

Strategic scorecard

Strategic performance overview

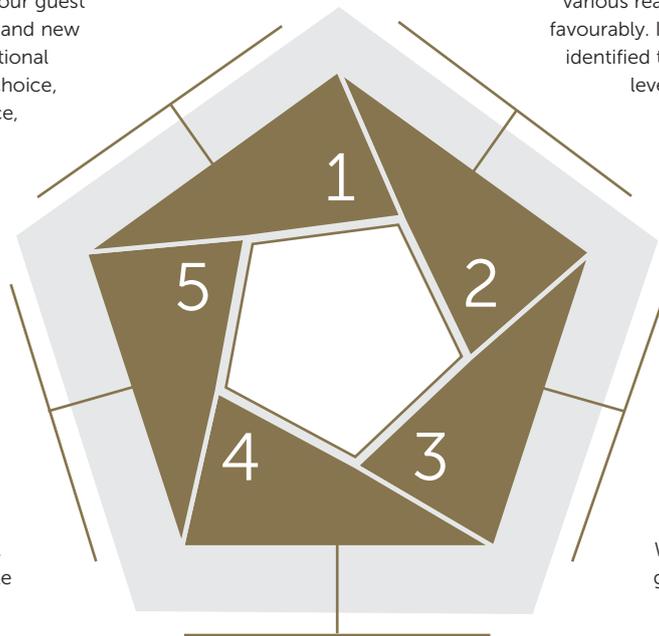
To achieve our strategy, we have set ourselves short- and medium-term objectives and initiatives, which are reviewed and updated as and when required. These initiatives and objectives address our material issues, opportunities and risks that the group faces as well as key stakeholder concerns and our strategic growth aspirations.

IMPROVE OUR EXISTING OPERATIONS AND OUR GUEST EXPERIENCE

In challenging the assumption that the markets in which we operate are relatively mature, we are actively relooking at how our business is structured and how we operate to maximise the value we can create and improve our guest experience. Ensuring that existing and new guests keep choosing Sun International properties as their destination of choice, through offering a great experience, is core to this focus area.

PROTECT AND LEVERAGE OUR EXISTING ASSET PORTFOLIO

We have a diverse portfolio of assets including world class five star hotels, modern and well located casinos, some of the world's premier resorts and some older legacy assets that for various reasons may no longer be positioned favourably. In evaluating our portfolio we have identified those properties that can be better leveraged, those that need protection and those that may no longer be core to our strategy.



GOVERNANCE AND SUSTAINABILITY

As a responsible corporate citizen, the group has developed a credible track record that underpins our corporate reputation. Governance and sustainability are fundamental to Sun International's operations and are interwoven into our strategy and decision-making process, from board and management level to our operations.

GROW OUR BUSINESS INTO NEW AREAS AND PRODUCTS

While we believe there is still latent growth to be had from our existing assets, to effectively grow our business we are considering other geographic areas that offer attractive opportunities for casinos. In particular, we are focusing on Latin America. We are also looking at the alternative gaming market which continues to experience strong growth.

OUR PEOPLE

Our people are the enabler of the group's ability to achieve its strategic objectives. Given the highly regulated and service-oriented industry we operate in, our people's motivation and competence to perform and provide a memorable guest experience are key determinants of the group's ongoing success and sustainability.

Strategic scorecard

The table below shows how Sun International has progressed against its strategic objectives during the current year under review and should be read in conjunction with the chief executive's review which provides more detail on progress against specific objectives.

	Achieved
	In progress
	Not achieved

STRATEGIC OBJECTIVE: Improving our existing operations and guest experience	
High-level overview of progress in FY2016	
• Improve marketing and sales capability by driving brand awareness and footfall through the delivery of events, activations and opening the Sun Park at Sun City	
• Improve our website and launch a customer online self-service portal	
• Improve marketing execution and effectiveness, e.g. new loyalty programme to be launched in calendar year 2016	
• Review our business process to achieve efficiencies through centralisation of functions, systems rollout and negotiating outsourced contracts	
• Implement our food and beverage strategy by taking over restaurants and bars	
• Implement our International VIP Gaming Business (IB)	
• Focus on improving sales channels and enhancing our digital platform	
• Commence an operational review of Sun City to improve efficiencies and contain costs	
• Recruit online gaming expertise/management	
• Implement sports betting at GrandWest and Golden Valley to improve the Sunbet brand	
• Optimise the gaming product mix to ensure efficiency and pricing for slots and tables	
• Implement a system to optimise staffing per demand on tables	
• Achieve revenue and EBITDA targets	
• Ensure appropriate debt funding for the group	
• Manage debt covenants and capacity across the group	
• Implement hedging committee and strategy relating to cost of debt	

STRATEGIC OBJECTIVE: Protecting and leveraging our existing asset portfolio	
High-level overview of progress in FY2016	
Financial goals	
• Advance construction of the new casino and entertainment centre at Menlyn Maine	✓
• Complete Sun City refurbishments – completed Valley of Waves, introduced a Sun Park and the entertainment centre is near completion	✓
• Finalise the disposal of our non-core assets in southern Africa	✓
• Explore new transaction with Tsogo/GPI/WP	✓
• Apply to the Eastern Cape Gaming and Betting Board to further develop land at the Boardwalk, with the addition of a large high-end shopping complex	✗
• Continue engagement to pursue the roll up of minority BEE shareholders	↔
• Finalise the Wild Coast land settlement	↔
• Complete the rollout of all new retail leases, introduce new brands and improve the retail and tenant mix of South African properties	↔
STRATEGIC OBJECTIVE: Grow our business	
• Finalise the Sun Dreams merger and secure funding on favourable terms	✓
• Finalise the acquisition of a further 25% interest of GPI Slots leading to a controlling interest (50.1%) in GPI Slots	✓
• Evolve online gaming strategy	↔
STRATEGIC OBJECTIVE: Our people	
High-level overview of progress in FY2016	
• Improve organisational culture through the launch of refreshed values during chief executive roadshows throughout South African operations	✓
• Conduct employee surveys across our South African and Monticello operations	✓
• Maintain positive engagement with the union and increase union engagement by chief executive	✓
• Obtain approval of employment equity plan from the Department of Labour	✓
• Establish new employment equity targets at property level in our South African operations, as opposed to centralised targets	✓
• Improve the representation of people with disabilities and the spread of black representation at middle and senior management levels	↔
• Review remuneration and grading	↔

STRATEGIC OBJECTIVE: Governance and sustainability	
• Simplify group corporate structure	↔
• Continue to build relationships with the gaming boards	↔
• Improve IT governance	✓
• Embed group compliance with specific focus on gaming compliance	↔
• Implement an automated compliance portal across the group, which facilitates the ease of compliance across all jurisdictions and all applicable requirements	✓
• Maintain inclusion on FTSE/JSE Responsible Investment Index	✓
• Develop group health and safety strategy	↔
• Finalise carbon footprint strategy	↔



Puerto Varas, Chile