



ABN 97 000 764 867

Board Charter

APPROVED BY THE BOARD ON 19 JULY 2021

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1 Role and Responsibilities

The Board of Directors of Prime Media Group Limited (ABN 97 000 764 867) (the **Company**) has adopted this charter to outline the manner in which its powers and responsibilities will be exercised and discharged, having regard to principles of good corporate governance and applicable laws.

This Board Charter and the charters adopted by the Board for its standing Committees – the Audit and Risk Committee and the Nomination and Remuneration Committee – have been prepared and adopted on the basis that strong corporate governance can add to the performance of the Company, create shareholder value and engender the confidence of the investment market.

To accomplish this, the Board:

- (a) considers and approves the strategy of the Company;
- (b) adopts an annual budget and monitors financial performance;
- (c) approves the annual and half-year financial statements and reports;
- (d) approves major investments and monitors the return on those investments;
- (e) monitors the adequacy, appropriateness and operation of internal controls including reviewing and approving the Company's compliance systems and corporate governance principles;
- (f) provides continuous disclosure of information to the investment community, and makes available information shareholders can reasonably require to make informed assessments of the Company's prospects;
- (g) reviews and monitors significant business risks and oversees how they are managed;
- (h) monitors the conduct of the relationship with key regulators to meet the Company's obligations;
- (i) determines delegations to Committees, subsidiary boards and management and approves transactions in excess of delegated levels;
- (j) appoints and reviews the performance of the Chief Executive Officer (**CEO**) including overseeing the remuneration, development and succession planning for the CEO and senior management, while overseeing the operation of appropriate human resource management systems including remuneration;
- (k) assesses its own performance and that of its Committees and individual Directors;
- (l) selects and appoints new Directors;
- (m) considers, approves and endorses major policies of the organisation including a code for ethical behaviour and social responsibility;
- (n) oversees the implementation of appropriate work health and safety systems;
- (o) protects and oversees the enhancement of the reputation of the Company; and
- (p) promotes a culture of strong corporate governance, sound business practices and ethical conduct.

The Company's Constitution ultimately governs matters relating to the Board and its functions. The Constitution prevails to the extent of any inconsistency between this Board Charter and the Constitution.

The functions listed are matters which the Board specifically reserves for itself and does not limit the Board's overall duties and responsibilities. The Board may delegate consideration to a Committee of the Board specifically constituted for the relevant purpose.

2 Board structure

2.1 Composition

The Board is appointed by the shareholders. The expectations required of non-executive Directors together with other matters relevant to their role will be set out in a Letter of Appointment.

The Board, on the recommendation of the Nomination and Remuneration Committee, will review the size and composition of the Board with a view to having an appropriate mix of skills.

The Chair of the Board must be an independent non-executive Director. For the avoidance of doubt, the position of Chair of the Board will not be held by someone who is performing the role of CEO.

2.2 Independence of Directors

To be judged independent, a Director must, in the opinion of the Board, be free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or any other person.

Schedule 1 sets out the guidelines adopted by the Board to assist them in assessing the independence of Directors. The independence of the Directors will be regularly reviewed (at least annually) and the status of independent Directors will be disclosed, together with the length of service of each Director, in the Company's Annual Report or on the Company's website.

Each non-executive Director will inform the Board or the Nomination and Remuneration Committee of any change to their interests, positions or relationships that could affect their independence.

Any change to a Director's status as an independent Director will be disclosed and explained to the market in a timely manner. Any decision by the Board not to change a Director's status as an independent Director despite the Director having an interest, position or relationship of the type described in Schedule 1 will be disclosed and explained in the Company's Annual Report or on the Company's website.

2.3 Appointment and re-election of directors

With guidance from the Nomination and Remuneration Committee and, where necessary, external consultants, the Board will identify candidates with appropriate skills, experience, expertise and diversity in order to discharge its obligations effectively and to maintain the necessary mix of expertise on the Board.

The Nomination and Remuneration Committee assesses nominations of new directors against a range of criteria including the candidate's background, experience, gender, professional skills, personal qualities and whether their skills and experience will complement the existing Board.

Non-executive Directors will be provided with, and must formally accept, a formal Letter of Appointment setting out the key terms and conditions of their appointment (as noted in Section 2.1), together with any other documents that the Company considers relevant to their appointment.

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Each year:

- (a) a Board skills matrix setting out the mix of skills and diversity that the Board currently has and/or is looking to achieve in its membership; and
 - (b) details of the length of service of each Director,
- will be included in the Company's Annual Report

2.4 Chair of the Board

The Chair of the Board will be elected by the Board in accordance with the Company's Constitution. The role of the Chair of the Board includes:

- (a) leading the Board;
- (b) facilitating effective contribution of all Directors and promoting constructive and respectful relations among the Directors and between the Board and management;
- (c) managing the conduct and frequency of Board meetings, approving Board agendas and ensuring adequate time is available for discussion of all agenda items, including strategic issues;
- (d) representing the views of the Board to the public; and
- (e) presiding over meetings of the Board and general meetings of shareholders.

2.5 Company Secretary

The Board appoints and removes the Company Secretary. All Directors are to have direct access to the Company Secretary (and vice versa).

The Company Secretary is responsible for the day to day operations of the Company Secretary's office, including the administration of Board and Committee meetings, overseeing the Company's relationship with its share registrar and lodgements with the ASX and other regulators.

The Company Secretary is also responsible for communications with the ASX about listing rule matters, including making disclosures to the ASX in accordance with the Company's Disclosure Policy.

The Company Secretary supports the effectiveness of the Board by monitoring that Board policy and procedures are followed and co-ordinating the completion and despatch of Board agendas and briefing papers.

The Company Secretary is accountable to the Board through the Chair of the Board, on all matters concerning proper functioning of the Board.

The Company Secretary, together with the guidance of the Board's Nomination and Remuneration Committee and the assistance of the Board, will organise the induction of new Directors and facilitate ongoing professional development training for Directors.

3 Meetings

The Board will meet a minimum of six times a year, with additional meetings as required. Any Director is able to convene a meeting of the Board by contacting the Chair of the Board or the Company Secretary.

The Chair of the Board and the Company Secretary will co-ordinate the Board agenda. Board papers should normally be distributed by the Company Secretary at least a week prior to each Board meeting.

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In addition to the above meetings, the non-executive Directors meet at least once per year in the absence of executive Directors and management, and at such other times as they may determine.

Where deemed appropriate by the Chair of the Board, meetings, approvals and recommendations may occur by written resolution or conference call or other electronic means of audio or audio-visual communication or as otherwise permitted by the Company's Constitution.

4 Committees

The Directors may delegate any of their powers to a Committee or Committees.

The Board has established two standing Committees – the Audit and Risk Committee and the Nomination and Remuneration Committee. The Board has adopted charters for each of these Committees, which set out the objectives, duties and responsibilities of those Committees. The Chair of each Committee has the responsibility, based on the work of the Committee, to advise and make recommendations to the Board on matters falling within the scope of the Committee's responsibilities.

The Board may also delegate specific functions to ad hoc Committees.

The Board will, at least once every 2 years, review the membership and charter of each Committee.

5 Relationship with Management

The Board has delegated specific authorities to the Chair of the Board and to its various Committees. Subject to these delegated matters, the CEO is authorised to exercise all the powers of the Directors, except with respect to the following:

- (a) approval of major elements of strategy including any significant change in the direction of that strategy;
- (b) approvals above delegated levels of credit limits, and other risk limits;
- (c) capital expenditure in excess of annual approved capital budget or expenditure outside the ordinary course of business;
- (d) certain remuneration matters including material changes to remuneration policies and specific remuneration recommendations relating to the Board members, Key Management Personnel and other designated executive officers of the Company;
- (e) adoption of the Company's annual budget;
- (f) approval of the interim and final accounts and related reports to the ASX;
- (g) specific matters in relation to Continuous Disclosure as defined in the Continuous Disclosure Policy;
- (h) any proposal to issue securities of the Company (except under a program previously approved by the Board); and
- (i) other matters as the Board may determine from time to time.

The CEO may delegate aspects of their authority and power but remains accountable to the Board for the Company's performance and is required to report regularly to the Board on the Company's performance. The CEO's role includes:

- responsibility for the effective leadership of the management team;
- the implementation of the Company's strategic objectives and instilling and reinforcing its values;

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- the day-to-day management of the Company's operations (including operating within the values, code of conduct, budget and risk appetite set by the Board); and
- oversight of the provision by senior management to the Board of accurate, timely and clear information on the Company's operations (including information about the Company's financial performance, compliance with material laws and regulations and any conduct materially inconsistent with the Company's values or code of conduct).

With the assistance of the Nomination and Remuneration Committee, the performance of the CEO and senior management will be assessed by the Board each year. The Company will disclose in the Company's Annual Report or on the Company's website whether a performance evaluation of the CEO and senior management was undertaken in accordance with the above process during or in respect of the relevant year.

6 Education, Development and Performance Evaluation

Each new Director will, upon appointment, participate in an induction program. This will include meeting with members of the existing Board, the Company Secretary, senior management and other relevant executives to familiarise themselves with the Company, its procedures and Board practices and procedures.

On an ongoing basis, and subject to approval of the Chair of the Board, Directors may request and undertake training and professional development, as appropriate, at the Company's expense.

With the assistance of the Nomination and Remuneration Committee:

- the performance of the Board as a group, its Committees and its individual Directors is to be assessed each year. In particular, all Directors seeking re-election at an annual general meeting will be subject to a formal performance appraisal to determine whether the Board (in the absence of those Directors seeking re-election) should recommend their re-election to shareholders; and
- the performance of the Chair of the Board is to be assessed each year by a suitable non-executive Director.

The Board will disclose in the Company's Annual Report or on the Company's website whether a performance evaluation of the Board, its committees and its Directors was undertaken in accordance with the above process during or in respect of the relevant year.

7 Conflict of Interests

The Board will agree, and Board members will abide by the following:

- (a) declaring their interests as required under the Corporations Act, ASX Listing Rules and general law requirements;
- (b) unless the Directors (without a relevant personal interest) agree otherwise, where any Director has a material personal interest in a matter, the Director will not be permitted to:
 - (i) receive any papers;
 - (ii) take part in any discussion concerning the matter; or
 - (iii) vote on the matter,at a Director's meeting where that matter is being considered; and
- (c) Directors must not:
 - (i) allow personal interests to conflict with the interests of the Company; or

- (ii) disclose confidential information, unless the disclosure has been authorised by the Company or is required by law.

All Directors will abide by the terms of the Securities Trading Policy.

8 Access

The Company's external auditors will allow all issues to be raised directly with the Board.

Board members are not to be constrained or impeded from disclosing information to the external auditors in accordance with statutory and regulatory requirements and must be available to meet with the external auditors on request after notification to the Chair of the Board.

Each Director shall have the ability to consult independent experts where that Director considers it necessary to carry out their duties and responsibilities. Any costs incurred as a result of the Director consulting an independent expert will be borne by the Company, subject to the estimated costs being approved by the Chair of the Board, in advance, as being reasonable.

9 Confidentiality

All proceedings of the Board, including Board papers, presentations and other information provided to the Board, must be kept confidential except as required by law or as agreed by the Board.

10 Review

The Board will, at least once in each year, review this Board Charter to determine its ongoing appropriateness.

Schedule 1

Guidelines of the Board of Directors – Independence of Directors

Section 2.2 of the Board Charter refers to the 'independence' of Directors.

Without limiting the Board's discretion, the Board has adopted the following guidelines to assist in considering the independence of Directors.

In general, a Director will be considered to be 'independent' if the Director is not a member of management (ie, is a non-executive Director) unless the Director:

- is, or has been, employed in an executive capacity by the Company or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- receives performance-based remuneration (including options or performance rights) from, or participates in and employee incentive scheme of, the Company;
- is, or has been within the last three years, in a material business relationship (eg, as a supplier, professional adviser, consultant or customer) with the Company or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;
- is, represents, or is or has been in the last three years and officer or employee of, professional adviser to, a substantial security holder of the Company;
- has close family ties with any person who falls within any of the categories described above; or
- has been a Director for such a period that their independence may have been compromised.

The Board will consider thresholds of materiality for the purposes of determining 'independence' on a case by case basis, having regard to both quantitative and qualitative principles, to determine whether the interest, position or relationship might interfere, or reasonably be perceived to interfere, with the director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or any other person.