

ASX Market Announcements  
Australian Securities Exchange  
Level 4, 20 Bridge Street  
Sydney NSW 2000

Sydney, 6 April 2021

**Subject: Notice of 2021 Annual General Meeting and Proxy Form**

The Notice of Meeting and Proxy Form for the 2021 Annual General Meeting (**AGM**) of TPG Telecom Limited (ASX:TPG) to be held on **Thursday, 6 May 2021 at 10.00 am (Sydney time)** and sent to shareholders are attached.

TPG Telecom Limited will be holding a virtual AGM through the Lumi platform.

To participate in the AGM through the Lumi platform, you will need to log into the platform via your computer, tablet or mobile phone. If you are logging in via a computer, tablet or mobile phone, you can access the platform by directing your internet browser to [www.web.lumiagm.com/389453023](http://www.web.lumiagm.com/389453023).

If you participate in the AGM online, registration will open at **Thursday, 6 May 2020 at 9:00am (Sydney time)**.

An Online Meeting Guide is available at [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide).

All details about how to participate in the AGM, ask questions and vote are contained in the Notice of Meeting and Proxy Form.

Authorised for lodgement with ASX by:

Trent Czinner  
Company Secretary  
TPG Telecom Limited  
[Investor.Relations@tpgtelecom.com.au](mailto:Investor.Relations@tpgtelecom.com.au)

TPG TELECOM LIMITED  
ABN 76 096 304 620

# Notice of Annual General Meeting & Explanatory Statement

**Date:** Thursday, 6 May 2021

**Time:** 10:00am (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](mailto:investor.relations@tpgtelecom.com.au)

# Letter from the Chairman

## Dear Shareholder

TPG Telecom invites you to participate in the 2021 Annual General Meeting (**AGM**) of members of TPG Telecom Limited (**TPG** or **Company**). The AGM will be held on Thursday, 6 May 2021, commencing at 10:00am Sydney time.

Due to the potential health risks associated with COVID-19; government restrictions imposed in response to that pandemic; the fact that several TPG Directors are unable to travel to Australia to attend the AGM; the risk of disruption to the AGM that could arise in the event of any unforeseen lockdowns; and ASIC's decision to adopt a position to take no action in support of meetings that use appropriate technology, the Company has decided to conduct the AGM as a virtual meeting. Shareholders will not be able to attend the meeting physically, but will be able to view and participate in the virtual meeting online.

Since the finalisation of the Annual Report, Mr David Teoh and Mr Shane Teoh decided to resign as Directors of the Company and the Board appointed Mr Jack Teoh and Mr Tony Moffatt as Directors. I thank David for his significant contribution to the Company and the Australian telecommunications industry and wish him well for the future. I would also like to welcome Jack and Tony to the Board. The business of the AGM includes resolutions to elect Mr Jack Teoh and Mr Moffatt to the Board as is required after the Board appoints Directors to fill a casual vacancy. 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. I look forward to your participation in the meeting.

Yours faithfully



**CANNING FOK**  
Chairman

# Important Information

## How to participate

To participate in the Annual General Meeting (**AGM**) through the Lumi platform, you will need to log into the platform via your computer, tablet or mobile device.

If you are logging in via a computer, tablet or mobile phone, you can access the platform by directing your internet browser to [www.web.lumiagm.com/389453023](http://www.web.lumiagm.com/389453023).

If you participate in the AGM online, registration will open on Thursday, 6 May 2020 at 9:00am (Sydney time). You can log in to the AGM by entering:

1. The meeting ID for the TPG Telecom AGM, which is 389453023.
2. Your username, which is your SRN/HIN.
3. Your password, which is the postcode registered to your holding if you are an Australian shareholder. Overseas shareholders should refer to the AGM User Guide for their password. The User Guide is available at [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide).

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.

Participating in the AGM online enables shareholders to watch and participate in the AGM in real time through an online platform that allows you to view the AGM live, submit questions and vote at the appropriate times whilst the meeting is in progress.

The User Guide gives additional information, including browser requirements and how to use the platform.

## How to ask Questions

Only shareholders who have been verified may submit questions during the AGM. Shareholders will be given a reasonable opportunity to answer 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](mailto: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 Tuesday, 4 May 2021.

The Company will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the AGM. However, there may not be sufficient time available at the meeting to address all of the questions raised. Please note that individual responses will not be sent to shareholders.

## Technical Difficulties

Technical difficulties may arise during the course of the AGM. The Chairman has discretion as to whether and how the meeting should proceed in the event that a technical difficulty arises. 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 10:00am (Sydney time) on Tuesday, 4 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 Tuesday, 4 May 2021 at 7:00pm (Sydney time).

## Voting

Shareholders may cast their votes on resolutions:

- online during the meeting via the Lumi AGM Meeting Platform; or
- by completing and returning a Proxy Form to the TPG Share Registry by 10:00am (Sydney time) on Tuesday, 4 May 2021.

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:

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

A proxy:

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

Proxy Forms, whether lodged online, by post, or by facsimile must be received not later than 10:00am (Sydney time) on Tuesday, 4 May 2021.

**Proxy Forms received later than this time will be invalid.**

# Notice of Annual General Meeting

Notice is hereby given that the 2021 Annual General Meeting of Shareholders of TPG Telecom Limited (the **Company**) will be held on Thursday, 6 May 2021 at 10:00am (Sydney time). As noted in the Important Information section above, shareholders are invited to participate via the Lumi AGM meeting platform at [www.web.lumiagm.com/389453023](http://www.web.lumiagm.com/389453023).

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 2020, together with the Directors' Report and the Auditor's Report.

### Item 2:

#### Adoption of 2020 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 and for all other purposes, the Remuneration Report as contained in the Directors' Report for the financial year ended 31 December 2020 be adopted."*

### Item 3:

#### Re-election of Director

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

*"That Frank Sixt, being eligible, be re-elected as a Director of the Company."*

### Item 4:

#### Election of Director

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

*"That Antony Moffatt, being eligible, be elected as a Director of the Company."*

### Item 5:

#### Election of a Director

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

*"That Jack Teoh, being eligible, be elected as a Director of the Company."*

### Item 6:

#### Issue of Shares and Performance Rights to CEO and Managing Director

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

*"That approval be given for all purposes, including sections 200B and 200E of the Corporations Act 2001 (Cth), for the grant of:*

- a. deferred share rights (DSRs) under the Short Term Incentive Plan in respect of the 2020 financial year; and*
  - b. performance rights under the Long Term Incentive Plan in respect of the 2021 financial year,*
- to Mr Iñaki Berroeta, the Chief Executive Officer and Managing Director of the Company."*



Dated: 31 April 2021  
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 Annual General Meeting (**AGM**) of TPG Telecom Limited to be held virtually on Thursday 6 May 2020 at 10:00am (Sydney time).

## 1. Financial Statements and Reports

In accordance with the 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 2020, together with the Directors' Report and the Auditor's Report. No resolution is required for this item. The Company's 2020 Annual Report containing the financial statements and reports is available on the Company's website at [www.tpgtelecom.com.au/investor-relations](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 2020 Remuneration Report

### General

As required by the 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 30 to 59 of the Company's 2020 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and the key executives (together, the 'key management personnel') of the Company for the financial year ended 31 December 2020.

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

The Company's 2020 Annual Report containing the financial statements and reports is available on the Company's website at [www.tpgtelecom.com.au/investor-relations](http://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 key management personnel, 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 key management personnel at the time of the AGM, or by a closely related party of any member of the key management personnel,

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; and
- 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 key management personnel.

## 3. Re-election of Director

**Mr Frank John Sixt** retires and being eligible offers himself for re-election.

*Frank John Sixt, has been a Director of TPG Telecom Limited (formerly named Vodafone Hutchison Australia Pty Limited) since 2001. He is a member of TPG Telecom's Governance, Remuneration and Nominations Committee.*

*Mr Sixt has deep expertise in telecommunications and has almost four decades of legal, global finance and risk management experience, in addition to having deep expertise in overseeing financial reporting system, risk management and internal control systems as well as sustainability issues and related risks.*

*Mr Sixt has been a director and an alternate director to a director of Hutchison Telecommunications (Australia) Limited since 1998 and 2008 respectively. He has been an executive director, group finance director and deputy managing director of CK Hutchison Holdings Limited since 2015. Since 1991, Mr Sixt has been a director of Cheung Kong (Holdings) Limited and Hutchison Whampoa Limited, both of which became wholly-owned subsidiaries of CK Hutchison Holdings Limited in 2015. He has been chairman and a non-executive director of TOM Group Limited since 1999 and an executive director of CK Infrastructure Holdings Limited since 1996. He has also been an alternate director to a director of HK Electric Investments Manager Limited as the trustee-manager of HK Electric Investments and of HK Electric Investments Limited since 2015. He has been a director of Cenovus Energy Inc. since January 2021. Mr Sixt has also been a director of Husky Energy Inc. (delisted on 5 January 2021, following its combination with Cenovus Energy Inc.) since 2000.*

# Explanatory Statement continued

Mr Sixt holds a Master's degree in Arts and a Bachelor's degree in Civil Law, and is a member of the Bar and of the Law Society of the Provinces of Québec and Ontario, Canada.

Mr Sixt is a Non-Executive Director, but is not considered to be Independent.

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## Directorship of other listed companies in the past three years

Hutchison Telecommunications (Australia) Limited from 1998 to current

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### Directors' Recommendation

The Directors, other than Mr Frank Sixt, recommend that shareholders vote in favour of this resolution. The Chairman intends to vote all available proxies in favour of these resolution.

## 4. Election of Director

**Mr Antony Moffatt** (Tony) was appointed to the Board effective on 26 March 2021 to fill a casual vacancy. As required by the Constitution, Mr Moffatt retires and offers himself for re-election.

*Antony Moffatt being eligible offers himself for election as a director of the Company.*

*Mr Moffatt is a lawyer with over 30 years' experience, practising in corporate, commercial and telecommunications law.*

*After five years as a senior lawyer in an international law firm in Singapore, Mr Moffatt became General Counsel and Company Secretary for a start-up telecommunications business which was acquired by SP Telemedia Limited in 2005. He was then appointed General Counsel for the company, formerly named TPG Telecom Limited (ASX:TPM) in 2008 until its merger with Vodafone Hutchison Australia Pty Ltd in 2020.*

*In August 2020, Mr Moffatt became Company Secretary for the merged group. In addition, he was Company Secretary for a large privately owned Australian winery from 2004 to 2008.*

*Mr Moffatt was a member of the key management personnel of TPG Telecom Limited (ASX:TPM) until August 2020 and played a significant role in its development, including the many corporate and large commercial transactions undertaken by that company.*

*Mr Moffatt holds a Bachelor of Arts and Laws from the University of New South Wales.*

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## Directorship of other listed companies in the past three years

Nil.

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### Directors' Recommendation

The Directors, other than Mr Tony Moffatt, recommend that shareholders vote in favour of this resolution. The Chairman intends to vote all available proxies in favour of these resolution.

## 5. Election of Director

**Mr Jack Teoh** was appointed to the Board effective on 26 March 2021 to fill a casual vacancy. As required by the Constitution, Mr Teoh retires and offers himself for re-election.

*Mr Teoh being eligible offers himself for election.*

*Mr Teoh is a businessman involved in a range of private companies, with particular experience in finance and technology.*

*Mr Teoh has been a director of Tuas Limited (ASX:TUA) since July 2020, and Total Forms Pty Ltd, a private Australian software business.*

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## Directorship of other listed companies in the past three years

Tuas Limited from July 2020 to current.

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### Directors' Recommendation

The Directors, other than Mr Jack Teoh, recommend that shareholders vote in favour of this resolution. The Chairman intends to vote all available proxies in favour of these resolution.

## 6. Issue of Deferred Share Rights and Performance Rights to the Chief Executive Officer and Managing Director

Under Item 6, the Company is seeking shareholder approval to grant to the CEO and Managing Director, Mr Iñaki Berroeta:

- 6a: 54,709 deferred share rights (DSRs) in accordance with the terms of the Short Term Incentive Plan in respect of the 2020 financial year; and
- 6b: 408,088 Long Term Incentive (LTI) performance rights in accordance with the terms of the Long Term Incentive Plan (LTIP) in respect of the 2021 financial year.

### Background

The Directors have voluntarily decided to seek shareholder approval for equity-based allocations to the CEO for 2021 in the interests of transparency and good governance, even though it is intended that, subject to shareholder approval, shares will 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 will 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. Deferred Share Right and Short Term Incentive Plan**

Following the 26 June 2020 merger, the CEO's contract with the merged Company came into effect from 1 July 2020. Under the Short Term Incentive (STI) Plan, from 1 July 2020, the CEO was eligible to earn STI equivalent up to 100% of base salary at target. This was based on the CEO's base salary pro-rated from 1 July 2020 to 31 December 2020. The 2H 2020 STI target was \$930,055 with 60% to be paid in cash and 40% to be allocated as DSRs. The 2H 2020 pro-rated target DSR value is \$372,022.

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 2H 2020 was determined by the Board taking into consideration the Company's business performance against performance measures and weighting; and an assessment of the CEO's individual performance. The performance outcome was that the CEO's 2H 2020 STI performance was determined to be \$930,055.

Subject to shareholder approval, Mr Berroeta will be granted 54,709 DSRs which represents 40% of his total 2020 2H STI award, being \$372,022.

The number of STI Shares to be granted to Mr Berroeta was determined by dividing the DSR award by \$6.80 (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 4 March 2021), 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 intention is for the Company to acquire shares on market to satisfy awards under the Plan. The Board retains a discretion to make a cash equivalent payment in lieu of an allocation of shares.

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

### **6b. Performance Rights and Long Term Incentive Plan**

The LTI Plan supports longer-term alignment between the CEO and the returns experienced by shareholders of the Company. LTI considers both Company performance and performance relative to the external market.

It is proposed that for 2021, Mr Berroeta be granted 408,088 performance rights under the LTI Plan, which is equivalent to the maximum LTI opportunity of 150% of

his 2021 base salary. 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 \$6.80 (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 4 March 2021), 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 intends to acquire 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.

#### **Performance Criteria Under the LTI Plan**

The performance period will run from 1 January 2021 to 31 December 2023 (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 FY2021 LTI grant to the CEO, TSR performance will be assessed against a comparator group of companies comprising 48 S&P ASX 100 listed organisations (excluding Energy, Financials, Materials, and Real Estate sectors) as at 1 January 2021. 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.



# Explanatory Statement continued

## Testing of the Performance conditions

The percentage of performance rights subject to each performance condition that vests will be determined by reference to the following vesting schedules:

<b>RELATIVE TSR PERFORMANCE (50% WEIGHTING)</b>	<b>VESTING</b>
Following the 3 year Performance Period % ranking with peer group	% of Granted Performance Rights that vest
<b>Equal to or less than the 50th percentile</b>	0%
<b>Between the 50.1 percentile and 75th percentile</b>	Straight-line pro rata vesting between 50% and 100%
<b>Equal to the 75th percentile or above</b>	100%
<b>OPERATING FCF PERFORMANCE (50% WEIGHTING)</b>	<b>VESTING</b>
Performance Period % of 3 year cumulative target	% of Granted Performance Rights that vest
<b>Less than 80% of the cumulative Operating FCF target is achieved</b>	0%
<b>80% of the cumulative Operating FCF target is achieved</b>	50%
<b>Between 80% and 110% of the cumulative Operating FCF target is achieved</b>	Straight-line pro rata vesting between 50% and 100%
<b>110% or more of the cumulative Operating FCF target is achieved</b>	100%

No retesting of the performance conditions is permitted.

## 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 and Board discretion.

### Change of Control

If a change of control event occurs in respect of the Company, the Board has discretion to accelerate vesting; waive conditions; or replace the DSRs and performance rights with other rights in a new entity.

### Malus Conditions

In cases where the CEO acts fraudulently or is in breach of his obligations to the Company, the Board may determine that any unvested rights will lapse.

### Termination benefits

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:

- the number of securities initially granted as part of the STI and LTI awards;
- the date when, and the circumstances in which, employment ceases;
- TPG Telecom's share price at the relevant date of vesting; and
- the number of unvested securities held at the time of cessation.

## Further information

- No loans are, or will be granted to the CEO in connection with the STI Plan or the LTI Plan.
- DSRs and performance rights granted to the CEO will be published each year in the Company's Annual Report.
- There are no other Directors and no associates of Directors who are presently entitled to participate in the STI Plan or the LTI Plan.
- If approval is obtained, the Company intends to grant the DSRs and performance share rights in May 2021 and, in any event, no later than three years after the AGM.
- Further information on the STI Plan and the LTI Plan, and details of the CEO's 2020 remuneration arrangements are available in the Remuneration Report in the Company's 2020 Annual Report.

## Voting Exclusion Statement

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

- in favour of Item 6 by or on behalf of the CEO, or any of his associates, and
- on Item 6 as a proxy by a person who is a member of the key management personnel 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 key management personnel; 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 resolution. The Chairman intends to vote all available proxies in favour of this resolution.

## Appendix 1:

# Executive Summary of Remuneration Report

This, the first Remuneration Report of TPG Telecom Limited (“**TPG Telecom**”, “the **Company**”), reflects both the timing and nature of the merger between Vodafone Hutchison Australia (**VHA**) and TPG Corporation, as well as the progressive transition of the Company’s Executive remuneration to a single approach in a publicly listed environment.

More specifically, this Remuneration Report reflects the following observations:

- Over the past year, TPG Telecom’s remuneration approach supported delivery and initial implementation of the merger in a way that was consistent with delivering value for shareholders.
- Going forward, changes to the current remuneration system for Executives will support short and longer-term alignment between employees and shareholders in a publicly listed environment.
- Non-Executive Directors have exercised effective governance and are remunerated in ways that support the retention of their independence and their commitment to shareholder performance.

### The Past Year

For TPG Telecom, 2020 has been a year in two parts: pre and post the merger of 26 June 2020. Reflecting the structure of the merger, the consequence was that until the merger date, VHA—rather than TPG Corporation—was the reporting entity. This determined the composition of Executive Key Management Personnel (**KMP**), as did an organisational structure change and new fixed remuneration arrangements that took effect on 17 August 2020.

The result is that three former senior VHA executives, including the ongoing CEO Iñaki Berroeta, are classified as KMP for the full year. Six former VHA executives ceased to be KMP during the course of the year; while three other senior executives became KMP at or after the organisation restructure on 17 August 2020.

These changes affected fixed remuneration, with new arrangements put in place on 17 August 2020, other than for the CEO, whose new arrangement took effect from 1 July 2020. The new organisation structure and fixed remuneration arrangements supported the merger’s implementation, with fixed remuneration benchmarked to the median of ASX 11-50 peer organisations. Thus, disclosed KMP Executive fixed remuneration for 2020 reflects both the period for which executives were KMP, and the fixed remuneration arrangements that came into effect on 17 August 2020.

Short term incentive (**STI**) arrangements operated in a different way. This was because the VHA STI Plan was already in operation from the beginning of 2020, before the Court handed down its decision in relation to the merger and before it was known that the merger would proceed. VHA’s Scheme, paid in cash following the end of the financial year, continued to operate. It was based on performance in relation to Service Revenue (40%); EBITDA (40%); and Operating Free Cash Flow (20%), with a multiplier for individual performance from 0% to 150% affecting individual outcomes. Post-merger,

performance metrics needed to be adjusted for each of Service Revenue, EBITDA and Operating Free Cash Flow (**FCF**). In addition, the new TPG Telecom Board approved the same Scheme operating for former senior TPG Corporation Executives, including incoming Executive KMP, so that incentives for all Executives were aligned for 2H 2020 during the early stages of the merger.

The STI outcomes for Executives are consistent with the performance of the company over the period. The assessment of performance comprised three elements. The first element related to the full year company performance metrics and targets previously approved by the VHA Board. These targets were assessed up to 30 June 2020 and the outcomes were weighted at 50% for 1H 2020. The second element related to revised financial forecasts approved by the TPG Telecom Board for the balance of the year. Performance relative to these forecasts was assessed on a quantitative and qualitative basis and the outcome was weighted at 50% for 2H 2020. The weighted performance outcomes for 1H and 2H were applied to the STI targets of the former VHA KMP. For former TPG Corporation KMP, 2H performance was applied to their STI targets. The final performance element was the assessment of individual performance which was then applied to the business modified STI outcomes to determine the final STI payment.

In addition, the 2020 VHA Long term incentive (**LTI**) Plan continued to operate for former VHA executives who had received letters of offer for the Scheme in early 2020. This legacy Scheme, which operates over a three year period, 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 also approved the acceleration of the 2018 LTI Plan and a portion of the 2019 LTI Plan. This is disclosed in remuneration outcomes for former VHA Executive KMP.

### Going Forward

Going forward, changes to the remuneration approach have been approved to create alignment between employees and shareholders in a way that is consistent with expectations for an ASX listed company.

That approach links TPG Telecom’s purpose, its strategic priorities, its remuneration principles, and its remuneration structure.

Fixed remuneration—consistent with the approach adopted for the latter part of 2020—is set 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 employees and internal market relativities. The external market data consists of median benchmarks for comparable roles in ASX 11-50 peer organisations. Fixed remuneration consists of base salary plus superannuation. No fixed KMP remuneration increases are proposed for 2021.

## Appendix 1:

# Executive Summary of Remuneration Report continued

From 1 January 2021 a new STI approach, aligned to TPG Telecom's strategic priorities, has also come into operation. Subject to Group financial and risk gateways, and an individual behavioural gateway, the CEO will be eligible to earn a STI of up to 100% of base salary at target, and 150% at maximum; while the equivalent for other Executive KMP will be 65% at target and 100% at maximum of base salary. Performance outcomes will be assessed against a balanced scorecard incorporating financial and non-financial measures, as well as individual performance achievement aligned to strategic priorities for the Executive's specific role. STI will be paid in a mix of cash and Deferred Share Rights (DSRs), with the percent deferred increasing from 40% to 50% over the next three years, with the progressive increase reflecting the fact that currently no deferred component exists for any Executive. DSR's will vest in two equal tranches after one and two years, subject to continuing employment. Malus conditions will apply, and Executives will be unable to enter into any arrangement that limits their economic exposure to unvested DSRs.

A new LTI Plan also came into operation in 2021. Under this Scheme, the CEO will be 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 Executive KMP being 65% at target and 100% at maximum. Performance will be tested over a three year period against two equally weighted performance hurdles: namely, Operating FCF, and relative total shareholder return (TSR) against a nominated peer group of ASX 100 companies that excludes energy, financial, materials and real estate sectors. The number of performance rights to be issued (reflecting the value allocated) will be determined by the face value of the volume weighted average share price (VWAP) of a TPG Telecom ordinary share over the five days following announcement of the annual results and before the grant date. Malus conditions will 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.

Total remuneration for Executive KMP has been set so that target total remuneration is at or below the median of the ASX 11-50 peer group, while maximum remuneration has been set to be close to target total remuneration at the 75th percentile of the ASX 11-50 peer group at target for a comparable role.

Executive KMP will also need 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.

## Non-Executive Directors Governance and Remuneration

The timing and nature of the merger has also determined the Directors of the Board of Directors who are designated as KMP.

As a consequence, two Non-Executive Directors held those roles for the entire year; another eight until various dates prior to the merger; two assumed office in May just prior to the merger; with another five taking office on 13 July 2020 at the time of merger implementation. Put another way, post merger, the Board consists of nine Non-Executive Directors, with two being Independent Non-Executive Directors, with the Board being chaired by Mr David Teoh, the previous CEO and Executive Chairman of TPG Corporation.

Both pre and post-merger, the governance responsibilities of the Non-Executive Directors have been defined and are exercised in a way that preserves the independence from management. Management of 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 exception was a payment made to Mr David Teoh as a final termination payment related to 12 weeks severance pay (\$371,538) as CEO and Executive Chairman of TPG Corporation, prior to the merger. This payment was approved by the post-merger Board of TPG Telecom, based on legal advice, with Mr Teoh not receiving any papers and absenting himself from the meeting.

As disclosed in the Scheme booklet, the Chairman is eligible to receive an annual fee for his service of \$450,000 (plus a fee of \$20,000 for being a member of the Governance, Remuneration and Nomination Committee (GRNC)). The Chairman of the Audit and Risk Committee and the GRNC, both of whom are independent Directors, respectively receive fees of \$50,000 and \$40,000 a year for those roles; while Non-Executive Directors (other than the Chairman) are eligible to receive an annual base fee of \$165,000. Directors have determined that there will be no increase in Directors' fees in 2021.

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 purchase price at the time of purchase.

On 26 March 2021, Mr Canning Fok was appointed Chairman of the Company following the resignation of Mr David Teoh.

### **Principal Registered Office**

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North Sydney NSW 2060

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Email: [investor.relations@tpgtelecom.com.au](mailto:investor.relations@tpgtelecom.com.au)

Website: [www.tpgtelecom.com.au](http://www.tpgtelecom.com.au)

### **Share Registry**

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(international) +61 3 9415 4000


[www.investorcentre.com/au](http://www.investorcentre.com/au)






TPG  
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SAMPLEVILLE VIC 3030

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1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)

 **Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (Sydney time) Tuesday, 4 May 2021.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a shareholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the shareholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the shareholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate shareholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I9999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

## Proxy Form

Please mark  to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of TPG Telecom Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of TPG Telecom Limited to be held as a virtual meeting on Thursday, 6 May 2021 at 10:00am (Sydney time) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2 and 6 (except where I/we have indicated a different voting intention in step 2) even though Items 2 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2 and 6 by marking the appropriate box in step 2.

### Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
2 Adoption of 2020 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Frank Sixt as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Antony Moffatt as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Election of Jack Teoh as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Issue of Shares and Performance Rights to CEO and Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### Step 3 Signature of Shareholder(s)

*This section must be completed.*

Individual or Shareholder 1

Sole Director & Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

TPG

2 7 4 5 5 4 A



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