

18 October 2021

ASX Market Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Appendix 4G and Corporate Governance Statement

Please find attached for immediate release in relation to Freedom Foods Group Limited (**ASX: FNP**) the following documents:

- Appendix 4G
- Corporate Governance Statement

Investor inquiries:

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This announcement was authorised for release by the Chair.

About Freedom Foods Group Ltd

Freedom Foods Group (**ASX: FNP**) is a leading Australian FMCG company with a mission to create quality, on-trend, responsibly produced dairy and plant-based beverages, nutritional products and ingredients used across the health and fitness industries. The Group operates state-of-the-art manufacturing facilities in Victoria and NSW and produces key brands include the MILKLAB range of shelf stable dairy and plant-based milks, Australia's Own, So Natural, Crankt, Vital Strength and PUREnFERRIN lactoferrin. <https://ffgl.com.au/>



MAKING FOOD BETTER

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

Freedom Foods Group Limited

ABN/ARBN

002 814 235

Financial year ended:

30 June 2021

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://ffgl.com.au/our-business/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 18 October 2021 and has been approved by the board.

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

Date: 18 October 2021

Name of authorised officer
authorising lodgement:

Justin Coss

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 <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
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: https://ffgl.com.au/our-business/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <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 <u>OR</u> <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 <u>OR</u> <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 <u>OR</u> <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 <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
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"/> and we have disclosed a copy of our diversity policy at: https://ffgl.com.au/our-business/corporate-governance/</p> <p>and we have disclosed the information referred to in paragraph (c) at: Corporate Governance Statement https://ffgl.com.au/our-business/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 <u>OR</u></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
1.6	<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"/> and we have disclosed the evaluation process referred to in paragraph (a) at: Corporate Governance Statement https://ffgl.com.au/our-business/corporate-governance/</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: Corporate Governance Statement https://ffgl.com.au/our-business/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>
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: Remuneration Report https://ffgl.com.au/investors-and-media/reports-results-presentations/</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: Remuneration Report https://ffgl.com.au/investors-and-media/reports-results-presentations/</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
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 type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>We do not comply with paragraph (a) as we do not have a committee that is named the Nomination Committee but the People & Culture Committee fulfills this function. It is however not comprised of at least three Independent Directors.</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 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:</p> <p>The Annual report and the Corporate Governance Statement https://ffgl.com.au/our-business/corporate-governance/</p>	<p><input checked="" 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	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><input checked="" type="checkbox"/> and we have disclosed our board skills matrix at:</p> <p>Board Charter https://ffgl.com.au/our-business/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
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: Corporate Governance Statement https://ffgl.com.au/our-business/corporate-governance/ and, where applicable, the information referred to in paragraph (b) at: Corporate Governance Statement https://ffgl.com.au/our-business/corporate-governance/ and the length of service of each director at: Corporate Governance Statement https://ffgl.com.au/our-business/corporate-governance/	<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 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
2.6	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://ffgl.com.au/our-business/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: <ul style="list-style-type: none"> (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: https://ffgl.com.au/our-business/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: <ul style="list-style-type: none"> (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: https://ffgl.com.au/our-business/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: <ul style="list-style-type: none"> (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: https://ffgl.com.au/our-business/corporate-governance/	<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: https://ffgl.com.au/our-business/corporate-governance/ and the information referred to in paragraphs (4) and (5) at: The Annual Report https://ffgl.com.au/our-business/corporate-governance/</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>We comply with paragraph (a)</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
4.3	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.	<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 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: https://ffgl.com.au/our-business/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: https://ffgl.com.au/our-business/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: https://ffgl.com.au/our-business/corporate-governance/	<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
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
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 type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>We do not comply with paragraph (a) as the Chair of the Risk & Compliance Committee is not independent but we otherwise comply and we have disclosed a copy of the charter of the committee at: https://ffgl.com.au/our-business/corporate-governance/ and the information referred to in paragraphs (4) and (5) at: The Annual Report https://ffgl.com.au/our-business/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 a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at: Corporate Governance Statement https://ffgl.com.au/our-business/corporate-governance/</p>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement
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: The Corporate Governance Statement https://ffgl.com.au/our-business/corporate-governance/</p>	<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
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 governance, risk management and internal control processes.	<input checked="" type="checkbox"/> <i>[If the entity complies with paragraph (a):]</i> and we have disclosed how our internal audit function is structured and what role it performs at: Corporate Governance Statement https://ffgl.com.au/our-business/corporate-governance/ <i>[If the entity complies with paragraph (b):]</i> We comply with paragraph (a)	<input type="checkbox"/> set out in our Corporate Governance Statement
7.4	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.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at: Annual Report https://ffgl.com.au/our-business/corporate-governance/ and, if we do, how we manage or intend to manage those risks at: Annual Report https://ffgl.com.au/our-business/corporate-governance/	<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 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"/></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: Corporate Governance Statement https://ffgl.com.au/our-business/corporate-governance/</p> <p>and the information referred to in paragraphs (4) and (5) at: The Annual Report https://ffgl.com.au/our-business/corporate-governance/</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>We comply with paragraph (a)</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	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><input checked="" type="checkbox"/></p> <p>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 https://ffgl.com.au/our-business/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>
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"/></p> <p>and we have disclosed our policy on this issue or a summary of it at: Securities Trading Policy https://ffgl.com.au/our-business/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 <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
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.	Not applicable	<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.	Not applicable	<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.	Not applicable	<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			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	Not applicable	<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>	Not applicable	<input type="checkbox"/> set out in our Corporate Governance Statement

FREEDOM FOODS GROUP LIMITED

2021 CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

Approach to Corporate Governance

Freedom Foods Group Limited (**Company**) is committed to implementing high standards of corporate governance and ensures, wherever possible, that its practices are consistent with the Fourth Edition of the Australian Securities Exchange (**ASX**) Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**).

The Board of Directors of the Company (**Board**) has ultimate authority over, and oversight of, the Company and its related entities (**Group**) and regards corporate governance as an important element in achieving the Group's objectives. Accordingly, the Board has adopted appropriate charters, codes and policies and established a number of committees (**Committees**) to discharge its duties.

The Corporate Governance page of the Company's website (<https://ffgl.com.au/our-business/corporate-governance/>) contains the Charters, Codes and Policies referred to in this Corporate Governance Statement (**Statement**). These Charters, Codes and Policies are periodically reviewed and updated.

The Board considers that the application of a small number of ASX Recommendations are not appropriate for the reasons set out in this Statement. The Board has assessed these differences and has determined that they do not have a negative impact on the Company and are in the best interests of shareholders as a whole.

As required by ASX Listing Rule 4.10.3, this Statement outlines the Company's main corporate governance practices and policies in place during the 2021 financial year and at the date of this Statement.

This Statement is intended to inform our shareholders of the Group's governance framework, developments in 2021, and priorities for further development of our governance arrangements in 2022 and beyond.

Key Changes in the 2021 Financial Year

This Statement includes commentary on actions taken by the Board during (and since) the financial year to 30 June 2021 to enhance the Group's governance. These actions include:

- the appointment of Stuart Black AM as a new Independent Non-Executive Director and Chair of the Finance and Audit Committee, as part of a board renewal process and to expand the mix of skills and experience of the Board;
- the appointment of Genevieve Gregor as Independent Chair of the Board;

- the Board is now comprised of a majority of independent non-executive Directors;
- updating key Board governance policies, processes, and charters;
- revising and updating the Company's Risk Management Framework, risk management processes and practices;
- the establishment of an internal audit function and appointing an experienced internal auditor as Head of Internal Audit;
- the development of a comprehensive executive remuneration framework with appropriate short- and long-terms incentives to promote desired behaviours, incentivise achievement of business objectives and align with shareholder value.
- the development of a Risk Appetite Statement that is suitable for the Company's scale and complexity and that addresses the need for the Company to take appropriate business risk; and
- the appointment of an experienced corporate governance lawyer as the Company's Group General Counsel and Company Secretary.

Priorities for the 2022 Financial Year

The Board's governance priorities for the current financial year (to 30 June 2022) and beyond include:

- working with the CEO and management team to finalise the organisational reset, completion of our transformation plan, which is underway, and updating our strategy for the growth phase that builds on the transformation;
- the release of our Environmental, Social and Governance (ESG) policy;
- continuing to improve the timeliness and quality of management reporting to the Board;
- implementation of the various initiatives underway to strengthen governance, controls and oversight at the Company;
- finalising the review of risk and the development of the Risk Appetite Statement and operational implementation of the Risk Management Framework within the businesses;
- continuing the progress on cultural transformation;
- undertaking a Board effectiveness and skills review; and
- attempting to resolve the litigation in which the Company is presently engaged.

Our Values

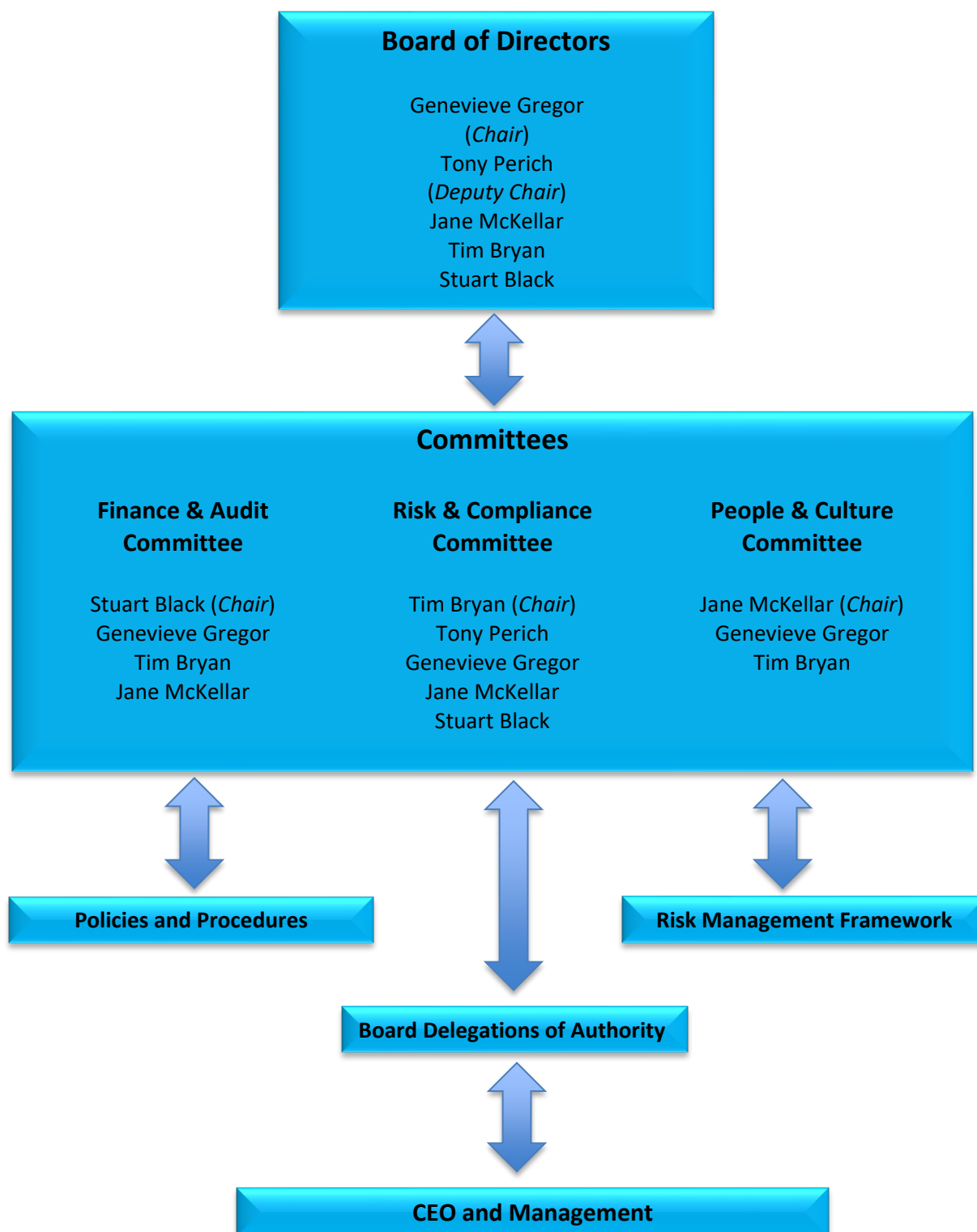
The Company's Corporate Governance Framework is underpinned by its values as described in its Corporate Values Statement. These values are:



Overview of Corporate Governance Framework

An overview of the Corporate Governance Framework established by the Company is set out below.

CORPORATE GOVERNANCE FRAMEWORK



The Company's key corporate governance Charters and Policies and the ASX Recommendations to which they relate are set out below:

Charter / Policy	ASX Recommendations
Board Charter	1.1; 1.2; 1.3; 1.4; 1.6; 1.7
Finance and Audit Committee Charter	4.1
Risk and Compliance Committee Charter	7.1
People and Culture Committee Charter	2.1; 8.1; 8.3
Corporate Values Statement	3.1
Code of Conduct	3.2
Anti-Bribery Policy and Anti-Corruption Policy	3.4
Anti-Slavery and Human Trafficking Policy	3
Whistleblower and Improper Conduct Policy	3.3
Continuous Disclosure Policy	5.1
Securities Trading Policy	3
Shareholder Communications Policy	6.1; 6.2; 6.3; 6.5
Diversity and Inclusion Policy	1.5
Statement on Verifying Unaudited Periodic Corporate Reports	4.3

THE BOARD AND ITS COMMITTEES

Board composition

At the date of this Statement the Board comprises:

Director	Appointed	Tenure	Independent	Role
Genevieve Gregor	2 March 2020	1 year 6 months	Y	Independent Chair
Tony Perich AM	27 July 2006	15 years 2 months	N	Non-Executive Deputy Chair
Jane McKellar	8 May 2020	1 year 4 months	Y	Independent Non-Executive Director
Tim Bryan	29 January 2021	8 months	N	Non-Executive Director
Stuart Black AM	22 March 2021	6 months	Y	Independent Non-Executive Director

The Board notes that from 29 January 2021, the Chair is an Independent Non-Executive Director and from the date of Stuart Black's appointment on 22 March 2021 the Board comprised a majority of independent Directors.

The Board intends to continue to maintain the structure and composition of the Board so that it comprises a majority of independent Directors and that the Chair remains an independent Director.

In order to facilitate independent judgement in decision-making, each Director has the ability to seek independent professional advice at the Company's expense, subject to the requisite approval process as detailed in the Board Charter. Directors have access to all members of management, including the Head of Internal Audit and the Group General Counsel and Company Secretary.

The Company appointed Michael Perich as Interim CEO on 6 August 2020. Upon his appointment as Interim CEO, Michael Perich resigned as an Alternate Director of the Company. Michael Perich was confirmed as CEO on 19 March 2021.

The role of Chair and Managing Director/Chief Executive Officer are not exercised by the same person.

The Directors' Report in the Annual Report sets out the details of the skills, experience and expertise of each Director.

The Board aims to ensure that it has an appropriate mix of skills and capabilities among its members. The Board acknowledges that its size and composition and the mix of skillsets and capabilities may require change to meet future circumstances. The skills matrix below is used as the basis for assessing the Board, as well as acting as the reference point for future Board appointments.

Skill	Description
Leadership	Senior executive-level experience or board experience of an ASX-listed company or large private organisation
Governance & Compliance	Commitment to and knowledge of governance issues, including the legal, compliance and regulatory environment applicable to listed entities; risk management frameworks and controls, setting risk appetites, identifying and providing oversight of key business risk (both financial and nonfinancial) and emerging risks
Financial	Capability to evaluate and oversee financial statements and understand key financial drivers of the business, bringing understanding of corporate finance and experience to evaluate the adequacy of financial risk and controls
Strategy and commercial acumen	Experience in assessing and testing strategic objectives, business plans and financial performance and driving execution
People and culture	Experience in people management; organisational culture; retention and succession planning
Customer	Experience in developing and leading a customer-focussed organisation

Operations	Experience in manufacturing environments, including effectiveness and efficiency of manufacturing processes; supply chains, workplace health and safety; quality assurance
Digital	Experience in leveraging digital technology to drive competitive strategy, innovation, revenue growth, business performance and cyber security
Industry	Relevant industry experience in the fast-moving consumer goods sector; agricultural science; food safety; wholesaling and retailing, which also includes sales, branding and marketing; and regional, customer and community focus

The Board considers that the above skills are appropriately represented on the Board but will continue to review the composition of the Board as appropriate to ensure that the skills and experience of the Board remain suitable for the scale and complexity of the Company's operations.

(Relevant ASX Recommendations 2.2; 2.3; 2.4; 2.5)

Director appointments

The Company's constitution states that at each Annual General Meeting, one third of the Company's non-executive directors cease to hold office. Directors who retire may offer themselves for re-election by shareholders. Any Director appointed to fill a casual vacancy since the date of the previous Annual General Meeting must also submit themselves for election at the next Annual General Meeting.

The Company undertakes appropriate background checks prior to nominating a person for election by shareholders and will provide to shareholders all relevant material in the explanatory notes accompanying the notice of meeting. New Directors enter into Deeds of Indemnity, Access and Insurance with the Company and receive a letter of appointment setting out the terms of their appointment, their rights and obligations and the Company's expectations of them.

New Directors undergo an induction process in which they are given a full briefing on the operations of the Company. Where possible, this includes meetings with key executives, tours of the operating sites (if practicable) and provision of an induction package containing key corporate information and presentations.

A new Director, Stuart Black AM, was appointed during the year and will stand for election at the upcoming AGM.

(Relevant ASX Recommendations 1.2; 2.6)

Board Committees

To assist in carrying out its responsibilities, the Board has established the following committees:

- Finance and Audit Committee;
- Risk and Compliance Committee; and
- People and Culture Committee (previously called the Remuneration and Nomination Committee).

Due to the size of the company, the Board does not operate a separate Nominations Committee and the functions of such a committee are performed by the People and Culture Committee.

Each Board Committee operates under a formal charter that is made publicly available on the Company's website under the "Corporate Governance" section.

Each Board Committee comprises a majority of non-executive Directors and (except for the Risk and Compliance Committee) currently has an independent Chair, with Stuart Black AM replacing Tim Bryan as Chair of the Finance and Audit Committee in March 2021, Tim Bryan replacing Genevieve Gregor as Chair of the Risk and Compliance Committee in March 2021 and Jane McKellar replacing Perry Gunner as Chair of the People and Culture Committee in July 2020.

The Chair of each Committee reports to the Board on the Committee's activities, conclusions and recommendations at the Board meeting following a Committee meeting.

Details of the number of times that each Committee met during the year, and the attendance of each Committee member at those meetings, is summarised in the Directors' Report section of the Company's 2021 Annual Report.

(Relevant ASX Recommendations 2.1; 4.1; 7.1)

Board and Committee reviews and evaluations

A review of the performance of the individual Directors is intended to occur each year and although it did not take place in FY21, due to the number of new Directors joining the Board and the competing priorities associated with the Company's successful recapitalisation, it is intended that an individual Director performance review will take place in FY22. It is also intended that the Board undertakes a performance evaluation of itself annually, including against the skills matrix disclosed, with all Directors providing input as to the effectiveness of the Board processes, meetings, performance, composition and reporting, with Directors having an opportunity to discuss and comment on such matters with the Chair. Although a Board performance evaluation did not occur in FY21, due to the matters already described, it is intended that this will occur in FY22.

The Board also intends, as part of its overall performance review, to review the performance and composition of its committees in FY22.

Directors and executives are encouraged to broaden their knowledge of the Company's business and to keep abreast of developments in business more generally. The Company provides assistance where necessary for Directors' professional development.

(Relevant ASX Recommendations 1.6)

BOARD AND MANAGEMENT ROLES AND RESPONSIBILITIES

Board Role and Responsibilities

The Board's responsibilities and functions are encompassed in a Board Charter that is published on the Company's website under the "Corporate Governance" section. The Board is responsible for, among other things:

- defining the Company's culture and values;
- establishing the strategic direction of the Company;
- appointing or removing and reviewing the performance of the CEO;

- approving group budgets and strategic plans;
- setting the risk appetite within which the Company is to operate;
- monitoring performance against budget and strategic plans; and
- reviewing and providing oversight of management and the operations of the Company.

The Board approves an annual 12 month budget and operating plan for the Company each financial year and monitors the Company's performance against the budget and operating plan objectives. At this time, the Board also oversees a high-level longer term annual budget. Reforecasts of the annual 12 month budget are undertaken as required. When possible, the Board makes visits and holds board meetings on site at the Company's manufacturing facilities.

The Directors meet formally as a Board, normally monthly and informally more frequently as required. The CEO attends each Board and Committee meeting and other senior executives attend meetings at the invitation of the Board or Committee, to present on specific aspects of the business.

The Company has a written agreement with each Director and senior executive setting out the terms of their appointment, including where appropriate the Company's obligation to indemnify each individual and provide access to documentation and appropriate insurance.

(Relevant ASX Recommendations 1.1; 1.3)

Management roles and responsibilities

The Board has delegated responsibility for the operation and administration of the Company and the implementation of the corporate strategy and budgets approved by the Board to the Chief Executive Officer, who is supported by a team of key executives. The performance of the Chief Executive Officer is reviewed annually and includes agreement on key performance measures for the following year. The Chief Executive Officer conducts annual performance reviews for the executives reporting directly to him or her.

The Board has decided that for the time being, the CEO, will not hold the role of a Director but this remains at the Board's discretion.

The Board Charter and Delegation of Authority delineates the matters reserved for the Board and those delegated to the CEO and management.

(Relevant ASX Recommendations 1.1; 1.7)

Company Secretary

The Company Secretary is accountable directly to the Board on all matters relating to the proper functioning of the Board. The role of Company Secretary has been held by several people in the past year concluding with the appointment on 23 November 2020 of the permanent Group General Counsel and Company secretary.

(Relevant ASX Recommendations 1.4)

COMMITMENT TO ETHICAL CONDUCT AND INTEGRITY OF REPORTING

Framework for ethical conduct

The Board acknowledges the need for, and continued development and implementation of, a high standard of corporate governance practices and ethical conduct by all Directors, CEO, senior

executives and employees of the Company. The Board has adopted and continues to update a number of policies to underpin an ethical culture, including a Corporate Values Statement, Code of Conduct, Anti-Bribery and Anti-Corruption Policy and Whistleblower Policy.

The Code of Conduct is a key element of the Company's governance and Risk Management Framework. The Board, senior executives and employees of the Company are committed to implementing the Code of Conduct and each individual is accountable for compliance with the Code. As part of the active promotion of ethical behaviour, any behaviour that does not comply with the Code of Conduct must be reported. The Company affords protection to those who report violations in accordance with the Company's Whistleblower Policy.

The Company has taken a number of steps in FY21 to ensure that a culture of strong ethics and integrity in behaviours and reporting is instilled into the Company's governance framework. The Board does not and will not tolerate behaviours that are not consistent with the principles outlined above. The Board has reviewed and updated the compliance framework of the Company and implemented a periodic management compliance sign-off process to enhance the integrity of the framework.

The Company's Securities Trading Policy establishes requirements and controls for Directors, senior executives and employees to deal in the Company's securities, to ensure that those dealings only occur when that person does not have material information that has not been disclosed to the market. The Securities Trading Policy allows Directors and senior executives to deal in the Company's securities, subject to complying with the processes under the Securities Trading Policy, during permitted trading windows (other than during restricted periods as may be implemented in accordance with the Securities Trading Policy).

Each of the above policies is published on the Company's website under the "Corporate Governance" section.

(Relevant ASX Recommendations 3.1; 3.2; 3.3; 3.4)

INTEGRITY OF REPORTING AND PUBLIC COMMUNICATIONS

Integrity of reporting

The Board has established a Finance and Audit Committee and a Risk and Compliance Committee comprising at least three non-executive Directors, with appropriate experience. Every member of the Finance and Audit Committee must be able to read and understand financial statements and the majority have experience in financial and accounting matters. The details of these committees are disclosed elsewhere in this Statement.

As part of the structure of financial review and authorisation, the Chief Executive Officer and Chief Financial Officer are required to provide written assurances that:

- the financial reports present a true and fair view of the Company's and consolidated entity's financial position in all material respects;
- the integrity of the financial statements is founded on a sound system of risk management and internal compliance and control that implements the policies adopted by the Board; and
- the system is operating efficiently and effectively in all material respects in relation to financial reporting risks.

A management assurances and compliance attestation process is in place for completion of the financial statements for the Company.

Until the appointment of the Head of Internal Audit on 23 November 2021, the Company did not have an internal audit function. To ensure an appropriate control environment and the integrity of the financial statements, in discharging its responsibilities the Board historically relied upon: management representations; review, oversight and challenge by the Board; review, oversight and challenge by the Finance and Audit and Risk and Compliance committees; and the engagement of an external auditor.

The internal auditor reports to the Board, via the Finance and Audit Committee.

The Board selects an external auditor based on the criteria relevant to the business of the Company such as experience in the industry in which the Company operates, references, costs, independence and any other matters deemed relevant by the Board, including ensuring the appropriate rotation of the audit engagement partner.

The external auditors have a direct line of communication at any time to either the Chair of the Finance and Audit Committee or the Chair of the Board and have regular in camera sessions with the Board and the Finance and Audit Committee, without management being present.

The Chief Executive Officer, other senior management and the external audit partner attend Committee meetings at the discretion of the Committee.

(Relevant ASX Recommendations 4.1; 4.2; 4.3)

Continuous Disclosure and Shareholder Communication

The Company has implemented a Continuous Disclosure Policy to ensure there are mechanisms in place to provide all investors with equal and timely access to material information concerning the Company and to ensure that the Company meets its continuous disclosure obligations under the ASX Listing Rules. All information disclosed to the ASX must be presented in a clear and balanced way and not omit any material information.

To enhance clarity and balance of reporting and to enable investors to make an informed assessment of the Company's performance, financial results are accompanied by commentary.

The Company aims to keep shareholders informed of the Company's performance in an ongoing manner. Apart from information provided pursuant to the Company's legal and ASX Listing Rules obligations regarding continuous disclosure, the Company also communicates information about itself and its performance with shareholders through the:

- (1) Annual Report, which is available to all shareholders if they have elected to receive a printed version or is otherwise available for viewing and downloading from the Company's website. The Annual Report includes relevant information about the Company's operations and performance;
- (2) Invitation to the Annual General Meeting and the accompanying papers;
- (3) The Company's website at www.ffgl.com.au;
- (4) Reports to the ASX and press releases;
- (5) Half-year and full-year profit announcements;

(6) Quarterly activity reports; and

(7) Information and presentations to analysts (which are released to the ASX).

The Company offers shareholders the ability to receive company information electronically by registering their email address with the Company's share registry.

The main forum for two-way communication between the Company and its shareholders is the Annual General Meeting. The Board encourages shareholders attending the annual or other general meetings to ask questions of the Directors and to express their views and respond to initiatives being proposed by the Board.

The Company ensures that the external auditor attends the Annual General Meeting and is available to answer shareholder questions about the audit and the preparation and content of the audit reports.

While the bulk of the information disclosed to shareholders consists of audited material, there is also information provided to shareholders that is unaudited, including by way of example the Appendix 4C Quarterly Activity Report and the prospectuses issued by the Company in connection with its recent successful recapitalisation. The Company's process for verifying unaudited periodic corporate reports and other unaudited material provided to shareholders 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;
- information in a report that relates to financial projections, statements as to future financial performance or changes to the policy or strategy of the Company (taken as a whole) must be approved by the Board; and
- the report is reviewed and approved for release to the ASX under the Company's Continuous Disclosure Policy.

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.

(Relevant ASX Recommendations 4.3 5.1; 6.1; 6.2; 6.3; 6.5)

RISK MANAGEMENT

Risk Management Framework

The Company is committed to protecting itself, its people, its customers, its suppliers, and the public while conducting its business activities, in the pursuit of its strategic and financial objectives. It recognises that effective risk management is critical for anticipating and managing situations or events that could prevent it from achieving the commitment of the risk management strategy. The taking of risk and the management of the risk taken is integral to the successful achievement of the Company's mission, vision, and values.

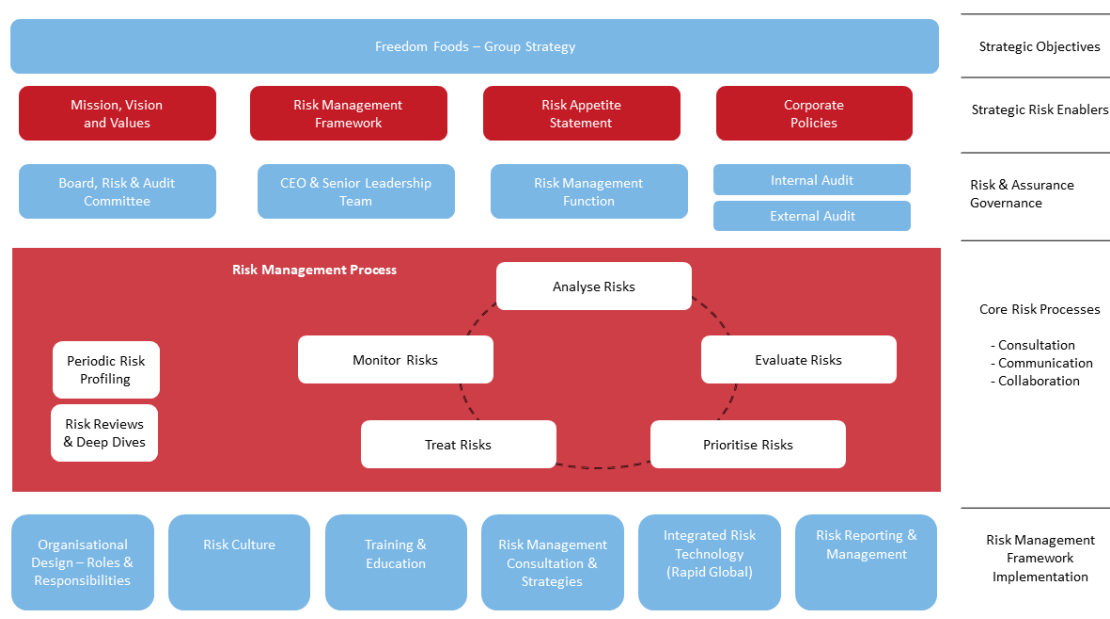
The Company's Risk Management Framework and related risk and governance processes aim to ensure that risk management is embedded throughout the business and managed in a structured and systematic manner. This Framework has been developed taking into account the Group's risk appetite and the business risk profile by reviewing its size, the industries it operates in, its business

mix, its ability to accept and/or manage risks, the resources available to manage risks, and its organisational culture and risk maturity. The Framework seeks to enable the Company's Board, management, and employees to identify, assess, treat, monitor, and report on risks consistent with an enterprise risk management approach.

The Risk and Compliance Committee has, during the course of FY21, undertaken a comprehensive review of the Company's risk appetite and Risk Management Framework and this work is ongoing. Key initiatives arising from the review that have been completed include:

- Approval of a new, revised Risk Management Framework;
- Approval of a new compliance policies management framework;
- Establishment of a dedicated risk management function;
- Implementation of a new technology-based approach to the management of risk across the Company;
- A comprehensive re-assessment of the Company's risk profile; and
- Development of a risk appetite statement and commencement of implementation.

The diagram below outlines the Company's approach to the management of risk in the revised Risk Management Framework approved in 2020:



The Board seeks to ensure that the processes of risk identification, assessment and management are embedded in every aspect of the Company's businesses. Through the Risk and Compliance Committee, it monitors whether the level of compliance and governance within the Company is appropriate, with a particular focus on risk culture, reporting and ensuring that an appropriate Risk Appetite Statement is set that is suitable for the Company's scale and complexity and that addresses the need for the Company to take appropriate business risk.

There are a number of material risks to which the Company is exposed. The Company considers the key material business risks of the Company are, in summary:

- Litigation risks

- COVID-19 pandemic risks
- Regulatory investigations and other actions
- Supply chain reliability
- Reliance on information technology and protection against cyber crime
- Access to export markets
- Access to financial resources
- Brand management
- Changing consumer preferences in competitive markets
- Collection of debtors
- Food quality and safety
- Impacts of climate change
- Maintaining a talented and motivated workforce
- Manufacturing disruption
- Protection of intellectual property
- Reliance on business relationships
- Reputation risk

The Company seeks, wherever reasonably practical, to implement appropriate mitigating steps to manage the various risks to which the Group is exposed.

Internal Audit and Controls

As noted earlier in this statement, the Company has recruited an experienced Head of Internal Audit who reports to the Board via the Finance and Audit Committee. If necessary, due to a need for specialised expertise, certain internal audit engagements may be outsourced.

(Relevant ASX Recommendations 7.1; 7.2; 7.3)

Environmental and Social Risks

The Company has exposure to various environmental and social risks in respect of which the Board and management are in the process of undertaking a comprehensive assessment.

In conjunction with external advisers, the Company is developing a comprehensive Environmental, Social and Governance (ESG) strategy to assist in mitigating these risks, identifying strategic opportunities and improve its ESG performance, reporting and profile. As part of the transformation underway, a focus on the refresh of the Company's ESG aspirations has identified: what must we do; what should we do; what could we do. These strategic aspirations drive the Company's ESG strategy and reporting and enable the measurement and management of ESG factors such as carbon emissions, workforce diversity and supply chain sustainability.

This work is underway, and it is anticipated that an ESG strategy will be released to the market during FY22. The ESG strategy will be a working document and expanded and modified over time, as we gain a better understanding of the issues and what we can do going forward.

(Relevant ASX Recommendations 7.4)

REMUNERATION

Committee

The Board has established a People and Culture Committee (until July 2020 the Remuneration and Nomination Committee) to consider and report on, among other matters, remuneration policies and packages applicable to Board members and senior executives of the Company. The Committee is responsible for ensuring that any equity-based executive or non-executive Director remuneration is made in accordance with any thresholds approved by shareholders.

The Committee operates independently of the senior management of the Company.

Further detail on the Committee is contained elsewhere in this statement.

(Relevant ASX Recommendations 8.1)

Structure of Non-Executive Director and Executive Remuneration

The Board believes that Directors are properly rewarded through payment of a fee which is reviewed annually in the light of market conditions, regularly benchmarked against market practice and has regard to the responsibilities and workload placed on the Directors by the legal and financial framework within which they act.

Non-executive Directors receive fees determined by the Board, but within the aggregate limit approved by shareholders at a general meeting. Non-executive Directors do not participate in bonus payments or any retirement benefits other than statutory superannuation.

The structure of remuneration for non-executive Directors and any executive Directors differ. As explained in the Remuneration Report, key management personnel receive fixed remuneration, employer contributions to superannuation funds and, at the discretion of the Board, short- and long-term incentives, the latter of which may be cash or equity-based at the discretion of the Board.

The Chief Executive Officer is currently remunerated solely on the basis of fixed remuneration, including employer contributions to a superannuation fund

The Securities Trading Policy for Directors and senior executives prohibits them entering into transactions in products that operate to limit the economic risk of any unvested entitlements under any equity-based remuneration scheme offered by the Company.

Details of the remuneration paid to Directors and key management personnel is contained in the Remuneration Report of the Company's 2021 Financial Report.

(Relevant ASX Recommendations 8.2; 8.3)

DIVERSITY AND INCLUSION

The Board has adopted an Equal Opportunity and Diversity Policy, which can be access on the Company's website at www.ffgl.com.au

The objectives of this Policy include:

- to continue to build a company culture that supports equal opportunity and diversity in the workplace while maintaining a strong commitment to high performance;

- to continually promote inclusiveness, respect and diversity, and to value individuals for their diverse skills, experiences, backgrounds and attributes; and
- to design people and culture policies, programs and processes that are free from bias, and to continue to support equal opportunity and diversity at all levels of seniority.

The Company acknowledges the positive outcome that can be achieved through a diverse workforce and is committed to actively managing diversity as a means of enhancing the Company's performance.

The Company is a relevant employer under the Workplace Gender Equality Act and the Company's most recent Workplace gender Equality Report can be accessed on the Company's website at www.ffgl.com.au

As at 30 June 2021, the proportion of women employed by the Company was as follows:

- Board of Directors: 40%
- Senior Executive positions (Chief Executive Officer and KMP): 33%
- Senior Management positions: 35%
- Total Company workforce: 35%

The proportion of women on the Board has shown an increase from 30% to 40% in FY2021

(Relevant ASX Recommendations 1.5)

This Corporate Governance Statement is accurate and up to date as at 18 October 2021 and has been approved by the Board.