



Better Future Report



Bega Group
FY2026
Better Future
Report



*creating great food
for a better future*

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About this report

This is the 2026 Better Future Report (Report) published by Bega Cheese Limited (ABN 81 008 358 503). Unless otherwise stated, this Report details the performance of Bega Cheese Limited in relation to the three pillars of our Better Future strategy: Circularity, Community and Collaboration during the financial year 1 July 2025 to 30 June 2026 (FY2026).

A suite of public reports relating to aspects of our sustainability performance are available on our website. This includes:

- Annual Report – details our financial performance and the sustainability report of Bega Cheese Limited and its subsidiaries (Bega Group) prepared in accordance with Australian Sustainability Reporting Standard S2 *Climate-related Disclosures* (AASB S2) as issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* (Cth)
- Corporate Governance Statement – outlines our governing principles and processes, consistent with the ‘Corporate Governance Principles and Recommendations’ (fourth edition) published by the ASX Corporate Governance Council (Recommendations)
- Workplace Gender Equality Report – outlines the Group’s workforce composition and efforts to improve workplace equality in accordance with the *Workplace Gender Equality Act 2012*
- Australian Packaging Covenant Organisation (APCO) Annual Report – outlines how the Group manages packaging and waste, its efforts in the circular economy and its progress against the APCO Packaging Sustainability Framework
- Modern Slavery Statement – outlines how the Group identifies, prevents and remedies modern slavery in the Group’s operations and supply chains in accordance with the *Modern Slavery Act 2018* (Cth) and the *Modern Slavery Act 2018* (NSW)
- Better Future Report – details the performance of the Group in relation to its commitments made under the three pillars of our Better Future strategy: circularity, community and collaboration.

This Report should be read alongside our Annual Report which is available on our website.

The pillars and the disclosures in this Report are informed by Bega Group’s material topics, which describe the impacts our business has on the environment, people and the broader economy and how they, in turn, impact on our business. Bega Group’s material topics were defined through a double materiality review in FY2024. The work was informed by international sustainability reporting standards and frameworks, including the Global Reporting Initiative (GRI). This work was reviewed in FY2026 to consider changes in our context and further feedback from stakeholders. The table on [page 6](#) illustrates the alignment of our material sustainability topics with the pillars of our Better Future Strategy and the United Nations Sustainable Development Goals (UNSDGs). Further information on our approach is available on our website.

About this report (continued)

All references to a year refer to **FY2026**, unless otherwise stated. Some data has been included for previous financial years to provide trend information and context. Throughout this Report, we use the terms **"Bega Group," "Bega Cheese," "the Company," "the Group," "we," "us,"** or **"our"** when referring to the entity of Bega Cheese Limited and its subsidiaries. An outline of the current company structure and entity ownership is provided in the 2026 Annual Report. Entities and associated performance data included in the scope and boundary of this Report are listed in the Better Future data pack on our website. All currency referred to in this Report is in Australian dollars, unless otherwise stated. This Report references the GRI Standards (2021) and the International Sustainability Standards Board (ISSB) Exposure Draft *Proposed Amendments to the SASB Standards* (July 2025 Exposure Draft), ISSB and the SASB Food & Beverage Sector: Exposure Draft *Proposed Amendments to the SASB Standards* (July 2026 Exposure Draft) Version 2023-12. Links to relevant sections of this report, our website and other Bega Group reports are provided in a standards navigation index on our website. Certain data relating to climate change appears in the Annual Report and is subject to external assurance. Refer to the 2026 Annual Report for details. Information in this report has not otherwise been externally assured.

This Report contains forward-looking statements. Forward-looking statements may be identified using terms including 'forecast,' 'estimate,' 'expect,' 'believe,' 'target,' 'likely,' 'anticipate,' 'should,' 'could,' 'intend,' 'aim' or similar expressions. These forward-looking statements are not guarantees or predictions of future performance. They are based on our good faith assumptions as at the date of this Report. Such statements can be impacted by known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results and performance to differ materially from those expressed or implied in the forward-looking statements. Readers are cautioned not to rely unduly on forward-looking statements.

Except as required by applicable laws or regulations, we do not undertake any obligation to publicly update or revise such forward-looking statements or advise of a change in assumptions on which the statements are based. Past performance cannot be relied on as a guide to future performance. The Board of Bega Cheese Limited has reviewed and approved the publication of this Report. Please address any questions, comments or suggestions to bega.admin@bega.com.au. Previous reports are available at www.begagroup.com.au.

About this report (continued)

Alignment of key topics to the Better Future Strategy and the United Nations Sustainable Development Goals		
Strategy Pillar	Key topics	UN Sustainable Development Goals
Circularity	Circular Materials, Packaging and Waste	    
	Water Stewardship	
	Climate Transition and Decarbonisation	
Community	Food Safety, Quality and Product Integrity	   
	Nutrition and Health	
	Consumer Trust and Product Transparency	
	Workplace Health and Safety	
	Regional Communities and Local Economic Contribution	
Collaboration	Sustainable Agriculture and Dairy Supply	   
	Climate Risk and Resilience	
	Farmer Partnerships and Livelihoods	
	Human Rights in the Supply Chain	
	Food Safety, Quality and Product Integrity	



Learn more about:

[UN SUSTAINABLE DEVELOPMENT GOALS](#)

Bega Group Overview

We are an integrated producer of branded packaged foods and beverages, nutritionals and ingredients that millions of people use every day.

Business segments

We operate across two types of business:

Branded

Consumer and foodservice products sold through grocery, route, foodservice, petrol and convenience channels.



Bulk Nutritionals and Ingredients

Nutritional powders and dairy ingredients sold primarily to food manufacturers.

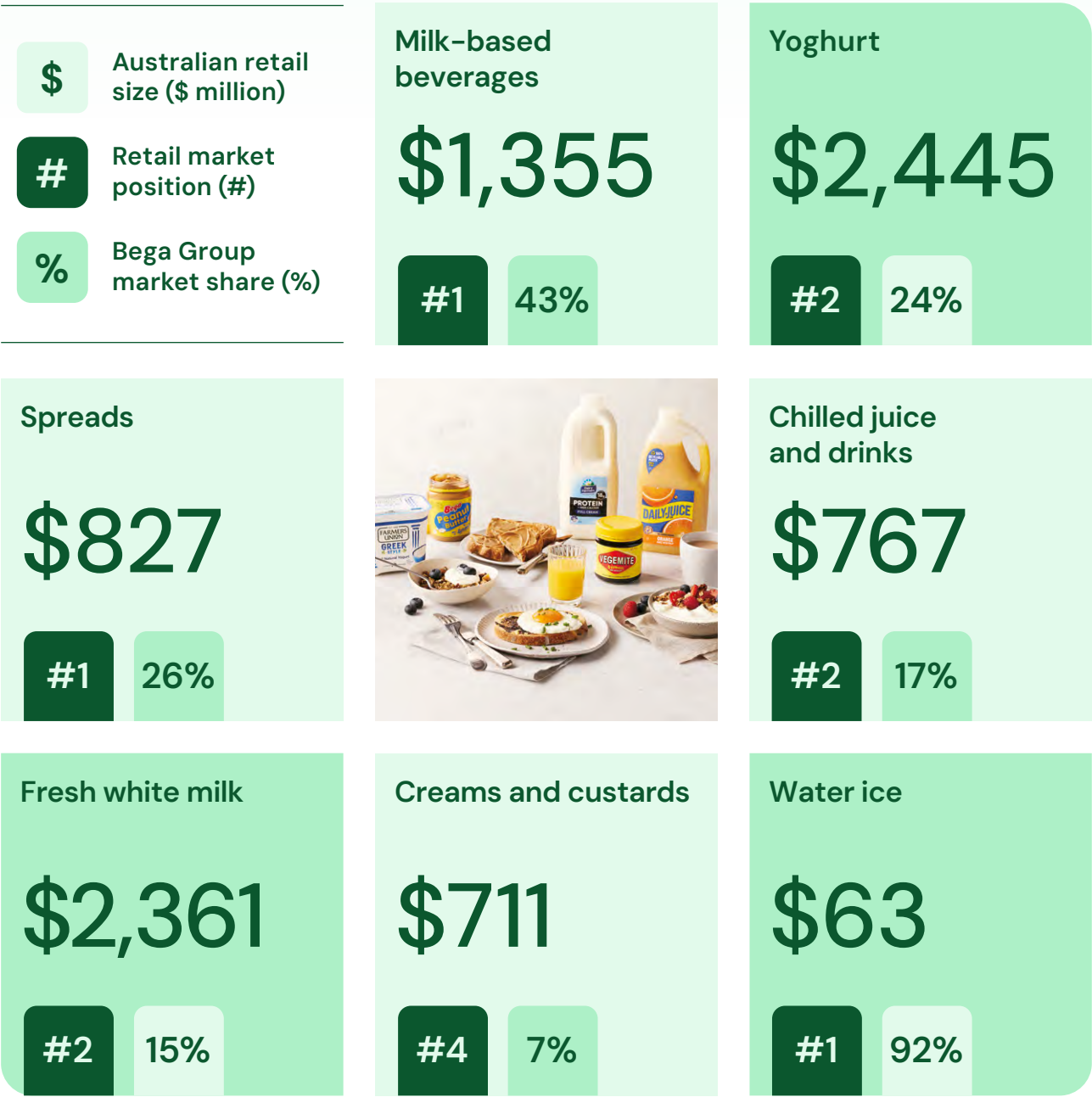


Total Group Revenue \$3,775m	84% Australia 16% International
Branded \$3,223m	91% Australia 9% International
Bulk Nutritionals and Ingredients \$552m	42% Australia 58% International

Categories

We hold strong market positions across categories that have consistent consumer demand throughout economic cycles and offer attractive long-term growth potential.

Our diverse product portfolio serves a broad range of consumer needs, spanning everyday essentials with high household penetration through to discretionary food purchases.



Source: Data (retail sales value) sourced from Circana Market Edge, 12 months to 28 June 2026, based on data definitions provided by Bega (Market: AU Grocery Unweighted and Convenience). Excludes Costco, Aldi, local trade and unstructured convenience.

Brands

Since 2001, we have transformed from a dairy co-operative built around a strong regional cheese brand into a diversified branded food and beverage company. Today, we are a leading branded consumer goods business, with products that form part of the daily lives of millions of consumers.

Our brand investment strategy is focused on five power brands, each of which holds a distinctive and leading position within its category.

An enduring,
diversified dairy
brand for over 125
years



Our leading
brand for
international
cheese



An
Australian
icon



Our #1 yoghurt
brand and top
international brand



#1
iced coffee
brand



Manufacturing network



Highlights FY 2026



REUSED
1,533,000
litres of water

NEW
wastewater
treatment
plant at our
Lenah Valley site



for Ingredients, Packaging and
Water completed across our
whole manufacturing network.

Diverted
92.6%
of waste
from landfill
to recycling, reuse or
energy recovery.

Kicked-off installation of
solar panels
at 2 of our
manufacturing sites

Total Scope
1 and 2 emissions
REDUCED by OVER
18%
from our FY2021 baseline.



42%
REDUCTION
in high-consequence
work related injuries
(since FY25)

Launched
LevelUP
a targeted leadership
development program
that focussed on
future female leaders

OVER
30%
female representation
on both our Board and
our Executive team

\$449,000
to local charities and
community groups

Donated
1,108,062kg
of products and
230,000 litres
litres of milk to
Foodbank



OVER
30%
participation rate for our
Better Farms
Program Survey
(by volume of milk supplied)

OVER
3.7m
in Better Farms Program
grants to dairy farm suppliers
(since FY2018)

>99%
of the palm oil
&
91%
of the coffee we use is
sourced from **accredited**
sustainable sources,
That's **17%** more
since FY2025

Published our
MODERN
SLAVERY
STATEMENT
for the 6th
consecutive year



Chairman and Chief Executive Officer's report

Barry Irvin
Executive Chairman

Peter Findlay
Chief Executive Officer

In the second year of our Better Future Strategy, guided by our focus on circularity, community and collaboration, we have made progress on the sustainability impacts important to our business. This Report reflects that progress across safety and wellbeing, nutrition, packaging and other priority areas. During the year, we also refreshed our overall strategic plan, extending our planning horizon to FY2031 and setting a higher level of ambition for the years ahead.

Bega Group delivered revenue of \$3.8 billion, up 6.7% on FY2025, reflecting the strength of our portfolio and continued demand for high-protein, wellness and on-the-go products. We expanded our protein offering across milk, beverages and yoghurt, and continued to improve transparency for consumers, with Health Star Ratings now appearing on more than 77% of relevant labels and 69% of Bega branded sales by volume rated 3.5 stars or higher.

Our operating environment has remained challenging. Geopolitical volatility, including the Middle East conflict, continued to place pressure on energy, packaging and fertiliser costs across food and agriculture supply chains. Recognising the impact on our dairy farmers, Bega Group introduced a temporary 5 cents per litre support payment, paid to our dairy farmers on milk purchased from them by Bega Group, from 1 May 2026, with the payment reviewed regularly.

Circularity remains central to our Better Future Strategy. We are applying the lessons from the Bega Circular Valley program to understand how we can measure and improve circularity and inform practical action inside the business. This year, we reported our climate-related risks and opportunities in accordance with AASB S2, which appears in the Annual Report. Looking ahead, our priorities include preparing for Scope 3 emissions reporting and finalising a low-carbon transition plan.

We consolidated the Strathmerton cheese site into Ridge Street in the Bega Valley and divested the Kingaroy and Tolga peanut processing sites in Queensland. We recognise the impact of these changes and supported affected employees and communities through outplacement services, financial advice, job fairs and retraining grants.





The safety and inclusion of our people remain fundamental to our Better Future Strategy. We strengthened safety outcomes, with fewer recordable injuries, narrowed our gender pay gap and achieved our target of 30% women on the Board and executive leadership team by 2027.

Responsible sourcing and respect for human rights are integral to our business. We strengthened our procurement policy and updated our human rights and modern slavery risk assessment ahead of likely reforms to the *Modern Slavery Act 2018* (Cth). Certified coffee purchased from an accredited sustainable source increased to 91%, of all coffee used in Bega Group products we maintained use of over 99% for RSPO certified Palm Oil, and we will review our cocoa sourcing practices in FY2027.

On behalf of the Board and leadership team, we thank our employees, farmer suppliers, partners and communities for their contributions to our progress this year. Their commitment is central to our ability to deliver on our sustainability agenda and create long-term value for our stakeholders.

A handwritten signature in black ink, appearing to read 'B. Irvin'.

Barry Irvin
Executive Chairman

A handwritten signature in blue ink, appearing to read 'Peter Findlay'.

Peter Findlay
Chief Executive Officer

Our Better Future Strategy

In FY2025, the Group launched the Better Future Strategy. The Better Future Strategy focuses on three pillars: circularity, community and collaboration. These pillars reflect the Group's commitment to sustainability, long-term partnerships and growth as a food producer. The Better Future Strategy is informed by the Group's most significant sustainability impacts, and provides a platform for the enduring legacy of the Group's operations.

CIRCULARITY We will lead in circularity through our practices, industry partnerships and the effective use, reuse and recycling of our resources.

COMMUNITY We will make a positive and lasting impact by supporting our people, their families and our communities.

COLLABORATION We will work together with our producers, customers and communities to enable sustainable practices, grow domestic economies and deliver great Australian products that people love and trust.

We aim for a future that is greater through sustainability, so we can keep nourishing and nurturing not just Australians but Australia, and the world, for generations to come.



*From FY2021



CIRCULARITY

Our Ambition:

Leading in circularity through our practices, industry partnerships and effective use, reuse and recycling of our resources.



Circularity

Resource efficiency

We are committed to:



Measuring and improving how circular we are



Minimising waste and maximising diversion by designing for recovery



Working with customers and brands to align with national packaging targets



Cutting water use by 30% by 2030¹

OUR APPROACH

We manage our key environmental impacts through our environmental policy and the adoption of international environmental management standards, including ISO 14001:2015. Sixteen of our operating sites were certified to ISO 14001:2015, with six individually certified and ten certified under our corporate environmental management system, which also covers corporate activities. Aligned with our circularity ambition, we are committed to reducing our consumption of natural resources including water, energy, and packaging materials.

Bega Group is a signatory to the Australian Packaging Covenant Organisation (APCO) and publishes an annual APCO Action Plan. Our Bega Group packaging sustainability policy and APCO's sustainable packaging guidelines inform our decisions and internal standards.

OUR PROGRESS

We have strengthened our commitment to circularity with the development of a Bega Group Circularity Statement this year, which is informed by multiple resource efficiency projects across the business and what we have learnt from our direct involvement in the Bega Circular Valley program. We are working to embed circularity principles and improve how we evaluate and report the value circularity creates for the business.

During this year, our water efficiency initiatives continued to focus on optimising production processes,

identifying and repairing leaks, reducing losses, increasing water reuse, and returning water and nutrients to agricultural land through irrigation. This included manufacturing platform reviews, cleaning in place optimisation activities, targeted leak investigations and condensate reuse opportunities across the network.

This work is supported by further water mapping and direct water metering to improve our understanding of water use, strengthen monitoring and identify further efficiencies.

In partnership with South East Water, smart water meters were installed at our Chelsea Heights and Port Melbourne sites through the Victorian Government's WaterSmart Program. These meters provide real-time water consumption data, improving tracking and monitoring capability, enabling prompt detection of leaks and abnormal water use, and enhancing understanding of site baseflow under normal operating conditions. During the year, a water efficiency study was also completed at Chelsea Heights, providing greater understanding of water use across site processes and identifying data gaps and opportunities for improvement.

We continue to work with others in the dairy industry on the implementation of the Australian Dairy Sector Food Waste Action Plan. During the year, we used the findings from food waste assessments completed at our Penrith and Tatura sites to identify food waste hotspots and opportunities to improve resource efficiency within manufacturing processes.

The assessments at the Penrith and Tatura sites provided insights into process losses and material streams that may be avoidable or better recovered. These insights are being used to support the development of site-based actions to reduce food waste and improve resource efficiency.

Our progress in sustainable packaging has been influenced this year by volatile and significantly increased packaging costs associated with the conflict in the Middle East. Cost increases of 30% to 50% for polyethylene and 100% or greater for high-density polyethylene resin for milk bottle production have been reported publicly.

Increasingly fragmented policies and programs across Australia and the absence of a national strategy for packaging has also impacted our progress in recent years. While we align our work with national packaging targets, and have exceeded some of them, the absence of a national strategy and excessive costs have influenced recent decisions, particularly regarding the use of 100% rPET bottles.

¹ From a baseline year of FY2021

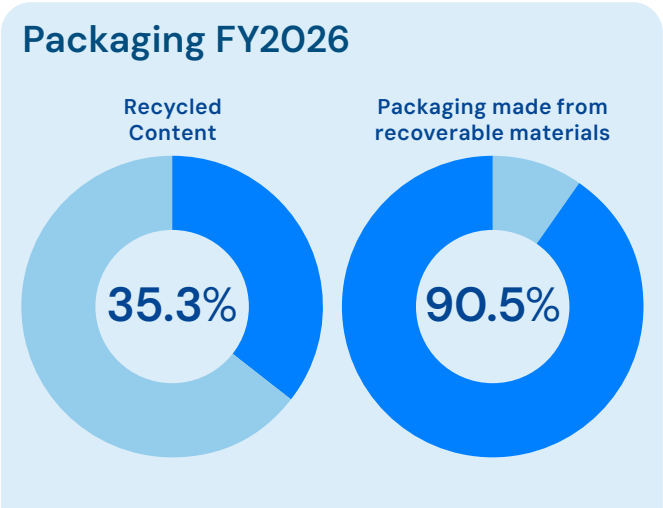
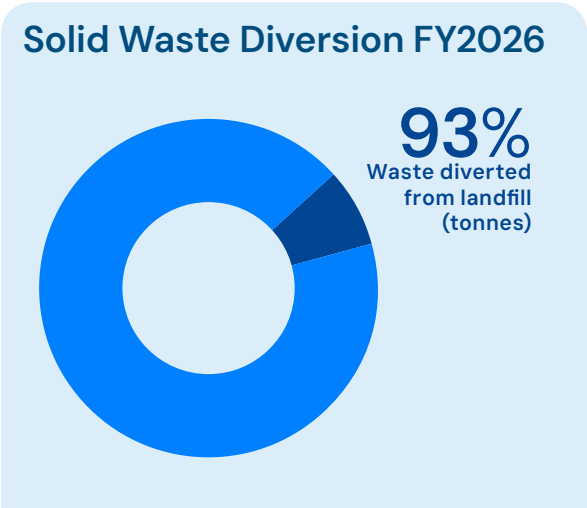
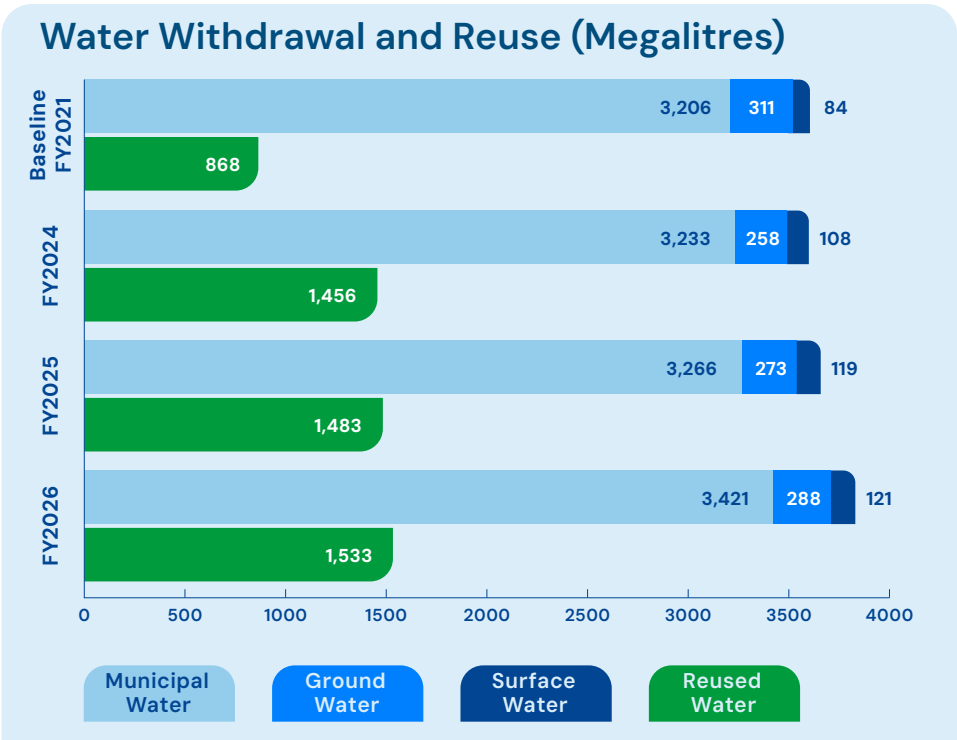
Better Future: Circularity (continued)

While we have continued work on soft plastic packaging across multiple material and product streams, our progress depends on the availability of scalable collection, recovery, and processing systems.

Improvements in our data reporting have strengthened confidence in the data and increased the overall accuracy and reliability of reporting and monitoring outcomes. By combining production volume data with the APCO material classifications, we are better able to calculate and report the tonnage of packaging materials leaving manufacturing sites and entering the Australian market.

OUR PERFORMANCE

While our total water withdrawal has increased this year, our reuse of water has also continued to increase steadily, nearly doubling since FY2021. We have been able to maintain a rate of solid waste diversion from landfill of more than 90%. The weight of packaging used has decreased significantly this year and we have been able to increase the use of packaging made from recycled and/or renewable materials and increase our packaging that is recyclable, reusable and/or compostable.





Circularity Case Study

New wastewater plant at Lenah Valley



The installation of a new wastewater pre-treatment plant at our Lenah Valley site is an important step forward in sustainability. Commissioned in May 2026, the plant improves the consistency and quality of treated wastewater leaving the site, helping reduce our impact on local water infrastructure and supporting better outcomes for the environment. The investment supports the site's long-term environmental performance while ensuring continued alignment with regulatory requirements.

The system treats water generated from cleaning activities and separates milk solids from water without the use of chemicals or biological treatment.

The new plant enables the consistent production of high-quality treated water before discharge to the water network.

Lenah Valley plays a significant role in our Tasmanian operations. The project was delivered in coordination with TasWater and local authorities, ensuring alignment with regulatory requirements and supporting positive outcomes for the local community.



Following extensive on-site trials and evaluation of technology options, membrane technology was selected as the most effective solution to reliably and consistently treat the site's wastewater and significantly improve the quality of water released from the site. This achievement reflects more than a year of planning, testing, design, construction and commissioning, supported by teams across Bega Group and external partners.



Circularity Case Study

Keeping value flowing – Defining Bega Group's approach to circularity

Bega Group established the Regional Circularity Co-operative (RCC) in the Bega Valley, with multiple partners, in 2021.

The first initiative of the RCC is the Bega Circular Valley (BCV) program, designed to guide the Bega Valley's transition to become Australia's most circular regional economy by 2030. As a place-based initiative, the BCV can develop and test projects quickly and involve the community in the design, implementation and realisation of project benefits.

This year, Bega Group has started to develop its own approach to circularity. Taking the lessons learnt from the BCV program, circularity will help us to eliminate waste and pollution, circulate products and materials at their highest value and regenerate natural systems. Circularity is a pillar of our Better Future Strategy so we are not starting from scratch. We currently divert 92.6% of our waste from landfill and have reused more than 4,500 megalitres of water since FY2021. This year, we undertook a material flow analysis to formally establish a baseline and quantify the types and volumes of material which flow through our supply chain, with a specific focus on product, packaging and water resources.

Beginning with ingredients, packaging, and water, the circularity baselines establish a foundation for understanding where value is created, where it is lost, and where opportunities exist to unlock, enhance, and sustain more value over time. Circularity baselines will help to inform our priorities and focus projects where they will have the greatest impact.

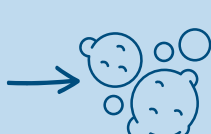
A closer look at one of our iconic products – Vegemite – provides an example of circularity in practice. One of the key ingredients in Vegemite is spent brewers yeast, which is a by-product of the brewing industry and rich in vitamin B. In FY2025, the production of Vegemite contributed to avoiding over 44,000kg of greenhouse gas emissions by using yeast by-products from brewing that would have otherwise gone to landfill. At the end of the process, by-products from Vegemite production can also be diverted for use: In FY2025, 3,435 tonnes were diverted for use as stockfeed in local piggeries.

Circularity in a jar: How Vegemite Keeps Value Flowing



Brewing industry

Beer is produced through the brewing process, a by-product of which is spent brewers yeast



Spent brewers yeast

Source valuable by-products from brewing to create a nutritious ingredient.



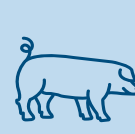
Packaging

Optimise packaging by incorporating 30% recycle content.



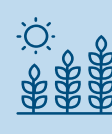
Vegemite

Optimise every ingredient to create an iconic spread packed with vitamin B.



Local Piggeries

Return production by-products to productive use as stockfeed.



Back to the land

Return nutrients to the soil to support future crops.

Emissions reduction

OUR APPROACH

Our greenhouse gas reduction commitments are:

- Reduce absolute Scope 1 and Scope 2 emissions by 40% by 2030¹.
- Reduce Scope 1 and Scope 2 emissions intensity by 2030¹ by 50%.
- Achieve net zero emissions by 2050.
- Collaborate to mitigate Scope 3 emissions.

Our commitment to emissions reduction includes the development of a clearly defined path to net zero 2050 aligned to the Science Based Targets Initiative.

For further information on Bega Group's greenhouse gas emissions, refer to the 'Sustainability Report' section in the Bega Group Annual Report.

OUR PROGRESS

Our energy management capability program (EMC) remains a key operational initiative designed to optimise energy efficiency, reduce energy costs and reduce greenhouse gas emissions across our manufacturing sites. The EMC is now in its seventh year, having been rolled out to understand major energy uses and implement energy metering, mapping and monitoring activity ahead of site-specific projects targeting heating, refrigeration, lighting and steam systems, to support reduction in energy use and emissions.

In FY2026, the Group completed a metering and monitoring plan for the Ridge Street site with the support of the New South Wales State Government. Consistent with the EMC's focus on metering, mapping and monitoring, the plan established the site's existing metering, identified gaps across electricity, gas, steam and water, and set out the additional metering required to actively and accurately manage energy. This provides the granular data needed to identify inefficiencies, quantify energy and emissions

performance, and support future energy efficiency initiatives at the site.

Reducing emissions associated with thermal energy remains one of the Group's most significant decarbonisation challenges. Natural gas continues to represent a substantial component of our Scope 1 emissions, and we continue to pursue gas efficiency opportunities while assessing alternative thermal technologies that can support the transition towards lower-carbon manufacturing.

The Bega Group has entered into two 15-year Power Purchasing Agreements (PPAs) with renewable energy suppliers. Situated in the Group's facilities in New South Wales, both are in the design and construction phase and expected to begin operating in FY2027.

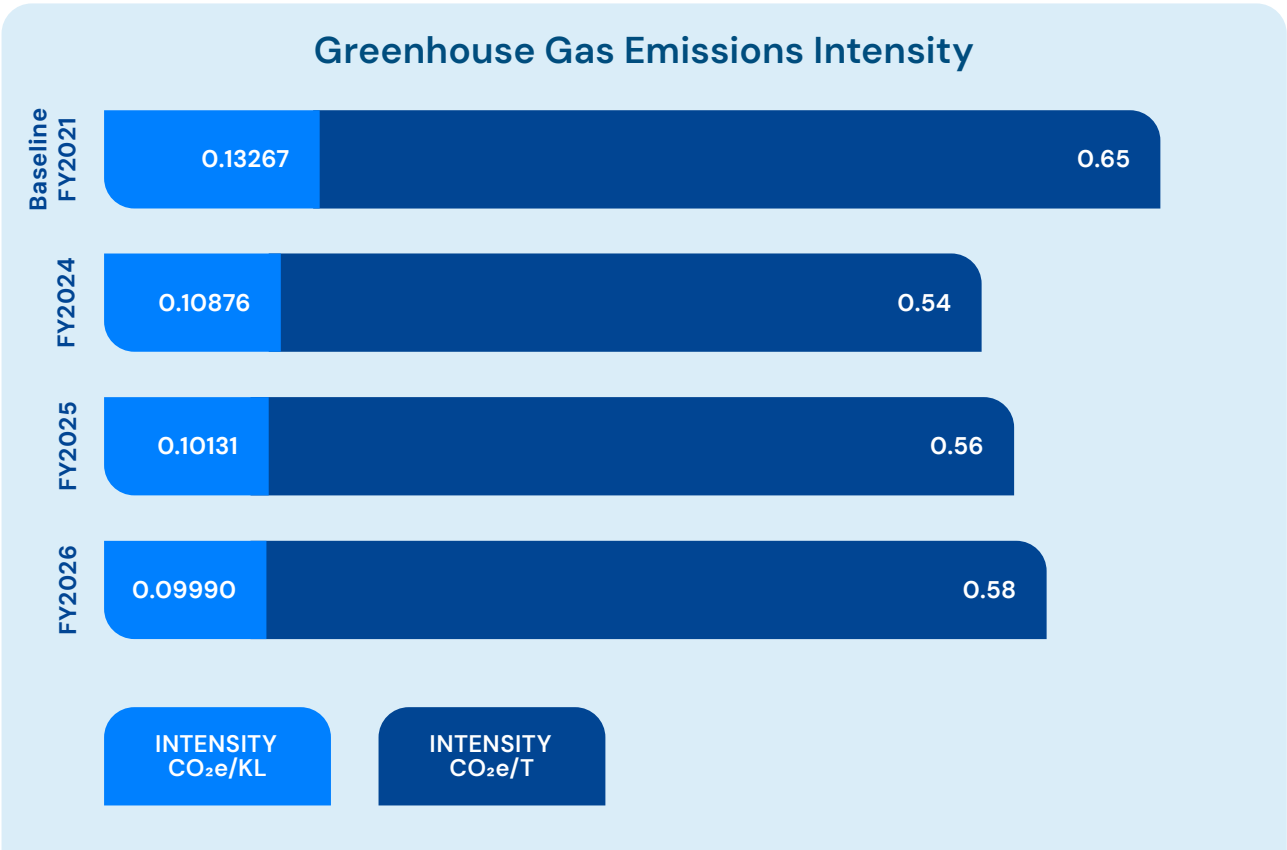
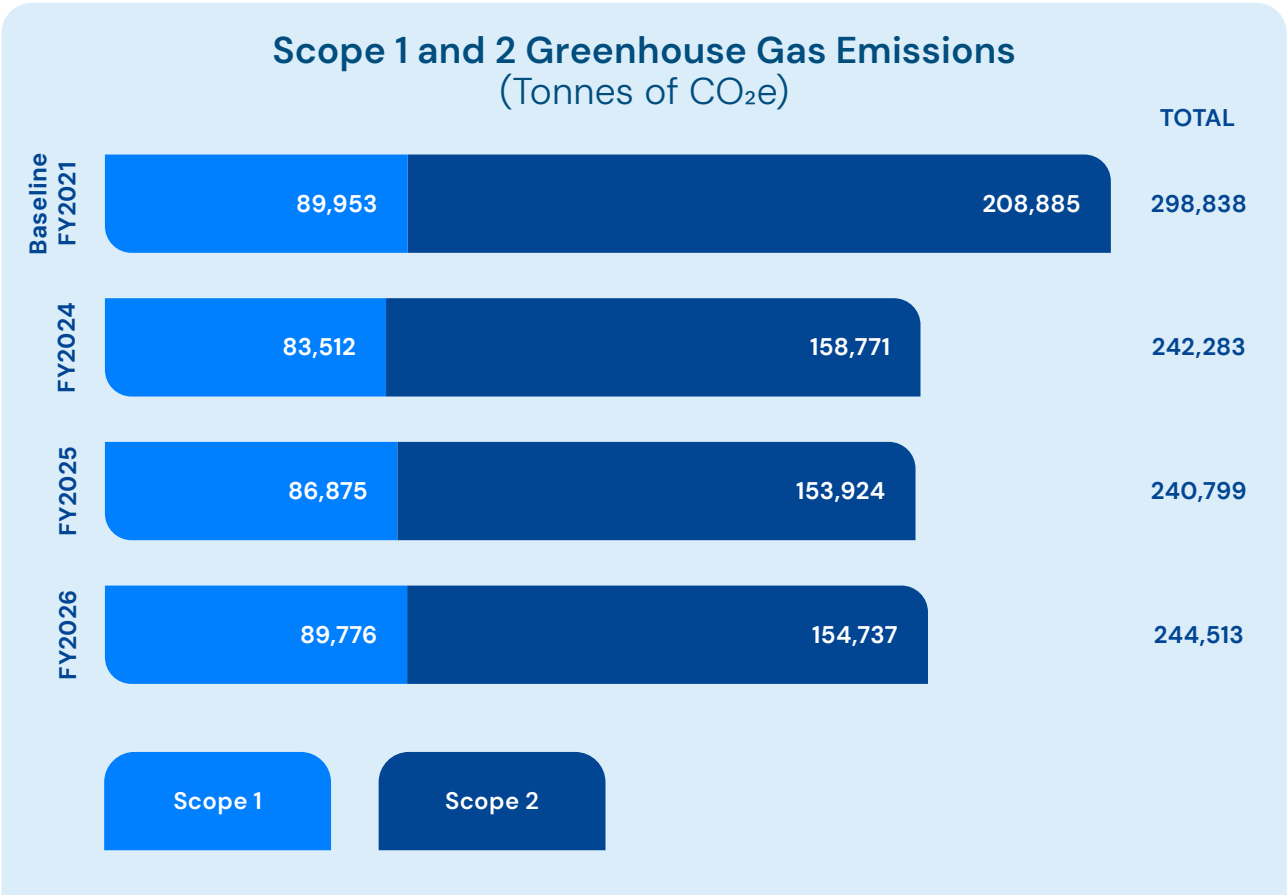
To support emissions reduction targets and global ambition to transition towards a lower-carbon economy, in FY2026 Bega Group began work on a climate transition plan including resourcing. The climate transition plan will incorporate a detailed emissions reduction roadmap, including the Group's approach to reducing Scope 3 greenhouse emissions.

OUR PERFORMANCE

Bega Group is registered under Division 3 of Part 2 of the *National Greenhouse and Energy Reporting Act 2007* (Cth) (NGER), which is a specific greenhouse gas (GHG) regulatory reporting regime. When calculating Scope 1 and Scope 2 GHG emissions, the Group applies methods and emissions factors set out in the *National Greenhouse and Energy Reporting (Measurement) Determination 2008*.

In FY2026, Bega Group achieved an 18.2% reduction in absolute Scope 1 and 2 greenhouse gas emissions compared with the FY2021 baseline. This reflects the cumulative impact of energy management, operational efficiency and optimisation activities implemented across the network over recent years through the EMC program and related site initiatives. Greenhouse gas emissions intensity improved by 24.7% per kilolitre of product and 11.2% per tonne of product compared with the FY2021 baseline. Year-on-year performance varied across business units, largely reflecting changes in production volumes and product mix.

¹ From a baseline year of FY2021





Developing Bega Group's Scope 3 emissions baseline



Bega Group has been working to establish a comprehensive baseline for Scope 3 greenhouse gas emissions using FY2024 data. The project has involved extensive supplier engagement, data collection and methodology development across our value chain, supported by external review to help ensure the approach is robust, aligns to the Greenhouse Gas (GHG) Protocol and is fit for future reporting requirements.

A key focus of the project has been improving the quality and accuracy of emissions data in areas expected to have the most significant impact. Through the Better Farms Program, Bega Group engaged directly with dairy farm suppliers to collect farm activity data and develop a representative emissions profile for the milk supplied to Bega Group. This approach provides a stronger foundation than relying solely on industry-average or spend-based estimates and supports ongoing engagement with suppliers on productivity, efficiency and emissions reduction opportunities.

Preliminary findings indicate that purchased milk is the most significant contributor within Bega Group's emissions profile, representing approximately 70% of Scope 3 emissions and around 60% of total Scope 1, 2 and 3 emissions combined. Initial analysis has also identified downstream end-of-life treatment of sold

products (emissions calculated using national statistics that include percentage of purchased food wasted, percentage of food waste that is composted and percentage of packaging that is recycled or landfilled) as another potentially material emissions category within the value chain.

These insights reinforce the strategic importance of Bega Group's Better Farms Program and our broader focus on supporting suppliers to understand, measure and reduce emissions while improving farm productivity and circularity outcomes. The baseline project is helping Bega Group better understand where emissions occur across the value chain and identify areas where collaboration and targeted action can deliver the greatest impact. It is also providing insights into how resources, materials and by-products can be better optimised on-farm to improve resource efficiency and support circularity outcomes within dairy farming systems.

Note: Scope 3 baseline calculations remain subject to final assurance and governance processes. Information presented reflects preliminary findings and does not constitute Bega Group's formal climate disclosures.



COMMUNITY

Our Ambition:

Making a positive and lasting impact by supporting our people, their families and our communities.



Employee wellbeing and diversity

We are committed to:



Safety as our first priority.
We provide a healthy and safe workplace for all.



Supporting the health and wellbeing of our people and their families.



Promoting diversity, inclusion and gender equality.

- 42% reduction in high consequence work-related injuries since FY2025
- 82% participation in employee engagement survey
- Under 10% median base salary gender pay gap
- Over 30% of the Board and executive team are women
- 2% direct workforce identify as Aboriginal or Torres Strait Islander
- 55% direct workforce employed under enterprise and union bargaining agreements

OUR APPROACH

Our overall approach to responsible business conduct, including human rights and fair business practices, is outlined in our Code of Conduct (the Code). We are currently undertaking a significant review and update of the Code to reflect our core values and culture. Detailed policies and procedures will sit alongside and link from the Code, and this work will include updates to approaches to psychosocial safety and respect at work.

Our safety principles guide our safety culture.

Our Workplace Health and Safety Statement applies across all of our business operations and outlines how

we will achieve our safety goals. Our safety management system is informed by international standards and supports legal compliance. Safety performance is also linked to individual performance objectives including those of the Chief Executive Officer and executive team.

Our diversity, equity and inclusion policy details our commitment to fostering a workplace where diversity, equity and inclusion are integrated into our operations and embedded in our culture. Linked to our Code of Conduct and respect policy, the diversity, equity and inclusion policy commits Bega Group to setting measurable objectives for achieving gender-balanced teams, analyse pay equity annually and enable flexible work arrangements. Bega Group is also subject to the *Workplace Gender Equality Act 2012* (Cth), which requires annual public reporting and the setting of targets in relation to gender equity.

OUR PROGRESS

Safe Work Australia, the national policy body responsible for work health and safety and workers' compensation, has amended the model WHS laws to expand incident notification requirements. The amendments introduce additional notifiable events, including work-related extended absences (15 or more consecutive days), certain violent incidents involving a serious risk of psychological harm, and work-related suicides and attempted suicides. These changes will only apply once adopted into each jurisdiction's WHS legislation. Bega Group is preparing for these expanded reporting obligations as State and Territory governments consider adoption and implementation of the amendment. We have started a review and rewriting of our safety management system, which we expect to complete in FY2027.

More than 55% of our direct workforce in Australia is employed under enterprise and union bargaining agreements (EBA). The remaining 45% are engaged under modern awards or are award-free and salaried. We monitor and audit our team members annually for wage compliance. When we do engage workers indirectly, we do so through contracted preferred suppliers that have consistently demonstrated they meet our expectations regarding labour standards and adherence to our policies.

Our labour hire partners are also contractually obliged to ensure their workers receive terms and conditions comparable to our own EBA employees. The majority of our labour hire engagement is with one provider, which is subject to quarterly business reviews (QBR) and key performance indicators (KPI) including site-based spend, overtime spend, employee numbers per site, pre-

Better Future: Community (continued)

employment requirement checks, maintaining records of skills training and experience, time and attendance records, account management for each site, and diversity and the tracking of diversity and inclusion targets.

At Bega Group, we are committed to creating a workplace where our people can thrive, feel included and contribute to the long-term success of the organisation. During the year, we continued to strengthen our focus on employee wellbeing, diversity and inclusion, while supporting employees and communities through significant business transitions.

Wellbeing

During the year, we launched **BWell@Bega**, our group-wide wellbeing framework designed to support the long-term health, wellbeing and resilience of our people.

Built around four pillars, financial, physical, social and emotional wellbeing, BWell@Bega provides employees with access to a range of targeted programs and initiatives. These include transition-to-retirement planning, skin, heart and general health checks, the establishment of a Wellbeing Champions Network, and initiatives focused on building mentally healthy workplaces.

Our national network of Wellbeing Champions plays a central role in identifying wellbeing priorities and promoting participation across the business. Working closely with cross-functional teams, the network has helped deliver a centralised wellbeing activation calendar while also enabling sites to develop local initiatives tailored to the unique needs of their workforce and operational environment. Recognising that wellbeing is not one-size-fits-all, the network meets regularly to identify focus areas aligned to the four wellbeing pillars and direct investment towards initiatives that deliver the greatest impact for our people. We also continued

our long-standing RUOK? Day mental health initiative in partnership with Dare Iced Coffee and through internal events across the business.

Inclusion and Gender Diversity

Bega Group remains committed to improving diversity and inclusion across leadership roles and fostering a workplace where people from diverse backgrounds can succeed.

In 2022, we became a signatory to **HESTA's 40:40 Vision**, an investor-led initiative seeking to achieve gender-balanced executive leadership teams across the ASX300 by 2030. As part of this commitment, Bega Group has set a target of 40% representation by women on the executive leadership team and Board by 2030, supported by an interim milestone of 30% by 2027.

As a 'relevant employer' under the *Workplace Gender Equality Act 2012* (Cth), the Group submits annual gender equality reporting and uses these insights to monitor progress and strengthen accountability for gender equity outcomes. Further details can be found on the WGEA website.

Supporting Employees Through Change

Two significant business decisions announced in 2025 had a direct impact on employees and local communities and required substantial transition support throughout the reporting period.

In May 2025, Bega Group announced the consolidation of cheese processing and packaging operations from Strathmerton into the Ridge Street, Bega facility, affecting 307 employees. The consolidation was completed on 30 June 2026. In July 2025, we announced the phased closure of the Peanut Company of Australia Pty Ltd (PCA) business, impacting 147 employees.



Better Future: Community (continued)

Bega Group seeks to minimise the social and economic impacts of business changes on employees, their families and the regions in which we operate. Throughout these transitions, we worked closely with employees, community organisations, local employers, and local and State government agencies to support affected individuals and communities. A range of assistance measures were implemented to help retain employees within their local communities where possible. This included outplacement services, financial counselling, job fairs, career transition support and access to reskilling grants.

These efforts contributed to positive employment outcomes for many affected employees. At PCA, more than 85% of employees were successfully redeployed, while 12% transitioned to retirement. At Strathmerton, approximately 65% of employees were redeployed, with a further 4% retiring.

OUR PERFORMANCE

No prosecutions or directions to cease work to resolve a health and safety issue in the workplace were initiated or received during the financial year. There were no workplace fatalities and there were 90 recordable injuries in FY2026. Our total recordable injury frequency rate (TRIFR) was 13.2 compared to 13.4 in FY2025 and there were 12 high-consequence work-related injuries this year, representing a 42% decrease from FY2025. Safety performance improved, reflecting enhanced systems for high-risk work permits, machine safety and energy isolation. Local manual handling and work system improvement initiatives also contributed to improved safety outcomes.



Members of our Queensland team completing Mental Health First Aid training as part of our ongoing commitment to creating a more supportive, open, and connected workplace.

We exceeded our interim 2027 milestone target of 30% representation by women across both our Board and Executive Leadership Team. The representation of women on our Board is 37.5% and the representation of women in our executive leadership team is 30%. We reported a gender pay gap of less than 10% to the Workplace Gender Equality Agency (WGEA) in the year between 1 April 2025 and 31 March 2026 under the gender equality reporting program. This reflects a narrowing of the gender pay gap of almost 3% on the prior year.

Our employee engagement survey has been conducted since 2018 and this year reached a record participation rate of 82%, our highest ever. This survey gathers information across broad themes including basic needs, individual contribution, teamwork and belonging, and growth and development, as well as overall job satisfaction, wellbeing, diversity, equity and inclusion and accountability. Conducted in October 2025, the survey also gathered data on broader metrics of diversity demographics across the business.



R U OK? in Trucks & Sheds events for our logistics team across Australia to spark meaningful conversations, strengthen connections and reinforce the importance of looking out for one another every day. Photo of the SA team Luke, Samantha, Michiel, Jamie and Felicity.

Our Workforce Composition



First Nations

2% of our team members identify as Aboriginal and/or Torres Strait Islander

7% prefer not to answer



Accessibility

5% of our team members identify as having a disability

11% prefer not to answer



LGBTIQ+

4% of our team members identify as LGBTIQ+

10% prefer not to answer



Gender Equity

1% of our team members identify as non-binary, transgender or not listed

10% prefer not to answer



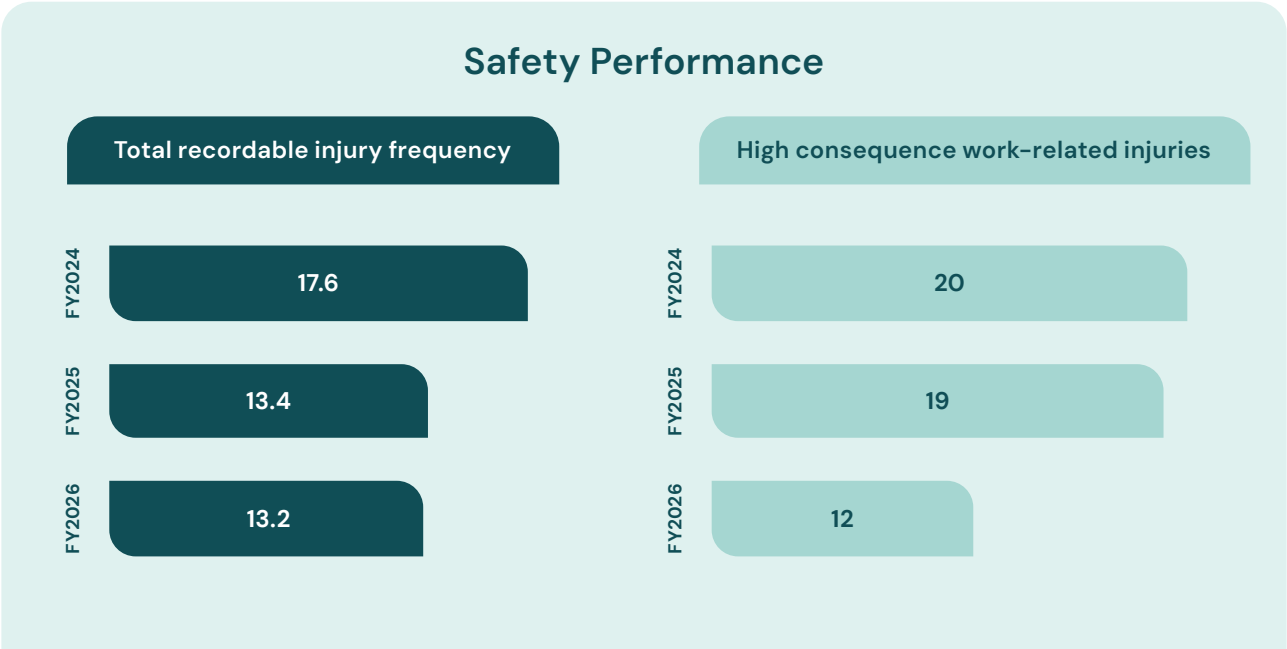
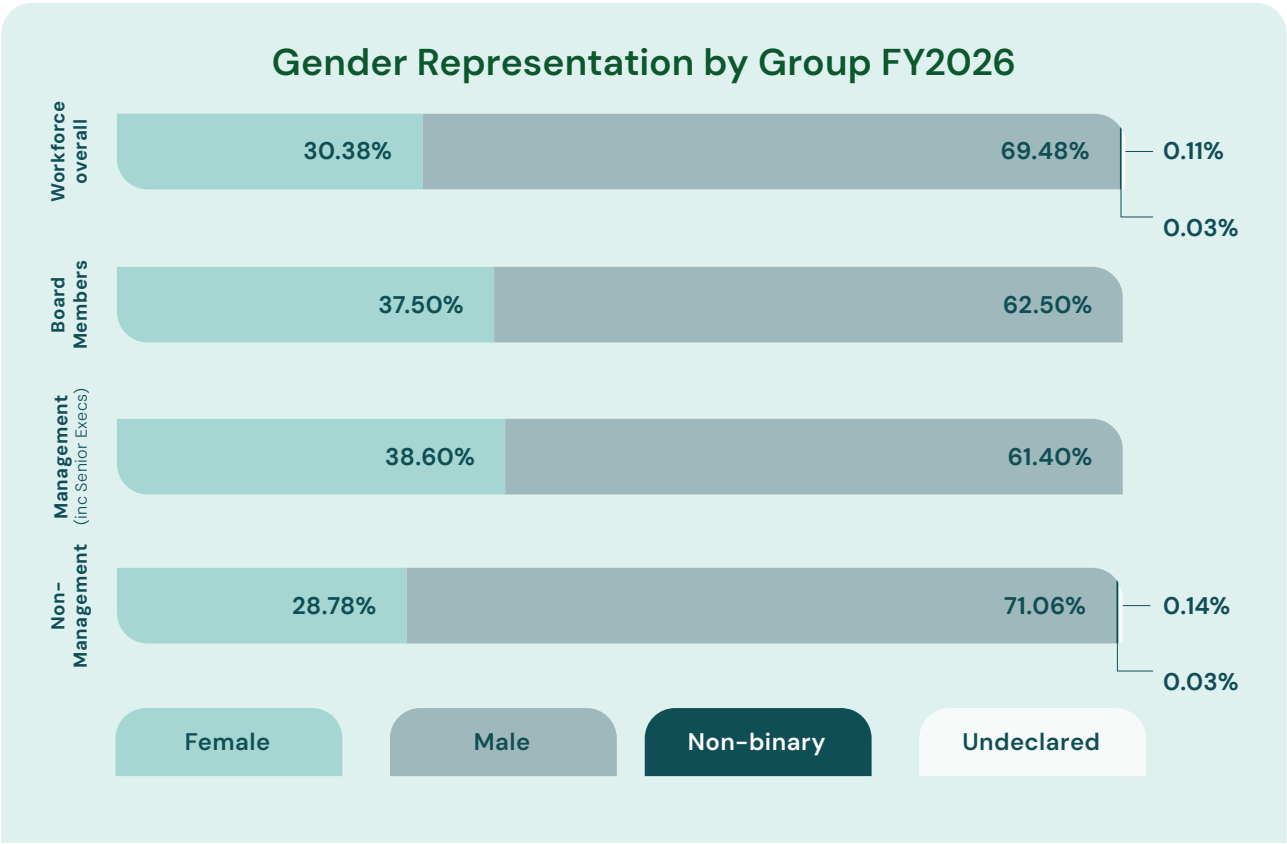
Caring

29% of our team members have caring responsibilities

7% of our team members care for people with a disability

10% prefer not to answer

Data captured in October 2025 Q12 Engagement Survey



 Learn more about:
[DIVERSITY, EQUITY AND INCLUSION POLICY](#)

 Learn more about:
[WORKPLACE GENDER EQUALITY REPORT](#)

 Learn more about:
[BEGA GROUP CODE OF CONDUCT](#)

 Learn more about:
[WORKPLACE HEALTH AND SAFETY STATEMENT](#)



Community Case Study

LevelUP – Accelerating women in leadership at Bega



Over the past eight months, 60 emerging female leaders from across our business have participated in LevelUP, a leadership development series focused on building capability, enhancing visibility, and strengthening networks to support leadership readiness and long-term career growth among participants.

LevelUP is a key initiative within our gender equity action plan, supporting our commitment to strengthening the pipeline of female talent and increasing representation of women in leadership. By investing in the development of emerging women leaders, we are building the leadership capability needed to drive Bega's future success.

Over seven sessions, participants heard from internal leaders and external experts, covering topics including confidence and self-belief, commercial acumen, leadership presence, personal brand and career planning and pathways. The series blended practical skill-building with exposure to senior leaders, networking opportunities and reflection activities designed to support long-term career development.

Senior leaders have participated in the networking component of each session with Adam McNamara, the executive sponsor of the overall LevelUP series.

LevelUP evolved from a proposed externally delivered program for a single business unit into a Bega Group-wide initiative, designed and delivered inhouse. This approach enabled a more tailored learning experience aligned with Bega's culture and leadership priorities, while bringing together a diverse group of women across teams, functions and career stages. The program strengthened connections, broadened perspectives and supported the development of future women leaders.

Impact at a glance

- 60 emerging female leaders
- 7 development sessions delivered over eight months
- Internal and external subject matter experts and leaders featured throughout the series
- Focus areas spanning confidence, commercial capability, leadership presence, career development and self-leadership
- Cross-business participation from across Bega Group, strengthening enterprise-wide networks and collaboration.

This initiative has established a strong foundation for future LevelUP groups and demonstrates how targeted development programs can support both individual growth and broader organisational talent objectives.

Positive nutrition outcomes

We are committed to providing great-tasting, nutritious products for all life stages and to clearly communicating nutrition information so people can make informed, healthy choices.

A more nutritious, healthier portfolio:

- 69% Bega Group branded sales by volume in FY2026 have a Health Star Rating of 3.5 or above
- Launch of Vegemite Kids with 50% less salt compared to original Vegemite
- Replaced butylated hydroxyanisole in our peanut butter range with antioxidant Vitamin E

OUR APPROACH

Bega Group's approach to nutrition is informed by the latest science and health research on the dietary needs of specific demographics and populations and direct investment in research with Australian universities.

Our focus areas include nutrition for everyday performance, gut health, weight, wellness and healthy minds. Our work is informed by key data sources such as the Australian National Nutrition and Physical Activity Survey¹ and equivalent data from Malaysia² and Singapore³ which are also key markets for Bega Group. We also consider the Australian Dietary Guidelines 2013, Australia's Health 2026⁴, the Strengthened Aged Care Quality Standards⁵ and consistency with the Australia New Zealand Food Standards Code.

We are also responding to increasing consumer demand for convenience and food with added functional benefits, over highly processed food, while providing value under cost of living⁶ pressures.

Protein is viewed by mainstream consumers as fundamental for good health, energy, weight management and healthy ageing. This is reshaping multiple food categories. As a nutrient dense and protein rich food, dairy is ideally placed to meet this demand.

We maintain our commitment to the Australian Association of National Advertisers (AANA) codes of practice, such as the Food and Beverages Advertising Code (the Code) which regulates food and beverage advertising in Australia. Our marketing team is trained regularly in the requirements of the Code, and our legal and regulatory teams monitor and review compliance.

OUR PROGRESS

This year has been characterised by significant growth in Bega Group's branded milk, milk-based beverages, yoghurt and juice, and particularly the expansion of branded high protein products. Growth in yoghurt sales in Australia reached record levels, with annual growth in our yoghurt category reaching 13%. This year we expanded our range of protein products launching new flavours in Dairy Farmers Protein Smoothie, Dairy Farmers high-protein white milk, Masters 36g protein coffee and chocolate milks in Western Australia and our yoghurt brand, Farmers Union Greek Yogurt, into high protein yoghurt with 15g and 16g protein per serve. Each of these innovations is being delivered with no added sugar, helping to reduce the overall sugar in our portfolio. The whole Yoplait range, for example "sit", below the Australian Government Healthy Food Partnership target for 12.5g sugar per 100g of yoghurt, as at June 30, 2026.

We also expanded lactose-free white milk across the country through local brands, Masters Milk in Western Australia and Betta Milk in Tasmania.

We removed butylated hydroxyanisole (BHA), as an ingredient from our peanut butter range, replacing it with antioxidant 307b, alpha-tocopherol, a form of vitamin E. BHA is an antioxidant and fat preservative added to extend quality and shelf life. While approved and considered safe for use in Australia, consumers are seeking foods with less additives. Removal of BHA from our peanut butter will help us meet this evolving consumer expectation.

¹ National Nutrition and Physical Activity Survey, 2023 | Australian Bureau of Statistics

² https://iku.nih.gov.my/images/nhms2024/key_findings_nhms2024.pdf

³ NPHS 2024 Survey Report_Final.pdf

⁴ Australia's health 2026, Key findings - Australian Institute of Health and Welfare

⁵ <https://www.agedcarequality.gov.au/providers/quality-standards/strengthened-aged-care-quality-standards>

⁶ National Nutrition and Physical Activity Survey, 2023 | Australian Bureau of Statistics

This year, we introduced Vegemite Kids, a new variant of our iconic Vegemite spread formulated with a milder flavour for children. It contains 50% less salt compared to original Vegemite spread while maintaining the same amount of vitamins B1, B2, B3 and B9 per serve as original Vegemite.



Bega Group does not generate revenue from products sold in jurisdictions, including Australia, which require health warning labels based on health or nutritional attributes. Under the Australia New Zealand Food Standards Code, we do provide advisory statements on several products which, for specific health reasons, may not be suitable for all consumers. Our Dairy Farmers Heart Active Milk, for example, contains added plant sterols, which can help reduce LDL cholesterol, and includes a statement that it is not suitable for children under the age of five, pregnant or lactating women and people taking cholesterol-lowering medication and that doctor's advice should be sought before using it, due to their special dietary needs. Our Daily Juice Orange Juice+Fibre also includes an advisory statement indicating that some people may experience gut sensitivities from consuming inulin, which is a plant-based, soluble dietary fibre and prebiotic. Our Dare No Added Sugar Double Espresso, Dare No Added Sugar Triple Espresso, and Farmers Union Iced coffee No Added Sugar also include advisory statements regarding phenylalanine.

The Australia New Zealand Food Standards Code was recently amended and requires mandatory labelling of packaged, high caffeine coffee beverages over the next two years. This includes a declaration of caffeine content per serve in the nutrition information panel and an advisory statement that the product is not suitable for children under 15 years, or for pregnant or breastfeeding women. Bega Group has voluntarily labelled the caffeine in nutrition information panels of all beverages containing caffeine since 2018. This includes a statement about the amount of caffeine relative to cups of coffee and that high caffeine containing beverages may not be suitable for children, pregnant women and individuals sensitive to caffeine. Bega Group will comply with the new requirements, which are similar to our current approach to labelling.

This year, the South Australian Government implemented a policy restricting the advertising of food and drinks on government owned public transit. Aimed primarily at the advertising of confectionery, soft drinks and snacks to children, the regulation also prevents the advertising of our milk-based beverages, both those with and without added sugar.

OUR PERFORMANCE

In FY2026, more than 69% of Bega Group branded sales by volume had a Health Star Rating of 3.5 or higher. This represents 53% of Bega Group branded net sales and revenue of more than \$1 billion.

We did not receive any complaints of non-compliance with industry or regulatory labelling or marketing codes and were not subject to any litigation relating to nutrition or health concerns in FY2026.



Community Case Study

Innovation in the protein supply chain



Expansion of the agricultural and food industry is required to meet the food needs of a growing global population. Food scientists and food companies are exploring alternative protein sources to meet the demand for protein without compromising sustainability. Bega Group has partnered with RMIT University on several research projects focused on the potential microalgae holds as a source of protein.

Microalgae has the potential to be used in many food products. Microalgal proteins are nutritionally rich, and their profile makes them suitable for use in products that have similar properties to dairy. They also have a

low carbon footprint, grow quickly, and can be densely grown in environments that require less energy, water and nutrients.

Currently, the use of microalgae in human diets is relatively limited. This is due to challenges including both palatability and the scalability of technology and production. One challenge is the resilience of the cell wall of microalgae and the effective extraction of protein for use.

Bega Group recently contributed to a study by RMIT University^{1,2} comparing various extraction methods to obtain high-purity protein concentrate from one species of microalgae. Several methods were tested with the preferred method obtaining a level of 86% protein content by dry weight. This work could support further research and applications in protein extraction from other microalgal species.

As demand for protein ingredients and protein-rich foods increases, the global algae protein market is expected to grow at a compound annual growth rate of 4.8% between 2025 and 2030. Bega Group will continue to explore potential sources of protein, including microalgal protein, through our research programs.



1 Le, X. T., Samarathunga, D. D. A., et al. (2025). Comparison of extraction methods to obtain high-purity protein concentrate from green microalgae *Nannochloropsis oceanica*. *Sustainable Food Technology*, 3(2), 549-558. doi.org

2 Samarathunga, J. et al (2025). Microalgal proteins as ingredients for creating dairy mimetic products: prospects for substituting bovine milk proteins. *Future Foods*, 11(100556). doi.org/10.1016/j.fufo.2025.100556

Community engagement and awareness

We are committed to supporting our communities to create meaningful and lasting impacts.

1,108,062 kilograms of food products donated to Foodbank

230,000 litres of milk donated to Foodbank

\$449,000 in donations to local charities

OUR APPROACH

Our approach to community engagement and awareness work includes:

- Contributing to local, grassroots projects with resources such as funding, product donations and employee time.
- Long term partnerships with national charitable organisations
- Fundraising events initiated or sponsored by us to benefit a nominated charitable organisation.

We also make community service leave available to support employees who wish to volunteer for an approved range of charities and organisations.

OUR PROGRESS

Our ASPIRE leadership development program has been offered to employees across the business for the past eight years. Participants explore leadership at Bega Group, personal leadership styles and a group challenge. As part of the group challenge, teams contribute their time to a local project that generates a social outcome. Each team is challenged to identify, design and deliver a project that improves the life of a community near a Bega Group site. This requires

participants to listen to community needs, engage local stakeholders, work across functions and sites, and turn good intentions into practical action. Projects create a practical leadership experience reinforcing that leadership at Bega Group is not only about business performance. It is also about understanding Bega Group's responsibility for people and communities connected to our operating sites. Beyond one-off contributions, these projects can create meaningful, sustainable impact.

We are a long-term supporter of Foodbank in Australia, which feeds 76,000 people every day. Food insecurity and cost of living pressures continue to increase and have been made worse by global events. In FY2025, approximately one in five of Australian households were severely food insecure, meaning that people skip meals or whole days of eating¹. Bega Group is one of Foodbank's largest donation partners. We also contribute to Foodbank's milk program, supplying white milk weekly or fortnightly which is then made available to Foodbank's charity partners and school breakfast programs.

We have sponsored the Tatura Pedals and Steps event for 15 years². This event includes a variety of cycling, running and walking events linking townships across the Goulburn Valley in Victoria. Funds raised go directly to the community through valued partnerships with charities, community groups and not-for-profit organisations. We have also held 31 annual corporate events in the home of the company in the Bega Valley. Each of these events culminates in a charity auction raising funds for local charities and community organisations.

OUR PERFORMANCE

Our ASPIRE leadership development projects this year included work with:

- **BeachPatrol and Love Our Street** – impactful and widely available community based litter clean up initiative to reduce plastic pollution and accessible for to all Bega sites
- **Port Phillip Community Group** – supporting vulnerable families and food insecurity with breakfast hampers
- **Foodbank Morwell** – strengthening our partnership with Foodbank by using Bega Group's existing chilled distribution network to extend Foodbank's reach into regional communities
- **New South Wales Rural Fire Service** – fundraising for safety equipment and donation of products to support catering brigades across New South Wales.

¹ <https://www.foodbank.org.au/research-reports/>

² previously called Tat200

Better Future: Community (continued)

In FY2026, we donated 1,108,062 kilograms of products to Foodbank, equating to 1,996,508 meals for Australians in need. Staff also directly volunteered their time to pack more than 48,000 meals at Foodbank Victoria's warehouse.

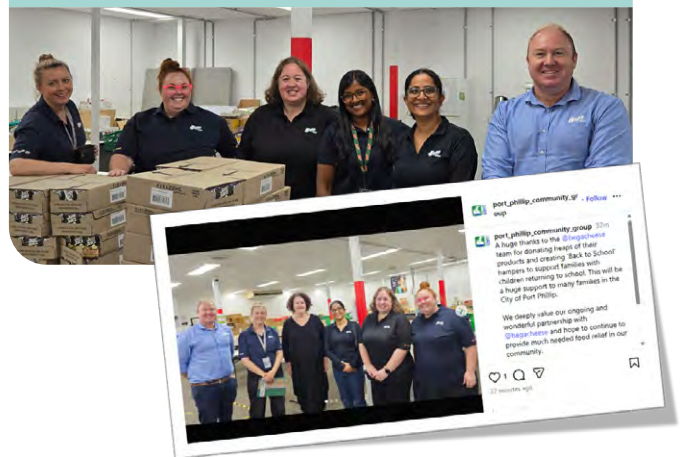
The Tatura Pedals and Steps event has raised \$1,275,000 between 2008 and 2025 for local charities across the Goulburn Valley. Recipients in 2024 and 2025 included Goulburn Valley Pregnancy and Family Services, the Tatura Country Fire Authority and VincentCare. The Bega Group Corporate Event has raised \$1,384,000 since 2008 with beneficiaries including Bega Evacuation Centre, Bega Local Aboriginal Land Council, Carers Accommodation South-East Inc at the Bega District Hospital, Southern Women's Group and Tulgeen Disability Services.

We also donated over \$449,000 in FY2026 to nearly 70 community and industry organisations across Australia for events, sponsorships and small projects.

16kg of litter collected in 1 hour and a Do-It-Yourself Team Building kit for other teams to replicate.



Breakfast hampers for 14 local agencies in Port Phillip for vulnerable families.



Regular chilled deliveries into Morwell Foodbank, impacting potentially 31,000 people in the region.



Fundraising for safety equipment and distribution of products to the New South Wales Fire Service.



Learn more about:
FOODBANK



Learn more about:
TATURA PEDAL AND STEPS



Community Case Study



Bega Cheese toasties making records in Malaysia

This year, Bega Group's Malaysian entity (Berri Asia Sdn Bhd) officially launched the Bega branded Shredded Cheese range.

One of the many launch activities included a partnership with the Silent Teddies bakery to create the Largest Oven-Baked Cheese Melt Sandwich Formation in Malaysia. Measuring 2.5m x 3.35m, the giant sandwich was crafted over five hours using a range of Bega Group products – resulting in 810 individual sandwiches and officially recognised by the Malaysia Book of Records.

The Silent Teddies Bakery is a registered social enterprise in Kuala Lumpur, mainly staffed by people who are Deaf or hard of hearing, dedicated to empowering the Deaf and hard of hearing community through meaningful employment and social inclusion initiatives. The mission of the bakery is to empower people who are Deaf and hard of hearing with the skills set to ready themselves for staffing in or outside of Silent Teddies Bakery.

This collaboration helped raise awareness of the work of the Silent Teddies Bakery in Malaysia. As part of the event's community service initiative, all sandwiches were distributed to charity partners, reflecting Bega Group's commitment to reduce food waste while creating meaningful impact within local communities.





COLLABORATION

Our Ambition:

Working together with our producers, customers and communities to enable sustainable practices, grow domestic economies and deliver great Australian products that people love and trust.



Collaboration

Natural resource management

We are committed to:



Supporting healthy ecosystems and a sustainable dairy industry.



Promoting on-farm biodiversity and ecological protection.



Integrating mitigation, adaptation and resilience strategies to effectively manage and report on climate risk.

Over \$3.7m in grant support to farmers through the Better Farms Program since FY2018

OUR APPROACH

We are committed to working with our dairy farm suppliers in a collaborative way to achieve positive outcomes. We comply with the Australian Dairy Code of Conduct. In doing so, we provide suppliers with a milk supply agreement that clearly sets out farmer obligations to comply with all relevant state and federal regulations including workplace health and safety, food safety, modern slavery, environmental management, waste management and animal welfare. We require compliance with all regulations, and we encourage the adoption of best practices and technologies through our Bega Better Farms Program.

Our Better Farms Program is a voluntary, purpose-led initiative designed to support the adoption of improved on-farm practices through access to regionally benchmarked farm performance data and access to financial grants to support the implementation of capital works. Focused on the circular economy principles of optimising resources, enhancing the natural resource base and reducing waste, the program is designed to improve farm productivity, reduce emissions and increase resilience through improved resource utilisation and technology adoption.

Detailed information on Bega Group's climate-related risks and opportunities and how they are managed appear in our current Annual Report.

OUR PROGRESS

This year has been characterised by increased energy and fertiliser costs to dairy farmers, as a result of the conflict in the Middle East, while Australia's milk pool continues to shrink. To support our dairy farmers, Bega Group introduced a temporary support payment of 5 cents a litre of milk supplied to Bega Group, beginning 1 May 2026 and reviewed regularly, to help offset these costs.

Our Better Farms Program Survey was completed by a sample of dairy farm suppliers in FY2024, representing 30% of milk supply by volume. The survey included estimated greenhouse gas emissions, using industry assumptions and the Australian Dairy Carbon Calculator. This work is being used to inform our Scope 3 emissions estimations and opportunities to improve circularity. To increase accuracy of emissions reporting, the sample of farms surveyed will increase in FY2027.

The farms participating in the survey represent more than 5,000 estimated hectares of remnant vegetation and wetlands and more than 1,000 estimated hectares of tree plantations.

OUR PERFORMANCE

Since its establishment in 2018, more than \$3.7 million has been invested in grant support across all milk supply regions. Projects funded included generators for back-up power for climate resilience as well as irrigation, stock water, feed systems and solar energy system upgrades to improve efficiency and emission reductions.



Learn more about:
[BETTER FARMS PROGRAM](#)



Learn more about:
[MILK SUPPLY AGREEMENTS AND FARM QUALITY ASSURANCE MANUALS](#)



Collaboration Case Study

Ecological restoration by Traditional Owners at Malanda

Behind our Malanda manufacturing site in Queensland, is a natural drainage gully which empties into the North Johnstone River, eventually finding its way to the Coral Sea. In January 2026, the local Ngadjon Jii Native Title Representative Body Choorechillum organisation was successful in gaining funding for a six-month project to remove an extensive area of weeds and to plant 1000 trees along parts of the North Johnstone River including the gully behind the Malanda site.

The project is part of the \$34 million Reef Assist program, funded by the Queensland Government as part of the Queensland Reef Water Quality Program. Riverine restoration projects help improve water quality, mitigate weed spread, create habitat and corridors

for wildlife and reduce silt runoff to the Great Barrier Reef. Bega Group is funding the cost of additional trees and the aftercare of the planting, and will continue to do weed sweeps over the next three years after the project concludes. This will help ensure the success of the restoration work, reducing the spread of weeds and carrying of sediment and maintaining a natural rainforest.

The Bana Project (pronounced Buna – the Ngadjon Jii word meaning water) constitutes an effective partnership between local business, the State Government and the Ngadjon Jii Traditional Owners; caring for country and waterways and supporting the health of the reef.



Photo: The Bana Ranger team (from left) Desmond Rumble, Andrew Morta, Zechariah Dempsey, Emma Ridd (Manager, Quality Control, Malanda Factory) and Mellina Morta.

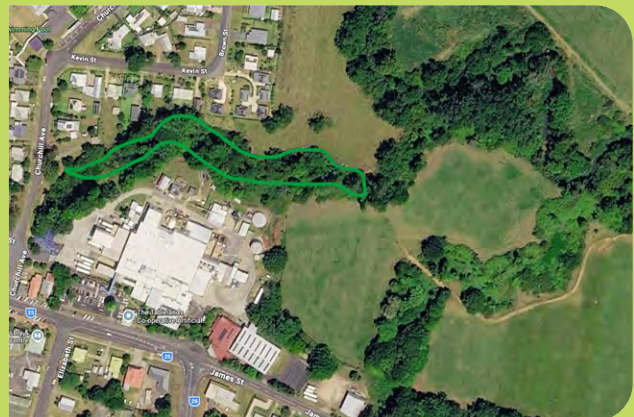


Photo: The green outline shows the project site where the gully flows into the North Johnstone River

Responsible ethical procurement

We are committed to sourcing ingredients from suppliers that share out ethical procurement values and use accredited sources.

100% of sites owned and operated by Bega Group have completed a Sedex Members Ethical Trade Audit (SMETA) over the past four years

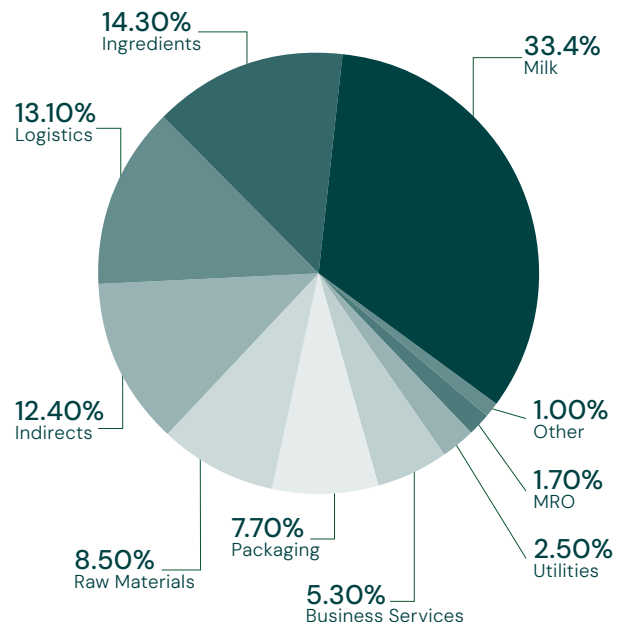
No business-critical non-conformances were identified in audits of suppliers identified as high-risk

OUR APPROACH

As a food producer, more than 55% of our total spending is on raw materials and ingredients, specifically milk, peanuts and fruit. In FY2026, Bega Group purchased more than 2,500 tonnes of apples, 2,800 tonnes of pears and nearly 30,000 tonnes of oranges. More than 95% of our supply chain expenditure is with Australian suppliers and our international spending is with suppliers in Argentina, Brazil, China, Singapore, USA and Vietnam. We also engage 21 third-party manufacturers to produce Bega-branded products and finished goods, which we then distribute.

Bega Group's approach to responsible and ethical procurement is detailed in three key policy documents. Our Code of Conduct outlines our expectations of suppliers regarding human rights and labour standards. Our revised procurement policy establishes a structured framework for the procurement of goods and services through transparent and consistent practices that deliver value to the business while complying with all applicable legal and regulatory obligations. It is aligned with our Better Future Strategy and includes a commitment to responsible sourcing and respect for human rights. Our ethical sourcing policy outlines both the standards to be met by suppliers and obligations of our staff to help suppliers meet those standards. Our Supplier Responsible Sourcing Code provides further details and guidance of the minimum standards expected of suppliers.

Spend by category FY2026



All prospective suppliers are required to complete an ethical sourcing questionnaire (ESQ), reviewed by our procurement team, to help determine an internal ethical sourcing risk rating. Those suppliers assessed to be moderate-risk or high-risk are required to register with Sedex or an equivalent service and complete that platform's self-assessment questionnaire covering labour standards, occupational health and safety, environment, and business ethics. If the findings from this step result in a high-risk rating, the supplier may be asked to complete an independent social audit.

We undertook a comprehensive assessment of human rights and modern slavery risks across our operations and supply chain in FY2023. It was updated this year for both operational risks and spend risks. Further information on modern slavery and human rights due diligence is available in our Modern Slavery Statement on our website.

OUR PROGRESS

This year, Bega Group updated our supplier terms and conditions on our website. The changes include supplier responsibilities to provide information to support our reporting on modern slavery and maintain membership of Sedex when requested. We completed a review to improve our internal purchasing policy, which sets out which team members have the authority to act as buyers and approve spending on behalf of the Group.

Better Future: Collaboration (continued)

Our responsible and ethical procurement work focused on deepening our understanding of risks in key categories and increasing targeted due diligence for five high-risk categories or emerging risk areas. These include logistics, fruit supply, labour hire, cocoa and coffee including risk analysis and stakeholder engagement.

OUR PERFORMANCE

Of the 364 new suppliers onboarded in FY2026, 111 were assessed as high-risk and registered with Sedex, an equivalent platform or signed onto the supplier responsible sourcing code. A total of 79 SMETA audits of suppliers were completed, with no business-critical non-conformances identified.

As part of our own participation in Sedex to provide assurance to our customers, we began a rolling

program of SMETA audits at our own sites in FY2022. Final audits were conducted at our sites in Chelsea, Penrith and Smithfield this year to complete the rotation, while four other sites were audited for a second time.



Learn more about:

[ETHICAL SOURCING POLICY AND
RESPONSIBLE SOURCING CODE](#)



Learn more about:

[BEGA MODERN SLAVERY STATEMENT](#)



Learn more about:

[SUPPLIER RESPONSIBLE SOURCING CODE](#)



Priority ingredients and accreditation

Over 99% palm oil from sources certified to the Roundtable for Sustainable Palm Oil

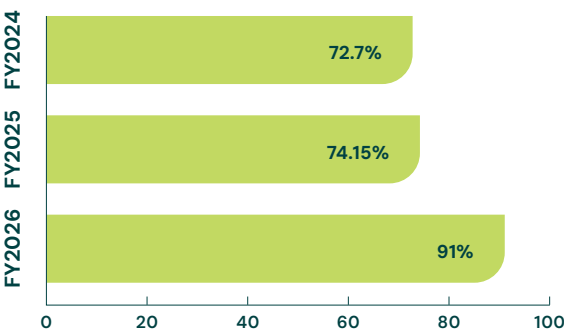
91% coffee from sources certified to the Rainforest Alliance Standard

OUR APPROACH

As a food producer, some ingredients and raw materials within our supply chain are recognised as having a higher risk of deforestation and breaches of human rights, specifically modern slavery. Some of the same ingredients and raw materials are also associated with deforestation, with impacts for forests and the people who depend on them, as well as greenhouse gas emissions. Deforestation is also the subject of global voluntary agreements and emerging trade regulations linked to specific commodities.

We have developed policies on several key commodities, committing to source them in a sustainable manner and prioritising sourcing from recognised, third-party accreditation programs. Policies have been developed for palm oil and coffee. Our sustainable palm oil sourcing policy requires our suppliers to supply Roundtable on Sustainable Palm Oil (RSPO) Certified Sustainable Palm Oil for Bega branded products. Our Bega Group coffee sourcing policy requires the majority of coffee sourced for, and used in, Dare branded products directly manufactured by us, to be certified by the Rainforest Alliance. These policies are available on our website.

Sustainably Sourced Coffee



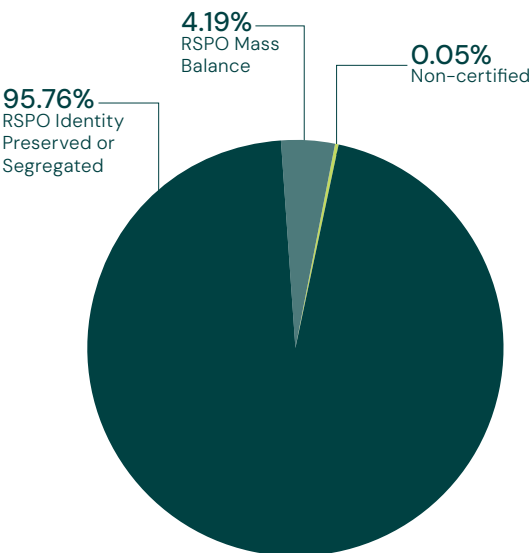
OUR PROGRESS

Bega Group has been an associate member of the Roundtable on Sustainable Palm Oil since 2019, and we have progressively increased our sourcing of certified sustainable palm oil to almost 100 per cent. We updated our Coffee Sourcing Policy in 2025, outlining our commitment to source coffee in a sustainable manner through Rainforest Alliance certification, supplier engagement, and transparent supply chains.

OUR PERFORMANCE

This year, more than 99% of palm oil purchased by Bega Group was certified by the Roundtable on Sustainable Palm Oil. 17% more of the coffee powder purchased by Bega Group was certified under the Rainforest Alliance standard, increasing from 74% in FY2025 to 91% in FY2026. We have begun a review of our cocoa policy to ensure it remains aligned with our approach to responsible sourcing and supply chain transparency. Following this review, we expect to publish an updated policy in FY2027 that reflects our commitment to transparent and robust analysis of the cocoa supply chain.

RSPO Palm Oil FY2026



Learn more about:
[COFFEE SOURCING POLICY](#)



Learn more about:
[SUSTAINABLE PALM OIL SOURCING POLICY](#)

Quality sustainable products

We are committed to delivering value to our consumers through high-quality products and sustainable practices across our value chain.

100% of Bega Group food manufacturing sites certified to the British Retail Consortium (BRC) Global Standards for food safety

100% of third-party manufacturers certified to a GFSI (Global Food Safety Initiative) benchmarked standard

OUR APPROACH

Bega Group's food safety and quality policy is reviewed annually and applies across all our manufacturing sites and to third-party manufacturers producing Bega-branded products.

To ensure safe, high-quality products throughout our supply chain, we apply a risk-based supplier assurance program. Suppliers are assessed against factors including product type, country of origin, regulatory environment, food fraud vulnerability and food safety risks. Third-party manufacturers producing Bega-branded products and suppliers of infant nutrition ingredients, for example, are considered higher risk than suppliers of secondary packaging or support services.

The level of oversight is tailored to the supplier's risk profile and may include certification requirements, site audits, quality reviews and regular performance monitoring. A supplier considered to be low risk, for example, may be required to complete a questionnaire while regular on-site inspections are required of higher risk suppliers. This approach helps us maintain confidence in the safety, quality and integrity of products sourced throughout our supply chain.

OUR PROGRESS

In FY2025, Bega Group completed the transition to a single food safety certification standard, achieving 100% certification to the BRC Global Standard for Food Safety across all directly owned and managed food manufacturing sites. Moving to a consistent certification framework strengthens food safety governance and assurance across our manufacturing network.

We also expanded rapid on-site microbiological testing across relevant milk manufacturing sites, enabling faster test results and more timely responses to potential food safety and quality issues.

OUR PERFORMANCE

There were no food safety-related recalls or notices of food safety violations during FY2026.

100% of third-party manufacturers producing Bega-branded products and finished goods were certified to a Global Food Safety Initiative (GFSI) benchmarked standard. More than 79% of our tier 1 ingredient suppliers were also certified to a GFSI benchmarked standard.

We recorded one major non-conformance and 90 minor non-conformances during audits of our directly owned and managed manufacturing sites. All audit findings were addressed within the required timeframe.



Learn more about:
[FOOD SAFETY AND QUALITY POLICY](#)

Glossary

Terms	
AANA	Australian Association of National Advertisers
AASB	Australian Accounting Standards Board
AASB S2	Australian Sustainability Reporting Standard S2 Climate-related Disclosures
ADISF	Australian Dairy Industry Sustainability Framework
APCO	Australian Packaging Covenant Organisation
BCV	The Bega Circular Valley
BHA	Butylated hydroxanisole
BRC	British Retail Consortium Global Standards
CARe	The Circular Alliance of Regions
Cth	Commonwealth
EBA	Enterprise and union bargaining agreements
EMC	Energy Management Capability
EMS	Environmental Management System
EBITA	Earnings before interest, taxes, depreciation and amortisation
FSSC	Food Safety System Certification
GHG	Greenhouse Gases
GFSI	Global Food Safety Initiative
GRI	Global Reporting Initiative
IWGSP	Dairy Australia's Industry Working Group for Sustainable Packaging
HACCP	Hazard analysis and critical control points
KMP	Key management personnel
KPI	Key Performance Indicator
LOTO	Lock Out Tag Out
NSW	New South Wales
NPI	National Pollutant Inventory
PPA	Power Purchasing Agreement
PVC	Polyvinyl chloride
QBR	Quarterly business reviews
Qld	Queensland
RFA	Rainforest Alliance
rHDPE	Recycled high density polyethelene
rPET	Recycled polyethylene terephthalate
RCC	Regional Circularity Cooperative
RSC	Risk & Sustainability Committee

Terms	
RSPO	Roundtable on Sustainable Palm Oil
SA	South Australia
SAQ	Self-Assessment Questionnaire
SASB	Sustainability Accounting Standards Board
SBTi	Science-based Targets Initiative
SEDEX	Supplier Ethical Data Exchange
SMETA	Sedex Members Ethical Trade Audit
SSG	Sustainability Steering Group
STIs	Short-term incentives
Tas	Tasmania
TRIFR	Total Recordable Injury Frequency Rate
UNSDGs	United Nations Sustainable Development Goals
Vic	Victoria
WA	Western Australia
WGEA	Workplace Gender Equality Agency

Units	
CO ₂ e	Carbon dioxide equivalent, a standard unit for measuring carbon. The amount of a greenhouse gas that a business emits is measured as an equivalent amount of carbon dioxide which has a global warming potential of one.
tCO ₂ e	Tonnes of carbon dioxide equivalent gas
g	Grams, unit of mass in the International System of Units
GJ	Gigajoule, unit of energy equal to one billion (10 ⁹) joules of energy
GJ/t	Gigajoules per tonne
Kg	Kilogram, unit of mass equal to 1000 grams
Kg/t	Kilograms per tonne
kL	Kilolitre, a unit of volume equivalent to 1,000 litres
kL/t	Kilolitre per tonne
kWh	Kilowatt hour, unit of energy equivalent to 3.6 megajoules
m	Metre, unit of length
ML	Megalitre, a unit of volume equivalent to 1 million litres
MJ	Megajoule, unit of energy equal to one million (10 ⁶) joules of energy
T	Tonnes, unit of mass equal to 1,000 kilograms

