Vinyl Group Ltd

ACN 106 513 580 (Vinyl Group or the 'Company')

2024 Corporate Governance Statement

This Corporate Governance Statement of Vinyl Group Ltd (the 'company') has been prepared in accordance with the 4th Edition of the Australian Securities Exchange's ('ASX') Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council ('ASX Principles and Recommendations').

This statement has been approved by the company's Board of Directors ('Board') and is current as at 30 September 2024. This statement has also been posted to the corporate governance section of the company's website at https://investors.vinyl.group/info.

The company's ASX Appendix 4G, which is a checklist cross-referencing the ASX Principles and Recommendations to the relevant disclosures in either this statement, the company's website or Annual Report, has been filed with the ASX on 30 September 2024.

The ASX Principles and Recommendations and the company's response as to how and whether it follows those recommendations are set out below.

Disclosures within this 2024 Corporate Governance Statement (**Statement**) reports against the 4th edition of the ASX Corporate Governance Council's Principles and Recommendations (**ASX Principles**) in respect of the reporting period between 1 July 2023 and 30 June 2024. The practices detailed in this Statement are current as at 30 September 2024.

The following policies, charters and corporate governance documents will be publically available on Vinyl Group's website at https://vinyl.group/:

- Board Charter
- Securities Trading Policy
- Continuous Disclosure Policy
- Risk Management Policy
- Code of Conduct
- Communications Policy
- Diversity Policy
- Remuneration & Nomination Committee Charter
- Audit & Risk Committee Charter

Principles and Recommendations		Comply Yes / No	Explanation
1.	**Lay solid foundations for management and oversight** **A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.**		
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes	The Board Charter sets out the role, responsibilities, structure and processes of the Board and assists the Board to provide strategic guidance for Vinyl Group and effective oversight of the management of the Vinyl Group group. The Chief Executive Officer has delegated authority by the Board to carry out the day-to-day management of Vinyl Group. A copy of the charter is available on the Vinyl Group website.
1.2	Companies should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.	Yes	Prior to their appointment as Directors, Vinyl Group undertook background checks in respect to the prospective Directors' character, criminal history, education and bankruptcy with no adverse findings. Pursuant it its Board Charter, Vinyl Group will provide security holders with material information in respect to putting forward a candidate for election or re-election as a Director as part of its notice of meeting.
1.3	Companies should have a written agreement with each Director and senior executive setting out the terms of their appointment.	Yes	Vinyl Group has in place written agreements with each of its Directors and senior executives setting out the terms of their appointment.
1.4	The Company Secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.	Yes	Vinyl Group's Board Charter sets out that the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

Persons who held the role of Company Secretary during the period is set out below:

Company Secretary	**Term**
Jorge Nigaglioni	20 July 2020 - Current

Jorge Nigaglioni is also an Executive of the Company with the role of Chief Financial Officer and has an internal reporting line to the CEO in respect of that function.

1.5 Companies should:

(a) have a diversity policy which includes requirements for the Board or a relevant Committee of the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;

(b) disclose that policy or a summary of it; and

(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the Board or a relevant Committee of the Board in accordance with the entity's diversity policy and its progress towards achieving them and either:

(i) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or

(ii) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.

Yes

Vinyl Group has adopted a Diversity Policy which sets out Vinyl Group's commitment to achieve diversity and inclusion across its Board, senior executives and throughout the organisation.

The Diversity Policy requires that the Board to establish measurable objectives to assist the Company to achieve gender diversity and assess the Company's progress in achieving these objectives.

The Board has set its measurable diversity objectives for the 2023 financial year at the same rate as the previous year of 50% gender proportion for the Company and 30% for the Board which will be reported in corporate governance statements.

The respective proportion of men and women on the Board, in senior executive positions and across the whole organisation as at 30 September 2024:

	Female	Male
Board	1 (20%)	4 (80%)
Senior executives*	3 (43%)	4 (57%)
Whole organisation	17 (36%)	26 (64%)

*Senior Executives refer to a head of department

			A copy of the Diversity Policy is available on the Vinyl Group website.
1.6	Companies should: (a) have and disclose a process for periodically evaluating the performance of the Board, its Committees and individual Directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes	The Board Charter requires that Vinyl Group annually evaluate the performance of the Board, its Committees (if established) and individual Directors. The Board is performing annual board reviews prior to the end of the calendar year
1.7	Companies should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes	The Chief Executive Officer is responsible for and will ensure that an annual evaluation performance of senior executives is undertaken. A performance evaluation in respect of the calendar year 2023 is planned to be conducted at the end of the year for all senior management. A performance assessment of the new CEO will also be conducted by the Chair at that time.
2.	**Structure the Board to add value?**		
2.1	The Board should: (a) have a Nomination Committee which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose (iii) the charter of the Committee; (iv) the members of the Committee; and (v) as at the end of each reporting period, the number of times the Committee met throughout the period and	Partially comply	The Board established a Remuneration and Nomination Committee (**RNC**). From prior years up until May 2024, the Board has reverted to operating the committee by the board as a whole. Since May 2024 it now operates the RNC and is chaired by Ken Gaunt. There other independent members that can participate in the RNC are: Stephen Gledden, Ben Katovsky and Linda Jenkinson. Committee membership during the period is as follows: Ken Gaunt, Chair

	the individual attendance of the members at those meetings; or (b) if it does not have a Nomination Committee, disclose the fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.		The composition of the RNC is currently considered appropriate given the current size of the Board and will be reviewed in future if the composition of the Board changes and new Directors are appointed. The purpose of the Committee is to assist the Board: 1. in respect of establishing a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties and to bring transparency, focus and independent judgment to decisions regarding the composition of the Board; 2. in establishing coherent remuneration policies and practices to attract and retain senior executives and Directors who will create value for shareholders; 3. provide oversight that Vinyl Group observes those remuneration policies and practices; and 4. to set fair and responsible rewards for senior executives having regard to the performance of Vinyl Group, the individual performance of management and the general external pay environment. A copy of the charter is available on Vinyl Group's website. The biographies and experience of the Committee members are set out in the Directors' Report contained within the 2024 Annual Report. The number of times the RNC met and attendance to those meetings are set out in the Directors' Report contained within the 2024 Annual Report.
2.2	Companies should have and disclose a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.	Yes	The Board with the assistance of the Remuneration and Nomination Committee is responsible for reviewing the size, composition and skills on the Board to ensure that it is able to discharge its duties and responsibilities effectively and to identify any gaps in the skills or experience of the Board.

The current collective skills and experience of the Board are shown below.

Skill/Experience	Collective Board Skills	Skill/Experience	Collective Board Skills
Music Industry	40%	Information technology	100%
Technology	80%	Risk management	60%
Start-up	100%	Human resources management	100%
Government legislative process	20%	CEO and executive management	100%
Accounting	40%	Strategy development and implementation	100%
Finance	60%	Previous board experience	80%
Law	20%	Behavioural competency	100%
Marketing	80%		

2.3	Companies should disclose: (a) the names of the Directors considered by the Board to be independent Directors; (b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion; and (c) the length of service of each Director.	Yes	The composition of the Vinyl Group Board as at the date of this Statement comprises a total of five Directors: four Non-Executive Directors (Ben Katovsky, Stephen Gledden, Linda Jenkinson and Ken Gaunt) and executive director and CEO Josh Simons. Detailed biographies setting out the experience and qualifications of each of the Directors are set out in the Directors' Report contained in the 2024 Annual Report. The length of service of each Director is set out as follows: **Director** – **Term** Ben Katovsky – 1 July 2022 – current Stephen Gledden – 1 July 2022 – current Linda Jenkinson – 28 December 2018 – current Robert Ken Gaunt – 23 March 2020 – current Joshua Simons – 16 May 2024 - current

			The Company considers that a Director is an independent Director where that Director is free from any business or other relationship that could materially interfere, or be perceived to interfere with, the independent exercise of the Director's judgement. Vinyl Group has also assessed the independence of its Directors having regard to the requirements for independence which are set out in Principle 2 of the ASX Principles and Recommendations. As at the date of this Statement, 80% of the Board, being all four non executive Directors, are considered to be independent Directors – Ben Katovsky, Stephen Gledden, Ken Gaunt and Linda Jenkinson.
2.4	A majority of the Board should be independent Directors.	Yes	Refer explanation in item 2.3.
2.5	The Chair of the Board should be an independent Director and, in particular, should not be the same person as the CEO.	Yes	Linda Jenkinson, the Chair of the Board is considered to be an independent Director and is not the Chief Executive Officer.
2.6	Companies should have a program for inducting new Directors and provide appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their roles as Directors effectively.	Yes	The Board Charter requires that the Company Secretary will arrange for a newly appointed Director to undertake an induction program to help them gain an understanding of: the Company's operations and the industry sectors in which it operates; the culture and values of the Company; the Company and Group's financial, strategic, operational and risk management position; their rights, duties and responsibilities; and any other relevant information. The Company Secretary will also assist in facilitating any professional development programs for the Board as required from time to time. The Board will determine the appropriate induction required on appointment of a new Director. This may include inviting Directors to have access to and meet with members of management, attend site visits and hear from external consultants and industry professionals on matters that may assist the Board.

3.	**Act ethically and responsibly**		
3.1	Companies should: (a) have a code of conduct for its Directors, senior executives and employees; and (b) disclose that code or a summary of it.	Yes	Vinyl Group's Board considers that the Company's reputation is critical to its ongoing success. The Board has adopted a Code of Conduct covering the standards of ethical behaviour that Vinyl Group expects from its Directors, officers and employees. A copy of the Code of Conduct is available on Vinyl Group's website.
4.	**Safeguard integrity in corporate reporting**		
4.1	The Board should: (a) have an Audit Committee which: (i) has at least three members, all of whom are Non-Executive Directors and a majority of whom are independent Directors; and (ii) is chaired by an independent Director, who is not the Chair of the Board, and disclose: (iii) the charter of the Committee; (iv) the relevant qualifications and experience of the members of the Committee; and (v) in relation to each reporting period, the number of times the Committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an Audit Committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	Partially comply	The Board established an Audit & Risk Committee (**ARC**). As at the date of this Statement the Board has reverted to operating the committee by the board as a whole. There are four independent members that can participate in the ARC when the Company restarts it operation: Stephen Gledden, Ben Katovsky, Ken Gaunt and Linda Jenkinson. Committee membership during the period is as follows: The Board as a whole operated the RNC. The composition of the ARC is currently considered appropriate given the current size of the Board and will be reviewed in future if the composition of the Board changes and new Directors are appointed. The purpose of the Committee is to: 1. assist the Board to achieve its governance objectives in relation to: ● financial reporting; ● the application of accounting policies; ● business policies and practices; ● legal and regulatory compliance; and ● internal control and risk management systems;

			2. maintain and improve the quality, credibility and objectivity of the financial accountability process (including financial reporting on a consolidated basis); 3. promote a culture of compliance across the Vinyl Group group; 4. provide a forum for communication between the Board and Vinyl Group's management team in relation to audit and compliance matters affecting Vinyl Group; 5. ensure effective internal audit (if any) and external audit functions and communication between the Board and the internal auditor (if any) and external auditor; and 6. review and comment on Vinyl Group's management plans for managing the material financial and reporting risks faced by Vinyl Group. A copy of the charter is available on Vinyl Group's website. The biographies and experience of the Committee members are set out in the Directors' Report contained within the 2024 Annual Report. The number of times the ARC met and attendance to those meetings are set out in the Directors' Report contained within the 2024 Annual Report.
4.2	The Board should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance for the entity and that the opinion has been formed on the bases of a sound system of risk management and internal control which is operating effectively.	Yes	Prior to the Board approving Vinyl Group's financial reports (which includes its quarterly cash flow report, half year report and annual report), it will ensure that it receives from the Chief Executive Officer and Chief Financial Officer a declaration in respect of those financial statements. The Board has obtained signed declarations from the Chief Executive Officer and Chief Financial Officer in respect of the quarterly, half year and annual reports prior to their approval.

4.3	Companies should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes	As set out in the Audit and Risk Committee Charter, Vinyl Group will ensure that its external auditor will be present at each annual general meeting to be available to answer shareholder questions in relation to the audit undertaken. Vinyl Group will ensure that a representative from UHY Chartered Accountants attends its 2024 annual general meeting to be held in November 2024.
5.	**Make timely and balance disclosure**		
5.1	Companies should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	Yes	Vinyl Group has adopted a Continuous Disclosure Policy which sets out the procedures that apply to the central collection, control, assessment and if required, release to the ASX, of information considered to be material. A copy of the policy is available on Vinyl Group's website.
6.	**Respect the rights of security holders**		
6.1	Companies should provide information about itself and its governance to investors via its website.	Yes	Vinyl Group is committed to providing effective communication to its shareholders, market participants, customers, employees, financiers and other stakeholders. Vinyl Group's Board has adopted a Communications Policy which sets out Vinyl Group's approach and commitment to communication with the objective of providing stakeholders with balanced and understandable information about Vinyl Group. Vinyl Group provides information about its business, its Directors, officers and employees, its governance practices and its products on its website at https://vinyl.group/. Any announcement that Vinyl Group makes to the ASX will be placed on its website which will include ASX announcements, quarterly, half yearly and annual reports, investor presentations, and notices of shareholder meetings. Vinyl Group's communications approach with its shareholders are set out in its Communications Policy.

			A copy of the Communications Policy is available on Vinyl Group's website.
6.2	Companies should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	Refer explanation for item 6.1.
6.3	Companies should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	Refer explanation for item 6.1.
6.4	Companies should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	As a listed entity, Vinyl Group encourages its shareholders to participate in general meetings by attending in person or by proxy. Shareholders are invited to contact Vinyl Group directly by email at investors@vinyl.group or by telephone on +61 2 8317 1000. Shareholders are able to contact Vinyl Group's Share Register, details of which are available on Vinyl Group's website.
7.	**Recognise and manage risk**		
7.1	Companies should: (a) have a Committee or Committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the Committee; (iv) the members of the Committee; and (v) as at the end of each reporting period, the number of times the Committee met throughout the period and	Partially comply	Refer explanation in item 4.1.

	the individual attendances of the members at those meetings; or (b) if it does not have a Risk Committee or Committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.		
7.2	The Board or a Committee of the Board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	Yes	The Company has established a Risk Management Framework which is available on the Company's website. The Board with the assistance of the ARC will annually review and evaluate the effectiveness of Vinyl Group's risk management framework to ensure that its internal control systems and processes are monitored and updated on an ongoing basis. In accordance with the Audit and Risk Committee Charter, the Board with the assistance of the Audit and Risk Committee will assess the adequacy, effectiveness and efficiency of the Risk Management Framework. During the period, the ARC reviewed Vinyl Group's Risk Management Framework and is satisfied that it remains sound.
7.3	Companies should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Yes	Given its size and nature of operations, Vinyl Group does not have an internal audit function in place. Pursuant to the Audit and Risk Committee Charter, the Board with the assistance of the Audit and Risk Committee is responsible for evaluating and continually improving the effectiveness of its risk management and internal control processes.
7.4	Companies should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes	Vinyl Group does not believe that it has any material exposure to economic, environmental and social sustainability risks not previously disclosed in its prospectus, annual report or previous corporate governance statement.

8.	**Remunerate fairly and responsibly**		
8.1	Companies should: (a) have a Remuneration Committee which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the Committee; (iv) the members of the Committee; and (v) as at the end of each reporting period, the number of times the Committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a Remuneration Committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	Partially comply	Refer explanation in item 2.1
8.2	Companies should separately disclose its policies and practices regarding the remuneration of Non-Executive Directors and the remuneration of Executive Directors and other senior executives.	Yes	The Board with the assistance of the RNC, when in operation, is responsible for setting and reviewing the policies and practices of the Company regarding the remuneration of Non-Executive Directors and the remuneration of Executive Directors and other senior executives. Policies and practices regarding remuneration of the Non-Executive Directors, Executive Directors and key personnel are disclosed in the Directors' Report contained in the 2024 Annual Report of the Company.

8.3	A company which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	Yes	Vinyl Group's Securities Trading Policy sets out that Directors and senior executives who participate in Vinyl Group's equity based remuneration schemes are prohibited from entering into transactions which act to limit the economic risk of any unvested entitlements.