



REFINING NZ
Your Energy Hive

OCTOBER 2019 //

SECURITIES TRADING POLICY

The Board is accountable for approving this Policy and any amendments to it.
This Policy was last reviewed by the Board in October 2019.
This Policy will be reviewed bi-annually or earlier if determined by the Board.

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1. INTRODUCTION AND PURPOSE

This policy ("Policy") applies to you if you are a director, officer, employee, or contractor ("Refining NZ Person") of The New Zealand Refining Company Limited ("Refining NZ" or "Company") or its subsidiary.

It also applies to:

- A Refining NZ Person's spouse or partner, dependent children, family members or other persons acting on your direction or recommendation, in addition to companies, trusts and other entities controlled by you.
- Anyone else notified by the Company Secretary from time to time.

Insider trading is illegal in New Zealand. Anyone who is a Refining NZ Person must comply with New Zealand law and with this Policy.

In this Policy "trade" is a broad concept and includes buying or selling securities or agreeing to do so. As such if you are thinking of disposing, acquiring or in any way dealing in any Company Securities, as defined below, this Policy and the law against insider trading may apply.

This Policy details the rules for all Refining NZ Persons trading in:

- the ordinary shares of Refining NZ listed on the NZX Main Board ("NZSX");
- any Refining NZ debt securities listed on the NZX Debt Market; and
- any other listed financial products of Refining NZ or its subsidiaries, and any options, derivatives or other financial products issued or created over or in respect of any financial products of Refining NZ or its subsidiaries that are listed on a stock exchange.

Collectively these are the Company's securities ("Company Securities") to which this Policy relates.

Given the wide scope of what constitutes a 'Company Security', even indirect trading or investing in the Company's shares may be prohibited by this Policy and the law. So if you have any doubt regarding your obligations, before you trade, speak to the Company Secretary.

In addition to the fundamental rule prohibiting insider trading in Company Securities applicable to all Refining NZ Persons, further specific rules apply to trading in Company Securities by Restricted Persons (as defined in Appendix I "Additional Trading Restrictions for Restricted Persons").

The requirements imposed by this Policy are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand.

If you do not understand any part of this Policy, or how it applies to you, you should raise the matter with the Company Secretary before trading any Company Securities.

2. FUNDAMENTAL RULE – INSIDER TRADING IS PROHIBITED AT ALL TIMES

If you have Material Information (refer to definition below), then whether or not you are a Restricted Person (as defined in Appendix I), you must not:

- trade Company Securities;
- advise or encourage others to trade or hold Company Securities;
- advise or encourage a person to advise or encourage another person to trade or hold Company Securities; or
- directly or indirectly communicate, or pass on the Material Information to anyone else - including colleagues, family, friends, nominees, partners, and trusts or companies you control - knowing, or where you ought reasonably to have known or believing, that the other person will

or is likely to trade in or advise or encourage someone else to trade or hold, Company Securities.

This offence, called "insider trading", can subject you to criminal liability including large fines and/or imprisonment (see below in Section 10 for an example of a prosecution), and civil liability, which may include being sued by another party, the Company or government agencies (such as the Financial Markets Authority), for any loss suffered as a result of illegal trading. The legislation that prohibits insider trading in New Zealand is Part 5 of the Financial Markets Conduct Act 2013.

The prohibitions apply regardless of how you learn of the Material Information, and regardless of why you are trading. Even if you leave Refining NZ, the prohibitions will still apply to you as a matter of general law if you remain in possession or continue to be aware of Material Information.

The prohibition on insider trading also applies not only to information concerning Company Securities. If a person has Material Information in relation to listed securities of another issuer the same prohibitions apply.

3. IF IN DOUBT, DON'T TRADE

The rules contained in this Policy do not replace your legal obligations. The boundary between what is (and is not) in breach of the law is not always clear. Sometimes behaviour that you consider to be ethical, actually may be insider trading. **IF IN DOUBT, DON'T TRADE.**

4. WHAT IS "MATERIAL INFORMATION"?

"Material Information" for the purposes of this Policy is information that:

- is not generally available to the market; and
- if it were generally available, a reasonable person would expect it to have a material effect on the price of Company Securities.

Information is "**generally available**" to the market for the purposes of this Policy if it has been released as an NZX announcement on NZX's website (<https://www.nzx.com/markets/NZSX/securities/NZR/announcements>) or, investors that commonly invest in Company Securities can readily obtain the information (whether by observation, use of expertise, purchase or other means).

All Refining NZ Persons should assume that information is not "generally available" unless it has been released through an NZX announcement on NZX's website. Media speculation concerning an issue will not make it generally available.

It does not matter how you come to know the Material Information (including whether you learnt it in the course of carrying out your responsibilities, or in passing in the corridor, or in a lift, or at a social function). You may also be taken to know information in certain circumstances, for example, if it is in your email inbox, even though you may not have read it.

Information includes rumours, matters of supposition, intentions or likely intentions of a person (including Refining NZ), and information, which is insufficiently definite to warrant disclosure to the public.

Some examples of Material Information?

The following list is illustrative only. Material Information could include information concerning:

- the financial performance of Refining NZ;
- a possible change in the strategic direction of Refining NZ;
- a possible acquisition or sale of any material assets or businesses by Refining NZ;
- entry into or the likely entry into or termination or likely termination of material contracts or other business arrangements;
- a possible change in Refining NZ's capital structure;
- a change in the historical pattern of dividends;
- senior management changes;
- a material legal claim by or against Refining NZ; or
- any other material and unexpected liability,

in each case, the details of which has not been released to the market through NZX's website.

The range of possible Material Information is very wide, so if you are planning to buy or sell any Company Securities and you have any doubts, you should discuss it confidentially with the Company Secretary.

5. CONFIDENTIAL INFORMATION

In addition to the above, you have a duty of confidentiality to Refining NZ. You must not reveal any confidential information concerning Refining NZ to a third party (unless that third party has signed a confidentiality agreement with Refining NZ and you have been authorised to disclose the confidential information) or to use confidential information in any way which may injure or cause loss to Refining NZ, or use confidential information to gain an advantage for yourself. You should endeavour to ensure that external advisers keep Refining NZ's information confidential.

6. SHORT TERM TRADING SHOULD BE AVOIDED

You should not engage in short term dealing (i.e. buying and selling Company Securities within a 6 month period) unless there are exceptional circumstances discussed and approved by the Company Secretary in consultation with the Chair of the Board or the Chair of the Audit, Risk and Finance Committee.

Short term trading can be a key indicator of insider trading, particularly if undertaken on a regular basis or in large amounts. Therefore, to reduce the risk of an allegation of insider trading, do not deal in Company Securities on a short-term basis.

7. REQUIREMENTS BEFORE TRADING

Before trading Company Securities, a Refining NZ Person must in writing:

- Notify the Company Secretary of their intention to trade Company Securities, and seek consent to do so (using the Request for Consent to Trade in Company Securities form included in Appendix II)
- Confirm that they, on reasonable investigation, are not aware of and do not hold any Material Information, and
- Confirm that there is no known reason to prohibit trading in Company Securities.

Additional restrictions apply for Restricted Persons, see Appendix I.

A consent to trade is only valid for a period of 10 trading days after notification (and a new consent is required for dealings in Company Securities which will be completed more than 10 trading days

after a previous consent was given). A consent is automatically deemed to be withdrawn if the Restricted Person acquires or becomes aware of Material Information prior to dealing.

8. REQUIREMENTS AFTER TRADING

A Refining NZ person must advise the Company Secretary promptly following the completion of any trade. Additional requirements apply for Restricted Persons, see Appendix I.

9. BREACHES OF POLICY

Potentially serious civil and criminal liability, including large fines and/or imprisonment arises from breaches of insider trading laws (see below in Section 10 for an example of a prosecution). You may be sued by another party, Refining NZ or government agencies (such as the Financial Markets Authority), for any loss suffered as a result of illegal trading. These laws also apply to individuals outside of Refining NZ such as your family should they acquire or become aware of Material Information. Breaches of this Policy are also a breach of your conditions of employment and may lead to disciplinary action, which may include termination of employment.

Any breach of this Policy must be promptly reported to the Company Secretary and the Chair of the Audit, Risk and Finance Committee.

10. MONITORING OF TRADING

Refining NZ may monitor the trading of Refining NZ Persons as part of the administration of this Policy.

You should also be aware that NZX actively monitors trading of all listed companies, including Refining NZ, for any suspicious trading. This data is regularly reported to the Financial Markets Authority which prosecutes breaches of insider trading laws in New Zealand.

An example of individuals caught by NZX's monitoring team includes a then current and former employee of the NZX listed company Eroad Limited. For further details see the Financial Markets Authority's announcement concerning the prosecution: <https://fma.govt.nz/news/media-releases/fma-files-charges-for-insider-trading/>

11. EXCEPTIONS

This Policy does not apply to:

- Acquisitions and disposals by gift or inheritance; and
- Acquisitions through an issue of new quoted financial products, such as an issue of new shares (for example, under a rights issue, dividend reinvestment plan or share purchase plan).

12. EXCLUSIONS

The additional trading restrictions set out above do not apply to participation in an employee, executive or director share scheme or Long Term Incentive Plan ("LTIP") operated by the Company (e.g. applying for an allocation of shares under an LTIP). However, where Company Securities granted under an LTIP cease to be held under the terms of that plan, any trading in those Company Securities must only occur in accordance with the Securities Trading Policy. Restricted Persons must also comply with Appendix I.

13. APPLICATION OF POLICY

The Board may approve updates, amendments to and exemptions to this Policy from time to time, which may be implemented by posting on the Refining NZ intranet. To the extent of any inconsistency with any previous Policy or rules relating to this subject matter, this Policy prevails over them.

This Policy is not intended to be legal advice and is not a substitute for legal advice. If a Refining NZ Person has any doubt about whether they may trade in Company Securities, they should consult the Company Secretary in the first instance and then seek legal advice.

APPENDIX I ADDITIONAL TRADING RESTRICTIONS FOR RESTRICTED PERSONS

A. Restricted Persons

“Restricted Persons” that the additional trading restrictions set out below apply to are defined as:

- All Directors, both during the period in which that person is a Director and for a period of six months from the date on which that person ceases to be a Director;
- The Chief Executive, all members of the Leadership team and their direct reports, both during the period in which that person is a senior manager and for a period of six months from the date on which that person ceases to be a senior manager;
- The Business Services Manager, both during the period in which that person holds that role and for a period of six months from the date on which that person ceases to hold that role; and
- Any other person notified by the Company Secretary from time to time.

Restricted Persons will be considered responsible for the actions of their spouse or partner, dependent children, trusts and companies controlled by them. In this respect, “control” is not to be construed in a technical way but by looking at how decisions are made in practice.

B. “Black out” periods

Restricted Persons must not trade in Company Securities during any of the following “blackout” periods:

- From the close of trading on 31 December until the first trading day after the release of annual report to the NZSX.
- From the close of trading on 30 June until the first trading day after the release of the half-year preliminary announcement to the NZSX, and
- Any other period that the Company Secretary specifies from time to time (e.g. prior to a capital raising or refinancing).

Please note that if a Restricted Person holds or is aware of any Material Information that person must not trade any Company Securities at any time, regardless of these periods.

C. Exceptional Circumstances

Restricted Persons are not permitted to deal in any Company Securities during a black-out period unless the Company Secretary provides a specific exemption in Exceptional Circumstances, which may include:

- The Restricted Person is in severe financial hardship; or
- The Restricted Person is required by a court order or other court enforceable undertaking to transfer or sell Company Securities.

If a Director, Chief Executive or the Company Secretary needs to trade during a blackout period, the Request for Consent form (refer Appendix II) must be signed by the Chairman, or in their absence, the Chair of the Audit, Risk and Finance Committee. In the case of proposed trading by the Chairman, the Request for Consent must be signed by the Chair of the Audit, Risk and Finance Committee.

An application from a Restricted Person to trade during a blackout period must set out the circumstances of the proposed trade, including an explanation as to the reason the waiver is requested and confirmation that the person, on reasonable investigation, does not hold and is not aware of any Material Information.

If a waiver is granted to trade Company Securities during a black out period the Restricted Person will be notified in writing (which may include notification via email) and in each circumstance the duration of the waiver to trade in Company Securities will be two trading days from the date of notification. A consent is automatically deemed to be withdrawn if the person acquires or becomes aware of any Material Information before trading.

D. Trading outside black-out periods

Before trading Company Securities at any time outside of a black-out period, Restricted Persons must in writing:

- Notify the Company Secretary of their intention to trade Company Securities, and seek consent to do so (using the Request for Consent to Trade in Company Securities form as per Appendix II)
- Confirm that they, on reasonable investigation, are not aware of and do not hold any Material Information, and
- Confirm that there is no known reason to prohibit trading in Company Securities.

In the case of the proposed trading by a Director, Chief Executive or the Company Secretary, the Request for Consent must be signed by the Chairman, or in their absence, the Chair of the Audit, Risk and Finance Committee. In the case of proposed trading by the Chairman, the Request for Consent must be signed by the Chair of the Audit, Risk and Finance Committee.

A consent to trade is only valid for a period of 10 trading days after notification (and a new consent is required for dealings in Company Securities which will be completed more than 10 trading days after a previous consent was given). A consent is automatically deemed to be withdrawn if the Restricted Person acquires or becomes aware of Material Information prior to dealing.

E. Requirements after trading

A Restricted Person must advise the Company Secretary promptly following the completion of any trade and provide a copy of the contract note (or other transaction documentation, in the case of an off-market trade) within **2 working days** of the trade being completed, and the Restricted Person must comply with any disclosure obligations that that person has under the NZX Listing Rules and at law, including under the Financial Markets Conducts Act 2013 (“FMCA”). The FMCA requires directors and senior managers to disclose all Company Security trades. If you are not sure whether you are a senior manager, please contact the Company Secretary.

APPENDIX II REQUEST FOR CONSENT TO TRADE IN COMPANY SECURITIES

THE NEW ZEALAND REFINING COMPANY LIMITED (Refining NZ) REQUEST FOR CONSENT TO TRADE IN COMPANY SECURITIES

To: Company Secretary, Refining NZ

In accordance with Refining NZ's Securities Trading Policy I request Refining NZ's consent be given to the following proposed transaction to be undertaken either by me or persons associated with me, within 10 trading days of approval being given. The trade will be undertaken in 2 trading days of approval being granted where the request is under Part C of the Additional Trading Restrictions for Restricted Persons. I acknowledge Refining NZ is not advising or encouraging me to trade or hold Company Securities and does not provide any financial product recommendation.

Name:

**Name of registered holder
Transacting (if different):**

Residential Address:

Email:

Position:

**Description and number of
financial product:**

Type of proposed transaction: Purchase/sale/other (specify)

Reason for transaction:

To be transacted: On NZX/off-market trade/other (specify)

**Likely date of transaction
(on or about):**

I declare that I, after reasonable investigation, do not hold and am not aware of any information which:

- Is not generally available to the market; or
- Would have a material effect on the price of Company Securities if it were generally available to the market.

I know of no reason to prohibit me from trading in Company Securities and certify that the details given above are complete, true and correct.

I UNDERSTAND THAT CONSENT IS AUTOMATICALLY DEEMED TO BE WITHDRAWN IF I ACQUIRE OR BECOME AWARE OF MATERIAL INFORMATION PRIOR TO THE TRADE BEING COMPLETED.

Signature

Date

NB: A copy of the contract note (or other transaction documentation, in the case of an off-market trade) must be provided to the Company Secretary within 2 working days of the trade being completed.

Refining NZ hereby **consents/does not consent** to the proposed transaction described above. Any consent is conditional on the proposed transaction being completed within 10 trading days of the date of this consent or 2 trading days of the date of this consent where the proposed transaction is applied for under Part C, and in compliance with Refining NZ's Securities Trading Policy and Additional Trading Restrictions for Restricted Persons.

Name:

Date

On behalf of Refining NZ

The Securities Trading Policy is not intended to be legal advice and is not a substitute for legal advice. If a Refining NZ Person has any doubt about whether they may trade in Company Securities, they should consult with the Company Secretary in the first instance and then seek legal advice.