

**Vail Resorts U.S. and Canadian Minimum Wage
Employee Frequently Asked Question (FAQs)**
March 2018

Q. What did we announce regarding a new Vail Resorts Minimum Wage and who will be impacted?

A. We will implement a Vail Resorts Minimum Wage increase across all lines of business in the US and Canada

Effective beginning of the Winter Season 2018/2019, the Vail Resorts hourly minimum wage will increase:

- From \$11.00 USD to \$12.25 USD in Colorado, California and Utah
- From \$10.50 USD to \$12.00 USD in Vermont
- From \$10.45 USD to \$11.25 USD in Minnesota
- From \$10.45 USD to \$10.75 in Michigan and Wisconsin
- From \$8.95 USD to \$9.25 USD (+\$1.50 housing benefit) in GTLC

Effective beginning of the Summer Season 2018, the Vail Resorts hourly minimum wage will increase:

- From \$11.35 CAD to \$13.00 CAD in Whistler Blackcomb

These wages are above current statutory minimum wages and will impact thousands of employees across our resorts and lines of business.

Q. Why did we decide to announce a new Company minimum wage at this time?

A. We are continuously reviewing how we further invest to create the employee experience of a lifetime, so in turn our employees can create the experience of a lifetime for our guests. This includes competitive compensation, housing, benefits and wellness programs, ongoing leadership development, and career growth opportunities. With the reduction in the U.S. corporate tax rates resulting from the recent passage of *US Tax Cuts and Jobs Act* going into effect this year, we are able to invest more than ever in our employees.

Q. How does the Vail Resorts Minimum Wage compare to the U.S. Federal Minimum Wage?

A. The Federal Minimum Wage is \$7.25 USD per hour.

Q. What are the minimum wages in the U.S. states where Vail Resorts operates?

A. The relevant state hourly minimum wages, for non-tipped employees, in USD are as follows:

- California – Currently \$11.00, increasing to \$12.00 January 1, 2019
- Colorado – Currently \$10.20, increasing to \$11.10 January 1, 2019
- Michigan – Currently \$9.25, increasing with inflation January 1, 2019
- Minnesota – Currently \$9.65, increasing with inflation January 1, 2019
- Vermont – Currently \$10.50, increasing with inflation January 1, 2019
- Utah – Currently \$7.25, with no planned increase
- Wisconsin – Currently \$7.25, with no planned increase
- Wyoming – Currently \$7.25, with no planned increase

Q. How does the Vail Resorts Minimum Wage compare to the British Columbia Minimum Wage?

A. The BC Minimum Wage is currently \$11.35 CAD, rising to \$12.65 CAD effective June 1st, 2018. The new VR minimum wage at WB will be \$13 CAD, effective for the summer season.

Q. How does Vail Resorts determine what an increase should be and why is it more for some states than others?

A. We consider a variety of factors relative to local market conditions when determining where to set a competitive VR minimum wage for that state, including unemployment rates and talent availability, housing availability and cost, as well as overall cost of living.

Q. If an employee currently makes less than minimum wage, what will their new rate of pay be?

A. In most situations, if an employee is making less than the hourly minimum wage for their state, their hourly rate of pay will increase to the new Vail Resorts minimum for their location. If their annual merit increase would take them above the new Vail Resorts minimum wage for their state, they will earn that higher rate going forward.

Q. What impact will this have on employees who receive gratuities as part of their wage earnings?

A. Employees that receive gratuities will not see an increase in their hourly rate of pay to the new wage. As applicable, we will ensure that those employees who receive gratuities as part of their wages receive at least the new Vail Resorts minimum for their location, including gratuities.

Q. Are there any other minimum wage exceptions based on state law?

A. Currently we utilize the Wisconsin State Opportunity Wage for eligible employees. This wage will continue to align with the guidelines set by the state.

Q. Will this wage increase to our employees be offset by increased prices at our resorts and across our operations?

A. No. In fact, these financial decisions are unique and not dependent upon one another. Every year we invest significantly in our business in the form of capital and operational expenses (including compensation increases). These dollars are planned and accounted for as part of the cost of doing business.

Q. What impact will this new minimum wage have on employees currently making more than minimum wage?

A. In conjunction with the minimum wage increase, we will be undertaking a significant number of additional wage adjustments to address our most pressing opportunities, including adjustments for certain employees making just above these new wage minimums. We are currently conducting a comprehensive analysis of all these opportunities and, once completed, will share these changes with employees in impacted groups ahead of the 2018/19 season.

Q. Will the Company's minimum wage be considered and increased in future years?

A. Each year, we assess our Vail Resorts minimum wage to evaluate if increases are appropriate. We will continue to follow this process as part of our normal fiscal year planning process.

In addition to annual minimum wage assessments, as we do every year, we will introduce as appropriate a wide variety of compensation initiatives to ensure that all of our employees have a competitive compensation package inclusive of their wage and benefits.