



6 April 2021

### **Provision of Financial Assistance under Employee Share Purchase Scheme**

In accordance with section 80 of the Companies Act 1993, The New Zealand Refining Company Limited (**Company**) is required to make the following disclosure in respect of financial assistance provided by the Company for the recent allocation to its employees under the Company's Employee Share Purchase Scheme (**Scheme**).

The Company established the Scheme which qualifies as an "Exempt ESS" under section CW26C of the Income Tax Act 2007 (as amended). The Scheme recognises the important contribution that the Company's employees make to its future. By implementing the Scheme, the Board considers that the interests of the employees will be aligned with those of the Company and its shareholders and assist the Company in retaining and motivating employees.

Under the Scheme:

- Participating employees have been offered \$1,001 worth of shares in the Company in respect of the 2020 financial year.
- An employee contribution of \$1 (deducted from their pre-tax salary or wages) toward the \$1,001 offer amount is made.
- The Company has contributed the rest of the cost (i.e. \$1,000) of acquiring the shares up to the \$1,001 offer amount. This \$1,000 Company contribution amount was approved by the Board for the relevant financial year, on the basis of achievement in full of the Company scorecard in 2020.
- A trust has been created under the Scheme, with CRS Nominees Limited acting as trustee (**Trustee**), for the purpose of acquiring the Company's shares either on NZX or by issuance from the Company and holding those shares on behalf of the participating employees until they are withdrawn from the Scheme by the participating employee following a period of restriction.

The details of the financial assistance provided by the Company are as follows:

<b>Shares in respect of which the financial assistance was provided</b>	590,916 ordinary shares in the Company ( <b>Shares</b> ).
<b>Consideration paid for the Shares</b>	\$0.4675 per Share.
<b>Recipient of the financial assistance</b>	The Trustee received the financial assistance noted below. The Trustee holds the Shares for the benefit of the participating employees of the Company who applied to acquire Shares under the Scheme. The Shares are held by the Trustee for the participants until they are withdrawn by the participants following a restricted period of 3 years from the acquisition date, unless released earlier in certain limited circumstances (e.g. death, sickness etc).

**Nature of financial assistance**

The financial assistance was given in the form of (a) an advance of NZ\$276,000 to the Trustee to acquire the Shares, which is then paid back to the Company as subscription funds for the shares; and (b) approximately NZ\$15,000 to cover the costs of operating the Scheme.

Authorised by:

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