

# Nomination and Remuneration Committee Charter

## 1. Role of the Committee

- a. The board of PZE Limited (**PZE**) is responsible for the oversight of PZE's nomination and remuneration policies and practices which enable it to attract, evaluate and retain senior management (comprising such individuals as the Board determines necessary from time to time (**Senior Management**)) and appropriately align their interests with those of key stakeholders.
- b. The Board has the authority and power to exercise the role and responsibilities set out in this Charter and granted to it under any separate resolutions of the Board from time to time including the establishment of a Nomination and Remuneration Committee (**Committee**).
- c. A Committee will ideally: (1) have at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director.

## 2. Meetings

- a. The Committee will ideally meet at least annually or as frequently as is required to undertake its role effectively.
- b. Any member of the Committee may, and the company secretary must upon request from any member, convene a remuneration and nomination meeting.
- c. The Committee may invite any executive director, executive or another staff member to attend all or part of a remuneration and nomination meeting.
- d. The Committee may seek independent advice from external consultants to enable it to properly carry out its functions and meet its objectives.
- e. The proceedings of all remuneration and nomination meetings will be minuted by the company secretary. All minutes are available for inspection by any director of the Committee.
- f. A quorum for any meeting will be at least two Committee members.
- g. The Committee may request management to provide information or carry out any task that may be necessary to enable it to properly carry out its role and meet its objectives.

## 3. Duties and responsibilities

The key responsibilities and functions of the Committee in discharging its responsibilities in relation to PZE's remuneration and nomination objectives include:

- a. Remuneration responsibilities
  - i. General

The Committee is responsible for developing and reviewing:

- A. **(directors' fees)** PZE's remuneration framework for directors, including, the process by which any pool of directors' fees approved by shareholders is allocated to directors;
- B. **(senior executives)** the remuneration packages to be awarded to senior executives;
- C. **(bias)** reviewing whether there are any gender or other inappropriate bias in remuneration for directors, senior executives or other employees;
- D. **(policies)** PZE's recruitment, retention and termination policies for the CEO and senior executives and any changes to those policies;
- E. **(incentive schemes)** incentive schemes, if appropriate, for the Managing Director and senior executives;
- F. **(equity based)** equity based remuneration plans, if appropriate, for senior executives and other employees; and
- G. **(superannuation)** superannuation arrangements for directors, senior executives and other employees.

ii. Incentive schemes and equity based remuneration

For any incentive schemes or equity-based plans which are adopted, the Committee is responsible for:

- A. **(reviewing)** reviewing their terms (including any eligibility criteria and performance hurdles);
- B. **(administration)** overseeing their administration (including compliance with applicable laws that restrict participants from hedging the economic risk of their security holdings) and disclosing its 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;
- C. **(shareholder approval)** considering whether shareholder approval is required or desirable for the schemes or plans and for any changes to them; and
- D. **(payments and awards)** ensuring that payments and awards of equity are made in accordance with their terms and any shareholder approval.

b. Nomination responsibilities

The Committee is also responsible for:

- i. **(Committee size)** making recommendations regarding the size of the Committee which would most encourage efficient decision making;
- ii. **(director competencies)** making recommendations regarding the necessary and desirable competencies of directors;
- iii. **(skills matrix)** developing a Committee skills matrix setting out the mix of skills and diversity that the Committee currently has or is looking to achieve in its membership;

- iv. **(director recommendations)** developing and reviewing the process for the selection, appointment and re-election of directors, and making recommendations to the Committee by:
  - A. evaluating the balance of skills, experience, independence, knowledge and diversity of directors sitting on the Committee;
  - B. in light of this evaluation, preparing a description of the role and capabilities required for a particular appointment; and
  - C. undertaking appropriate checks before putting forward a candidate for appointment or election as a director;
- v. **(senior executive recommendations)** developing and reviewing the process for the selection, appointment and re-election of directors, and making recommendations to the Committee by:
  - A. evaluating the balance of skills, experience, independence, knowledge and diversity of senior executives;
  - B. in light of this evaluation, preparing a description of the role and capabilities required for a particular appointment; and
  - C. undertaking appropriate checks before putting forward a candidate for appointment or election as a senior executive;
- vi. **(providing information)** providing security holders with material information in its possession relevant to a decision as to whether or not to elect or re-elect a director;
- vii. **(assessing performance)** implementing a process to evaluate the performance of the chairperson, Committee, individual directors and senior executives and addressing issues that may arise from the review;
- viii. **(assessing time commitment)** reviewing the time required to be committed by non-executive directors to properly fulfil their duties to the Company and whether non-executive directors are meeting these requirements;
- ix. **(assessing independence)** assisting the Committee in assessing the independence of each non-executive director;
- x. **(succession plans)** reviewing Committee and senior executive succession plans and processes, including for the Managing Director and other senior executive positions and being conscious of each director's tenure, to maintain an appropriate balance of skills, experience, expertise and diversity; and
- xi. **(governance matters)** reviewing and making recommendations in relation to any corporate governance issues as requested by the Committee from time to time; and
- xii. **(written agreements)** developing and reviewing the written agreement governing the terms and conditions of the appointment of non-executive.

#### 4. Reporting

- a. The Committee will:
  - i. prepare regular reports on all matters relevant to its role and responsibilities under this Charter;
  - ii. report on and make recommendations after each remuneration and nomination meeting on matters dealt with at that meeting; and
  - iii. as and when appropriate, seek direction and guidance from external experts on remuneration and human resource risk management and compliance matters.
- b. Minutes of remuneration and nomination meetings will be included in the papers for the next full Committee meeting.

#### 5. Committee performance

- a. The Committee will ideally review this Charter annually or as often as it considers necessary.
- b. The Committee ideally shall make an evaluation of its performance at least once every two years to determine whether it is functioning effectively by reference to current best practice.
- c. The Committee may change this Charter from time to time by resolution.

#### 6. Clawback policy

- a. If PZE becomes aware of serious misconduct or a material misstatement in its financial statements for any of its immediately preceding three financial years or some other event has occurred which, as a result, an Executive Director or Senior Manager should not have received some or all its performance-based remuneration (the **Overpayment**), the Committee may claw back that Overpayment in accordance with the terms of the applicable incentive or equity plan. Such clawback may involve:
  - i. requiring the Executive Director or Senior Manager to pay back the Overpayment; or
  - ii. adjusting the current year incentives or fixed remuneration of that Executive Director or Senior Manager to take account of the Overpayment.
- b. The Committee will ideally review this clawback policy at least annually and make recommendations to the Committee as to any changes it considers should be made.

The implementation and effectiveness of this Charter is the responsibility of the Committee. PZE's senior leadership are accountable for ensuring this Charter is reviewed at least every two years and implemented accordingly.

This Charter is authorised by the Board of PZE Limited.

Date: 20 September 2022