

## ***Senior Management Long Term Incentive Plan for the 2017 financial year***

Metro Performance Glass Limited (“Metro Glass”) has made a second offer to selected Metro Glass employees under Metro Performance Glass Limited’s Long Term Incentive Plan (“LTI”), which was adopted by Metro Glass’ Board in February 2016. The plan participants for the 2017 financial year are part of the company’s senior management.

The LTI is designed to secure those employees’ retention in Metro Glass and to reward performance that underpins the achievement of Metro Glass’ business strategy and long term shareholder wealth creation.

The key features of the 2017 LTI plan are equivalent to the 2016 LTI plan. They are as follows:

- Participants will be offered an annual award of a specified number of both performance rights and share options in Metro Glass (in accordance with the LTI rules)
- The performance rights will enable participants to acquire shares in Metro Glass with no consideration payable, subject to Metro Glass achieving set performance hurdles and meeting certain vesting conditions
- The performance right hurdles, are as follows:
  - 50% of the participant’s performance rights will vest if Metro Glass’ Total Shareholder Returns (“TSR”) exceed the 50<sup>th</sup> percentile TSR of those companies comprising the S&P/NZX 50 Index (the “Peer Group”)
  - Between 50% and 100% will vest if Metro Glass’ TSR is between the 50<sup>th</sup> and 75<sup>th</sup> percentile TSR of the Peer Group (straight line progression)
  - 100% will vest if Metro Glass’ TSR exceeds the 75<sup>th</sup> percentile TSR of the Peer Group
- The share options will enable participants to acquire shares in Metro Glass at an exercise price of \$1.73 per share, subject to Metro Glass achieving set performance hurdles and meeting certain vesting conditions. The exercise price represents the average daily volume weighted average price for Metro Glass shares on the NZX Main Board over the 10 trading days immediately following the release of the company’s full year results on 26 May 2016
- The share option hurdle requires that Metro Glass’ TSR must exceed a compound annual pre-tax rate that is 1% above the cost of equity of the Company, as assessed by an independent valuation firm
- The three year measurement period for performance hurdles is treated as having commenced on 10 June 2016. In the event that the respective performance hurdles are not met on the measurement date, retesting will be permitted after a further six and twelve months

- The performance rights and share options will lapse if the participant ceases to be employed by Metro Glass or one of its subsidiaries. However, if a participant ceases to be employed for reason of redundancy, illness, injury, death or termination by the company, the Board may in its discretion determine that the rights and / or options will not lapse

A total of 864,500 share options and 147,717 performance share rights have been issued under the initial grants pursuant to the 2017 LTI plan.

John Fraser-Mackenzie

Company Secretary & Chief Financial Officer

#### **About Metro Performance Glass**

Metro Performance Glass (NZX.MPG; ASX.MPP) is New Zealand's largest and most innovative glass processor, distributor and glazier. With more than 800 staff, a fleet of over 280 service vehicles and 17 sites located throughout the country, we supply and service the architectural, building and residential markets with industry leading glass products.

Whether it be high performance Low E double glazing units for new builds or the retrofit market, bathroom shower screens, kitchen splashback or pool and deck balustrades, Metro Performance Glass have been at the forefront of providing performance glass products and industry leading customer service, what we like to call Performance without Compromise.

Learn more at: [www.metroglass.co.nz](http://www.metroglass.co.nz)