

Date: 6 February 2017

Remuneration committee charter

Zoono Group Limited
ABN 73 006 645 754
(Company)

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Remuneration committee charter

1. Introduction

- 1.1 The Remuneration Committee is a committee of the board of directors of Zoono Group Limited (**Company**).
- 1.2 The board established the Remuneration Committee under the Company's constitution.
- 1.3 This charter sets out the scope of the Remuneration Committee's responsibilities in relation to the Company and its related bodies corporate (**Group**).
- 1.4 The role of the Remuneration Committee is not an executive role.

2. Objective

The objective of the Remuneration Committee is to help the board achieve its objective to ensure the Company:

- (a) has coherent remuneration policies and practices to attract and retain executives and directors who will create value for shareholders;
- (b) observes those remuneration policies and practices; and
- (c) fairly and responsibly rewards executives having regard to the performance of the Group, the performance of the executives and the general external pay environment.

3. Remuneration policies and practices

- 3.1 Executive remuneration and incentive policies and practices must be performance based and aligned with the Group's vision, values and overall business objectives.
- 3.2 Executive remuneration and incentive policies and practices must be designed to:
 - (a) motivate the directors and management to pursue the Group's long term growth and success; and
 - (b) demonstrate a clear relationship between the Group's overall performance and the performance of executives.

4. Remuneration - responsibilities

- 4.1 In performing its responsibilities in relation to remuneration, the Remuneration Committee must give appropriate consideration to the Company's performance and objectives, employment conditions and remuneration relativities.
- 4.2 The Remuneration Committee is responsible for:

Executive remuneration and incentive policies

- (a) reviewing, approving and recommending to the board for adoption executive remuneration and incentive policies and practices;

Executive directors and senior executives

- (b) annually considering, approving and recommending to the board each executive director's total remuneration (including base pay, incentive awards, equity awards, retirement rights,

- termination payment and terms of engagement) having regard to executive remuneration and incentive policies;
- (c) determining if shareholder approval is needed for any change to remuneration of directors or executives;
 - (d) reviewing and approving, on the recommendation of the chief executive officer:
 - (i) the total remuneration (including incentive awards, equity awards and retirement and termination payments);
 - (ii) the terms of engagement; and
 - (iii) any changes to the total remuneration and terms of employment, of direct reports of the chief executive officer;
 - (e) recommending to the board for approval changes to the remuneration or terms of engagement of executive directors before implementation; and
 - (f) preparing for approval by the board any report on executive remuneration that may be:
 - (i) required by the ASX Listing Rules or the *Corporations Act 2001* (Cth); or
 - (ii) proposed for inclusion in the annual report,and reporting regularly to the board on those matters;

Executive incentive plans

- (g) reviewing, approving and recommending to the board for adoption the design of any executive incentive plan;
- (h) reviewing, approving and recommending to the board for adoption the total proposed payments from any executive incentive plan;
- (i) reviewing, approving and recommending to the board for adoption the design of any equity based plan;
- (j) reviewing any plan for legislative, regulatory and market developments;
- (k) reviewing, approving and recommending to the board for approval the total proposed awards under any equity based plan;
- (l) reviewing, approving and recommending to the board for approval the proposed award to each executive under the rules of any plan or as approved by the Nomination and Remuneration Committee;
- (m) reviewing, approving, recommending to the board for adoption and keeping under review the performance hurdles for any equity based plan;

Non-executive directors

- (n) reviewing the remuneration of non-executive directors for serving on the board and any committee (both individually and in total);
- (o) recommending to the board the remuneration, retirement and termination policies for non-executive directors having regard to market trends and shareholder interests; and

Insurance and indemnities

- (p) reviewing any insurance premiums or indemnities for the benefit of directors and officers.

5. Other responsibilities

The Remuneration Committee is responsible for doing anything the board considers appropriate in the context of this charter.

6. Remuneration Committee composition

6.1 The Nomination and Remuneration Committee should comprise:

- (a) at least 3 directors;
- (b) who are all non-executive directors; and
- (c) a majority of independent directors.

6.2 The Remuneration Committee will appoint its chairperson. The chairperson of the Remuneration Committee must be an independent director.

6.3 The board decides appointments, rotations and resignations within the Remuneration Committee having regard to the ASX Listing Rules, the *Corporations Act 2001* (Cth) and the Company's constitution.

6.4 A Remuneration Committee member may act by their alternate.

7. Nomination and Remuneration Committee meetings

7.1 The Remuneration Committee will meet as often as it considers necessary.

7.2 The quorum for a Nomination and Remuneration Committee meeting is two Remuneration Committee members.

7.3 Remuneration Committee meetings may be held by any technological means allowing its members to participate in discussions even if all of them are not physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.

7.4 A notice of each meeting confirming the date, time and venue and agenda shall be forwarded to each member of the committee, generally no later than one week prior to the date of the meeting. The notice will include relevant supporting papers for the agenda items to be discussed.

7.5 The Remuneration Committee may pass or approve a resolution without holding a meeting in accordance with the procedures (so far as they are appropriate) in section 248A of the *Corporations Act 2001* (Cth).

7.6 The Remuneration Committee may invite anyone it considers appropriate to attend Nomination and Remuneration Committee meetings.

7.7 The Remuneration Committee must keep minutes of its meetings and shall report these regularly to the board.

8. Access to information and independent advice

8.1 The Remuneration Committee may seek any information it considers necessary to fulfil its responsibilities.

8.2 The Remuneration Committee has access to management to seek explanations and information from management, at the Company's cost.

8.3 The Remuneration Committee may seek professional advice from employees of the Group and from appropriate external advisers, at the Company's cost. The Remuneration Committee may meet with external advisers without management being present.

9. Review and changes to this charter

9.1 The Remuneration Committee will review this charter annually or as often as it considers necessary.

9.2 The board may change this charter from time to time by resolution.

10. Approved and adopted

This charter was approved and adopted by the board on 6 February 2017.