



**P** +64 9 972 1180

**E** [info@arvida.co.nz](mailto:info@arvida.co.nz)  
Unit F, Level 1,  
39 Market Place,  
Auckland 1010,  
PO Box 90217  
Victoria Street West  
Auckland 1142  
New Zealand

[www.arvida.co.nz](http://www.arvida.co.nz)

# Arvida Long-Term Incentive Plan Rules

Restated 30 August 2021

**CONTENTS**

<b>1</b>	<b>NAME OF THE PLAN</b> .....	<b>1</b>
<b>2</b>	<b>INTERPRETATION</b> .....	<b>1</b>
<b>3</b>	<b>GRANT OF SHARE RIGHTS</b> .....	<b>2</b>
<b>4</b>	<b>LIMITATIONS ON GRANT</b> .....	<b>3</b>
<b>5</b>	<b>PERFORMANCE HURDLES</b> .....	<b>3</b>
<b>6</b>	<b>VESTING OF SHARE RIGHTS</b> .....	<b>3</b>
<b>7</b>	<b>RIGHTS OF PARTICIPANTS HOLDING SHARE RIGHTS</b> .....	<b>3</b>
<b>8</b>	<b>RIGHTS UPON VESTING</b> .....	<b>4</b>
<b>9</b>	<b>TERMINATION OF EMPLOYMENT</b> .....	<b>5</b>
<b>10</b>	<b>LAPSE OF SHARE RIGHTS</b> .....	<b>6</b>
<b>11</b>	<b>DISPUTES</b> .....	<b>6</b>
<b>12</b>	<b>CORRESPONDENCE</b> .....	<b>6</b>
<b>13</b>	<b>EMPLOYMENT RIGHTS</b> .....	<b>6</b>
<b>14</b>	<b>AMENDMENT OF PLAN</b> .....	<b>7</b>
<b>15</b>	<b>GOVERNING LAW</b> .....	<b>7</b>

## **ARVIDA LONG-TERM INCENTIVE PLAN**

*Date:* Restated as at 30 August 2021

### **1 NAME OF THE PLAN**

This Plan is called the "*Arvida Long-Term Incentive Plan*".

### **2 INTERPRETATION**

2.1 In this Plan, except where the context otherwise requires:

*Board* means the board of directors of the Company;

*Business Day* means a day on which the NZX Main Board is open for trading;

*Change of Control Event* means:

- (a) a full takeover offer made under the Takeovers Code; or
- (b) a scheme of arrangement, made under Part 15 of the Companies Act 1993, that would result in a person holding or controlling all of the voting rights in the Company or any successor company; or
- (c) any similar transaction (as determined by the Board);

*Commencement Date* means, in respect of a Share Right, the date from which performance against a Performance Hurdle is measured as set out in a Participant's Grant Letter;

*Company* means Arvida Group Limited;

*Employee* means any person who is employed by the Company or any Subsidiary, and includes any director of the Company or any Subsidiary holding salaried office or employment with the Company or any Subsidiary;

*Grant Date* means, in respect of a Share Right, the date on which the Share Right is granted to a Participant in accordance with clause 3;

*Grant Letter* means a letter given to a Participant advising of the Share Rights granted to that Participant in accordance with clause 3;

*Issue Date* means the day on which Shares are issued or transferred to a Participant in exchange for vested Share Rights in accordance with these Rules;

*Lapse Date* means the date on which a Share Right lapses in accordance with clause 10.1;

*Leaving Date* means the date on which an Employee ceases to be employed by the Company or any Subsidiary;

*Listing Rules* means the NZX Main Board listing rules as amended or substituted from time to time;

*NZX Main Board* means the main board equity security market operated by NZX Limited or such other stock exchange on which Shares are quoted, as determined by the Board;

*Participant* means the holder of a Share Right;

*Performance Hurdle* has the meaning given to that term in clause 5;

*Plan* means this plan, called the "Arvida Long-Term Incentive Plan";

*Share* means a fully paid up ordinary share in the Company;

*Shareholder* means the holder of a Share;

*Share Right* means a performance share right granted under the Plan representing a right to acquire a Share, conditional upon that performance share right vesting in accordance with either clauses 5 and 6 or clause 9;

*Subsidiary* means a subsidiary of the Company within the meaning given to the term subsidiary in section 5 of the Companies Act 1993 or any other company or entity that the Board deems to be an associated company of the Company;

*Takeovers Code* means the Takeovers Code set out in the schedule to the Takeovers Regulations 2000;

*Vesting Notice* means the notice delivered by the Company and containing the information set out in clause 6.1;

*Vesting Period* means, in respect of a Share Right, the period set out in a Grant Letter.

- 2.2 Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa.
- 2.3 References to currency, times and dates are references to New Zealand currency, times and dates.
- 2.4 Where any matter is to be determined by the Board or the Company under this Plan, that matter will be determined in the sole discretion of the Board or the Company (as the case may be) whose determination will be final and binding in all respects.

### **3 GRANT OF SHARE RIGHTS**

- 3.1 The Board may determine the Employee(s) to whom a grant is to be made and the number of Share Rights to be granted to the Employee, and the Commencement Date of the grant.
- 3.2 The Company will, as soon as reasonably practicable after any determination under clause 3.1, send to each selected Participant a Grant Letter.
- 3.3 The Company will not apply, or be required to apply, for quotation of any Share Rights on the NZX Main Board or any other market.

#### **4 LIMITATIONS ON GRANT**

- 4.1 No grant shall be made to a person who is not an Employee.
- 4.2 Notwithstanding any other provision of this Plan, no grant will be made unless permitted by or pursuant to any applicable Listing Rules and all other applicable laws (and such grant will not cause the Company or any of its directors or employees to contravene any such Listing Rule or laws).

#### **5 PERFORMANCE HURDLES**

A Grant Letter may specify conditions to the vesting of Share Rights (for example, achievement of financial performance targets) and the period for, and the manner in, which any such conditions are to be assessed (a *Performance Hurdle*).

#### **6 VESTING OF SHARE RIGHTS**

- 6.1 As soon as reasonably practicable for the Board after completion of the Vesting Period (but no later than thirty Business Days after the Board has formally approved the Company's audited annual financial statements for the relevant financial year that the Vesting Period expires on or about), the Company must deliver to each Participant a Vesting Notice setting out:
- (a) the Board's assessment of the extent to which each Performance Hurdle has been achieved;
  - (b) the number (if any) of a Participant's Share Rights that have vested as a result of satisfaction of any Performance Hurdle;
  - (c) the process and timing determined by the Company for the issuance or transfer of Shares to the Participant in exchange for their vested Share Rights.
- 6.2 On or about the date indicated in the Vesting Notice given under clause 6.1, the Company will (subject to clause 6.3) issue, transfer, or procure the transfer, to the Participant of the relevant number of Shares to which the vested Share Rights relate.
- 6.3 The Company will not be required under clause 6.2 to issue, transfer or procure the transfer of any Shares if the issue or transfer of such Shares would result in a breach of any law (including, without limitation, any laws relating to insider trading) or Listing Rules by the Company, a Participant or any of their respective related parties. In such event, the Company will be relieved from the obligation to issue, transfer or procure the transfer of Shares under clause 6.2 until such time as the issue, transfer or sale would not result in a breach of any law or Listing Rule.

#### **7 RIGHTS OF PARTICIPANTS HOLDING SHARE RIGHTS**

- 7.1 Share Rights granted to a Participant are not transferable to any other person and no Participant may in any way sell, charge or otherwise dispose of or create any interest in favour of any third party over or in relation to any Share Right, other than to accept a full takeover offer given under the Takeovers Code, and with the approval of the Board.

- 7.2 Share Rights do not confer any voting or distribution rights, and their terms are solely as set out in this Plan, and any determination of the Board made under this Plan. Share Rights do not entitle the Participant to receive dividends or distributions from, or to vote in respect of, any Shares subject to the Share Rights.

## **8 RIGHTS UPON VESTING**

- 8.1 Any Shares issued or transferred following the vesting of a Share Right shall be fully paid and rank equally in all respects with the relevant Shares on issue at the Issue Date, except for any dividend or other entitlement in respect of which the record date occurred prior to the Issue Date.

- 8.2 If, between the Grant Date and the Issue Date, in respect of any Share Right:

- (a) the Company makes or announces any rights issue, dilutive placement or other offer to Shareholders to take up Shares or other securities (but excluding a dividend reinvestment or similar programme offered in the ordinary course); or
- (b) any consolidation or subdivision of Shares, share buyback, amalgamation, or other reconstruction of or adjustment to the Shares or the share structure of the Company, of any nature whatsoever, is made or announced,

the Board may make such adjustments or alterations to the terms of Share Rights (provided that it will apply, if so required, any adjustment formula set out in the Listing Rules in the case of a rights issue), as the Board considers reasonable in the circumstances, as a result of the occurrence of the event referred to in (a) or (b) above. Such arrangements or adjustments may include (without limitation):

- (c) adjustments to the number of Shares to be issued or transferred following vesting of the Share Rights;
- (d) adjustments to any Performance Hurdles;
- (e) accelerating the vesting of some or all of a Participant's Share Rights (including by having regard to a notional application of the Performance Hurdles at the time of the event);
- (f) permitting Participants to receive a cash amount in lieu of Shares; or
- (g) arranging for Participants to participate in any offer or issue of securities made by the Company.

No such arrangement or alteration may be made if it would cause a breach of the Listing Rules or any applicable laws.

- 8.3 If, between the Grant Date and the Issue Date, Shares are issued pro rata to Shareholders generally by way of a bonus issue, a Participant will be entitled, upon vesting of his or her Share Rights, to receive, in addition to the Shares that he or she would otherwise have been entitled to receive, so many additional bonus Shares, as determined by the Board, as would have been issued to a Shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares issued or transferred following vesting of those Share

Rights (including any additional bonus Shares arising from the operation of this clause in respect of an earlier bonus issue).

8.4 If, between the Grant Date and the Issue Date, a Change of Control Event occurs or a proposal that would result in a Change of Control Event is publicly announced, the Board shall give consideration to, but without creating any obligation with respect to:

- (a) permitting each Participant to request the early vesting of their Share Rights, in full or in part; and/or
- (b) without consultation with each Participant, vesting all or a portion of the Participant's Share Rights,

in each case so that the Company can issue or transfer to the Participant the number of Shares which the Participant is entitled to receive for every vested Share Right under the terms of those vested Share Rights in sufficient time to enable the Participant to participate in, and receive the benefit of, the Change of Control Event.

8.5 When giving the consideration noted in clause 8.4, the Board shall have regard to, among other things:

- (a) whether the Board is endorsing the change of control contemplated by the Change of Control Event, has recommended as such to shareholders and whether the individual directors of the Board are intending to accept, or vote in favour of, the offer made in respect of Shares they own or control;
- (b) the proportion of any Vesting Period(s) which have occurred and the extent to which Performance Hurdles have been achieved over any such Vesting Period(s) or proportions thereof;
- (c) the orderly administration of the Change of Control Event and the change of control that might occur; and
- (d) the likelihood, in the case of the Change of Control Event being a full takeover offer made under the Takeovers Code, that the offeror will achieve sufficient acceptances to permit it to give a subsequent acquisition notice under the Takeovers Code in respect of the Company.

8.6 In the event that:

- (a) a person gives an acquisition notice under the Takeovers Code in respect of the Company; or
- (b) a Court makes final orders for approval of a scheme of arrangement that would result in a person holding or controlling all of the voting rights in the Company or any successor company,

the Board must, as soon as reasonably practicable, determine whether some or all of a Participant's Share Rights should vest and convert into Shares, having regard to such factors as the Board considers relevant, including the proportion of any Vesting Period(s) which have occurred and the extent to which any Performance Hurdles have been achieved over any such Vesting Period(s) or proportions thereof. Any Share Rights that do not vest under this clause will immediately lapse.

## **9 TERMINATION OF EMPLOYMENT**

- 9.1 If a Participant ceases to be employed by the Company or any Subsidiary for any reason, his or her Share Rights (other than vested Share Rights) will lapse immediately, subject to clause 9.2.
- 9.2 If a Participant ceases to be employed by the Company or any Subsidiary because of serious illness, accident, permanent disablement, redundancy or death or such other circumstance determined by the Board, then the Board may (at its discretion) assess the extent to which the Performance Hurdles are achieved as at the Leaving Date and notify the Employee that a pro rata proportion (reflecting the proportion of the Vesting Period that was complete as at the Leaving Date) of the Share Rights for which the Performance Hurdles have been achieved are deemed to have vested.
- 9.3 Where the Board provides a notice under clause 9.2, clauses 6.2 and 6.3 will apply (with all necessary changes).

## **10 LAPSE OF SHARE RIGHTS**

- 10.1 Unless otherwise determined by the Board, a Participant's Share Rights shall lapse on the first to occur of the following events:
- (a) to the extent that any Performance Hurdle is not achieved;
  - (b) in respect of a vested Share Right, on the issuance or transfer to the Participant of the number of Shares to which such vested Share Right relates, including pursuant to clauses 8.4 to 8.6; and
  - (c) the Share Rights lapse in accordance with clauses 8.6 or 9.
- 10.2 Where the Board makes a determination in terms of the opening words of clause 10.1, the Board may in its sole discretion impose conditions on the future vesting of any Share Right.

## **11 DISPUTES**

Any query, dispute or difference arising under the Plan will be determined by the Board, having regard to the applicable listing rules and law, the intent of the Plan and the overall objective of ensuring fairness to both the Company and Participants. Any determination of the Board is final and binding in all respects.

## **12 CORRESPONDENCE**

- 12.1 Any correspondence from a Participant to the Company must be delivered or posted to the registered office of the Company, or to such other address as may be notified by the Company in writing.
- 12.2 Any correspondence from the Company to a Participant must be delivered to the Participant or posted to his or her home address or emailed to their email address held by the Company.



**13 EMPLOYMENT RIGHTS**

A Participant waives all rights to compensation or damages in consequence of the termination of employment or engagement with the Company or any Subsidiary for any reason whatsoever insofar as those rights arise, or may arise, from ceasing to be entitled to receive any Shares in exchange for Share Rights under the Plan as a result of such termination.

**14 AMENDMENT OF PLAN**

The Board may amend the provisions of the Plan in such manner as it thinks fit provided that in respect of Share Rights issued prior to the effective date of any amendment, no such amendment that would adversely affect the position of any Participant may be made without the written consent of that Participant.

**15 GOVERNING LAW**

New Zealand law shall apply to the Share Rights and this Plan and the parties submit to the exclusive jurisdiction of the New Zealand Courts.