



BEGA CHEESE

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8 March 2024

Rana Kurban
Adviser, Listings Compliance
ASX
525 Collins Street
Rialto, South Tower Level 50
MELBOURNE VIC 3000

Dear Rana

**BEGA CHEESE LIMITED (ASX:BGA)
2023 APPENDIX 4G AND CORPORATE GOVERNANCE STATEMENT**

We refer to your email dated 11 January 2024 in which you raised issues about the way in which the Company dealt with ASX Corporate Governance Recommendations 1.5 and 2.2 in its Appendix 4G and Corporate Governance Statement for the year ending 30 June 2023, which was announced on 24 August 2023. The following is a response to those issues.

Recommendation 1.5:

The Company's Appendix 4G indicated that Recommendation 1.5 had not been complied with. ASX indicated that no reasons had been given why the Company had elected not to comply.

While the Company's Corporate Governance Statement identified that the Company has a Diversity and Inclusion Policy and has set measurable objectives for gender diversity at a management level, it did not identify measurable objectives for the achievement of gender diversity within the board or at the level of the workforce generally. The Board of Directors has subsequently reviewed its position in relation to Recommendation 1.5 and has now set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally. This is reflected in the attached amended Corporate Governance Statement. The attached amended Appendix 4G identifies that the Company has now complied with Recommendation 1.5.

Recommendation 2.2

The Company's Appendix 4G indicated that Recommendation 2.2 had been complied with, however the ASX was not satisfied that adequate disclosure had been provided. The Board of Directors has subsequently approved additional disclosures, namely the addition of a Directors' skills matrix to the Corporate Governance Statement.

We enclose the amended Appendix 4G and Corporate Governance Statement for the year ended 30 June 2023.

Yours sincerely

Brett Kelly
Company Secretary

BEGA CHEESE LIMITED ACN 008 358 503

Head Office, Cheese Packaging & Processing: 23—45 Ridge Street, North Bega NSW 2550, Australia

Butter, Cheese & Powder Manufacture: 13 Lagoon Street, North Bega NSW 2550, Australia

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Bega Cheese Limited

ABN/ARBN

81 008 358 503

Financial year ended:

30 June 2023

Our corporate governance statement¹ for the period above can be found at:²

- These pages of our annual report:
- This URL on our website: <https://www.begagroup.com.au/investors/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 28 February 2024 and has been approved by the Board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 8 March 2024

Name of authorised officer authorising lodgement: Brett Kelly

¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: www.begagroup.com.au/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

⁵ If you have followed all of the Council’s recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.5	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) 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.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at: corporate governance section of the Group's website at https://begagroup.com.au/business-conduct/</p> <p>and we have disclosed the information referred to in paragraph (c) at:</p> <p>Corporate Governance Statement on the Group's website at www.begagroup.com.au/investors/corporate-governance/</p> <p>and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>Corporate Governance Statement on the Group's website at www.begagroup.com.au/investors/corporate-governance/</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>Corporate Governance Statement on the Group's website at www.begagroup.com.au/investors/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>Corporate Governance Statement on the Group's website at www.begagroup.com.au/investors/corporate-governance/ and the Remuneration Report which is contained in the 2023 Annual Report located at www.begagroup.com.au/investors/annual-reports</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>Corporate Governance Statement on the Group's website at www.begagroup.com.au/investors/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵	
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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</p> <p>(b) if it does not have a nomination committee, disclose that 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.</p>	<p><input checked="" type="checkbox"/> [If the entity complies with paragraph (a):] and we have disclosed a copy of the charter of the committee at: www.begagroup.com.au/investors/corporate-governance/ and the information referred to in paragraphs (4) and (5) at: Directors' report which is contained in the 2023 Annual Report located at www.begagroup.com.au/investors/annual-reports [If the entity complies with paragraph (b):] and we have disclosed the fact that we do not have a nomination committee and the processes we employ 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 at: [insert location]</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p><input checked="" type="checkbox"/> and we have disclosed our board skills matrix at: Corporate Governance Statement on the Group's website at www.begagroup.com.au/investors/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation 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 or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	<input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: Directors' report which is contained in the 2023 Annual Report located at www.begagroup.com.au/investors/annual-reports and, where applicable, the information referred to in paragraph (b) at: Corporate Governance Statement on the Group's website at www.begagroup.com.au/investors/corporate-governance/ and the length of service of each director at: Directors' report which is contained in the 2023 Annual Report located at www.begagroup.com.au/investors/annual-reports	<input type="checkbox"/> set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<input type="checkbox"/>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: https://www.begagroup.com.au/careers/values/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: www.begagroup.com.au/investors/business-conduct/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: www.begagroup.com.au/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: www.begagroup.com.au/business-conduct/ , and contained within the Code of Conduct.	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵	
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) 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</p> <p>(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.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: www.begagroup.com.au/investors/corporate-governance/ and the information referred to in paragraphs (4) and (5) at: Directors' Report which is contained in the 2023 Annual Report located at www.begagroup.com.au/investors/annual-reports</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at:</p> <p>..... <i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity 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 of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: www.begagroup.com.au/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: www.begagroup.com.au/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: Shareholder Communications Policy on the Group's website at www.begagroup.com.au/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵	
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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</p> <p>(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.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: www.begagroup.com.au/investors/corporate-governance/ and the information referred to in paragraphs (4) and (5) at: Directors' Report which is contained in the 2023 Annual Report located at www.begagroup.com.au/investors/annual-reports</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at:</p> <p>Corporate Governance Statement on the Group's website at www.begagroup.com.au/investors/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(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 governance, risk management and internal control processes.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed how our internal audit function is structured and what role it performs at: Corporate Governance Statement on the Group's website at www.begagroup.com.au/investors/corporate-governance/</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: <i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether we have any material exposure to environmental and social risks at: Sustainability Report, published annually www.begagroup.com.au/sustainability/</p> <p>and, if we do, how we manage or intend to manage those risks at: Sustainability Report, published annually www.begagroup.com.au/sustainability/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵	
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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</p> <p>(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.</p>	<p><input checked="" type="checkbox"/> [If the entity complies with paragraph (a):] and we have disclosed a copy of the charter of the committee at: www.begagroup.com.au/investors/corporate-governance/ and the information referred to in paragraphs (4) and (5) at: Directors' Report which is contained in the 2023 Annual Report located at www.begagroup.com.au/investors/annual-reports</p> <p>[If the entity complies with paragraph (b):] and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p>..... [insert location]</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p><input checked="" type="checkbox"/> and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: Remuneration Report which is contained in the 2023 Annual Report located at www.begagroup.com.au/investors/annual-reports</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(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</p> <p>(b) disclose that policy or a summary of it.</p>	<p><input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: Security Trading Policy, a copy of which is available on the Bega Cheese website at www.begagroup.com.au/investors/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	<input type="checkbox"/> and we have disclosed information about the processes in place at: [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	<input type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) at: [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

CORPORATE GOVERNANCE STATEMENT

The Bega Cheese Limited (Group) Board is committed to achieving and maintaining the highest standards of accountability and transparency in the management and conduct of its business. The Board has adopted corporate governance policies and practices that it believes are consistent with the continued growth and success of the Group and the ongoing enhancement of value for the Group shareholders.

This Corporate Governance Statement, which has been approved by the Board outlines the extent to which the Group's corporate governance policies and practices are consistent with the 'Corporate Governance Principles and Recommendations' (4th edition) published by the ASX Corporate Governance Council (Recommendations). The Board does not consider that all of the Recommendations are appropriate for the Group at this point in time given its background as a co-operative business and the related provisions in its Constitution which require a minimum of 4 Supplier Directors. A Supplier Director is a Director who conducts a dairy farming business and supplies milk to the Company. However, where the Group has not followed a Recommendation, this has been identified together with the reasons why it has not been followed.

This Corporate Governance Statement:

- outlines the key aspects of the Group's corporate governance framework;
- is structured and numbered in order of the principles set out in the ASX Recommendations;
- includes cross references to other relevant information in this Corporate Governance Statement on the Company's charters, policies and codes, details of which are available in the Corporate Governance section of the Company's website at <https://www.begagroup.com.au/investors/corporate-governance/>; and
- should be read in conjunction with the Directors' Report and the Remuneration Report (contained in the Directors' Report) which is included in the 2023 Annual Report available at <https://www.begagroup.com.au/investors/annual-reports/> as those reports also contain information required to be included by the ASX Recommendations.

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

BOARD AND MANAGEMENT FUNCTIONS (RECOMMENDATIONS 1.1, 1.3 AND 1.4)

The roles and responsibilities of the Board and Board Committees are defined in the Board Charter and the written charters of the Audit Committee (Audit Committee), the Risk & Sustainability Committee (RSC), the Nomination, Remuneration, People & Capability Committee (NRPCC), the Milk Services Committee (MSC), and the Peanut Growing and Breeding Committee (PGBC).

The Board Charter also sets out the delegated responsibility of the CEO for the day-to-day management and operation of the Group business. The Chairman of the Board is responsible for leading and overseeing the operation of the Board and assisting individual Directors to fulfil their respective duties. The Executive Chairman will work in collaboration with the CEO, selected senior executives and the Board to build mutually beneficial commercial relationships with existing and potential business partners and maintain and enhance the reputation of the Group through active engagement with all key stakeholders.

The Group has written agreements with all Directors (as well as senior executives) setting out the key terms of their appointment.

The Company Secretary is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

BACKGROUND CHECKS ON DIRECTORS AND SENIOR EXECUTIVES BEFORE APPOINTMENT AND INFORMATION TO BE GIVEN FOR ELECTION OF DIRECTORS (RECOMMENDATION 1.2)

The Group will undertake appropriate checks before appointing a director or senior executive or putting forward someone to shareholders as a candidate for election, as a director. If shareholders are making a decision on whether or not to elect or re-elect a director, the Group will provide shareholders with all relevant information in its possession.

DIVERSITY POLICY (RECOMMENDATION 1.5)

The Group has a diversity and inclusion strategy aimed at building a competitive advantage for the Group. The Group believes that a richly diverse workplace promotes innovation, enhances the quality of decision making and enables Bega to access and grow the best talent that exists in the community.

The strategy requires a long-term commitment for leaders to lead diversity and inclusion through the Group's values to embed a culture of enhanced thinking on how talent is recognised, harnessed, developed and rewarded. Diversity in the Group is about creating a respectful, inclusive work environment, which positions the Group to attain its business aspirations. The Group recognises that individual and collective growth depends on its ability to appreciate, access, and amplify the unique talents and strengths of its people. Teams with a variety of talents, perspectives and experiences achieve more, are more innovative and the wide array of perspectives resulting from a workplace that is diverse in gender, age, ethnicity and cultural background promotes innovation and benefits the Group, customers, suppliers, shareholders and employees.

A copy of the Diversity and Inclusion Policy is available in the business conduct section of the Group's website at <https://begagroup.com.au/business-conduct/>;

The strategy has been communicated through CEO updates with three strategic pillars formulated to ensure focus on key areas requiring action.

The pillars are central to Bega's growth to support our business strategy and include:

1. Fostering Inclusive Leadership

- Build leadership capability to support and leverage diverse teams
- Set measurable objectives for achieving gender-based teams
- Deliver fair and equitable people practices and processes (including but not limited to, Talent processes such as Succession Planning, Performance Reviews, Development Programs, Reward & Recognition, and Resourcing).

2. Supporting Working Families

- Champion flexible work arrangements through Bega Flex, Circle In and Leader education.

3. Developing Women Leaders

- Tailored leadership, mentoring and coaching support and advice
- Learning and development opportunities participation lists are gender balanced where possible
- Analyse pay equity every 12 months.

Internal promotion, recruitment and acquisition over the last five years has changed the employee profile of Bega in our salaried staff, with the proportion of salaried females recruited externally at 51%. The proportion of women employed by the Group as reported to the Workplace Gender Equality Agency during FY2023 was as follows:

- Board of Directors 29%
- Managers (including senior executives) 35%
- Bega Cheese salaried staff 43%
- The Bega Cheese Group 30%

We are proud to become a signatory to HESTA's 40:40 Vision to achieve gender balance in executive leadership by 2030. This initiative is led by members of Australia's investor and business community across all ASX300 companies. This target also applies to our Board gender composition and at all other levels of the business.

40:40 stands for 40% women, 40% men and 20% any gender, and 40:40 Vision seeks to achieve this goal by encouraging companies to set and publicly report on progress against targets for the composition of their executive leadership teams.

Signing up to 40:40 Vision demonstrates our long-term commitment to workplace gender equality and demonstrates our values of Support Each Other and Grow Our People. 40:40 Vision is a way we can further align to the United Nations Sustainable Development Goal (SDG5) – to achieve gender equity and empower all women and girls.

We have set our goals to reach the 40:40 Vision target of 40% women in the following way.

- 2024 – 20%
- 2027 – 30%
- 2030 – 40%

1.1 Selection oversight – roles reporting to the Executive team

The appointment process of all vacant roles that report to the Executive team will be overseen by a Group wide selection panel to ensure candidate selection, interview and recommendations for appointment are standardised and free of any selection bias.

1.2 Succession pools

Succession planning for Executive team roles will occur annually and be reported and discussed with the Board. All identified successors to the Executive team will have a development plan.

1.3 Mentoring

Mentor training will be undertaken by the executive team and their direct reports to support all development through outcomes-based mentoring designed to focus mentoring developing female talent on business, strategic and financial acumen.

1.4 Gender Equity Network

The initiation of a Gender Equality Network as Bega's first employee resource group, will serve as conduit to promote gender equality practices and foster a collaborative platform to advance

gender inclusivity, challenge biases, and implement initiatives that empower women and promote equitable opportunities for all genders.

1.5 Development opportunities

To ensure gender equal development opportunities, participation lists for all leadership development programs will aim to be gender balanced.

As a 'relevant employer' under the Workplace Gender Equality Act 2012, the Group submitted an annual filing for the 12 month period ending 31 March 2023. We have received confirmation by the Workplace Gender Equality agency that the Group has achieved compliance status. The report can be found in the Business Conduct section of the Investor Centre on the Bega Cheese Limited website.

BOARD PERFORMANCE EVALUATION (RECOMMENDATION 1.6)

The performance of the Board and Directors is reviewed internally on an annual basis, and three-yearly by an independent expert. In FY2023 the NRPCC conducted a Board and Director review process, including both self and peer evaluation.

MANAGEMENT PERFORMANCE EVALUATION (RECOMMENDATION 1.7)

The performance of the senior executives is reviewed regularly against performance indicators determined by the Board. An evaluation of the performance of senior executives has taken place during the reporting period in accordance with the processes set out in the Remuneration Report.

PRINCIPLE 2 – STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

NOMINATION, REMUNERATION, PEOPLE & CAPABILITY COMMITTEE (RECOMMENDATION 2.1)

Throughout FY2023, membership of the NRPCC was comprised of two Independent Directors Terry O'Brien as Chair of the Committee and Raelene Murphy, and one Supplier Director, Richard Cross.

The NRPCC may invite any person from time to time to attend meetings of the Committee. More detail on the NRPCC is provided in the Remuneration Report.












The qualifications of the Committee members and their attendance at the meetings of the NRPCC are included in the Directors' Report.




DETAILS OF DIRECTORS (RECOMMENDATIONS 2.2, 2.3, 2.4, 2.5 AND 2.6)

Within the context of the Board composition requirements of the Constitution, the Group aims to achieve a mix of industry, finance and business skills among the Directors that will enable the Board to effectively oversee and guide the Group's governance and strategic direction. The Board regularly reviews its skills matrix to ensure that it covers the skills needed to address existing and emerging business and governance issues relating to the Group.

Details of each Director's period of office, skills, experience and expertise are set out in the Directors' Report. The Bega Group seeks to maintain a Board of Directors with a broad range of skills, experience and knowledge necessary to guide the Group. Figure 1 sets out the key skills, experience and diversity the Board has identified as desirable attributes.

Figure 1 – skills matrix

Skill	Description	Number of Directors
Governance	Experience as a non-executive director of listed entities with a strong commitment to high standards of governance and knowledge of compliance and regulatory requirements for listed entities.	
Business practice	Proficient in accounting or related financial management and reporting for businesses of significant size, ability to define strategic objectives, constructively question business plans, oversee the implementation of strategy using commercial judgement, and knowledge of domestic and global commodities marketing and trading.	
Risk management	Experience in identification, monitoring and management of material financial and non-financial emerging risks and understanding implementation and oversight of risk management frameworks and controls	
Executive leadership	Having held a senior and diverse leadership roles in large organisations.	
People, safety, culture and remuneration	Experience in people matters including workplace health and safety, cultures, morale, inclusion and diversity, management development, succession, remuneration, talent retention initiatives and digital utilisation.	
Dairy industry exposure	Experience in the dairy industry, having specific dairy product knowledge and contacts with regulators and other key stakeholders.	
Customer experience and innovation	Experience in developing and overseeing the embedding of a strong branded and customer-focused culture in a large and complex FMCG organisation, and a commitment to achieving our domestic and international customer outcomes.	
Environmental and social	Experience in and understanding of corporate sustainability best practice to manage the impact of the business on the environment and community and the potential impact of climate change on the business and addressing human rights and modern slavery.	
Technical and data	Experience in the application of technology, with particular reference to innovation, digital disruption, data, cyber-security, digital transformation and customer experience.	
Regulatory, legal and public policy	Experience in regulatory policy, working with all levels of government and legal compliance.	
Operations	Experience and understanding of the economic drivers, challenges and operations of food processing, manufacturing industries and related supply chain management.	

 Deep experience and knowledge
  General working experience and knowledge
  Limited working experience and knowledge

In accordance with the Recommendations, a Director is considered to be independent if he or she is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect, his or her capacity to bring an independent judgment to bear on issues before the Board to act in the best interests of the Group and its shareholders generally. The Board reviews the independence of each Director regularly, in accordance with the guidelines set out in the Company's Board Charter and the ASX Recommendations. As at the date of this Corporate Governance Statement, and during the reporting period, the Board considers each of Raelene Murphy, Terry O'Brien, Patria Mann and Peter Margin to be Independent Directors.

The Board has formed the view that the Supplier Directors should not be classified as independent within the terms of the Recommendations. While Supplier Directors supply milk to the Group on the same terms as other milk suppliers in the same region and the Group's procedures and systems ensure that milk prices are set according to the commercial interests and needs of the Group, the Board recognises that there may be a perception that the milk supply relationship between the Group and the Supplier Directors may influence the decision making of these Directors. Accordingly, while they are able to bring an independent judgment to bear on Board decisions, the Supplier Directors have not been characterised as independent due to this potential perception concern. The current Supplier Directors are Barry Irvin, Rick Cross and Harper Kilpatrick. There is currently a casual vacancy for a further Supplier Director.

This means that contrary to Recommendation 2.5, the Board does not have an Independent Chair. Notwithstanding the above, the Board considers that it is well placed to fulfil its duties and, in particular, to effectively review and constructively challenge the performance of management.

The Group has a program in place for inducting new Directors and providing appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to effectively perform their role as Directors. Each Director may, in appropriate circumstances and with the approval of the Chairman, seek independent professional advice at the Group's expense. As part of the director evaluation process, periodic reviews are undertaken by the Group to determine whether additional professional development is required for existing directors to maintain the skills and knowledge needed to perform their role as directors effectively.

PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

VALUES (RECOMMENDATION 3.1)

The Group's statement of values is available on the Group's website at <https://www.begagroup.com.au/careers/values/>

CODE OF CONDUCT (RECOMMENDATIONS 3.2 AND 3.4)

The Group has a Code of Conduct that contains a cohesive set of principles that all officers and employees of the Group are required to abide by in business and dealings with stakeholders. The key aspects of the Code of Conduct are to:

- a. act with honesty, integrity and fairness and in the best interests of the Group
- b. act in accordance with all applicable laws, regulations, policies and procedures
- c. use Group resources and property properly
- d. avoid real or apparent conflicts of interests.

The Group's anti-bribery and corruption policy is contained within the Code of Conduct.

Any material breaches of the Code of Conduct will be reported to the Nomination Remuneration People & Capability Committee.

A copy of the Code of Conduct is available in the corporate governance section of the Group's website at www.begagroup.com.au/investors/business-conduct/.

WHISTLEBLOWER POLICY (RECOMMENDATION 3.3)

The Group has a Whistleblower Policy which applies to all officers and employees of the Group and commits the Group to complying with all applicable laws and maintaining strong principles of corporate governance and ethical standards of conduct across the business in its interactions with fellow employees, contractors, suppliers, the community, other stakeholders and the broader environment within which the Group operates.

The key aspects of the Whistleblower Policy are to:

- a. encourage the reporting of wrongdoing that may cause loss to the Group or damage to the Group's reputation or may cause harm to others;
- b. establish effective reporting and investigation mechanisms within the Group;
- c. enable the Group to effectively deal with reports from whistleblowers in a way that will protect the identity of the whistleblower and provide for the security of the information provided; and
- d. protect whistleblowers against any reprisals.

Any material incidents reported to the Whistleblower service will be reported to the Risk & Sustainability Committee.

A copy of the Whistleblower Policy is available in the corporate governance section of the Group's website at www.begagroup.com.au/investors/corporate-governance/.

SECURITY TRADING POLICY

The Group has adopted a security trading policy which is designed to ensure compliance with ASX listing rules. The policy also ensures Directors and other relevant employees and their associates are aware of the legal restrictions in dealing in Group securities while such a person is in possession of unpublished price sensitive information.

A copy of the Security Trading Policy is available in the corporate governance section of the Group's website at www.begagroup.com.au/investors/corporate-governance/.

PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

AUDIT COMMITTEE Audit Committee (RECOMMENDATION 4.1)

The Audit Committee is comprised of three Independent Directors, Raelene Murphy, who is Chair of the Committee, Terry O'Brien and Patria Mann and one Supplier Director, Harper Kilpatrick.

The responsibilities of the Audit Committee include:

- a. overseeing the process of financial reporting, taxation, internal control, financial and non-financial risk management and compliance and external audit

- b. monitoring the Group's compliance with laws and regulations and its own policies
- c. ensuring that the relationship between the Group and its external auditor remains independent
- d. evaluating the adequacy of processes and controls established to identify and manage areas of potential risk.

The Audit Committee regularly updates the Board on the activities of the Committee and brings any significant issues identified to the Board's attention on a timely basis. Meetings of the Audit Committee are generally held at least four times per year, before meetings of the Board. A rolling timetable has been agreed to plan meetings with external auditors at least twice a year and to review the interim and annual accounts. Special meetings are scheduled by the Chair of the Audit Committee as necessary. Each member of the Board is entitled to attend all meetings of the Committee. The Audit Committee may invite other persons to attend as required.

The qualifications of the Audit Committee members and their attendance at the meetings of the Audit Committee are included in the Directors' Report.

In accordance with the Corporations Act 2001, the lead partner and the review partner of the external auditor will be rotated at least every five years. The external auditor is invited to attend the Group's Annual General Meeting to be available to answer questions from shareholders relevant to the audit.

FINANCIAL RECORDS (RECOMMENDATION 4.2)

Prior to approving the Group's financial statements for FY2023, the Board has received from the 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 of the Group, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

VERIFICATION OF PERIODIC REPORTS (RECOMMENDATION 4.3)

The Group is committed to providing clear, concise and effective disclosure in its corporate reports. The Group's goal is that periodic corporate reports will be accurate, balanced and provide investors with appropriate information to make informed investment decisions.

The Group's process for verifying unaudited periodic corporate reports is as follows:

- reports are prepared by, or under the supervision of, subject-matter experts;
- material statements in the reports are reviewed for accuracy and material requirements; and
- other than administrative announcements all other announcements must be approved by the Board.

This process is intended to ensure that all applicable laws, regulations and company policies have been complied with, and that appropriate approvals are obtained before a report is released to the market.

Consistent with these principles, the non-audited sections of the Annual Report, the Investor Presentation and Corporate Governance Statement for the reporting period were prepared by the relevant subject matter experts and reviewed and verified by relevant executives and senior managers prior to review and consideration by the Board and if thought fit, approval.

The process for verification of integrity of the sustainability report includes preparing the report against the Global Reporting Initiative (GRI) Standards 2016, and having the report approved by the Board and CEO prior to release.

ASX announcements including administrative announcements are reviewed by the Chairman and CEO prior to release by the Company Secretary.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

CONTINUOUS DISCLOSURE POLICY (RECOMMENDATION 5.1)

The Group is committed to observing its disclosure obligations under the Listing Rules and the Corporations Act 2001. The Group has adopted a continuous disclosure policy that establishes procedures aimed at ensuring that Directors and management are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information.

A copy of the Continuous Disclosure Policy is available in the corporate governance section of the Group's website at www.begagroup.com.au/investors/corporate-governance/.

MATERIAL ANNOUNCEMENT NOTIFICATION (RECOMMENDATION 5.2)

The Board receives notification of all announcements made to the Australian Securities Exchange, utilising the external notifications feature of the ASX Online Company Portal.

RELEASE OF PRESENTATION MATERIALS (RECOMMENDATION 5.3)

The Group releases copies of presentation materials on the ASX Market Announcements Platform ahead of any new or substantive investor or analyst presentations.

PRINCIPLE 6 - RESPECT THE RIGHTS OF SECURITY HOLDERS

COMMUNICATIONS POLICY (RECOMMENDATIONS 6.1, 6.2, 6.3 AND 6.5)

The Group is committed to keeping shareholders informed of all major developments affecting the Group relevant to shareholders and in accordance with all applicable laws. Information will be communicated to shareholders through the lodgement of all relevant financial and other information with the ASX and publishing information on www.begagroup.com.au.

The Group's website includes media releases, key policies and Board Committee charters. All relevant announcements made to the market and any other relevant information is posted on the Group's website as soon as practicable after it has been released to the ASX.

The Group has a shareholder communications policy to facilitate two-way communication with shareholders and investors, and to encourage effective participation at shareholder meetings. The policy also specifies that the Group gives shareholders the option to receive communications from, and send communications to, the Group and its security registry electronically.

The Shareholder Communications Policy is available in the corporate governance section of the Group's website at www.begagroup.com.au/investors/corporate-governance/.

SUBSTANTIVE RESOLUTIONS TO BE DECIDED BY POLL (RECOMMENDATION 6.4)

The Group conduct all substantive resolutions considered at General Meetings of shareholders by poll.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

RISK MANAGEMENT POLICY AND RISK MANAGEMENT COMMITTEE

(RECOMMENDATIONS 7.1, 7.2 AND 7.3)

The identification and proper management of the risks associated with the Group's business are important priorities of the Board. The Group has adopted a risk management policy appropriate for its business. This policy highlights the risks relevant to the operations of the Group.

The senior management team is responsible for designing and implementing systems to minimise and control risks associated with the Group's operations, and it reports regularly to the Risk & Sustainability Committee and the Board on those risks. The Risk & Sustainability Committee is also responsible for overseeing and assessing the process of financial and non-financial risk management and compliance. The Board reviews the Group's risk management framework at least annually to satisfy itself that this framework continues to be sound and that the Group is operating with due regard to the risk appetite set by the Board, including in respect of contemporary and emerging risks such as conduct risk, digital disruption, cyber-security, privacy and data breaches, sustainability and climate change. A review has been carried out by the Board during the 2023 financial year reporting period.

The CEO and CFO have reported to the Board on the effectiveness of the Group's management of its material business risks. The Group has an enterprise wide risk management framework which manages risks through understanding and responding to the uncertainties the Group faces including supporting the needs of our customers, enabling excellent supplier relationships, maintaining a safe and energised workforce with shared values and an agreed code of conduct.

The internal audit function provides independent and objective assurance on the adequacy and effectiveness of the Group's systems for risk management, internal control and governance, along with recommendations to improve the effectiveness and efficiency of these systems and processes. The Audit Committee has reviewed the effectiveness and the performance of the internal audit function, approved the annual internal audit plan, reviewed internal audit reports completed and agreed actions, and ensured that planned audit activities are in alignment to business risks. A risk-based methodology is used in setting the annual internal audit plan. The Group Manager Internal Audit who has also been assigned key Governance and Assurance responsibilities reports to the Company Secretary with direct engagement with the CFO, CEO and Chair of the Audit Committee.

ENVIRONMENTAL OR SOCIAL RISKS (RECOMMENDATION 7.4)

The Group is committed to identifying and managing the environmental and social risks that could substantively impact our ability to create or preserve value for our key stakeholders over the short, medium or long-term.

The Group publishes a Sustainability Report annually, which is available in the environment section of the Group's website at www.begagroup.com.au/sustainability/.

PRINCIPLE 8 - REMUNERATE FAIRLY AND RESPONSIBLY

NOMINATION, REMUNERATION, PEOPLE & CAPABILITY COMMITTEE

(RECOMMENDATION 8.1)

The responsibilities of the NRPPC include matters relating to the remuneration policies and practices of the Group and are set out in the NRPPC Charter.

The NRPCC Charter is available in the corporate governance section of the Group's website at www.begagroup.com.au/investors/corporate-governance/.

The membership and conduct of the NRPCC are set out at Principle 2 above.

The number of times members of the NRPCC have met and the individual attendances of the members are set out in the Directors' Report.

POLICES AND PRACTICES REGARDING REMUNERATION OF NON-EXECUTIVE DIRECTORS, EXECUTIVE DIRECTORS AND SENIOR EXECUTIVES (RECOMMENDATION 8.2)

The remuneration of senior executives of the Group is reviewed on an annual basis. Details of the remuneration structure for senior executives are set out in the Remuneration Report.

Details of the remuneration for Directors for their non-executive roles and the basis for the determination of the remuneration for executive roles are also set out in the Remuneration Report.

SECURITY TRADING POLICY (RECOMMENDATION 8.3)

The Group has adopted a Security Trading Policy which states that a Designated Person (which includes any director, CEO and senior executive) who participates in unvested entitlements under any equity-based remuneration schemes is prohibited from entering into transactions in associated products which limit their economic risk.

A copy of the Security Trading Policy is available in the corporate governance section of the Group's website at www.begagroup.com.au/investors/corporate-governance/.