



Province
RESOURCES LIMITED

2022 ESG Report





Message from the Non-Executive Chairman

We believe that climate change represents the biggest threat to the global ecosystem in the 21st century, and we at Province are aiming to address the decarbonisation of the global economy and industry through the production of zero carbon hydrogen products.

ESG sits at the core of everything we do. Our Company's purpose is to provide ethical and sustainable access to zero carbon fuels required to support global growth and the transition to a green economy.

By aligning our reporting with ESG principles we continue our journey in developing our transparency and progress in our efforts towards ESG and climate related issues.

Patrick Burke

Non-Executive Chairman





Our ESG Framework

We understand the importance to maintain transparency with which the Company operates. It's important that our stakeholders, communities and investors understand what we're trying to achieve, and the progress we are making – and that the business as a whole, is involved.

We have aligned our ESG reporting with the World Economic Forum's Stakeholder Capitalism Metrics and will be implementing Task Force on Climate-related Financial Disclosures. Both of which are aligned with United Nations Sustainability Development Goals.

We have utilised these frameworks to embed ESG principles into the business and continue to use these principles as a roadmap to create meaningful and positive impacts on environmental, social and governance issues.

Please see enclosed the Province Disclosures for the WEF Stakeholder Capitalism Metrics.



TCFD





Governance

Setting Purpose

Province's Purpose Statement was re-affirmed mid 2021 by the Province Board and is "To provide ethical and sustainable access to zero carbon fuel required to support global growth and the transition to a green economy".

As we pursue our purpose, we are guided by our guiding values:

- Low impact operations
- Shared financial benefits
- Local supplier preference
- Traditional owner respect and inclusion
- Employees supported to operate safely and grow personally and professionally

Governance Body Composition

The capabilities, experience, and perspectives of our board members are important for making robust decisions on an ongoing basis. This disclosure captures a variety of important dimensions to composition, and emphasises competencies relating to economic, environmental, and social topics.

A matrix of our board member's skills, competencies and experience is available on the Province website.

A Board Charter has been created clearly defining the Boards' roles and responsibilities. A Corporate Governance Statement has also been created which clearly sets out the main corporate governance practices in place throughout the financial year in accordance with the 4th edition of the ASX Principles of Good Corporate Governance and Best Practice Recommendations.

Material issues impacting stakeholders

This disclosure highlights the importance of the relationship between what is material to Province and to its stakeholders.

Province actively involves key stakeholders in consultation. By doing so, material issues have been captured, identified and analysed with feedback provided and ongoing consultation taking place.

We are committed to continuing clear and consistent communication, engagement, and consultation with our stakeholders, and are in the process of formalising our current processes into a Stakeholder Engagement Plan.


Anti-corruption practises

Province has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings, with the ongoing ability to both prevent and remedy any potential ethical issues.

The Company's Anti-Bribery & Anti-Corruption Policy which applies to all employees, executive management, suppliers, consultants, customers, joint venture partners (where they agree to be bound by the Policy) as well as temporary and contract staff (including subcontractors) (Representatives) is available on the Province website.

As part of the Province onboarding process staff must acknowledge that they will follow the Company's Code of Conduct and the Anti-Bribery & Anti-Corruption Policy as employees or Contractors of the Company. These are then re-signed as the policies are reviewed.

During the current quarter, and current financial year to date, there have been no incidents of corruption.





Governance continued..

Material issues impacting stakeholders

We continue to be actively engagement with our key stakeholders and continue our commitment to provide clear and consistent communication, engagement, and consultation. Through our stakeholder engagement processes material issues have been captured, identified, and analysed with feedback provided and ongoing consultation taking place regularly. These key issues are included in our business strategy and integrated into our risk management framework.

Risk and opportunity oversight

The Province board demonstrates a clear understanding and synthesis of corporate appetite, board oversight and management's enterprise risk management systems in relation to key emerging risks and opportunities (specifically those related to economic, environmental and social issues, including climate change and data stewardship).

Province's Management is responsible for ensuring effective risk management is being undertaken within the Company. The Province process of risk management and internal compliance and control can be found in the Risk Management Framework & Internal Compliance & Control Policy on the website.

Mechanisms to protect ethical behaviour

Province is committed to the highest standards of ethical conduct in all business activities and has the ongoing ability to both prevent and remedy ethical issues.

Directors and management of the Company are committed to conducting the business of the company ethically and in accordance with ASX Corporate Governance Principles.

Province's Whistleblower Protection Policy has been adopted by the Board to ensure concerns regarding unacceptable conduct including breaches of the Company's Code of Conduct can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The Company is committed to creating and maintaining a culture of corporate compliance and ethical behaviour in which employees are responsible and accountable and behave with honesty and integrity.

More information can be found in our Whistleblower Protection Policy.



Planet

GHG emissions

Following the reporting standards in accordance with the GHG Protocol using the control

approach, we have determined our GHG emissions for FY22:

Scope 1: 19 t CO₂-e

Scope 2: 5 t CO₂-e

Total emissions: 24 CO₂-e

Total energy consumed: 291 GJ

We are currently collating data on our Scope 3 emissions.

Going forward we will continue to monitor our emissions output included in the Company risk management framework and are currently in the process of creating a Sustainability Policy communicating our commitment to minimising our impact on the environment including the reduction of our GHG emissions.

TCFD implementation

In FY22 Province Resources became supporters of TCFD and have adopted the TCFD framework and continue to develop the recommended disclosures and metrics to support ongoing integration. Please see the progress summary below:

Progress to end FY22

- Board approving the PRL ESG frameworks.
- Further enhancements of community engagement and investment.
- Incorporation of ESG risks and opportunities into the existing risk management framework.
- Adoption of the WEF framework and publicly disclosed.

Our focus beyond FY22

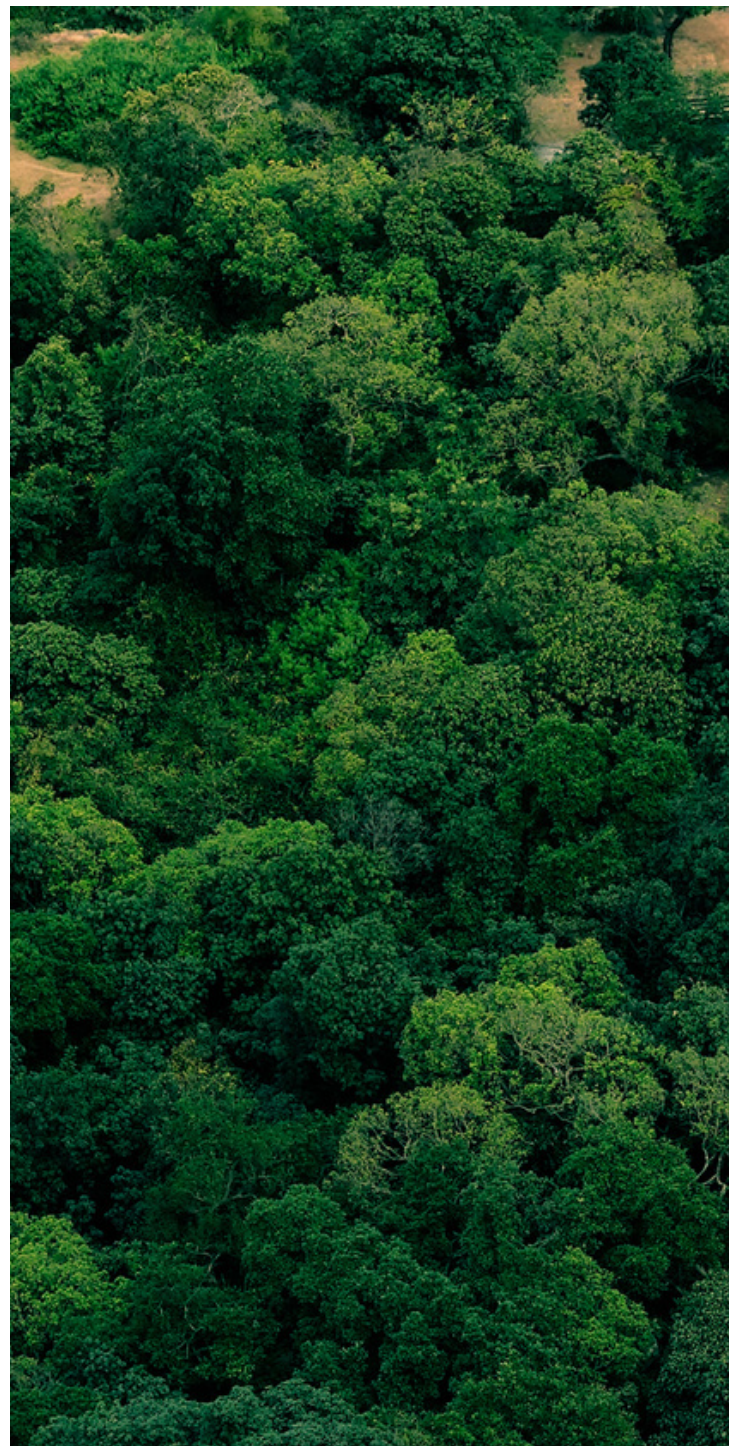
- Continue to enhance and embed climate-related consideration into the existing risk management framework.
- Further project development with the HyEnergy® project.
- Continue our efforts to become carbon neutral.
- Ongoing development of ESG and TCFD disclosures.

Land use and key biodiversity areas

Province has commenced fauna, flora and other environmental surveys over the potential project area. The outcomes of these studies will identify and allow the Company to manage any sensitive areas.

Water consumption

As the project is currently at planning stage, Province does not currently have any water consumption or withdrawal. This may change as the project is progressed and appropriate assessments will take place before implementation.





People

Diversity and inclusion

Province is committed to actively managing diversity as a means of enhancing the Company's performance by recognising and utilising the contribution of diverse skills and talent from its directors, officers and employees.

Diversity may result from a range of factors including age, gender, ethnicity, cultural background or other personal factors. Province values the differences between its people and the contribution these differences make to the Company.

At Province, 60% of management are Australian, 40% are English. 75% are male and 25% are female. 80% work full time with 20% working part time.

Pay equality

Province recognises that promoting pay equality reflects an organisation's culture and helps bridge diversity gaps, attract talent and drive long-term competitiveness.

Province reports remuneration of Directors and Key Management in the Annual Report to Shareholders which can be found on the website.

Province has also compiled a Remuneration Policy promoting pay equality and clearly outlining the remuneration for Non-Executive Directors and Executive Remuneration.

Wage level

Province recognises that fair compensation and benefits contribute to the economic well-being of employees.

The employees at Province are compensated higher than the Australian minimum wage and are not subject to minimum wage rules. The CEO percentage of average compensation of all employees is 275%.

Child, forced or compulsory labour

Due to Province operating in WA and with the project at planning stage, this metric is currently not measured.

Health and Safety

Province understands that strong standards of health, safety and labour rights which can improve employee productivity and operational efficiency and enhance employee well-being.

As our projects haven't commenced yet, this is something that we are not currently offering but look forward to investigating in the future.

Training provided

Province understands that a skilled workforce improves a company's performance, contributes to employee satisfaction, and enhances human capital. Providing the right mix of training to employees on technical and behavioural aspects will nurture business growth and help develop a competitive edge.

Cultural Awareness training was rolled out to five members of the Province team in July 2022. This was a full day course with Ingaarda Elder Kath Ryan sharing her knowledge of the Ingaarda people, their Country, and their culture.



Prosperity

Economic Contribution

A breakdown relating to revenue, operating costs, wages & benefits, and payment to the Government in the form of taxes, licenses and royalties can be found in the Province Financial and Quarterly Reports on the website.

Additionally, Province has sponsored 5 community initiatives located in Carnarvon. We want to continue to deliver long-term benefits for the communities we operate in, and look forward to continuing to provide financial support and partnerships for, organisations, events and projects that continue to benefit the local community. Please head to our community page on the website for more information.

Financial investment contribution

Province discloses information on investment activities through the Full Year Statutory Accounts and Quarterly Activity Report & Appendix 5B.

Total R&D expenses

Continuous work goes towards the evaluation and development of our projects. Please review the Quarterly Activity Report & Appendix 5B on the costs associated with our exploratory projects and the HyEnergy® project. For more information on our projects please head to our website.

Total Tax Paid

The Company understands how taxes are an important sources of government revenue, fiscal policy and contributes to economic stability. For the complete disclosure of the total level of tax paid by Province, please refer to the Full Year Statutory Accounts and Quarterly Activity Report & Appendix 5B.

