



1. INTRODUCTION

- 1.1 Recommendation 1.2 of the ASX Corporate Governance Principles and Recommendations (**Principles**) requires companies to disclose the process for evaluating the performance of senior executives. The commentary to the Principles explains that “senior executives” refers to the senior management team as distinct from the board, being those who have the opportunity to materially influence the integrity, strategy and operation of the company and its financial performance.
- 1.2 The Board of Southern Cross Media Group Limited (**Company**) supports recommendation 1.2 of the Principles and considers the evaluation of its own and senior executive performance as fundamental to establishing a culture of performance and accountability within the Company.
- 1.3 This policy sets out the process for evaluating the performance of senior executives within the Company. The senior executives to which this policy currently applies include the Chief Executive Officer (**CEO**) and senior executives who report directly to the CEO.

2. CHIEF EXECUTIVE OFFICER

- 2.1 The performance of the CEO is reviewed on at least an annual basis by the non-executive directors on the Board. The criteria on which the CEO’s performance is evaluated include:
 - (a) implementation of corporate strategy;
 - (b) overall economic performance of the Company;
 - (c) fulfilment of objectives, both financial and non-financial;
 - (d) risk management;
 - (e) governance and compliance;
 - (f) personnel management;
 - (g) promotion and enhancement of the Company’s reputation and market share;
 - (h) external stakeholder management; and
 - (i) personal conduct, including modelling of the Company’s values and expected behaviours.
- 2.2 The CEO presents a self-assessment to the non-executive directors who review the performance of the CEO and then communicate the outcomes of their review to the CEO.
- 2.3 The Board will review the appropriateness and effectiveness of this process from time to time.

3. SENIOR EXECUTIVES

- 3.1 The CEO will evaluate the senior executives of the Company at least annually with qualitative and quantitative measures of the following:
- (a) overall economic performance of the Company
 - (b) economic performance as it pertains to their specific area of responsibility;
 - (c) fulfilment of objectives, both financial and non-financial;
 - (d) risk management;
 - (e) governance and compliance;
 - (f) personnel management;
 - (g) resource management;
 - (h) external stakeholder management; and
 - (i) personal conduct, including modelling of the Company's values and expected behaviours.

4. REVIEW OF POLICY

- 4.1 The People & Culture Committee will review this Policy from time to time (at least every two years) to ensure that it remains relevant and appropriate to the Company. Any changes identified by the People & Culture Committee will be recommended to the Board for approval.