

Executive remuneration policy

1. PURPOSE

Vector Limited (Vector or Company) will provide fair and reasonable, yet competitive, remuneration for its Senior Executives to ensure that the Company attracts and retains high calibre Senior Executives who have the skills, experience and knowledge to deliver company strategy and increase entity value, to the benefit of all Shareholders.

The board's Remuneration Committee reviews and makes recommendations in respect of remuneration policies and practices for Senior Executives and Vector employees generally.

This policy on executive remuneration complements and does not supersede Vector's overarching Remuneration Policy applicable to all Vector employees

2. SENIOR EXECUTIVE REMUNERATION

- 2.1. Remuneration of Vector senior executives shall be set by reference to the Vector Remuneration Policy as well as reflecting:
 - a. Market data (New Zealand and Australia);
 - b. The flexibility to pay between the lower and upper quartile of the New Zealand market;
 - c. Job size, including responsibilities, skills and competencies, and
 - d. Accountabilities.
- 2.2. Where remuneration consultants are used, those consultants must be independent and be appointed by and report to the Vector board, via the board's Remuneration Committee.
- 2.3. Senior executive remuneration will be reviewed annually and will include the opportunity to receive an "at risk" incentive payment based on predetermined financial and operational performance measures. Any remuneration adjustments or incentive payments made are at the sole discretion of the Board. Senior executives are not entitled to participate in any share base incentive scheme.

3. DISCLOSURE

- 3.1. Vector will disclose senior executives' remuneration in accordance with all legal requirements (including under the NZX Main Board Listing Rules).

Dated: August 2020