

**Policy for Board Approval of Compensation
Animals Asia Foundation, Limited**

The Executive Director of Animals Asia Foundation, Limited (“Animals Asia”) is the principal representative of Animals Asia in the United States, and the person responsible for the efficient operation of the organization. Therefore, it is the desire of Animals Asia to provide fair yet reasonable and not excessive compensation for the Executive Director (and any other highly compensated employees and consultants).

Evaluation Process. The annual process for determining compensation is as follows: Animals Asia’s Board of Directors shall appoint the International Fundraising Director to annually evaluate the Executive Director position, research comparative compensation and make recommendations to the Board. The Board shall then approve or reject the recommendations.

The International Fundraising Director will obtain research and information to make a recommendation to the Board for the compensation (salary and benefits) of the Executive Director (and other highly compensated employees or consultants) based on a review of comparability data. For example, the International Fundraising Director will secure data that documents compensation levels and benefits for similarly qualified individuals in comparable positions at similar organizations. This data may include the following:

1. Salary and benefit compensation studies by independent sources;
2. Written job offers for positions at similar organizations;
3. Documented telephone calls about similar positions at both nonprofit and for-profit organizations; and
4. Information obtained from the IRS Form 990 filings of similar organizations.

Approval & Documentation. To approve the compensation for the Executive Director (and other highly compensated employees and consultants) the Board must document how it reached its decisions, including the data on which it relied, in minutes of the meeting during which the compensation was approved. Documentation will include:

1. A description of the compensation and benefits and the date they were approved;
2. The members of the Board who were present during the discussion about compensation and benefits, and the results of the vote;
3. A description of the comparability data relied upon and how the data was obtained; and
4. Any actions taken (such as abstaining from discussion and vote) with respect to consideration of the compensation by anyone who is otherwise a member of the board but who had a conflict of interest with respect to the decision on the compensation and benefits.

As approved by Animals Asia Foundation, Limited Board of Directors on January 14, 2016.

