TPG TELECOM LIMITED
ABN 76 096 304 620

Notice of Annual General Meeting & Explanatory Statement

Date: Tuesday, 3 May 2022
Time: 3:30pm (Sydney time)

To be conducted as a virtual meeting

This Notice of Annual General Meeting should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Any questions in relation to this Notice of Meeting may be addressed to the Company by email to *investor.relations@tpgtelecom.com.au*

Letter from the Chairman

Dear Shareholder

TPG Telecom invites you to participate in the 2022 Annual General Meeting (**AGM**) of members of TPG Telecom Limited (**TPG Telecom** or **Company**). The AGM will be held on Tuesday, 3 May 2022, commencing at 3:30pm (Sydney time).

The Company has decided to conduct the AGM as a virtual meeting because of ongoing risks associated with COVID-19. Shareholders will not be able to attend the meeting physically, but will be able to view and participate in the virtual meeting online and a recording of the AGM will be available on our website for shareholders to view at any time.

The business of the AGM includes resolutions to re-elect Dr Helen Nugent AC and Mr Pierre Klotz to the Board and I am honoured also to be seeking re-election as a director alongside them.

For information on how to join the meeting, ask questions, vote and to seek assistance with technical issues, please see the Important Information section below.

I would like to thank all shareholders for their continuing support of TPG Telecom and I look forward to your participation in the meeting.

Yours faithfully

CANNING FOK
Chairman

Important Information

How to participate in the meeting online

Shareholders must use the Computershare Meeting Platform to attend and participate in the meeting.

To participate in the meeting, you can log in by entering the following URL https://meetnow.global/M96AA42 on your computer, tablet or smartphone.

Online registration will open 30 minutes before the meeting.

To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready. Proxyholders will need to contact Computershare Investor Services Pty Ltd (the **Share Registry**), prior to the meeting to obtain their login details.

To participate in the meeting online please follow the instructions below.

1. Click on 'Join Meeting Now'.
2. Enter your SRN/HIN. Proxyholders will need to contact the Share Registry on +61 3 9415 4024 prior to the meetings to obtain their login details.
3. Enter your postcode registered to your holding if you are an Australian securityholder. If you are an overseas securityholder select the country of your registered holding from the drop down list.
4. Accept the Terms and Conditions and 'Click Continue'.

You can view the meeting live, ask questions verbally or via a live text facility and cast votes at the appropriate times while the meeting is in progress.

It is also possible to view the meeting as a guest.

To register as a guest, once you have entered the meeting ID, you must select 'Guest' and enter your name and email address. Participants registered as a guest cannot ask questions or vote.

For further instructions on how to participate online please view the online meeting user guide at www.computershare.com.au/virtualmeetingguide

How to ask Questions

Only shareholders who have been verified may submit and ask questions during the AGM. Shareholders will be given a reasonable opportunity to ask questions.

A shareholder who is entitled to vote at the AGM may also submit a written question to the Company or the auditor in advance of the meeting. Questions submitted in advance of the AGM should be submitted to investor.relations@tpgtelecom.com.au. Shareholders are encouraged to lodge questions prior to the AGM where possible.

Questions asked in advance must be received no later than two (2) business days before the date of the AGM, being 5:00pm (Sydney time) on Friday, 29 April 2022.

Technical Difficulties

On the unforeseen circumstance where technical difficulties arise during the course of the AGM, the Chairman has discretion as to whether and how the meeting should proceed. In exercising this, the Chairman will have regard to the number of shareholders impacted and the extent to which participation in the business of the meeting is affected. Where the Chairman considers it appropriate, the meeting may be continued or business transacted, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to lodge a proxy by 3:30pm

Important Information continued

(Sydney time) on Sunday, 1 May 2021 even if they plan to attend the meeting online.

If you experience any technical difficulties accessing or using the online platform for the AGM, please contact the help centre on +61 3 9415 4024.

Your vote is important

The business of the AGM affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined, pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the AGM are those who are registered shareholders of the Company on Sunday, 1 May 2022 at 7:00pm (Sydney time).

Voting

Shareholders may cast their votes on resolutions:

- online during the meeting using the Computershare Meeting Platform; or
- by completing and returning a Proxy Form to the Share Registry by 3:30pm (Sydney time) on Sunday, 1 May 2022.

Voting on each of the proposed resolutions set out in this Notice of Meeting will be conducted by poll.

Voting by proxy

Shareholders may lodge a proxy vote:

- online at www.investorvote.com.au. You will need to enter the secure access information set out on your Proxy Form; or
- by completing and signing the Proxy Form enclosed and returning by:
  - post to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne, Victoria 3001, Australia;
  - hand to Level 3, 60 Carrington Street, Sydney NSW 2000; or
  - facsimile to Computershare Investor Services Pty Ltd on facsimile number 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- for Intermediary online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Shareholders can appoint up to two proxies to participate in the 2022 AGM on their behalf, and vote in accordance with their instructions.

A proxy:

- need not be a shareholder of the Company; and
- may be an individual or a body corporate.

Proxy Forms, whether lodged online, by post, or by facsimile must be received not later than 3:30pm (Sydney time) on Sunday, 1 May 2022.

Proxy Forms received later than this time will be invalid.

Notice of Annual General Meeting

Notice is hereby given that the 2022 Annual General Meeting (**AGM**) of shareholders of TPG Telecom Limited (**TPG Telecom** or **Company**) will be held on Tuesday, 3 May 2022 at 3:30pm (Sydney time). As noted in the Important Information section above, shareholders are invited to participate via the Computershare Meeting Platform by entering the following URL https://meetnow.global/M96AA42 on your computer, tablet or smartphone.

The Explanatory Statement to this Notice of Annual General Meeting provides additional information on matters to be considered at the meeting. The Explanatory Statement, Chairman's letter and the Proxy Form are part of this Notice of Annual General Meeting.

Business of the Annual General Meeting

Item 1:

Financial Statements and Reports

To receive and consider the Financial Statements of the Company and its controlled entities for the financial year ended 31 December 2021, together with the Directors' Report and the Auditor's Report.

Item 2:

Adoption of 2021 Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"That, for the purpose of section 250R(2) of the Corporations Act 2001 (Cth), and for all other purposes, the Remuneration Report as contained in the Directors' Report for the financial year ended 31 December 2021 be adopted."

Item 3:

Re-election of Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr Canning Fok, being eligible, be re-elected as a Director of the Company."

Item 4:

Re-election of Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Dr Helen Nugent AC, being eligible, be re-elected as a Director of the Company."

Notice of Annual General Meeting continued

Item 5:

Re-election of Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr Pierre Klotz, being eligible, be re-elected as a Director of the Company."

Item 6:

Allocation of Equity to the CEO and Managing Director

To consider and, if thought fit, to pass the following resolutions as separate ordinary resolutions:

a) *Grant of Deferred Share Rights to the CEO and Managing Director*

"That approval be given for all purposes, including sections 200B and 200E of the Corporations Act 2001 (Cth) for the grant of 128,727 Deferred Share Rights under the Short Term Incentive Plan in respect of the 2021 financial year, to Mr Iñaki Berroeta, the Chief Executive Officer and Managing Director of the Company.

b) *Grant of Performance Rights to the CEO and Managing Director*

"That approval be given for all purposes, including sections 200B and 200E of the Corporations Act 2001 (Cth) for the grant of 486,842 Performance Rights under the Long Term Incentive Plan in respect of the 2022 financial year, to Mr Iñaki Berroeta, the Chief Executive Officer and Managing Director of the Company."

Dated: 30 March 2022

By order of the Board

Trent Czinner

Company Secretary

Explanatory Statement

This Explanatory Statement has been prepared for the information of the shareholders of the Company in connection with the business to be conducted at the AGM of TPG Telecom Limited to be held virtually on Tuesday 3 May 2022 at 3:30pm (Sydney time).

1. Financial Statements and Reports

In accordance with the Company's constitution, the business of the AGM will include receipt and consideration of the annual financial statements of the Company for the financial year ended 31 December 2021, together with the Directors' Report and the Auditor's Report. No resolution is required for this item. The Company's 2021 Annual Report containing the financial statements and reports is available on the Company's website at http://www.tpgtelecom.com.au/investor-relations

Shareholders will be given an opportunity to ask questions or to make comments on the financial statements and reports at the meeting. The Company's auditor, PricewaterhouseCoopers, will be available at the meeting to answer questions relating to the conduct of the audit and the preparation and content of the Auditor's Report.

2. Adoption of 2021 Remuneration Report

General

As required by the Corporations Act 2001 (Cth) (**Corporations Act**), a resolution that the Remuneration Report be adopted must be put to the shareholders at the AGM. The Corporations Act provides that the vote on the resolution is advisory only and is not binding on the Directors or the Company.

The Remuneration Report is a distinct section of the Directors' Report at pages 32 to 70 of the Company's 2021 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel (**KMP**) of the Company, which includes key executives and the Directors of the Board, for the financial year ended 31 December 2021.

The report includes an explanation of the Board of Directors' policies in relation to the nature and level of remuneration of KMP discussion on the link between KMP remuneration and the Company's performance, and details of the total remuneration of the KMP.

The Company's 2021 Annual Report containing the financial statements and reports is available on the Company's website at https://www.tpgtelecom.com.au/investor-relations

The Executive Summary from the Remuneration Report is included at *Appendix 1* of this Explanatory Statement.

Directors' Recommendation

The Directors recommend that shareholders vote in favour of this resolution. The Directors acknowledge that they have a personal interest in some aspects of the Remuneration Report. The Chairman intends to vote all available proxies in favour of this resolution.

Voting Exclusion Statement

The Company will disregard any votes cast (in any capacity) in respect of Item 2:

(a) by or on behalf of a member of the KMP, details of whose remuneration are included in the Remuneration Report, or any of their closely related parties; or

(b) as a proxy by any person who is a member of the KMP at the time of the AGM, or by a closely related party of any member of the KMP,

Explanatory Statement continued

unless the vote is cast as proxy or attorney for a person who is entitled to vote on this item and:

- the vote is cast in accordance with a direction on the Proxy Form specifying how the proxy is to vote on the resolution;
- the vote is cast by the Chairman of the Meeting pursuant to an express authorisation to vote undirected proxies as the Chairman sees fit, even though Item 2 is connected with the remuneration of the KMP.

3. Re-election of Director

The Company seeks to maintain a high quality board with a diverse range of skills, expertise and experience relevant to the Company, its subsidiaries and the industry it operates in. Each of the directors proposed for re-election (with the individual director refraining in respect in respect of his or her own re-election), have been assessed by the Board of the Company as having the necessary skills, experience, and expertise to be recommended to shareholders for re-election.

Mr Canning Fok retires and being eligible offers himself for re-election.

Fok Kin Ning, Canning has been a Director and Chairman of TPG Telecom since 2001 and March 2021 respectively. He has been a Director of Hutchison Telecommunications (Australia) Limited since 1999. Mr Fok has been an Executive Director and Group Co-Managing Director of CK Hutchison Holdings Limited since 2015. He has been a Director of Cheung Kong (Holdings) Limited and Hutchison Whampoa Limited since 1985 and 1984 respectively, both of which became wholly-owned subsidiaries of CK Hutchison Holdings Limited in 2015.

He has been Chairman and a Non-Executive Director of Hutchison Telecommunications Hong Kong Holdings Limited since 2009 and Hutchison Port Holdings Management Pte. Limited as the Trustee-Manager of Hutchison Port Holdings Trust since 2011, an Executive Director since 1985 and Chairman since 2005 of Power Assets Holdings Limited, and Chairman and an Executive Director of HK Electric Investments Manager Limited as the Trustee-Manager of HK Electric Investments and HK Electric Investments Limited since 2013. He has also been an Executive Director and Deputy Chairman of CK Infrastructure Holdings Limited since 1997, a Director of Cenovus Energy Inc. since January 2021 and Deputy President of the Board of Commissioners of PT Indosat Tbk since January 2022. He was a Co-Chairman from 2000 to 2020 and was a Director from 2000 to March 2021 of Husky Energy Inc. (delisted on 5 January 2021 following its combination with Cenovus Energy Inc.).

He holds a Bachelor of Arts degree and a Diploma in Financial Management, and is a Fellow of Chartered Accountants Australia and New Zealand.

Mr Fok is a Non-Executive Director and the Chairman of the Board, but is not considered by the Board to be independent.

Directorship of other listed companies in the past three years

Hutchison Telecommunications (Australia) Limited - 1999 to current

Directors' Recommendation

The Directors, other than Mr Canning Fok, recommend that shareholders vote in favour of this resolution.

The Chairman intends to vote all available proxies in favour of this resolution.

Explanatory Statement continued

4. Re-election of Director

Dr Helen Nugent AC retires and being eligible offers herself for re-election.

Dr Nugent is Chairman of Ausgrid and a Non-Executive Director of Insurance Australia Group Limited (**IAG**).

She has been a company director for over 20 years, and has over 40 years' experience in the financial services sector. This includes having been Chairman of Veda Group, Funds SA, and Swiss Re (Australia); and a Non-Executive Director of Macquarie Group, Director of Strategy at Westpac Banking Corporation, and a Partner at McKinsey & Company.

She has also been Chairman of the National Disability Insurance Agency and Australian Rail Track Corporation and a Non-Executive Director of Origin Energy.

Dr Nugent has given back to the community in education and the arts, having been Chancellor of Bond University; President of Cranbrook School; Chairman of the National Opera Review; Chairman of the Major Performing Arts Inquiry; Chairman of the National Portrait Gallery of Australia; and Deputy Chairman of Opera Australia.

Dr Nugent is a Companion of the Order of Australia (AC) and is a recipient of a Centenary Medal, as well as an Honorary Doctorate in Business from the University of Queensland and an Honorary Doctorate from Bond University. Dr Nugent holds a Bachelor of Arts (Hons) and Doctorate of Philosophy from the University of Queensland; and a MBA (Distinction) from the Harvard Business School.

Dr Nugent joined the Board of TPG Telecom as a Non-Executive Director in July 2020 and is considered by the Board to be independent. Dr Nugent is also the appointed Senior Independent Director and Chairman of the TPG Telecom Governance, Remuneration & Nomination Committee.

Directorship of other listed companies in the past three years
IAG – December 2016 to current

Directors' Recommendation

The Directors, other than Dr Helen Nugent recommend that shareholders vote in favour of this resolution.

The Chairman intends to vote all available proxies in favour of this resolution.

5. Re-election of Director

Mr Pierre Klotz retires and being eligible offers himself for re-election.

Mr Klotz is the Vodafone Group plc (**Vodafone**) Group Corporate Finance Director. He joined Vodafone in July 2011 and is responsible for the Vodafone Group's Mergers & Acquisitions and Treasury related activities.

Previously, Mr Klotz held a number of senior executive positions at UBS Investment Bank and at HSBC Investment Bank.

Mr Klotz holds a Master of Science in Business Administration from Gothenburg School of Economics and Commercial Law.

Mr Klotz's appointment to the Board commenced on 12 May 2020.

Mr Klotz is a Non-Executive Director, but is not considered by the Board to be independent.

Directorship of other listed companies in the past three years
Nil

Explanatory Statement continued

Directors' Recommendation

The Directors, other than Mr Pierre Klotz, recommend that shareholders vote in favour of this resolution.

The Chairman intends to vote all available proxies in favour of this resolution.

6. Allocation of Equity to the CEO and Managing Director

Under Item 6, the Company is seeking shareholder approval to grant to the Chief Executive Officer and Managing Director (**CEO**), Mr Iñaki Berroeta:

- 6a: 128,727 Deferred Share Rights (**DSRs**) in accordance with the terms of the Short-Term Incentive (**STI**) Plan in respect of the 2021 financial year; and
- 6b: 486,842 Long Term Incentive (**LTI**) Performance Rights in accordance with the terms of the LTI Plan in respect of the 2022 financial year.

Background

The Directors have voluntarily decided to seek shareholder approval for equity-based allocations to the CEO for 2022 in the interests of transparency and good governance, even though the shares are to be acquired on market.

If shareholder approval is not obtained for the DSRs and Performance Rights for the CEO, the proposed grants will not be acquired. However, this will mean it will not be possible to fulfil the terms of the CEO's contract and it may reduce the Company's ability to align the CEO's interests with those of shareholders. If that was to occur, the Board would need to consider alternative remuneration arrangements (such as a cash payment).

If the resolution is not approved, and the Company does not grant the DSRs and Performance Rights to the CEO, then it follows they will not form part of any termination benefits that might otherwise be payable to the CEO.

Shareholder approval is also being sought for the purpose of sections 200B and 200E of the Corporations Act for termination benefits that may be given to the CEO in connection with the DSRs and Performance Rights under the LTI Plan.

If approved, the CEO will be entitled to receive benefits arising through this award on termination of employment (subject to various conditions), in addition to any other termination benefits that may be provided to him, without future shareholder approval. It is intended that this approval will remain valid during the life of the equity granted to the CEO in relation to Item 6a and Item 6b.

6a. Grant of Deferred Share Rights and STI Plan

Following the merger between Vodafone Hutchison Australia Limited and TPG Corporation Limited on 26 June 2020, the CEO's contract with the merged Company came into effect from 1 July 2020. Under the STI Plan, from 1 January 2021, the CEO was eligible to earn STI equivalent up to 100% of base salary at target and up to 150% base salary at maximum. The FY2021 STI target was $1,850,000 with 60% to be paid in cash and 40% to be allocated as DSRs. The FY2021 target DSR value is $733,744.

The allocated DSRs will vest equally in two tranches after a one and two year vesting period, subject to the CEO's continued employment.

The CEO's STI outcome for FY2021 was determined by the Board taking into consideration the Company's business

Explanatory Statement continued

performance against performance measures and weighting; and an assessment of the CEO's individual performance. The performance outcome was that the CEO's FY2021 STI performance was determined to be $1,834,361.

Subject to shareholder approval, Mr Berroeta will be granted 128,727 DSRs which represents 40% of his total FY2021 STI award, being $733,744.

The number of STI Shares to be granted to Mr Berroeta was determined by dividing the DSR award by $5.70 (the volume weighted average price (**VWAP**) of the Company's shares traded on the ASX over the 5 trading days following the announcement of the Company's financial results, up to and including 3 March 2022), with the number of shares then rounded down to the nearest whole number.

As the DSRs form part of Mr Berroeta's remuneration, they will be granted at no cost and no amount will be payable on vesting. The Company will acquire the shares on market to satisfy awards under the Plan.

Prior to vesting, DSRs do not entitle Mr Berroeta to any dividends or voting rights.

6b. Performance Rights and LTI Plan

LTI supports longer-term alignment between the CEO and the return experienced by TPG Telecom shareholders both directly and indirectly through the Company's performance. LTI considers both Company performance and share plan performance relative to the external market. These elements have applied since the beginning of 2021.

The target LTI opportunity has been determined by reference to the median of the ASX peer group for comparable roles, taking into account the level of fixed, STI and LTI remuneration. The maximum LTI opportunity has been determined with reference to total target remuneration levels at the 75th percentile of the peer group.

It is proposed that for 2022, Mr Berroeta be granted 486,842 Performance Rights under the LTI Plan, which is equivalent to the maximum LTI opportunity of 150% of his 2022 base salary at maximum. The proposed grant of Performance Rights has been determined by dividing Mr Berroeta's LTI opportunity (i.e. 150% of Mr Berroeta's base salary of $1,850,000 which is equal to $2,775,000) by $5.70 (the VWAP of the Company's shares traded on the ASX over the 5 trading days following the announcement of the Company's financial results, up to and including 3 March 2022), with the number of shares then rounded down to the nearest whole number.

As the Performance Rights will form part of Mr Berroeta's remuneration, they will be granted at no cost and no amount will be payable on vesting. The Company will acquire the shares on market to satisfy Performance Rights which vest under the LTI Plan. Each performance right entitles Mr Berroeta to one ordinary share in the Company on vesting. The Board retains a discretion to make a cash equivalent payment in lieu of an allocation of shares.

Prior to vesting, Performance Rights do not entitle Mr Berroeta to any dividends or voting rights.

Explanatory Statement continued

Performance Criteria Under the LTI Plan

The performance period will run from 1 January 2022 to 31 December 2024 (**Performance Period**). Vesting of the LTI will be subject to the achievement of two performance criteria:

- 50% of the Performance Rights will be subject to a relative total shareholder return (**TSR**) condition; and
- 50% of the Performance Rights will be subject to a cumulative Operating Free Cash Flow (**Operating FCF**) condition.

TSR measures the performance of an ordinary TPG Telecom share over the Performance Period (including the value of any cash dividend and any other shareholder benefits paid during the period) against the total shareholder return performance of a comparator group of companies over a similar period. For the FY2022 LTI grant to the CEO, TSR performance will be assessed against a peer group of ASX 100 listed organisations (which excludes the Energy, Financial, Materials, and Real Estate sectors) as at 1 January 2025. The Board has discretion to adjust the comparator group to take account of events such as takeovers, mergers and demergers.

Cumulative Operating FCF measures the Company's cumulative Operating FCF (after lease payments and excluding spectrum payments) over the Performance Period against targets set by the Board. Cumulative Operating FCF is calculated based on the Company's audited financial information. The Board will assess cumulative Operating FCF after the end of the Performance Period.

In assessing achievement against the cumulative Operating FCF performance condition, the Board may have regard to any matters that it considers relevant and retains discretion to review outcomes to ensure that the results are appropriate.

Testing of the Performance conditions

Vesting schedules for the LTI performance measures are included in the table below.

Relative TSR vesting schedule

RELATIVE TSR PERFORMANCE Following the 3 year performance period % Ranking with peer group	**VESTING % OF GRANTED** Performance Rights that vest
Equal to or less than the 50th percentile	0%
Between the 50.1 percentile and 75th percentile	Straight-line pro rata vesting between 50.1% and 100%
Equal to the 75th percentile or above	100%

Operating FCF vesting schedule

OPERATING FCF PERFORMANCE Performance period % of 3 year cumulative target	**VESTING % OF GRANTED** Performance Rights that vest
Less than 80% of the cumulative Operating FCF target is achieved	0%
80% of the cumulative Operating FCF target is achieved	50%
Between 80% and 110% of the cumulative Operating FCF target is achieved	Straight-line pro rata vesting between 50% and 100%
110% or more of the cumulative Operating FCF target is achieved	100%

Other key terms of the STI DSRs and LTI Performance Rights

Cessation of employment

DSRs and Performance Rights will generally be forfeited if the CEO resigns before the vesting date. In special circumstances (including redundancy, retirement, death or total and permanent disability or as otherwise agreed), any unvested rights may be retained on cessation of employment, subject to the existing terms and conditions of the award

Explanatory Statement continued

(including performance hurdles) and Board discretion.

Change of control

DSRs and Performance Rights will be subject to the existing terms and conditions of the award and Board discretion.

Malus conditions

In cases where the CEO acts fraudulently or dishonestly or is in breach of his obligations to TPG Telecom, any unvested rights will lapse.

Termination Benefit

Early vesting of the CEO's STI and LTI awards in the circumstances outlined above may amount to the giving of a termination benefit. The value of termination benefits that may be given to the CEO as a result of early vesting of any of his awards or the exercise of the Board's discretion that his DSRs or Performance Rights will not lapse, cannot be determined in advance. This is because, in addition to the factors listed above, the value at the date of cessation of employment will also depend upon:

(a) the number of securities initially granted as part of the STI and LTI awards;

(b) the date when, and the circumstances in which, employment ceases;

(c) TPG Telecom's share price at the relevant date of vesting; and

(d) the number of unvested securities held at the time of cessation.

Further information

(a) No loans are, or will be granted to the CEO in connection with the STI Plan or the LTI Plan.

(b) The CEO has previously been issued:

 (i) 54,709 – DSRs under the STI Plan for nil consideration; and

 (ii) 408,088 – Performance Rights under the LTI Plan for nil consideration.

(c) DSRs and Performance Rights granted to the CEO will be published each year in the Company's Annual Report.

(d) There are no other Directors and no associates of Directors who are presently entitled to participate in the STI Plan or the LTI Plan.

(e) If approval is obtained, the Company intends to grant the DSRs and performance share rights in May 2022 and, in any event, no later than three years after the AGM.

(f) Further information on the STI Plan and the LTI Plan, and details of the CEO's 2021 remuneration arrangements are available in the Remuneration Report in the Company's 2021 Annual Report.

Explanatory Statement continued

Voting Exclusion Statement

The Company will disregard any votes cast (in any capacity):

(a) in favour of Item 6 by or on behalf of the CEO, or any of his associates, and

(b) on Item 6 as a proxy by a person who is a member of the KMP as at the date of the meeting, or their closely related parties,

unless the vote is cast:

- as proxy or attorney for a shareholder who is entitled to vote on this item in accordance with a direction as to how to vote provided by that shareholder; or
- by the Chairman of the Meeting as proxy for a shareholder who is entitled to vote on the resolution in accordance with an express authorisation to vote undirected proxies as the Chairman sees fit, even though Item 6 is connected with the remuneration of the KMP; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of the beneficiary provided that: – the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and – the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Directors' Recommendation

The Directors, other than Mr Iñaki Berroeta, recommend that shareholders vote in favour of this resolutions.

The Chairman intends to vote all available proxies in favour of this resolution.

Appendix 1:

Executive Summary of Remuneration Report

This is the second Remuneration Report of TPG Telecom Limited ("TPG Telecom", "the Company"), following the merger between Vodafone Hutchison Australia (VHA) and TPG Corporation on 26 June 2020. It is also the first report since the Company transitioned to a single remuneration approach in a publicly listed environment, notwithstanding that legacy VHA Long Term Incentive Schemes remain on foot.

This Remuneration Report sets out how the remuneration approach, proposed in last year's report, has been implemented in FY21 and will be applied in FY22 for both Executive KMP and Non-Executive Directors. More specifically, the report demonstrates how the Company's remuneration approach supports the short and longer-term alignment of the Company's performance for the benefit of shareholders.

The Past Year

2021 was a challenging year for our stakeholders: not just for our shareholders, but also for our customers, the communities in which we operate, and our employees. At a time of significant market volatility, our firm focus has been on responding to COVID-19's evolving challenges, while integrating the two businesses, and creating a platform for future growth.

While keeping our customers and employees safe has been a priority, we also delivered on the promised first phase of merger synergies, and built for the future by launching our 5G Fixed Wireless and accelerating our 5G roll-out.

These are specific examples of our three higher level articulated strategic priorities, which have acted as a rallying call for enhancing the merged company's customer and employee experience and improving returns for shareholders. Those priorities are to:

- **Integrate and simplify:** by creating a lean company that integrates our brands, technology, infrastructure, processes and people;
- **Win smart:** by focusing on growth investments with a clear infrastructure, underutilization, or adjacency advantage; and
- **Maximise our potential:** by developing an efficient and scalable business model to create a vibrant and dynamic competitor in the telco sector.

These priorities are underpinned by our strongly held values which have been developed with significant input from our employees: Stand together; own it; simple's better; and boldly go.

Merging and unifying two companies—both of whom have a proud and distinctive culture—will take time. But significant progress is being made, as can be seen in staff survey results—called the Spirit of TPG—which is one of the metrics in our Balanced Scorecard for the Short Term Incentive (STI) Plan. This is encouraging.

At the same time, our strategic commitment to creating a simplified and integrated business, designed to deliver better outcomes for customers and shareholders resulted, in 2021, in significant changes in the Executive Team. While a real positive for the business longer-term, changes in the Executive team composition have created complexity for our remuneration reporting. Only two executives, one of whom is the CEO —Mr Iñaki Berroeta— were Executive KMP for the entire year. Four Executives ceased being KMP; while three

Appendix 1:

Executive Summary of Remuneration Report continued

others became KMP. Two of those, namely the Group Executives for Consumer and for Enterprise and Government were external hires, while a long-standing senior executive served as Interim CFO until a new external CFO joined the Company on 1 February 2022.

The remuneration approach outlined in the 2020 Remuneration Report was implemented in 2021, with minimal change.

Fixed remuneration continued to be defined by reference to the median of the external market for comparable roles, taking into consideration the size and complexity of the role, skills and experience of the employee, and internal market relativities. In late 2020, the peer group for existing and newly appointed KMP was set as ASX 11-50 companies. Given market volatility, including in the Company's share price, in 2021, further benchmark remuneration analysis undertaken against the ASX 21-60 peer group, confirmed the appropriateness of Executive KMP fixed remuneration. No increases for fixed remuneration were recommended for existing KMP for 2021, although new Executive KMP were subsequently hired.

From January 2021, a new **Short Term Incentive** (STI) approach, aligned to TPG Telecom's strategic priorities, came into operation. Subject to Group financial and risk gateways, and an individual behavioural gateway, Group and individual metrics for Executive KMP were aligned with the Group's strategic priorities and budget. Service Revenue, EBITDA, and Operating Free Cash Flow (FCF), constituted half of the overall scorecard, while customer and staff measures represented 20 percent, and individual performance measures made up the balancing 30 percent. Based on that scorecard, and subject to Board discretion—which was not exercised—the CEO was eligible to earn up to 100 percent of base salary at target, and 150 percent at maximum. The equivalent for Other Executive KMP was 65 percent at target and 100 percent at maximum, with the exception of the Interim CFO, with 50% of base salary at target and up to 60% of base salary at maximum.

Overall, the Group balanced scorecard was assessed as being 65.86 percent of maximum or just below at target performance. That result occurred in the following way: Operating FCF saw outperformance; EBITDA and the TPG and iiNet Net Promoter Score (NPS) came in between target and maximum; Service Revenue and the employee Spirit Index came in between threshold and target, while the Vodafone NPS came in below threshold with a target that required it to maintain and increase its leading position throughout each month of the year.

When combined with an assessment of individual KPI's, the Board recommended an STI award for the CEO of $1,834,361. In 2021 this will be paid 60 percent in cash ($1,100,617) and 40 percent in Deferred Share Rights (DSRs) ($733,745). Shareholder approval for the DSRs will be sought at the 2022 Annual General Meeting. If approved, shares will be purchased on market.

STI outcomes for the Executive KMP reflect not just the Group and Individual performance, but also the length of time they were KMP and other factors such as their resignation or provisions relating to redundancy.

A new **Long Term Incentive** (LTI) Plan also came into operation in 2021. Under this Scheme, the CEO is eligible for an allocation of performance share rights valued at 100% of base remuneration at target, and 150% at maximum, with the equivalent for Other

Appendix 1:

Executive Summary of Remuneration Report continued

Executive KMP being 65% at target and 100% at maximum, with the exception of the Interim CFO, with 30% of base salary at target and up to 36% of base salary at maximum.

Performance is to be tested over three years against two equally weighted performance hurdles: Operating FCF, and relative total shareholder return (TSR) against a nominated peer group of ASX 100 companies (excluding energy, financial, materials and real estate companies). The number of Performance Rights issued (reflecting the value allocated) is determined by the face value of the volume weighted average share price (VWAP) of a TPG Telecom ordinary share over the five days following the announcement of the annual results and before the grant date. In 2021 this was from 26 February 2021 to 4 March 2021.

Malus conditions apply and no arrangements can be entered into to limit the economic risk of the Performance Rights. Performance Rights will generally be forfeited if the Executive leaves, except in special circumstances including redundancy, retirement, death or total and permanent disability.

At the May 2021 AGM, shareholder approval was obtained for a grant of 408,088 Performance Rights valued at $2,775,000 for the CEO, which are subject to the terms outlined above.

In addition, the 2019 and 2020 VHA Long Term Incentive (LTI) Plan continued to operate for former VHA executives employed at the start of 2020. This legacy Scheme, which operates over three years, has two equally weighted tranches: one tranche, tested annually, depends on meeting Operating FCF targets; the other tranche is service based, requiring the Executive to still be employed by the Company at the payment date in February after the end of the third year. Prior to the merger, the then VHA Remuneration Committee approved the performance outcomes for the remaining 50% of the 2019 LTI Plan, as well as for the first half of 2020. The Remuneration Report provides full disclosure of remuneration outcomes under those Plans.

Executive KMP need also to hold the value equivalent of one year's base salary in shares or share equivalents, which can be accumulated over five years from the date of the merger or appointment, whichever is later.

Going Forward

2022 is a critical year in TPG Telecom's evolution to more fully realise the benefits of the merger through integration and simplification, while maximising our assets and laying the foundations to deliver sustainable growth and improving returns for shareholders.

To ensure momentum is built and consistency is maintained, few changes are contemplated in the Company's 2022 remuneration structure. These envisaged changes are outlined below.

- While market volatility remains, including in TPG Telecom's share price, remuneration will continue to be benchmarked against both the ASX 11-50 and the ASX 21-60 peer groups. Specific analysis will be undertaken during the year.
- Base remuneration increases of 2 percent will be made to two members of the Executive KMP, reflecting changes in their roles, while having reference to the benchmarks outlined above.
- A limited number of STI enhancements will be made:

Appendix 1:

Executive Summary of Remuneration Report continued

   - The STI percent deferred into DSR's will be increased to 45 percent in 2022, and 50 percent in 2023.
   - The metrics in the balanced scorecard will be adjusted:
      - Service revenue will be increased from 15% to 20%
      - EBITDA will be increased from 20% to 25%
      - The individual performance weighting will be reduced from 30% to 20%.
- The Board is considering the introduction of an Environmental, Social and Governance (ESG) measure linked to an emissions target for the STI and/or LTI plans in 2023. An ESG measure was discussed for 2022 and it was considered premature until the scientific baseline is accepted upon which to set the emissions reduction target.
- No changes will be made in 2022 to the LTI plan.

Non-Executive Directors Governance and Remuneration

Mr Canning Fok, who served as a Non-Executive Director for the full year, was appointed Chairman on 26 March 2021, following the resignation of Mr David Teoh. Mr Antony Moffatt and Mr Jack Teoh commenced as Non-Executive Directors on the same day and were elected by shareholders at the May Annual General Meeting. All other Non-Executive Directors held office for the entire year, including Dr Helen Nugent AC and Ms Arlene Tansey, who are classified as Independent Non-Executive Directors. Dr Nugent was also appointed as Senior Independent Director.

The governance responsibilities of the Non-Executive Directors have been clearly defined and are exercised in a way that preserves their independence from management in relation to remuneration. Management and Non-Executive Director conflicts of interest are rigorously enforced. Non-Executive Directors do not receive fees that are contingent on performance; shares in return for their service; retirement benefits, other than statutory superannuation; or any termination benefits.

The Chairman is eligible to receive an annual fee for his service of $450,000. In 2021, the Chairman of the Audit and Risk Committee (ARC) and the Governance, Remuneration and Nominations Committee (GRNC), both of whom are independent directors, respectively received fees of $50,000 and $40,000 a year for those roles; while Non-Executive Directors (other than the Board Chairman) are eligible to receive an annual base fee of $165,000.

Following a review of Non-Executive Directors fees, the Board has determined that the Chairman and Member fees for the GRNC should be aligned with those of the ARC. This means that in 2022, the Chairman of the GRNC will receive a fee of $50,000 and each Member will receive a fee of $25,000.

Non-Executive Directors who personally receive board fees are required to hold the equivalent of one year of their base Non-Executive Director fee in shares, which can be accumulated over four years from the date of the merger or appointment, whichever is later. At any point in time, the value of a Non-Executive Director's minimum holding will be calculated as the higher of the purchase price or current market price. Non-Executive Directors are required to advise the Company Secretary of the share price at the time of any purchase of shares.

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