

REGULATORY COMMITTEE CHARTER



Owner: Vector's board of directors
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1. STATUS, PURPOSE AND OBJECTIVES

1.1 Status

The regulatory committee is a sub-committee of the board of Vector and exercises the board's authority in respect to those responsibilities delegated to it by the board and is accountable to the board for its performance.

1.2 Purpose

The purpose of the regulatory committee, is to assist the board in fulfilling its responsibilities to protect the interests of Vector, its shareholders and stakeholders given the regulatory environment in which Vector operates.

1.3 Objectives

The objectives of the regulatory committee are to:

- (a) Provide strategic guidance and feedback to the board and management on Vector's regulatory policy and practice; and
- (b) Act as a formal forum for the free and open communication between the board and management on regulatory matters.

2. RESPONSIBILITIES

2.1 Regulatory committee responsibilities

The regulatory committee will have the following responsibilities:

- (a) **Communications with regulatory authorities**
 - (i) Reviewing and approving Vector's strategy regarding submissions, queries and responses to regulatory authorities, that are strategically important;
- (b) **Regulatory risk management**
 - (i) Liaising with the risk and assurance committee and/or the audit committee in considering risks of a regulatory nature, whether those matters have been referred to the risk and assurance committee or the audit committee by the board or raised by the regulatory committee itself; and
 - (ii) Assisting the risk and assurance committee with responses to enquires from regulatory authorities relating to key risk management related process and functions, if requested by that committee;
- (c) **General**
 - (i) Obtaining regular updates from management and the company's legal advisers regarding regulatory matters;
 - (ii) Undertaking a regular review, as determined by the committee, of the company's regulatory position;
 - (iii) Reviewing the findings of any significant examinations by regulatory agencies;
 - (iv) Ensuring that there is full and frank dialogue between the regulatory committee, board and management of the company; and
 - (v) Any other directives that the board may give to the regulatory committee.

3. COMPOSITION

3.1 Membership

The regulatory committee shall comprise not less than three members, being directors of Vector.

3.2 Secretary

The secretary of the committee is the company secretary.

3.3 Appointment and removal of members

The board must appoint the members and chair of the regulatory committee. Members may be removed from the regulatory committee by the board at any time during their tenure.

4. MEETINGS AND PROCEDURE

4.1 Meetings and procedure

The regulatory committee shall meet formally at least three times per year and at such other times the regulatory committee considers appropriate to fulfil its responsibilities.

4.2 Board procedure to apply

The procedure of the board in relations to meetings shall apply to the regulatory committee with all necessary modifications.

4.3 Quorum

A quorum for a regulatory committee meeting shall be three members.

4.4 Attendance at meetings

A standing invitation shall be extended to all directors, the group chief executive, chief networks officer, chief financial officer and the head of regulatory to attend meetings of the committee unless the committee decides to withdraw that invitation in respect to any particular meeting or part thereof.

5. AUTHORITY

5.1 The board authorises the regulatory committee, within the scope of its responsibilities to:

- (a) Seek any information it requires from any employee of Vector and external parties;
- (b) Obtain external legal or other professional advice;
- (c) Require the attendance of Vector officers at meetings as appropriate; and
- (d) Perform or undertake on behalf of the board any such other tasks, investigations or actions it deems appropriate and consistent with its responsibilities and duties.

6. REPORTING

6.1 The regulatory committee shall regularly update the board about regulatory committee activities at the next scheduled board meeting (unless circumstances require earlier communication) and make appropriate recommendations, and should ensure that the board is made aware of any matters which may significantly impact on the affairs of the business.

6.2 Minutes of all committee meetings will be circulated to all members of the board.

7. REVIEW OF COMMITTEE

7.1 The committee shall undertake an annual self-review of its performance having regard to:

- (a) The regulatory committee's objectives and responsibilities contained in this charter; and
- (b) Best practice corporate governance standards including but not limited to:
 - (i) The New Zealand Securities Commission's (Financial Market Authority) Corporate Governance Principles;
 - (ii) NZX Limited's Main Board Listing Rules including the Corporate Governance Best Practice Code; and
 - (iii) The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

8. REVIEW OF CHARTER

- 8.1 This charter shall be reviewed by the committee and updated at least every two years. Any changes to the charter are to be recommended to the board for approval.