



BEGA CHEESE LIMITED (ACN 008 358 503)

MILK SERVICES COMMITTEE CHARTER

The responsibilities of the Milk Services Committee ("Committee") are set out in this Charter, which is approved by the Board and reviewed annually.

1. PURPOSE

This Charter records the role, composition and powers of the Committee.

The purpose of the Committee is to assist the Board to fulfil its duties and responsibilities in relation to formulating strategies that are directed to ensuring that Bega Group can purchase appropriate quantities of milk to satisfy the strategic plans of the business and fostering its relationship with milk suppliers.

2. MEMBERSHIP OF THE COMMITTEE

The Committee must consist of:

- up to three Directors appointed by the Board (one of whom will act as Chairperson of the Committee);
- an independent Chair, that is also a Director, who is not Chair of the Board;
- the Chief Executive Officer;
- the General Manager of Milk Supply;
- those Milk Operations Managers responsible for the main supply regions, and
- a minimum of three members.

The Board will appoint the Chair and members of the Committee.

The Board may appoint additional Directors as members of the Committee or remove and replace members of the Committee.

Members may withdraw from membership of the Committee by written notification to the Board. If a member ceases to be a Director or employee of the Company, that member ceases to be a member of the Committee.

All Non-Executive Directors have a standing invitation to attend Committee meetings and have access to Committee papers, subject to conflicts. Other non-Committee members, including members of management may attend meetings of the Committee at the invitation of the Chair of the Committee.

A person appointed by the Chair will act as secretary of the Committee and will prepare minutes of the Committee's meetings.

3. ROLES AND RESPONSIBILITIES

The Committee's primary roles and responsibilities are to research, review, report to, and where appropriate make recommendations to, the Board in relation to:

- a. strategies designed to encourage and increase the supply of milk by suppliers meeting the long term strategic needs of Bega Group;

- b. programs to encourage suppliers to choose Bega Group as the purchaser of their milk and to differentiate Bega Group from other purchasers of milk in relevant supply regions;
- c. building and maintaining long term relationships with milk suppliers;
- d. mechanisms to enable Bega Group to communicate effectively with its milk suppliers and the development of protocols to ensure that this communication does not give rise to a breach of Bega Group's ASX continuous disclosure obligations;
- e. the structure and effectiveness of Bega Group's milk payments to, and contractual arrangements with, milk suppliers and alternate pay structures and contractual arrangements to retain and attract suppliers, and meet the long term milk supply requirements of Bega Group;
- f. the structure and effectiveness of the services provided by Bega Group to milk suppliers and the adequacy and effectiveness of resources allocated to those services;
- g. strategies to encourage the growth, sustainability and quality of milk produced by suppliers and review the implementation of, and evaluate the adequacy and effectiveness of the Company's monitoring programs, supporting policies and processes established by Bega Group in relation to these matters;
- h. milk supply and demand factors in key supply areas and across the broader market; and
- i. any other matter relating to the acquisition of milk by the Company that the Board refers to the Committee.

The Committee's role does not include the setting of milk prices, which remains a matter for management and the Board.

4. RIGHTS OF ACCESS AND AUTHORITY

Except where expressly stated in this Charter, the Committee discharges its responsibilities by reporting and making recommendations to the Board. The Committee does not have any executive powers to commit the Board to the implementation of its recommendations except where expressly stated in this Charter or as authorised by resolution of the Board.

The Committee has authority to conduct or direct investigations into any matters within its Charter and to seek such information it requires to properly carry out its role.

Subject to the approval of the Chair of the Board, the Committee may also obtain, at the cost of Bega Group, any professional or consulting advice that it considers necessary.

5. ADMINISTRATIVE MATTERS AND PROCEDURES

The proceedings of the Committee will be conducted in accordance with provisions set out in Attachment 1.

6. INTERACTION WITH OTHER COMMITTEES

The Committee will, in discharging its duties, seek to co-ordinate its activities with such other Committee of the Board as may be convened from time to time, where appropriate. The Committee Chair will liaise with the Chair of such other Committees on an ongoing basis to ensure that no material matter is overlooked by the Committees.

7. REPORTING

The Committee Chair will, if requested, provide a brief oral report at the next Board meeting as to any material matters arising out of the Committee meeting.

All Directors may, within the Board meeting, request information from members of the Committee.

The Committee will, where appropriate, provide reports to such other Committee of the Board as may be convened from time to time on material risk issues or other matters relevant to those Committee's duties and responsibilities.

8. REVIEW

The Committee will, at least annually, review the membership and Charter of the Committee to determine its adequacy for current circumstances, and the Committee may recommend to the Board any changes in relation to the Committee's Charter, membership, responsibilities, functions or otherwise.

This document was approved by the Board of Bega Cheese on 20 August 2024, with effect from the date of approval.

ATTACHMENT 1 -

ADMINISTRATIVE MATTERS AND PROCEEDINGS

Meetings

The Committee will meet as often as the Committee members deem necessary in order to fulfil the Committee's role. However, it is intended that the Committee will meet no less than four times per calendar year.

Quorum

A quorum of the Committee will comprise three members, at least two of whom must be Directors.

Chair

If the Chair of the Committee is unable to attend a committee meeting, the members present may appoint another member who is an independent Director to act as Chair at that meeting.

Convening and notice of meeting

Any Director member may, and the Committee Chair must upon request from any Director member, convene a meeting of the Committee.

Notice of Committee meetings will be given to every member of the Committee. However, there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

Agenda and meeting materials

The General Manager of Milk Supply will prepare an agenda for each Committee meeting for review by the Committee Chair. Any member may require an item of business to be included on the agenda provided the Committee Chair has been given prior notice. The agenda and meeting materials for each Committee meeting will be issued to members and other attendees (as appropriate) within a reasonable timeframe prior to that meeting.

Minutes

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee Chair, be confirmed at the next Committee meeting and signed by the Chair. All minutes of the Committee must be available for inspection by any Director.