

2022 CORPORATE GOVERNANCE STATEMENT

This corporate governance statement sets out BikeExchange Limited's (**Company**) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Fourth Edition) (**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 2022 and has been approved by the board of the Company (**Board**).

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
1. Lay solid foundations for management and oversight		
1.1. A listed entity should have and disclose a board charter setting out: (a) <i>the respective roles and responsibilities of its board and management; and</i> (b) <i>those matters expressly reserved to the board and those delegated to management.</i>	Yes	<p>The Board is responsible for the overall strategic guidance and corporate governance of the Company. The Board has adopted a Board Charter which distinguishes which functions and responsibilities are reserved for the Board and those which are delegated to management.</p> <p>The Board is responsible for (amongst other things):</p> <ul style="list-style-type: none"> (a) demonstrating leadership; (b) approving the Company's statement of values and code of conduct to underpin a culture of acting lawfully, ethically and responsibly; (c) approving and monitoring the Company's strategy, business performance objectives and financial performance objectives; and (d) overseeing and approving risk management policies, operational risk policies and procedures and systems of internal controls; and (e) monitoring compliance with legal and regulatory requirements and ethical standards. <p>Management is responsible for (amongst other things):</p> <ul style="list-style-type: none"> (a) the day to day management of the Company; (b) assigning responsibilities clearly to the employees of the Company, and supervise and report on their performance to the Board; and (c) supporting a culture with the Company that promotes ethical and responsible behavior. <p>The Company intends to regularly review the balance of responsibilities to ensure that the division of functions remains appropriate to the needs of the Company.</p> <p>The Board Charter is available on the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/</p>
1.2. A listed entity should: (a) <i>undertake appropriate checks before appointing a director or senior executive, or putting someone forward to security holders for election as a director; and</i>	Yes	<p>The Company undertakes appropriate checks to verify the suitability of candidates considered for nomination to the Board, having regard to each candidate's character, experience, education, criminal record and bankruptcy history prior to nomination for election as a director.</p>

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(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.		The Company provides relevant and material information to shareholders for their consideration about the attributes of candidates together with whether the Board supports the appointment or re-election, to enable them to decide on whether or not to appoint or re-elect a director.												
1.3. A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	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 terms and conditions of their appointment.												
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.	Yes	The Company Secretary is accountable directly to the Board on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for (amongst other things): <ul style="list-style-type: none"> (a) advising the Board and its committees on governance matters; (b) coordinating the timely completion and despatch of Board and committee papers; and (c) ensuring that the business at Board and committee meetings is accurately captured in the minutes. 												
1.5. A listed entity should: <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>	<p>Yes</p> <p>Yes</p> <p>No</p>	<p>The Company has adopted a diversity policy which provides a framework for new and existing diversity related initiatives and policies within the Company. In accordance with the diversity policy, the Board will set measurable objectives for achieving diversity outcomes and monitor the Company's progress in achieving them.</p> <p>The diversity policy is available on the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/</p> <p>Due to the size of the Company, the Board has not set 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. The Company anticipates that it will provide the market an update on its progress towards achieving these objectives in the FY23 Annual Report.</p> <p>The following is the respective proportions of men and women on the board, in senior executive positions and across the whole organisation.</p> <table border="1"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td>67%</td> <td>33%</td> </tr> <tr> <td>Senior Executive</td> <td>80%</td> <td>20%</td> </tr> <tr> <td>Whole Organisation</td> <td>73%</td> <td>27%</td> </tr> </tbody> </table>		Male	Female	Board	67%	33%	Senior Executive	80%	20%	Whole Organisation	73%	27%
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1.6. A listed entity should: <ul style="list-style-type: none"> (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and 	Yes	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 formal performance appraisal to determine whether the Board recommends their re-election to shareholders.												

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(b) disclose for each reporting period whether a performance evaluation has been undertaken in the reporting period in accordance with that process during or in respect of that period.	No	A review was not undertaken in FY22 as the Board determined that it would be more appropriate to conduct a review of the Board's performance once the recently appointed directors have spent time in their new position with the Company. As such, the Board expected to complete a performance evaluation of the Board in FY23.
1.7. A listed entity should:	Yes	The Board and senior management team is responsible for assessing the performance of senior executives within the Company. This is completed through a formal process involving an annual formal meeting with each senior executive and ongoing informal monitoring throughout each financial year. The basis of evaluation is agreed performance measures.
(a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and	Yes	The Company did undertake formal performance evaluations of senior executives in the financial year ended 30 June 2022.
(b) disclose for each reporting period whether a performance evaluation was undertaken in the reporting period in accordance with that process during or in respect of that period.		
2. Structure the board to be effective and add value		
2.1. The board of a listed entity should:	No	The Company has a Remuneration and Nomination Committee, with its own Charter. During the reporting period, the Committee comprised of:
(a) have a nomination committee which:		(a) Gregg Taylor (Executive director); and
(1) has at least three members, a majority of whom are independent directors; and		(b) Jade Wyatt (Non-executive director),
(2) is chaired by an independent director,		Only Mr Taylor is currently considered by the Board to be independent.
and disclose:		The Remuneration and Nomination Committee is chaired by Jade Wyatt.
(3) the charter of the committee;		The Company will continually evaluate the performance and function of the Remuneration and Nominations Committee and determine whether it will be appropriate to appoint independent directors to the Remuneration and Nomination Committee as the business evolves and expands.
(4) the members of the committee; and		The Remuneration and Nominations Committee Charter is available on the Company's website at the following URL:
(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		https://bikeexchange.com.au/investors/corporate-governance/
(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/A	Details of the Remuneration and Nominations Committee meetings held and attendance of each member is set out in the Directors Report, contained within the 2022 Annual Report.
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.	Yes	The Board is committed to ensuring that it is comprised of directors with a blend of skills, experience and attributes appropriate for the Company and its business. The Board, in consultation with the Remuneration and Nominations Committee will be responsible for preparing and maintaining the board skills matrix.
		A copy of the Board Skills Matrix is available on the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/
2.3. A listed entity should disclose:	Yes	The Board has reviewed the position and associations of each of the directors and has determined that the following Directors are considered Independent Directors:
(a) the names of the directors considered by the board to be independent directors;		(a) Gregg Taylor;
(b) if a director has an interest, position, association or relationship of the type		

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<p><i>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</i></p> <p>(c) <i>the length of service of each director.</i></p>		<p>(b) Elizabeth Smith; and (c) Domenic O’Hanlon</p> <p>The interests of the Directors are disclosed within the 2022 Annual Report. The Company will continually evaluate whether it will be appropriate to consider additional independent directors as the business evolves and expands.</p> <p>The appointment date of each director is disclosed in the, 2022 Annual Report which is available on the Company’s website.</p>
<p>2.4. <i>A majority of the board of a listed entity should be independent directors.</i></p>	No	<p>As at the date of this statement, the Board does not consist of a majority of independent directors. The Board consists of 3 independent directors from a Board comprising 6 members.</p> <p>The Company will continually evaluate the performance and function of the Board and determine whether it will be appropriate to appoint additional independent directors as the business evolves and expands.</p>
<p>2.5. <i>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.</i></p>	Yes	<p>The Board’s Chairman is Gregg Taylor who is an independent director. The Board’s Chairman is not the same person as the CEO of the Company.</p>
<p>2.6. <i>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.</i></p>	Yes	<p>The Company has an induction programme for each new Director upon appointment. This includes meeting with members of the existing Board, Company Secretary, management and other relevant executives to familiarise themselves with the Company, its procedures and prudential requirements, and Board practices and procedures.</p> <p>On an ongoing basis, and subject to approval of the Chairman, Directors may request and undertake training and professional development, as appropriate, at the Company’s expense.</p>

3. Instil a culture of acting lawfully, ethically and responsibly			
3.1.	<i>A listed entity should articulate and disclose its values.</i>	Yes	<p>The Company values are:</p> <ul style="list-style-type: none"> Inclusive: We see everyone as a cyclist no matter how they enjoy using a bike; Enabling: We want to enable people to find the right cycling products. Equally, we want to enable the cycling industry, retailers and brands, to reach more people and help them sell more cycling products; and Active: We believe in the positive impacts that cycling has on society, families and people through sport, leisure and as an active form of transport. <p>The Company values are published in the Code of Conduct which is available on the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/</p>
3.2.	<i>A listed entity should:</i> (a) <i>have and disclose a code of conduct for its directors, senior executives and employees; and</i> (b) <i>ensure that the board or a committee of the board is informed of any material breaches of that code.</i>	Yes	<p>The Company adopted a formal code of conduct for its directors, senior executives and employees.</p> <p>The Code of Conduct is available on the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/</p> <p>The Board is informed of any material breaches of the Corporate Code of Conduct.</p>
3.3.	<i>A listed entity should:</i> (a) <i>have and disclose a whistleblower policy; and</i> (b) <i>ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</i>	Yes	<p>The Company has adopted a Whistleblower Policy which is available on the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/</p> <p>Clause 3.3 of the Whistleblower Policy provides that the board is informed of any material incidents reported.</p>
3.4.	<i>A listed entity should:</i> (a) <i>have and disclose an anti-bribery and corruption policy; and</i> (b) <i>ensure that the board or committee of the board is informed of any material breaches of that policy.</i>	Yes	<p>The Company has adopted an Anti-Bribery and Corruption Policy, which is available on the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/</p> <p>Clause 12 of the Anti-Bribery and Corruption Policy provides that the board is informed of any material incidents reported.</p>
4. Safeguard the integrity of corporate reports			
4.1.	<i>The board of a listed entity should:</i> (a) <i>have an audit committee which:</i> (1) <i>has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</i> (2) <i>is chaired by an independent director, who is not the chair of the board, and disclose:</i> (3) <i>the charter of the committee;</i> (4) <i>the relevant qualifications and experience of the members of the committee; and</i> (5) <i>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</i> (b) <i>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.</i>	No	<p>The Company has an Audit and Risk Committee, with its own Charter. As at the date of this statement, the Committee comprises of:</p> <ul style="list-style-type: none"> (a) Elizabeth Smith (Independent Non-executive director); (b) Gregg Taylor (Independent Non-executive director); and (c) Andrew Ryan (Non-executive director). <p>Andrew Ryan is currently considered by the Board not to be independent.</p> <p>The Audit and Risk Committee is chaired by Elizabeth Smith, who is currently considered by the Board to be independent.</p> <p>The Company will continually evaluate the performance and function of the Audit and Risk Committee and determine whether it will be appropriate to appoint additional independent directors to the Audit and Risk Committee as the business evolves and expands.</p> <p>Details of the relevant qualifications and experience of the Committee members can be found within the 2022 Annual Report.</p> <p>The Audit and Risk Committee Charter is available on the Company's website and the following URL:</p>
		N/A	

		https://bikeexchange.com.au/investors/corporate-governance/ Details of the Audit and Risk Committee meetings held and attendance of each member is set out in the Directors Report, contained within the 2022 Annual Report.
4.2.	<i>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.</i>	Yes The Company has received a declaration from the CEO and CFO that, in their opinion, the financial records have been properly maintained and comply with the proper standards.
4.3.	<i>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</i>	Yes 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.
5. Make timely and balanced disclosure		
5.1.	<i>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</i>	Yes The Company has adopted a Continuous Disclosure Policy to establish a framework for ensuring compliance with its continuous disclosure obligations and for shareholders to be provided with timely, complete and accurate information. The Continuous Disclosure policy is available on the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/
5.2.	<i>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</i>	Yes The Company Secretary ensures the Board is provided with copies of all material market announcements promptly after they have been made.
5.3.	<i>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.</i>	Yes Pursuant to section 6.4 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.	<i>A listed entity should provide information about itself and its governance to investors via its website.</i>	Yes The Company provides information about itself and its governance to its investors on the Company's website via the following URL: https://bikeexchange.com.au/ The Company will regularly update the website and its contents as necessary.
6.2.	<i>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</i>	Yes The Company has adopted a Shareholder Communication Policy whereby information will be communicated to shareholder through: (a) publishing information on the Company's website; (b) continuous disclosure of all relevant financial and other information to the ASX; (c) periodic disclosure through the Annual Report and half year financial report; (d) notice of meetings and explanatory material; and

		(e) the annual general meeting and other general meetings. The Shareholder Communication Policy is available at the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/
6.3.	<i>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</i>	Yes The Company has adopted a Shareholder Communication Policy which sets out the processes through which the Company encourages participation at meetings of security holders. These include: (a) giving shareholders the opportunity to meet the directors of the Company, members of the management team and the external auditor at the meeting; (b) allowing shareholders in attendance a reasonable opportunity to ask questions regarding the items of business, including questions to the external auditor regarding the conduct of the audit and the preparation and content of the auditor's report; (c) providing shareholders who are unable to attend the meeting with an opportunity to submit questions in advance of the meeting; (d) allowing shareholders to lodge proxies electronically; (e) ensuring all substantive resolutions at a meeting of shareholders are decided by a poll rather than a show of hands; and (f) where practicable, using technology to encourage shareholder participation at meetings. The Shareholder Communication Policy is available at the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/
6.4.	<i>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.</i>	Yes As noted under section 5(f) of the Shareholder Communication Policy, all substantive resolutions at a meeting of security holders are decided by a poll rather than a show of hands.
6.5.	<i>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</i>	Yes The Company encourages security holders to register for receipt of communications from the Company electronically. The process is managed by the Company's Registry.
7. Recognise and manage risk		
7.1.	<i>The Board of a listed entity should:</i> (a) <i>have a committee or committees to oversee risk, each of which:</i> (1) <i>has at least three members, a majority of whom are independent directors; and</i> (2) <i>is chaired by an independent director, and disclose:</i> (3) <i>the charter of the committee;</i> (4) <i>the members of the committee; and</i> (5) <i>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</i> (b) <i>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.</i>	No The Company has an Audit and Risk Committee, with its own Charter. As at the date of this statement, the Committee comprises of: (a) Elizabeth Smith (Independent Non-executive director); (b) Gregg Taylor (Independent Non-executive director); and (c) Andrew Ryan (Non-executive director). The Audit and Risk Committee is chaired by Elizabeth Smith, who is currently considered by the Board to be independent. The Company will continually evaluate the performance and function of the Audit and Risk Committee and determine whether it will be appropriate to appoint additional independent directors to the Audit and Risk Committee as the business evolves and expands. N/A The Audit and Risk Committee Charter is available on the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/ Details of the Audit and Risk Committee meetings held and attendance of each member is set out in the Directors Report, contained within the 2022 Annual Report.
7.2.	<i>The board or a committee of the board should:</i>	Yes

	<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>The Audit and Risk Committee will review the Company's risk management framework throughout the year.</p> <p>The Risk Management Framework was reviewed during the reporting period.</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>N/A</p> <p>Yes</p>	<p>The Company does not have an internal audit function. The Company has set up internal processes for evaluating and continually improving the effectiveness of its risk management and internal control framework. The Audit and Risk Committee will periodically review the Company's operations to evaluation the effectiveness of risk management and internal control processes of the Company.</p>
7.4.	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	Yes	<p>The Company does not consider it has a material exposure to economic, environmental and social sustainability risks.</p> <p>The Company will announce to the ASX any material economic, environmental and social sustainability risks in accordance with its continuous disclosure obligations.</p>
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>	No	<p>The Company has a Remuneration and Nomination Committee, with its own Charter. During the reporting period, the Committee comprised of:</p> <p>(c) Gregg Taylor (Independent Non-executive director); and</p> <p>(d) Jade Wyatt (Non-executive director),</p> <p>Only Mr Taylor is currently considered by the Board to be independent.</p> <p>The Remuneration and Nomination Committee is chaired by Jade Wyatt.</p> <p>The Company will continually evaluate the performance and function of the Remuneration and Nominations Committee and determine whether it will be appropriate to appoint independent directors to the Remuneration and Nomination Committee as the business evolves and expands. The Remuneration and Nominations Committee Charter is available on the Company's website at the following URL: https://bikeexchange.com.au/investors/corporate-governance/</p> <p>Details of the Remuneration and Nominations Committee meetings held and attendance of each member is set out in the Directors Report, contained within the 2022 Annual Report.</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>	Yes	<p>Detailed commentary on the remuneration of the executive and nonexecutive Directors and senior executives is set out in the Remuneration Report contained within the Company's Annual report.</p> <p>The Company follows the practice of disclosing the amount of remuneration and all monetary and non-monetary components for each director and executive during the reporting period.</p>
8.3.	<p>A listed entity which has an equity-based remuneration scheme should:</p>	Yes	<p>The Company has adopted an equity-based remuneration scheme.</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*
- (b) *disclose that policy or a summary of it.*

The Company has a Securities Trading Policy that prohibits directors, officers and employees from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity-based remuneration scheme.

A copy of the Securities Trading Policy is available on the Company's website at the following URL:
<https://bikeexchange.com.au/investors/corporate-governance/>