



BLACK PEARL GROUP LIMITED

BOARD CHARTER

Policy Statement

This Charter sets out the authority, responsibilities, membership and operation of the board of directors (**Board**) and management of Black Pearl Group Limited and its subsidiaries (**BPG**) and should be read in addition to BPG's responsibilities at law and BPG's constitution. The Charter also details the manner in which these responsibilities will be carried out to comply with best practice in corporate governance in accordance with applicable laws in the jurisdictions in which BPG operates.

BOARD GOVERNANCE PRINCIPLES AND PROCESS

Role of the Board

The primary role of the Board is to approve and monitor the strategic direction of BPG recommended by management and add long-term value to BPG's shares, having appropriate regard to the interests of all material stakeholders.

The Board is committed to the highest standard of corporate governance as established by recognised best practice. Having regard to its role facilitating and collaborating with BPG management team (**Management**), the Board has adopted the following governance principles to act in accordance with agreed standards of ethical and moral behaviour, including observing the Code of Ethics. The conduct of the directors of the Board (**Directors**) will be consistent with their duties and responsibilities to BPG and BPG's shareholders (**Shareholders**).

The Board establishes BPG's objectives, overall policy framework within which the business of BPG is conducted and confirms strategies for achieving these objectives, monitors Management's performance and ensures that procedures are in place to provide effective internal financial control. The Board will satisfy itself that BPG is achieving its goals. The Board will work to ensure that BPG has a culture of integrity and good performance.

Strategy

- The Board is responsible for ensuring the strategic goals of BPG are clearly established, and that strategies are in place for achieving them. The Board will decide on the steps necessary to protect BPG's financial position, ensure that Management meets obligations when they fall due and establish policies for strengthening the performance of BPG.

Management

- The Board will monitor and review the performance of Management and the process for calculating fees and any performance incentive fees.

Reporting and Disclosure

- The Board will approve and monitor BPG's financial statements, corporate governance and other reporting, including reporting to Shareholders and other stakeholders in accordance with its statutory functions. The Board will also ensure the implementation of and adherence to BPG's continuous disclosure policy.
- In addition to all information required by law, the Board acknowledges that BPG's annual report should include sufficient meaningful information to enable Shareholders and stakeholders to be well informed and disclose:

- information about each Director, members of the Audit and Risk Committee and Remuneration Committee, including a profile of experience, length of service, independence, any ownership interests in BPG and Director attendance at Board meetings; and
- remuneration arrangements as outlined in the remuneration policy.

People

- The Board will establish procedures and systems to promote a culture and remuneration practice within BPG which facilitates the recruitment, professional development and retention of staff.

Risk Management

- The Board will ensure that BPG has appropriate risk management and regulatory compliance policies in place and monitor the integrity of those policies.

Shareholders and Stakeholders

- The Board will familiarise itself with issues of concern to Shareholders and significant stakeholders, including customers, staff, lessee's and the community.

Board Procedures

The Directors will always act within procedures put in place by the Board.

Directors will use their best endeavours to prepare for and attend Board meetings. Directors are expected to participate constructively in Board discussions and other activities and to bring the benefit of their experience and knowledge to the Board. Directors unable to attend a meeting will advise the chair of the Board (**Chair**) as soon as possible. The agenda will be set by the Chair in consultation with Management.

Board discussions will be open and constructive, recognising different opinions which lead to better decision making. Minutes will be taken of each Board meeting and meetings of each committee. All discussions and their record will remain confidential unless there is a specific direction from the Board, or disclosure is required by law. The Board will decide the manner and timing of the publication of its decisions.

The Board will hold at least 8 meetings each year. At each normal meeting, the register of Directors' interests will be updated and the Board will consider:

- a business report from the Manager;
- specific proposals for investments;
- health and safety;
- major issues and opportunities for BPG; and
- matters requiring disclosure.

Additional Board meetings are held where necessary in order to respond to issues as they arise.

Board Structure

The Board will comprise of at least three directors, with at least two independent directors. At least two of the directors must be ordinarily resident in New Zealand. The composition of the Board will reflect the duties and responsibilities it is required to discharge and perform in setting BPG's strategy and seeing it implemented.

To assess if a Director is independent, the Board takes into account guidance provided under the NZX Main Board Listing Rules. In addition, the Director must not have a direct or indirect interest or relationship that could reasonably influence in a material way the Director's decisions in relation to BPG, including:

- has not been employed by BPG in an executive capacity within the last three (3) years;
- within the last three (3) years has not had a significant business relationship with BPG from which the Director has or is likely to derive 10% or more of that Director's annual revenue;

- does not have a “substantial holding” (as that term is defined in the Financial Markets Conduct Act 2013) in the shares of BPG;
- is not a member of an immediate family of any person described above.

Chair

The Board will appoint a Chair from among the Directors. The Chair is responsible for:

- facilitating meetings of the Board;
- representing the Board to Shareholders;
- ensuring the integrity and effectiveness of the governance process of the Board;
- ensuring there are processes and procedures in place to evaluate the performance of the Board, its committees and individual directors (evaluation is to occur annually); and
- maintaining regular dialogue with Management over all operational matters and will consult with the remainder of the Board promptly over any matter that gives cause for significant concern.

The Chair will not be a member of Management.

Management

The Board will agree with Management specific goals and procedures, with a view to achieving specific results directed towards to strategic goals of BPG. The Board will be kept informed by Management on all important matters. The Chair will be available to Management to provide counsel and advice where appropriate.

Attendance of Management at Board meetings will be at the discretion of the Board.

Board Committees

The Board may discharge any of its responsibilities through committees of the Board. The Board may establish a committee to consider certain issues and functions in more detail. Each committee may adopt its own charter to be approved by the Board, setting out matters relevant to its composition and responsibilities. The Board retains ultimate responsibility for the functions of its committees and determines their responsibilities.

The Board may on a case by case basis establish other committees where it considers it appropriate to do so. Where a new committee is formed the Board will prepare and approve a written charter defining the role and purpose of the committee. New committees may be standing committees or temporary committees.

In order to be fully informed on the matters for consideration, a committee member may invite the attendance of any of the Chair, Management, BPG’s auditors and advisors. The minutes of the proceedings of every committee meeting shall be taken and circulated to each member of the Board.

The Board will regularly review the performance of the committees in accordance with their relevant charters.

Audit and Risk Committee

The Board has established an Audit and Risk Committee with the role of overseeing financial reporting, accounting policies, financial management, and internal control systems.

The Audit and Risk Committee responsibilities are outlined in the Audit and Risk Committee Charter which shall be readily available to Shareholders and on BPG’s website.

Remuneration Committee

The Board has established a Remuneration Committee, with the role of recommending Director remuneration packages to Shareholders. The Remuneration Committee responsibilities are outlined in the Remuneration Committee Charter.

Board Appointments Procedure

The Board is responsible for nominating members to the Board and for filling vacancies on the Board that may occur between annual meetings. The Board will have procedures in place from time to time for the nomination and appointment of directors to the Board.

In considering potential Directors to recommend to Shareholders, the Board seeks to identify candidates with appropriate skills, knowledge and experience to contribute to effective direction of BPG, who can exercise an informed judgement on matters which come to the Board and who are free of any business or other relationship that may interfere with the exercise of that judgement. Key information regarding candidates for appointment to the Board is to be communicated to Shareholders to assist with their decision to elect or re-elect the candidate.

The Board will evaluate all nominations of directors, and consider whether they would be independent, and may recommend candidates to Shareholders.

The requirements and procedures governing the retirement, rotation and resignation of directors are prescribed in BPG's Constitution and the Listing Rules.

Director Training Policy

All Directors are responsible for ensuring they remain current in understanding their duties as directors. Where necessary, BPG will support Directors to help develop and maintain their skills and knowledge relevant to performing their role.

Director Performance Policy

The Board will ensure that regular, rigorous and formal processes for evaluating the performance of the Board, committees and individual Directors are in place and lead these processes.

Conflict of Interest

Directors must:

- disclose to the Board any actual or potential conflicts of interest which may exist or be reasonably thought to exist as soon as they become aware of the conflict or potential conflict;
- take any necessary and reasonable measures to try to resolve or transparently manage the conflict; and
- comply with the Companies Act 1993 on disclosing interests and restrictions on voting.

If a conflict or potential conflict exists, it is expected that the conflicted Director shall be absent from the meeting whilst the Board discusses the matter unless the other Directors who do not have an interest in the matter approve such Director being present at the meeting. If a Director has a conflict of interest, that Director cannot vote on a matter in respect of which that Director is interested, nor can any vote be counted towards the Board quorum in respect of that matter.

Directors are expected to advise the Chair of any proposed board or executive appointments to other companies as soon as practicable.

Trading in the Company's shares

A director can only buy or sell shares in BPG during the permitted periods as outlined in the Financial Product Trading Policy and Guidelines and when they are not Insider Trading as defined in the Financial Markets Conduct Act 2013. All changes in Directors' shareholding must be immediately reported to the Board for disclosure.

Independent advice

Any Director is entitled to obtain independent professional advice (at the expense of BPG) where the Director considers it necessary to carry out his/her responsibilities as a director, with the approval of the Chair.

Indemnities and insurance

Subject to BPG's constitution, BPG will provide Directors with, and will pay the premiums for, indemnity and insurance cover while acting in their capacities as Directors, to the fullest extent permitted by law.

Review and Communication of Policy

This Charter and committee charters will be reviewed annually by the Board. BPG will communicate the Charter to Shareholders and to the market, including via its website, in the interests of transparency and accountability, and to better promote the objectives of the Charter.

This Board Charter has been agreed by the Board of Black Pearl Group Limited.

Issue	Approved by	Date
1.0	The Board	24 November 2022