

Clawback Policy – Villa World Limited

1 Purpose

This Clawback Policy (**Clawback Policy** or **Policy**) has been adopted by the Board and is designed to:

- (1) ensure that all Employees act in the best interests of the Group at all times; and
- (2) align the remuneration outcomes of Employees under the relevant Group incentive programs (including the STI and LTI plans), with the expectations and interests of Company shareholders.

The Clawback Policy provides the Company with the ability to recover from Employees remuneration that has been awarded to them in the form of:

- a) awards made under the STI; and/or
- b) awards made under the LTI,

based on the specific triggers outlined in this Clawback Policy and/or where deemed necessary by the Board.

The Clawback Policy is effective from 1 July 2015 and covers only STI and LTI awards made after that date. Specifically, the Policy will not operate retrospectively in respect of any previous equity awards, regardless of whether they are vested or unvested awards.

2 Who is covered by this Policy?

The Policy applies to:

- (1) Group key management personnel who participate in the STI and/or LTI plans;
- (2) other Group executives who participate in the STI and/or LTI plans; and/or;
- (3) any other person who the Board determines is covered by this Policy.

3 Why will this Policy apply?

Where an Event occurs and as a result, an Employee has received or becomes entitled to an unfair benefit (including the Employee receiving more remuneration or other entitlement than he or she would otherwise have received or been entitled to had the relevant Event not occurred), the Company reserves the right to claw back, reduce or cancel

any previously paid or proposed remuneration or entitlement.

Events that may lead to an action by the Company under this Clawback Policy include, but are not limited to:

- a) a material non-compliance with any financial reporting requirement (resulting in a material misstatement of financial results); or
- b) any act by the Employee which constitutes fraud, misrepresentation, dishonesty or gross misconduct in relation to the affairs of the Group and/or brings the Group into disrepute; or
- c) any breach of an Employee's obligations to the Group, including failure to perform any act reasonably and lawfully requested by the Group; or
- d) the Employee being convicted of an offence or having a judgement entered against him or her in relation to the affairs of the Group; or
- e) an act or omission (whether intentional or inadvertent) of any person occurring that has the effect of delivering strong short-term Group performance in a manner that is unsustainable, inaccurate or involves unacceptably high risk, and results, or is likely to result, in a detrimental longer-term impact on Group performance; or
- f) any other matter arising which the Board determines in good faith to have resulted in an unfair benefit accruing to the Employee.

4 What actions will the Board take

Upon the occurrence of any Event, the Company, in its absolute and unfettered discretion, may take such actions as it deems necessary.

Such actions may include, to the extent permitted by applicable law:

POLICY: Clawback Policy

Policy authorised by: Board

Policy maintained by: Remuneration & Nomination Committee

Date: 23 July 2015

Current version: 2015/1

Unvested awards/Unpaid STI:

- a) revising or amending the performance and/or employment conditions applicable in respect of some or all unvested STI and/or LTI awards; or
- b) cancelling or requiring the forfeiture of some or all unvested STI and/or LTI awards; or
- c) re-issue of some or all STI and/or LTI awards, subject to new or amended performance and/or employment conditions, in place of some or all of any cancelled or forfeited awards.

While the Board has discretion to determine the relevant action(s), the Board commits to acting in “good faith” in determining any appropriate amounts to recoup.

The Company may initiate any legal action against the Employee it deems necessary to enforce this Clawback Policy.

5 Policy Review

The Board will review this Clawback Policy at least annually and make any adjustments it considers should be made, including to ensure that the Clawback Policy remains relevant to the incentive plans and other awards that the Company or Group has in place at that time.

6 Governing Law and Jurisdiction

This Clawback Policy is governed by the laws of the State of Queensland and, to the extent possible, all matters arising under this Policy will be determined by the courts of Queensland.

7 Definitions

Board	The board of directors of the Company, or any committee, person or body to which the Board duly delegates its powers and authorities under this Clawback Policy.
Clawback Policy	This clawback policy that applies to Employees, as amended from time to time.
Company	Villa World Limited (ABN 38 117 546 326).
Employees	The persons referred to in Section

2 of this Clawback Policy.

Event	The events referred to in Section 3 of this Clawback Policy.
Group	The Company, its subsidiaries and any other entity declared by the Board to be a member of the Group for the purposes of the Clawback Policy.
LTI	Long term incentive program operated by the Company under the Executive Long Term Incentives Plan, as it applies from time to time.
STI	Short term incentive program operated by the Company under the relevant plan rules or terms, as it applies from time to time.