

1. OVERVIEW

This charter sets out the responsibilities of the Fairfax People and Culture Committee (Committee) and the manner in which the Committee will operate.

The HR policies and procedures are aligned to the business objectives of the Company and are underpinned by the Company's overall values, culture and philosophies.

2. OBJECTIVES

The primary objective of the Committee is to assist the Board of Fairfax Media Limited (Board) in fulfilling its responsibility to stakeholders on management activities in:

- Overseeing the development and implementation of the HR strategy with reference to the appropriate resources, policies and procedures that are in place or being developed to support the achievement of the Company's strategy.
- Promoting a safe working culture.
- Driving high performance in executives and management by providing effective remuneration policies and programs having regard to the creation of value for shareholders and the external remuneration market.
- Undertaking the appropriate performance management, development planning and succession management programs to enable talented, motivated and engaged people to be available to achieve the Company strategy.
- Oversee the direction for the Fairfax Group's commitment to building a sustainable future for the Group which includes operating its business sustainably (financially and otherwise), responsibly and ethically
- Complying with the relevant listing rules, legal and regulatory body requirements, and good governance practices.
- Report to shareholders in line with required legislation and standards.

3. STANDING RULES FOR FAIRFAX BOARD COMMITTEES

The Standing Rules for Fairfax Board Committees apply to the People and Culture Committee and are incorporated into this Charter, save as expressly varied by this Charter.

4. MEMBERSHIP AND COMPOSITION

- (a) The membership of the Committee shall be determined by the Board.
- (b) The Committee must consist of at least three Directors of Fairfax Media Limited.
- (c) Each of the members will be independent Directors and free from any interest, business or other relationship that may or will materially interfere or compromise the independent judgment as a member of the Committee to act in the best interest of the Company.
- (d) The Board shall appoint the Chairperson of the Committee who shall also be an Independent Director. Should the Chairperson of the Committee be absent from any Committee meeting, the members of the Committee present at that meeting shall appoint one to be Chairperson of that meeting.

5. MEETINGS

- (a) The Committee shall meet at least four times a year, and more frequently if it deems necessary.
- (b) A quorum shall comprise of any two Committee members.
- (c) Each member shall have one vote and the Chairperson of the Committee shall not have a second vote or casting vote.
- (d) Representatives of management may be invited to attend part or all of any meeting of the Committee.
- (e) The Committee may request certain parties to withdraw from any part of the meeting. No employee, including the CEO, should attend any part of the meeting where his or her own performance or remuneration is discussed, unless specifically invited by the Committee.
- (f) A schedule of meetings will be provided to members of the Committee. The suggested dates will be confirmed each December to suit the members of the Committee.

6. REPORTING

- (a) The Committee shall regularly update the Board about Committee activity and make any appropriate recommendations at each Board meeting at the next practical opportunity.
- (b) At the discretion of the Chairperson and members of the Committee, any relevant matters deemed to be of major importance shall be referred to the Board for its attention.
- (c) The Committee will oversee the preparation of any reports required by law or listing rules or requested by the Board including relevant remuneration sections of the Annual Report. The Committee will review and recommend to the Board for approval the Remuneration Report to be included in the Annual Report.

7. RESPONSIBILITIES

The Committee has the following responsibilities:

(a) HR Strategy

- Review of the Group HR strategy
- Oversee the alignment of the HR strategy with the Company's overall strategy and value to shareholders.
- Monitor the implementation of the HR strategy

(b) Health, Safety and Environment (HSE)

- Review and monitor the Company strategy and framework for compliance with the HSE regulatory obligations.
- Review the Group's performance on relevant HSE measures.
- Review and monitor the HSE and operational audits performance and progress.
- Oversee safety education to promoting a safe working environment and culture.

(c) Remuneration Strategy

Review and approve Fairfax employee and remuneration strategies and frameworks including:

Incentive Scheme

- Review annually, or when required, the design and structure of executive incentive plan(s) including the short-term and long-term objectives to effectively reward the achievement of company, team and individual objectives. This is to be aligned to shareholder objectives and interest, meet best practice and industry standards, and meet overall cost effectiveness.
- Review annually the outcomes of short term objectives with the aim of rewarding individuals fairly and equitably, and in line with company performance.

- Review the progress against long term performance hurdles and make recommendations on expiring equity allocations.
- Annually review and approve the participation in the executive incentive plan(s).
- Review the compliance with legislative, regulatory requirements and tax changes.

CEO Remuneration

- In conjunction with the Chairman of the Board, review and recommend to the Board for approval the goals and objectives relevant to the remuneration of the CEO. Assist the Board to evaluate the performance of the CEO in light of those goals and objectives, and recommend to the Board the CEO's base pay remuneration level, short term incentive payable and Long Term Incentive allocation based on this evaluation.

Executive Leadership Team (ELT) Remuneration

- Review the key principles to apply to contractual terms of employment for direct reports to the CEO and each of the business unit group heads including base pay, short term and long term incentives, superannuation arrangements, retention arrangements, termination payments, performance goals and performance evaluation procedures.
- Review and approve, in conjunction with the CEO's recommendations, the proposed base pay increases and annual short term incentive payments.

Director Fees

- Make recommendations to the Board on Directors' fees and review and recommend the aggregate remuneration pool of non-executive Directors, within the maximum amount approved by shareholders.

Employee Relations (ER) Strategy

- Annually review the Group ER strategy.
- Oversee the alignment of the ER strategy with the Company's overall strategy.

(d) Attract, Retain and Development of Talent

- Oversee the development and implementation of employee performance programs to attract, motivate and retain high quality people and to enable sufficient available people with appropriate skills, experience and capability to deliver on the Company strategy. These will include:
 - i. performance management,
 - ii. development planning, and
 - iii. succession management.
- Review and oversee the project and tools in engaging our workforce.

(e) Diversity

- Review and approve measurable objectives for achieving gender diversity and assess annually both the objectives and progress in achieving them.

(f) HR Policy and Procedures

- Review the Company's policies and procedures to support compliance with relevant legislation and regulatory requirements; and so the policies are aligned to the business.

(g) Remuneration Report

- Review and recommend to the Board for approval the Remuneration Report to be included in the Fairfax Media Limited Annual Report. The Committee provides oversight for disclosure requirements including any listing rules, legislation, regulatory requirement, and in accordance with good governance practices.

(h) Sustainability and Corporate Responsibility

- Provide support to the Board and management in overseeing the development and implementation of a sustainability & corporate social responsibility (CSR) strategy and related policies.
- Foster a workplace culture which values sustainable and socially responsible business practices.
- Consider and endorse proposals by management to enhance the Group's CSR profile, reputation and activities.
- Ensure the Board, employees, the investment community and other stakeholders are kept properly informed of the Group's CSR initiatives and performance.
- Deal with such matters as the Committee deems necessary to carry out the functions set out above including interaction with other Board Committees where appropriate.

8. OTHER MATTERS / RESPONSIBILITIES

- (a) This Charter will be review by the Committee as required and at least annually.
- (b) The Committee will revisit the objectives and duties on an annual basis and evaluate the effectiveness of its own performance.
- (c) To the extent the Committee deems necessary to seek external remuneration advice, an external remuneration consultant will be engaged by and report directly to the Committee. Any engagement of a remuneration consultant to provide a remuneration recommendation in respect of Key Management Personnel must be conducted by the Committee.