



## Corporate governance statement

This document discloses the extent to which Bellamy's Australia Limited ACN 124 272 108 (**Company**) will follow, as at the date of its admission to the official list of ASX Limited (**ASX**), the recommendations set by the ASX Corporate Governance Council in the third edition of its Corporate Governance Principles and Recommendations (**ASX Recommendations**). Capitalised terms used in this document have the meanings given to them in the prospectus lodged by the Company with the Australian Securities and Investments Commission on 4 July 2014 (**Prospectus**).

	ASX RECOMMENDATION	COMPLIED	COMMENT
1.	<b>Principle 1 – Lay solid foundations for management and oversight</b>		
	A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated		
1.1.	<b>ASX Recommendation 1.1</b> A listed entity should disclose: <ul style="list-style-type: none"> <li>a. the respective roles and responsibilities of its board and management and</li> <li>b. those matters expressly reserved to the board and those delegated to management.</li> </ul>	Yes to all	Please refer to Section 6.8.3 in the Prospectus and the Board's Charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a> ) for further detail.
1.2.	<b>ASX Recommendation 1.2</b> A listed entity should: <ul style="list-style-type: none"> <li>a. undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>a. Yes</li> <li>b. Will comply</li> </ul>	Please refer to Section 6.8.4.2 in the Prospectus and the Remuneration and Nomination Committee Charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a> ) for further detail.
1.3.	<b>ASX Recommendation 1.3</b> A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	The Company has entered into written agreements with each director and senior executive. Please refer to Sections 6.5, and 6.6 in the Prospectus.
1.4.	<b>ASX Recommendation 1.4</b> The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	Please refer to the Board's Charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a> ) for further detail.
1.5.	<b>ASX Recommendation 1.5</b> A listed entity should: <ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>a. Yes</li> <li>b. Yes</li> <li>c. Will comply</li> </ul>	The Company has established a Diversity Policy ( <b>Policy</b> ) that covers factors such as gender, age, ethnicity, cultural background, language and disability. The Policy includes a requirement for the Company to establish measurable objectives for achieving gender diversity within the organisation. The measurable objectives, and Bellamy's progress towards achieving them, will be assessed not less than annually by the Board (on recommendation of the Remuneration and Nomination Committee), and will be reported on in the Annual Report each year.

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	<p>both the objectives and the entity's progress in achieving them;</p> <p>b. disclose that policy or a summary of it; and</p> <p>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:</p> <ol style="list-style-type: none"> <li>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</li> <li>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.</li> </ol>		<p>As at 25 June 2014, the percentage of women at each of the following levels of the Company is:</p> <ul style="list-style-type: none"> <li>• Board: 25%</li> <li>• Senior executive (defined as management who report directly to the CEO): 0%</li> <li>• All employees: 62%</li> </ul> <p>Please refer to Section 6.8.5 in the Prospectus and the Board's Diversity Policy (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p> <p>The Board intends to disclose the matters contemplated in ASX Recommendation 1.5 in future annual reports.</p>
1.6.	<p><b>ASX Recommendation 1.6</b></p> <p>A listed entity should:</p> <ol style="list-style-type: none"> <li>a. have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</li> <li>b. disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ol>	<ol style="list-style-type: none"> <li>a. Yes</li> <li>b. Will comply</li> </ol>	<p>Please refer to Section 6.8.4.2 in the Prospectus and the Remuneration and Nomination Committee Charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p> <p>The Board intends to disclose the matters contemplated by ASX Recommendation 1.6 in future annual reports.</p>
1.7.	<p><b>ASX Recommendation 1.7</b></p> <p>A listed entity should:</p> <ol style="list-style-type: none"> <li>a. have and disclose a process for periodically evaluating the performance of its senior executives; and</li> <li>b. disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ol>	<ol style="list-style-type: none"> <li>a. Yes</li> <li>b. Will comply</li> </ol>	<p>Please refer to Section 6.8.4.2 in the Prospectus and the Remuneration and Nomination Committee Charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p> <p>The Board intends to disclose the matters contemplated by ASX Recommendation 1.6 in future annual reports.</p>

	ASX RECOMMENDATION	COMPLIED	COMMENT
2.	<b>Principle 2 – Structure the Board to add value</b>		
	A listed entity should have a board of appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.		
2.1.	<p><b>ASX Recommendation 2.1</b></p> <p>The board of a listed entity should:</p> <p>a. have a nomination committee which:</p> <ol style="list-style-type: none"> <li>1. has at least three members, a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3. the charter of the committee;</li> <li>4. the members of the committee; and</li> <li>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</li> </ol> <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>a. Yes</p> <ol style="list-style-type: none"> <li>1. Yes</li> <li>2. Yes</li> <li>3. Yes</li> <li>4. Yes</li> <li>5. Will comply</li> </ol> <p>b. N/A</p>	<p>The Board has established the Remuneration and Nomination Committee with the primary roles of the Committee being to assist the Board to attract and retain suitable Directors and senior executives, to ensure that Directors and executives are fairly and responsibly remunerated, to evaluate the performance of Directors and executives and to ensure that there are appropriate succession plans.</p> <p>The Remuneration and Nomination Committee is comprised of three Non-executive Directors, being Michael Wadley (Chair), Rob Woolley and Ian Urquhart (please refer to Section 6.8.4.2 in the Prospectus). The Board considers each of the Directors to be independent, having regard to the Board's Charter that in turn is based upon the indicia in Box 2.3 in the ASX Recommendations (please refer to Section 6.7 in the Prospectus).</p> <p>Please refer to the Remuneration and Nomination Committee Charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p> <p>The Board intends to disclose the matters contemplated by ASX Recommendation 2.1 in future annual reports.</p>
2.2.	<p><b>ASX Recommendation 2.2</b></p> <p>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.</p>	Yes	<p>Please refer to Section 6.8.4.2 in the Prospectus and the Board Charter and Remuneration and Nomination Committee charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p>
2.3.	<p><b>ASX Recommendation 2.3</b></p> <p>A listed entity should disclose:</p> <p>a. the names of the directors considered by the board to be independent directors;</p> <p>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</p>	<p>a. Yes</p> <p>b. Yes</p> <p>c. Yes</p>	<p>The Board consists of four Directors, as noted in Section 6.1 in the Prospectus, three of whom (being Rob Woolley (Chair), Ian Urquhart and Michael Wadley) are Non-executive Directors.</p> <p>Rob Woolley has provided additional services to the Company over the last seven years and as a consequence may be perceived as not being independent. However, the Board has considered the nature of the services provided including the materiality of the services provided, and have formed the opinion that the relationship has not impinged upon Rob's ability to bring his independent judgment to bear on issues before the Board. Rob is therefore considered by the Board to be independent.</p> <p>The Company has disclosed in the Prospectus the skills, experience, relevant expertise and period of office of each Director, and the independence of the Directors, please refer to Sections 6.1 and 6.8.2.</p>

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	c. the length of service of each director.		
2.4.	<b>ASX Recommendation 2.4</b> A majority of the board of a listed entity should be independent directors.	Yes	As noted above in Recommendation 2.3, the Board is composed of a majority of independent directors. It is the intention of the Board that this be maintained. Please refer to the Board Charter (available from Listing at bellamysorganic.com.au) for further detail.
2.5.	<b>ASX Recommendation 2.5</b> 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.	Yes	As noted above in Recommendation 2.3, the Chair is an independent director.  The roles of Chair and Managing Director/CEO are exercised by different individuals, being Rob Woolley and Laura McBain, respectively.
2.6.	<b>ASX Recommendation 2.6</b> 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.	Yes / will comply	Please refer to the Remuneration and Nomination Committee Charter (available from Listing at bellamysorganic.com.au) for further detail.
<b>3.</b>	<b>Principle 3 – Act ethically and responsibly</b>		
	A listed entity should act ethically and responsibly.		
3.1.	<b>ASX Recommendation 3.1</b> 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.	a. Yes  b. Yes	Please refer to Section 6.8.9 in the Prospectus and the Code of Conduct (available from Listing at bellamysorganic.com.au) for further detail.
<b>4.</b>	<b>Principle 4 – Safeguard integrity in corporate reporting</b>		
	A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.		
4.1.	<b>ASX Recommendation 4.1</b> 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	a. Yes  1. Yes  2. Yes  3. Yes  4. Yes  5. Will comply  b. N/A	The Board has established the Finance, Audit and Risk Committee the primary purpose of which is to assist the Board in carrying out its financial reporting, external audit, risk management systems and internal control structure.  The Finance, Audit and Risk Committee is comprised of three non-executive Directors, being Ian Urquhart (Chair), Rob Woolley and Michael Wadley. As noted above in ASX Recommendation 2.3, each of these Directors are considered by the Board to be independent.  The Company has disclosed in the Prospectus the skills, experience, relevant expertise and period of office of each Director, please refer to Section 6.1 in the Prospectus.  Please refer to Section 6.8.4.1 in the Prospectus and the Finance, Audit and Risk Committee Charter (available from Listing at bellamysorganic.com.au) for further detail.

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	<p>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>		
4.2.	<p><b>ASX Recommendation 4.2</b></p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Yes, will comply.	<p>A decision by the Board to approve the Company's financial statements for a financial period, is subject to receipt, from its CEO and Chief Financial Officer and Company Secretary, a declaration in accordance with section 295A of the Corporations Act and ASX Recommendation 4.2.</p> <p>Please refer to Section 6.8.4.1 in the Prospectus and the Finance, Audit and Risk Committee Charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p>
4.3.	<p><b>ASX Recommendation 4.3</b></p> <p>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.</p>	Yes, will comply	Please refer to the Shareholder Communication Policy (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a> ) for further detail.
<b>5.</b>	<b>Principle 5 – Make timely and balanced disclosure</b>		
	A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.		
5.1.	<p><b>ASX Recommendation 5.1</b></p> <p>A listed entity should:</p> <p>a. have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>b. disclose that policy or a summary of it.</p>	<p>a. Yes</p> <p>b. Yes</p>	<p>The Company has adopted a Continuous Disclosure Policy which establishes processes and procedures designed to ensure that Directors and management are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information. Under the policy, the Board will be responsible for managing the Company's compliance with its continuous disclosure obligations.</p> <p>Please refer to Section 6.8.6 in the Prospectus and the Continuous Disclosure Policy (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p>

	ASX RECOMMENDATION	COMPLIED	COMMENT
6.	<b>Principle 6 – Respect the rights of security holders</b>		
	A listed entity should respect the rights of its securityholders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.		
6.1.	<b>ASX Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.	Yes / will comply	From Listing, there will be an 'Investors' section on the Company's website. The 'Investors' directory will comprise the subdirectories of 'Board' (with details of each Director), 'Corporate Governance' (with the Company's Board Charters and Policies), 'ASX and Media Announcements' and 'Investor Information' (with a link to the share registry).
6.2.	<b>ASX Recommendation 6.2</b> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes / will comply	Please refer to the Company's Shareholder Communications Policy (available from Listing at bellamysorganic.com.au) for further detail.
6.3.	<b>ASX Recommendation 6.3</b> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes / will comply	Please refer to the Company's Shareholder Communications Policy (available from Listing at bellamysorganic.com.au) for further detail.
6.4.	<b>Recommendation 6.4</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes / will comply	Please refer to the Company's Shareholder Communications Policy (available from Listing at bellamysorganic.com.au) for further detail.
7.	<b>Principle 7 – Recognise and manage risk</b>		
	A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.		
7.1.	<b>ASX Recommendation 7.1</b> The board of a listed entity should: <ol style="list-style-type: none"> <li>have a committee or committees to oversee risk, each of which: <ol style="list-style-type: none"> <li>has at least three members, a majority of whom are independent directors; and</li> <li>is chaired by an independent director,</li> </ol> </li> </ol> and disclose: <ol style="list-style-type: none"> <li>the charter of the committee;</li> <li>the members of the committee; and</li> <li>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</li> </ol>	a. Yes <ol style="list-style-type: none"> <li>Yes</li> <li>Yes</li> <li>Yes</li> <li>Yes</li> <li>Will comply</li> </ol> b. N/A	See above in comments to ASX Recommendation 4.1.  In addition, please refer to Section 6.8.4.1 in the Prospectus and the Finance, Audit and Risk Committee Charter (available from Listing at bellamysorganic.com.au) for further detail.

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	b. if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.		
7.2.	<b>ASX Recommendation 7.2</b> The board or a committee of the board should: <ul style="list-style-type: none"> <li>a. review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</li> <li>b. disclose, in relation to each reporting period, whether such a review has taken place.</li> </ul>	<ul style="list-style-type: none"> <li>a. Yes / Will comply</li> <li>b. Will comply</li> </ul>	<p>The Company will regularly undertake reviews of its risk management framework to establish an effective and efficient system for:</p> <ul style="list-style-type: none"> <li>(i) identifying, assessing, monitoring and managing risk; and</li> <li>(ii) disclosing any material change to the group's risk profile.</li> </ul> <p>The Company intends to disclose the matters contemplated by ASX Recommendation 7.2 in future annual reports.</p> <p>In addition, please refer to Section 6.8.4.1 in the Prospectus and the Finance, Audit and Risk Committee Charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p>
7.3.	<b>Recommendation 7.3</b> A listed entity should disclose: <ul style="list-style-type: none"> <li>a. if it has an internal audit function, how the function is structured and what role it performs; or</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>a. Yes</li> <li>b. Will comply</li> </ul>	<p>The Company does not have an internal audit function.</p> <p>However, please refer to Section 6.8.4.1 in the Prospectus and the Finance, Audit and Risk Committee Charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p>
7.4.	<b>ASX Recommendation 7.4</b> 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.	Will comply	<p>If the Company has any material exposure to economic, environmental and social sustainability risk, it will disclose any such exposure and how it manages or intends to manage those risks, in the relevant annual report.</p>
<b>8.</b>	<b>Principle 8 – Remunerate fairly and responsibly</b>		
	A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.		
8.1.	<b>ASX Recommendation 8.1</b> The board of a listed entity should: <ul style="list-style-type: none"> <li>a. have a remuneration committee which: <ul style="list-style-type: none"> <li>1. has at least three members, a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director,</li> </ul> </li> </ul> and disclose:	<ul style="list-style-type: none"> <li>a. Yes</li> <li>b. Yes</li> <li>c. Yes</li> <li>d. Yes</li> <li>e. Yes</li> <li>f. Will comply</li> <li>g. N/A</li> </ul>	<p>Please refer above to comments in ASX Recommendation 2.1.</p> <p>Please also refer to the Remuneration and Nomination Committee Charter (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p> <p>The Board intends to disclose the matters contemplated by ASX Recommendation 8.1 in future annual reports.</p>

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	<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>		
8.2.	<p><b>ASX Recommendation 8.2</b></p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	Yes/ will comply	<p>Separate disclosure regarding the remuneration of the Company's directors (executive and non-executive), the Managing Director/CEO and the Chief Financial Officer is provided in Sections 6.5 and 6.6 in the Prospectus.</p> <p>The Company intends to disclose the matters contemplated by ASX Recommendation 8.2 in future annual reports.</p>
8.3.	<p><b>ASX Recommendation 8.3</b></p> <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>	Yes to all	<p>Disclosure regarding the Company's equity based remuneration scheme is provided in Section 6.7 in the Prospectus.</p> <p>Under the Company's Securities Trading Policy employees are prohibited from entering into transactions using financial products that operate to limit the economic risk associated with holding vested and unvested Company securities. Further, all employees are prohibited from entering into margin loan arrangements to fund the acquisition of any of the Company's securities.</p> <p>Refer to Section 6.13 in the Prospectus and the Company's Securities Trading Policy (available from Listing at <a href="http://bellamysorganic.com.au">bellamysorganic.com.au</a>) for further detail.</p>