

## **1 Purpose of Charter**

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- 1.1 This is the Charter of the Remuneration Committee established by the board of the Company. This Charter governs the operations of the Remuneration Committee and sets out the Remuneration Committee's purpose, composition, scope and responsibilities, powers and rules regarding its proceedings.

## **2 Purpose of Remuneration Committee**

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- 2.1 The Remuneration Committee's role is to assist the Board of the Company to discharge its responsibility by considering remuneration and issues relevant to remuneration policies and practices, including for Senior Executives and non-executive Directors.

## **3 Composition**

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- 3.1 Subject to paragraph 3.2, the Remuneration Committee will have at least three members and will consist of a majority of independent Directors and be chaired by an independent chair (appointed by the Board).
- 3.2 If the Board is not of a sufficient size to enable the Remuneration Committee to consist of a majority of independent Directors, the Remuneration Committee will be undertaken by the full Board.
- 3.3 The Remuneration Committee will have a secretary which will be the Company Secretary or such other person as nominated by the Board from time to time.

## **4 Scope of responsibility**

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- 4.1 The Remuneration Committee is responsible for:
- (a) reviewing and evaluating market practices and trends for remuneration relevant to the Group;
  - (b) reviewing and setting the Group's remuneration policies;
  - (c) reviewing and setting the Group's remuneration practices;
  - (d) overseeing the performance of the CEO, CFO and other Senior Executives and non-executive Directors;
  - (e) reviewing and setting remuneration of the CEO, CFO and other Senior Executives and of non-executive Directors;
  - (f) preparing reports that may be required under applicable legal or regulatory requirements about remuneration matters;
  - (g) reviewing and setting remuneration by gender and reporting to the Board as necessary to facilitate compliance with the Diversity Policy; and
  - (h) reviewing and recording, at least annually, on the proportion of women and men in the workforce at all levels of the Group, and their relative levels of remuneration.
- 4.2 Remuneration includes not only monetary payments (salary and wages) but all other monetary and non monetary compensation for services and benefits including:
- (a) fringe benefits;
  - (b) directors' and officers' and other insurance arrangements;

- (c) retirement benefits;
  - (d) superannuation; and
  - (e) equity participation, and other incentive programs.
- 4.3 The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision making process.
- 4.4 The total maximum remuneration of non-executive Directors is the subject of a Shareholder resolution in accordance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Group of the respective contributions by each non-executive Director.
- 4.5 The Board may award additional remuneration to non-executive Directors who are called upon to perform extra services or make special exertions on behalf of the Company.
- 4.6 In addition, a Director may be paid fees or other amounts (i.e. subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.
- 4.7 Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

## **5 Powers**

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- 5.1 The Remuneration Committee has unrestricted access to management and to seek advice from external consultants or specialists where the Remuneration Committee considers that necessary or appropriate.

## **6 Proceedings**

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- 6.1 Meetings of the Remuneration Committee are held at least three times during each year and more often as required in order to fulfil its role.
- 6.2 Representatives of management and other employed personnel may be invited to attend meetings, or specific parts of meetings, at the discretion of the Remuneration Committee.
- 6.3 Any meeting may be held by means of conference call or any other means of communication that may, under the Corporations Act or the Constitution, be used for Board meetings.
- 6.4 The quorum for a meeting of the Remuneration Committee is any two members.
- 6.5 The Company Secretary has responsibility for coordinating the completion and despatch of the Remuneration Committee agenda and briefing materials, as well as drafting minutes of meetings of each Remuneration Committee for approval at the next meeting.

## **7 Sub-Committees**

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- 7.1 The Remuneration Committee may delegate any specific task to one of its members or to a sub-committee consisting of two or more of its members.
- 7.2 The provisions of this Charter apply in relation to any sub-committee of the Remuneration Committee.

## **8 Performance review and evaluation**

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- 8.1 The Remuneration Committee must review this Charter annually to provide assurance that it remains consistent with the Board's objectives and responsibilities. Any amendments to this Charter must be approved by the Board.
- 8.2 External reviews of this Charter may be undertaken at the request of the Board.

## **9 Miscellaneous**

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### **9.1 Publication on ASX and Company website**

- (a) A copy of this document (or a summary of it) may be made available on the Company's website and to ASX to the extent necessary.

### **9.2 Endorsement**

- (a) The Company is committed to this Charter and its implementation.
- (b) This Charter was adopted by the Board on 22<sup>nd</sup> May 2015.

## **10 Definitions**

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In this document:

<b>Board</b>	means the board of Directors.
<b>Chair</b>	means the Director of the Company appointed as the chair of the Remuneration Committee from time to time.
<b>CEO</b>	means the chief executive officer or equivalent officer (by whatever title known) of the Company.
<b>CFO</b>	means the chief financial officer or equivalent officer (by whatever title known) of the Company.
<b>Company</b>	means National Veterinary Care Ltd ACN 166 200 059.
<b>Company Secretary</b>	means the company secretary of the Company.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	means a director of the Company.
<b>Group</b>	means the Company and its controlled entities.
<b>Senior Executives</b>	means the senior management team (excluding Board members), being those who have the opportunity to materially influence the integrity, strategy and operation of the Company, and its financial performance.