




## 2024 KING IV™ APPLICATION REGISTER OF THE 16 RECOMMENDED PRINCIPLES<sup>1</sup> “APPLY AND EXPLAIN”


### Background


- (i) King IV™ was published on 1 November 2016
- (ii) STADIO Holdings Limited (“**STADIO Holdings**”) was incorporated on 25 August 2016 and listed on the JSE Limited (“**JSE**”) on 3 October 2017
- (iii) STADIO Holdings is committed to the principles of transparency, integrity, fairness and accountability and endorses the principles set out in King IV™
- (iv) STADIO Holdings endeavours to comply with the specific practices outlined in King IV™ and where it may fall short, works towards appropriate achievement in due course


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<sup>1</sup> The 17<sup>th</sup> Principle indicated in King IV™ is not applicable to STADIO Holdings.


PRINCIPLE 1:	THE GOVERNING BODY SHOULD LEAD ETHICALLY AND EFFECTIVELY
<p data-bbox="129 384 331 416"><b>LEADERSHIP</b></p> 	<ul style="list-style-type: none"> <li>• The STADIO Holdings’ Board of Directors (“the <b>Board</b>”) sets the tone for the leadership ethos and culture of STADIO Holdings and its subsidiaries (“the <b>Group</b>”), including the identification of clear principles on quality, sustainability, transformation, responsible citizenship and ethical conduct.</li> <li>• The Board is unequivocal in ensuring that the organisational ethical standards are not limited to legal and regulatory compliance but also serves the greater social and national interests. The members of the Board have both an individual and collective responsibility to hold one another accountable for decision-making and ethical behaviour, including attendance of and preparedness for Board and Board committee meetings, and ensuring all members of the Board adhere to the Director’s code of conduct.</li> <li>• Board members complete an annual declaration of interest for all financial, economic and other interests, as well as perceived conflicts of interest. They have also been advised to ensure they provide updates to STADIO Holdings should any conflict of interest arise between the completion of such annual declarations. Declaration of interests is a standing agenda item on all Board and Board sub-committee meetings, serving as an ongoing reminder to Board members to disclose any such conflict.</li> <li>• The Board functions through an efficient committee structure with properly delegated authority, and with the Board and each of its sub-committees having their own Terms of Reference. The members of the Board acknowledge, however, that such delegation of authority does not absolve the Board from its responsibility for the decisions of the various Board sub-committees.</li> <li>• The Board adheres to the Group’s share dealing policy which provides clear guidelines on when a director may or may not trade. This policy prohibits any director or employee from using confidential or price-sensitive information, to the benefit of him-or-herself, or any related party.</li> <li>• Mr Ishak Kula (“Ishak”) was appointed as chief financial officer (“CFO”) and an executive director of STADIO Holdings, effective 1 January 2024. He was also appointed as a director on all subsidiaries and trusts of the Group. Ishak is a chartered accountant with over 15 years of financial experience, sound governance and risk management, as well as commercial expertise. The Audit and risk Committee confirmed that Ishak has the required skills, experience and expertise required to meet his responsibilities during the year and is supported by an adequately resourced and skilled finance team.</li> </ul>

PRINCIPLE 2:	THE GOVERNING BODY SHOULD GOVERN THE ETHICS OF THE ORGANISATION IN A WAY THAT SUPPORTS THE ESTABLISHMENT OF AN ETHICAL CULTURE
<p><b>ORGANISATIONAL ETHICS</b></p> 	<ul style="list-style-type: none"> <li>• The Board takes its responsibility in respect of ethical governance and the management of ethics seriously. The Board adopted the STADIO Holdings’ Ethics Pledge confirming its commitment to Ethics and to standing firmly on the values of service, quality, integrity, and people-focus. These are the values lived by the leadership, espoused by all employees, and which we seek to instil in our students.</li> <li>• Whilst the management of ethics, including the implementation of the Code of Conduct for Employees and the application of ethical practices and policies is the responsibility of Management, the governance of ethics in the Group remains a Board responsibility as set out in its Terms of Reference. The Transformation, Social and Ethics Committee (TSEC) was mandated by the Board to assist it with the oversight and governance of ethics. This committee is the primary vehicle through which the Board monitors the ethical culture of the organisation.</li> <li>• The Board is cognisant of its responsibilities in terms of the protected disclosures legislation and specifically its obligation to develop and approve a policy on whistleblowing and the appropriate reporting channels for identified fraud, corruption, and other workplace irregularities. During the year, the Group received four reports through the confidential whistle blowers hotline. No material findings arose from this whistle blowers reports.</li> <li>• The TSEC chairperson reports back to the Board on the general state of ethics within the Group at every Board meeting.</li> </ul>

PRINCIPLE 3:	THE GOVERNING BODY SHOULD ENSURE THAT THE ORGANISATION IS AND IS SEEN TO BE A RESPONSIBLE CORPORATE CITIZEN
<p><b>RESPONSIBLE CORPORATE CITIZENSHIP</b></p> 	<ul style="list-style-type: none"> <li>• The Group is a purpose-led business, with its core at the heart of supporting “Social” aspects of our country, through the provision of quality higher education, and its commitment to widen access to more individuals..</li> <li>• The Group regards itself as a South African business playing a contributing role in the achievement of the National Development Plan 2030 and the commitments to widening access to higher education. Against this background, the Board, Management and all the employees of the Group subscribe to the principles of the Constitution and the Bill of Rights, domestic laws, and the relevant codes, which promote being a responsible corporate citizen.</li> <li>• The Board, with the help of TSEC, ensures that the Group’s commitment to responsible corporate citizenship is integrated across the compendium of policies as well as integrated in the Group’s strategy and considered in all its decision-making.</li> <li>• The Group has rolled out numerous initiatives in line with its ethos of people-focus and being a responsible corporate citizen. The STADIO Khulisa Student Share Scheme sees graduates qualifying with a NQF 8 degree and higher, receiving shares in STADIO Holdings, bringing the world of investing, and generational wealth creation, closer to our students. In addition, the STADIO Khulisa shareholders are offered access to free short-courses on topics such as “what is share ownership”; and “financial planning”.</li> <li>• The STADIO Staff Phantom Share Scheme provides eligible staff with a ‘dividend’ payout, linked to the Group dividend declared. In 2024, this dividend was 10 cents per share. The Phantom share scheme has been well received by staff across the Group.</li> <li>• The Group continues to make progress in striving to achieve the Employment Equity targets as approved by the Board and is tracking well against the set targets. The Group is cognisant of the new sectoral targets announced on 15 April 2025 and is busy developing its Employment Equity Plan to cover the period from 1 September 2025 to 31 August 2030.</li> <li>• Furthermore, the Group has incorporated its Environmental, Social and Governance (“ESG”) strategy into its overall strategy, noting that the various aspects of ESG are covered throughout its strategy: <ul style="list-style-type: none"> <li>○ Environmentally, due to the nature of its business, the Group does not believe climate changes has a material impact on its supply chain. In 2024, the Group largely completed its solar solution implementation across its campuses and commenced its alternative water solution project, focusing on Gauteng campuses, in the first instance.</li> <li>○ Social – our business stives to uplift individuals through the provision of good quality higher education and providing access qualifications to enable more individuals without degree pass, from grade 12, to access higher education, and have a pathway to articulate and get a degree. The Group’s institutions further note the large role and responsibility they have in educating its staff and students on the aspects of ESG, promoting awareness and equipping our students with knowledge that enables them to be socially conscious and environmentally aware. We use our curricula as a tool to enable change for good, eg: Milpark Education offers a module titled Community Engagement: Social Responsibility and Environment Management”.</li> </ul> </li> </ul>



PRINCIPLE 4:	THE GOVERNING BODY SHOULD APPRECIATE THAT THE ORGANISATION'S CORE PURPOSE, ITS RISKS AND OPPORTUNITIES, STRATEGY, BUSINESS MODEL, PERFORMANCE AND SUSTAINABLE DEVELOPMENT ARE ALL INSEPARABLE ELEMENTS OF THE VALUE CREATION PROCESS
<b>STRATEGY AND PERFORMANCE</b> 	<ul style="list-style-type: none"> <li>• The achievement of the Group's vision and purpose is supported by a clear business model that strives to create and preserve value for its stakeholders. Underpinning all decisions across the Group are the Group's fundamental goals of "WWS", grounded on the principles of inclusivity and quality.  <b>W</b>idening access to more individuals to quality higher education;  <b>W</b>orld-of-work - ensuring our graduates are equipped with the necessary skills for the workplace; and  <b>S</b>tudent-centredness - focusing on student support and wellness.</li> <li>• The Group holds an annual Strategy Day whereby the Board approved the Group's strategic plan for the short-, medium- and longer-term, and determined the key focus areas for 2025, as developed by Management. The strategic plan considers the Group's material matters, the strategic risk register, the internal strengths and weaknesses of the Group, as well as the external threats and opportunities in achieving its strategic focus areas. Undergirding the Group's business model and concomitantly, its strategic plan, is the sustainability of its business. Accordingly, the strategic plan takes note of double materiality principles, considering IFRS S1 and S2.</li> <li>• The implementation of the strategic plan and achievement of the performance targets contained therein is the responsibility of Management. The Board is duly cognisant that the delegation of this task to Management does not absolve it of its responsibility and accountability. The Board receives quarterly reports on progress against these targets from Management, and, through the Remuneration and Nominations Committee, sets clear individual key performance targets related to the achievement of these targets, on which Management is held to account and on which Management's short-term incentives are based.</li> </ul>



PRINCIPLE 5:	THE GOVERNING BODY SHOULD ENSURE THAT REPORTS ISSUED BY THE ORGANISATION ENABLE STAKEHOLDERS TO MAKE INFORMED ASSESSMENTS OF THE ORGANISATION'S PERFORMANCE, AND ITS SHORT, MEDIUM AND LONG-TERM PROSPECTS
<b>REPORTING</b> 	<ul style="list-style-type: none"> <li>• The Board is responsible for the approval of the annual financial statements (“AFS”) and the content and integrity of the annual integrated report. The Audit and Risk Committee assists the Board by providing an objective and independent view on the Group’s financial, accounting and control mechanisms, and by reviewing and ensuring that consideration is given to the AFS and annual integrated report before recommending the approval of such documents, to the Board, for its approval.</li> <li>• STADIO Holdings is committed to providing stakeholders with information which is transparent and fairly representative of the underlying business and is guided by the principles and requirements contained in the International Financial Reporting Standards (IFRS), the International Integrated Reporting Council (IIRC) Framework, the King IV Report on Corporate Governance for South Africa, the Listings Requirements of the JSE Limited (JSE) and the requirements of the Companies Act of South Africa, as well as considering the Sustainability Standards of IFRS S1 and S2. The Group continues to progress its ESG reporting framework to provide meaningful disclosure on ESG targets going forward, taking into account the SASB standards on Education, particularly.</li> <li>• In addition, STADIO Holdings engages with external parties, where necessary, such as external auditors and our sponsors to ensure information is accurate and complies with applicable standards and regulations, and the annual financial statements are audited by the Group’s external auditors, who remain independent. All external reporting is made available on the STADIO Holdings website at <a href="http://www.stadio.co.za">www.stadio.co.za</a>.</li> </ul>
PRINCIPLE 6:	THE GOVERNING BODY SHOULD SERVE AS THE FOCAL POINT AND CUSTODIAN OF CORPORATE GOVERNANCE IN THE ORGANISATION
<b>PRIMARY ROLES &amp; RESPONSIBILITIES OF THE GOVERNING BODY</b> 	<ul style="list-style-type: none"> <li>• The Board is the focal point and custodian of corporate governance of STADIO Holdings. This is clearly articulated in the Board Terms of Reference and the memorandum of incorporation of STADIO Holdings (“MOI”), guiding the effective functioning of the directors and the Company. Practical implementation is evident in how the Board conducts itself, the ethos it sets, and in its leadership of and guidance to STADIO Holdings.</li> <li>• The Board is satisfied that it has fulfilled its responsibilities in terms of its Terms of Reference and has complied with the requirements of King IV™.</li> <li>• Furthermore, the Group has considered the changes from the Companies Act Amendments.</li> </ul>



PRINCIPLE 7:	THE GOVERNING BODY SHOULD COMPRISE THE APPROPRIATE BALANCE OF KNOWLEDGE, SKILLS, EXPERIENCE, DIVERSITY AND INDEPENDENCE FOR IT TO DISCHARGE ITS GOVERNANCE ROLE AND RESPONSIBILITIES OBJECTIVELY AND EFFECTIVELY
<p><b>COMPOSITION OF THE GOVERNING BODY</b></p> 	<ul style="list-style-type: none"> <li>• The Board has defined principles and procedures on which to appoint an individual as a member of the STADIO Holdings Board, as well as the range of necessary skills, expertise and knowledge required by the Board as a whole in order to appropriately perform its responsibilities. In addition, the Board approved the Broader Diversity targets for the Board's composition, which are considered on all new appointments to the Board.</li> <li>• The Remuneration and Nominations committee is mandated by the Board to oversee the appointment of new members and a formal nominations process is followed, noting any skill gaps identified on the Board, as applicable, before conducting formal interviews with prospective Board members, and recommending the appointment of an individual to the Board.</li> <li>• Insofar as the current Board members, STADIO Holdings is confident that its Board has both an appropriate balance of knowledge, experience and skills (higher education, business, finance, IT, strategic, ethical leadership, legal and governance); as well as broad demographic diversity on the Board. Samara Totaram resigned as Executive Director effective 31 December 2023 and Ishak Kula was appointed as Executive director, effective 1 January 2024. This change to the board composition negatively impacted the Board's overall diversity, and the Board will look to rectify this decline in future board appointments. In 2024 the Board comprises three females and four Black individuals, with ages ranging between 41 - and 73-years. There are three executive directors, of which one executive director is a black female, six non-executive directors of which four are independent non-executive directors.</li> <li>• The Board is aware that King IV™ recommends the Board comprise a majority of independent non-executive members. It is noted that Dr Chris van der Merwe, a non-executive director is retiring from the Board at the AGM to be held on 19 June 2025. Following Dr Chris van der Merwe's retirement at the upcoming AGM, the composition will be 50:50 independent : non-independent. The Remuneration and Nominations Committee discussed the Board composition and is in the process of identifying a new independent non-executive Director to be appointed to the Board. This individual should have certain key attributes as identified by the Board and will add value to the overall Group. Following this appointment, the Board will comprise 56% independent directors and 44% executive and non-executive Directors.</li> <li>• Regarding rotation of Board members, in accordance with STADIO Holdings' MOI, a third of non-executive directors retire by rotation at each AGM, and if eligible, stand for re-election.</li> <li>• All new appointments to the Board must be approved by shareholders at the following AGM. Accordingly, in 2024, shareholders approved the appointment of Ishak Kula.</li> <li>• There is a clear balance of power both in the Board and its sub-committees to ensure that no individual/s has undue decision-making powers.</li> <li>• The Board is guided by a detailed delegation of authorities stipulating who has the authority to approve various decisions and what the various decision thresholds are flowing from shareholders, to Board, to Board sub-committees, to the CEO and members of the Executive Committee and Management.</li> </ul>


- Succession planning remains a key focus area of the Remuneration and Nominations Committee and Management, with a people development plan in place to identify and develop key individuals within the Group for future career advancement. The Group has made good progress on its people development plan, and succession plan in 2024.




PRINCIPLE 8:	THE GOVERNING BODY SHOULD ENSURE THAT ITS ARRANGEMENTS FOR DELEGATION WITHIN ITS OWN STRUCTURES PROMOTE INDEPENDENT JUDGEMENT, AND ASSIST WITH BALANCE OF POWER AND THE EFFECTIVE DISCHARGE OF ITS DUTIES
<b>COMMITTEES OF THE GOVERNING BODY</b> 	<ul style="list-style-type: none"> <li>• The Board has delegated the oversight of some of its responsibilities to the following sub-committees: Audit and Risk Committee, Transformation, Social and Ethics Committee, Remuneration and Nominations Committee, Executive Committee, and Investment Committee, as well as having a representative of the Board attend the STADIO Higher Education’s Senate.</li> <li>• The Board and its sub-committees operate in accordance with their approved Terms of Reference stipulating the critical aspects of composition, role, function, authority, and reporting requirements for each committee. All Terms of Reference are approved by the Board and the Board acknowledges that the delegation of authority to the sub-committees does not absolve it of its overall responsibility and accountability.</li> <li>• The Board has a Remuneration and Nominations Committee, Audit and Risk Committee, and Transformation, Social and Ethics Committee consisting of members of the Board in accordance with the JSE Listings Requirements and Companies Act. These Committees have clearly articulated responsibilities set out in their Board approved terms of reference to assist the Board in its duties and allowing for the promotion of independent judgement and appropriately balanced workload and skill sets. These Committees’ compositions provide balance of power (as the membership of the committees differ) but at the same time integration (Board members may participate in more than one committee promoting integration and alignment between structures). The Remuneration and Nominations Committee continues to assess the composition and membership of these sub-committees and makes recommended amendments where necessary.</li> <li>• The committees have been constituted with due reference to the principles outlined in King IV™, as well as considering the amendments in the Companies Act. All committees include a minimum of three members of which the chairperson of such committee, in all instances other than the operating committees, is an independent non-executive Director.</li> <li>• Considering the Companies Act Amendments, the members of the Transformation, Social and Ethics Committee members will be appointed at the upcoming AGM, together with the members of the Audit and Risk Committee (as required previously).</li> </ul>
PRINCIPLE 9:	THE GOVERNING BODY SHOULD ENSURE THAT THE EVALUATION OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES, ITS CHAIR AND INDIVIDUAL MEMBERS, SUPPORT THE CONTINUED IMPROVEMENT IN ITS PERFORMANCE AND EFFECTIVENESS
<b>EVALUATIONS OF THE GOVERNING BODY’S PERFORMANCE</b> 	<ul style="list-style-type: none"> <li>• The Board conducts self-assessments annually.</li> <li>• To date, the Board evaluations have been performed internally using an anonymous survey to assess its performance. During 2024, the Board evaluation focused on mini-sub-committee evaluations, assessing the performance of the underlying Board sub-committees. No material items were identified as issues to be dealt with</li> <li>• The Board believes these evaluation sessions assist in improving the overall efficiency and performance of the Board and is confident that the Board is functioning effectively.</li> </ul>

PRINCIPLE 10:	THE GOVERNING BODY SHOULD ENSURE THAT THE APPOINTMENT OF, AND DELEGATION TO, MANAGEMENT CONTRIBUTES TO ROLE CLARITY AND THE EFFECTIVE EXERCISE OF AUTHORITY AND RESPONSIBILITY
<b>APPOINTMENT &amp; DELEGATION TO MANAGEMENT</b> 	<ul style="list-style-type: none"> <li>• The CEO leads STADIO Holdings in the implementation and execution of its approved strategy, policy development, and operational planning ensuring a co-ordinated and integrated approach to activities of the business. The CEO is, at all times, accountable to the Board and reports to the Executive Committee on a monthly basis and to the Board on a quarterly basis. The CEO remains the effective conduit between the Board and management.</li> <li>• The CEO's contract of employment is aligned with good practice and includes relevant terms and conditions, including the period of notice and conditions relating to termination.</li> <li>• In the performance of his functions, the CEO is not a member of either the Audit and Risk Committee, the Remuneration and Nominations Committee, nor the Transformation, Social and Ethics Committee, but attends all meetings as an invitee, which role is explicitly stipulated in the respective Terms of Reference.</li> <li>• Continued consideration is given to succession planning in respect of the CEO and/or the Executive Committee members of STADIO Holdings, the subsidiary CEOs, and the Board, through the Remuneration and Nominations Committee, ensuring a clear succession plan and people development plan is in place for key management positions.</li> <li>• As indicated above, delegations to management are documented in the MOI, Board's Terms of Reference and the approved Delegations Framework.</li> </ul>
PRINCIPLE 11:	THE GOVERNING BODY SHOULD GOVERN RISK IN A WAY THAT SUPPORTS THE ORGANISATION IN SETTING AND ACHIEVING ITS STRATEGIC OBJECTIVES
<b>RISK GOVERNANCE</b> 	<ul style="list-style-type: none"> <li>• The Board is responsible for the governance of risk and approves the Group's strategic risk register and risk management framework as recommended by the Audit and Risk Committee. A strategic risk register is reported to the Audit and Risk Committee who look at whether appropriate controls are in place to mitigate the risks to an acceptable level and monitors the Group's assessment of these risks overtime.</li> <li>• The governance of risk is a standing item on the Audit and Risk Committee agenda and the Audit and Risk Committee Terms of Reference specifically requires the committee to assess and evaluate risk appetite, risk tolerance and levels and management's actions to mitigate these and or to accept the level of risk. Material risks that may impact on STADIO Holdings' business and the Group are discussed with Board at each Board meeting, or as required when they arise.</li> <li>• An operational risk committee meets quarterly, reporting into the Executive Committee and the Audit and Risk Committee. The application of the principles and practices of risk management are inherent in all decisions and activities of Management and Board, and risk is managed daily by each institution's management, with STADIO Holdings focusing more on strategic risks to date.</li> <li>• In 2024, these committees specifically considered the Sustainability-related risks and Climate-related risks in accordance with IFRS S1 and S2. No material risk was identified and these risks are managed within the Group's normal Risk Management Framework.</li> </ul>

	<ul style="list-style-type: none"> <li>STADIO Holdings has established its ICT governance structure which continues to implement and monitor its cybersecurity plan.</li> <li>The Group also considered its Material Matters, looking at how these material matters link to the strategic risks reported, and managed, and the ESG related impact of the material matters identified.</li> </ul>
<b>PRINCIPLE 12:</b>	<b>THE GOVERNING BODY SHOULD GOVERN TECHNOLOGY AND INFORMATION IN A MANNER THAT SUPPORTS THE ORGANISATION SETTING AND ACHIEVING ITS STRATEGIC OBJECTIVES</b>
<b>TECHNOLOGY &amp; INFORMATION GOVERNANCE</b> 	<ul style="list-style-type: none"> <li>The Board is primarily responsible for the governance of Information and Technology. The use of Information and communication technologies (ICT) is directed and controlled by a formalised governance framework ensuring ICT decisions are made in alignment with strategic business priorities. The development of this governance framework ensures a comprehensive understanding of the value and impact of ICT investments, allowing enhanced service delivery to staff and students.</li> <li>STADIO Holdings has finalised its IT strategy and continues to implement appropriate enterprise architecture for the business to run effectively and to achieve is strategic objective of operational excellence. During the year, a Chief Information Officer was appointed for STADIO Higher Education, and assists in the overall IT strategy of the Group.</li> <li>The Board has approved the appointment of a Group Chief Information Officer to oversee the Information and Technology processes and systems, and IT Governance across the whole Group. This appointment will be made in 2025.</li> <li>IT governance is critical for the continuation of business and an ICT governance committee monitors the IT strategy and associated risks, reporting into the Executive Committee, who ensures the alignment of information and technology with the strategic objectives of the Group.</li> <li>IT risk was considered as part of the STADIO Holdings' strategic risk assessment, and IT governance forms part of the IT Board report.</li> </ul>
<b>PRINCIPLE 13:</b>	<b>THE GOVERNING BODY SHOULD GOVERN COMPLIANCE WITH APPLICABLE LAWS AND ADOPTED NON-BINDING RULES, CODES AND STANDARDS IN A WAY THAT SUPPORTS THE ORGANISATION BEING ETHICAL AND A GOOD CORPORATE CITIZEN</b>
<b>COMPLIANCE GOVERNANCE</b> 	<ul style="list-style-type: none"> <li>The Board governs the Group's compliance with applicable laws, non-binding rules, codes and standards</li> <li>Board and Management are <i>ad idem</i> that compliance will not be a tick-box exercise but must be managed holistically and in a way that ensures value for the business.</li> <li>It is Management's function to implement and execute the actions to ensure appropriate levels of compliance and Board has delegated the oversight function to the Audit and Risk Committee.</li> <li>Compliance at STADIO Holdings is an integrated component of risk management, and the Group has made good progress in an efficient combined assurance structure.</li> </ul>

PRINCIPLE 14:	THE GOVERNING BODY SHOULD ENSURE THAT THE ORGANISATION REMUNERATES FAIRLY, RESPONSIBLY AND TRANSPARENTLY SO AS TO PROMOTE THE ACHIEVEMENT OF STRATEGIC OBJECTIVES AND POSITIVE OUTCOMES IN THE SHORT-, MEDIUM-, AND LONG -TERM
<b>REMUNERATION GOVERNANCE</b> 	<ul style="list-style-type: none"><li>• The Remuneration and Nominations Committee is responsible for assisting the Board in reviewing and approving executive Directors' remuneration, ensuring the Group remunerates fairly and responsibly, so that it can attract, motivate and retain individuals key to achieving its strategy. In fulfilling its role, the Remuneration and Nominations Committee takes into account local best practices.</li><li>• The remuneration of executive Directors is linked to a share incentive scheme (STI) which promotes longevity of tenure. There is also a discretionary annual performance bonus for Management members, based on the achievement of certain business and individual key agreed targets.</li><li>• The remuneration of non-executive Directors was reassessed during the year taking into account market-related remuneration and on Board's recommendation is being recommended to shareholders at the Annual General Meeting ("AGM") for approval.</li><li>• The Remuneration policy and Implementation report are tabled at the AGM of shareholders for a separate non-binding advisory vote and was passed with no material comments or concerns.</li><li>• The Remuneration and Nominations Committee and Board assessed the Remuneration and Nominations Committee report at the end December 2024 and supports it.</li><li>• Management, the Board, the Remuneration and Nominations Committee and the Transformation, Social and Ethics Committee all considered the pay gap and continue to monitor best practice in terms of capturing this information, noting there are numerous nuances in calculating this figure. The gender pay gap resulted in the Group achieving a score of 14,4%, better than the average in South African of between 23% and 35%.</li></ul>

PRINCIPLE 15:	THE GOVERNING BODY SHOULD ENSURE THAT ASSURANCE SERVICES AND FUNCTIONS ENABLE AN EFFECTIVE CONTROL ENVIRONMENT, AND THAT THESE SUPPORT THE INTEGRITY OF INFORMATION FOR INTERNAL DECISION-MAKING AND THE ORGANISATIONS EXTERNAL REPORTS
<b>ASSURANCE</b> 	<ul style="list-style-type: none"><li>• The Board approved the terms of reference for the Audit and Risk Committee, which provides for internal and external audit responsibilities in line with good practice and the principles of combined assurance.</li><li>• In terms of such terms of reference, the Board has delegated the oversight of the internal audit function to the Audit and Risk Committee. Given the size of STADIO Holdings, the Board has approved an outsourced internal audit function for the business, which performs the internal audit function in accordance with a proposed plan from management, highlighting the key risk areas to focus on. The internal auditors remain independent from management.</li><li>• PricewaterhouseCoopers (PwC) were reappointed as the external auditors of the Group, and BDO continued as the internal auditors of the Group. Their performance is assessed by the Audit and Risk Committee who are responsible for recommending the appointment of the external auditors to the Board, and subsequently to shareholders at the AGM. PwC remains independent. BDO was previously appointed on a three-year contract</li><li>• The internal auditors and external auditors report back to the Audit and Risk Committee at each committee meeting.</li><li>• Regulators provide a further level of assurance.</li></ul>

PRINCIPLE 16:	IN THE EXECUTION OF ITS GOVERNANCE ROLE AND RESPONSIBILITIES, THE GOVERNING BODY SHOULD ADOPT A STAKEHOLDER INCLUSIVE APPROACH THAT BALANCES THE NEEDS, INTERESTS AND EXPECTATIONS OF MATERIAL STAKEHOLDERS IN THE BEST INTERESTS OF THE ORGANISATION OVER TIME
<b>STAKEHOLDERS</b> 	<ul style="list-style-type: none"><li>• STADIO Holdings is committed to a stakeholder inclusive approach. Our three key stakeholders are 1) staff; 2) students 3) shareholders. Other important stakeholders include 4) regulators; 5) alumni; 6) industry and 7) our world.</li><li>• The Board follows an integrated approach in setting the STADIO Holdings' strategy and in all its decisions, ensuring that it balances the needs and interests of all stakeholders in its decisions.</li><li>• Currently, stakeholder management and execution is the responsibility of Management with regular reports to the Board and Transformation, Social and Ethics Committee . The Board evenly provides advice and guidance regarding the optimal approach and engagement with critical stakeholders. The Group provides timeous, accurate, transparent and regular communication to all stakeholders and strives for continuous opportunities to engage with its stakeholders.</li></ul>