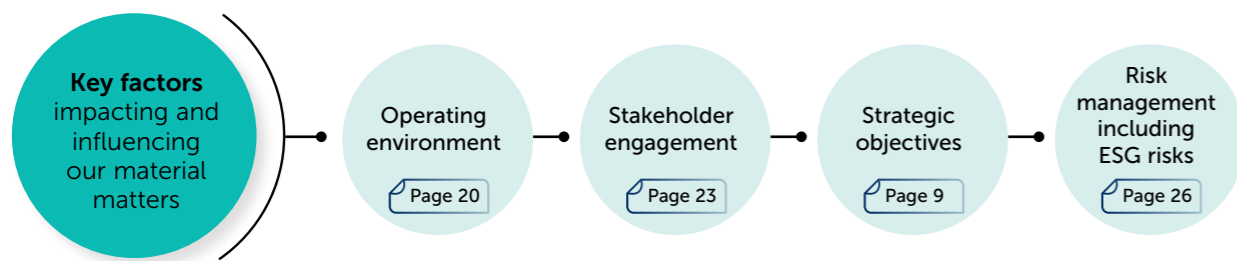


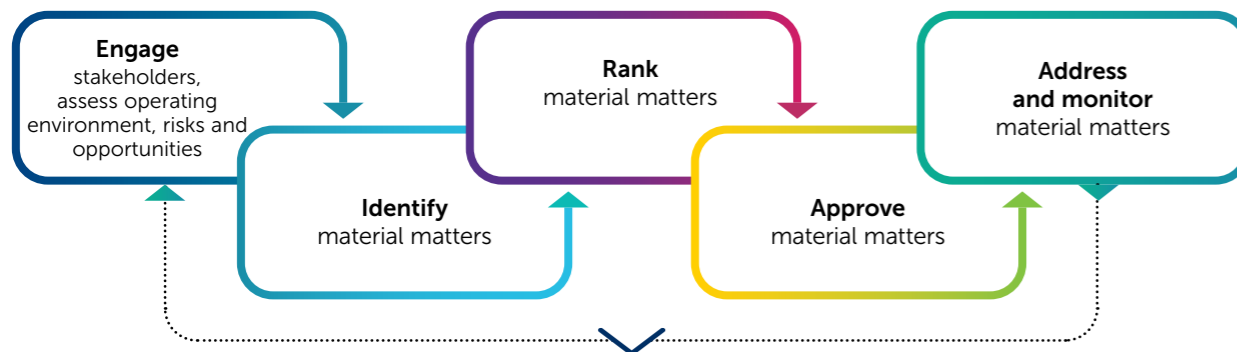
MATERIAL MATTERS

Our material matters inform our business model, strategy, capital resource allocation and our stakeholder engagement process. They are influenced by our internal and external operating environment, our key stakeholder concerns, and the risks and opportunities impacting our business.

Through the group's material matters determination process, all matters are assessed annually to ensure that they remain relevant to our business strategy and operations. During 2022, the matters listed below were determined to be the most material to the group, including the addition of our evolving regulatory environment. A sustainability materiality assessment was conducted by an external provider as part of the group's evolving ESG journey. This sustainability materiality assessment identified the group's critical ESG risks, which have a significant impact on the company's business performance.



Material matters determination process



CHANGE IN MATERIAL MATTER SEVERITY: Unchanged Increased Decreased

MATERIAL MATTERS UNPACKED

Managing through tough economic conditions

LEVEL OF CONTROL: Low

MM1

Why this matter is considered material

Our business depends on consumer spending and guests staying at our properties. The prevailing tough South African economic environment continues to impact our profitability, debt levels, capital investments, and strains consumers' disposable income, particularly discretionary spending on gaming and hospitality.

Related risks

- R 1
- R 3
- R 5
- R 10

Capital resources impacted

- FC
- PC
- HC
- SC

Related strategic objectives

- SO1
- SO2
- SO3
- SO4
- SO5

Socio-economic and political challenges

LEVEL OF CONTROL: Medium

MM2

Why this matter is considered material

Socio-economic challenges are increasing, impacting lives and livelihoods and highlighting inequalities prevalent in society. At Sun International we continue to experience stakeholder demands, specifically from our communities and supply chains in respect of job creation, local procurement opportunities and community upliftment. In South Africa the socio-economic and political challenges we faced during 2022 included inequality, high unemployment, extreme weather (floods and heat waves) and civil unrest.

Related risks

- R 1
- R 2
- R 3
- R 10

Capital resources impacted

- PC
- HC
- SC

Related strategic objectives

- SO1
- SO2
- SO3
- SO4
- SO5

Customer attraction and retention

LEVEL OF CONTROL: High

MM3

Why this matter is considered material

Our customers and guests are among our most important stakeholders and are critical to our sustainability. It is important that we provide products and services that continue to attract and retain their patronage by providing excellent customer service, diversified entertainment opportunities and world-class facilities, in line with our vision of creating memorable experiences.

Related risks

- R 1
- R 2
- R 3
- R 5
- R 6
- R 7
- R 8
- R 10

Capital resources impacted

- FC
- HC
- SC

Related strategic objectives

- SO1
- SO3
- SO4
- SO5

CLICK TO SEE EXPLANATION OF ICONS

Our presence and group structure

Operating environment

Business model

Stakeholder engagement

Material matters

Enterprise risk management

Embracing ESG principles

LEVEL OF CONTROL: Medium

MM 4

Why this matter is considered material

ESG analysis and focused reporting is a growing trend globally. Climate change is one component of ESG, namely environmental, and has a huge impact on our livelihoods, our health, and our future. In South Africa, water resources are limited and electricity costs continue to increase significantly and the reliability of our energy supplier remains fragile, as evidenced by unprecedented loadshedding during 2022 and into 2023. Sun International is dependent on these energy and water resources to operate and provide world-class facilities to its customers and guests. As a good corporate citizen, it is important that we demonstrate how we are playing our part to provide decent working conditions that include health, safety and wellbeing, quality education, equality and community upliftment. These environmental and social elements are all underpinned by the group's robust governance framework.

Related risks

R 1 R 2 R 3
R 8 R 10

Capital resources impacted

HC NC SC PC

Related strategic objectives

SO1 SO2 SO3
SO4 SO5

Managing stakeholders' growing needs

LEVEL OF CONTROL: High

MM 7

Why this matter is considered material

Managing the growing needs of stakeholders is critical to our sustainability. We operate in a highly regulated and complex environment, and it is important that we maintain our operational and social licence to operate. The group continues to focus on adherence to critical legislation impacting our business including smoking legislation, ongoing changes in casino licence conditions and licensing exclusivity requirements. The health, safety and wellbeing of all our key stakeholders have always been a priority for the group, but following the pandemic, a new emphasis has been placed on the importance of creating a safe environment for our key stakeholders.

Related risks

R 1 R 3
R 10

Capital resources impacted

FC HC SC

Related strategic objectives

SO1 SO3 SO5

Managing human capital and the evolving world of work

LEVEL OF CONTROL: High

MM 5

Why this matter is considered material

The group's unique casino and hotel business requires critical skills to grow the business in an ever-changing operating environment. Globalisation and virtual operating environments make it attractive for people to constantly seek new job opportunities globally. While competitive remuneration is an important retention tool, employees' focus is shifting to a healthy work-life balance that incorporates flexibility, transformation (inclusivity, diversity and equality) succession, development, retention and an empowering working environment.

Related risks

R 1 R 3
R 10

Capital resources impacted

FC HC SC

Related strategic objectives

SO1 SO2 SO3 SO5

Evolving regulatory environment

LEVEL OF CONTROL: Medium

MM 8

Why this matter is considered material

We operate in a highly regulated and complex environment. The group continues to focus on compliance requirements, ensuring we maintain our operational and social licence to operate. Specific regulatory requirements/amendments directly impacting our operations include the proposed amendments to smoking legislation, which will ban smoking in public areas and severely impact casino income. Ongoing changes in casino licence conditions all impact the group's profitability.

Related risks

R 1 R 4
R 8 R 9

Capital resources impacted

FC HC SC

Related strategic objectives

SO1 SO2 SO3 SO4 SO5

Operating in an evolving digital environment

LEVEL OF CONTROL: Medium

MM 6

Why this matter is considered material

Consumer needs are constantly shifting and evolving in this digital era we operate in. Sun International embraces these changes and is constantly looking to integrate digital and information technology in all areas of its business. This ensures that we continue to innovate (Playtech, guest booking platform and the Sun App), transform and challenge the status quo. This results in an enhanced customer value proposition as well as creating opportunities for new customers and providing a secure platform that mitigates cyber risk.

Related risks

R 1
R 5

Capital resources impacted

FC IC

Related strategic objectives

SO1 SO2 SO3 SO4

CLICK TO SEE EXPLANATION OF ICONS