



Board Charter

1. The Board and overview of its role

a. Corporate governance describes the way PZE Limited (**PZE**) is directed and controlled. PZE's shareholders appoint directors and hold them accountable for the performance of the company. A key part of directors' responsibility is to ensure that an effective corporate governance structure operates in PZE.

b. The governance structure should facilitate oversight on the operation of the business and affairs of the corporation to ensure the financial health of the Company and that reasonable profit and growth targets are set and achieved and risk is properly managed, while taking into account the interests of PZE's stakeholders. As well, PZE's corporate governance culture and its way of doing business, including leadership by the board of directors (**Board**) and senior executives, is critical to PZE's continuing success.

c. The Board of PZE is responsible for, and oversees the governance of, PZE.

d. This board charter sets out the functions of the Board by describing the structure of the Board and its committees, the need for independence and other obligations of directors.

e. The Board will meet regularly on such number of occasions each year as the Board deems appropriate.

2. Functions of the Board

a. Overarching responsibilities of the Board

The Board strives to build sustainable value for shareholders whilst protecting the assets and reputation of PZE. Its functions include but are not limited to:

- i. demonstrating leadership;
- ii. defining PZE's purpose and setting its strategies, budgets and business plans;
- iii. satisfying itself that PZE maintains sound financial health, a sound competitive corporate strategy, and a strong organisational framework to execute the strategy;
- iv. approving PZE's statement of values and code of conduct to underpin a culture of acting lawfully, ethically and responsibly and provide resolution of any issues that may arise in PZE;
- v. reviewing and making sure adequate best practices are implemented with respect to environmental, health, safety, sustainability and governance;
- vi. satisfying itself that PZE has in place an appropriate risk management framework (for both financial and non-financial risks) and setting the risk appetite within which the Board expects management to operate;
- vii. satisfying itself that PZE's remuneration policies are aligned with its purpose, values, strategic objectives and risk appetite;
- viii. overseeing management in its implementation of PZE's strategic objectives, its role in instilling PZE's values and performance generally;



- ix. monitoring performance of senior management of PZE (being the Chief Executive Officer and other individuals as determined from time to time by the Board);
- x. setting measurable objectives for achieving gender and race diversity in the composition of PZE's Board, Senior Management and workforce generally;
- xi. approving major borrowing and debt arrangements, the acquisition, establishment, disposal or cessation of any significant business of the company, any significant transaction or capital expenditure and the issue of any shares, options, equity instruments or other securities in PZE;
- xii. approving PZE's annual report including the financial statements, directors' report, remuneration report and corporate governance statement, with advice from the Board;
- xiii. overseeing PZE's process for making timely and balanced disclosure of all material information concerning PZE that a reasonable person would expect to have a material effect on the price or value of the PZE's securities;
- xiv. satisfying itself that an appropriate framework exists for relevant information to be reported to the Board by management;
- xv. whenever required, challenging management and holding it accountable;
- xvi. reviewing operating information and strategic objectives to understand at all times the state of health of PZE;
- xvii. acting proactively to continuously improve our sustainability processes to ensure PZE's purpose, principles and values are at the core of what we do and how we do it;
- xviii. monitoring PZE's obligations under government legislation covering modern slavery and human resources;
- xix. ensuring that PZE acts legally and responsibly on all matters and that the highest ethical standards are maintained;
- xx. ensuring an investor relations program is developed to facilitate effective two-way communication with investors;
- xxi. maintaining a constructive and ongoing relationship with the Australian Securities Exchange (**ASX**) and regulators (as applicable), and approving policies regarding disclosure and communications with the market and PZE's shareholders;
- xxii. monitoring the effectiveness of, and approving changes to, internal governance including delegated authorities, and monitoring resources available to Senior Management; and



xxiii. Be responsible to itself through self-evaluation to ensure an effective board function and ensure that adequate board independence is maintained.

b. Evaluation and Remuneration of Senior Management

The Board is also responsible for overseeing the evaluation and remuneration policies applicable to its senior management. This includes:

- i. evaluating and approving remuneration packages of the Chief Executive Officer, directors and other members of Senior Management;
- ii. evaluating and approving the remuneration arrangements for non-executive directors;
- iii. monitoring compliance with the non-executive director remuneration pool as established by the Constitution, or as subsequently amended by shareholders, and recommending any changes to the pool;
- iv. administering short and long term incentive plans (including any equity plans) and engaging external remuneration consultants;
- v. appointing and replacing the Chief Executive Officer, and approving the appointment and replacement of other members of Senior Management and the directors;
- vi. appointing, reviewing the performance of, remunerating and replacing the chair of the Board (**Board Chair**);
- vii. PZE's induction program for new directors and periodic review and facilitation of ongoing professional development for directors;
- viii. regularly assessing the independence of all directors;
- ix. reviewing and implementing succession planning for directors and Senior Management; and
- x. monitoring the organisational capability and mix of skills, experience, expertise and diversity on the Board and, when necessary, appointing new directors, for approval by shareholders.

c. Audit and Risk Management

The Board is also responsible for overseeing PZE's audit and risk processes, including:

- i. overseeing the establishment of and approving PZE's risk management framework (for both financial and non-financial risks) including its strategy, policies, procedures and systems;
- ii. reviewing and monitoring the effectiveness of PZE's risk management framework;



- iii. overseeing the integrity of PZE's accounting and corporate reporting systems, including the external audit and PZE's processes for verifying the integrity of any periodic corporate report PZE releases to the market that is not audited or reviewed by an external auditor;
- iv. reviewing and approving PZE's financial statements and reports while ensuring accuracy and transparency;
- v. overseeing PZE's financial reporting, which, without limitation, includes:
 - A. reviewing the suitability of PZE's accounting policies and principles, how they are applied and ensuring they are used in accordance with the statutory financial reporting framework;
 - B. assessing significant estimates and judgements in financial reports; and
 - C. assessing information from external auditors to ensure the quality of financial reports; and
 - D. signing off on financial and associated non-financial statements following its assessment of them;
- vi. the entry into, approval or disclosure of any related party transactions;
- vii. regularly overseeing PZE's internal financial controls and financial reporting systems;
- viii. provide checks and balances over the Board's decision-making on significant transactions; and
- ix. managing audit arrangements and auditor independence.

d. The functions listed are matters which the Board specifically reserves for itself and does not limit the Board's overall duties and responsibilities. The Board may delegate consideration to a committee of the Board specifically constituted for the relevant purpose.

3. Powers delegated to management

- a. The Board will delegate to the Chief Executive Officer the authority and power to manage PZE and its businesses within levels of authority specified by the Board from time to time. The Chief Executive Officer may delegate aspects of his or her authority and power but remains accountable to the Board for PZE's performance and is required to report regularly to the Board on the progress being made by PZE's operations and business units related to those operations.
- b. The Chief Executive Officer's role includes:
 - i. responsibility for the effective leadership of the organisation including its management team and employees;
 - ii. the formulation and implementation of PZE's long and short-term strategic objectives and instilling and reinforcing its values and making sure the objectives are measurable and describable;
 - iii. the day-to-day management of PZE's operations (including operating within the values, code of conduct, budget and risk measures set by the Board);



- iv. oversight of the provision by Senior Management to the Board of accurate, timely and clear information on PZE's operations (including, but not limited to, information about PZE's financial performance, compliance with material laws and regulations and any conduct materially inconsistent with PZE's values or code of conduct);
- v. evaluating the work and performance of other executives and managers in the company;
- vi. ensuring the Company implements high level of social responsibility including for environmental, health, and safety measures in the areas the Company operates; and
- vii. Act as the lead public representative, or "face of the company" on behalf PZE to communicate with shareholders, government entities, and the public.

4. Board structure

The composition, structure and proceedings of the Board are primarily governed by PZE's constitution (a copy can be found on the company's website) (**Constitution**) and the laws governing corporations in jurisdictions where the company operates. The Board will regularly review the composition and structure and performance of the Board.

5. Board composition

The Board aims to have a board of directors which has, at all times, the appropriate mix of skills, experience, expertise and diversity relevant to PZE's businesses and the Board's duties and responsibilities.

The majority of the Board should, to the extent practicable given the size and composition of the Board from time to time, be comprised of independent non-executive directors as determined in accordance with clause 1.13.

6. Appointment and re-election of directors

- a. The Board (with the guidance of external consultants where necessary) will identify candidates with appropriate skills, experience, expertise and diversity in order to discharge its mandate effectively and to maintain the necessary mix of expertise on the Board.
- b. The Board assesses nominations of new directors against a range of criteria including the candidate's background, experience, gender, professional skills, personal qualities and whether their skills and experience will complement the existing Board.
- c. The criteria to assess nominations of new directors is reviewed annually and the Board regularly compares the skill base of existing directors with that required for the future strategy of PZE to enable identification of attributes required in new directors.
- d. Before appointment to the Board, candidates must confirm that they will have sufficient time to meet their obligations to PZE's, in light of other commitments.

e. New directors are to be provided with a formal letter of appointment to the Board setting out the key terms and conditions of the appointment, together with any other documents that PZE considers relevant to the appointment.

f. For shareholder meetings where directors are standing for election or re-election, the notice of meeting must include information to enable shareholders to make an informed decision on their election.

g. All directors (other than a managing director, if any) are subject to re-election by rotation at least every three years. Newly appointed directors must seek re-election at the first general meeting of shareholders following their appointment.

7. Review of Board, committee and individual directors' performance

a. The Board will regularly review the performance of the Board and each director, using where necessary an external consultant, against appropriate measures. Each year, PZE will disclose in its annual report whether such a performance evaluation has been undertaken during or in respect of that period.

b. Ideally, annually, the Board will review the performance of the Chief Executive Officer and any other Senior Management against guidelines approved by the Board. Each year, PZE will disclose in its annual report whether such a performance evaluation has been undertaken during or in respect of that period.

c. Each year, the Board will prepare a statement: (i) detailing the mix of skills and diversity which the Board is looking to achieve in membership to the Board; and (ii) detailing the length of service of each director, to be included in PZE's annual report.

8. Board Chair

The Board Chair will be elected by the Board and ideally should be an independent director. The Board Chair should not ideally hold and should not have held within the previous 3 years, the office of Chief Executive Officer of PZE's.

The Board Chair's role includes:

a. responsibility for leading, and overseeing the governance of the Board and ensuring the CEO delivers the strategic business plan;

b. working closely with the CEO on near and long term strategic objectives to ultimately grow shareholder value and ensuring those objectives are vetted, understood and approved by the Board;

c. facilitating effective contribution of and discussion amongst all directors on key issues during board meetings for timely decision making;

d. promote constructive and respectful relations among the directors and between the Board and management while setting the tone at Board meetings;



- e. working with the CEO for developing and approving board agendas (including annual agendas if needed) and adequate board information on a timely basis and to ensure adequate time is available for discussion of all agenda items, including strategic issues;
- f. facilitate adequate time for the full Board to review and address reports prepared by members of the Board or by third parties at the requisition of the Board;
- g. Work with the Board and help guide processes in order to evaluate CEO performance and Board self-evaluation;
- h. representing the views of the Board to the public; and
- i. presiding over meetings of the Board and general meetings of shareholders.

9. Company secretary

- a. The Board appoints and removes the company secretary. All directors are to have direct access to the company secretary.
- b. The company secretary is responsible for the day to day operations of the company secretary's office, including the administration of Board and Board meetings, overseeing PZE's relationship with its share registrar and lodgements with the ASX and other regulators.
- c. The company secretary is also responsible for communications with the ASX about listing rule matters, including making disclosures to the ASX in accordance with PZE's Disclosure Policy.
- d. The company secretary supports the effectiveness of the Board by monitoring that Board policy and procedures are followed and co-ordinating the completion and despatch of Board agendas and briefing papers.
- e. The company secretary is accountable to the Board through the Board Chair, on all matters to do with proper functioning of the Board.
- f. The company secretary, with the guidance and the assistance of the Board, shall organise the induction of new directors and facilitate ongoing professional development training for directors.
- g. The Company secretary will also be responsible for advising company managers and the Board of all upcoming 'blackout' dates concerning share trading.

10. Keeping directors informed

- a. New directors are to be briefed on their roles and responsibilities and the minutes and papers of Board meetings will be made available to them.
- b. Board papers are distributed, where possible, within a reasonable period of time before each meeting.



c. Time is to be allocated at Board meetings for continuing education on significant issues facing the company and changes to the regulatory environment. This is to include briefings by Senior Management and external consultants from time to time.

11. Access to independent advice

Directors may obtain independent professional advice at PZE's expense on matters arising in the course of their Board duties, after obtaining the Board Chair's approval. Whenever practicable, the advice must be commissioned in the joint names of the director and PZE's, and where appropriate a copy of any such advice should be provided to and for the benefit of the entire Board. The other directors must be advised if the Board Chair's approval is withheld.

12. Non-executive directors' meetings

Where practicable, non-executive directors will meet periodically with no management present, to review and discuss among other things, corporate governance matters, management performance, and other items as they deem necessary.

13. Independence of non-executive directors

a. To be judged independent, a director must, in the opinion of the Board, be free of any interest, position or relationship that might influence, or reasonably be perceived to influence, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of PZE as a whole rather than in the interests of an individual security holder or any other person.

b. Individuals would, in the absence of evidence or convincing argument to the contrary, not be characterised as independent if they were:

i. employed, or had previously been employed in an executive capacity by PZE or any of its subsidiaries in the three years prior to becoming a director;

ii. receiving performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, PZE's;

iii. within the last three years, in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer) with PZE or another group member, or is an officer of, or otherwise associated with, someone with such a relationship;

iv. a substantial shareholder of PZE's, or a representative of, or an officer or employee within the last three years of, or professional adviser to, a substantial shareholder of PZE's;

v. has close personal ties with any person who falls within any of the categories described above;

vi. has been a director of PZE for such a period that his or her independence from management and substantial shareholders may have been compromised; or

vii. directly involved in the audit of PZE or any of its subsidiaries.

c. PZE will disclose the names of the directors considered by the Board to be independent directors in PZE's annual report.



d. If a director has an interest, position or relationship of the type described in sub paragraph (b) above, but the Board is of the opinion that it does not compromise the independence of that director, PZE may consider disclosing in PZE's annual report the nature of the interest, position or relationship in question and an explanation of why the Board is of that opinion.

e. Any change in the nature of the independence status of a non-executive director must be promptly notified to the Board Chair and company secretary and the Board will review that director's independence status. If the Board determines that there has been a change to the independence status of a non-executive director, the Board will take steps to ensure that this change is disclosed and explained in a timely manner to the market.

14. Conflict of interest

a. Directors must keep the Board advised, on an ongoing basis, of any interests that could potentially conflict with those of PZE and will advise the company secretary of all directorships or executive positions held in other companies.

b. If a potential material conflict of interest or conflict of duty arises, the director concerned will advise the Board Chair prior to any Board meeting at which the conflicted matter is to be discussed. The director will not receive the relevant Board papers and will not be present or participate in the Board meeting while the relevant matter is considered unless the other directors approve that director's participation in the deliberation and voting on the relevant issue in accordance with the Corporations Act 2001 (Cth). Any potential conflict must be recorded in the Board minutes.

15. Restrictions on share dealings by directors

a. In accordance with PZE's Securities Trading Policy, directors, senior management and other nominated parties may only buy or sell shares during certain periods set out in that policy. The policy contains other relevant restrictions.

b. All PZE share dealings by directors must be promptly notified to the ASX.

c. A copy of the PZE Securities Trading Policy will be published on the PZE website.

16. Confidentiality

All proceedings of the Board, including Board papers, presentations and other information provided to the Board, must be kept confidential except as required by law or as agreed by the Board.

17. Code of Conduct

PZE has a Code of Conduct which sets out the way PZE conducts its business and guides the behaviour of everyone in PZE (including, employees, contractors and directors) by clearly stating PZE's firm commitment to behaving honestly, fairly and



with integrity. A copy of the PZE Code of Conduct will be published on the PZE website.

Any material breaches of PZE's Code of Conduct should be reported to the Board under PZE's Disclosure Policy.

18. Review

The Board will, make best endeavours to annually review its Board Charter to determine its adequacy for current circumstances and may amend it as necessary.

Authorised by the Board of PZE Limited

Date: 20 September 2022