

TAXATION RISK AND GOVERNANCE POLICY



1. PURPOSE

This policy sets out the way in which Southern Cross Media Group Limited (**Company**) manages its responsibilities under Australian federal, state and territory taxation legislation. Where applicable, the Company will take a corresponding approach to managing its responsibilities under the taxation legislation of other jurisdictions in which the Company operates.

2. PRINCIPLES AND PRACTICES IN RELATION TO TAXATION AFFAIRS

The Company applies the following principles in managing its taxation affairs, consistent with a low tax risk appetite.

- (a) The Company will file all returns and pay all taxes on time and in accordance with applicable legislation.
- (b) The Company will make decisions based on a reasonably arguable position on all tax matters where judgement is used to make calculations. The Company will seek professional advice where appropriate.
- (c) The Company will consider taxation implications when making significant business decisions.
- (d) The Company will not enter into artificial structures or transactions for the sole or dominant purpose of reducing its tax burden.
- (e) The Company will aim to maintain a professional and constructive relationship with tax authorities. This will not prevent the Company acting to protect its legitimate interests when disputes arise in relation to taxation matters.

3. RESPONSIBILITY FOR TAXATION MATTERS

3.1 Board and Audit & Risk Committee

The Board, with assistance from the Audit & Risk Committee, monitors the Company's taxation strategy and management of the Company's taxation affairs, including compliance with this policy.

3.2 Management

The Chief Financial Officer is responsible within management for ensuring that the Company complies with this policy. This will include ensuring that:

- (a) the Company's people with direct responsibility for taxation matters have appropriate skills, training and experience;
- (b) the Company has appropriate systems and processes to manage its tax reporting, payment, and other compliance obligations;

- (c) the Company has access to professional advisers who have an adequate understanding of the Company and its transactions and affairs and that those advisers report on the Company's taxation affairs to the Board or its Audit & Risk Committee at least annually; and
- (d) management reports to the Audit & Risk Committee on any significant taxation matters as they arise.

4. REVIEW OF THIS POLICY

This policy will be reviewed by the Board every two years.