CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE 33

CAPE TOWN INTERNATIONAL CONVENTION CENTRE (CTICC) (MUNICIPAL ENTITY)

BUSINESS PLAN

2025/26 BUDGET (JUNE 2025)

CAPE TOWN INTERNATIONAL CONVENTION CENTRE COMPANY (RF) SOC LIMITED

2025/26 BUSINESS PLAN

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Section 1: Highlights

The Cape Town International Convention Centre (CTICC) will focus on the following aspects of its operational performance to achieve the listed key performance indicator targets for the 2025/26 financial year:

1. Financial – R442 million revenue (Section 12);
2. EBITDA – R75 million (Section 4 & 12);
3. Achieving a clean audit report (Section 4);
4. Sales & Marketing – 390 events, including 38 international conferences (Section 4);
5. Event delivery – 80% client satisfaction index (CSI) (Section 4);
6. 5-Star Tourism Grading Council rating (Section 4);
7. Procurement – 80% of spend with B-BBEE suppliers (Section 4);
8. Capital projects – 90% of projects for the year completed or committed (Section 4);
9. Youth skills development – 20 student and six graduate placements (Section 4).

Section 2: Executive Summary

2.1 Introduction

This one-year business plan must be read in conjunction with the CTICC's five-year strategy.

Since opening its doors more than two decades ago in 2003, the CTICC has been dedicated to establishing a strong global presence and leaving legacies in the business events sector. During this time, interest in the CTICC as a venue for hosting conferences, trade fairs, exhibitions and other events has steadily grown.

As the CTICC enters its third decade, the Board and Executive Team have been working hard to reimagine, redefine and future-proof the CTICC's mandate. The CTICC team has reinforced key strategic attributes during the pandemic, building resilience, agility and the ability to think 'out of the box' and adapt to change by being innovative.

The CTICC's purpose, vision and mission reflect it's Why, What and How. The CTICC's Why – its purpose – focuses on leaving lasting impressions on tomorrow by accelerating economic prosperity, opportunity, inclusivity, creativity and innovation. In line with that purpose, its refreshed vision is to be respected as the enabler of Africa's smartest community of creativity, opportunity, sustainability and excellence. The CTICC's mission, then, is to realise that vision by establishing and activating an integrated smart 'hub' model that consistently and continuously unlocks innovation, collaboration, transformation and the power of location to re-ignite opportunity and possibility for all stakeholders.

The opportunity now, however, is to extend the business into a collaborative partnership space that goes beyond the conventional three Ps of people, planet and profit, which it has always espoused. The CTICC is now looking to encompass partnership and peace as well. This will allow it to provide more tangible support for the 17th United Nations Sustainable Development Goal (SDG): Peace, Justice and Strong Institutions. It is only through the innovative melding of these imperatives that a truly possible and positive future can be created.

As the CTICC is a state-owned entity, this document is, furthermore, duly aligned with and guided by the City of Cape Town's Integrated Development Plan (IDP) and its strategic priorities, including its catalytic investment sectors. The City's six priorities and three foundations focus on making Cape Town the City of Hope. The strategy also aligns with the Western Cape Government's Economic Growth Strategy.

The CTICC's forward book is looking positive. There are 64 events confirmed and contracted from January 2025 to November 2030[1], many of which intersect with and support the catalytic investment sectors of both the City of Cape Town and the Western Cape Government.

[1] CTICC IAR 2024, Our Forward Book: Creating Legacies into the Next Decade, pg 186

2.2 Core business strategy: Five-year business plan

To ensure that the business remains profitable, each business unit will continue to operate according to an implementation framework and action plan for the next five years. These support the core business strategy and explain how key performance indicators (KPIs) will guide each unit's contribution to the organisation's sustainability.

The core plans for each business unit are:

i. The sales team will secure the forward book and grow the repeat events segment annually by promoting multi-year deals to increase the CTICC's core business. It will also build and strengthen the existing brands under its own events segment;
ii. The commercial team will continue to focus on increasing revenue and event numbers year-on-year through market segments with the greatest growth potential, such as government, regional and international non-governmental organisations;
iii. The marketing and communications teams will continue to build the brand's equity to ensure customer confidence. They will use data to develop content relevant to their key audiences for maximum and measurable impact;
iv. The revenue management team will focus on increasing the CTICC's average occupancy year-on-year through several tactics, such as revised pricing strategies and increasing long-term contracts with corporates;
v. The focus for the food and beverage team will be to grow the outside catering offering to increase revenues, manage the cost-effectiveness of the operation and maintain the International Organization for Standardization (ISO) 22000:2018 certification;
vi. The priority for facilities management and technical services is continued maintenance of the facility, while reducing and managing operational costs. It will also introduce new technologies through capital expenditure to ensure optimal building efficiency and self-sustainability;
vii. The finance team will ensure that the business sustains its sound financial governance and track record of unqualified audits with no findings into the future. At the same time, the supply chain management (SCM) team will monitor and maintain the CTICC's fully integrated contract and demand management platform;
viii. The human capital department will ensure that the CTICC remains an employer of choice to attract, recruit and retain a diverse workforce that meets the organisation's needs;
ix. The information and communication technology (ICT) team will ensure that all technology deployed supports the business activities of the organisation and the needs of clients and visitors.

2.3 Upholding an ethical business culture

The CTICC is committed to building and upholding an ethical business culture. It has been aligned with the United Nations Global Compact (UNGC) for many years and adheres to the UNGC's Ten Principles, which focus on human rights, labour practice, environmental protection and anti-corruption measures. The CTICC is also making progress with its plans to positively impact the SDGs and meets the criteria for all 17 goals, either through its own efforts or by supporting the communities it serves.

Tangible and measurable environmental, social and governance (ESG) practices impact how the CTICC operates and its commitment to sustainability. The centre promotes social and environmental responsibility in the form of its Nurture Our World (NOW) mission. NOW is a multi-departmental group that monitors the social and environmental impact of the CTICC, alongside an equally strong commitment to rigorous and transparent governance.

In the last few years, the CTICC has reinforced its sustainability commitment, with business tourism and events as its main focus, together with its support of the Net Zero Carbon Events initiative, to which many of the CTICC's clients and sector associations are already pledged.

The CTICC's reverse osmosis plant ensures that the CTICC can be water-independent and produce up to 200 000 litres of potable water per day. The CTICC also remains vigilant about waste reduction in general and minimising waste to landfill in particular. Its recycling efforts begin with eco-procurement, and it aims to work primarily with suppliers who offer reusable and recyclable products, where possible.

The impact of the CTICC's environmental, social and governance initiatives shows positive results and the CTICC will remain focused on innovation in these areas as a key business driver and strategic differentiator.

2.4 Reimagining its spaces and services

The CTICC is committed to innovation and is forward thinking in all aspects of its operations. It will keep finding new ways to build the business, support the community and create jobs using its highly flexible spaces.

In this regard, the CTICC's strategy will continue to focus on its own events division, which started in 2019. This project is driven by the following three core objectives: to boost job creation in the region, in line with shareholder mandates; to support small, medium and micro enterprises (SMMEs); and to create new revenue streams.

To date, the CTICC's own events division has hosted a diverse portfolio of events, including the Cape Town Beverage Show, which was hosted in November 2024. The focus for the Cape Town Beverage Show remains on home-grown South African beverages, building local brands in the beverage sector, as well as promoting local and international bartenders and local bars.

Going forward, we will review and develop our own events business model to further empower local enterprises, which will, in turn, enhance economic growth and job creation opportunities in and around Cape Town.

The CTICC Innovation Hub is working closely with the South African Artificial Intelligence Association (SAAIA) to develop and support a variety of upcoming expos and events to be hosted at the CTICC. The CTICC is also considering multiple partnerships that bring value-added services to its customer base, whilst also contributing additional revenue streams.

2.5 Strategic focus and facing the future head-on

The conventions industry is experiencing change due to phenomena, such as AI, an increased focus on sustainability and digital transformation – all of which are not mere trends with beginnings and endings, but ongoing priorities that require continuous evolution and adaptation.

As the world changes – often at alarming rates – convention centres are facing challenges that require new or better strategies of doing business to remain relevant and resilient. Some of the top challenges experienced globally include inflation, cybersecurity, staffing, client expectations, venue adaptability and the growing importance of sustainability.

These challenges require innovative strategies that include, but are not limited to:

- New technology adoption;
- Customer and product diversification;
- Cybersecurity tools;
- Education and training;
- Building a skilled and knowledgeable talent pipeline;
- Management of booking patterns;
- Carbon offsetting initiatives;
- Enforcement of sustainability practices; and
- Industry collaboration strategy.

2.5.1 Crafting a way forward

The two key aspects of our response to the future and its potential challenges are resilience and relevance, both requiring significant adaptability and agility across several aspects of the convention business.

The CTICC is confident that it has the right plans, people and resources in place to counter these ongoing industry challenges. We aim to take a forward-looking approach by exploring new opportunities beyond the hospitality industry, focusing on integrating digital solutions with physical infrastructure. Our priority is to make customer-centred investments in technology and infrastructure, rather than just following trends.

This will require anticipating the likely transformations in venue management, such as offering a more flexible and immersive physical space. We will also have to adapt to the generational shift in our workforce and customer bases.

Convention centres are evolving to be more than empty boxes waiting for client events to bring experiences and inject vibrancy. They are being recognised more than ever as economic catalysts – for new private development, business exchange and job creation, spaces for social dialogue, activity and impact, knowledge exchange and generation, as well as vehicles for the rejuvenation of ailing downtown markets and reshaping of land values.

The CTICC embraces this role and is proud to do so, as we face our future with the challenges well in mind, as well as the strategies to address them. We also recognise that all future

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challenges cannot be known. Convention centres must evolve if they are to survive. Plans must adapt and adjust to the ever-changing world.

2.6 The CTICC's purpose, vision, mission and values

The CTICC's value is equivalent to its impact. It welcomes the future, anchored by its value proposition, which states that "the long-term sustainability of the CTICC will be in providing consistent quality services and being socially relevant, by intentionally facilitating, supporting or managing programmes, projects and activities that benefit society."

- **Purpose:** To accelerate economic prosperity, opportunity, inclusivity, creativity and innovation;
- **Vision:** To be respected as the enabler of Africa's smartest community of creativity, opportunity, sustainability and excellence;
- **Mission:** By establishing and activating an integrated 'smart' hub model that consistently and continuously unlocks innovation, collaboration, transformation and the power of location (Cape Town and Western Cape) to re-ignite opportunity and possibility for all stakeholders;
- **Values:** At the very core of the CTICC, underpinning its value proposition, purpose, mission and vision, lies a set of brand values that informs every aspect of the organisation. Passion, integrity, innovation, excellence, gratitude and caring are more than just words at the CTICC. They are the actions that guide the teams' motivation and drive business processes, ensuring that its people thrive and that the CTICC's clients and stakeholders benefit from it. The CTICC's values are as follows:
    - **Passion:** We live to go beyond;
    - **Integrity:** We are transparent in all our actions;
    - **Innovation:** We create magic that gives us the edge;
    - **Excellence:** We create superior experiences;
    - **Gratitude:** We are appreciative of the opportunities provided by the CTICC, the City of Cape Town and the country we live in;
    - **Caring:** We care for one another, our clients, our business, our building and our equipment.

Section 3: About the CTICC

3.1 Strategic alignment with the City of Cape Town's Integrated Development Plan and strategic economic sectors

The City of Cape Town and the Western Cape province work with a number of catalytic investment sectors that offer the best opportunities for growth and job creation. The CTICC seeks to align with these economic sectors, the City's Integrated Development Plan (IDP) and the Western Cape's provincial Wesgro investment promotion initiative.

In this context, the Western Cape's high-growth sectors have been identified as:

- Agri-processing
- Blue economy
- Business process outsourcing (BPO)
- Construction
- Communication
- Creative industries
- Design
- Education
- Electricity
- Energy
- Engineering
- Film
- Financial services
- Furniture
- Green economy
- Health
- ICT
- Infrastructure
- Logistics
- Marine
- Oil and gas
- Real estate
- Renewables
- Research
- Tech economy
- Tourism
- Water.

In particular, the CTICC has aligned its objectives with the City of Cape Town's 2022-2027 IDP inclusive economic growth priority, as follows:

The CTICC seeks to:

- Maximise economic impact and job creation through business events;
- Diversify the business to incorporate other revenue models;

- Maintain good corporate governance;
- Deliver good customer service;
- Continue human capital development of the workforce;
- Always practise good corporate citizenry.

Although challenging economic conditions continue to influence its ability to contribute to these sectors, the events that the CTICC has hosted still take these priorities into account. Specifically, the CTICC has been successful in attracting several events in the health and renewable energy sectors.

3.2 Contextual analysis

To enable the CTICC to grow sustainably, it has a set of strategies to guide it. These strategies ensure that the organisation maintains its solid financial foundation and prepares for the challenges ahead.

As part of the planning process, several strategic interactions were held over the last four years. These meetings included several stakeholder engagements, strategic management planning sessions and staff engagements. The interactions focused on reshaping the future of the CTICC and setting a north star for the team.

The team also undertook a comprehensive political, economic, sociological, technological, legal and environmental (PESTLE) review, as well as a strength, weakness, opportunity and threat (SWOT) analysis. An independent external provider compiled the competitor analysis.

3.3 Competitor analysis

A comprehensive review was undertaken to assess the internal performance of the CTICC and to strategically position it within the broader meetings market for future planning purposes.

The evaluation involved a thorough comparison of the CTICC to similar businesses, considering crucial variables, such as location, facilities, pricing and customer experience. This comparative analysis spanned international, regional, national and local markets, providing valuable insights to inform strategic decision-making and enhance the CTICC's competitive edge in the evolving landscape of the meetings industry.

3.4 The CTICC segments

The following CTICC event segments remain relevant, although market forces threaten some. As a venue, the CTICC specialises in delivering the following:

- International conferences;
- National conferences;
- Exhibitions (B2C);
- Trade fairs (B2B);

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- Special events (sports, cultural and leisure events);
- Banquets;
- Film and photo shoots;
- Own events;
- Other events (e.g. one-day workshops, training seminars, examinations, graduations, product launches, breakfasts, annual general meetings and corporate roadshows).

3.5 External environment | PESTLE analysis

The macro-environment within which the CTICC operates consists of six sub-environments or variables: political, economic, social, technological, legal and environmental. These form the backbone of a PESTLE analysis and are constantly changing forces, which affect the market and micro-environments. They also impact each other, resulting in a dynamic and continually changing business environment.

The macro-environment analysis ensures that the focus is on these constant changes in the sub-environments and their implications for the business as a whole.

Table 1: The results of the CTICC's PESTLE analysis

Political	Economic	Social
• Government stability and related changes; • Government passes legislation, which impacts the relationship between the company and its customers, suppliers and other stakeholders; • Governmental support – National Convention Bureau (subvention); • Riots and civil unrest against all spheres of government; • Political influence on events; • National and local government legislation, regulation and by-law changes with regard to event management and safety, including compliance to Safety at Sports and Recreational Events Act (SASREA), especially with regard to large-scale gatherings.	• Increases in the Consumer Price Index (CPI), impacting the cost of living; • Above-inflation cost increases for essential commodities, services, fuel pricing and municipal services (utility costs): fuel will become an even more scarce commodity if the country experiences total electrical grid collapse; • High operating costs; • Fluctuating interest rates; • Unfavourable exchange rates; • The shift in traditional events; • Energy shortages and load shedding; • Higher expenses related to cleaner energy; • Strain on public services; • Lack of transport infrastructure;	• Changes in diet preferences and an increase in healthy food trends; • Growth in the unemployment rate; • High crime rate; • High rate of poverty; • Civil unrest due to the lack of service delivery; • Western Cape population growth threats; • Customer expectation of product quality; • Digital platforms used negatively (fake news); • Attractiveness of the Western Cape; • Cultural diversity.

	• Corporate and consumer spending; • Competition from other convention centres.	
Technological	**Legal**	**Environmental**
• Automation and self-payment systems; • Cyber security and threats; • Migrating to cloud technology, artificial intelligence (AI) and virtual reality; • Rising costs of technology; • Feasibility of alternative power sources; • Addition of facial recognition cameras in strategic positions; • Energy-efficient technology; • Digital transformation by investing in infrastructure that supports virtual events.	• Adherence to the Protection of Personal Information Act (POPIA) and General Data Protection Regulation (GDPR); • Competition regulation; • Consumer protection legislation; • Adherence to the City of Cape Town by-laws and SASREA; • Environmental management system (ISO 14001:2015) through maintaining the South African Bureau of Standards (SABS) certification.	• Promotion of the use of renewable energy sources; • Mitigation of carbon footprint; • Responsible waste management; • Climate change, especially extreme weather events.

3.6 Trends impacting business events

The CTICC has looked at several trends and considered how it can adapt its business and take advantage of them in the years ahead. These trends include:

- **Venues' increased focus on environmental and social sustainability**. Clients seek partners with measurable and impactful sustainable offerings and business operations. These practices will soon become standard. Although eco-friendly event practices and 'going green' have been on the table for a while, there has been a renewed focus on climate change, which has moved to the forefront, with environment, social and governance (ESG) considerations now being a top priority;
- **The Internet of Things (IoT)**. In 2025, it is predicted that the total number of connected devices in the world will be approximately 75.4 billion. In addition to smartphones, smartwatches and smart televisions, building management control and various other 'back-end' devices are increasingly IoT-enabled. The enhanced monitoring and control features from these systems will produce efficiencies and improvements in the delivery of services to the event space. In the not-too-distant future, almost every electronic device

will likely be 'smart' in some way (https://www.statista.com/statistics/471264/iot-number-of-connected-devices-worldwide/);

- **Shorter booking lead times for events.** Clients had previously confirmed and booked their events at least five to nine months in advance of the start date, but as they require more flexibility in the location, venue and costs, bookings are now being confirmed within a week to three months of the start, for local and national events, and less than one year for international events. This reduction in the lead time for the booking of events is a global trend since Covid-19;
- **Growth in emerging markets and a more diverse audience**. Emerging markets in Asia and Africa have grown significantly over the last decade and are expected to continue this trajectory. Over a billion new middle-class consumers from countries like China, India and Indonesia will be added to the global pool of consumers.

3.7 CTICC internal environment

The CTICC is one of the leading convention centres in Africa and one of South Africa's most iconic spaces, providing a platform for inspiration and transformation, where individuals, businesses and communities gather to share ideas.

As a significant knowledge hub, the CTICC attracts international events and delegates, which has helped establish Cape Town as Africa's preferred business and leisure tourism destination.

Over the past 21 years, the CTICC has hosted almost 9 500 events, of which 738 have been international association conferences from a broad range of sectors.

Within walking distance of the CTICC are over 4 500 rooms, as well as over 16 000 hotel and guesthouse rooms in and around the city, offering a vast range of accommodation options to those visiting the convention centre and Cape Town.

The CTICC complex comprises two buildings, CTICC 1 and CTICC 2, connected by a Skybridge. The complex offers world-class venues for meetings, conferences, exhibitions, trade fairs, banquets, concerts, film and stage productions, as well as photo shoots.

At the CTICC, people can meet, collaborate, create and find solutions – leaving positive social, economic and environmental legacies.

What is key to the CTICC's reputation as a world-leading venue is the wide range of services it offers. This includes food and beverage services, conference services, security services and parking facilities, ICT, sustainability services and facilities management, as outlined below.

Together, these services are designed to offer clients a unique experience in an exceptional environment. The CTICC is passionate about constantly improving the way it does business to ensure that it delivers excellent results for its shareholders and frequently enhances the experiences of clients and guests. To this end, consistent service excellence across every facet of the business is critical to its success and reputation as a world-class convention venue.

In today's challenging economic climate, the pressure on businesses to do things differently is constant. Consumer demand has evolved and the CTICC has seen a trend towards a more discerning client. The CTICC needs to cater to this demand and meet those expectations to succeed. It has recognised that the only way it can achieve this is through a dedicated focus on innovation. As a result, it prioritises the application of creative thought and action to every aspect of its business.

Table 2: Services offered by the CTICC

Core	Ancillary
• Venue hire; • Food and beverage services; • Parking facilities.	• Audio-visual services; • Décor services; • Entertainment services; • Stand-building services; • Safety and security; • Branding; • Sustainability; • Medical services.
Speciality	**Mandatory**
• Coffee on the Square; • Coffee on the Circle; • CTICC own events; • Off-site catering.	• Cleaning and hygiene services; • Perimeter security; • Electrical and plumbing services; • Waste management services; • ICT services.

3.8 SWOT analysis

Awareness and monitoring of the environment and the factors that affect the business positively and negatively are vital in keeping the CTICC relevant. It also allows the business to maintain its scope and competitive edge.

To identify the most critical factors, the team conducted a SWOT analysis. The key findings are tabulated below.

Table 3: Results of the CTICC's SWOT analysis

Strengths	Weaknesses
• Voted Best African Events Destination and Best International Meetings, Incentives, Conferences and Exhibitions (MICE) Destination in the 2024 Eventex Global Awards; • World-class, state-of-the-art building with 140 855 m² total capacity; • Best practice in health and safety standards, in line with the International Organization for Standardization (ISO) 45001:2018 certification; • Highly dedicated and skilled workforce; • CTICC owns its assets; • Sound financial management and strong, long-term supplier relationships; • Collaborative approach with key national, provincial and local governments, as well as Western Cape key stakeholders; • Environmental, social and governance (ESG)-conscious organisation; • Versatile venue space; • High-quality catering; • Reputable brand; • Own events portfolio; • Positive forward book; • Protection of employees' rights; • Certified for Quality Management System ISO 9001:2015; • Certified for Environmental Management System 14001:2015; • Certified for Food Management System 22000:2018; • Certified for Occupational Health & Safety Management System 45001:2018; • Focus on staff development; • Strategic location, situated in the city centre on all major travel routes and close to tourist attractions; • Focus on inclusivity; • Customer centricity.	• Costs associated with technological advancements; • High operating and overhead costs; • Staff retention; • Exchange rate volatility affecting international marketing and advertising; • Lack of supplier participation in the tender process; • Limited technology integration.

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Opportunities	Threats
• Increased recognition and support from both public and private sectors, including government, highlighting the strategic value and economic impact of business events; • Growing government business; • Increased market share of international association meetings in Africa; • Growth of tech innovation in the Western Cape; • Exchange rate makes travel viable for international visitors; • Desirable destination*; • Sustainability leadership in terms of green events; • Collaboration with local stakeholders (e.g., Cape Town Stadium); • Leveraging memberships and associations.	• The impact of load shedding; • Long-haul destination risks, due to environmental factors/climate change; • Seasonality of the destination; • Long-term weakness of the rand and volatile exchange rates; • International perception of crime in South Africa; • Political unrest/instability; • High cost of travel to Cape Town in terms of flight and accommodation costs; • Shortage of skilled labour due to increased demand for scarce skills. • Changes in consumer preference (e.g., more public catering than catered events); • Climate change affecting food supply and pricing; • Changes in event permit by-laws; • Global health issues as declared by the World Health Organization (WHO).

*https://www.capetown.travel/cape-town-is-the-greatest-city-on-earth/

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Section 4: Key Performance Indicators – for three years to 2027/28

The CTICC's performance is measured by the City of Cape Town against a set of key performance indicators (KPIs) that are reviewed annually. As a results-driven organisation, much emphasis is placed on the attainment of these targets – at an organisational, departmental and individual level of performance appraisals. This system of performance management is integral to achieving financial and non-financial targets.

#	CATEGORY	IDP Priority	Objective	Programme	INDICATOR	INDICATOR DEFINITION	TARGET 2024/25	TARGET 2025/26 [2]	TARGET 2026/27	TARGET 2027/28
1	International events	Economic Growth	1. Increased jobs and investment within the Cape Town economy	1.3 Inclusive economic development and growth	International events hosted (Number)	The indicator measures the total number of international events hosted at the CTICC. International Events are defined as an event where the majority of the delegates are from outside of South Africa, the minimum amount of delegates attending should be no less than 40 and the duration should be at least 2 days (1 night) within the city.	45	38	38	40
	Total events hosted	Economic Growth	1. Increased jobs and investment within the Cape Town economy	1.3 Inclusive economic development and growth	Total events hosted (Number)	The indicator measures the total number of events hosted at the CTICC.	380	390	405	415
2	Human Capital Development	Economic Growth	1. Increased jobs and investment within the Cape Town economy	1.3 Inclusive economic development and growth	Annual total salary cost spent on training of permanent and temporary staff (%)	The indicator measures the percentage Annual total salary cost spent on training of permanent and temporary staff	5%	5.5%	5.5%	6%

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#	CATEGORY	IDP Priority	Objective	Programme	INDICATOR	INDICATOR DEFINITION	TARGET 2024/25	TARGET 2025/26 [2]	TARGET 2026/27	TARGET 2027/28
3	Customer Centricity and Service Excellence	Economic Growth	1. Increased jobs and investment within the Cape Town economy	1.1 Ease of doing business	Minimum aggregate score for all CTICC internal departments and external suppliers (%)	Customer centricity and service excellence is measured independently on the level of service offered by the CTICC to our external clients and recorded as a percentage.	80%	80%	80%	80%
4	Supply Chain Procurement from B-BBEE Suppliers	Economic Growth	1. Increased jobs and investment within the Cape Town economy	1.3 Inclusive economic development and growth	B-BBEE spend (%)	The indicator measures the percentage expenditure with B-BBEE suppliers measured ito the B-BBEE Act. B-BBEE Suppliers are defined as those suppliers that have a valid B-BBEE rating certificate or an affidavit in the case of EME and QSE suppliers.	75%	80%	80%	80%
5	Tertiary student Programme: Contribution to Youth Employment and Skills Development	Economic Growth	1. Increased jobs and investment within the Cape Town economy	1.3 Inclusive economic development and growth	Tertiary students employed (Number)	The indicator measures the number of tertiary students employed at the CTICC in the FY [3]	33	20	20	20
6	Graduate Programme: Contribution to Youth Employment and Skills Development	Economic Growth	1. Increased jobs and investment within the Cape Town economy	1.3 Inclusive economic development and growth	Graduates employed (Number)	The indicator measures the number of graduates employed at the CTICC in the financial year	7	6	6	6

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#	CATEGORY	IDP Priority	Objective	Programme	INDICATOR	INDICATOR DEFINITION	TARGET 2024/25	TARGET 2025/26 [2]	TARGET 2026/27	TARGET 2027/28
7	Number of people from the employment equity target groups employed in the three highest levels of management in compliance with the **municipal entity's** approved employment equity plan	A Capable and collaborative City Government	Capable and collaborative City Government	16.2 Modernised and Adaptive Governance	Employees from the EE designated groups in the three highest levels of management (%)	The indicator measures the percentage of people from employment equity target groups employed in the three highest levels of management, in compliance with the municipal entity's approved EE plan. Level 1 – Executive directors Level 2 – Senior Managers Level 3 – Managers	80%	80%	80%	80%
8	Quality Offering	A Capable and collaborative City Government	16. Capable and collaborative City Government	16.1 Operational Sustainability	Maintain five star tourism grading through effective management of maintenance quality service delivery.	The indicator measures the standard of the CTICC as a World Class Venue. Defined as 5 Star Grading by South African Tourism	Achieve 5 Star Tourism Grading Council Rating	Achieve 5 Star Tourism Grading Council Rating	Achieve 5 Star Tourism Grading Council Rating	Achieve 5 Star Tourism Grading Council Rating
9	**Budget**									
	Operating Profit [4]	A Capable and collaborative City Government	16. Capable and collaborative City Government	16.1 Operational Sustainability	Achievement of annual budgeted Operating Profit[4] (%)	This indicator measures the operating profit achieved. Operating Profit is defined as earnings before interest, taxation, depreciation and amortisation (EBITDA).	100%	100%	100%	100%

#	CATEGORY	IDP Priority	Objective	Programme	INDICATOR	INDICATOR DEFINITION	TARGET 2024/25	TARGET 2025/26 [2]	TARGET 2026/27	TARGET 2027/28
	Capital Projects	A Capable and collaborative City Government	16. Capable and collaborative City Government	16.1 Operational Sustainability	Total number of capital projects for the year completed or committed (%)	The indicator measure the percentage of the total number of capital projects completed or committed for the financial year.	90%	90%	90%	90%
10	**Governance**									
	External Audit Report	A Capable and collaborative City Government	16. Capable and collaborative City Government	16.1 Operational Sustainability	Opinion of the Auditor General	The indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor-General in determining his opinion. An unqualified audit opinion is where the auditor, having completed the audit, has no reservation as to the fairness of presentation of financial statements and their conformity with general recognised accounting practice. This is referred to as a 'clean audit'. Alternatively, the auditor would issue a qualified audit opinion either in whole or in part over the financial statements if these have not been prepared in accordance with general recognised accounting practice, or the auditor could not audit one or more areas of the financial statements.	Clean Audit Report	Clean Audit Report	Clean Audit Report	Clean Audit Report

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#	CATEGORY	IDP Priority	Objective	Programme	INDICATOR	INDICATOR DEFINITION	TARGET 2024/25	TARGET 2025/26 [2]	TARGET 2026/27	TARGET 2027/28
11	**Financial Ratios**									
	Ratio of Cost Coverage maintained (RCC)	A Capable and collaborative City Government	16. Capable and collaborative City Government	16.1 Operational Sustainability	Cash/cost coverage ratio (NKPI)	The ratio indicates the ability to meet at least monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue during that month.	5.6 times	6 times	6 times	6 times
	Net Debtors to Annual Income (ND)	A Capable and collaborative City Government	16. Capable and collaborative City Government	16.1 Operational Sustainability	Net Debtors to annual income (NKPI)	Net current debtors are a measurement of the net amounts due to the municipal entity that are realistically expected to be recovered. Net Debtors is defined as gross debtors less impairments and refunds.	4%	4%	4%	4%

[1] The baseline figures currently reflects the audited actual achievement as at 30 June 2024.

[2] The targets are draft and will be presented to the CTICC Board for approval in March 2025.

[3] The employment of students are only on a temporary basis, based on business requirements and the CTICC's capacity to manage the student portfolio, additional opportunities could become available on an ad-hoc basis during the year.

[4] Operating profit/(loss) is defined as earnings before interest, taxation, depreciation and amortisation (EBITDA).

CTICC

Section 5: Sales, Marketing and Communications

5.1 Sales

5.1.1 Sales objectives

The primary objective of the sales division is to enhance the CTICC's competitive position in South Africa and Africa by attracting associations, exhibitions, corporate and government events. Additionally, this objective extends to the global long-haul market, which will be achieved by effectively securing bids for both international and regional association conferences, as well as corporate meetings.

Key focus areas include:

- Building and maintaining strong client relationships;
- Actively targeting new clients through focused sales activities;
- Generating leads within the Western Cape Province and the City of Cape Town's catalytic investment sectors and beyond;
- Acquiring and growing business in all market segments;
- Implementing a clearly defined retention and acquisition strategy;
- Developing new and alternative revenue streams;
- Driving revenue streams through effective business-mix management;
- Increasing CTICC market share locally, regionally and internationally.

5.1.2 CTICC own events objectives

The own events initiative aims to expand the CTICC's current revenue streams and looks at cultivating sustainable partnerships within the industry. This entails the creation of a platform that stimulates economic activity that generates employment opportunities and revenue streams for local businesses. The development of the CTICC's own events holds substantial potential to not only enhance its presence in the national and local markets but also to contribute to a more substantial market share overall.

Own events should be strategically crafted to achieve the following:

- Close the 'low season' gaps in business;
- Position the CTICC as a multi-purpose venue capable of hosting more lifestyle, cultural and sporting events;
- Position the CTICC as a knowledge and innovation hub for the city;
- Attract new event markets to grow the CTICC's appeal;
- Partner with local event experts to capitalise on brand equity and industry expertise;
- Add additional revenue streams.

5.1.3 Sales trends

- Customer retention through value-based selling;
- Automation of the customer journey through interactions that take place between sales and a prospect throughout the sales cycle;
- Implementation of an overall sales performance analysis;
- Analysis of customer feedback.

5.1.4 Sales tactics

- Continue to identify key and partner accounts through the client retention process;
- Target regional and international associations as per the City's catalytic economic development sectors;
- Support sponsorship deals for sports and lifestyle events to position CTICC as a more appealing brand;
- Increase exhibitor and visitor numbers at the CTICC's own events by implementing sales automation and securing line sponsors;
- Continually manage client relationships to grow client loyalty.

5.2 Marketing and Communications

Aligned with the CTICC's forward-focused business plan for 2025, this section outlines updated objectives, with an emphasis on brand expansion, data-driven marketing approaches, innovative initiatives and cohesive communication efforts that respond to emerging market trends and support overall business goals.

5.2.1 Marketing and Communications objectives

- Strengthen client engagement and retention by securing events across all business segments and fostering long-term relationships;
- Elevate the CTICC's profile as a premier venue by leveraging strategic partnerships;
- Expand the footprint of CTICC-hosted events by increasing market penetration and ensuring continued growth of own events;
- Highlight the CTICC's culinary offerings, promoting unique food and beverage services as part of the overall event experience;
- Enhance the CTICC's brand through integrated communication efforts and supporting key marketing campaigns and promotions across all segments;
- Amplify visibility, particularly in corporate social responsibility and sustainability, to strengthen the CTICC's position as an organisation that cares for people and its impact on the environment;
- Improve internal communication to ensure staff alignment with organisational goals, contributing to enhanced service delivery and client retention.

5.2.2 Marketing and Communications trends

- Deliver personalised, world-class experiences that enhance customer loyalty and support;
- Embrace artificial intelligence (AI)-driven automation to optimise marketing and communication efforts for better client engagement;
- Focus on audience diversification, targeting both established and emerging markets;
- Rely on social media and digital platforms for unified brand engagement, maintaining consistency in messaging across all channels;
- Proactively respond to current affairs and industry trends to stay relevant;
- Leverage pre- and post-communications activity around key initiatives and milestones to reinforce brand visibility.

5.2.3 Marketing and Communications tactics

- Engage and retain clients through data-driven campaigns to secure bookings across all segments, focusing on client retention and loyalty, both locally and internationally;
- Promote the venue and strengthen partnerships, particularly by expanding into new sectors like the leisure market, to position the CTICC as a versatile and appealing venue;
- Expand the reach of CTICC-hosted events through innovative strategies to grow the brand's presence both locally and globally;
- Highlight the CTICC's food and beverage offerings as a unique element of the event experience;
- Increase press releases and social media output to enhance external awareness and boost brand visibility for key CTICC activities;
- Increase external communication output, such as press releases and social media, to enhance external awareness and boost brand visibility for key CTICC activities;
- Upgrade the intranet and enhance internal communication to improve staff engagement and ensue alignment with the CTICC's goals;
- Implement a digital strategy to refresh the website and audit social media channels, growing the target audience and supporting unified messaging aligned with the CTICC's purpose.

Section 6: Revenue Management

6.1 Revenue Management

Revenue management provides a support function to the organisation, with a focus on the sales, events, conference and exhibition services functions. While adhering to the City's requirements, the division ensures that the CTICC achieves its long-term and short-term business strategies through effective rate management, revenue-streams management, business-mix plans, strategic pricing and benchmarking.

6.2 Revenue management objectives

- Align the commercial team to the external business environment;
- Ensure price relevance in the marketplace based on the business environment;
- Drive revenue streams through effective business-mix management and strategic pricing;
- Ensure a clearly defined retention and acquisition plan is established;
- Develop new and alternative revenue streams;
- Ensure an effective and efficient contract management process aligned to policies;
- Increase CTICC market share locally, regionally and internationally.

6.3 Revenue management trends

- A faster sector recovery rate than forecasted;
- Pricing in the marketplace has reflected growth;
- An increase in future events and shorter lead times for bookings;
- Growth in emerging markets and a generally more diverse audience;
- Greater scrutiny of general terms and conditions prior to signing of contracts.

6.4 Revenue management tactics

- Adapt the CTICC's rate philosophy in line with demand, supply and market trends;
- Secure events for all business segments with a clearly defined retention, acquisition and base business plan;
- Increase occupancies year-on-year through the maximisation of space utilisation and acquiring the right business;
- Ensure the contract management process is managed effectively and aligned to audit requirements.

Section 7: Event Delivery

7.1 Event management

The event management division is integral to the delivery of events, as it ensures that clients have a seamless experience from initial enquiry to event feedback. This is facilitated by the CTICC's customer relationship management (CRM) system, which allows it to optimise efficiencies and coordinate events of any size with detailed itineraries.

7.1.1 Event management objectives

- Manage events successfully;
- Upsell CTICC contracted services;
- Streamline systems and internal processes to enhance the client experience.

7.1.2 Event management trends

- Eco-friendly and sustainable events;
- Shorter lead times for bookings;
- Focus on cost saving and efficiencies;
- Experiential events more in demand;
- Live streaming to attract additional attendees;
- Increased use of technology at events.

7.1.3 Event management tactics

- Improve the client/visitor/delegate experience and client satisfaction index (CSI) through client care initiatives;
- Promote the usage of the CTICC's preferred contracted suppliers;
- Improve communication to enhance client experience.

7.2 Conference and exhibition services

The conference and exhibition services division is responsible for providing a turnkey solution to all clients by establishing partnerships with key event-related suppliers. These suppliers can offer services to all conference and exhibition organisers. Services range from audio-visual and electrical connections to plumbing, safety and security, cleaning and décor, as well as entertainment services.

The unit plays a key role in reducing the exhibition organiser's carbon footprint by arranging various upcycling initiatives. The unit is also tasked with meeting and exceeding the budgets set.

7.2.1 Conference and exhibition services objectives

- Increase revenue by ensuring all clients are advised of the CTICC's offerings;
- Improve relationships with the City's events department by streamlining the event application process;
- Increase environmental awareness to provide more sustainable events.

7.2.2 Conference and exhibition services trends

- Focus on health and safety throughout the event life cycle;
- Increased demand for sustainable exhibition stands;
- Increased demand for multi-sensory experiences;
- Increased demand for more open plan 'un-booth' stand designs.

7.2.3 Conference and exhibition services tactics

- Promote sustainable events by highlighting the importance of reducing waste to landfill through waste management;
- Promote the use of preferred suppliers;
- Upsell all services;
- Monitor food and beverage items brought in by exhibitors.

7.3 Facilities management

The facilities management division strives to uphold the building's five-star rating standards by implementing preventative, corrective and predictive maintenance and replacing end-of-life equipment with newer and more efficient technologies. This will improve the customer experience and keep the business sustainable.

7.3.1 Facilities management objectives

- Focus on preventative and predictive maintenance to minimise reactive maintenance;
- Refurbish and upgrade plant and equipment that has reached the end of its life;
- Maintain generators to ensure clients are not affected by utility interruptions due to load shedding;
- Gather data from plant and equipment for maintenance purposes;
- Prioritise environmental, social and governance (ESG) principles in facilities management planning and processes.

7.3.2 Facilities management trends

These are the main facilities management trends, according to the International Facility Management Association (IFMA):

- The use of the Internet of Things (IoT) to monitor temperature and lighting levels, as well as allow heating, ventilation and air-conditioning (HVAC) and electrical systems to adjust automatically for optimal efficiency;
- An increase in predictive maintenance, driven by the IoT, including sensors that can keep track of equipment performance and supply data to improve decision making;
- Data-driven management to provide value-added input in business processes;
- Sustainability focus, as seen in the industry drive to Net Zero Carbon Events, signalling that more ways of being environmentally sustainable will have to be implemented.

7.3.3 Facilities management tactics

- Ensure regular preventative maintenance is done to increase the lifespan of equipment and minimise downtime that can affect the core business;
- Invest capital expenditure in newer and more efficient technologies by upgrading end-of-life plant and equipment;
- Implement a maintenance plan to ensure that generators are functional in case of emergencies;
- Implement technology to monitor and capture data on plant and equipment failures, as well as energy consumption;
- Implement renewable energy options, such as solar energy systems;
- Maintain the CTICC's International Organization for Standardisation (ISO) 9001, 14001, 22000 and 45001 certifications.

7.4 Parking and logistics

The parking and logistics division manages the overall traffic flow into the CTICC to ensure large events are covered in terms of overflow parking facilities, shuttle services and road closures, where and when required. The unit also manages event logistics during build-up and breakdown, while maximising revenues from internal and external events.

7.4.1 Parking and logistics objectives

- Increase revenue;
- Ensure efficient and simple load-in and load-out processes in the marshalling yards;
- Train full-time and temporary staff;
- Improve customer experience by providing clear signage, ample lighting and easy access to parking facilities, as well as ensuring that parking facilities are clean, safe, and well maintained;
- Enhance security by installing more security cameras in P1 to ensure the safety of vehicles and individuals.

7.4.2 Parking and logistics trends

- **Using IoT to facilitate car parking:** drivers can see in real time, through an app service or a website, the availability of parking space;

- **Tap and go to make parking and logistic transactions more efficient and secure:** fast and secure contactless parking through the use of mobile payments, radio frequency identification (RFID) and other contactless payment methods;
- **The installation of electric vehicle charging stations in the parking facilities:** to encourage the use of electric vehicles and reduce carbon emissions;
- **Smart parking to optimise the use of parking spaces:** harnessing modern technology, such as sensors and real-time data analytics, to make parking easier and more efficient and improve the customer experience.

7.4.3 Parking and logistics tactics

- Increase parking revenue by introducing specials and packages to the public during low-demand periods;
- Promote CTICC parking as the first choice for City of Cape Town events;
- Build storage cages for external suppliers to store their equipment;
- Encourage space rental for storage containers;
- Streamline the event build-up and breakdown processes by implementing a scheduling process;
- Use the off-site marshalling yard consistently to ensure that event contractors are familiar with the process, which eliminates frustrations during big events;
- Continuously train staff to ensure consistent service delivery.

7.5 Information and communication technology (ICT)

The information and communication technology (ICT) division supports the business through the provision of services to both internal and external clients, the latter being a revenue generator for the CTICC. Maintaining the operational functionality of the vast range of ICT systems and platforms is a core function of the unit.

7.5.1 ICT objectives

- Enhance technical solutions in support of good governance;
- Provide services that support the business and event-hosting activities;
- Continually enhance cybersecurity controls;
- Expand the digital technology suite to support operations and digital wayfinding;
- Improve ICT asset management and tracking.

7.5.2 ICT trends

- XaaS – the all-encompassing option of anything as a service;
- IoT and IoT security;
- Artificial intelligence (AI), generative AI and automation of decision making by AI agents;
- Sustainable technology;
- Cyber resilience;
- Ambient wireless tags and sensors;

- Post-quantum cryptography and its cybersecurity implications.

7.5.3 ICT tactics

- Review, plan and implement changes, as identified in the ICT risk register;
- Migrate to cloud-hosted services (XaaS), where practicable;
- Enhance the CTICC's information technology (IT) network design to improve fault tolerance and service redundancy;
- Invest in the ICT components of Building Management Systems (BMS) to facilitate consolidated monitoring, proactive maintenance and management of the environment;
- Improve cybersecurity posture through enhancement of systems, vulnerability scanning, penetration testing and remediation operations;
- Expand the digital signage network to currently unserved areas and venues;
- Deploy RFID tagging and tracking solutions.

7.6 Safety and security

The safety and security of people and property are essential to the safe execution of events hosted. The necessary quality, environmental and safety management systems must be maintained at every level to retain the CTICC's ISO certifications and ensure full legislative compliance, as required by the Safety at Sports and Recreational Events Act and Regulations (SASREA).

To this end, we remain committed to our strategy of maintaining our safety and security management systems to ensure continued suitability, adequacy and effectiveness, as well as compliance with related legal and regulatory requirements.

7.6.1 Safety and security objectives

- Continuously review the suitability, adequacy and effectiveness of safety and security related processes, procedures and protocols;
- Ensure key personnel are equipped with the necessary skills and knowledge required to fulfil roles and responsibilities related to the safety and security functions;
- Ensure the ISO certifications the organisation subscribes to are upheld (i.e.; ISO 9001, ISO 14001, ISO 22000 and ISO 45001);
- Ensure safety and security requirements pertaining to the events planning and execution phases are adhered to;
- Ensure that safety and security resources are adequate, (e.g. fire systems, surveillance and access control devices and equipment).

7.6.2 Safety and security trends

- Autonomous AI-based facial recognition within convention centres to enhance security proficiency;
- AI-based closed-circuit television (CCTV) tracking of persons of interest within convention centres;

- Tamper-proof non-transferable accreditations;
- Enhanced app-based meeting room access control;
- Ability to determine venue occupation numbers by means of smart accreditation.

7.6.3 Safety and security tactics

- Conduct ongoing assessments with relevant stakeholders to evaluate compliance with safety and security-related processes, procedures, and protocols;
- Regularly review the current training matrix and identify additional training needs;
- Ensure annual management reviews of safety, health, environment and quality (SHEQ) management systems and surveillance audits by certification body;
- Ensure permits are obtained for all events that require medical, safety and security plans;
- Check organisers' files to ensure legal requirements, such as SASREA and City of Cape Town by-laws, are met;
- Ensure ongoing technical assessment, testing and maintenance of fire system, as well as access control and surveillance systems.

7.7 Food and Beverage

The Food and beverage division plays a pivotal role in delivering world-class hospitality services that enhance the overall event experience for our diverse clientele. With a strong commitment to innovation, quality and sustainability, the division ensures that every event is complemented by exceptional culinary offerings. Our focus for the upcoming year will be on optimising operational efficiency, expanding menu options to cater to emerging trends and enhancing guest satisfaction through superior service delivery.

7.7.1 Food and beverage objectives

- Generate and achieve set targeted revenues, while maintaining budgeted food and beverage costs;
- Achieve service excellence and maintain customer centricity;
- Improve the food and beverage offering and maintain high standards for public catering;
- Ensure that inventory and asset management is conducted accurately;
- Maintain the ISO 22000 certification;
- Uphold sustainability objectives.

7.7.2 Food and beverage trends

- **Ancient grains and healthy food options:** the resurgence of ancient grains and the rise of plant-based and meat alternatives are driving healthier and more sustainable dining choices;
- **The rise of mushrooms:** mushrooms are gaining popularity as a versatile food alternative, with certain species frequently used as substitutes for meat;
- **New dairy alternatives:** alternative milks are proliferating on the shelves, with potato milk being one of the new additions to the market;

- **Emphasis on organic and local:** the use of organic and locally sourced products, including fair trade and sustainable seafood, is being prioritised for ethical and environmental reasons;
- **Creative beverages:** unique and individually curated beverages, featuring old-world flavours, add an element of creativity;
- **Coffee substitutes:** new variations of popular coffee drinks have emerged in the market, offering unique and innovative alternatives to traditional options;
- **Sustainable practices:** sustainable water sources and a reduction in single-use plastic are becoming more critical considerations;
- **Convenience-focused products:** pre-packed items and convenience-focused food and beverage products are gaining prominence;
- **Technology and innovation**: the integration of technology, like mobile apps, is streamlining food service for quick ordering and pick-up, enhancing convenience;
- **Automation:** robotic coffee kiosks and vending machines serving hot food items are becoming more accessible;
- **Self-service and check-out:** self-service and automated check-out at grocery stores and restaurants are on the rise due to consumers' ever increasing need for convenience and speed.

7.7.3 Food and beverage tactics

- Continue to engage and negotiate food prices with suppliers to meet revenue targets and reduce costs;
- Invest in training programmes for staff to maintain high standards of professionalism;
- Consistently re-evaluate the public catering menu offering to keep abreast of emerging food and beverage trends;
- Train an asset verification team on the process of capturing Inventory management data to ensure accuracy and efficiency;
- Maintain the ISO Food Management System 22000 certification through regular audits and adherence to food safety standards;
- Drive the use of in-house bottled water and implement sustainable and reusable water cups for dispensers;
- Ensure all food and beverage packaging is bio-degradable and food waste separation is implemented consistently.

Section 8: Sustainability

8.1 Sustainability

The CTICC continues its forward-thinking commitment to sustainability by driving impactful emission reductions, aligning with global benchmarks, embracing innovative technologies and fostering a lasting social and environmental legacy.

8.2 Social and environmental objectives

- Align with the United Nations Global Compact (UNGC) and integrate the United Nations Sustainable Development Goals (SDGs) into operations;
- Integrate sustainability across facilities;
- Support the Net Zero Carbon Events pledge and science-based targets;
- Maintain ISO 14001 certification to ensure compliance with the environmental requirements;
- Minimise environmental (water, waste and electricity) impact and promote upcycling for events.

8.3 Social and environmental sustainability trends

- Continued alignment with the UNGC and SDGs;
- Increased focus on creating a social legacy;
- Commitment to the Net Zero Carbon Events pledge for 50% emission reduction by 2030;
- Sensor tech adoption for energy efficiency in lighting and heating, ventilation and air-conditioning (HVAC);
- Integration of newer technologies to ensure that resources are optimally used;
- Internet of Things (IoT) utilisation for real-time environmental decision making and management.

8.4 Social and environmental tactics

- Collaborate with new local community partners (LCPs);
- Implement sustainability across all operations;
- Prioritise sustainable event planning and waste reduction;
- Maintain the CTICC’s leadership in sustainable conferences and events;
- Ensure compliance with ISO 14001 standards through regular internal audits in preparation of external audits;
- Optimise electricity, energy and water efficiencies;
- Explore renewable energy options, like solar photo-voltaic panels and solar water heating;
- Opt for air-cooled over water-cooled replacements of HVAC systems;

- Continue the retrofitting of taps to ensure water-saving;
- Adopt eco-procurement, emphasising recyclable and reusable products;
- Adopt waste management hierarchy (reduce, reuse and recycle);
- Collaborate with event organisers to manage waste streams, including the upcycling of materials;
- Partner with waste management providers to maximise landfill diversion;
- Drive the separation of food waste at source, including the satellite kitchens;
- Target year-on-year carbon emissions reduction;
- Set a new baseline for carbon emissions reduction, focusing on electricity (this includes Scope 1, Scope 2 and Scope 3 reporting);
- Establish baseline data to capture all business segments contributing to carbon emissions.

Section 9: Supply Chain Management

9.1 Supply chain management

The core function of the supply chain management (SCM) division is to ensure that the correct products and services are procured to meet client and operational needs in a manner that is cost-effective, fair, equitable, transparent, competitive and in line with prevailing legislation.

SCM plays a pivotal role, working in tandem with the business units, to ensure proper planning, market analysis and development of the correct specifications for the procurement of goods and services.

9.2 Supply chain management objectives

- Optimise the CTICC's processes from demand to acquisition, ensuring cost-effectiveness, compliance with legislation, transparent bidding and value maximisation for the CTICC and its clients;
- Promote accountability through performance management, transparency, fairness via clear documentation, reporting, effective use of resources and compliance with CTICC policies;
- Maintain efficient distribution processes and timely delivery through sustainable sourcing, enhancing the CTICC's service delivery while reducing disruptions for its clients.

9.3 Supply chain management trends

- Increase in sustainable and ethical practices in SCM, including sourcing from environmentally responsible suppliers, supporting local businesses and promoting fair labour practices;
- Growth in green procurement initiatives aimed at reducing the environmental footprint of operations, aligning with broader sustainability and environmental, social and governance (ESG) goals;
- Digital transformation in adopting digital technologies, platforms and data analytics to optimise supply chain processes;
- Digital technologies enhance transparency, automate workflows and improve contract management and decision-making, leading to a more efficient and accountable supply chain;
- Digitalisation also contributes to reducing legislative red tape through streamlined and automated procedures;
- Improved resilience and risk management by focusing on diversifying supplier bases, adopting contingency plans and using predictive analytics to anticipate and mitigate supply chain disruptions. This trend ensures uninterrupted service delivery even in the face of unforeseen challenges. By enhancing supply chain resilience, organisations can also reduce the impact of regulatory hurdles during emergencies.

9.4 Supply chain management tactics

- Adopt digital procurement systems for end-to-end efficiency, improving requisition to payment, online bidding and automated approvals, as well as increasing transparency, reducing paperwork and speeding up decision making;
- Cultivate supplier relationships through engagement, evaluation and feedback that ensures quality, timeliness and risk reduction, as well as sustainable and ethical sourcing.

CTICC

Section 10: Human Capital

10.1 Human Capital

The Human Capital (HC) division is a business partner to the organisation, assisting with the formulation and implementation of people strategies that support the overall business objectives.

The overall goal of the department is to drive and support the workforce through training and development, recruitment, selection and retention of staff, as well as promote a focus on holistic employee wellness. The CTICC believes that nurturing its people contributes to the organisation's growth and success.

10.2 Human Capital objectives

- Create a work culture that embodies the values of the CTICC;
- Train and develop all staff in line with the Culture, Art, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA) sector skills plan;
- Retain staff by ensuring the CTICC remains an employer of choice;
- Maximise the impact of the CATHSSETA-funded learnership programme;
- Enhance and expand the existing star performer, long service and matric programmes;
- Promote employee well-being through regular wellness days;
- Ensure compliance with legal requirements, particularly the Protection of Personal Information Act (POPIA);
- Strengthen the organisation's resilience against cyber threats through training;
- Achieve organisational goals by efficiently planning and executing all HC operations.

10.3 Human Capital trends

- Continued focus on diversity, equity and inclusion initiatives;
- Growing importance of sustainability and corporate social responsibility in HC practices;
- Enhanced focus on creating a strong employer brand to attract and retain top talent;
- Increasing need for data-driven HC decision making and analytics;
- Rising importance of employee well-being and mental health support in the workplace;
- Increased focus on employee upskilling and reskilling to meet evolving business needs.

10.4 Human Capital tactics

10.4.1 Strategic workforce planning

- Implement succession planning for key positions to ensure business continuity;
- Conduct regular skills gap analyses to inform training and recruitment strategies.

10.4.2 Employee development and retention

- Enhance the CATHSSETA-funded learnership and work-integrated learning programmes by increasing participation and expanding skill areas;
- Refine the star performer programme to recognise excellence across all departments;
- Strengthen the long service programme with additional milestones and rewards;
- Continue supporting the matric programme, tracking progress and celebrating achievements;
- Develop targeted retention strategies for critical roles and high-potential employees.

10.4.3 Learning and development

- Implement a comprehensive digital learning platform to support continuous skill development;
- Conduct cybersecurity awareness and POPIA compliance training for all employees;
- Establish mentorship and coaching programmes to support career growth;
- Develop cross-functional training programmes to enhance organisational agility.

10.4.4 Performance management and rewards

- Align individual and team key performance indicators (KPIs) with CTICC's five-year strategic objectives;
- Implement a continuous feedback system to complement annual performance reviews;
- Review and update the remuneration structure to ensure competitiveness.

10.4.5 Employee wellness and engagement

- Conduct regular employee engagement surveys and act on feedback;
- Regularly communicate the availability and benefits of employee assistance programme (EAP) services through newsletters, wellness days and internal campaigns;
- Encourage employees to seek support early for personal or work-related issues to prevent escalation;
- Foster a supportive work environment that prioritises physical and mental health through targeted wellness initiatives.

10.4.6 Diversity, equity and inclusion

- Enhance diversity by ensuring under-represented groups are included across all levels of the organisation;
- Implement mandatory training programmes to raise awareness and build skills in unconscious bias, cultural competence and inclusive leadership;
- Review and revise policies to eliminate biases and ensure equal access to development, promotions and resources.

10.4.7 Talent acquisition

- Implement inclusive and fair recruitment practices, focusing on eliminating unconscious bias during the selection process, to ensure equal opportunities for all candidates;
- Establish partnerships with educational institutions to create talent pipelines;
- Build and maintain a continuous pipeline of qualified candidates for current and future hiring needs, particularly for critical and hard-to-fill roles.

10.4.8 Compliance and risk management

- Conduct regular POPIA, ethics awareness and disability awareness refresher training;
- Implement a cybersecurity awareness programme;
- Ensure all HC policies and procedures align with current legislation.

Section 11: Governance

The Board of Directors ("Board") is committed to upholding good ethical standards and the application of corporate governance principles in accordance with the King IV Report on Corporate Governance for South Africa, 2016™ ("King IV™"). The Board of Directors ensures that the governance structure within the CTICC cultivates good governance outcomes in relation to its ethical culture, performance, effective control and legitimacy.

King IV principles disclosure

King IV™ code requires that a company reports on how it has applied the code. A Governance Report outlining the CTICC's governance framework is available on our website (www.cticc.co.za).

Board of Directors

The Board provides leadership and determines the strategic objectives of the CTICC and acts as the custodian of our corporate governance framework. The Board is supported by six committees and delegates the responsibility of running the business to its Executive Managers. The Board monitors the implementation of its strategies, decisions and key policies, and is satisfied that it has fulfilled its responsibilities required by its mandate.

Composition of the Board

The Board is composed of ten Directors, eight of whom are Non-executive, and two are Executive Directors. All of our Non-executive Directors are independent. The Board is satisfied that its members have a diverse range of knowledge, skills, qualifications and experience, which enables it to contribute meaningfully to the CTICC.

Conflicts of interest

Directors are required to declare their personal financial interests and those of related persons in contracts with the group. A register in this regard is maintained and reviewed at each Board meeting. Directors are further asked to recuse themselves from any discussions and decisions where they have a material financial interest.

Chairperson and Chief Executive Officer

The roles of the Chairperson of the Board and the Chief Executive Officer are separated and clearly defined. The Chief Executive Officer is responsible for the day-to-day management of the CTICC, and the implementation of the strategy and objectives adopted by the Board. The Chairperson of the Board manages the relationship between the Board, the Chief Executive Officer and the various Board committees.

Board committees

The Board acknowledges that the overall responsibility for the CTICC rests with the Board as a whole. To assist it in fulfilling its responsibilities, the Board delegates some of its functional responsibilities to its committees through clearly defined mandates. These committees report quarterly to the Board on their deliverables, in accordance with their Board-approved charters.

Board meetings

The Board met five times during the year under review and will meet at least four times per financial year and more often if circumstances require. The table on page 166 sets out the Board meetings held and attendance of board members during the reporting period.

11.1 The company secretariat

The Company Secretary is responsible for providing the Board with guidance on discharging its responsibilities in terms of legislation and regulatory requirements, as well as coordinating the functioning of the Board and its committees. The Board is satisfied that there is an arm's length relationship between the Company Secretary and the Board.

11.2 Ethical business culture and governance

The CTICC is committed to upholding and building an ethical business culture. As mentioned previously in this document, the CTICC subscribes to the United Nations Global Compact (UNGC) and adheres to its ten guiding principles in support of an ethical approach to doing business. Additionally, the CTICC is committed to meeting the 17 United Nations Sustainable Development Goals (SDGs).

The Board guides and governs the CTICC based on its mandate to be self-sustaining and contribute to economic growth and job creation. As an adopter of King IV™, the Board ensures that the governance structure at the CTICC cultivates good governance outcomes concerning ethical culture, performance, effective control and legitimacy.

The Board, with the assistance of the Social and Ethics Committee and the Audit Committee, have undertaken an exercise to ensure all of the CTICC's ethics-related policies are in line with prevailing laws, regulations, codes and industry standards.

Section 12: Finance

12.1 Financial projections

Description	Actual 2023/24	Adjustment budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28
Revenues	**421 010 110**	**411 221 083**	**441 981 223**	**469 371 892**	**498 352 235**
Venue hire	179 449 586	186 768 689	200 096 164	212 288 631	225 204 678
Food and beverage	148 291 200	162 516 548	175 703 245	186 596 846	198 072 552
Parking and other income	93 269 324	61 935 846	66 181 814	70 486 415	75 075 005
Less: Direct costs	**85 227 485**	**91 250 051**	**98 213 857**	**104 197 987**	**110 523 895**
Cost of sales	55 100 865	58 964 349	63 679 963	67 603 659	71 746 029
Other direct costs	30 126 620	32 285 702	34 533 894	36 594 328	38 777 866
Gross profit	**335 782 625**	**319 971 032**	**343 767 366**	**365 173 905**	**387 828 340**
Less: Indirect costs	**219 660 419**	**249 962 994**	**268 463 368**	**283 763 941**	**299 902 318**
Personnel and management	95 148 972	109 909 791	116 414 888	122 476 228	128 849 365
Building costs	92 119 665	103 262 676	113 609 822	121 015 983	128 937 723
Marketing and other indirect costs	32 391 782	36 790 527	38 438 658	40 271 730	42 115 230
EBITDA	**116 122 206**	**70 008 038**	**75 303 998**	**81 409 964**	**87 926 022**
Interest received	12 815 485	16 933 341	18 872 994	20 524 381	22 422 887
Less: Depreciation and amortisation	43 425 375	50 420 574	51 190 020	52 490 247	53 490 838
Add: Impairment reversal	99 987 541	24 220 644	-	-	-
Net profit before taxation	**185 499 857**	**60 741 449**	**42 986 972**	**49 444 098**	**56 858 071**
Taxation	55 230 779	(16 400 191)	(11 407 183)	(13 349 907)	(15 351 679)
Net profit after taxation	**240 730 636**	**44 341 258**	**31 579 789**	**36 094 191**	**41 506 392**

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12.2 Financial position

Budget 2023/24 to 2027/28

	Actual 2023/24	Adjustment budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28
Assets					
Non–current assets	**905 516 608**	**906 086 183**	**900 550 694**	**895 524 206**	**886 437 954**
Property, plant and equipment	552 906 564	572 845 815	581 686 994	592 979 898	602 214 810
Service-in-kind benefit	196 349 126	193 379 641	190 410 156	187 440 671	184 471 186
Deferred taxation	156 260 918	139 860 727	128 453 544	115 103 637	99 751 958
Current assets	**188 615 631**	**232 582 459**	**269 762 666**	**315 157 764**	**369 961 125**
Inventories	2 705 661	2 867 665	2 997 656	3 220 382	3 355 638
Trade and other receivables	29 359 821	12 025 452	13 351 396	17 601 446	19 186 561
Service-in-kind benefit	2 969 485	2 969 485	2 969 485	2 969 485	2 969 485
Current tax receivable	1 479 699	2 190 000	2 200 000	475 000	495 000
Cash and cash equivalents	152 100 965	212 529 857	248 244 129	290 891 451	343 954 441
Total assets	**1 094 132 239**	**1 138 668 642**	**1 170 313 360**	**1 210 681 970**	**1 256 399 079**
Net assets and liabilities					
Net assets	**991 741 403**	**1 036 082 660**	**1 067 662 450**	**1 103 756 641**	**1 145 263 033**
Contribution from owners	1 328 427 701	1 328 427 701	1 328 427 701	1 328 427 701	1 328 427 701
Accumulated deficit	(336 686 298)	(292 345 041)	(260 765 251)	(224 671 060)	(183 164 668)
Non-current liabilities	**486 345**	**371 356**	**83 056**	**-**	**265 454**
Operating lease liability	486 345	371 356	83 056	-	265 454
Current liabilities	**101 904 491**	**102 214 626**	**102 567 854**	**106 925 329**	**110 870 592**
Client deposits	42 374 143	44 789 469	47 342 469	49 283 510	51 501 268
Trade and other payables	51 695 810	48 759 489	45 990 533	47 922 137	49 139 359
Provisions	7 834 538	8 665 668	9 234 852	9 719 682	10 229 965
Total net assets and liabilities	**1 094 132 239**	**1 138 668 642**	**1 170 313 360**	**1 210 681 970**	**1 256 399 079**

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12.3 Cash flow statement

Budget 2023/24 – 2027/28

	Actual 2023/24	Adjustment budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28
Cash flow from operating activities	**94 270 941**	**106 568 072**	**95 745 472**	**106 430 472**	**115 788 740**
Cash receipts from customers	371 159 418	431 290 777	443 725 648	468 313 101	500 332 342
Cash paid to suppliers and employees	(287 247 511)	(341 656 046)	(366 843 170)	(384 132 010)	(406 946 489)
Suppliers	*(200 647 150)*	*(251 931 552)*	*(270 496 634)*	*(282 727 281)*	*(300 218 012)*
Employee costs	*(86 600 361)*	*(89 724 494)*	*(96 346 536)*	*(101 404 729)*	*(106 728 477)*
Cash generated from operations	**83 911 907**	**89 634 731**	**76 882 478**	**84 181 091**	**93 385 853**
Finance income	12 349 029	16 933 341	18 872 994	20 524 381	22 422 887
Taxation refund/(paid)	(1 989 995)	-	(10 000)	1 725 000	(20 000)
Cash flow from investing activities	**(43 829 193)**	**(46 139 181)**	**(60 031 200)**	**(63 783 150)**	**(62 725 750)**
Acquisition of property, plant and equipment	(43 829 193)	(46 139 181)	(60 031 200)	(63 783 150)	(62 725 750)
Cash flow from financing activities	-	-	-	-	-
Decrease In cash and cash equivalents	**50 441 748**	**60 428 891**	**35 714 272**	**42 647 322**	**53 062 990**
Cash and cash equivalents at beginning of the year	101 659 217	152 100 965	212 529 857	248 244 129	290 891 451
Cash and cash equivalents at end of the year	**152 100 965**	**212 529 857**	**248 244 129**	**290 891 451**	**343 954 441**
Cash generated from operations					
Profit before taxation	185 499 857	60 741 448	42 986 972	49 444 098	56 858 071
Adjustments for:					
Depreciation and amortisation	43 425 375	50 420 574	51 190 020	52 490 247	53 490 838
Impairment reversal	(99 987 541)	(24 220 644)	-	-	-
Finance income	(12 815 485)	(16 933 341)	(18 872 994)	(20 524 381)	(22 422 887)
Loss on disposal of PPE	215 509	-	-	-	-
Service-in-kind benefit	(30 639 515)	2 969 485	2 969 485	2 969 485	2 969 485
Lease straight-lining	283 595	(114 989)	(288 300)	(83 056)	265 454
Decrease in provisions	4 043 930	831 130	569 184	484 830	510 283
Increase in provision for impairment of trade receivables	1 206 550	-	-	-	-
Movements in working capital	(7 320 368)	15 941 068	(1 671 889)	(600 133)	1 714 609
(Increase)/decrease in inventories	*44 968*	*(162 004)*	*(129 991)*	*(222 727)*	*(135 256)*
Decrease/(increase) in receivables	*(14 890 100)*	*16 624 068*	*(1 325 944)*	*(4 250 050)*	*(1 585 115)*
Increase/(decrease) in payables	*7 524 764*	*(520 996)*	*(215 954)*	*3 872 644*	*3 434 980*

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12.4 Capital expenditure

Capital Expenditure Budget 2024/25 – 2027/28

Category and description	Adjustment budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28
Building enhancements	34 417 111	33 014 000	37 100 000	36 790 000
IT and electronic infrastructure	13 326 025	28 570 000	23 585 000	17 644 000
Kitchen enhancements	4 795 000	3 485 000	4 160 000	3 895 000
Furniture and equipment	5 135 840	9 970 000	8 950 000	4 265 000
Total capex budget	**57 673 976**	**75 039 000**	**73 795 000**	**62 594 000**