



# Vectrus, Inc.

## Compensation and Personnel Committee Charter

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### I. Purpose

The purpose of the Compensation and Personnel Committee is to provide oversight review of compensation and benefits of the employees of Vectrus, Inc. (the “Company”). The Compensation and Personnel Committee evaluates and makes regular reports to the Board of Directors (the “Board”) on matters concerning management performance, employee compensation, human resources policies, programs and plans, including leadership development and continuity plans, and approves (i) the compensation for the Chief Executive Officer, Corporate Vice Presidents and above and executive direct reports to the Chief Executive Officer and (ii) other executive compensation and benefit programs.

### II. Responsibilities

A. Approve and oversee the Company’s executive compensation program, including annual incentive plans and long-term incentive programs, including equity-based awards. In determining executive compensation, the Committee considers enterprise risk and other risk factors in establishing appropriate compensation design and objectives. The Committee structures compensation so that unnecessary or excessive risk-taking behaviors are discouraged and behaviors correlated with long-term value creation are encouraged. With respect to long-term incentives the Compensation and Personnel Committee considers the Company’s performance and relative shareholder return as well as, where appropriate, past compensation levels and peer company compensation practices.

B. Review and approve compensation matters for the following positions (if applicable): Chairman or Vice Chairman, Chief Executive Officer, President, Chief Operating Officer, Executive Vice Presidents, Senior Vice Presidents, Corporate Vice Presidents and all executive direct reports to the Chief Executive Officer.

Set annual performance goals and objectives with respect to the Chief Executive Officer. The performance of the Chief Executive Officer will be evaluated with respect to these performance goals and objectives and the compensation level of the Chief Executive Officer will reflect, as appropriate, the results of this evaluation.

Provide an annual update on such matters referenced in part A and B above to the full Board. No communications regarding compensation matters shall be made to the above listed employees prior to this update. The Committee will also review, as appropriate, any changes to compensation matters for the officers listed above with the Board.



- C. Oversee the establishment and administration of the Company's benefit programs and executive severance policies or plans, including review and approval of benefit plans, employment agreements, and change-in-control provisions.
- D. Review compensation levels for the Board's non-management Directors on a periodic basis, in conjunction with an evaluation conducted by an independent compensation consultant at the request of the Committee. Make any recommendations for changes in compensation levels to the Nominating and Governance Committee for their review and recommendation to the full Board.
- E. The Compensation and Personnel Committee has sole authority to select, retain, and determine the terms of engagement for independent compensation and benefits consultants and independent legal counsel or other advisors, (collectively the "Consultants") as needed, to provide independent advice to the Compensation and Personnel Committee with respect to the Company's current and proposed executive compensation and employee benefit programs.
1. The Compensation and Personnel Committee shall consider the following factors relevant to establishing the independence of such Consultants, including but not limited to the following:
    - Provision of other services to Vectrus by the Consultant or such Consultant's employer
    - The amount of fees received from Vectrus by the employer of the Consultant as a percentage of total revenue of the Consultant's employer
    - Policies and procedures of the Consultant's employer that are designed to prevent conflicts of interest
    - Relationships of the Consultant with a member of the Compensation and Personnel Committee, including business and personal relationships
    - Relationships of the Consultant or the Consultant's employer with an executive officer of Vectrus, including business and personal relationships
    - Stock ownership of Vectrus by the Consultant
  2. If the Consultant, its employer or its affiliate, is engaged for non-executive compensation consulting services, the Compensation and Personnel Committee will review and recommend for full Board of Directors consideration and approval, such other services.
  3. Appropriate funding, as determined by the Compensation and Personnel Committee, will be provided for payment of reasonable compensation to any Consultant retained by the Compensation and Personnel Committee.
- F. Oversee and approve the leadership development and continuity planning process. Continuity discussions for the Chief Executive Officer and key managers will be reviewed with the full Board. With respect to other officers, the Committee will provide preliminary review and approval, with final leadership and continuity discussions and planning presented to the full Board of Directors.
- G. Prepare the Report of the Compensation and Personnel Committee required by the Securities and Exchange Commission to be included in the Company's annual proxy statement.



- H. Review and assess its performance on an annual basis.
- I. Review its Charter at least annually and make recommendations to the Board for approval and adoption of the Charter, including any additions, deletions or modifications, as may be deemed appropriate.

### III. Membership and Organization

- A. The Compensation and Personnel Committee shall be composed of no fewer than three members, or a majority of the full Board whichever is less, all of whom must be Independent Directors in accordance with (a) the rules of the New York Stock Exchange and as defined in the Corporate Governance Principles and (b) shall satisfy the relevant requirements established pursuant to regulations under Section 16(b) of the Securities and Exchange Act of 1934 and Section 162(m) of the Internal Revenue Code of 1986.
- B. The members of the Committee shall be designated by the Board annually and shall serve until such member's successor is duly designated or until such member's earlier resignation or removal. Any member of the Committee may be removed from the Committee, with or without cause, by a majority vote of the Board.
- C. The Chairperson of the Committee shall be designated by the Board. The Director, Compensation & Assistant Secretary of the Corporation shall be the Secretary of the Compensation and Personnel Committee unless the Committee designates otherwise.
- D. The Chairperson of the Committee shall be responsible for scheduling all meetings of the Committee and providing the Committee with a written agenda for each meeting. The Chairperson shall preside at meetings of the Committee.
- E. The Committee shall meet as often as may be deemed necessary or appropriate, but no fewer than four times annually. The Committee may ask members of management or others to attend meetings or to provide relevant information. The Committee shall periodically meet in executive session absent management.
- F. The Committee may delegate authority to act upon specific matters within determined parameters to a subcommittee consistent with the delegation of such powers to the Committee by the Board.
- G. The Chairperson of the Compensation and Personnel Committee shall not serve in that capacity for longer than a four-year term.