

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Design Milk Co Limited

ABN/ARBN

15 006 908 701

Financial year ended:

30 June 2023

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

☐ These pages of our annual report:

☒ This URL on our website:

<https://designmilkcolimited.godaddysites.com/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 31 August 2023 and has been approved by the board.

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

Date: 31 August 2023

Name of authorised officer
authorising lodgement:

Sapir Elias
Company Secretary

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"/> in our Corporate Governance Statement and we have disclosed a copy of our board charter at: https://designmilkcolimited.godaddysites.com/corporate-governance	
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"/> in our Corporate Governance Statement	
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"/> in our Corporate Governance Statement	
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"/> in our Corporate Governance Statement	

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
<p>1.5 A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a diversity policy; (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 (c) disclose in relation to each reporting period: <ul style="list-style-type: none"> (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: <ul style="list-style-type: none"> (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 (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>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>		<input checked="" 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
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: https://designmilkcolimited.godaddysites.com/corporate-governance in our corporate governance statement. and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: https://designmilkcolimited.godaddysites.com/corporate-governance in our corporate governance statement. </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>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: https://designmilkcolimited.godaddysites.com/corporate-governance in our corporate governance statement. </p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 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>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>https://designmilkcolimited.godaddysites.com/corporate-governance</p> <p>in our corporate governance statement.</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our board skills matrix at:</p> <p>https://designmilkcolimited.godaddysites.com/corporate-governance</p> <p>.....</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	<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, 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</p> <p>(c) the length of service of each director.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: https://designmilkcolimited.godaddysites.com/corporate-governance in our FY23 Annual Report and 2023 Corporate Governance Statement.</p> <p>.....</p> <p>and, where applicable, the information referred to in paragraph (b) at: https://designmilkcolimited.godaddysites.com/corporate-governance our 2023 Corporate Governance Statement.</p> <p>.....</p> <p>and the length of service of each director in our FY23 Annual Report. </p>	
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/> in our Corporate Governance Statement.	
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"/> in our Corporate Governance Statement.	
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"/> 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 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://designmilkcolimited.godaddysites.com/corporate-governance	
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://designmilkcolimited.godaddysites.com/corporate-governance in the Code of Conduct Policy	
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 type="checkbox"/> and we have disclosed our whistleblower policy at: https://designmilkcolimited.godaddysites.com/corporate-governance in the whistleblower Policy	<input checked="" 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 type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: https://designmilkcolimited.godaddysites.com/corporate-governance in the anti-bribery and corruption policy	<input checked="" 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
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>		<input checked="" type="checkbox"/> set out in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	<input checked="" type="checkbox"/> in our Corporate Governance Statement	<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"/> 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"/> 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"/> 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"/> 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://designmilkcolimited.godaddysites.com/corporate-governance	
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/> 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"/> an explanation why that is so in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/> 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"/> in our Corporate Governance Statement	

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at:</p> <p>https://designmilkcolimited.godaddysites.com/corporate-governance</p> <p>.....</p> <p>in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>		<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>		<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <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
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: https://designmilkcolimited.godaddysites.com/corporate-governance in our Corporate Governance Statement and, if we do, how we manage or intend to manage those risks at: https://designmilkcolimited.godaddysites.com/corporate-governance 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>and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p>https://designmilkcolimited.godaddysites.com/corporate-governance</p> <p>in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p><input checked="" type="checkbox"/></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 in our:</p> <p>FY23 Annual Report</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"/> set out in our Corporate Governance Statement</p>

Design Milk Co. Limited

FY23 Corporate Governance Statement

This corporate governance statement sets out Design Milk Co Limited (**Company**) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles and Recommendations**). The ASX Principles and Recommendations are not mandatory. However, this corporate governance statement discloses the extent to which the Company has followed the ASX Principles and Recommendations. This corporate governance statement is current as at 31 August 2023 and has been approved by the board of the Company (**Board**).

Design Milk Co. Limited

ASX Principles and Recommendations	Comply (Y/ N)	Explanation
1. LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
<p>1.1 A listed entity should have and disclose a board charter setting out:</p> <p>a) the respective roles and responsibilities of its board and management; and</p> <p>b) those matters expressly reserved to the board and those delegated to management.</p>	Y	<p>The Board is responsible for the corporate governance of the Company.</p> <p>The Board has adopted a Board Charter which outlines the manner in which its powers and responsibilities will be exercised, discharged or delegated, having regard to principles of good corporate governance and applicable laws.</p> <p>A copy of the Board Charter is available on the Company's website at the following URL: https://designmilkcolimited.godaddysites.com/corporate-governance</p>
<p>1.2. A listed entity should:</p> <p>a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director; and</p> <p>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.</p>	Y	<p>The Company undertakes background checks with regards to the person's character, experience, education, criminal record and bankruptcy history prior to nomination for election as a director. Any material adverse information revealed by these checks is released to securityholders prior to Company's meeting of shareholders at which they are able to be elected.</p> <p>When an individual is nominated to be a director, their curriculum vitae with their relevant professional history and qualifications is circulated to the securityholders in the Company.</p>
<p>1.3. A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Y	<p>Directors are given letters of appointment and/or service agreements, and senior executives are given employment contracts setting out the terms of their appointment. These set out the relevant terms by which they will be involved in the Company.</p>
<p>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.</p>	Y	<p>The company secretary position is directly accountable to the Board on all matters to do with the proper functioning of the Board.</p>
<p>1.5. A listed entity should:</p> <p>a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's objectives for achieving gender diversity and to assess annually 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 at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p>	<p>Y</p> <p>N</p> <p>N</p>	<p>The Company adopted a diversity policy in November 2015 as it recognizes that a commitment to achieving greater gender and multicultural diversity is essential for enabling the Company to attract and retain employees with the best skills and abilities.</p> <p>The Board, however, has not developed any measurable objectives for achieving gender diversity and their annual assessment. As at the date of this statement, the measurable objectives of the diversity policy are being developed by the Board.</p> <p>A copy of the Diversity Policy is available on the Company's website at the following URL: https://designmilkcolimited.godaddysites.com/corporate-governance</p>

Design Milk Co. Limited

ASX Principles and Recommendations	Comply (Y/ N)	Explanation
(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.	N	
1.6. A listed entity should: a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	Y Y	The performance of the Board as a group and individual directors will be assessed each year for all future years. In particular all directors seeking re-election at an annual general meeting will be subject to a formal performance appraisal to determine whether the Board recommends their re-election to shareholders. The Company did not undertake a formal performance appraisal during the reporting period.
1.7. A listed entity should: a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and 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.	N Y	The Board and senior management team intend to regularly review the performance of its senior executives and address any issues that may emerge. The Company did not undertake a formal performance appraisal during the reporting period.
2. STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE		
2.1. The board of a listed entity should: a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	N Y	Although the Company adopted a remuneration and nomination committee charter in November 2015, no formal nomination committee for the identification, appointment and review of the Board membership in the reporting period was implemented by the Board. In the absence of a formal committee, the Board undertakes the role of identifying, appointing and reviewing potential Board appointments. The Board will continue to evaluate the need to establish a formal committee in the next reporting period.
2.2. A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.	Y	The Board strives to ensure that it is comprised of directors with a blend of skills, experience and attributes appropriate to the Company and its business. The principal criterion for the appointment of new directors is their ability to add value to the Company and its business. The Board completed the Board skills matrix in August 2023. A copy of the Board Skills Matrix is available on the Company website at the following URL: https://designmilkcolimited.godaddysites.com/corporate-governance

Design Milk Co. Limited

ASX Principles and Recommendations	Comply (Y/ N)	Explanation
2.3. A listed entity should disclose: a) the names of the directors considered by the board to be independent directors; b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and c) the length service of each director.	Y	<p>The Board has reviewed the position and associations of each of the directors and has determined that they were independent during the reporting period.</p> <p>The Company will continually evaluate whether it will be appropriate to consider additional independent directors as the business evolves and expands.</p> <p>In terms of length of service, Mr Mike Hill was appointed on 17 January 2014, Mr Christopher Colfer was appointed on 24 March 2016, Mr Arnaud Massenet was appointed on 2 October 2017, Mr Bryan Zekulich was appointed on 27 September 2022 and Mr Andrew Whitten was appointed on 1 December 2022.</p>
2.4. A majority of the board of a listed entity should be independent directors.	Y	For the reporting period, a majority of the Board was independent. The Company will continually evaluate whether it will be appropriate to consider additional Independent directors as the business evolves and expands.
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.	Y	The Company's Non-Executive Chairman, Mr Mike Hill, satisfies the ASX Principles and Recommendations definition of an independent director. The Board considers that given the changes throughout the financial year and as a result of the business model transition, it was not necessary to incur additional costs for a CEO to be appointed for the period.
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.	Y	The Company takes care in ensuring that Directors will be able to effectively manage and govern the Company before their nomination as potential Directors. It has not been deemed necessary to devote resources towards ensuring that Directors have the sufficient skills to fulfil their role appropriately.
3. INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY		
3.1 A listed entity should articulate and disclose its values.	Y	The Company values are: Diversity and Equity, Act Sustainably and Ethically, Empowerment, Creativity. The Company values are published on the Company's website at the following URL: https://designmilkcolimited.godaddysites.com/corporate-governance
3.2 A listed entity should: a) have and disclose a code of conduct for its directors, senior executives and employees; and b) ensure that the board or a committee of the board is informed of any material breaches of that code.	Y	The Board is committed to the establishment and maintenance of appropriate ethical standards in order to instil confidence in both clients and the community in the way the Company conducts its business. These standards are encapsulated in the Code of Conduct which outlines how the Company expects each person who represents it to behave and conduct business. A copy of the Code of Conduct is available on the Company's website at the following URL: https://designmilkcolimited.godaddysites.com/corporate-governance
3.3 A listed entity should: a) have and disclose a whistleblower policy; and b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	N	The Company has adopted a Whistleblower Protection Policy. A copy of the Whistleblower Protection Policy was made available on August 2020 on the Company's website at the following URL: https://designmilkcolimited.godaddysites.com/corporate-governance
3.4 A listed entity should: a) have and disclose an anti-bribery and corruption policy; and b) ensure that the board or committee of the board is informed of any material breaches of that policy.	N	<p>The Company has adopted an Anti-bribery and Corruption Policy. Through ongoing reporting, the Board is provided periodic reports of any material breaches of the policy.</p> <p>A copy of the Anti-bribery and Corruption Policy was made available on August 2020 on the Company's website at the following URL: https://designmilkcolimited.godaddysites.com/corporate-governance/</p>

Design Milk Co. Limited

ASX Principles and Recommendations	Comply (Y/ N)	Explanation
4. SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS		
<p>4.1. 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, 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>N</p> <p>N</p> <p>N</p> <p>Y</p> <p>Y</p> <p>N/A</p>	<p>The Company has a separately constituted audit and risk committee pursuant to a charter that was adopted in November 2015. The committee has four members and is chaired by a non-executive director</p> <p>who is not independent. As the Company continues to develop, the Board will consider inviting additional members to the committee and changing the composition so that the chair is an independent director.</p> <p>The audit and risk committee charter outlines key areas of responsibility for the committee, outlining its responsibility for the oversight of the quality and integrity of the accounting, auditing, financial reporting and operational risks of the Company.</p> <p>Qualifications of the members and number of meetings held is set out in the annual report.</p>
<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.</p>	Y	<p>The Board received a declaration from its CFO before it approved the Company's financial statements for all financial periods in the reporting period.</p>
<p>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.</p>	Y	<p>The Board ensures that any periodic corporate report the Company releases to the market that has not been subject to audit or review by an external auditor discloses the process taken to verify the integrity of its content.</p>
5. MAKE TIMELY AND BALANCED DISCLOSURES		
<p>5.1. A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	N	<p>The Company is committed to providing timely, complete and accurate disclosure of information to allow a fair and well-informed market in its securities and compliance with the continuous disclosure requirements imposed by law, including the Corporations Act and the ASX Listing Rules. A copy of the Company's Continuous Disclosure Policy was made available on August 2020 at the following URL: https://designmilkcolimited.godaddysites.com/corporate-governance</p>
<p>5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	Y	<p>The Board approves all material announcements before they are released to the market. In addition, each Design Milk director receives an immediate notification from the ASX of any ASX announcement.</p>

Design Milk Co. Limited

ASX Principles and Recommendations	Comply (Y/ N)	Explanation
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.	Y	Pursuant to section 4.1(b) of the Company's Continuous Disclosure Policy, ahead of any new and substantive investor or analyst presentation a copy of the presentation materials must be released to ASX.
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.	Y	The Company provides information about itself and its governance to investors via its corporate website, https://designmilkcolimited.godaddysites.com/corporate-governance
6.2. A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Y	The Company has designed and implemented an investor relations program. Investors are encouraged in ASX announcements to contact Design Milk Investor Relations at IR@design-milk.com . In addition, the Company has adopted a share holders communications policy in November 2015.
6.3. A listed company should disclose how it facilitates and encourages participation at meetings of security holders.	N	The Company did not find it necessary during the reporting period to create a formal policy to facilitate and encourage participation at meetings of security holders. However, the Company notes that security holders are welcome to attend any of its general meetings.
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.	Y	All resolutions at a meeting of security holders are decided by a poll rather than a show of hands.
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.	Y	The Company encourages shareholders to register for receipt of registry communications, annual reports, announcements and updates electronically.
7. RECOGNISE AND MANAGE RISK		
7.1. The Board of a listed entity should: a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	N N N Y Y N/A	The Company has a separately constituted audit and risk committee pursuant to a charter that was adopted in November 2015. The committee has four members and is chaired by a non-executive director who is not independent. As the Company continues to develop, the Board will consider inviting additional members to the committee and changing the composition so that the chair is an independent director. The audit and risk committee charter outlines key areas of responsibility for the committee, outlining its responsibility for the oversight of the quality and integrity of the accounting, auditing, financial reporting and operational risks of the Company. Qualifications of the members and number of meetings held is set out in the annual report.
7.2. The board or a committee of the board should: a) review the entity's risk management framework at least annually to satisfy itself that it	N	Although the Company does have a separately constituted audit and risk committee, a review of the Company's risk management framework did not take place in the reporting period.

Design Milk Co. Limited

[illegible]