sunbet online betting, world-class hotels and acclaimed premier resorts
- **Enhancing** our customers' **choice**
- **One wallet**
- **Innovative and market leading MVG loyalty programme**
- **Unique adventures** in luxury destinations complemented by **superior customer experience**

Capital allocation: Our strategic imperative

Consistent dividend payout

Dividend payout ratio of 75% of adjusted headline earnings per share maintained on a sustainable basis

Final gross cash dividend of 237 cents per share declared to bring total gross dividend to 398 cents for 2024

Dividend paid since June 2022 including 2024 final gross cash dividend totals R2.8 billion

Maintain and grow existing assets

Targeting ongoing and major refurbishment capex of 6%

Other expansionary projects/acquisition

Proposed acquisition of Peermont

Alternate renewable energy strategy implementation

Sunbet and Sun Slots operating in Botswana

Share buy-back

Share buy-back programme initiated in 2022

R141 million of shares bought back in 2024 at an average price of R36.54

Our **business model**

The group's interactions with the resources and relationships inherent to our business model are crucial in determining our success in creating, preserving, or diminishing value over time. The factors that affect our ability to generate value exist both within and beyond our control, presenting the group with risks and opportunities that must be managed to protect or enhance value. The availability, quality, and affordability of capital inputs for our business in the 2024 financial year depend on the outcomes achieved at the end of the 2023 financial year, as well as the financial capital accessible to us in the form of cash and debt facilities, and our productive capital, which encompasses our extensive properties and technology.

Inputs

Financial capital

- **R5.2 million** in debt facilities
- Net free cash from operations of **R2.2 million**
- R2.8 billion in equity

Productive capital

- 4 resorts and hotels
- 9 urban casinos
- 4 regional casinos
- 6 Sun Slots route operator licences
- 11 casino licences
- 6 Sunbet bookmaker licences

Intellectual capital

- Our brand and reputation
- Innovative thinking regarding the application of technology
- Customer centricity through digital and automation systems
- Robust governance structures
- Risk and opportunity management

Human capital

- Our Sunway culture
- Our investment in people development
- The skills, experience and specialist knowledge of our employees
- Transformation of our workforce
- Employee wellness and well-being

Social and relationship capital

- Collaborative relationships established through extensive engagement with our key stakeholders
- Investment in socio-economic development of communities
- Enterprise and supplier development

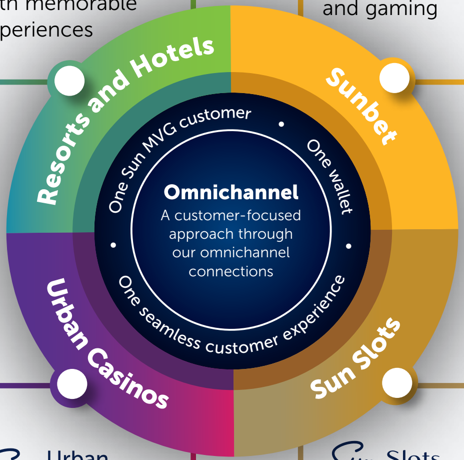
Natural capital

- Protecting pristine resort environments
- Energy and water efficiency
- Investment in renewable energy
- Increased recycling

Business activities

Sun Resorts and Hotels
Iconic resorts and hotels destinations of choice providing our customers with memorable experiences

Sunbet
Online sports betting, live dealer games and online slots and gaming



Sun Urban Casinos
Offering our customers engaging and entertaining gaming experiences

Sun Slots
LPMs operating in bars, pubs, taverns and sports betting outlets

Outputs

Our products and services	
	• Emissions and waste • 9 175 841 kg total waste (2023: 6 933 914 kg) • 7 961 403 kg of waste recycled (2023: 5 358 523) • Total emissions: 221 400 TCO_2e (2023: 210 787 TCO_2e)

Outcomes

Financial capital

The stock of financial capital we will have available for our business in 2025 is the result of our disciplined allocation of our capital by way of share repurchases, re-investment in our portfolio and sound debt management

Productive capital

Our stock of productive capital was positively impacted by the investment we have made in hotel and resort refurbishment, the ongoing enhancing of facilities and offering to provide an exceptional guest experience

Intellectual capital

Our investment in technology that includes core network infrastructure, updating our gaming platform, enhancing our ability to manage data privacy requirements, achieving operational excellence and efficiencies; exploring opportunities and value drivers and new and emerging trends like AI and designed data models; all contribute to our stock of intellectual capital and achieving our goal of becoming South Africa's leading omnichannel gaming and leisure group

Human capital

Our stock of human capital was enhanced by:

- Our progress towards creating a diverse and equitable workforce
- Our people investment which included R86 million in training and development for 3 611 employees

Social and relationship capital

The growth of our stock of social and relationship capital included:

- R28.3 million invested in socioeconomic development (SED) projects
- R515.8 million in enterprise and supplier development (ESD)
- R4.5 billion of our procurement spend was from verified B-BBEE compliant suppliers

Natural capital

Our investments in our stock of natural capital which will have long-term impacts include:

- R105 million invested in renewable energy projects
- Mapping areas with a high risk of water scarcity
- Investigating the possibilities of reusing water for irrigation, cooling towers and public restrooms
- Reviewing waste streams with a view to contributing to achieving a circular economy
- Voluntary participation in the Carbon Disclosure Project (CDP) climate change and water security surveys

Trade-offs

The group has **invested in renewable energy** to ensure a reliable electricity supply, lower costs, and minimise its environmental impact. We have also invested in **refurbishing our properties** to create memorable guest experiences.

Our **operating environment**

The macroeconomic or socio-political environment

Overview

During 2024, over 40% of the global population in more than 70 countries went to the polls. These elections significantly influenced rates and equity markets. The results of the US election continue to be felt globally as tariffs and trade agreements start to change. South Africa's financial system has improved since the formation of the Government of National Unity in June 2024, helping put persistent risks at bay for now. In its latest bi-annual financial stability review, the South African Reserve Bank (SARB) said the outlook for financial stability had improved. The review noted that in addition, an improvement in the availability and supply of electricity during 2024, evidence of fiscal consolidation and an improved sovereign credit rating outlook, had given investors new-found confidence.

In the second half of the year, the recovery of the South African economy was more symbolic than meaningful, but we started seeing some slow consumer recovery. However, the economy shrunk unexpectedly by 0.3 percent in the third quarter, and the SARB warned that the sustained deterioration in critical infrastructure, including water systems and transport networks, pose a significant threat to the financial system. The threat of infrastructure failure to the disposable income of consumers is of concern in terms of increasing utility costs.

The group's response

- Optimising efficiencies and costs across all our properties and business.
- Customer engagement through our investment in omnichannel connections, offering new games, ongoing investment in our properties, optimising cost structures and driving margins, as well as managing our debt, remain a focus
- Our properties offer exceptional multifaceted customer experiences through a variety of gaming, food and beverage and other entertainment for a wide range of customers
- Where feasible, and aligned with our strategy, we continue to focus our portfolio on large urban casinos, our ability to drive value-enhancing strategies across smaller regional assets and exploring online and LPM opportunities across the African continent
- Continue investing in renewable energy solutions
- Ensuring an adequate onsite supply and storage of water

Relevant risks

3 Change in gaming market dynamics

9 Evolving regulatory and legislative environment

Gaming industry

Overview

Casinos are required by the National Gambling Board (NGB) to possess a provincial casino operator licence. These are limited to 41 distributed across all nine provinces in South Africa. The NGB's annual report for the year ending 31 March 2024 reported that gross gaming revenue (GGR) for casinos saw miniscule growth of 0.1% in the year under review; with the LPM GGR declining 1.9% in the same period. The growth in online betting has far surpassed the growth in casinos and other forms of gaming in the past year. The betting sector (which is more than 80% online gaming) increased GGR by 51.2% to R35.9 billion in the same reporting period.

The total value of GGR from betting on horse racing, sport and other online games during FY2023/24 was R36.5 billion. This amount represents 61% of GGR across all gambling modes. This is a 53.7% increase from the same period in the previous year.

The group's response

- Improving our omnichannel strategy and aligning it with our technology enhancements
- Growing our online presence and capability
- Ongoing on-the-floor entertainment and activations
- Improving Privé standards
- Enhancing our VIP customer strategy
- Group gaming tournaments, such as Sunbet poker tour and CRM campaigns

Relevant risks

3 Change in gaming market dynamics

8 Unsuccessful implementation of online strategy

10 Failure to leverage gaming system capabilities

Hospitality industry

Overview

It was encouraging to see that room rates remained strong during 2024, despite the slower recovery in demand post elections. The latest November 2024 data from Stats SA shows tourism is bouncing back strongly with income now exceeding pre-pandemic levels. Hotels, in particular, contributed 7.4% to the overall 12.1% year-on-year growth in accommodation income. Stats SA's tourist accommodation survey is conducted monthly covering a sample of public and private enterprises involved in SA's short-stay accommodation industry. Tourism's direct contribution to GDP has fluctuated over recent years due to the impact of the pandemic. When considering both direct and indirect contributions, the sector's total economic effect is significant. According to the World Travel and Tourism Council, tourism's total contribution to SA's GDP stood at 9.5% in 2019.

South Africa's presidency and hosting of the G20 summit will benefit tourism and the industry in 2025. The Western Cape continues to benefit from foreign tourist traffic and Gauteng is benefitting from improving domestic and international corporate transient travel. Government bookings have been slow to normalise but are expected to recover in the second half of 2025. Additionally, the plans to simplify the visa process for Chinese and Indian tourists may further support international tourism.

The group's response

- Investing in property upgrades and product offerings
- Improving our digital marketing and sales in line with our omnichannel strategy
- Restructured sales department servicing international and local trade

Relevant risks

- 1 Weak economic conditions
- 6 Relocation of casino licence in the Western Cape

Regulatory environment

Overview

The gaming sector remains complex and heavily regulated. The group regularly reports on key regulatory matters in our results updates. While no new regulatory outcomes were announced in 2024, regulators deliberated on:

- The Western Cape relocation of the Caledon casino licence to Somerset West
- The Department of Health updated parliament on the Tobacco Bill
- The Remote Gambling Bill was published in April 2024

The group's response

- Engaging with the respective gaming regulators to resolve all outstanding issues
- Ongoing monitoring of compliance to ensure we maintain our licences to operate
- Support of responsible gambling through financial contributions to the South African Responsible Gambling Foundation (SARGF)
- Providing comment on the various bills and how they impact the industry

Relevant risks

- 6 Relocation of casino licence in the Western Cape
- 9 Evolving regulatory and legislative environment

Cyber and digital environment

Overview

Cybersecurity is crucially important for a technology-led business such as ours in light of escalating cyberattacks. We continuously assess the evolving security threat landscape and enhance security measures.

Our digital strategy uses data and technology to optimise our user experience and we monitor responsible gaming practices through predictive and preventative technology.

Globally, there is ongoing concern regarding illegal and underage gaming. The group uses technology to strengthen our risk management and compliance.

The fast pace of change in the cyber and digital environment requires that we are flexible and agile in our approach to managing the risks and opportunities it presents.

The group's response

- Investing in system upgrades
- Improving our digital marketing and sales in line with our omnichannel strategy
- Restructured sales department servicing international and local trade

Relevant risks

- 4 Cyber threats and information security

Stakeholder engagement

The quality of relationships, central to Sun International's purpose of creating economic value for all our stakeholders, impacts our ability to fulfil this purpose. We identify our key stakeholders, what matters to them and what matters to Sun International, and the key risks and opportunities arising from these matters through independent surveys and our assessment of relationships based on the outcome of our engagements. We address areas where our assessments indicate room for improvement in a relationship and design and implement engagement strategies and plans that will assist in adding value to our business and our stakeholders through our engagement.

Our approach to engagement

Stakeholder engagement requires the participation and coordination of multiple functions and roles across the business. We apply integrated thinking and a strategic approach to maintaining and further developing our relationships in an increasingly complex operating environment.

Means of engagement

Our various engagement methods include online and face-to-face engagement, formal and informal communication platforms, social media, presentations, reports, annual general meetings with our shareholders, the Stock Exchange News Services (SENS), marketing campaigns, digital platforms, advertising, electronic media, newsletters, events and roadshows. The aim of the regular guest and employee surveys we conduct is to assess our guests' experiences in our casinos, resorts and hotels, and online platforms and monitor the continual improvement in the service levels we seek and employee satisfaction levels.

Our key stakeholders

Employees
Rewarding employment, safe working conditions, and maintaining a mutually beneficial relationship

Customers
Memorable multifaceted seamless experiences

Partners, suppliers, service providers, contractors and concessionaires
Source of business opportunities, skills development and growth

Communities
Procurement opportunities, employment and addressing, where possible, their needs and expectations

Investor community
Sustained growth in enterprise value

Gambling boards
Complying with the terms of our licences

Regulators and industry bodies
Complying with legislation and regulations

Site owners
Partner to grow our LPM footprint

Strong relationship that benefits both parties

Good-quality relationship with room for improvement

Relationships with room for improvement

Quality of relationship

- Strong relationship that benefits both parties
- Good-quality relationship with room for improvement
- Relationships with room for improvement

Employees

Our employees play an integral role in providing customers with a memorable experience thus creating a competitive advantage

Why we engage

Our employees execute our strategy with their skills, experience and productivity.

How we engage

- Sun Talk – human resource application
- Email notifications or newsletters
- Social media
- Webcasts – 'On the Couch' sessions
- Notice boards
- HR kiosks
- Intranet
- Various face-to-face activities both at group and unit levels. Example: Wellness days, Sun Stars, Mood shows

Key matters in 2024

- Attracting and retaining critical skills
- The need for fair pay and competitive remuneration
- The need for a culture that leverages differences in employees to create a competitive advantage.
- Supporting ongoing professional and personal development
- Promoting a quality lifestyle where employees are supported both professionally and personally

Our response

- Ongoing succession plan implementation across the group with a specific focus on critical skills
- Implementing an equal pay for equal work strategy
- Regular dialogue on the Sun Talk platform between leadership and employees
- Wellness programmes in place to provide employee counselling and support
- Tracking the group's progress on transformation in line with our employment equity plan

Customers

Our customers 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

Why we engage

Our customers use our products and services on our systems and platforms and provide the primary source of our revenue.

How we engage

- 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

Key matters in 2024

- Customer service complaints and perception of value
- Ongoing customer concerns on health and safety protocols at our operations
- Limited discretionary spend in a tough economic climate
- Customer information privacy
- Responsible gambling

Our response

- Focused VIP teams across online platforms and casinos
- Responsible gambling monitoring and assistance
- Employee recognition campaigns to enhance customer service
- Innovative product offerings
- Focused refurbishments and upgrades
- Customer surveys and proactive customer feedback
- Branding and marketing campaigns
- MVG communication
- Promotional offers to encourage footfall
- Compliance with data protection regulation

Partners, suppliers, service providers, contractors and concessionaires

These stakeholders provide the necessary supplies, services and systems to enable the group to conduct its business activities and improve the overall guest experience

Why we engage

They provide support to ensure that we do not operate in isolation, thereby maximising the potential value creation.

How we engage

- Site visits
- SMME workshops and conferences
- Direct emails, calls and referrals
- Host supplier match-up sessions with internal stakeholders and women-owned SMMEs
- Proactively engage the SMMEs on their needs and challenges

Key matters in 2024

- Closer collaboration with Sun International properties regarding their volume requirements
- Suppliers have expressed the need for improvement concerning:
  - payment timelines
  - cost of new machines and LPMs
  - decision to remain with L&W for our gaming system
  - attend trade shows and strengthen relationship with L&W

Our response

- Targeted approach to forecasting and planning, particularly regarding food and beverage supply
- Processes are under way to standardise payment terms across the group to aid with the processing of supplier payments
- Furthermore, upgrades to the supplier database now enable suppliers to capture and upload their banking information for smoother processing of payments and account verification
- Creating sustainable project opportunities

Quality of relationship

- Strong relationship that benefits both parties
- Good-quality relationship with room for improvement
- Relationships with room for improvement

Communities

Our communities form an integral part of our operating environment as they provide us with our social licence to operate

Why we engage

Our communities are directly and indirectly a part of our operating environment as customers, employees and neighbours. It is imperative we create shared value for these communities to sustain our operations.

How we engage

- Site visits
- Virtual and in-person meetings
- Workshops
- Electronic media
- Face-to-face meetings with stakeholders
- Written correspondence
- Specific zone/area forums/community business forums
- SED committees

Key matters in 2024

- Increased community needs in the areas of operation
- Procurement opportunities
- Access to further ESD opportunities and support for small, medium and micro enterprises (SMMEs)
- Further enhance youth employability initiatives

Our response

- SED projects to support the immediate needs of the communities where we operate
- Programmes to minimise and mitigate poverty
- Collaborating with local government departments to identify needs and gaps
- Group and unit-specific engagement and request for proposal (RFP) opportunities
- Providing ad hoc local employment opportunities and training
- Feasibility study and research conducted on community needs within local procurement to identify key issues and opportunities

Investor community

Our investor community includes shareholders, our debt funders and our equity partners who help us grow and find new opportunities for value creation.

Why we engage

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

How we engage

- SENS announcements
- Virtual and face-to-face meetings
- Written correspondence
- Conferences
- Regular submissions to lenders
- In-person presentations and webcasts

Key matters in 2024

- Changing industry dynamics creating forecast uncertainty
- Understanding the group's strategy
- Proposed Peermont transaction
- Investors seek favourable returns

Our response

- Increased engagement with shareholders and sell-side analysts
- Continually improving investor communication using feedback received while complying with all regulatory requirements
- Roadshows to communicate our strategy and corporate activities
- Annual and Extraordinary General Meetings
- Dividends aligned with our payout policy and share buy-backs

Gambling boards and other regulators

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 of the gaming industry to ensure a fair and responsible industry

Why we engage

Our regulators allocate us gambling licences for our operations with operational and cost implications for the company. We engage to build trust and input into the ongoing policies and requirements.

How we engage

- Virtual and face-to-face meetings
- Written correspondence
- Participation in industry-related initiatives, conferences and summits

Key matters in 2024

- Amendments to gaming legislation to permit additional casino licences, and increase in the number of electronic bingo terminals per licence (KwaZulu-Natal)
- Proposed increases in gaming taxes and levies
- Relocation of existing casinos
- Appetite from gaming boards to explore new modes of gambling in an already saturated market (e.g. Historical Horse Racing)
- Proliferation of illegal gambling (with an emphasis on online gambling)
- Proposed onerous conditions of licences
- Proposed enhancements to responsible gambling measures

Our response

- Stronger collaborations between licencees, regulators, state organs and suppliers in addressing industry bottlenecks
- Ongoing monitoring of compliance to ensure we maintain our licences to operate
- Support responsible gambling through financial contributions to the South African Responsible Gambling Foundation (SARFG)
- Engaging with the respective gaming regulators to resolve all outstanding legal disputes
- Engaging with various stakeholders, including the National Gambling Board (NGB), participating in the Stakeholder Priority Committee to address Illegal gambling, provincial gambling boards, South African Police Service and the Specialised Investigations Unit to identify illegal gambling activities and to institute criminal action against offenders

Quality of relationship

- Strong relationship that benefits both parties
- Good-quality relationship with room for improvement
- Relationships with room for improvement

Industry bodies

Industry bodies provide a platform to influence policy and legislation within the confines of the law

Why we engage

Our industry bodies provide a platform to enable a common understanding of issues affecting the industry. We engage to build trust and ethically influence policy positions across government and other regulators.

How we engage

- Virtual and face-to-face meetings
- Written correspondence
- Participate in advisory boards of industry bodies

Key matters in 2024

- Illegal gambling
- Responsible gambling
- Ongoing sustainability of the industry

Our response

- Ongoing monitoring of compliance to ensure we maintain our licences to operate
- Ongoing lobbying with relevant industry bodies such as the Casino Association of South Africa (CASA) and bookmaker associations to inform and shape our regulatory landscape
- Participation in Southern Africa Tourism Services Association and The Tourism Business Council of South Africa to unlock future tourism potential with government
- Internal and external compliance audits on relevant legislative aspects

Site owners

Our Sun Slots route operators partner with site owners to offer customers memorable experiences

Why we engage

Provide support and supply, maintain and upgrade machines at their sites.

How we engage

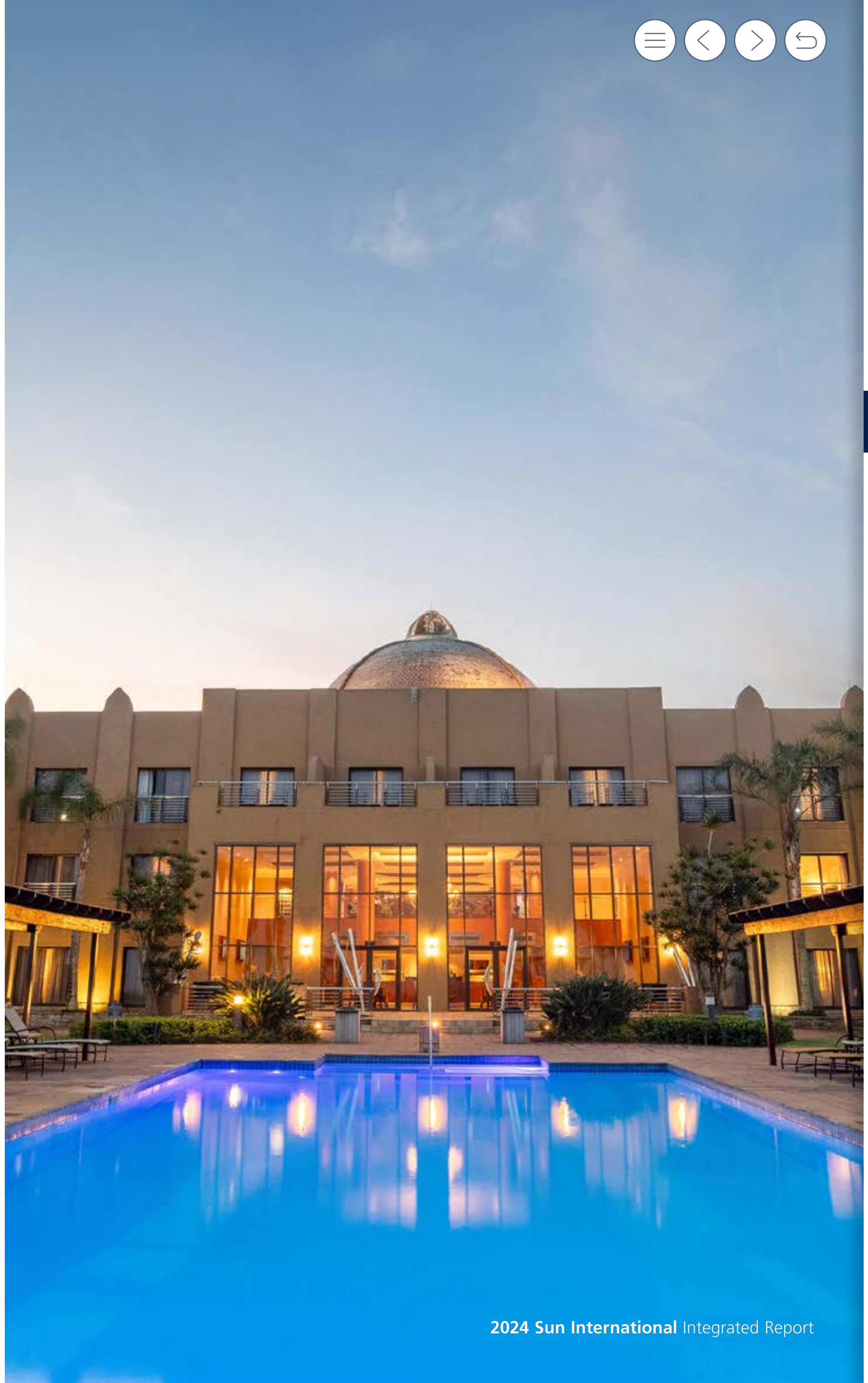
- Face-to-face engagements
- Hosted events
- Digital channels, including our website and apps
- Social media channels
- Website
- Social media

Key matters in 2024

- Industry not fully recovered from impact of load-shedding
- Constrained consumer spending impacting the viability of sites
- Backlogs impacting licencing of sites and the roll out of machines
- Significant amount of Illegal operators
- Increasing costs of slot machines
- Other forms of gambling
- Increasing competition for profitable sites
- Low maximum bet and maximum payout

Our response

- Building stronger and more rewarding partnerships with site owners
- Site investments and additional support to improve overall site profitability
- Additional marketing initiatives and punter engagements
- Key engagements with gambling boards
- Support initiatives headed by law enforcement agencies and also assist illegal operators to become compliant
- Obtained better priced products (machines) and continuously testing new products
- Exploring affiliate programmes through Sunbet
- Maintain highest service levels and focus on the retention of key sites
- Continued engagement with NGB to secure an increase in the minimum bet and payout for LPMs



Material matters

Our integrated report must deliver stakeholders the decision-useful information necessary to evaluate Sun International's ability to remain resilient, adapt to unforeseen challenges, and generate sustainable future enterprise value.

To achieve this, we must identify what is most essential to the group's ability to create, maintain, or erode enterprise value, and base our reporting on the outcomes of this process.

In 2024, we adopted double materiality to identify and prioritise matters that provide information on:

- Matters material to our ability to create enterprise value, including the effects of climate change (inward-focused)
- Matters material to the company's impact on society, the economy, and the environment (outward-focused).

Adopting a more dynamic approach to what matters for our business is essential. Markets are evolving, and the views of key stakeholders – particularly regulators and investors – on important issues are changing, requiring companies to adjust accordingly.

Effectively managing the risks and opportunities created by our material matters is essential for achieving business sustainability and advancing our strategy.

In a volatile and challenging environment, we continue to refine our material matters while reviewing and evolving our strategy. These represent the issues most likely to impact our ability to create sustained value for the business and our stakeholders in the short, medium, and long term.

The outcome of our materiality process that informs our reporting:

Inputs

We analyse and distill the information gathered from engaging with key internal stakeholders. This includes:

Assessing trends and considering dynamic materiality

- Trends in our operating environment
- Potential effects on the resources we depend on represented by the six capitals
- Other factors material to our short, medium and long-term enterprise value

Analysing and distilling

To ensure our reporting focuses on enterprise value, we analyse and distill the material matters identified to those matters that can create, maintain, or erode enterprise value.

Agreeing on what is material

- Presentation to Exco regarding the matters identified as essential for our ability to create enterprise value for approval.
- Presentation of Exco-approved material matters to the Sun International board for its approval

Outcomes

An integrated report that provides material information regarding the group's ability to generate future enterprise value.

The outcome of our materiality determination process forms the basis of our reporting and provides information on our:

- Material financial disclosure
- Quantitative information on our material sustainability (ESG) issues
- Qualitative information on how we have addressed our:
  - Stakeholders' expectations and concerns
  - Governance
  - Strategy
  - Risks, opportunities and compliance

CLICK HERE TO SEE EXPLANATION OF ICONS

	Related risks	Capital resources impacted	Strategic objectives
Inward-focused financial materiality			
Driving transformation to achieve equity and inclusion	9		
Energy and water security for our operations	13		
The impact of failing infrastructure, poor service delivery, the high cost of living and unemployment	14		
Health and safety of our employees, guests and contractors	15		
Evolving legislation and regulations	6 7 9		
The impact of the rapidly evolving gaming market	3 8 9		
The impact of technology, digitisation and data analytics	4 10 5 11 12		
The role of our omnichannel in long-term value creation	3		
The impact of climate change on our business	22		
Capital allocation that contributes to value creation	10		
Generating free cash flow	1 3 8		
Investment in learning and development	21		
Externally-focused impact materiality			
Energy and water security for the communities in which we operate	13		
The impact of our operations on climate change	22		
Contributing to community sustainability (through SED, local procurement and ESD)	23 24		
Role of the group as a responsible corporate citizen, which includes its approach to addressing the risk associated with problem gambling	5		

Our risk philosophy is grounded in accountability principles and benchmarked against best practice frameworks. Risk management is an integral part of our approach to managing the group, and we continually seek new ways to enhance our approach to enterprise risk management. Management is tasked with promoting sound risk management practices, and appropriate processes are consistently applied to address risks across the group. Our group risk function, assisted by our operational, legal, internal audit, and sustainability teams, monitors and controls our risk exposure.

The board provides oversight of strategic risks, and ensures that there are appropriate resources to manage the operational risks arising from running our businesses.

The risk committee oversees and ensures that the risk management systems and processes we have in place are adequate to support the achievement of the group's strategy. The committee also ensures that our risk management systems and processes allow the group to operate within its risk appetite or tolerance levels. As the risk committee, it is our duty to give the board reasonable assurance that the risks the group is exposed to are identified and appropriately managed and controlled.

We seek to continually improve our processes, based on recommendations from our independent assessment we achieved key outcomes such as implementing group-wide risk training, the use of an assessment tool module on IsoMetrix to monitor our risk, and enhancements to our horizon scanning capabilities across the group. We also ensure that the group establishes and convenes appropriate risk meetings as part of its operation.

As mandated by the board, we will ensure that the committee also helps the group maintain compliance in relation to its regulatory requirements and best-in-class consumer protection standards as a responsible operator and corporate citizen.

TR Ngara
Risk committee chairman
14 March 2025

Enterprise risk management

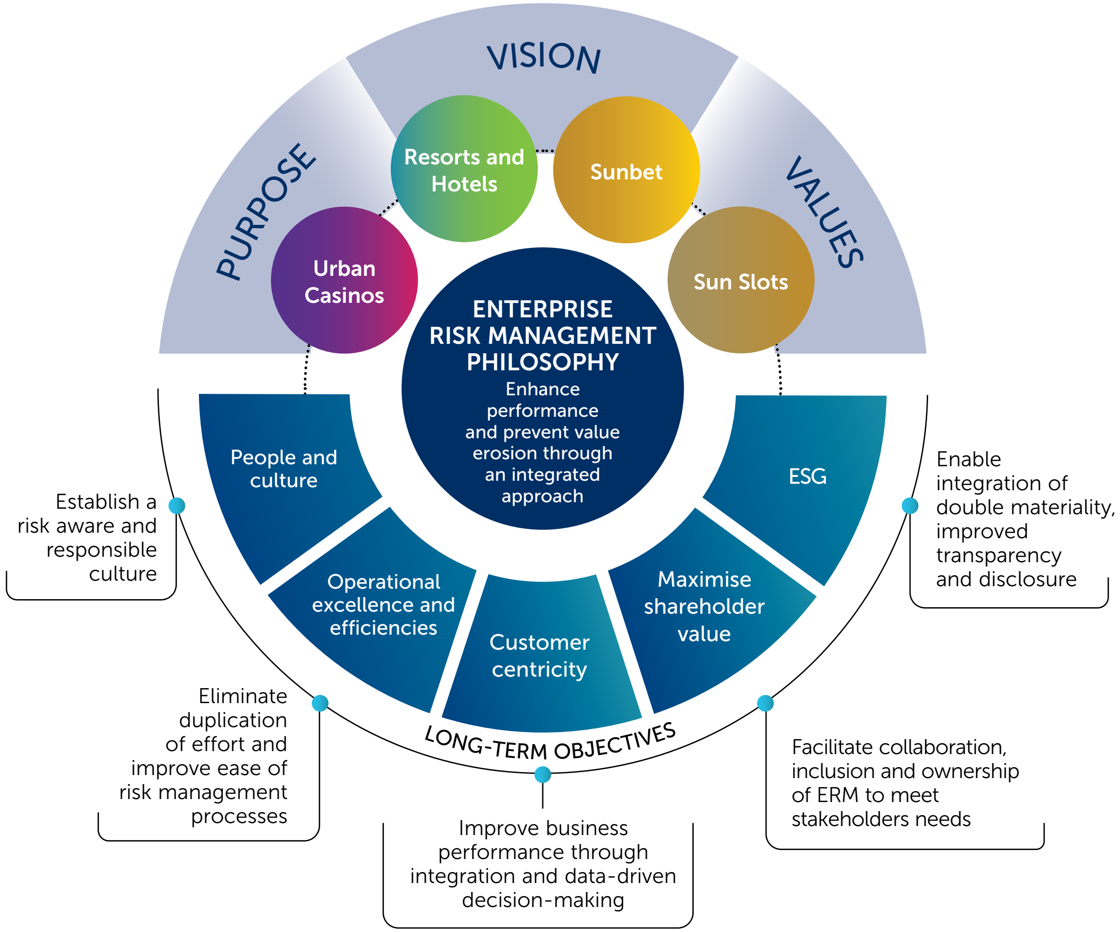
At Sun International, our commitment to effective risk management is fundamental to business sustainability and the achievement of our strategic objectives. Our enterprise risk management (ERM) framework creates the foundation for identifying, assessing, and mitigating key risks across the diverse geographies and sectors in which we operate.

Our ERM approach aligns strategy, processes, people, technology, and knowledge to manage uncertainties, protect value, and identify value-adding opportunities. By maintaining robust risk management, governance, and assurance practices, we continually enhance our operating environment, and business performance. We aim to understand stakeholder perspectives, leverage opportunities, and execute corrective actions to meet our business goals.

Managing our risks and opportunities for sustainable value creation

Our ERM strategy supports the achievement of the group's strategy and objective, with our vision, key focus areas and objectives for ERM outlined in the image alongside:

Vision and key focus areas



Risk philosophy

Our risk philosophy is grounded in accountability principles and is benchmarked against best practice frameworks. It emphasises a risk-aware culture at all organisational levels, ensuring management remains vigilant and proactive to internal and external threats and opportunities. This philosophy supports informed strategic decision-making, driving business performance in the face of uncertainty, creating value, and safeguarding against value erosion for all stakeholders.

Risk maturity

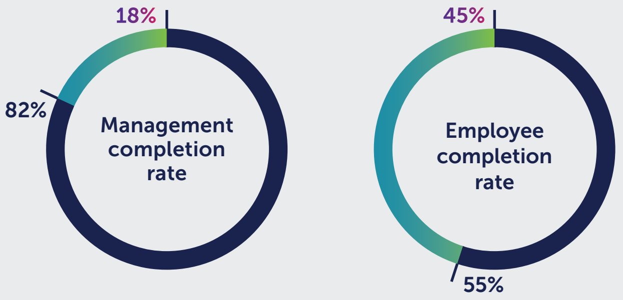
The group's risk maturity was benchmarked by an independent assurer at the end of 2022. The assessment outcomes were used to develop a risk maturity improvement plan for 2023 and 2024. Significant progress has been made to continually improve the effectiveness of our risk management processes. An overview of our key achievements include:

Enterprise risk management training

In June 2024, enterprise risk management training was rolled out group-wide through an online platform. This is a key initiative for ensuring that we continue to embed a risk-aware and responsible culture across the organisation.

The training is accessible for completion over a 12-month period. Employees and managers received a different level of training with two modules included for each. The first module takes 10 minutes and introduces the basic concepts of risk and risk management. The second module is 30 minutes and includes more practical examples on risks for employees, and practical examples of how the risk management process is facilitated by management. The training has been well received by management and employees.

As at 31 December 2024,
728 (82%)
of managers and
3 294 (55%)
employees have completed the training



- Completed
- In progress

STRATEGIC OBJECTIVES

People and culture | Operational excellence and efficiencies | Customer centricity | Maximise shareholder value | ESG

Risk reporting tool

A key project in 2024 was the launch and utilisation of the enterprise risk management module on IsoMetrix. This tool allows for risk assessments, registers and reporting to be done through a system, eliminating the use of excel spreadsheets, duplication of effort, improving the ease of risk management processes and ultimately enabling business to improve performance through data-driven decision-making.

The module was launched in April 2024, and training was completed with all management teams from April to June. We continue to enhance the reporting functionality as the system continues to be used and more data becomes available.

Improved horizon scanning

A key initiative for 2024 was the improvement of horizon scanning capabilities across the group, aiming to improve collaboration, inclusion and ownership of ERM to meet stakeholders' needs. Quarterly meetings were established between the group risk management and risk champions across the group. These engagements focused on improving awareness of emerging risk trends across the group and at an operational level, providing refresher training where required, and engaging on risk maturity improvement initiatives and progress.

Similar meetings were set up in July and October with various Central Office functions to ensure that holistic feedback on emerging threats and opportunities are identified and reported. These engagements enable a group view on internal and external threats and opportunities, and for other stakeholder needs to be considered.

Where trends are noted, these are reported to exco and the risk committee during each reporting cycle. Over the course of 2024, engagements were held with improved management oversight of operational risks and emerging risk trends which could impact our ability to achieve our strategic objectives.

ERM framework revision

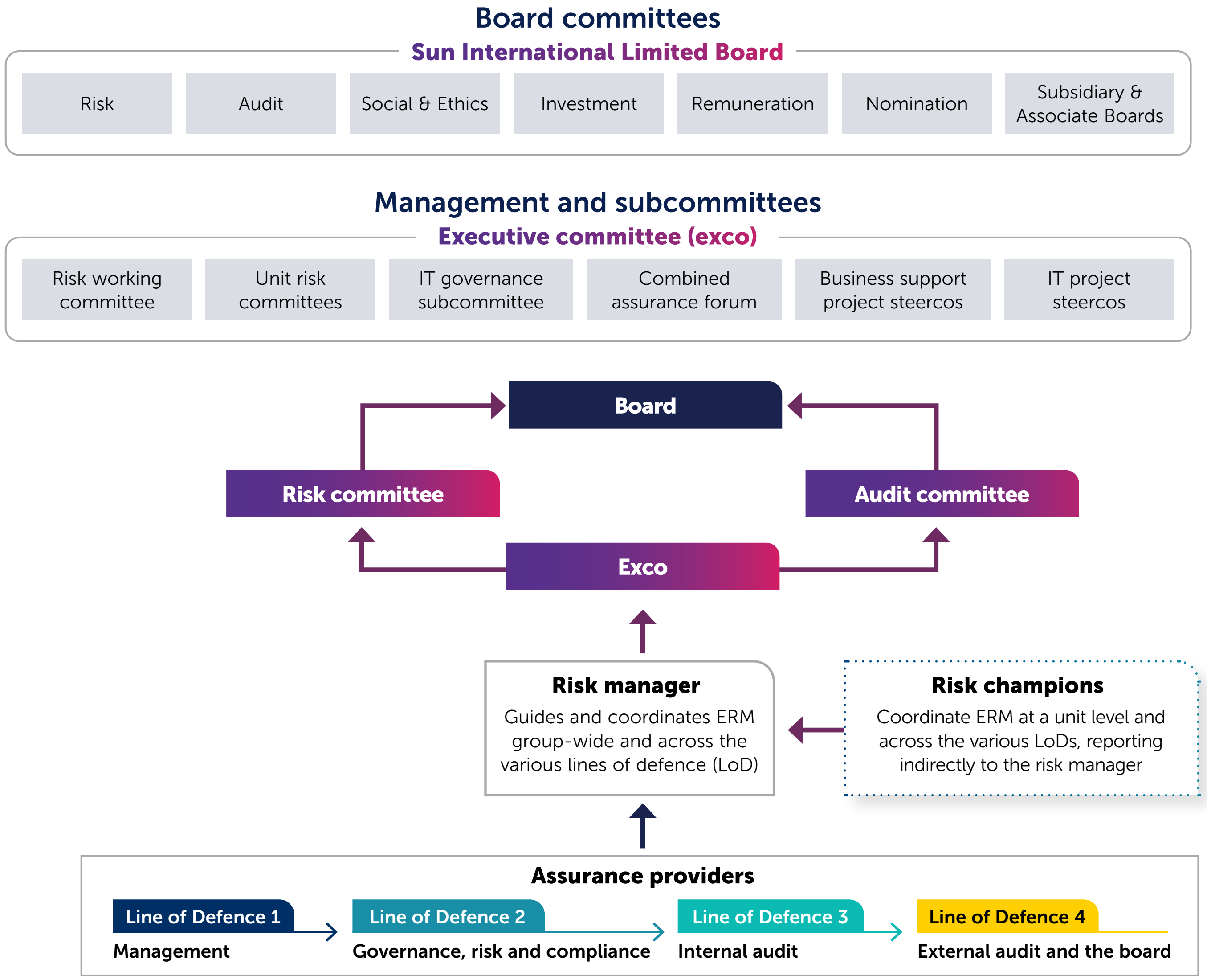
To ensure continual improvement and updates as per the latest best practice requirements, enabling integration of double materiality, and improving transparency and disclosure, our ERM framework was revised and approved in March 2024 by the executive committee and the board. The framework was updated to reflect:

- Updated roles and responsibilities of key stakeholders
- A simplified ERM process that is aligned with the revised responsibilities and the ERM training content
- A one-page flow chart with easy-to-follow steps
- A revision of how Strategy, Risk and Resilience fit into the ERM process
- A clearer explanation of risk appetite and tolerance
- The outcome of a stakeholder engagement and mapping exercise

The revised ERM framework, risk maturity improvement plan and various risk management initiatives were benchmarked in October 2024 by an independent assurer against the ISO 31000:2018, COSO standards, and other best practice frameworks. The assessment confirmed that the group has established a solid foundation in risk governance and management. By leveraging our existing strengths, we are well-equipped to continually review and improve our risk management approach into the future.

Governance of risks and opportunities

Effective risk management requires a robust governance structure. Our governing bodies outlined in the diagram below play a critical role in overseeing and implementing an effective risk management process.



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 through its various sub-committees, the chief executive and executive management (exco) team.

The risk committee chairman reports directly to the board, 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 committees. The audit committee chairman is a member of the risk committee, which enables oversight, specifically in relation to financial reporting risks. The board, through the audit and risk committees, considers the risks and opportunities the group may face.

Exco is collectively responsible for the management of risk, and for collaborating with the group risk manager to record risk management activities for reporting purposes. Risk reports are prepared by exco and the senior management team and discussed at each risk committee meeting. This enables oversight, and equips the risk and audit committees with relevant information to provide assurance over the inclusive and embedded nature of the group's risk management activities, process, and culture.

The risk committee oversees the group's insurance programme, which is used as a strategic risk transfer mechanism to protect against losses resulting from its business activities. This insurance programme, reviewed annually, serves as an operational risk mitigant by transferring residual insurable risks to approved security-rated insurance markets. The principal insurance policies in place cover property damage and business interruption, cyber liability, legal and third-party liability. Supporting this risk transfer strategy is independent assurance by Marsh Property Risk Consulting, with a focus on property, security and fire and life safety risks.

Risk appetite and tolerance

The board approves the group risk appetite and tolerance levels annually. The risk appetite and tolerance are defined per risk category according to five impact levels. Each level gives examples of what the board and management deem to be within appetite, what exceeds appetite but is within tolerable limits, and what is unacceptable and requires immediate intervention in relation to the different risk categories. This criterion is applied quantitatively when conducting a risk assessment, considering the potential impact, likelihood, and existing management actions and controls to treat the risk. The residual exposure determines the subsequent escalation and additional risk treatment requirements.

ERM framework

The group's ERM framework outlines our approach to risk management in a standardised, structured, and comprehensive manner. It involves the systematic application of specific steps as outlined in the ERM process below. This ensures a consistent process is applied across the group, providing comparable risk information that can be aggregated and used to inform strategic decision-making and drive business performance.

ERM PROCESS

Communication and consultation

The risk management process is collaborative in nature. It involves engagement with stakeholders at all levels of the organisation to identify risks, assess them and provide feedback on risk mitigation efforts.

Establishing the context

The external and internal environment is monitored on an ongoing basis. This ensures that potential threats and opportunities are identified, and their potential consequences or benefits are understood.

Risk assessment

The risk assessment process involves three key steps:

Risk identification
Once a risk has been identified, it is important to understand the type of risk it poses and it potential impact. This is determined by considering the potential strategic, financial, reputational, regulatory, ESG, operational or technological impact on our strategic objectives.

Risk analysis
Once all impacts have been considered, the most significant impact is then analysed against the approved risk appetite and tolerance levels for the group. The likelihood of the risk occurring is then considered, and a quantitative determination of the inherent risk exposure is made.

Risk evaluation
The final step is to evaluate the existing control environment and determine if the current controls are sufficient to mitigate the potential threat or leverage the opportunity. A quantitative metric is then allocated to determine the residual risk of exposure.

Risk treatment

The residual risk of exposure determines if the risk must be escalated to exco and the board, and if further risk treatment is required. Depending on the approach that is taken, a detailed risk management plan, including specific actions, timelines, responsible persons and resource requirements may be required.

Monitoring and review

All risks are assigned to a risk owner, with various management representatives responsible for implementing control measures. These individuals are held accountable for continual implementation, monitoring, and reporting on progress. Prior to the final risk committee meeting for the year, the group's risk working committee conducts a full review of the group risk register, risk ratings and mitigation measures for presentation to the risk committee. The group's risk management process and the effectiveness of risk mitigation, implemented at a group and unit level, are reviewed by various assurance providers, as defined in the group's combined assurance framework.

COMBINED ASSURANCE FRAMEWORK

The group's combined assurance and ERP processes are integrated and aligned with the JSE Listings Requirements and King IV to provide optimal, cost-efficient and focused assurance coverage group-wide. The combined assurance model enables management to maintain an effective internal control environment, enhancing the degree of confidence and integrity of information used for both internal decision-making and external reporting to stakeholders. The implementation of this approach is dependent on the nature of the risk, whether the risk is within appetite, tolerable or not in terms of risk appetite, and the level of assurance required by different assurance providers. A high level over of the four Lines of Defence (LoD), the responsible parties and their respective responsibilities are provided alongside.

	1st LoD	2nd LoD	3rd LoD	4th LoD
	Management includes all levels of management across the business, including exco and the chief executive.	**Governance, risk and compliance** are corporate functions, independent of the operations and include compliance, ESG, legal and other departments that provide a second line of defence and assurance to the board.	**Internal assurance** incorporates internal assurance providers that provide objective assurance, such as group internal audit.	**External assurance** incorporates external assurance providers, such as external auditors, other external parties and the board. These structures are largely independent of the operational activities of the company and provide assurance to the board.
Key responsibilities	• Conduct business in accordance with strategy and risk appetite, and monitor key risk indicators (KRIs) • Integrate risk management practices into daily management activities • Report and escalate risks to risk champions, risk manager and risk owners	• Establish policies, procedures and plans to manage operational risks • Monitor and communicate risks to the risk manager and relevant committees • Provide functional risk management insight and guidance to the group	• Provide assurance on key business risks and processes • Provide insights on control effectiveness to support the risk assessment process	• Provide independent assurance of the ERM and control processes

RECORDING AND REPORTING

Throughout each step of the process, risk information is documented in various risk registers, emerging risk reports, and risk management reports to ensure management accountability. This information is also presented to the risk committee at each meeting to ensure board oversight and provides the board with relevant information to make an assessment on the effectiveness of the group's risk management processes.

Current risk landscape

2023 vs 2024

Increase in risk rating | No change | Decrease in risk rating | New risk

1 Weak economic conditions

Weak economic conditions continue to affect revenue and increase costs. Geopolitical tensions, socio-economic decline, macro-economic volatility, inflation and interest rates are contributing factors.

Material matters

The impact of failing infrastructure, poor service delivery, the high cost of living and unemployment

Strategic impact

Opportunities it creates	Our response to the risk
Improve our customer experience and engagement	• 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.

Outlook

The economic outlook is currently on a positive trajectory. Interest rate cuts, a strengthening rand, no load-shedding, reduced petrol prices, and improved retail trade growth highlight the beginning of a positive growth outlook for South Africa. It is anticipated that this will alleviate some of the financial burden on the population and our customers.

2 Peermont acquisition

The Competition Commission has recommended to the Competition Tribunal that our acquisition of Peermont be prohibited. Tribunal date is set for 19-30 May 2025. The KwaZulu-Natal Gambling Board has approved the deal subject to Tribunal ruling, and we have engaged with all the gambling boards.

Material matters

Evolving legislation and regulations

Strategic impact

Opportunities it creates	Our response to the risk
• Achieve greater scale • Maximise shareholder value	• We continue to engage with the gambling boards regarding the outcome of our applications • Integration plans have been developed • Securing requisite funding

Outlook

Should the Tribunal approve the deal it will unlock scale benefits across the combined businesses and support our online growth strategy.

3 Change in gaming market dynamics

The legalisation and proliferation of online gaming and other forms of gaming such as Racinos and betting terminals are currently eroding market share from casino and Sun Slots operations.

Material matters

The impact of the rapidly evolving gaming market

Strategic impact

Opportunities it creates	Our response to the risk
We will continue to explore LPM expansion opportunities in Africa.	• A key focus to mitigate this risk is the delivery of our omnichannel and online growth strategies. This involves maintaining high service levels, optimising our casino floors and ensuring relevant online product offerings. • A group marketing strategy has been developed and is being implemented to enhance customer engagement. • Our Sun Slots business is focused on cost optimisation.

Outlook

The group will continue to focus on maintaining and growing our market share by leveraging group resources to provide customers with an omnichannel experience.

STRATEGIC OBJECTIVES

- People and culture
- Operational excellence and efficiencies
- Customer centricity
- Maximise shareholder value
- ESG

2023 vs 2024

CLICK HERE TO SEE EXPLANATION OF ICONS

Increase in risk rating | No change | Decrease in risk rating | New risk

4 Cyber threats and information security

Increasing interconnectivity, globalisation and "commercialisation" of cybercrime are driving greater frequency and severity of cyber incidents, including data breaches. New technologies, proliferation of threat actors, greater sophistication and innovative skills invested in the cyber underworld make cyber insecurity an evolving and dynamic threat.

Cyber threats to intellectual property or customer data, defacing or disablement of critical IT services, loss of data due to unauthorised disclosure, ransomware, phishing or malware and lack of operational IT security management may contribute toward this risk materialising.

Material matters

- Role of the group as a responsible corporate citizen
- The impact of technology, digitisation and data analytics

Strategic impact

Opportunities it creates

Opportunity to communicate with customers on our approach to protecting customer data

Our response to the risk

- Continued investment in infrastructure upgrades to address end-of-life, end-of-support systems.
- A managed and enhanced endpoint detection and protection system has been onboarded to provide 24/7 monitoring and threat hunting capabilities.
- Third-party risk management processes are continually assessed to limit exposure to potential threats.
- Ongoing training and awareness, driving targeted training of high-risk areas.
- Ongoing vulnerability management capabilities have been implemented, with monthly reviews of critical and high vulnerabilities.
- Implemented an access management solution and continue to enhance our processes and standards in line with our information security policy.
- Independent internal and external penetration testing is conducted bi-annually to understand current threats and vulnerabilities.

Outlook

We are constantly assessing our threat landscape to ensure our information security management systems, partnerships and security controls are effective and robust to deal with evolving threats.

5 Responsible Gambling

Moral or perceived social ill by the general public of the gaming industry.

Material matters

Role of the group as a responsible corporate citizen

Strategic impact

Opportunities it creates

Use of facial recognition to identify illegal gamblers, i.e. minors, and protect our customers by enforcing exclusion

Our response to the risk

- Implementing on controls to protect our customers from problem gamblIng
- Prominently displayed communication promoting responsible gambling
- Player protection tools that discourage irresponsible behaviour including self-exclusion option

Outlook

Our self-regulating approach addresses any additional future controls.

6 Relocation of casino licence in the Western Cape

GrandWest's exclusivity remains under threat. Public participation has concluded, and the WCGRB is currently reviewing objections to relocating the Caledon casino licence to the new Helderberg zone. If this relocation is approved, GrandWest's exclusivity zone will be reduced from 75 kilometres to 25 kilometres.

Material matters

Evolving legislation and regulations

Strategic impact

Opportunities it creates

- The Grand Hotel extension of 64 rooms was completed in December 2023 with a further refurbishment of the remaining rooms planned to 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.
- To maintain our status as a preferred casino and entertainment destination in the Western Cape the casino floor is continually refreshed in terms of product and customer experience.

Our response to the risk

- 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

Various applications and court rulings have been made between the WCGRB and Tsogo Sun. We continue to seek legal advice on the matter and the way forward.

Current risk landscape continued

CLICK HERE TO SEE EXPLANATION OF ICONS

7 Smoking legislation

The promulgation of the draft Control of Tobacco Products and Electronic Delivery Systems 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.

Material matters
Evolving legislation and regulations

Strategic impact

Opportunities it creates	Our response to the risk
Proactive internal investigations are underway to identify opportunities for casino floor optimisation and leveraging our omnichannel capabilities.	Our attorneys drafted a submission to the parliamentary committee setting out that the provisions of the Bill should be amended to include less restrictive measures.

Outlook
The group continues to monitor government gazettes and media statements, lobby and coordinate efforts with other affected industries and provide comment where applicable.

8 Unsuccessful implementation of online strategy

Online gaming continues to gain a larger proportion of the total national gambling market. Failure to implement a successful online strategy will result in a loss of shareholder value.

Material matters
The impact of the rapidly evolving gaming market

Strategic impact

Opportunities it creates	Our response to the risk
We are currently exploring expansion opportunities in the African market.	• Sunbet continues to invest in its online gaming strategy, ensuring that the strategic initiatives set out and approved by the board are achieved. • Key initiatives include investing in recruitment, delivering a customer-centric product offering and leveraging Sun International's omnichannel offering.

Outlook
Sunbet will continue to invest in delivering on its growth strategy to achieve the ambitious targets set by the board for the 2028 financial year.

9 Evolving regulatory and legislative environment

Government amends existing gambling laws or introduces new gambling laws that are impractical and onerous on the group's businesses.

Recent developments include the proposal of new rules pertaining to responsible gambling in the Western Cape. Amendments have been proposed in the North West, Northern Cape, Eastern Cape, and KwaZulu-Natal provinces, which could affect casino licences and compliance fees. The group is watching the potential national regulation of online gaming, which presents both risks and opportunities, closely. In KwaZulu-Natal and Mpumalanga, the Historical Horse Racing (HHR) system has been approved, with further discussions and potential legislative amendments anticipated.

Material matters
Evolving legislation and regulations

Strategic impact

Opportunities it creates	Our response to the risk
We continue to explore opportunities to licence online casinos through existing casinos.	The group maintains a watching brief of proposed amendments to gaming legislation and responds through CASA in respect of gaming rules and legislation amendments.

Outlook
The group continues to actively monitor proposed amendments to gaming legislation across various provinces in South Africa.

10 Failure to leverage gaming system capabilities

Material matters
The impact of technology, digitisation and data analytics

Strategic impact

Opportunities it creates	Our response to the risk
The opportunity to deliver our omnichannel strategy, bridging retail, hotel, online and casino offerings contributing to higher customer value and retention.	• Central office support for units • All hardware required has been upgraded and installed • Go-live supported by Light and Wonder India office

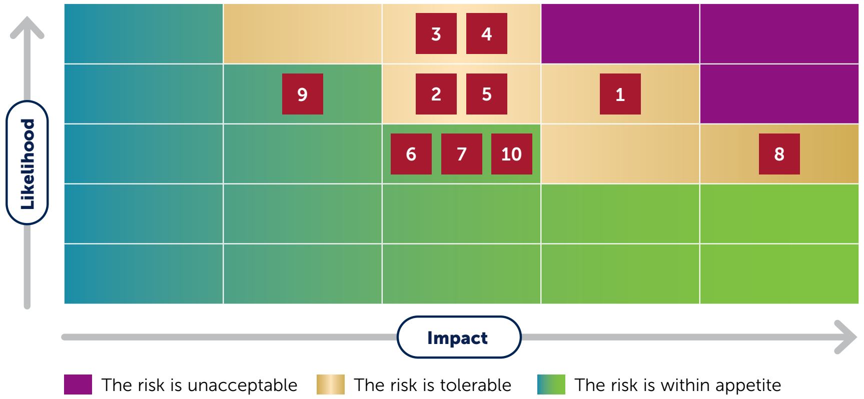
Outlook
Our self-regulating approach addresses any additional future controls.

2023 vs 2024

- Increase in risk rating
- No change
- Decrease in risk rating
- New risk

Top 10 risks in relation to our risk appetite

The heat map alongside outlines where the top 10 risks are quantitatively mapped in relation to the group's risk appetite and tolerance levels and their inherent risk of exposure. Inherent exposure is used to map the risks. Understanding where a risk is unacceptable or tolerable without control measures is essential, as this determines if management intervention is required.



Forward-looking risk themes

Throughout 2024, four key themes have consistently been observed in various fashions. These are political instability, technological advances, climate change and the changing labour market. Sun International keeps a close watch on emerging risk themes, not only to identify potential threats but also to identify potential value-adding opportunities.

Emerging risks

Political outlook

The outcome of the 2024 South African elections and the resultant Government of National Unity (GNU) introduced an improved outlook for the South African economy. We have witnessed some of the initial positive effects, including the strengthening of the rand, a more favourable fuel price, stabilising inflation and a reduction in interest rates, which will, if sustained, boost consumer confidence and potentially discretionary spending.

While these developments are positive, changes in national and provincial governments affect local governments and cause. If government does not leverage the opportunities created by the GNU, we will continue to be impacted as an industry and organisation. The current political instability and maladministration in certain provinces will likely exacerbate existing municipal infrastructure failures, potentially introducing a return to a weak economic outlook, rand depreciation, and reduced trade.

While the group has limited control over what happens from a political standpoint, we continue actively monitoring evolving trends and implementing mitigation measures as much as possible. We will also continue to monitor trends in the future as they have the potential to cause significant disruption to our business operations.

Technological advances

Rapid advances in Artificial Intelligence (AI), robotics, and disruptive technology could improve living standards, food security, medicine, service delivery, and clean energy. However, they also pose new and evolving threats, such as using AI to initiate cyberattacks. There is also an increasing trend of misinformation and disinformation observed through deepfake videos, voice cloning, and the production of counterfeit websites and market scams, which are often tools used to commit fraud and result in reputational damage.

The adverse outcomes of technological advances are expected to be a longer-term issue that becomes pervasive due to their rapid evolution. This could increase the need for a skilled workforce, resulting in increased migration of skilled workers. Additional interventions would be required to upskill our current workforce to adapt to changing technological skills requirements, which management is currently assessing from an information technology perspective.

While these are real risks that the group is monitoring and addressing where required, we have also identified numerous opportunities which we are looking to explore in the future. These include:

- Improved productivity using large language models and creative algorithms to generate content and improve workflow efficiencies
- Enhanced cybersecurity and fraud risk management capabilities through detection and prevention algorithms
- Enhanced identification and direct communication with customers about potential problem gambling behaviours allow the company to address them proactively
- Improved revenue generation capabilities through campaign management and personalised marketing
- New capabilities to scan through massive volumes of data, identifying anomalies, errors, and inconsistencies. This allows for proactive data maintenance through predictive analytics. It can augment data integration processes, enhance metadata management and improve data governance and compliance.

Our current focus is on using AI-driven data management systems to enhance operational efficiency and customer experience. This approach is part of a broader effort to improve decision-making, automate tasks, and enhance overall business performance.

Climate change

Climate change continues to be a significant emerging risk, characterised by the increased frequency and intensity of extreme weather events, water scarcity, and regulatory changes.

Global insured losses from natural catastrophes in 2023 totalled $108 billion, exceeding $100 billion for the fourth consecutive year. This indicates a new norm for natural catastrophe losses, driven primarily by severe convection storms and hailstorms. While insurance premiums can largely be adjusted to minimise continual increases, the potential for premium increases is high.

From an extreme weather perspective, Sun International is fortunate as its properties are widespread geographically; therefore, extreme weather events are likely to be isolated to a single or select number of properties. However, other risks to the group include the impact on its employees and customers living in the affected areas as well as supply chain disruptions. We continue to monitor the rapidly evolving changes in this regard. The group is committed to combatting climate change by investing in sustainability initiatives to reduce its carbon footprint and enhance environmental stewardship, implementing water conservation efforts, investing in energy-efficient technologies, and adopting renewable energy projects.

Refer environmental section.

New responsible gambling developments

Information published by the National Gambling Board of South Africa in September 2024 on post-Covid national gambling trends highlighted a sharp increase in gambling and a notable growth in online betting. Their data also indicated a significant rise in problem gambling post-Covid. The chief compliance officer of the National Gambling Board stated that from 2017 to 2023, gambling participation in Africa has more than doubled.

Regulators are exploring ways to address this issue. Recent developments include proposals for new rules regarding responsible gambling in the Western Cape. Suggested amendments in the North West, Northern Cape, Eastern Cape, and KwaZulu-Natal provinces could impact casino licences and compliance fees.

Sun International is closely monitoring the potential for national regulation of online gaming, which presents both risks and opportunities. The Historical Horse Racing (HHR) system has been approved in KwaZulu-Natal and Mpumalanga, with ongoing discussions and anticipated legislative changes. Sun International commissioned international gaming consultants to review our online gaming practices and assess our governance processes, their alignment with international best practices, and their effectiveness in preventing illegal gambling by underage individuals and problem gamblers, ahead of local regulations and in line with global best practice.

Sun International considers its commitment to protecting customers from problem gambling a vital aspect of its role as an ethical and responsible corporate citizen. The group has grown increasingly concerned about the rise of problem and illegal online gambling and consistently seeks further ways to address this issue while collaborating closely with the industry to support the responsible growth of the online gaming sector.

Board of directors

S (Sam) Sithole (52)

Non-executive chairman

Appointed: 2018

Qualifications

BAcc (Hons), CA(SA), CA(Z)
PLD (Harvard Business School)
Advanced Diploma in Banking (UJ)

Experience

- Finance and investment industries expertise
- Sound business and leadership experience

GW (Graham) Dempster (69)

Lead independent non-executive

Appointed: 2017

Qualifications

BCom, CTA, CA(SA), AMP (Harvard)

Experience

- Banking and finance (local and international)
- Sound business and leadership experience

CM (Caroline) Henry (58)

Independent non-executive

Appointed: 2016

Qualifications

BCom, BCompt (Hons), CA(SA)

Experience

- Finance and investing experience
- Treasury, debt capital markets, and retirement funds
- Sound business experience

SN (Sindisiwe) Mabaso-Koyana (55)

Independent non-executive

Appointed: 2020

Qualifications

BCom (Hons), CA(SA)

Experience

- Finance and investing expertise including private equity
- Sound business and leadership experience
- Auditing and risk management expertise
- Corporate governance

MLD (Dawn) Marole (64)

Independent non-executive

Appointed: 2022

Qualifications

BCom (Accounting), MBA (North Eastern University, Boston), EDP programme from The Wharton School of Business in Philadelphia, US

Experience

- Finance and investing
- Financial regulation
- Sound business and leadership experience

AM (Anthony) Leeming (55)

Chief executive

Appointed: 2013

Qualifications

BCom, BAcc, CA(SA)

Experience

- Gaming and hospitality
- Financial and corporate finance
- Governance and IT

N (Norman) Basthdaw (57)

Chief financial officer

Appointed: 2017

Qualifications

BCompt (Hons), CTA, CA(SA), MCom, HDip (Company Law)

Experience

- External and internal audit
- Financial management expertise
- Corporate finance advisory and private equity

TR (Tapiwa) Ngara (43)

Non-executive

Appointed: 2019

Qualifications

BBusSc, PGDA (UCT), CA(SA), MBA (London Business School)

Experience

- Finance and investing expertise
- Capital allocation expertise
- Sound business, investor relations and leadership experience

NT (Nigel) Payne (65)

Independent non-executive

Appointed: 2021

Qualifications

Economics and Accounting (Hons), Executive MBA

Experience

- Global sport betting and alternate gaming expertise
- Sound business and leadership experience
- Group finance, business development and IT

Z (Zimkhitha) Zatu Moloi (41)

Independent non-executive

Appointed: 2018

Qualifications

BCom, HDip Acc, CA(SA), MSc in Corporate Finance, RE5, RE1, GIBS Executive Leadership Programme

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

Committee membership key

Chairman:

- Social and ethics committee
- Nomination committee
- Audit committee
- Risk committee
- Remuneration committee
- Investment committee
- Executive committee

Executive management

AM (Anthony) Leeming (55)
Chief executive

Qualifications: BCom, BAcc, CA(SA)

Experience
- Gaming and hospitality
- Financial and corporate finance
- Governance and IT

Memberships
- South African Institute of Chartered Accountants (SAICA)
- Director: School of Tourism and Hospitality

N (Norman) Basthdaw (57)
Chief financial officer

Qualifications: BCom, CTA, CA(SA), AMP (Harvard)

Experience
- Corporate finance advisory and private equity
- External and internal audit
- Financial management

Memberships
- South African Institute of Chartered Accountants (SAICA)

Graham Wood (55)
Chief operations officer (Resorts and Hospitality)

Qualifications: BCom, BCompt (Hons), CA(SA)

Experience
- Strategic leadership
- Commercial and operational expertise in the gaming, hospitality and tourism industry

Memberships
- South African Institute of Chartered Accountants (SAICA)

Andrew Johnston (59)
Director: Corporate services and group company secretary

Qualifications: BA, LLB, FCIS, PGDip (Environmental Law), Certificate in Advanced Corporate Law and Securities Law

Experience
- Legal, secretarial, compliance, sustainability and corporate and remuneration governance
- Corporate finance and investor relations
- Admitted attorney and certified ethics officer

Memberships
- JSE Company Secretary Forum
- Institute of Directors – Remuneration Forum
- Charted Governance Institute of Southern Africa

Simon Gregory (51)
Sunbet: Chief executive officer

Qualifications: BSc (Hons), CA (UK)

Experience
- Online gaming
- Commercial and operational management
- Strategy and finance

Memberships
- Institute of Chartered Accountants of England and Wales (ICAEW)

Khati Mokhobo (59)
Director: Strategic projects

Qualifications: BCom, BAcc, ACMA, CA(SA)

Experience
- Financial management
- Forensic investigations
- New business development
- Commercial project execution
- Gaming and hospitality
- Stakeholder management

Memberships
- South African Institute of Chartered Accountants (SAICA)
- Charted Institute of Management Accountants (CIMA)

Felix Mthembu (52)
Sun Slots: Chief executive officer

Qualifications: NDP: Operations Management

Experience
- Manufacturing – textiles, food and petrochemicals
- Fuel retail and convenience store operations
- Organisational restructuring

Memberships

Pragasen Pather (49)
Chief information officer

Qualifications: BCom: Business Management

Experience
- IT Strategy
- Information management and cyber security
- IT governance, risk and compliance
- Business continuity management
- Project execution
- Digital and AI

Memberships
- Information Systems Audit and Control Association (ISACA)
- SA IT Enterprise Forum Board Member

Helen Stewart (59)
Chief marketing and sales officer

Qualifications: PR and Communications Diploma (Wits), Business Coach, International Coaching Federation (ICF), Executive Development Programme (Wits)

Experience
- Marketing and brand strategist
- Digital marketing
- Social media strategy
- CRM and loyalty expertise
- Business coach and mentor

Memberships
- International Coaching Federation
- Public Relations Institute of South Africa (PRISA)

Nwabisa Titus (51)
Director: Investor Relations

Qualifications: BCom(Acc) PDBA (GIBS) Certificate in Investor Relations (CIR)

Experience
- Investor Relations
- Financial markets and investment banking
- Corporate governance
- Strategy
- JSE Listings Requirements

Memberships
- UK Investor Relations Society
- Institute of Directors SA (IoD SA)

Mike Wilson (54)
Director: Business support

Qualifications: BCom, BCom (Hons), PGDA, CA(SA)

Experience
- Business finance
- Business process optimisation
- Project management
- Shared service center
- Business Intelligence

Memberships
- South African Institute of Chartered Accountants (SAICA)

Muxe Mambana (39)
Director: Internal audit

Qualifications: BAcc, CA(SA), CIA, MBA

Experience
- External and internal audit
- Financial management
- Forensics
- Corporate governance, risk and compliance
- Diverse industry experience

Memberships
- South African Institute of Chartered Accounts (SAICA)
- Institute of Internal Auditors of South Africa

Our governance philosophy

Our approach to governance and leadership enables business and consequently, contributes to value creation. We are committed to practising the highest governance standards, ethical conduct and integrity.

Our governance structures, policies, internal processes, risk and sustainability oversight, and approach to remuneration support our overall value creation process and ensure our group is effectively and ethically led, well-managed, and controlled.

We take a proactive and forward-looking approach to governance to ensure that it addresses evolving business, societal, and environmental issues quickly and is flexible and agile enough to do so.

The purpose of our approach to governance

The good governance we aim to achieve by applying the King IV Code is:

Ethical and effective leadership K1

Ethical culture page 39

Responsible corporate citizenship that goes beyond compliance, both in terms of our role in society and our environmental stewardship, as well as our approach to governance K3

Ethical culture page 39

Good performance against strategy and the **creation of sustainable value** for the business and its stakeholders K4

Robust risk and performance management

Effective control and good performance page 39 and 40

A stakeholder-inclusive approach that acknowledges the interdependent relationship between the group and its stakeholders. We intend to maintain trust and balance the needs, interests and expectations of our business and our material stakeholders over time. K16

Legitimacy page 40

Incorporating the Ten Principles of the United Nations Global Compact (UNGC) and the Organisation for Economic Cooperation and Development (OECD) recommendations regarding corruption into our governance contributes to our value creation through good governance, our approach to corporate social responsibility and establishing an ethical culture.

The board's leadership role

The Board of Sun International sets the tone and leads the group ethically, effectively and responsibly. When making decisions, individual board members ensure they are well-informed and independent, with courage, awareness and insight and manage conflicts of interest, if any arise. The board works together with the executive team to deliver on our purpose. It steers the group's strategic direction to create economic value for all our stakeholders in the short, medium and long term. It retains its flexibility to adapt rapidly to changing market conditions and innovate. It guides and oversees the group's performance in terms of its role in society as an employer, taxpayer and contributor to transformation and economic growth. In this regard, it has a zero tolerance approach to gender-based violence and sexual harassment.

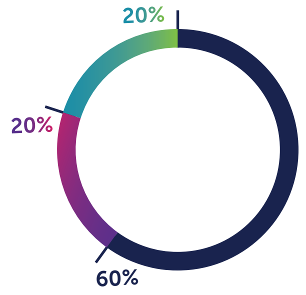
Building an appropriate balance of knowledge, skills, experience, diversity and independence K7

The nomination committee's roles and responsibilities, set out in its Terms of Reference, include ensuring that our unitary board and its subcommittees have the appropriate composition to execute their duties effectively and recommend targets for gender and race representation on the board. Our board is satisfied with its independence level, and its composition reflects an appropriate mix of knowledge, skills, experience, and diversity.

Independence

The independence of our board members protects our shareholder interests.

Board independence as at 31 December 2024



- Independent non-executive directors
- Non-executive directors (non-independent)
- Executive directors

Our board charter, which aligns with King IV, requires the annual approval of the board members to appoint the chairman. In November 2024, Sam Sithole, a non-executive director representing the group's major shareholder, was reappointed as chairman for another 12-month term starting on 1 January 2025. In line with King IV's recommendations, our charter requires the appointment of a lead independent director. The board confirmed the appointment of Graham Dempster, an independent non-executive director, as lead independent director for 12 months, effective 1 January 2025.

Diversity

The voluntary gender target for non-executive directors in our diversity policy is 30% women (the B-BBEE Codes exclude non-executive directors Sam Sithole and Tapiwa Ngara).

Gender (at 31 December 2024)

Male	6	(2023: 6/10)
Female	4	(2023: 4/10)

Ethnicity (at 31 December 2024)

Black	6	(2023: 6/10)
White	4	(2023: 4/10)

Board skills and experience

We are confident that we have built a knowledgeable, diverse and independent board that is well-equipped to discharge its governance roles and responsibilities and lead the group ethically and effectively.

Tenure of our non-executive directors post year-end

9+ years	1
5-8 years	6
0-4 years	3

Age at year-end

61 – 70	3
51 – 60	5
41 – 50	2

Average age 56

Board performance

Following the external board and committee evaluations, which took place in 2023, there were no adverse findings. As these external evaluations occur every three years, the next one will happen in 2026. Internal evaluations of performance related to the governance responsibilities of the board committees and individual board members, which occur every other year or more frequently if required, took place at the end of 2024. The board also reviews its committees, including the statutory audit committee and group internal audit, to ensure their composition, mandate, and authority equip them to effectively assist the board in their key areas of responsibility.

Succession, election and rotation of board members

In accordance with our Memorandum of Incorporation (MOI) and JSE Listings Requirements, one-third of all our non-executive directors are required to retire at each Annual General Meeting. Being eligible, they may make themselves available for re-election. This practice ensures accountability while maintaining board continuity. Before non-executive directors are put forward for re-election, their performance and attendance records are reviewed, and they must confirm that their other professional commitments allow sufficient time for them to meet their obligations as non-executive members of our board. Our active succession planning programme identifies candidates to replace non-executive directors reaching the end of their tenure or turning 70.

Composition of the governing body K7

The nomination committee ensures appropriate succession plans are established, formalised, and implemented for the board, executive, and management levels. It also identifies and recommends a successor to the chairman and the chief executive when necessary. To determine whether succession planning needs improvement, the committee regularly reviews the skills, knowledge, experience, and expertise the board and the business require to support the group's achievement of its strategic objectives.

The nomination committee is responsible for ensuring that the composition of the board and its committees facilitates the effective execution of its duties. It also recommends candidates to the board for consideration, who are then put forward to shareholders at our Annual General Meeting for voting on their election and appointment. A formal and transparent process is followed for the nomination, appointment and election of board members.

Board and committee members* attendance: 1 January 2024 to 31 December 2024

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

* In addition, certain key executives and members of senior management attend board and/or committee meetings.

How our board governs

Our governance and delegation structures position our board as the custodian of corporate governance. They ensure that Sun International has leadership structures that provide a solid foundation for our application of King IV, focused on achieving the four corporate governance outcomes of effective control, an ethical culture, good performance and legitimacy. King IV. K1 K6

Our governance structure

The board

- Sets and steers the strategic direction taken by management
- Approves policy and planning
- Provides oversight and monitoring
- Ensures accountability
- Delegates authority to its committees through clearly defined mandates

Providers of financial capital

Board of Sun International

Company Secretary

Committees

Board and committee charters

These charters can be obtained from our offices during office hours.

In accordance with the King IV recommendation the charters of our Board of Directors and its committees set out their:

- Roles
- Functions
- Responsibilities
- Powers
- Membership requirements
- Procedural conduct

Audit*

Monitors and oversees the integrity of the group's financial and integrated reporting, provides oversight of the quality, integrity and reliability of the group's assurance and assesses compliance.

Risk

Monitors and oversees the quality, integrity and reliability of risk management and conformance with the risk strategy and policies and regulatory and internal limits and exposures. Assesses the group's compliance environment and reviews and satisfies itself regarding the group's insurance portfolio. Oversees the management of the IT control environment and digital transformation.

IT governance subcommittee

Social and ethics*

Oversees the group's performance as a responsible corporate citizen in the workplace and the social and natural environment. Reports to the board and our stakeholders on developments and progress.

Remuneration

Supports the board in setting the direction of how remuneration is approached in the group and ensures employees are remunerated fairly. Reviews the group's remuneration practices and structures and ensures best practices are applied.

Nomination

Determines appropriate corporate governance structures, monitors and assesses board and committee effectiveness and ensures succession plans are in place for the board and executive committee.

Investment

Reviews and recommends new merger, acquisition and disposal opportunities aligned to the group's strategy.

Group company secretary

Executive committee
Chairman – Anthony Leeming
Oversees the implementation of decisions and strategies endorsed by the board throughout the group

Unit operational risk committee

* The audit and social and ethics committees are statutory committees introduced into South African law through the Companies Act.

The board’s collective responsibility for its primary governance roles

Strategic direction | Accountability | Policy and planning | Oversight and monitoring

The board’s oversight and monitoring of performance contributes **value to the business and its stakeholders** by ensuring a fair and transparent approach

Oversight

Strategy

The board sets and steers the strategic direction of the group, delegates the formulation and development of the group’s short, medium and long-term strategy; sets the risk appetite and governs risk with the aim of supporting the achievement of a **good performance against strategic objectives**

The board approves business policies and plans that contribute to **value creation** through good governance, **corporate social responsibility** and an **ethical culture**

Policy and planning

Accountability

Our governance framework provides the board with **effective control**, which it uses to ensure business accountability

Outcome
Effective governance leading to:

- Effective control
- Leading ethically, effectively and responsibly
- Value creating performance
- Legitimacy
- Stakeholder inclusivity
- Responsible corporate citizenship

Value creation for all stakeholders

Effective control

The group's governance and delegation structures position our board as the custodian of corporate governance and ensure it has adequate leadership structures in place.

These provide a solid foundation for our application of King IV, which focuses on achieving the four corporate governance outcomes of an ethical culture, good performance, effective control, and legitimacy.

Our governance practices facilitate the delegation of authority to the board and statutory committees through which the board provides guidance, monitors executive management functions, and verifies that they apply its established governance policies and processes.

The nomination committee assessed the competence of the company secretary during the year under review and recommended to the board that he is sufficiently qualified to continue in this role.

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 2024 the chief executive was found to be adequately equipped and suitable to carry out the duties of his role.

All our directors must declare their interests in any shareholding or contracts with the group and any personal commercial interests that may relate to board matters annually. In accordance with the requirements of the Companies Act, they also recuse themselves from any relevant discussions and meetings.

Governance designed to embed an ethical culture

Sun International understands the power of ethical leadership to influence the actions of our employees and stakeholders and support us in achieving our purpose. We have a zero tolerance approach to corruption and unethical behaviour and will always act in good faith and as responsible corporate citizens.

The board is uncompromising about embedding and maintaining an ethical culture in our business. The board manages organisational ethics through its social and ethics committee and has established an ethics office.

The ethics office comprises the group ethics officer, the chief financial officer, and the director of internal audit. The director of corporate services is periodically engaged in assisting with interpreting legal issues and resolving ethical dilemmas. The ethics office duties include, among others:

- **Partnering** with management to facilitate the embedding of an ethical culture across the group, discouraging unethical behaviour and promoting a sound ethical tone at the top
- **Contributing** towards group-wide ethics risk management, ESG and combined assurance as a second line of defense
- **Planning, organising, directing and controlling** all formal ethics-related group activities, including conducting periodic training and surveys; and creating awareness campaigns 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 to senior management and the social and ethics committee; and
- **Developing**, amending, implementing and managing ethics-related policies and procedures.

The ethics office receives its mandate from the social and ethics committee. It is aligned with legislation and industry best practices, including the Companies Act, the Protected Disclosures Act, the King IV Code, and the ethics management framework recommended by The Ethics Institute.

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. Our code of ethics is supported by associated ethics-related policies, which include the group supplier code of conduct, anti-fronting statement, suite of group sustainability-related policies, suite of human resources-related policies, anti-corruption and economic crime policy, anti-money laundering, anti-terrorism and proliferation financing statement, and conflict of interest policy.

Our code of ethics helps the group fulfil its responsibility to all stakeholders. All stakeholders are contractually required to abide by and operate within the code of ethics and the group's supplier code of conduct. The supplier code is based on recognised international standards, principles and best practices, including the 10 UNGC Principles relating to labour conditions, human rights, competitive conduct, occupational health and safety, environmental impacts and combating bribery and corruption.

Closed sessions are attended by the chairman, independent non-executive directors who are members of the social and ethics committee, the chief executive and the ethics officer after each social and ethics committee meeting. The purpose of this session is to discuss incidents reported to the ethics office and the investigation methodology used to close them out.

Results of calls to our whistle-blower line

Our employees understand that they are duty-bound to report any breaches of our code of ethics and to encourage colleagues to report any ethical concerns they may have.

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

An in-house walk-in function is available and there is a dedicated, secure and confidential ethics office email address for reporting ethical concerns.

The number of incidents reported increased significantly, rising from 5 to 24, representing a 380% increase attributable to the Ethics Office launching the "Share More, Solve Faster" campaign and the implementation of a mandatory ethics training programme. Incidents involved employees across all levels, from junior staff to senior management. The majority of incidents reported during 2024 were human resources-related incidents, continuing the trend from 2023, with a marginal increase in procurement irregularities, particularly conflicts of interest. No incidents related to human rights abuse were reported from within Sun International.

Good performance

The board is accountable for the performance of the group. It considers all the elements of the value-creation process when steering the group's strategic direction. It approves short, medium and long-term strategies and business plans, measuring its performance against agreed targets.

The board also assumes responsibility for the group's integrated report and annual financial statements. It makes every effort to ensure that our reporting meets the needs of our stakeholders and complies with all legal and regulatory requirements. Information on our performance against our strategic objectives' is available in the chief executive's review, and the Chief financial officer's review section of this report.

The board ensures that the group remunerates fairly, responsibly and transparently to promote the achievement of its strategic objectives.

Remuneration report.

Legitimacy

Stakeholder inclusivity

To achieve stakeholder inclusivity and contribute value to both the business and its stakeholders, our board and management engage with the group's stakeholders and consider their interests, needs and expectations when making decisions that could impact our stakeholders and the group.

Stakeholder engagement page 20

A responsible corporate citizen

The social and ethics committee is responsible for monitoring and reviewing the group's performance as a responsible corporate citizen, which includes focusing on:

- The group's **support of responsible gambling** through the South African Responsible Gambling Foundation (SARGF), the entity that supervises the National Responsible Gambling Programme (NRGP) in cooperation with the gambling industry operators and governmental regulators

Responsible gambling

- The **human rights**, safety, occupational health and wellness of our people
- **Climate change** and decarbonisation and our approach to environmental sustainability
- The **future sustainability** of our business
- Our interaction with and support of the **communities** in which we operate
- Ethical issues and the group's **ethical culture**
- Monitoring and overseeing **corporate risk** in conjunction with the risk committee
- **Compliance** with relevant legislation and regulations

Group IT and cybersecurity governance

The IT Governance Committee (ITGC) provides the board with a status update on the group's information technology (IT) every quarter. It includes updates on strategic projects, IT operational performance, information, and cyber security as well as King IV adherence. In addition, it provides assurance on management of key risks and audit findings together with the status of mitigation plans. The quarterly ITGC is designed to provide a level of oversight that ensures appropriate governance of the management of enterprise IT. Given the key role of technology in our business, the board recently approved the appointment of an independent chair of the ITGC.

Our medium to long-term ambitions require a technology environment that will enable our business to be more responsive to market opportunities, leverage the tools we have and benefit from new digital innovations and services. The emphasis currently is on our infrastructure and application refresh, online platforms and making better data driven decisions which will allow us to be a more customer-centric organisation. Our core business and technology strategy is to enable a platform that unlocks an omnichannel capability across gaming, hospitality and online that will differentiate Sun International in our current and future markets.

Our ITGC continually evaluates threat intelligence, monitoring capabilities across the group, incident response and vulnerability management, including our compliance standards. AI and machine learning capabilities are used to enhance our cybersecurity measures and prevent real-time threats across our systems. During the year, the group chief information officer rolled out Microsoft Copilot, to identify use cases, drive operational efficiencies and possible revenue growth opportunities. This was done together with annual security training and awareness programmes to highlight the responsible use of AI-driven solutions rolled out throughout the group.

Cybersecurity is a critical component of organisational growth and competitiveness. Sun International continually monitors the external environment to assess possible new threats and implements appropriate controls to help manage emerging cyber risks. The interventions we have in place to manage the company's security posture have streamlined our security operations.

Group corporate tax governance

Our approach to tax is governed by our commitment to managing our tax affairs with integrity, responsibility, fairness, transparency, honesty and accountability towards all our stakeholders. This ultimately sets the tone for our tax strategy, which is to ensure compliance with tax laws and regulations in all jurisdictions in which we operate, proactively managing tax risks, optimising tax structures, stakeholder communication and collaboration and technology.

Tax risk management

Tax risk management plays a vital role in identifying, mitigating, and managing potential tax risks, ensuring strong internal controls and governance in line with our risk management policy. This includes keeping abreast with changes in the tax legislation, which is aligned to the overall governance of the group.

Tax planning

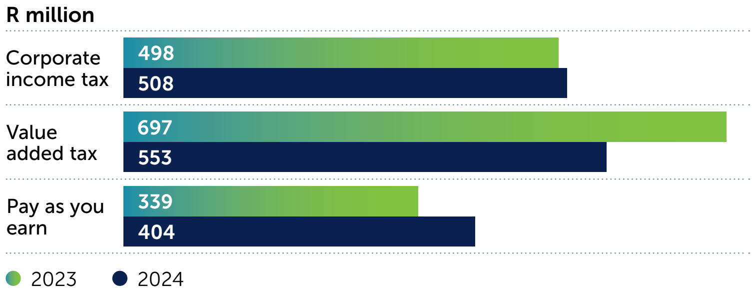
The group maximises tax efficiency through strategic tax planning, which has commercial substance and supports Sun International's overall financial success.

Technology

Exploring new technology and automation remains a key focus area to enhance efficiency and accuracy of the current processes, which will shift the focus to reaching strategic objectives and tax advisory.

Group taxation contribution

The group's total tax contribution comprises direct and indirect tax contributions collected on behalf of the relevant tax authorities. Direct tax refers to the corporate income tax. Indirect tax refers to value added tax (VAT) and employees' pay as you earn tax. Optimising the claiming of tax incentives as prescribed by the government can reduce the group's overall tax liability and enhance economic growth.



NORMAN BASTHDAW
Chief financial officer

Chief financial officer's review

Sun International has once again, produced a solid set of results with the performance of the group reflecting the quality of our operating businesses, the resilience of our omnichannel portfolio, and disciplined strategic execution.

Financial overview

for the year ended 31 December 2024

R million	31 December 2024	%	Restated* 31 December 2023
Income	**12 575**	5	11 970
Adjusted EBITDA	**3 507**	3	3 406
Depreciation and amortisation	**(796)**	(1)	(785)
Adjusted operating profit	**2 711**	3	2 621
Foreign exchange gain/(loss)	**10**	>100	(18)
Net interest	**(594)**	6	(633)
Adjusted profit before tax	**2 127**	8	1 970
Taxation	**(553)**	2	(564)
Adjusted profit after tax	**1 574**	12	1 406
Minorities	**(275)**	(8)	(254)
Continuing adjusted headline earnings	**1 299**	13	1 152
Discontinued group adjusted headline loss	**(8)**	20	(10)
Group adjusted headline earnings	**1 291**	13	1 142
Adjusted headline earnings adjustments	**(77)**	27	(105)
Group headline earnings	**1 214**	17	1 037
Headline earnings adjustments	**644**	>100	168
Group basic earnings	**1 858**	54	1 205
Continuing basic earnings	**1 210**	13	1 076
Discontinued basic earnings	**648**	>100	129

* The prior year comparative financial information was restated to reflect the operations of Tourist Company of Nigeria PLC ("TCN") as a discontinued operation in terms of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations.

Income

Income for the year was up 5.1% from the prior year to R12.6 billion. Sunbet generated record income during 2024, up 60.6% and is ahead of its aggressive growth targets. Resorts and hotels income achieved exceptional growth, income was up 7.6% to R3.3 billion comparatively.

Adjusted EBITDA

The adjusted EBITDA was impacted by costs incurred relating to the closure of The Table Bay Hotel in the current financial year, as well as insurance receipts and accruals reversed in the prior year. Excluding the impact of these anomalies, the adjusted EBITDA would have increased in line with income.

Adjusted headline earnings

Adjusted headline earnings was up 13.0% on the prior year, to R1.3 billion, with adjusted headline earnings of 531 cents per share, up 13.5% comparatively.

Key financial highlights

Income
▲ 5.1%
to R12.6 billion

Adjusted EBITDA
▲ 3.0%
to R3.5 billion

Adjusted EBITDA margin
at 27.9%

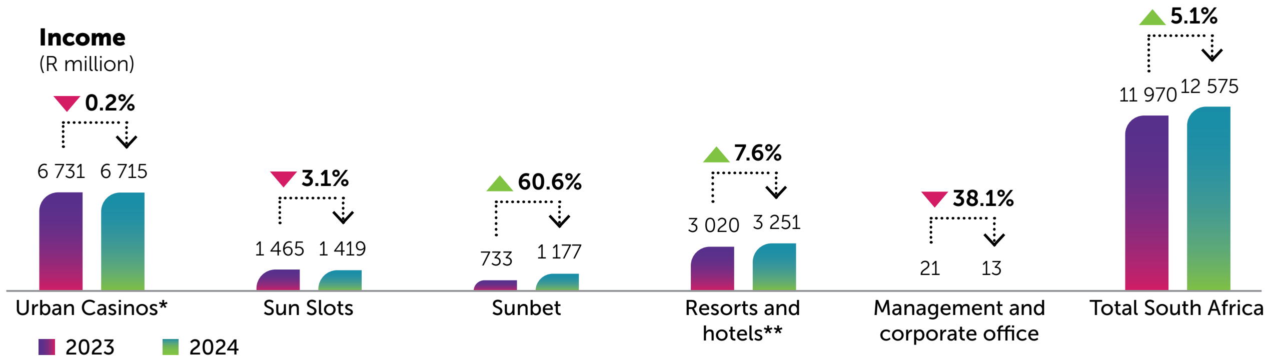
Adjusted headline earnings cents per share (cps)
▲ at 531 cps
from 468 cps

Total debt (excluding IFRS 16 lease liabilities)
▼ R5.2 billion
from R5.7 billion
(1.5x debt: adjusted EBITDA)

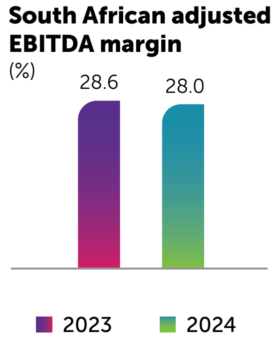
Total dividend declared
▲ 13.4%
with final dividend for the year at 237 cps, 75% pay-out of AHEPS

Segmental review

Income from the group's four largest urban casinos increased by 0.7%, while growth in the smaller regional casinos posed challenges. Rooms and food and beverage revenue from our resorts and hotels showed excellent growth, rising by 10.9%. Conversely, Sun Slots income dropped by 3.1% to R1.4 billion compared to the prior year. Management has implemented various initiatives to address this downturn.



* 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.



Summary segmental analysis

for the year ended 31 December 2024

R million	Net gaming wins 2024	Net gaming wins Restated* 2023	Net gaming wins: Tables 2024	Tables Restated* 2023	Net gaming wins: Slots 2024	Slots Restated* 2023	Net gaming wins: Sun Slots and Sunbet 2024	Sun Slots and Sunbet Restated* 2023	Total revenue 2024	Total revenue Restated* 2023	Revenue from contracts with customers: Rooms 2024	Rooms Restated* 2023	Food and beverage 2024	Food and beverage Restated* 2023	Other$ 2024	Other$ Restated* 2023	Total income 2024	Total income Restated* 2023
Urban casinos	**6 097**	6 127	**1 299**	1 344	**4 798**	4 783	**–**	–	**618**	604	**146**	113	**301**	310	**171**	181	**6 715**	6 731
GrandWest	**1 844**	1 776	**378**	335	**1 466**	1 441	**–**	–	**114**	108	**10**	2	**63**	66	**41**	40	**1 958**	1 884
Sun Time Square	**1 229**	1 286	**339**	411	**890**	875	**–**	–	**211**	220	**55**	49	**104**	108	**52**	63	**1 440**	1 506
Sibaya	**1 271**	1 237	**267**	293	**1 004**	944	**–**	–	**74**	50	**17**	7	**45**	33	**12**	10	**1 345**	1 287
Carnival City	**758**	785	**175**	169	**583**	616	**–**	–	**58**	60	**9**	9	**26**	24	**23**	27	**816**	845
Boardwalk#	**416**	415	**67**	59	**349**	356	**–**	–	**131**	114	**36**	31	**59**	49	**36**	34	**547**	529
Meropa	**212**	224	**34**	31	**178**	193	**–**	–	**12**	12	**8**	7	**–**	–	**4**	5	**224**	236
Windmill	**161**	195	**16**	27	**145**	168	**–**	–	**2**	9	**–**	–	**1**	8	**1**	1	**163**	204
Flamingo	**103**	106	**12**	9	**91**	97	**–**	–	**1**	10	**–**	–	**1**	10	**–**	–	**104**	116
Golden Valley	**103**	103	**11**	10	**92**	93	**–**	–	**15**	21	**11**	8	**2**	12	**2**	1	**118**	124
Resorts and hotels	**902**	932	**194**	231	**708**	701	**–**	–	**2 349**	2 088	**1 229**	1 071	**666**	637	**454**	380	**3 251**	3 020
Sun City	**469**	549	**131**	172	**338**	377	**–**	–	**1 528**	1 329	**681**	572	**449**	429	**398**	328	**1 997**	1 878
Wild Coast Sun	**433**	383	**63**	59	**370**	324	**–**	–	**149**	134	**44**	31	**60**	60	**45**	43	**582**	517
The Table Bay Hotel	**–**	–	**–**	–	**–**	–	**–**	–	**506**	476	**413**	386	**85**	84	**8**	6	**506**	476
The Maslow Sandton	**–**	–	**–**	–	**–**	–	**–**	–	**166**	149	**91**	82	**72**	64	**3**	3	**166**	149
Sun Slots	**1 415**	1 462	**–**	–	**–**	–	**1 415**	1 462	**4**	3	**–**	–	**–**	–	**4**	3	**1 419**	1 465
Sunbet	**1 171**	729	**–**	–	**–**	–	**1 171**	729	**6**	4	**–**	–	**–**	–	**6**	4	**1 177**	733
Management and corporate office	**–**	–	**–**	–	**–**	–	**–**	–	**13**	21	**–**	–	**–**	1	**13**	20	**13**	21
Total South African operations	**9 585**	9 250	**1 493**	1 575	**5 506**	5 484	**2 586**	2 191	**2 990**	2 720	**1 375**	1 184	**967**	948	**648**	588	**12 575**	11 970
Sun Chile group and Sunbet Africa^^	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
Total group operations	**9 585**	9 250	**1 493**	1 575	**5 506**	5 484	**2 586**	2 191	**2 990**	2 720	**1 375**	1 184	**967**	948	**648**	588	**12 575**	11 970

R million	2024	Restated* 2024
$ Other:		
Revenue within the scope of IFRS 15		
Time share income	**158**	133
Other income**	**243**	241
Other income excluded from the scope of IFRS 15 (Rental and Concessionaire income^)	**241**	206
Other income excluded from the scope of IFRS 15 (Insurance receipts)	**6**	8
Total	**648**	588

* The prior year comparative financial information was restated to reflect the operations of TCN as a discontinued operation in terms of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations.

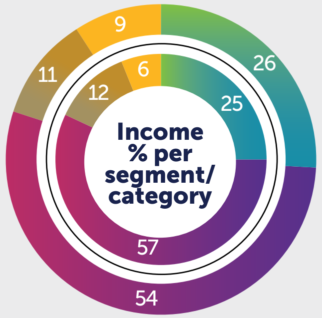
** Other income includes conferencing and entertainment revenue, management fees income, membership revenue, merchandise revenue and entrance fee revenue. Time share income was separately shown out of Other income to provide additional detail.

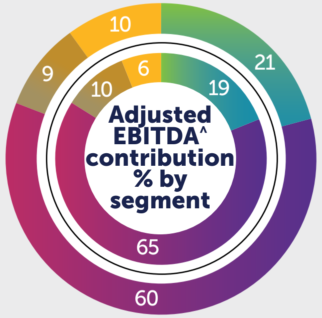
^ Concessionaire income is based on an agreed percentage of that concessionaire's turnover.

^^ This has been re-presented from 'Nigeria and other' to Sun Chile group and Sunbet Africa as TCN has been disposed of.

\# Boardwalk includes Boardwalk Mall.

Summary segmental analysis continued

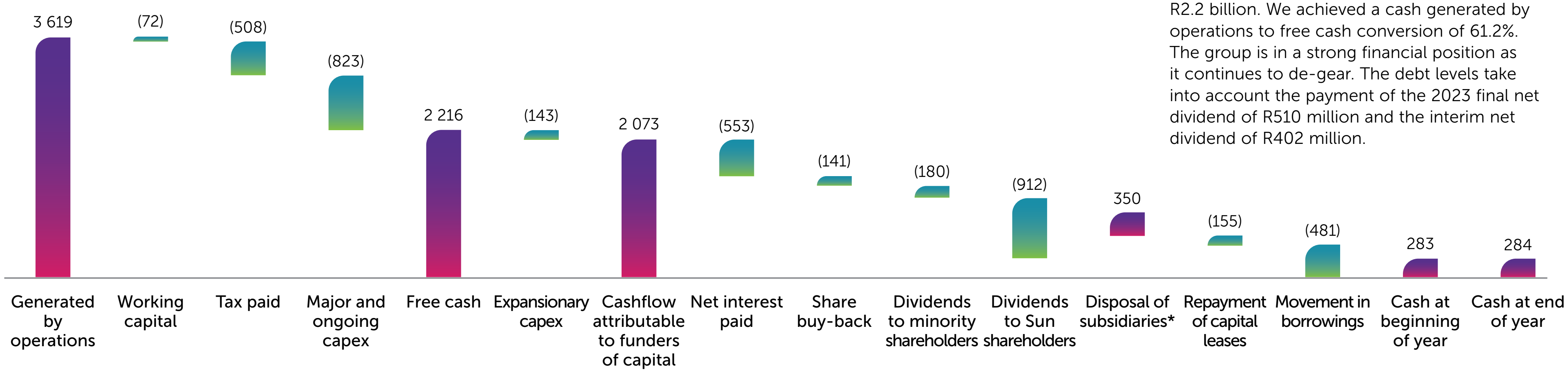




- Prior period, inner circle
- Urban Casinos
- Sun Slots
- Sunbet
- Resorts and Hotels

^ Pre-management fees.

Cash flow
(R million)



- Cash inflow
- Cash outflow

* Includes proceeds received from the disposal of TCN of R196m and R154m received from Dreams S.A. first contingent consideration. Relates to South Africa

Cash generated from operations after working capital, tax and major and ongoing capex was R2.2 billion. We achieved a cash generated by operations to free cash conversion of 61.2%. The group is in a strong financial position as it continues to de-gear. The debt levels take into account the payment of the 2023 final net dividend of R510 million and the interim net dividend of R402 million.

Headline and adjusted headline earnings adjustments

Adjusted headline earnings improved from R1 142 million to R1 291 million, with adjusted headline earnings of 531 cents per share up from 468 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 below:

An increase in the estimated redemption value of the SunWest put option liability of R58 million.

The recognition of the second contingent consideration of R344 million relating to Dreams S.A., net of estimated taxes, expenses and time value of money.

Net accounting gain of R299 million on the disposal of TCN.

Peermont and other transaction costs of R26 million.

Capital allocation strategy

Sun International's capital allocation strategy is centred around optimising shareholder value while ensuring long-term sustainability and growth, ensuring agility and adaptability in an ever-changing market landscape. The company strategically invests in high-return projects, focusing on expanding and enhancing its existing portfolio of resorts, casinos, and hotels. Sun International also prioritises disciplined financial management, including prudent debt management and maintaining a robust balance sheet.

Capital allocation framework

Acquisitions

- Minority buyouts where opportune
- Adding scale and an increased offering to customers e.g. Peermont
- Sunbet to consolidate in a fragmented online market

Consistent dividend pay-out

- Dividend pay-out ratio of 75% of AHEPS maintained
- Maintain a dividend pay-out of 50% AHEPS post Peermont transaction
- Targeted debt to adjusted EBITDA ratio of 2 times over longer term

Share buy-backs

- Share buy-back programme initiated in 2022
- Purchased c3.8 million shares during the year for a total of R141m
- Total share buy-back since June 2022 amounts to 2.2% of June 2022 issued number of shares at an average share price of R34.79

Other expansionary projects

- Sunbet expansion in the rest of Africa
- Sun Slots to roll-out LPMs in selected African jurisdictions

Maintain and grow existing assets

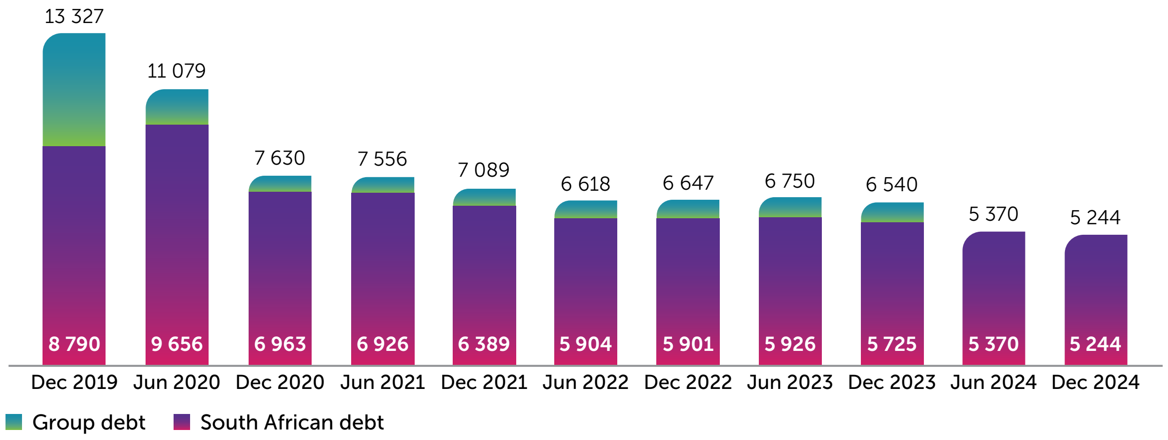
- Alternative energy strategy implementation
- Targeting major refurbishment and ongoing capex of 6%

Total capital returned of R3.0 billion since June 2022 – dividends of R2.8 billion and share buy-backs of R199 million

Debt

The group is in a strong financial position with debt (excluding IFRS 16 lease liabilities) at R5.2 billion, down from R5.7 billion as at 31 December 2023. Our debt to adjusted EBITDA and interest cover of 1.5 times and 6.5 times respectively, are well within our lenders' covenants of less than 3.0 times and more than 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)



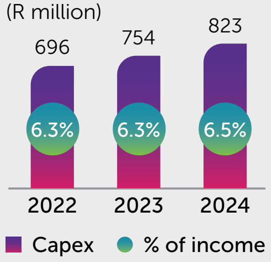
We are proud of our ongoing successes in substantially decreasing our debt levels

1.5x	6.5x	R2.3 bn	R1.2 bn
Debt: adjusted EBITDA bank covenant: less than 3.0x	Interest cover bank covenant greater than 3.0x	Available liquidity	Capital returned to shareholders in the current year

Capital expenditure

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

Major refurbishment and ongoing capex
(R million)



Relates to South Africa.

Expansionary

R143 million spent on expansionary capex

Sun City Vacation Club (Lefika Villas):	**R22 million**
Boardwalk Mall:	**R3 million**
Solar:	**R107 million**
Sunbet:	**R11 million**

Major refurbishment and ongoing

R263 million spent on major refurbishment capex

GrandWest electrical:	**R104 million**
Vacation Club Reserve:	**R43 million**
Sun City Hotel, Palace, Cabanas and Entertainment Centre:	**R78 million**

R560 million spent on ongoing capex

Dividend

The group has declared an interim cash dividend of 161 cents per share and a final cash dividend of 237 cents per share, bringing the total cash dividend to 468 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
14 March 2025

Operational **review**

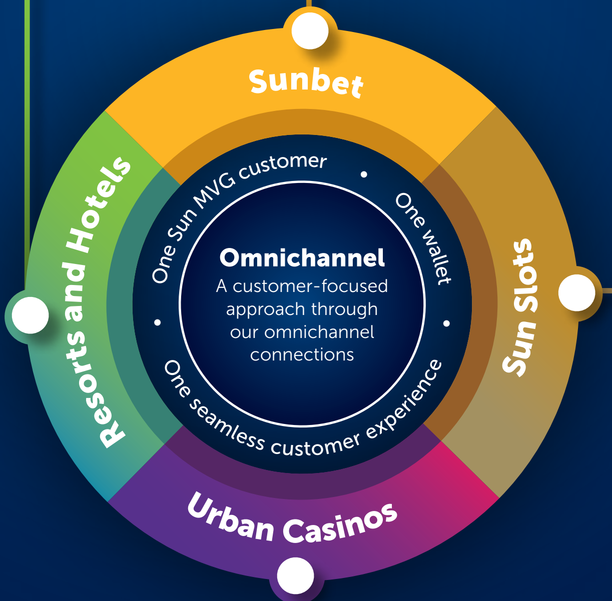
Sun International, a world-class gaming and hospitality group, is stronger than ever, well-positioned and well-equipped to maximise shareholder value. Through our omnichannel strategy, we purposefully and seamlessly connect our four primary businesses – Urban Casinos, Sunbet, Sun Slots and Resorts and Hotels – and put our customers at the heart of everything we do. Our focused portfolio of iconic properties offers our customers multifaceted experiences, driven by our people's commitment to superior service. We are a major contributor to the South African economy through our role in tourism, employment and training, and our corporate responsibility programmes.

Resorts and Hotels

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

Urban Casinos

- Strategically located operations across the country
- Strong cash generator for the group
- Defending and growing market share
- Focused on improving margins
- Attractive returns



Sunbet

- Premium South African sports betting brand
- Product offering across all verticals
- Well positioned to capitalise on strong online gambling growth
- Leveraging Sun International brand and presence
- Complementing but not cannibalising land-based operations

Slots

- Superior service offering
- Strong relationships maintained at quality sites
- Well placed for further growth in South Africa
- Secured 500 LPM licence in Botswana

Urban Casinos

Our well-maintained urban casinos, strategically located across South Africa, remain a strong cash generator for the group. We continue to defend and grow our market share, improve operations and focus on operating margins.

Income
R6.7 billion
(2023: R6.7 billion)

Adjusted EBITDA
R2.3 billion
(2023: R2.4 billion)

Operational plan

Our operational plan is focused on three core areas:

Omnichannel platforms	To maintain our competitive position, our focus has been on the improved use of data and analytics and a selective focus on specific market segments. We continue to enhance our customer relationship management programme, which rewards our customers based on their casino play, and are upgrading our Bally existing casino management system, Bally. This upgrade, which began in November 2024 and was completed in February 2025, paves the way for us to optimise managing customer value and data analytics. We will implement additional Bally system functionality to support our omnichannel customer strategy across our casinos, hotels and resorts and Sunbet.
Customer experience	Our omnichannel strategy allows us to reward our customers with special offers at all properties in the Sun International portfolio using our long-standing MVG loyalty programme. We can offer a seamless customer experience, behaviour-based rewards, group-wide promotions, and an unparalleled VIP experience. This enhances customer loyalty and increases the share of spending of casino customers. Our dedicated and focused VIP team will continue to focus on our VIP customer group spend and value. We aim to maintain our position as the home of casino tournaments and entertainment, enhance our VIP customer experience, and improve our gaming product by continually reviewing the offerings at our casino Privés.
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, upgrading systems, and leveraging group technology platforms. We are implementing a renewable energy plan to mitigate rising energy costs. We invested R95 million in on-site PV solar projects at Sibaya and Carnival City and are investigating a wheeling solution for our Eskom-billed properties.

Growth and outlook

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

Our omnichannel approach will gain momentum as we focus on product alignment, a single customer wallet, and a seamless customer experience across our urban casinos, resorts, hotels, and Sunbet.

Performance overview

GrandWest

The GrandWest team has been very active in marketing, promotions, activations, and behaviour-based CRM rewards to drive footfall, casino visits and spend. In addition, the VIP team has successfully leveraged the 64 additional Grand Hotel rooms, which opened in December 2023, to target additional out-of-town customers. These efforts have translated into a pleasing revenue growth, and market share has again increased.

GrandWest is in the final stages of completing a major electrical upgrade and investigating various renewable energy initiatives, such as wheeling of power from independent power producers.

An exciting development is the potential addition of a retail mall adjoining the GrandWest exhibition area. The Western Cape Gambling and Racing Board (WCGRB) has approved the project, and the municipal approval process is underway. The addition of a retail mall will significantly benefit our surrounding communities and provide additional entertainment activities for all visitors to GrandWest. Given the Boardwalk Mall's impact on our Boardwalk casino, hotel, and conference centre, we are excited about this potential development.

GrandWest continues to engage with socio-economic development initiatives to enhance Sun International's brand reputation.

Time Square

Time Square experienced a reduction in play by a few top-end customers, even though these customers are still active. This impacted the lower income in tables, while slots income grew thanks to our ongoing floor optimisation strategy. It is pleasing to note that we maintained our market share at 16.7% through our focused marketing, promotions, and VIP strategy. The total Gauteng GGR declined by 4.8%, mainly due to the economic climate and increased pressure from online gaming.

Hospitality revenues declined due to the lower number of shows in the Arena. Numerous international artists cancelled their South African tours, citing concerns about potential instability surrounding the national elections held in 2024. The Arena will be busier in 2025, with many confirmed international shows. The government prefers our hotel for all embassy visits, and we are well-positioned to capitalise on the G20 summit and the many meetings planned during South Africa's G20 presidency.

From a product perspective, we have expanded our food court by adding popular fast-food-branded outlets. We also opened Appetite, our new all-day dining restaurant adjacent to the Maslow Time Square hotel. This outlet has proved very popular with conferencing clients and leisure guests.

Sibaya

Sibaya's results proved its resilience despite the negative impact on tourism and hospitality businesses due to the frequent closure of the beaches because of the failing infrastructure in the region. The President subsequently formed a task team to address these and other challenges in Ethekwini. Despite these challenges, Sibaya recorded revenue growth and market share gains. Agile marketing, innovative promotions and VIP efforts contributed to this growth. Management remained committed to protecting margins through identifying cost efficiencies.

We continue to focus on improving our product and customer experience. Major refurbishment projects were undertaken during the year under review, including elevating the Royal Sibaya Hotel breakfast and dining room to a five-star venue. Conference rooms were refurbished, and we have seen a significant increase in business. The property's retail offerings were also enhanced, featuring a new signature Thava Indian restaurant. Plans are in place to upgrade our Privé private gaming rooms and the Privé smoking and non-smoking gaming areas in 2025. We will continue to enhance the customer experience through exciting promotions, events, and entertainment, as well as a review of our non-gaming offerings.

Carnival City

Carnival City operates in the highly competitive Gauteng market, and its market share has been under pressure. Senior management changes were made in 2024, and the improvement in employee energy levels is translating into an improved customer experience. Slots handle and tables drop have grown on the previous year, but lower hold percentages have impacted our gaming income growth.

Through our VIP framework, we have targeted our top-end Diamond customers. It is encouraging that this has translated into a growth in visits. Our VIP team has also attracted new top-end customers to the property. Marketing has focused on driving relevant and innovative promotions to increase customer visits.

Our management team has focused on Food and Beverage, both in product delivery and profitability, with excellent results. We have also added non-gaming activities to improve footfall, and we have an exciting entertainment calendar planned for 2025.

The refurbishment of Carnival City's external façade was completed in 2024 and has received positive feedback from our customers.

Our PV solar project was successfully commissioned in August 2024 and has shown significant savings on our monthly energy costs.

Urban Casinos continued

Boardwalk

The Boardwalk Mall continues to position itself as the entertainment precinct of Nelson Mandela Bay. It attracts many local and out-of-town visitors and complements the world-class experience of Boardwalk's casino, hotel and convention centre. Revenues grew on the prior year, driven by a growth in tables income and an increase in food and beverage revenue from the growth in conferencing and events.

Our marketing and out-of-town VIP strategy continued to increase our market share in 2024. Boardwalk remains dedicated to providing an unparalleled entertainment experience while adapting to emerging trends and challenges in the industry.

Our Boardwalk casino licence expires in October 2025, and we have submitted a bid for a new 20-year licence, together with our partners, in response to a Request for Proposal process issued by the Eastern Cape Gaming & Betting Board. Our submission was made in February 2025.

Regional casinos

The regional casino portfolio includes Meropa (Limpopo), Windmill (Free State), Flamingo (Northern Cape), and Golden Valley (Western Cape). All these properties faced continued economic pressures in 2024, as constrained consumer spending and increasing operational costs impacted revenue and profitability.

To protect margins and enhance operational efficiencies, the operating models of these smaller casinos are being strategically reviewed.

Sunbet

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

Performance overview

Income	Unique active customers
R1.2 billion (2023: R733 million)	544 244 (2023: 403 105)
New customer registration	**First-time depositors**
648 443 (2023: 450 485)	259 300 (2023: 176 286)

The primary driver of performance in any online gaming business is the number of active customers. New customer registrations increased by 44%, while new customers who made their first deposit during the year increased by 47%. Unique active customer numbers increased by 35% from 403 107 to 544 244.

Sunbet increased net GGR (wagers placed less payouts) from its online players by 60.6% to R1.2 billion (2023: R733 million). Growth was driven by income from online slots, which increased GGR by 53%. In addition, the continued growth of live games, sports betting, and the launch of a new vertical of crash games from February 2024 contributed to the strong growth.

Operational plan

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

Our strategy centres on acquiring and retaining profitable, loyal customers. We achieve this through three key disciplines: effective marketing to attract customers, a first-class gaming experience, outstanding service, and added value to retain customers.

As an online business, Sunbet aims to use its vast data set to deliver targeted, efficient, data-driven marketing. By efficiently using smart data analytics, we can acquire and retain customers by presenting the right offer to the right customer segment at the right time.

We continue to work with some of the best global software suppliers to offer a suite of products that provide an exciting, premium gaming experience. A key element of our group strategy is integrating the online and physical casino assets through our omnichannel project that will ultimately deliver a unified wallet to all Sun International customers, allowing seamless online and offline play. 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 through technological development or geographical expansion. Sunbet will be well-positioned to capitalise on these fast-growing markets through these strategic initiatives.

To capitalise on this market growth, Sunbet acquired two new licences in addition to the Western Cape licence we already hold. These licences allow us to remit taxes to additional provinces and accelerate our ability to roll out new products.

We continue to focus on our user experience and web interface. This includes a radical redesign of our branding and website to showcase our key verticals in a modern e-commerce environment. This rebrand was accompanied by a major marketing campaign showcasing the iconic Sun City as part of the Sunbet brand launch. This update, coupled with the roll-out of new products, including new slots providers, the popular Aviator game, and a full horse racing betting suite, has seen a significant increase in income in the second half of the year.

Sunbet was delighted to be awarded one of the initial licences the Botswana Gaming Authority issued. This licence allows for retail and online offerings, and Sunbet was the first licenced operator to take sports bets in Botswana in December 2024. Our online offering in Botswana is live, and we are excited about gaining a significant portion of this market.

Responsible gambling and maintaining our customers' trust are vital strategies in the current market environment. As a highly regulated business, we aim to offer our customers a first-class entertainment experience 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, and control measures are in place to identify potential money-laundering red flags.

Growth

The global online betting and gaming market has grown substantially over the past 25 years. The local South African market has grown steadily over the past decade as operators invest in growing their customer bases and as online or smartphone penetration and e-commerce trends increase. We expect this market to continue exhibiting high-growth characteristics, locally and across the continent, into the foreseeable future.

The group revised Sunbet's strategy at the beginning of 2022. Three years into its rollout, the business has grown significantly, with income increasing from R182 million in 2021 to R1.2 billion in 2024. The group continues to see Sunbet as a significant and exciting growth opportunity. We will continue investing in people, marketing, and operations to increase our share of this fast-growing market significantly.

The work undertaken in the past three years regarding our people, operational capabilities, market position, and current run rates within the Sunbet business gives us confidence that we can expect another year of strong growth from this business.

Outlook

We will 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 retaining our valuable existing database. We will bring Sunbet closer to the group's assets through our marketing efforts and operationally through the omnichannel approach.
- As regulation permits, we can add additional products to our portfolio. This may include a wider variety of existing betting options or new genres of games.
- Expanding across the African continent into regulated markets where we believe profitable returns can be achieved.

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.

Performance overview

GGR
R1.4 billion
(2023: R1.5 billion)

EBITDA margin
24.1%
(2023: 24.0%)

LPM market share
51.2%
(2023: 51.0%)

LPMs
5 209
(2023: 5 233)

Industry overview

Sun Slots continued to perform at lower levels than the prior year. The business reported a 3.1% decline in GGR for the 12 months ended 31 December 2024 and an EBITDA decline of 2.6% compared to the corresponding 2023 period. Key to the continued subdued performance are losses due to site closures and LPM market share erosion from other forms of gambling.

Sun Slots has also experienced a dip in market share where key accounts sites have closed. The industry has not fully recovered from the impact of load-shedding, which was further exacerbated by constrained consumers, and this, in turn, impacted the viability of sites. Although the issuing of licences continues to be delayed, a marked improvement in the turnaround time from most regulators has been observed. A significant number of Illegal operators and other forms of gambling continue to have an impact on revenue growth, with online gaming reporting double-digit growth in 2024.

The business has implemented a mitigation plan to acquire higher GGR-yielding sites while ensuring key sites are retained.

Operational plan

Retaining key sites forms part of Sun Slot's plan to protect and grow market share. Margin improvement is another area of focus that the business will pursue through cost optimisation. Further optimisation will be realised through better machine deployment throughout the business.

We will continue to focus on increasing foot traffic and improving overall site profitability through additional marketing initiatives and punter engagement programs while maintaining the highest service levels to our site owners.

More engagements with regulatory authorities in combating illegal gambling continue in conjunction with law enforcement agencies.

The LPM sector supports developments in research on increasing the maximum bet and win, following the NGB's appointment of Deloitte to conduct the research. The NGB is expected to submit findings to the Department of Trade, Industry, and Competition during the first quarter of 2025.

Growth

Growth in 2025 will be driven mainly through existing sites, following machine refurbishment and upgrades undertaken in 2024. Additional income is also expected from new sites, with Western Cape expected to make the most significant contribution through the roll-out of Type B licences. The Western Cape concluded Type B licence requirements with the first batch of applications expected at the beginning of 2025.

A new route operator licence is being secured in Botswana. The rollout of LPMs in this region will allow the business to expand into new markets.

Outlook

We will be supporting sites in increasing footfall and improving the primary business and thereby preventing closure of key sites. Sun Slots will also focus on maintaining and growing market share through the acquisitions of sites. We will strive to improve margins and efficiencies through more cost-effective process initiatives and better deployment of product. Additionally, the rollout of LPMs in Botswana will assist in the continued growth of this business.

Resorts and Hotels

Our portfolio includes iconic resorts and hotels across South Africa, which provide our customers with memorable experiences and remain destinations of choice.

Performance overview

Revenue
R3.3 billion
(2023: R3.0 billion)

Adjusted EBITDA
R788 million
(2023: R705 million)

Market context

We continue to uphold the high standards synonymous with our brand at our iconic properties. We are pleased to report that we recorded year-on-year growth in all our market segments in 2024. Our resorts, in particular, benefited from the continued increase in domestic leisure demand in 2024. International travel into South Africa continued to improve in 2024 but still lags 2019 pre-pandemic levels by 13%. Notably, Sun International's international revenue is substantially ahead of 2019, a testament to our international sales and marketing efforts. Corporate travel demand increased in 2024 and is now ahead of pre-pandemic levels.

Conferencing and events continue to show growth, despite the impact of the May 2024 national elections. Restructuring at all our resorts and hotels over the past few years has yielded positive results, with an improvement in operating margins. The profitability and operating margin improvement at Sun City Resort was particularly noteworthy. Our investment in ongoing refurbishments at Sun City and Wild Coast Sun has started to yield positive results. The new Sun Vacation Club Lefika villas at the Sun City Resort have proved very popular, with sales far exceeding our projections to date.

Operational plan

We will continue investing in regular property upgrades by refurbishing our hotels, restaurants, and public areas, which will improve operations and margins.

The refurbishment of the Sun City Hotel at Sun City Resort began in August 2024. This refurbishment is expected to take two years to complete and will include the refurbishment of rooms, corridors, the restaurant and the pool deck. We also commenced refurbishing the 236 Sun Vacation Club Reserve units in August 2024. This project is also expected to take 24 months to complete. The Table Bay Hotel closed in February 2025 for a complete refurbishment at the end of the current lease and is planned to reopen in December 2025 as the InterContinental Table Bay, Cape Town Hotel. This hotel is owned by V&A Waterfront (Pty) Ltd, which has concluded a franchise agreement with IHG Hotels to use the InterContinental brand. Sun International will manage and operate the hotel.

We continue with our Sun Stars employee engagement and recognition programme, complemented by a focused service skills training programme designed to enhance the customer experience at all our resorts and hotels. Our marketing and sales efforts are focused on the Sun International omnichannel brand proposition and enhancing our resorts' brand identities and values.

Growth and outlook

Political stability and the reduction of interest rates will further improve sentiment and demand in corporate, conferencing, eventing and leisure market segments. We remain optimistic about an improvement in international demand for South Africa. While airlift capacity has improved into Cape Town, an increase in capacity into OR Tambo will further assist an overall improvement in international inbound arrivals. The recent announcement of the Travel Tour Operator Visa Scheme for Indian and Chinese tour travellers will improve demand from these important emerging markets, albeit only likely in the latter part of 2025 and 2026. The Sun City Resort and Wild Coast Sun properties are key to our omnichannel customer strategy, and they will continue to attract casino customers as a core benefit of our MVG loyalty programme.

Operational overview

Sun City

Sun City is our leading integrated resort and offers a wide range of accommodation options to suit different budgets and an array of visitors, from international leisure guests, conferencing delegates, casino customers, sporting groups to domestic leisure travellers.

The Sun City operational turnaround plan has continued to deliver results with a 5.5% improvement in EBITDA year-on-year. The average room rate was 13.4% higher than the previous year, while occupancy was flat at 66.2%. We continue to record positive rate growth at The Palace Hotel, following its refurbishment in 2022. The first phase of refurbishing the Sun City Hotel rooms was completed before the December 2024 holiday season, contributing to the rate increase. Our revenue management team continues yielding room rates by applying our dynamic pricing philosophy. Gaming income from slots and tables declined compared to the prior year primarily due to a lower win percentage.

Employee engagement continues to be a strategic priority, and our positive customer satisfaction indicators reflect the results of our leadership team's efforts to inspire and recognise all our employees and our service providers' and concessionaires' employees.

Sun City remains committed to its renewable energy strategy. In August 2024, it added 0.7 MW of renewable energy capacity at the Sun City Hotel and The Palace Hotel to the existing 1.6 MW.

Another key focus area for 2024 was the addition of new facilities. Padel courts were opened during the year and have proved immensely popular with our guests. This facility will complement our existing tennis courts, which are being resurfaced, with the inclusion of a centre court so that Sun City can host more local and international tennis tournaments. We continue to evolve our retail experience, and new outlets have been opened at the resort, including a Carrol Boyes luxury homeware and décor store. A new restaurant is being planned in the Sun Central entertainment complex.

Sun City continues to evolve and invest in enhancing its facilities and offerings to provide an exceptional guest experience. The refurbishment of Sun City Hotel rooms will continue in 2025 and be completed in mid-2026. We will also refurbish the Sun Terrace restaurant, pool deck, and porte-cochère arrival experience.

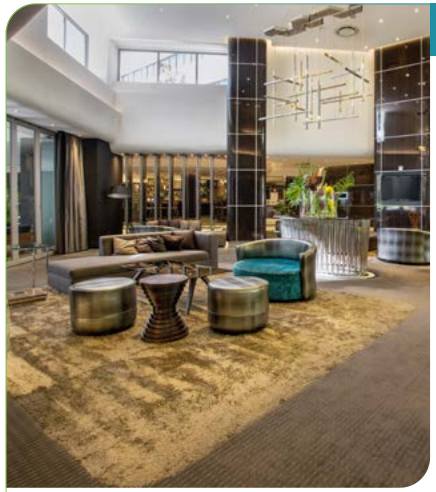
Sun Vacation Club is our timeshare offering, with growing popularity. The 58 Lefika Villas have proved particularly popular to our family leisure and golf travellers. Sales of our timeshare modules have exceeded our expectations, and we aim for them to be fully sold by the end of 2026. Encouragingly, the appeal of the existing Reserve and Aviary units has not been impacted, and occupancy has increased to 80% in 2024 (2023: 77%). In August 2024, we commenced the first phase of a R210 million refurbishment of The Reserve. All 236 units will be refurbished, and the programme is expected to be completed in early 2026.

Wild Coast Sun

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 included the commencement of refurbishing the hotel suites and the addition of the Molo Lounge. We also completed the first phase of upgrading our golf course irrigation, including the irrigation of all tee boxes and greens.

Our commitment to community development is evident through ongoing efforts to explore the development of local SMMEs and initiatives to promote local procurement and employment opportunities. We aim to enhance the sustainability of the surrounding communities through these initiatives.

The resort recorded revenue growth largely driven by growth in table and slot revenues. Costs were well maintained, and the reduction in load-shedding during 2024 reduced our diesel costs compared to the prior year, all contributing to an improvement in operating margin.



The Maslow Sandton

The Maslow Sandton occupancies increased by 5.8% to 68.4% due to a growth in airline contracts and a pleasing improvement in corporate demand and conferencing.

The Maslow Sandton has maintained its reputation as one of the top hotels in Sandton. The hotel's earnings and operating margins showed a pleasing improvement off a low base in the prior year. The R13 million battery solution became operational in 2024 and is expected to help mitigate some risks relating to an interruption in electricity supply.

The Table Bay Hotel

The Table Bay Hotel had an exceptional year, benefiting from a continued increase in international travel to Cape Town and capitalising on high customer demand. Rate growth and improving occupancy levels resulted in a 7% growth in revenue per available room compared to 2023, with margin improvement across the business.

Looking ahead, the Table Bay Hotel closed in mid-February 2025 for a major refurbishment following the end of our lease and is planned to reopen in December 2025 as The InterContinental Table Bay, Cape Town, managed and operated by Sun International. The V&A Waterfront, as the owner of the hotel, is responsible for the substantial investment in the hotel refurbishment.

Sustaining **Sun**

Increasingly, an organisation's sustainability and likelihood of future success are being assessed based on its environmental, social, and governance (ESG) performance. Our ESG report (ESG report), which focuses on multiple stakeholders, provides a comprehensive overview of our ESG performance.

Our integrated report, our primary communication to the investor community, addresses the matters we have identified as material to the group's value creation and the applicable Sustainability Accounting Standards Board (SASB) Standards. These Standards are designed to identify the topics and associated metrics across various industries that are likely to be useful to investors. The three sets of SASB Standards relevant to our group include Casinos and Gaming, Hotels and Lodging, and Restaurants.

In this section of our integrated report, we evaluate our performance as a responsible corporate citizen and our role in society. Our evaluation encompasses the human and societal value we have generated for our business and its stakeholders through our commitment to human rights, skills development, and the safety, health, and well-being of our employees, guests, and the communities in which we operate. Additionally, we assess our performance in relation to our role in fostering sustainability within these communities through procurement, enterprise, and supplier development.

In the following section, we evaluate our **Environmental stewardship performance.** Our evaluation encompasses the value we have generated for our business and its stakeholders through our commitment to addressing climate change and decarbonisation, driving water efficiency and conservation, energy efficiency, and increasing waste recycling. Additionally, we assess our environmental performance in relation to limiting the impact of our operations on the environment and the communities in which we operate.

Our role in society

Meeting our commitment to be a responsible corporate citizen

Our commitments as a responsible corporate citizen

- We apply principles 1 to 6 of the United Nations Global Compact (UNGC), which address human rights and labour
- We do not tolerate gender-based violence and sexual harassment. We campaign against it and ensure we are not complicit in human rights abuses
- Meeting and exceeding, where possible, the requirements of the Broad-based Black Economic Empowerment (B-BBEE) Act
- Upholding our employees' right to freedom of association and the effective recognition of the right to collective bargaining
- Providing a safe, healthy and secure environment for our employees and our guests
- Through our commitment to transformation, we are working to eliminate all discrimination in our workplace in terms of race, gender, occupation and reward
- We believe it is our duty to protect our customers by supporting and promoting responsible gambling

The UN SDGs to which we make a social contribution

Governance that protects our people, our customers and our communities

- UNGC Human Rights and Labour Principles 1, 2, 3, 4, 5 and 6 are incorporated into our policies and procedures
- UN Declaration of Human Rights
- International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- UN Voluntary Principles on Security and Human Rights applied in our operations
- The board's social and ethics committee is responsible for ensuring that Sun International is a responsible corporate citizen. It monitors governance through the application of board-approved policies for safety, health and wellness, ethics, human rights, human resource development of both our employees and community members, and meeting our B-BBEE commitments
- We adhere to the guidelines for multinational enterprises regarding anti-corruption developed by the Organisation for Economic Cooperation and Development, a global policy forum that promotes policies to improve the economic and social well-being
- Policy on the prevention of harassment at work

People and culture

Providing decent work and economic growth

Our workforce statistics

Permanent full-time employees (including Sun Slots)	3 666	(2023: 3 634)
Permanent part-time employees* (including Sun Slots)	3 391	(2023: 3 612)

* Permanent part-time employees work according to a roster guaranteeing minimum monthly work hours. They are paid the same hourly rate as full-time employees.

Turnover

Our voluntary turnover rate in 2024
6.39%
(2023: 8.03%)

Involuntary turnover rate in 2024
10.67%
(2023: 5.48%)

Upholding the right to freedom of association

65% of our employees (excluding Sun Slots) belong to a bargaining unit and are covered by a collective agreement

Transformation

South African workforce diversity

Gender diversity

Female	58%	(2023: 58%)
Male	42%	(2023: 42%)

Our focus on the transformation of women in management in FY2024:

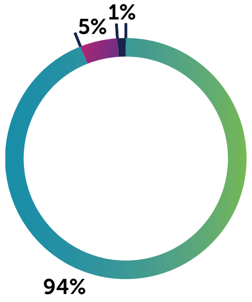
Women make up 41% of our senior management team (of which 26% are black women)

Women make up 39% of our middle management team (of which 31% are black women)

Women make up 50% of our junior management team (of which 47% are black women)

Racial profile

(in 2024 and 2023, including Sun Slots)



Black South Africans	(2023: 94%)
White South Africans	(2023: 5%)
Foreign	(2023: 1%)

Learning and development investment

R86 million (2023: R84 million) was invested in learning and development in 2024.

The Sunway culture

Sun International's organisational culture plays a crucial role in our business's ability to achieve its strategic goals and create value for all stakeholders. Our focus during 2024 was on achieving a high-performance culture and on recognising and celebrating the talent that drives a high-performance culture at Sun International. Retaining critical skills is a challenge in the gaming and hospitality industry. Our succession and talent management programmes are successfully transitioning employees into key positions.

We regularly survey our employees to gather feedback that we can use to drive a positive culture in the group. Engaging with our employees is a key focus for the group. We use the Sun Talk communication platform, email, WhatsApp, and video messaging to communicate with them. We also communicate the results of our employee recognition programme, Sun Stars, to celebrate group and unit-level achievements, which has had a positive impact on employee behaviour.

Our employee value proposition (EVP)

We want our employees to love working at Sun International. A crucial step in achieving this is to create an inspiring work environment, supported by our EVP.

We want our employees to feel:
Understood • Valued • Invested • Cared for

The numerous and diverse development opportunities offered to our people ensure they remain competitive in our industry. This also demonstrates that, because Sun International recognises their talent and the contributions they make to the business, it is willing to invest in their development.

To achieve this, our **One Sun Wellness (OSW)**, an integral part of our EVP, is available to our employees and their household dependents. We collaborate with internal stakeholders and external wellness specialists to deliver the OSW programme, which respects our employees' privacy and confidentiality rights.

Supporting the mental health of employees and their families has increasingly become a key element of employee wellness, making employees feel understood and cared for. A primary focus of our wellness programme is to equip employees to navigate personal and professional changes in a constantly evolving environment. The LifeAssist programme and well-being campaigns offer financial, physical, and emotional assistance, including counselling and advisory services available to employees and their families 24 hours a day. The group will adopt a global framework for managing workplace mental health, addressing stress, harassment, and work-life balance.

Working together to address cultural and socio-economic concerns

Our approach to fostering an inclusive culture encourages employees to view themselves and our business as integral members of the community. When the group builds schools in our communities, both local children and employees' children benefit from these educational opportunities. We also offer bursaries for employees' children pursuing tertiary education. When employees engage in community initiatives, they develop a deeper investment in these communities, and collaborating to address social and cultural issues gives them a sense of purpose.

Equal pay for work of equal value

We conduct annual equal pay for work of equal value analyses to ensure that pay parity is maintained between people performing similar roles and functions across the group, in accordance with the Employment Equity Act Code of Good Practice. Identified anomalies are addressed in the overall remuneration and human resources plan. We continually improve our investigative approach to better track and report on equal pay for work of equal value.

Wages

All our lodging facility employees are paid a living wage that exceeds the minimum wage (R49.83 per hour).

Learning and development

Continuous learning

By fostering a culture of continuous learning, we encouraged our employees to commit to continually enhancing their professional knowledge and skills. In 2024, our learning service provider offered various operational programmes and learnerships, including the Culture Wise programme focused on diversity management, Mandarin language skills for hosts, and a new business administration learnership. We awarded bursaries to 281 employees, of whom 95% were black employees. Our total expenditure on bursaries in 2024 amounted to R8.6 million.

Leadership soft skills

Leadership training programmes for senior and middle managers, tailored to our managers' needs, are available online. The 10-month Grow to Great programme, developed by our partners at The LeadMe Academy, empowers our leaders to challenge and enhance their personal mindsets, habits, and soft skills and to lead with intention.

Customer service skills

Operational employees received training that focused on hospitality customer service skills, which enhances the skills and knowledge of frontline teams. All our VIP hosts and managers successfully completed the training.

Learnership training for specific roles

In 2024, Sun International launched 24 new learnerships and completed 21 that started in 2023.

The Culture, Arts, Tourism, Hospitality, and Sport Sector Education and Training Authority (CATHSSETA) has extended three of the most popular legacy learnerships, which include national certificates in food and beverage, housekeeping, and accommodation services, until enrolment closes in July 2025. In the future, legacy qualifications will be replaced by occupational qualifications, which have been developed based on the Occupational Qualifications Sub-Framework (OQSF) standards. These new qualifications reflect a shift from traditional learnerships to training aimed at specific roles, emphasising qualifications over general training.

Labour relations

In 2024, we successfully concluded a wage agreement with the union. This agreement included increases in wages and allowances for our bargaining unit employees. In addition, the housing subsidy cap was increased, allowing employees to access enhanced support for their housing needs.

As part of our ongoing relationship-building with the union, Time Square Casino and the Table Bay Hotel partnered with the Commission for Conciliation, Mediation and Arbitration (CCMA) to host workplace relations-building sessions. These engagements foster trust and cooperation while helping to maintain smooth and productive relations between the union and the employer.

Health, safety and wellness

Through our comprehensive health, safety and wellness framework, we evaluate and monitor well-being while aiming to protect our stakeholders, ensure compliance with legislation, and enhance overall health and safety performance.

Preventing stakeholder harm

Proactively control and mitigate our risks

Innovative solutions to manage health, safety and wellness

Embedding a caring and vigilant culture

Maintaining compliance, alignment to standards and best practice

Our key focus areas in 2024

We revised and communicated all the SHE management system procedures.

Emerging trends, innovations, and enhancements to improve the health and safety performance across the group were identified.

Our current health and safety risk management processes were integrated with the group's enterprise risk management (ERM) approach.

Internal self-assessment audits, SHE cross-audits, and external audits were conducted to ensure ongoing improvement in legal compliance, contractor management, and the implementation of the SHE management system.

Revised KPIs aligned with ESG across the group were implemented.

Plans established for fire and incident investigation, ISO:45001:2018 and ISO 14001:2015, along with internal auditing and risk assessment methodology training for the group's SHE professionals.

Outcomes

- We achieved a 94% customer satisfaction score from a customer health and safety perception survey, which exceeded our target of 90%
- Zero fatalities were recorded in 2024
- All our business units improved their incident reporting strategies
- Achieved a group average of 92% (2023: 91%) in a SHE cross-unit audit with a target score of 90% and successfully closed out 100% of findings from the previous year's audit
- Zero cases of noise-induced hearing loss or any other occupational disease were recorded across the group
- 15 new innovative solutions to improve risk management and employee well-being were implemented
- 45 employees received recognition for demonstrating sustainable behaviour
- Occupational health and safety (OHS) training provided to 2 128 employees, service providers and contractors

Our approach to health and safety management

Our health and safety management focuses on preventing harm to all stakeholders directly or indirectly affected by the group's activities, products, and services. Where appropriate, our health, safety, and wellness initiatives contribute to SDG3, Good health and well-being, and SDG8, Decent work and economic growth.

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

To assess our performance in relation to our social obligations, the group has established KPIs to evaluate and monitor the effectiveness of internal controls in detecting and preventing harm with the aim of enhancing health and safety performance and risk mitigation for all our stakeholders, group-wide. Additional information on our KPIs and the results of our evaluation and monitoring are available in the ESG reports, Health, safety and wellness section.

The levels of customer satisfaction measured by our customer health and safety perception survey influence our assessment of health and safety performance and the effectiveness of implementing our SHE management system.

Responsibility for the group's health safety and well-being management includes:

Operational management

The SHE professionals in each of our units are responsible for health and safety risk and compliance management, which includes implementing the group SHE management system and training and awareness initiatives.

Strategic management

The group health and safety specialist is responsible for setting the group's health, safety and wellness strategy for the group and advising the SHE professionals on operational execution of the 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.

The social and ethics committee monitors and oversees health and safety management, which is reported on by the group ESG manager.

Key initiatives that strengthened our safety culture and maturity while reinforcing our commitment to health, safety and wellness.

- Comprehensive safety training programmes
- Regular workplace inspections
- Incident reporting, root cause analysis and corrective actions
- Open communication through safety committees
- Safety incentive programmes
- Routine safety audits
- LifeAssist support for employees on extended leave
- Task observations for high-risk activities
- Collaboration with human resources and LifeAssist to explore fatigue management solutions to further support employee well-being

Key focus areas in 2025

Revising and updating risk assessments group-wide

Roll out the strategic plan and KPIs for 2025 – 2029 to ensure alignment with the group's long-term objectives

Revise the food safety management system to align with industry standards and best practice

Working at height assessments to identify and mitigate risks associated with elevated workspace

A group-wide health and safety maturity assessment

Reviewing the reporting processes for the lost-time injury frequency rate (LTIFR) and total recordable injury frequency rate (TRIFR) to ensure additional data checks are implemented throughout the year.

Our social responsibility

Responsible gambling

Sun International regards protecting its customers through its support and promotion of responsible gambling as a vital aspect of its role as an ethical and responsible corporate citizen.

Information on our approach to responsible gambling and our historic role in promoting it is available on page 8 of this report.

The Responsible Gambling Index is not implemented in South Africa. Gambling legislation in South Africa comprises the National Gambling Act 7 of 2004 and various provincial laws. The National Gambling Board (NGB), an agency of the Department of Trade, Industry and Competition, is authorised by the National Gambling Act to supervise licencing and monitor licencees through provincial licencing authorities.

Sun International launched a responsible gambling programme in 2000. Today, this programme is known as the National Responsible Gambling Programme and is crucial to the work done by the South African Responsible Gambling Foundation (SARGF). On a national level, our commitment to responsible gambling includes our annual contribution to the SARGF. In 2024, our contribution exceeded R7 million for our casinos, sports betting, and limited payout machines (LPMs).

Sun International applies the Tobacco Products Control Act 83 of 1993 in all its properties. Twenty-five percent of the gaming floor in our casinos is where smoking is allowed, and 21% of our gaming employees work where smoking is allowed.

CSI in-kind expenditure

Sun International's CSI in-kind spend is both in-kind monetary and non-monetary. In-kind donations with a rand value include the donation of venues, accommodation, linen, venue hire, restaurant vouchers and anything else that could have been sold. Delivering social value is essential for achieving our strategic objectives. Our investment in SED helps us fulfil our licence conditions and promote B-BBEE. We contribute to attaining the UN SDGs and the National Development Plan by exploring ways to assist vulnerable communities in achieving stable and sustainable incomes, security, and well-being. We also adhere to the UNGC principles to protect the human rights of the communities where we operate.

Socio-economic development

Our investment in socio-economic development (SED), which is based on 1% net profit after tax is creating meaningful and sustained socio-economic value.

Education	R18 million
Sport	R3.6 million
Arts and culture	R2.7 million
Other	R4.0 million

CSI in-kind expenditure
R5.1 million
(2023: R4.7 million)

Our SED framework provides our business units with guidance on how to comply with our gaming licence conditions and group SED targets. It also provides standards that guide the identification, approval and implementation of projects.

We support programmes that focus on:

- Empowering youth through education (60% of our socio-economic development is invested in education and youth development)
- Helping alleviate food insecurity
- Creating economic value by supporting community-based organisations

Our education programmes include:

- Eco-schools which support learners in achieving a sustainable future by helping them develop a range of critical skills
- Programmes in mathematics and science that offer learners supplementary academic and educational resources
- Career readiness initiatives that include hosting annual career expos and job readiness programmes
- Bursary programmes that award deserving students with bursaries in the hospitality and performing arts fields
- Supporting and developing initiatives linked to SDG 8: Decent work and economic growth focusing on achieving gender equality and empowering all women and girls.

Focusing on education

Sun City's three-year education programme

Tswaidi and Itumeleng secondary schools in Ledigi are the beneficiaries of Sun City's teacher and learner development programme for Grade 11 and 12 learners. The three-year programme started in 2023. Learners attend tutoring and extra classes over the weekend, and sometimes, during school holidays, they have revision sessions to close gaps in challenging subjects. The tutorial classes are for mathematics, physical science, maths literacy, economics, accounting and business studies. A skills workshop is included for the teachers and the learners are given meals throughout the programme. Our partners at GoMaths provided scientific calculators, study guides for the learners.

At the end of the first year of the programme, the matriculants at both schools performed well in the matric exams. Itumeleng showed a significant improvement, raising its average from 68% the previous year to 78.2%. Sun City awarded bursaries to three of the learners, and each of the seven top matriculants received R15,000 to spend on their education.

Adopt-a-school programmes

Four schools have benefited from adopt-a-school programs. The Windmill SED committee is rolling out several projects at Lereko Secondary School, which includes a makeover for the Consumer Studies classroom, complete with some smart new workstations. These workstations originally started their life on the gaming floor and have since been transformed. The committee also provided the school with a sanitary pad vending machine that dispenses 600 pads a month. Learners also enjoy food parcels from Rise Against Hunger.

The kitchens of two primary schools have benefited from GrandWest's investment of R510 000 in their refurbishment. Northway Primary initially sought a computer laboratory; however, when the GrandWest team visited the school, they noticed that the kitchen was in poor condition and the dining area was both too small and unsafe. GrandWest expanded the dining area and upgraded both the kitchen and dining spaces. Additionally, they refurbished the kitchen and dining area at De Waveren Primary School. Both schools were equipped with electricity, gas tanks, plumbing for washing areas, and geysers to supply hot water. Furthermore, Time Square provided their adopted Pre-vocational school with new equipment and a donation of sanitary towels.

Partnering with a soccer superstar's youth development programme

The Wild Coast Sun partnered with the Mark Fish Foundation to host a football, soccer, netball, and volleyball tournament in Bizana for the under-17 stars of Zone 5 as part of its youth development programme for aspiring young athletes.

Addressing abuse through gaming

Sunbet partnered with ACT to introduce a board game that educates and encourages players to champion the cause against abuse. The game teaches players how to spot, understand, and take a stand against abuse.

In support of those in need

In support of Mandela Day, the team at the Maslow Hotel in Sandton visited Cosmo City, where job opportunities are scarce and life is challenging. They decluttered their closets and donated shoes and clothes that job seekers could wear to make a good impression at interviews. The housekeeping team refreshed old uniforms that they also donated.

In Cape Town, the Table Bay Hotel and the Ladies of Love joined forces to donate over R37 000 to share delicious food with community members.

Disaster relief

A tornado that reached speeds of up to 266 km per hour left a path of destruction in its wake in the KwaZulu-Natal province. Learners at four schools in Tongaat were left without uniforms and shoes. The Sibaya Casino came to their rescue, investing R355 000 to provide 363 pupils with uniforms and shoes.

Empowering women

Meropa Casino is launching a game-changing IT programme for six women. They have been selected to enhance their technical skills and gain the confidence and resilience necessary to thrive in this dynamic field. Additionally, they will receive a generous stipend during their training, covering IT fundamentals, a transport allowance, and sponsorship for their breakfast and lunch.

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Enterprise and supplier development

Building capacity through enterprise and supplier development

Access to procurement opportunities from Sun International creates value for our communities.

Through enterprise and supplier development we:

- Create opportunities for small, medium and micro enterprises (SMMEs) to access the economy through capital funding
- Support the development of black-owned SMMEs
- Achieve meaningful value through effective use of funding

Through our commitment to significant preferential procurement we:

- Drive preferential procurement across the B-BBEE procurement pillars
- Source and onboard B-BBEE compliant suppliers
- Procure supplies and services nationwide to increase spend in local communities.

The UN SDGs to which our Enterprise and supplier development and local procurement contribute:

5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Outcomes in 2024

KPIs for supplier and enterprise development

8 DECENT WORK AND ECONOMIC GROWTH

R501 million
(2023: R57.8 million)
was invested in supplier development

102 (2023: 109)
beneficiaries were assisted

R14.8 million
(2023: R14.2 million)
was invested in enterprise development

22 (2023: 39)
beneficiaries were assisted

Our **supplier development** consists of the financial and non-financial support we provide to suppliers within our supply chain.

Our **enterprise development** includes any loans, guarantees, or other financial and non-financial support provided to suppliers that are not currently included in our supply chain. ESD is a group priority. By creating opportunities for small businesses to enter our supply chain their market access is enhanced, job opportunities are created and local and regional communities are uplifted. The group also engages with other corporates to unlock procurement opportunities for SMMEs and we foster collaboration among SMMEs within our supply chain to develop a stronger SMME ecosystem within the group.

In 2024 we held two Women in Business conferences for female entrepreneurs, which focused on suppliers in the food and beverage, construction and facilities management sectors. Following these events several suppliers offering a broad range of services were brought into our supply chain.

We also hosted several ESD masterclass sessions during the year that were conducted by industry experts and entrepreneurs.

Preferential procurement KPIs

Our **preferential procurement** expenditure of R4.5 billion (R4.7 billion in 2023), procured from 5 595 (2023: 5 041) verified B-BBEE-compliant suppliers, represents 87.4% of our total procurement spend of R5.1 billion and achieved a B-BBEE score of 100%. Our preferential procurement expenditure prioritises goods and services sourced from small and black-owned suppliers.

Our procurement from **black women-owned enterprises**, in which women own 30%, was R1.7 billion (2023: R1.5 billion). KPI 2 of our sustainability-linked loan involves increasing procurement spending from businesses with 30% or more black women ownership. In 2024, we reached 25.29% exceeding our target of 21.1%.

5 GENDER EQUALITY

2024 focus areas

- Explored localisation of key procurement areas (MVG programme cards) and leveraged available ESD funds to support supplier development
- Ongoing engagement with our top non-compliant suppliers to identify areas of collaboration and support
- ESD and SED identified projects where synergies exist between their projects
- Work on developing a sustainable supply chain framework, which will be implemented in 2025
- Progress was made on standardising payment terms across the group
- Progress was achieved in category management and category strategies to unlock further procurement savings

Governance

- The board's social and ethics committee monitors procurement and enterprise and supplier development governance through the application of board-approved policies for matters related to the supply chain and meeting our B-BBEE commitments.
- The central office procurement team collaborates with our business units to provide them with procurement training, support on procurement policies and procedures, drafting requests for proposals, supplier sourcing and tender adjudication.
- To strengthen supply chain governance, we are implementing a sustainable supply chain strategy in 2025 that addresses environmental, social, economic, and legal issues throughout our supply chain. The key focus areas to be reviewed during the strategy's rollout include enhanced continuity of supply, reduced environmental impact, compliance with regulations, and measures to mitigate potential human rights abuses.
- To ensure compliance with our procurement policy, the central office procurement team implemented a sampling process to conduct annual B-BBEE compliance reviews on various suppliers across the group. This process determines whether the black ownership and transformation initiatives of the sampled businesses are genuine and sustainable. These reviews assess the active involvement of black shareholders in the businesses, their participation in decision-making, and their understanding of industry challenges, trends, and future opportunities. Additionally, the group procurement team, in collaboration with ESD, has refined the fronting review procedure by providing guidance on fronting indicators and the documentation suppliers need to submit, ensuring a comprehensive review is conducted.
- The group prioritises compliance and risk management within its procurement practices. Implementing due diligence procedures and supplier auditing protocols minimises legal and reputational risks associated with procurement activities. By prioritising these measures, we have maintained a high level of integrity and transparency throughout our procurement process.

Our procurement policies and procedures are detailed in our 2024 ESG Report.

Supplier engagement

In 2024, the group conducted a survey and gap analysis to identify areas where ESD beneficiaries needed additional guidance and mentorship to support the sustainability of their businesses. A service provider was appointed to offer a business development services programme to ESD beneficiaries. The programme supports the growth and revenue enhancement of SMMEs and also helps them turn around struggling businesses.

A comprehensive review of the ESD programme scheduled for 2025 will assess the programme's effectiveness in assisting Sun International to achieve its KPIs and retain its casino licences.

Environmental stewardship

Our commitments

- We incorporate principles 7 to 9 of the United Nations Global Compact (UNGC), which include:
  7. Our commitment to a precautionary approach to environmental challenges
  8. Undertaking initiatives to promote greater environmental responsibility
  9. Encouraging the development and diffusion of environmentally friendly technologies
- Protecting the pristine environments in which some of our resorts and hotels are located
- Minimising our environmental footprint by managing our natural resources responsibly

The UN SDGs to which we contribute

13 CLIMATE ACTION | 7 AFFORDABLE AND CLEAN ENERGY | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Governance that underpins our environmental stewardship and our approach to climate change

- The board of directors holds the ultimate responsibility for environmental management and climate change mitigation and adaptation, with assistance from the social and ethics and risk committees
- The social and ethics committee is responsible for monitoring Sun International's environmental performance
- The group executive committee is responsible for aligning and providing strategic direction for ESG risk management, opportunity management, and disclosure
- The Group ESG Manager is responsible for the development and implementation of sustainability strategies, policies, and plans

2024 focus areas

During 2024 we:

- Mapped the group's high water risk areas over the medium to long term with the aim of identifying alternative water supplies
- Made progress with improving our environmental data reporting on the Isometrix data management platform
- Set new Scope 1 and 2 carbon emission targets and made progress with setting a baseline for Scope 3 emissions and potential targets
- Reviewed our approach to biodiversity management
- Made progress with developing our response to climate change and our path to net zero emissions
- Made progress with investigating the feasibility of wheeling agreements from 2025

Our management approach

Responsibility for environmental management takes place at three levels:

Operational
Each unit appoints SHE professionals responsible for environmental risk and data management and promoting environmental awareness with employees and customers.

Strategic
The group ESG specialist establishes the ENVIRO-AMBITION 2025 strategy for the group, identifies specific mechanisms to achieve group KPIs and targets and collaborates with SHE professionals to ensure effective operational execution of the group strategy.

Executive management
- The group ESG specialist and the group risk manager assess group-wide environmental risks and opportunities using the ERM framework and report to exco through the director of corporate services.
- Environmental management updates are provided to the social and ethics and risk board committees through the group ESG specialist.

Towards sustainability leadership

Our **ENVIRO-AMBITION 2025 framework** outlines our journey to becoming a leader in sustainable environmental management within the hospitality sector.

Key Performance Indicators (KPIs) aligned with the ENVIRO-AMBITION 2025 framework

Our group KPIs align with the ENVIRO-AMBITION 2025 framework, the group's key strategic objectives, and the applicable UN SDGs. They also take into account international best practices, such as the CDP requirements and the JSE Sustainability Disclosure Guidance, and aid in monitoring and evaluating progress towards achieving our ambition.

Our group's KPI metrics and targets

The data is assured internally before it undergoes annual external third-party assurance for its inclusion in our integrated and ESG reports.

KPI	Carbon emission management	Water	Electric energy	Waste
Type of target	Absolute CO_2e 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 (linked to sending ZWTL)
Timeframe	2018 – 2028	2021 – 2025	2021 – 2025	2021 – 2025
Base period	2017	2019	2019	2019
Milestone/ interim target	15% reduction by 2028	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 sustainability linked loan	Unit specific that applies to consolidated group target linked to sustainability linked loan

Our key environmental outcomes

- 10% **increase in electric energy usage year-on-year** (2023: 5% decrease)
- 27% **increase in water usage year-on-year** (2023: 8% increase)
- 32% **increase in waste generated year-on-year** (2023: 5% increase)
- 5% **increase in CO_2 emissions year-on-year** (2023: 18% decrease)

Water management

Water is a vital resource and a core focus of our ENVIRO-AMBITION 2025 strategy. We continuously seek additional sustainable water sources for each of our units, taking into consideration the feasibility regarding cost, time, and efficiency.

In 2021, we established context-based targets at the unit level, with each unit setting absolute water targets. In 2024, our group did not achieve the reduction target it set against the 2019 baseline, due to new water sources and additional developments at certain properties since the baseline was established.

Focus on reducing our water use

Sibaya installed a reverse osmosis plant in 2024 to purify greywater. The purified water is then used to irrigate the gardens and replenish water features, reducing the operation's water consumption.

In line with South Africa's commitment to safeguarding water resources in a water-stressed country and improving local biodiversity, we are transitioning to water-wise and indigenous landscaping across our properties while promoting sustainable water use.

To monitor our performance, we continue to rely on water withdrawal data and costs from municipalities for consolidated group reporting.

For more information, please refer to the Water management section of the ESG Report 2024.

By using the WWF's water risk filter tool to assess water-related risks at all our sites, we gained valuable insights into vulnerabilities and prioritised actions to strengthen our water management security.

Electric energy management

With many of our facilities open 24 hours a day, we require a reliable electricity supply to create memorable customer experiences. Our commitment to sustainability, operational resilience, and energy efficiency guides our electricity management and transition to renewable energy.

Load-shedding persisted in 2024, however, to a lesser extent in the second half of the year, which resulted in the group using 77% less diesel in our generators (1 101 659 litres) compared to 4 810 494 litres in 2023.

During the year under review, the group implemented strategic operational improvements and accelerated its adoption of renewable energy solutions. In 2024, our onsite renewable energy projects generated 4 915 706 kWh, exceeding our transition target and our sustainability-linked loan KPI for renewable energy.

This led to an uninterrupted energy supply and reduced our reliance on electricity generated from burning coal. Our transition to renewable energy mitigates the financial and operational risks associated with depending on electricity sourced from the national grid and stabilises our energy costs. It also lessens our reliance on an electricity source produced by generating substantial greenhouse gas (GHG) emissions.

Percentage grid electricity	Percentage renewable
98%	2%
(2023: 99%)	(2023: 1%)

Acceleration of renewable energy projects

Since the installation of additional renewable energy capacity in 2024 the group generated

4 915 706 kWh

of renewable energy in 2024.

Forward planning

Our forward planning includes investigating wheeling agreements with Independent Power Producers (IPPs) for electricity supply in the first quarter of 2026. Our sustainability awareness programmes and operational initiatives will continue to support our commitment to electricity efficiency.

Carbon emissions

The group's total Scope 1 and 2 emissions increased by 5% year-on-year to 221 400 (2023: 210 220). Our refrigerant gases increased 31%.

Our liquified petroleum gas (LPG) use decreased by 7% compared to 2023. LPG is primarily used by our food and beverage operations, consumption from outsourced services excluded. At select operations, LPG usage and costs are recharged to concessionaires and staff villages (e.g. Wild Coast Sun).

In 2024, the group achieved an absolute CO_2 emissions reduction of 13% from a 2017 baseline of 255 904 tonnes.

For more information refer to the ESG Report's Carbon performance section.

In 2024, we established Scope 3 parameters and conducted a comprehensive gap analysis to identify key areas for improvement. However, the group paused its climate change response initiative when the proposed Peermont acquisition was announced. As a result, new baselines for setting five to 10-year carbon emission reduction for Scope 1 and 2 emissions were postponed.

Absolute CO_2 emissions **reduced by 13%** from 2017 baseline

Forward planning

In 2025, we will focus on developing systems to collate Scope 3 emissions data and address identified gaps. To align these with the updates of the other ENVIRO-AMBITION targets, we will advance Scope 1 and 2 targets in 2025, initiating the next cycle from 2026 to 2030. We will also resume work on defining the group's response to climate change as part of our journey to net zero by 2050.

Waste management

Established in 2021, our ambitious goal of achieving zero-waste-to-landfill by 2025 forms a cornerstone of our sustainability strategy. It drives a comprehensive transformation of waste management across the organisation. To reinforce our commitment, we have linked this target to our sustainability-linked loan, which focuses on improving recycling rates for both general and hazardous waste through 2026.

Achieving zero-waste-to-landfill requires reaching a recycling rate of 90% or higher. As we approach this target, the challenges have become increasingly complex. Initially, we made progress by focusing on obvious recycling opportunities. Attaining the final goal necessitates a deeper understanding of waste streams, which includes addressing non-recyclable products, finding suitable recycling partners, and implementing change management across our operations. A crucial step is ensuring effective waste sorting and separation. Contamination from improper disposal by employees or guests hinders our progress. Additionally, seasonal fluctuations in waste generation present another challenge, requiring adaptable waste management strategies to effectively manage peak and off-peak periods. Nevertheless, we are steadily progressing, albeit at a slower rate than before, and we remain committed to achieving the final milestones of our zero-waste-to-landfill journey.

Waste performance

In 2024, the group achieved its overall recycling rate target of 87%, marking a significant milestone in our journey to overcoming key challenges.

Waste performance
Overall recycling rate target of **87% achieved**
Zero-waste-to-landfill is a significant milestone in our journey to zero-waste-to-landfill

Forward planning

We will continue with rigorous monthly reviews and analysis of waste date from service providers to manage the recycling rate target for each operation. As we approach our zero-waste-to-landfill target for 2025 our focus is on sustaining progress through innovation and collaboration.

Towards a sustainable supply chain

To assess the best way to integrate our ESG criteria into our procurement processes and develop a sustainable supply chain strategy, we will map our supply chain, identify spend categories and suppliers with significant risk factors, understand specific suppliers' risk profiles, prioritise risks, and ensure our purchasing practices enable suppliers to invest in decent working conditions and support living wages. To support the strategy, audit, and risk management, we will need to allocate adequate resources and budget and establish performance measurement and reporting mechanisms.

Biodiversity

While all our operations require biodiversity management and stewardship, units such as Sun City and the Wild Coast Sun, located in ecologically sensitive areas, require robust biodiversity management tailored to their unique environments. We regularly monitor these properties to ensure our conservation efforts remain effective.

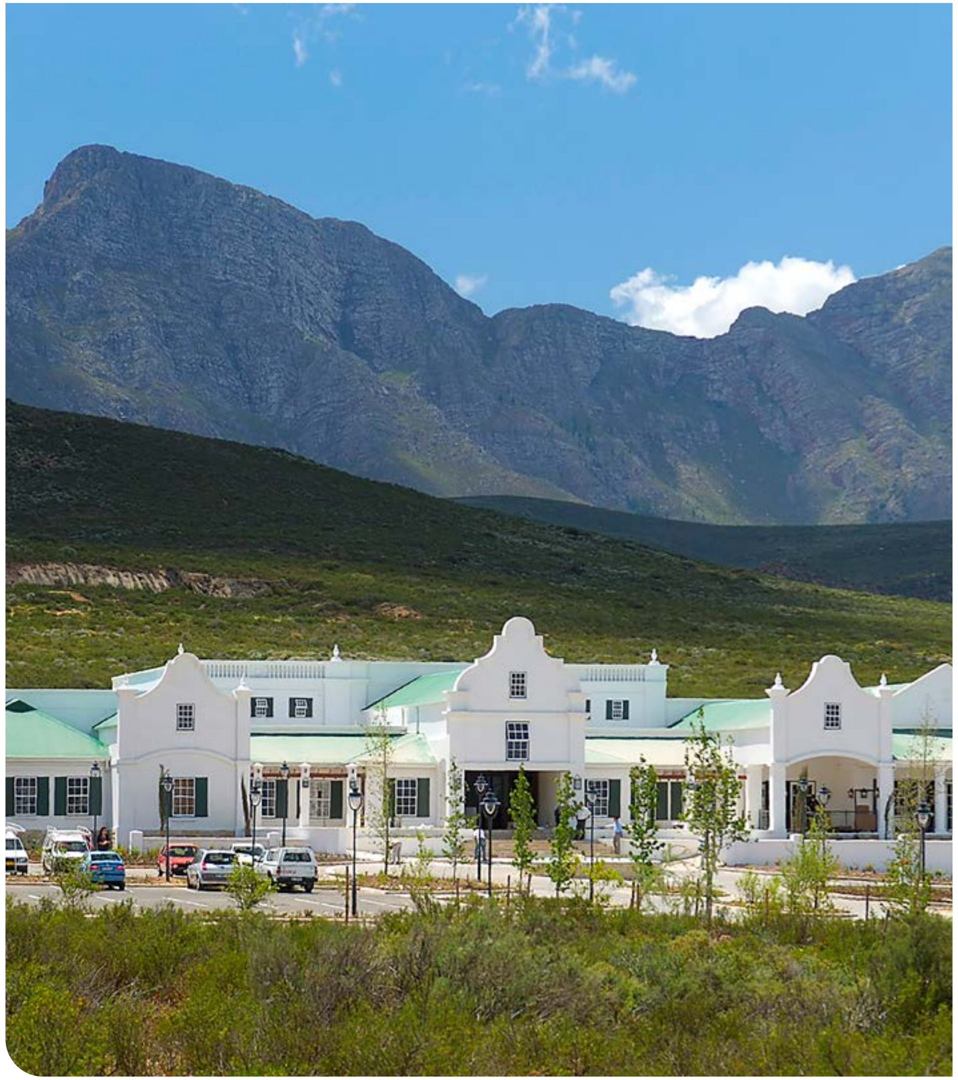
Our biodiversity management systems underwent a review in 2024 to evaluate the effectiveness of current protocols and pinpoint opportunities for improvement. Preliminary insights from the review have revealed prospects for innovation and enhanced environmental stewardship.

We engage with local communities on biodiversity-related topics with the aim of developing more cohesive and impactful programmes to foster collaboration and create lasting positive outcomes for the environment and local communities.

WESSA eco school project in the social section of the ESG report.

Forward planning

In 2025, we aim to establish our biodiversity baseline and set biodiversity KPIs effective from January 1, 2026. We will also implement recommendations arising from the 2024 biodiversity review and plan to enhance collaboration with local stakeholders to achieve lasting positive outcomes for the environment.



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