

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Beston Global Food Company Limited

ABN / ARBN:

28 603 023 383

Financial year ended:

30 June 2016

Our corporate governance statement² for the above period above can be found at:³

☐ These pages of our annual report:

☒ This URL on our website: <http://www.bestonglobalfoods.com.au/home/?page=corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 30 June 2016 and has been approved by the board.

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

Date: 21 October 2016

Name of Director or Secretary authorising
lodgement:

Richard Willson

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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 rule 4.10.3.

² "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.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

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.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (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.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ 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 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.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ 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.	... the fact that we follow this recommendation: ☐ in our Corporate Governance Statement OR ☐ at	☒ an explanation why that is so in our Corporate Governance Statement OR ☐ 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.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

⁴ 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.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	A listed entity 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: (1) 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 (2) 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.	... the fact that we have a diversity policy that complies with paragraph (a): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at http://www.bestonglobalfoods.com.au/home/?page=corporate-governance ... and a copy of our diversity policy or a summary of it: ☒ at http://www.bestonglobalfoods.com.au/home/?page=corporate-governance ... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at ... and the information referred to in paragraphs (c)(1) or (2): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6	A listed entity 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.	... the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at ... and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.7	A listed entity 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.	... the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at ... and the information referred to in paragraph (b): ☐ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (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 (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.	[If the entity complies with paragraph (a):] ... the fact that we have a nomination committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ at http://www.bestonglobalfoods.com.au/home/?page=corporate-governance ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement OR ☐ at [If the entity complies with paragraph (b):] ... 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: ☐ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity 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.	... our board skills matrix: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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, 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.	... the names of the directors considered by the board to be independent directors: ☒ in our Corporate Governance Statement OR ☐ at ... and, where applicable, the information referred to in paragraph (b): ☒ in our Corporate Governance Statement OR ☐ at ... and the length of service of each director: ☒ in our Corporate Governance Statement OR ☐ at [insert location here]	☐ an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at [insert location here]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ 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.	... the fact that we follow this recommendation: ☐ in our Corporate Governance Statement OR ☐ at	☒ an explanation why that is so in our Corporate Governance Statement OR ☐ 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 provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: ☒ in our Corporate Governance Statement OR ☐ at [insert location here]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (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 (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.	[If the entity complies with paragraph (a):] ... the fact that we have an audit committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ at http://www.bestonglobalfoods.com.au/home/?page=corporate-governance ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement OR ☐ at [If the entity complies with paragraph (b):] ... 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: ☐ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
4.2	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.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
4.3	A 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.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity 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.	... our continuous disclosure compliance policy or a summary of it: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so 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.	... information about us and our governance on our website: ☒ at http://www.bestonglobalfoods.com.au/home/?page=corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (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 (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.	[If the entity complies with paragraph (a):] ... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ at http://www.bestonglobalfoods.com.au/home/?page=corporate-governance ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement OR ☐ at [If the entity complies with paragraph (b):] ... 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: ☐ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
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.	... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: ☒ in our Corporate Governance Statement OR ☐ at ... and that such a review has taken place in the reporting period covered by this Appendix 4G: ☐ in our Corporate Governance Statement OR ☐ at	☒ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.3	A listed entity 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.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at [If the entity complies with paragraph (b):] ... 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: ☐ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity 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.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (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 (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.	[If the entity complies with paragraph (a):] ... the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ at http://www.bestonglobalfoods.com.au/home/?page=corporate-governance ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement OR ☐ at [If the entity complies with paragraph (b):] ... 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: ☐ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	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.	... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
8.3	A listed entity 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.	... our policy on this issue or a summary of it: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR ☐ we are an externally managed entity 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; (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	... the information referred to in paragraphs (a) and (b): ☐ in our Corporate Governance Statement OR ☒ at http://www.bestonglobalfoods.com.au/Investors/?page=asx-announcements as set out in the Replacement Prospectus on pages 108 - 110	☐ an explanation why that is so in our Corporate Governance Statement
-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	... the terms governing our remuneration as manager of the entity: ☐ in our Corporate Governance Statement OR ☒ at http://www.bestonglobalfoods.com.au/Investors/?page=asx-announcements as set out in the Replacement Prospectus on pages 108 - 110	☐ an explanation why that is so in our Corporate Governance Statement



Beston Global Food Company Limited

Corporate Governance Statement

Introduction

The Directors and management of Beston Global Food Company Limited (**Company**) are committed to having an effective system of corporate governance that is appropriate for the Company, recognising that the day-to-day management of the Company is undertaken by Beston Pacific Asset Management Pty Ltd (**Investment Manager**) in accordance with the Management Agreement between the Company and the Investment Manager (**Management Agreement**).

The Company has adopted, and significantly complies with, the *ASX Corporate Governance Principles and Recommendations (Third Edition) (Recommendations)* to the extent appropriate to the size and nature of the Company's operations.

The Company has prepared this statement which sets out its corporate governance practices of the Company for the financial year ending 30 June 2016. The Company has identified Recommendations that have not been followed, and provides reasons for not following such Recommendations, as well as its aspirations and plans to comply with the Recommendations where it currently does not comply.

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations

Our Corporate Governance Statement addresses the recommendations contained in the 3rd edition of the ASX Principles and Recommendations and is available on our website at www.bestonglobalfoods.com.au/corporategovernance. Unless otherwise indicated; the information contained in this statement is true for the whole financial year ending 30 June 2016.

ASX Principles and Recommendations

Principle 1: Lay solid foundations for management and oversight

The Board

The Board and the Investment Manager have agreed to their respective roles and responsibilities, and the functions reserved to the board and to the Investment Manager.

Board Charter

The Company adopted a charter (**Board Charter**) in this current financial year which establishes and defines the roles and responsibilities of the Board, which can be accessed from the Company's website at www.bestonglobalfoods.com.au. The Board Charter contemplates one or more executive directors and/or a Chief Executive Officer. The Company currently has a Chief Executive Officer, Mr Sean Ebert.

Pursuant to the Management Agreement, the Investment Manager is responsible for managing the Company's portfolio in accordance with the objectives, strategy, guidelines and permitted investments as set out in the Company's Replacement Prospectus dated 31 July 2015. The Investment Manager's performance under the Management Agreement is subject to ongoing monitoring by the Board.

Responsibilities

The Board retains full responsibility for overseeing and appraising the Company's strategies, policies and performance; however, to assist with discharging its responsibilities it has established the following committees:

1. Audit and Risk Committee; and
2. Remuneration and Nomination Committee.

The Board's key functions include:

- ensuring the future of the Company through the promotion of its growth and positive image;
- the adoption and monitoring of a strategic plan for the Company;
- the prudent management of the Company's its risks and its capital;
- ensuring that the directors and senior management collectively have the full range of skills needed for the effective and prudent operation of the Company;
- ensuring the Company has adequate internal controls (both operational and financial) to maintain liquidity and solvency;
- reviewing the long term positioning, branding, digital, marketing and communication strategies of the Company;
- selecting new directors of the Company and making recommendations to members; and
- approving and monitoring the annual and half year reports.

Appointment

The Board has established a Remuneration and Nomination Committee. The Committee will identify suitable candidates with appropriate skills, experience, expertise and diversity to complement the existing Board, in order for the Board to discharge its duties and pursue its business objectives effectively.

The Remuneration and Nomination Committee will also undertake appropriate checks on any candidate and seek confirmation to ensure that the candidate has sufficient time to fulfil his or her responsibilities as a director.

The Board will provide relevant information on board members seeking re-election to shareholders so as to enable shareholders to make informed decisions.

The Company does not directly employ any senior executives as the Company is administered by the Investment Manager; who will be overseen by the Board and the Remuneration and Nomination Committee.

The Company enters into written agreements with all of its directors and officers.

The Company has entered into Officer Protection deeds on standard terms with each of its current directors. The deeds indemnify the Directors in respect of certain liabilities and legal expenses incurred by them whilst acting as directors and insure them against certain risks they are exposed to as directors.

Evaluation of the Board

In accordance with the Board Charter, the performance of the Board is reviewed annually by the Remuneration and Nomination Committee to ensure that collectively the Board has the required skills, knowledge and experience to understand the risks of the Company.

Company Secretary

The Company Secretary is accountable to the Board through the Chair, and is responsible for the day to day operations of the secretarial duties of the Company and oversees the compliance obligations of the Company. The Secretary is the contact person with the ASX and ASIC.

Diversity

The Company is committed to foster gender diversity within the Company. The Board members consist of different individuals with unique skills, values, backgrounds and experiences. The Board has established a diversity policy, which is available on its website at www.bestonglobalfoods.com.au.

The Remuneration and Nomination Committee is responsible for assessing on an annual basis, the achievement against the Company's diversity objectives.

The current proportion of female representation within the Board is 33%. The Company does not directly employ any senior executives, as these are managed and employed by the Investment Manager under the terms of the Management Agreement but will be overseen by the Board and the Remuneration and Nomination Committee.

The Remuneration and Nomination Committee carries out regular reviews of the performance of the Board, each individual Director and its committees.

The Remuneration and Nomination Committee undertakes an on-going assessment of the performance of the Board throughout the year.

Principle 2: Structure the Board to add value

The Board has established a Remuneration and Nomination Committee to recommend the director nominees for each annual general meeting and ensures that the audit, compensation and nominating and corporate governance committees of the Board have the benefit of qualified and experienced independent directors. The Committee also makes recommendations to the Board on remuneration packages and policies applicable to directors and the management team appointed under the Management Agreement.

Remuneration and Nomination Committee

Composition of Remuneration and Nomination Committee

The Board has established a Remuneration and Nomination Committee which consists of a majority of whom are independent directors.

The Remuneration and Nomination Committee is chaired by an independent director, Ms Petrina Coventry.

Charter

The Charter of the Remuneration and Nomination Committee is available at the Company's website: www.bestonglobalfoods.com.au

Members

The members of the Remuneration and Nomination Committee are Petrina Coventry, Stephen Gerlach and Jim Kouts.

Attendance of Directors at Remuneration and Nomination Committee meetings is set out in the Directors' Report on page 33 of the Company's 2016 Annual Report. As this was the first year as a listed Company, the Directors resolved that it was more appropriate that Remuneration Committee related matters be considered by the whole Board.

Skills

The Board, as it is currently constituted, has a broad range of skills, knowledge and experience necessary to govern the Company and understand the economic sectors in which the Company operates. As set out in the Company's Replacement Prospectus, the Company intends to consider the appointment of additional Directors to the Board. However, any appointments will be comprised of independent directors.

Assessment

As the Company is still in an early stage of development, it has not yet undertaken a formal review of the Board's performance. However, the Board Charter provides for an annual self-assessment of the Board's performance to be provided to the Remuneration and Nomination Committee. The Board's performance is carried out on an ongoing basis throughout the year.

Independence

The Board has considered the circumstances of each Director and determined that Ms Petrina Coventry (appointed on 16/2/2015), Jim Kouts (appointed on 16/02/2015), Mr Ian McPhee (appointed on 7/04/2016) and Ms Catherine Cooper (appointed on 7/09/2016) are independent Directors, on the basis that they are free from any interest, position, association or relationship that might influence or reasonably be perceived to influence the independent exercise of their judgement. The length of the service of all the Directors is subject to the Company's Constitution and the approval of the shareholders.

The Board is currently comprised of a majority of independent Directors.

The position of the Chairperson does not currently hold the position of Chief Executive Officer but is not considered independent due to his relationship with the Investment Manager as he controls, and is a shareholder and director of the Investment Manager.

Induction

The Company has developed a program for inducting new directors and providing appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as Director's effectively. Each new Board member has the opportunity to meet with existing Board members and relevant management team members of the Investment Manager. All Board members are expected to maintain the skills required to discharge their respective roles.

Principle 3: Act ethically and responsibly

Code of Conduct

The Company has adopted a Code of Conduct to guide the standards of ethical behavior expected of Directors, officers and employees in the performance of their work. In summary, the Code of Conduct requires Directors, officers and employees to:

- act in the best interests of the Company and with honesty, integrity and fairness;
- comply with the laws and regulations which apply to the Company and its operations;
- not knowingly participate in any illegal or unethical activity;
- immediately report any concern about a possible breach of the Code of Conduct or any reportable matter under the Code;
- not enter into any arrangement or participate in any activity that would conflict with the interests of the Company or cause the Company to breach any of its legal or regulatory obligations;
- not act in a way which would be likely to negatively affect the Company's reputation;
- not take advantage of the Company's property or information or your position (or opportunities arising from these) for personal gain or to compete with the Company; or
- not take advantage of or misuse a third party's property or information.

The Code of Conduct is available at the Company's website:

www.bestonglobalfoods.com.au. The Company has also adopted a Diversity Policy and a policy and procedure for related party transactions.

Principle 4: Safeguard integrity in corporate reporting

Audit and Risk Committee

Purpose of the Committee

The Company has established an Audit and Risk Committee which operates under the Board Audit and Risk Committee Charter (as available on the Company's website at: www.bestonglobalfoods.com.au). The Audit and Risk Committee has been established to review and make recommendations to the Board on areas including corporate accounting, risk management, internal controls and financial reporting, including auditing of the Company's financial statements and the qualifications, independence, performance and terms of engagement of the Company's external auditor and complies with the ASX Corporate Governance Principles.

Composition of the Audit Committee

The Audit and Risk Committee is structured so that it has at least three members; consists only of non-executive directors; consists of a majority of independent directors, and is chaired by an independent chair, who is not the Chairman of the Board.

Technical expertise

The members of the Committee are:

Ian McPhee (Chair) – who is an Accountant – for further details of his qualifications please see the Annual Report page 32; and

Jim Kouts – has experience in the financial services industry and is financially literate– for further details of his qualifications please see Annual Report page 31; and

Dr Roger Sexton – holds doctorate and masters' degrees in economics and finance - for further details of his qualifications please see the Annual Report page 30.

Meetings

The Charter of the Audit and Risk Committee dictates that four meetings are to be held each year in order for the Committee to fulfil its obligations.

For details of the number of meetings of the Committee held during the year, and the attendees at those meetings, refer to Meetings of Directors on page 33 of the Annual Report.

Reporting

The Chair of the Audit and Risk Committee communicates the findings of the Committee to the Board after each meeting.

The Company has adopted a formal policy on the appointment and independence of the external auditor as annexed to the Charter of the Audit and Risk Committee.

The Directors require the Investment Manager and the Chief Financial Officer of the Investment Manager (or equivalent) to state in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results, and are in accordance with relevant accounting standards.

The Chief Financial Officer of the Investment Manager has provided a written statement to the Board in accordance with s259A of the *Corporations Act 2001* (Cth) that their view provided on the Company's financial report is founded on a sound system of risk management and internal compliance and control which implements the financial policies adopted by the Board.

The external auditor attends each AGM and is available to answer shareholder questions at the AGM.

Principle 5: Make timely and balanced disclosure

The Board has adopted a continuous disclosure policy, which sets out the key obligations of the Board and senior management (of the Investment Manager) to ensure that the Company complies with its disclosure obligations under the ASX Listing Rules and the Corporations Act.

The Board has overall responsibility for the establishment, implementation and supervision of the Company's continuous disclosure, however it has delegated authority to the Company Secretary (and other authorised representatives from time to time) for market communications, including what information will be disclosed to the market via the ASX.

The Company is committed to regularly communicating with shareholders in a timely, accessible and clear manner with respect to both procedural matters and major issues affecting the Company. The Company's Continuous Disclosure Policy sets out the practices which the Company implements to support effective communication with its shareholders.

A copy of the Company's Continuous Disclosure Policy is available on the Company's website at: www.bestonglobalfoods.com.au

Principle 6: Respect the rights of security holders

The Company aims to communicate all important information relating to the Company to its shareholders. The Board has adopted a Shareholder Communication Policy, which sets out the means to enable the Company to meet these goals. The Company seeks to recognise numerous modes of communication, including electronic communication, to ensure that its communication with shareholders is frequent, clear and accessible.

The Company meets its aims as follows:

- the Company's website includes copies of announcements lodged with the ASX;
- the Company provides copies of all of its Charters and policies on its website,

including its Shareholder Communication Policy, which are available at www.bestonglobalfoods.com.au

- each shareholder receives a Notice of Meeting invitation to attend the Annual General Meeting and has the opportunity to attend and participate in the meeting either in person or by representative;
- shareholders also have an opportunity to submit questions to the Board and to the Company's auditors at its Annual General Meetings - the Board regards the annual general meeting as a good forum in which to discuss issues relevant to the Company and accordingly encourages full participation by shareholders;
- shareholders can sign up to receive ASX announcements via email and can contact Company representatives via email addresses listed on the Company's website; and
- shareholders can also elect to communicate with the Company's share registry electronically

Principle 7 – Recognise and manage risk

The Board considers ongoing risk management to be a core component of the management of the Company. In conjunction with the Company's other corporate governance policies, the Company has adopted a Risk Management Policy, which is designed to assist the Company to identify, evaluate and mitigate risks affecting the Company.

The Company has delegated the review of risk management, audit and compliance matters to the Audit and Risk Committee. As set out under section 4.1 above, the Committee has at least three members; consists only of non-executive directors; consists of a majority of independent directors, and is chaired by an independent Chair, who is not Chairman of the Board.

The Board Audit and Risk Committee Charter is available on the Company's website at: www.bestonglobalfoods.com.au

For details of the number of meetings of the Committee held during the year, and the attendees at those meetings, refer to Meetings of Directors on page 33 of the Annual Report.

The Audit and Risk Committee Charter refers to the option of appointing an internal auditor. The Audit and Risk Committee has determined that as the Company outsources its business activities to the Investment Manager it is appropriate for the Company to receive relevant internal audit information on the Investment Manager's operations from time to time.

Regular internal communication between the Company's management and Board supplements the Company's quality system, complaint handling processes, employee policies and standard operating procedures which are all designed to address various forms of risks.

There are a number of business risks that could materially impact the Company. A summary of these risks and the measures that the Company takes to mitigate them are contained in the Replacement Prospectus on pages 58 to 64.

Principle 8 – Remunerate fairly and responsibly

The Board has delegated the functions of a remuneration committee to the Remuneration and Nomination Committee (which operates under the Remuneration and Nomination Committee Charter as available on the Company's website at www.bestonglobalfoods.com.au), which is designed to review and make recommendations to the Board on the remuneration and performance of the Board and key executives.

Remuneration and Nomination Committee

Purpose of the Committee

The Company has established a Remuneration and Nomination Committee which operates under the Remuneration and Nomination Committee Charter (as available on the Company's website at: www.bestonglobalfoods.com.au). The Remuneration and Nomination Committee has been established to make recommendations to the Board regarding the director nominees for each annual general meeting and ensures that the audit, compensation and nominating and corporate governance committees of the Board have the benefit of qualified and experienced independent directors. The Committee also makes recommendations to the Board on remuneration packages and policies applicable to directors and the management team appointed under the Management Agreement.

Composition of the Committee

The Remuneration and Nomination Committee is structured so that it has at least three members; consists only of non-executive directors; consists of a majority of independent directors, and is chaired by an independent chair, who is not the Chairman of the Board.

Composition of the Committee

The Board has established a Remuneration and Nomination Committee which consists of a majority of whom are independent directors.

The Remuneration and Nomination Committee is chaired by an independent director, Ms Petrina Coventry.

Recommendations on remuneration matters are submitted to the Board for approval. From time to time, the full board may decide to consider Remuneration Committee related matters directly rather than having them first considered by the Remuneration Committee and then recommended to the Board.

Charter

The Charter of the Remuneration and Nomination Committee is available at the Company's website: www.bestonglobalfoods.com.au

Members

The members of the Remuneration and Nomination Committee are Petrina Coventry (Chair), Stephen Gerlach and Jim Kouts.

Meetings

The Charter of the Remuneration and Nomination Committee dictates that it is to meet at least two times each year in order for the Committee to fulfil its obligations.

For details of the number of meetings of the Committee held during the year, and the attendees at those meetings, refer to *Meetings of Directors* on page 33 of the Annual Report.

There were no formal meetings of the Remuneration and Nomination Committee during the year, but the Board as a whole regularly considered items usually considered by the Remuneration and Nomination Committee in the normal course of business.

Reporting

The Chair of the Remuneration and Nomination Committee communicates the findings of the Committee to the Board after each meeting.

For further details of the remuneration policies of the Company, please refer to the Remuneration Report on pages 34 - 37 of the Annual Report.

The non-executive directors' remuneration is fixed and non-executive directors do not participate in any "at risk" incentive plans.

The Company does not provide any scheme for retirement benefits, other than statutory superannuation, for non-executive directors.

Equity-based remuneration

The Company does not currently have an equity-based remuneration scheme.