

# Share Time



**Your company. Your share.**

Questions and Answers Offer  
March 2019



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These questions and answers have been prepared as a quick reference guide for employees and participants in FBUShare. They do not purport to provide a comprehensive description of FBUShare and are not a substitute for the Information Guide (which contains a detailed description of the plan). Employees are strongly recommended to read the Information Guide if they are interested in applying to join FBUShare. These questions and answers do not constitute financial product advice or any recommendation as to whether employees should join FBUShare or continue contributing to FBUShare. Employees should obtain independent investment, financial, taxation and/or other professional advice before deciding whether or not to join FBUShare.

## 1. Introducing FBuShare

### 1.1 What is FBuShare?

FBuShare is Fletcher Building's employee share plan that allows eligible employees of the Fletcher Building group to purchase Fletcher Building shares and, subject to certain conditions, receive Award Shares at no additional cost on a 1:2 basis. FBuShare has been designed to offer the same benefits to all eligible employees.

### 1.2 What benefits does FBuShare offer?

FBuShare offers eligible employees the opportunity to purchase Fletcher Building shares and, provided that the employee remains employed within the Fletcher Building group, receive one share (**Award Share**) at no cost for every two Purchased Shares and Dividend Shares acquired in the first year of the qualification period and still held at the end of the three year qualification period.

There are no performance hurdles attached to receiving the Award Shares except continued employment within the Fletcher Building group and continuing to hold shares for the three year qualification period. Participants will also be entitled to dividends on shares in the plan which will be invested to purchase more shares.

### 1.3 Why is FBuShare being offered?

FBuShare is being offered in order to:

- Encourage all employees to identify with Fletcher Building.
- Allow employees, full and part-time, the opportunity to participate in the growth of Fletcher Building (if any).
- Encourage a focus on the performance of the Fletcher Building group as a whole in addition to focussing on an employee's business unit.
- Drive an improvement in business performance for the Fletcher Building group.
- Increase the proportion of employees who hold shares in Fletcher Building.
- Assist in the retention of employees.
- Align the interests of employees with those of Fletcher Building's shareholders.

### 1.4 What's in it for me?

FBuShare provides an easy opportunity to invest in shares and receive Award Shares at no further cost simply by remaining employed within the Fletcher Building group and continuing to hold shares over the three year qualification period. Whatever stage you have reached in your career with the Fletcher Building group and however much you choose to invest (up to the maximum annual investment amount), the plan will provide an opportunity to identify with and participate in any growth of Fletcher Building.

We know that people find work more satisfying when they feel they are contributing to the overall success of the businesses they work for. Having a share in our businesses will generate a sense of ownership and inclusion.

### 1.5 What's in it for the company?

Employee share plans help link individual and collective performance and drive individual performance towards the achievement of the organisation's collective goals.

For Fletcher Building, offering such a plan also enhances our image as an employer of choice, meaning that we will continue to attract and retain the best talent for our organisation.

## 2. Participation

### 2.1 Who can participate in FBuShare?

All permanent employees, full and part-time, who are employed by any member of the Fletcher Building group and who reside in eligible countries (determined by the company) are eligible to participate in FBuShare. To be eligible, employees need only be employed within the Fletcher Building group at the time of application.

### 2.2 Which employees are eligible for the March 2019 offer?

All permanent employees, full and part-time, who are employed by any member of the Fletcher Building group and who reside in any of the following countries:

- American Samoa
- Australia
- Fiji<sup>i</sup>
- New Zealand
- Papua New Guinea
- Samoa
- Tonga<sup>ii</sup>
- Vanuatu
- Solomon Islands

i In Fiji, employees will be invited to participate in the Phantom Plan, which is described at section 15.

ii In Tonga, employees will be invited to participate in the Phantom Plan, which is described at section 15.

### 2.3 Will all eligible employees receive the same offer?

Yes. However, employees in jurisdictions where it is not possible or practicable to offer shares due to local laws (such as Fiji and Tonga) will receive an offer to participate in the phantom plan, which is described at section 15.

### 2.4 I am on a fixed-term contract, can I join the plan?

No, FBUShare is only available to permanent full and part-time employees.

### 2.5 Can members of my family take part in, or contribute to, FBUShare?

No. FBUShare is only available to eligible employees. You may transfer shares to family members at any time (subject to local laws governing sales of securities) but if you choose to transfer shares to family members during the three year qualification period, you will lose the ability to receive Award Shares in respect of those shares.

### 2.6 Is there a minimum length of service to participate in FBUShare?

No. To be eligible, employees need only be employed within the Fletcher Building group at the time set by the company for applications to be received.

### 2.7 Can I participate while I am on temporary leave (e.g. maternity/parental leave, sick leave, long-service leave, or sabbatical)?

You can continue to participate if you are on paid leave.

### 2.8 Can I participate while I am on unpaid leave?

If you take unpaid leave your contributions will cease, as will purchases of shares on your behalf. If you recommence paid leave or return from leave, your contributions and purchases of shares on your behalf will recommence. You will be unable to make additional payments prior to, or on return from, temporary unpaid leave. If you are on unpaid leave at the end of a qualification period you will still receive the Award Shares for which you are eligible.

### 2.9 I work part-time. Can I participate?

Yes, provided that you are a permanent employee.

## 3. Joining FBUShare

### 3.1 How do I join?

All eligible full-time and part-time permanent employees who are not already participating in FBUShare will receive an invitation to apply for FBUShare (in future years personalised invitations may not be sent to all eligible employees). You can apply for FBUShare in one of three ways:

- Online by selecting the link in the invitation email

- Online by following the “application” link on the FBUShare website, [www.fbushare.com](http://www.fbushare.com)
- By completing a hard copy application form and working with your local payroll or People and Performance contact to complete the online application on your behalf.

### 3.2 How are invitations to be sent?

Invitations will be emailed to those employees for whom the Fletcher Building group holds an email address or sent by mail as a letter to those employees without email addresses. In some circumstances your People and Performance adviser or payroll will distribute letter invitations.

### 3.3 How many opportunities per year are there to join?

Generally, there will be one opportunity to join FBUShare each plan year.

### 3.4 What happens if I join the company after a plan window has closed?

You will receive an invitation during the next plan window and you can apply to join then (if FBUShare continues to be offered in future years).

### 3.5 Do I have to re-apply each plan year to participate?

No, once you have joined the plan, your contributions will continue to be deducted from your after-tax pay until you elect to vary or suspend your participation in the plan or withdraw from the plan (which may only be done during a plan window). However, there is no guarantee that the plan will continue to be offered in future years. Employees who have already joined FBUShare can vary their level of participation (up or down), withdraw from the plan or suspend contributions to the plan during the forthcoming plan window. If you take no action during the March 2019 plan window, you will continue to participate in FBUShare at the same annual investment amount. Details of the options available to existing participants are set out at section 10.

### 3.6 Can I leave FBUShare during the plan year?

You can only leave FBUShare during a plan year if you cease employment with the Fletcher Building group, you change the country you work in and the currency in which you are paid (and the new country and currency are not part of the eligible countries where employees are permitted to participate in the plan) or if you receive approval from Fletcher Building. The company will approve suspension or withdrawal from the plan in cases of genuine financial hardship. Please contact your People and Performance adviser if you want to withdraw from FBUShare during the plan year and provide reasons for the withdrawal.

### 3.7 Do I have to continue in the plan each year?

No. Once you join you must remain in the plan until the next plan window. At that time you can suspend your participation in the plan or withdraw from the plan (or vary your participation in the plan). Note that if you withdraw from the plan, you will no longer be eligible for Award Shares on any shares held in the plan.

Employees who have already joined FBuShare may suspend participation in the plan or withdraw from the plan or vary participation in the plan during the March 2019 plan window. If you take no action during the March 2019 plan window, you will continue to participate in FBuShare at the same annual investment amount. Details of the options available to existing participants are set out at section 10.

## 4. Contributing

### 4.1 How do I purchase shares?

Shares are purchased on the NZSX or the ASX on your behalf by the Plan Administrator, using monies deducted from your after-tax pay each pay period. These shares are called **Purchased Shares**.

### 4.2 Are there annual limits on the amount of monies I can contribute each year?

Yes, the company sets maximum and minimum annual investment amounts in each currency (which may be changed from time to time before a plan window, in which event you will be notified of any changes). The maximum and minimum investment amounts table can be found in the Information Guide.

### 4.3 Can the company set any maximum or minimum investment amount?

Yes. You will be notified of any changes to the maximum and minimum annual investment amounts prior to a plan window, so that you can make alterations to your level of contributions if you wish during the forthcoming plan window.

### 4.4 When does the FBuShare plan year commence?

The plan year commences on 1 April in each year.

### 4.5 How will I know how much to contribute?

You decide how much you want to contribute from your annual after-tax pay within the maximum and minimum investment amounts set by the company. Once you have decided how much you wish to contribute, this amount may not be varied until the next plan window.

### 4.6 Do I make contributions in my own currency?

Your contributions will be made in the currency you are paid in.

### 4.7 Can I choose a currency in which to make my contributions?

No, your contributions will be made in the currency you are paid in.

### 4.8 Do I have to contribute the maximum amount?

No, you choose how much you want to contribute within the maximum and minimum annual investment amounts. The minimum amount is NZ\$4.80 per week, or the equivalent in other currencies (as determined by the company). The maximum amount is NZ\$96.15 per week, or the equivalent in other currencies (as determined by the company).

### 4.9 Do I have to make contributions via my payroll?

Yes.

### 4.10 Can I change my contributions during a plan year?

No, you cannot change the level of your contributions until the next plan window. Employees who have already joined FBuShare may change the level of their contributions during the March 2019 plan window. Details on varying your contribution and other options available to employees who already participate in FBuShare are set out at section 10.

### 4.11 I have relocated and changed my payroll currency. What action do I need to take to change my contribution?

Provided that the plan is available in the country to which you relocate, you will need to advise your new payroll contact that you are a participant in the plan and complete a 'Relocation Form' available from your People and Performance adviser. You are responsible for ensuring that your new payroll deducts your regular contributions correctly.

### 4.12 If I relocate and change payroll currency, can I choose a new amount to contribute?

No. Your new annual investment amount will be calculated using the new currency in which you are paid, based on the same relative proportion of the maximum investment amount. For example, if you were in New Zealand, paid in New Zealand dollars and elected to contribute 80% of the New Zealand maximum investment amount, and you move to Australia and are still employed within the Fletcher Building group and are now paid in Australian dollars, your annual investment amount would change to 80% of the maximum investment amount for Australian employees.

**4.13 Can I stop my contributions during a plan year?**

No, not unless you are going on unpaid leave or you change the country you work in and move to a country in which the plan is not available, or you receive approval from Fletcher Building to cease participating in the plan. The company will approve suspension or withdrawal from the plan in cases of genuine financial hardship.

**4.14 Can I make contributions whilst on temporary leave (e.g. maternity/parental leave, sick leave, long-service leave and sabbatical)?**

You will continue to make contributions for the periods you are receiving pay while on temporary leave.

**4.15 Can I make contributions while on unpaid leave?**

No, if you take unpaid leave, your regular contributions to the plan will cease, as will purchases of Purchased Shares on your behalf. If you recommence paid leave or return from leave, your contributions and purchases of shares on your behalf will recommence. You will be unable to make additional payments prior to, or on return from, temporary unpaid leave. If you are on unpaid leave at the end of a qualification period you will still receive the Award Shares for which you are eligible.

**4.16 Can I make backdated contributions when I return to work?**

No, you will be unable to make additional payments prior to, or on return from, temporary unpaid leave.

**4.17 Can I make my contributions through salary sacrifice?**

No. Deductions will be made from your after-tax pay.

**4.18 Does the company operate a loan scheme for Purchased Shares?**

No.

**4.19 Can I contribute the annual maximum investment amount in a lump sum or otherwise make a lump sum payment towards my annual investment?**

No. Deductions will be made from your after-tax pay, spread evenly across the plan year.

**4.20 When do payroll deductions commence?**

Payroll deductions will be made from your first after-tax pay beginning as soon as practicable after the start of the plan year in which you joined. Each plan year starts on 1 April.

**4.21 How do I find out the maximum and minimum investment amounts per pay period?**

The maximum and minimum investment amounts for each pay period can be found in the maximum and minimum investment amounts table in the Information Guide.

**4.22 What happens to my contribution if the maximum investment amount changes?**

If the maximum investment amount decreases and, as a result, your annual investment amount exceeds the new maximum, your annual investment amount will automatically decrease to the new applicable maximum investment amount. If the maximum investment amount increases, then your annual investment amount will not change.

**4.23 What happens to my contribution if the minimum investment amount changes?**

There will be no change to the amount of your investment if the minimum investment amount changes (whether up or down). However, if the minimum investment amount increases and, as a result, your annual investment amount is less than the new applicable minimum amount and Fletcher Building considers this to be impractical or unworkable, Fletcher Building may give you notice to increase your annual investment amount to the new applicable minimum investment amount. If you have not increased your annual investment amount to at least the new applicable minimum investment amount by the end of the next plan window, Fletcher Building may suspend you from further participating in the plan. In this situation any shares held by you in the plan will remain eligible for Award Shares at the end of the qualification period in the usual way, provided you meet the award conditions.

**5. Purchasing Shares****5.1 What does the payroll do with my contributions?**

All contributions are paid over to the Plan Administrator on a monthly basis, regardless of the frequency of pay periods. The Plan Administrator holds the contributions in non-interest-bearing bank accounts until the contributions are used to acquire shares on-market.

**5.2 How are shares purchased?**

Where practicable, shares will be purchased on the NZSX for participating employees whose payroll currency is New Zealand dollars and on the ASX for all other participating employees.

**5.3 Who purchases the shares?**

The Plan Administrator purchases shares on behalf of participants on the NZSX and the ASX on a monthly basis using payroll contributions made in the immediately preceding month. These will be known as Purchased Shares.

**5.4 How often are Purchased Shares purchased?**

Purchased Shares will be purchased each month using the contributions made by you in the immediately preceding month. However, acquisitions of shares by the Plan Administrator may be suspended by

Fletcher Building for certain participants at any time in order to avoid breaching insider trading laws.

### **5.5 How do I know if the Plan Administrator has received my contribution each month?**

Deductions will be made as soon as practicable from your first after-tax pay immediately following the plan window in which you applied to join the plan. You can review your transaction details through the Fletcher Building Employee Share Plan Centre, [www.computershare.com/fbushare](http://www.computershare.com/fbushare), to confirm that the Plan Administrator has received your regular contribution. If your regular contribution is not deducted, you should advise your payroll contact immediately. If the Plan Administrator does not receive regular contributions from you, Purchased Shares will not be acquired on your behalf.

### **5.6 When is the first purchase of shares in respect of each plan year?**

The first purchase of Purchased Shares will occur in the second month after the close of a plan window, utilising contributions made in the first month following the plan window. For employees joining FBuShare during the March 2019 plan window, the first purchase of Purchased Shares will occur in May 2019, utilising contributions made in April 2019.

### **5.7 What share price is used to calculate how many shares are purchased?**

Shares will be acquired by the Plan Administrator on the NZSX or the ASX on behalf of all participants on a monthly basis, so the purchase price will be the market price (plus any brokerage or other costs of acquiring shares). This is intended to result in all participants paying the same price for Purchased Shares each month.

### **5.8 What happens if there are any monies left over after each purchase?**

Shares can only be purchased in whole units, so there may be a residual investment balance after Purchased Shares are acquired in any one month. Any monies left over are added to your contributions for the next monthly purchase.

### **5.9 What happens if there are any monies left over after all monthly purchases?**

Any monies are rolled over to the next plan year.

### **5.10 What happens to my contributions if I leave the Fletcher Building group before the next purchase date?**

Once you cease to be employed within the Fletcher Building group, you automatically cease participation in the plan (subject to the Plan Administrator being advised

of cessation of employment). The Plan Administrator will refund any amount paid by you which has not been used to acquire Purchased Shares.

If the Plan Administrator does not receive notification of cessation of employment prior to the next purchase date, the Plan Administrator will still purchase shares on your behalf (and these shares will be credited to your account).

### **5.11 Can I track how many shares have been purchased on my behalf each month?**

You can access details of your FBuShare holding online through the Fletcher Building Employee Share Plan Centre, at [www.computershare.com/fbushare](http://www.computershare.com/fbushare). Each month your Purchased Share details will be updated.

### **5.12 What happens to the Purchased Shares following purchase?**

The Plan Administrator holds all the Purchased Shares on behalf of each participant until withdrawal from the plan.

### **5.13 Does the Employee Share Plan Centre include all my Fletcher Building shares?**

No, the Employee Share Plan Centre will only provide you with information on shares acquired through FBuShare. Details of any other Fletcher Building shares you hold are available from the company's share registrar, Computershare Investor Services.

## **6. Purchased Shares**

### **6.1 What are Purchased Shares?**

Purchased Shares are those shares that are purchased using your contributions and held on your behalf in accordance with the Plan Rules. A Purchased Share will cease to be such when:

- it is sold, disposed of or otherwise transferred by you before the Award Conditions are met; or
- Award Shares are issued or transferred to you in respect of that Purchased Share.

### **6.2 Will the Purchased Shares be held in my name?**

Your shares will be registered in the name of a nominee on the Fletcher Building share registry and held on your behalf. Although the nominee is the legal owner of the shares, the nominee holds such shares on behalf of participants on the terms of the plan and can only act in accordance with the directions of participants in relation to those shares. The terms and conditions of the Fletcher Building nominee service are available online at [www.computershare.com/fbushare](http://www.computershare.com/fbushare).

### 6.3 Will the Plan Administrator's website include details of all my Fletcher Building shares?

No, the Plan Administrator's website will only provide you with information on shares acquired through FBuShare. Details of any other Fletcher Building shares you hold are available from the company's share registrar, Computershare Investor Services.

### 6.4 Can I transfer my Purchased Shares to a member of my family or a trust?

Yes, however you will lose the ability to receive Award Shares in respect of the Purchased Shares that you transfer out of the plan before the end of the three year qualification period.

### 6.5 Can I sell my Purchased Shares at any time?

Yes, you can sell your shares at any time. However, if you sell your shares before the end of the three year qualification period you will not receive Award Shares in respect of the shares you have sold. Any sale of shares must be made in compliance with insider trading laws and Fletcher Building's securities trading policy.

### 6.6 How do I sell my Purchased Shares?

You can sell shares held in the plan through the FBuShare online sale facility at [www.computershare.com/fbushare](http://www.computershare.com/fbushare), by completing a manual sale form or by transferring the shares into your own name and using a broker of your choice.

### 6.7 Can Fletcher Building ever direct my shares be sold?

Fletcher Building can direct any of your shares in the plan to be sold without your approval to pay any tax due in relation to your shares which Fletcher Building is required to remit. Fletcher Building will only sell such number of your shares as are required to be sold to meet the tax due in connection with your shares. Fletcher Building can also direct the Plan Administrator to sell your shares after you cease employment with the Fletcher Building group.

### 6.8 How long do I have to hold Purchased Shares in order to receive Award Shares?

Purchased Shares need to be held until the third anniversary of the commencement of the plan year in which the Purchased Shares were acquired in order to qualify for Award Shares (see section on Award Shares). This period is called the qualification period. The qualification period may be reduced for employees who leave in certain circumstances (see the section on Leaving).

### 6.9 Are there any risks or disadvantages in owning shares?

Yes, every investment in shares in a company involves an element of risk.

There is no guarantee that Fletcher Building's share price will rise to a higher level than the price at which you buy the shares or that it will not fall below that price. The market price of the shares is determined by the price at which shares are sold on the New Zealand and Australian stock exchanges.

*It must be clearly understood that the market price of shares at any time could be lower than the price you paid for the shares. Equally, the price could be higher. This is a normal risk of investing in shares. Exchange rates can also vary which may impact on the value of shares you acquire under the plan when converted to your home currency. Fletcher Building cannot advise you whether or not to participate in the plan.*

### 6.10 Where can I track the current Fletcher Building share price?

You can track the current Fletcher Building share price through the Fletcher Building investor centre, [www.fbu.com](http://www.fbu.com).

### 6.11 As an employee shareholder, what rights will I have?

Shares that you hold in the plan will give you the right to vote on shareholder resolutions, and you will also be entitled to any dividends declared by Fletcher Building. Dividends will be invested in further Fletcher Building shares under the plan and these further shares will also be eligible for Award Shares.

Employees participating in the phantom plan will not have any right to vote on shareholder resolutions but will be entitled to the equivalent economic benefit of dividends declared by Fletcher Building.

## 7. Qualification Period

### 7.1 How long is the qualification period?

The qualification period is approximately three years. The qualification period for Purchased Shares ends on the third anniversary of the commencement of the plan year during which those Purchased Shares were acquired under the plan.

For example, if you acquire Purchased Shares in July 2019, which is during the plan year commencing 1 April 2019, you will be eligible for Award Shares in respect of those Purchased Shares on 1 April 2022 (assuming you still hold those Purchased Shares and remain employed within the Fletcher Building group on that date).

The qualification period may be reduced for employees who leave in certain circumstances.

Fletcher Building may elect to vary the qualification period from time to time. If Fletcher Building elects to vary the qualification period, it will notify all participants before a plan window. Participants may then elect to vary their participation in the plan, suspend their participation in the plan or withdraw from the plan during the plan window.

If you do not elect to suspend your participation in the plan or withdraw from the plan, the new qualification period will apply to all Purchased Shares acquired in all future plan years.

**7.2 When does each plan year commence?**

The plan year commences on 1 April in each year.

**7.3 Can I sell my shares during the qualification period?**

Yes, you can sell your shares at any time. However, if you sell your shares before the end of the three year qualification period you will not receive Award Shares in relation to the shares you have sold. Any sales of shares must be made in compliance with insider trading laws and Fletcher Building’s securities trading policy.

**7.4 Will I be able to receive Award Shares if I leave the company during the qualification period?**

In some circumstances you will still receive Award Shares on ceasing to be a Fletcher Building group employee, which are outlined in the table below.

<b>Reason for leaving the Fletcher Building group</b>	<b>Entitlement to Award Shares</b>
Death, illness, injury, disability, redundancy, retirement, divestment or sale of a business.	Pro rata entitlement to Award Shares based upon how much of the qualification period has expired.
Resignation, termination, dismissal, mutual agreement if reason is performance related.	No entitlement to Award Shares.

**7.5 Can I still participate in the plan if I leave during a qualification period?**

No, you must be an employee to participate in the plan.

**7.6 What happens at the end of the qualification period?**

If you remain employed within the Fletcher Building group for the three year qualification period you will receive one Award Share at no cost for every two Purchased Shares and Dividend Shares acquired in the first year of the qualification period that you still hold at the end of the qualification period. The qualification period for shares acquired during a plan year ends on the third anniversary of the commencement of that plan year.

Award Shares will be allocated to you as soon as practicable, but in any event no later than 30 days after you become entitled to them. Allocations of Award Shares

may be suspended by Fletcher Building for some or all participants at any time in order to avoid breaching insider trading laws. In that case, Award Shares will be allocated when the transfer restriction is lifted.

**7.7 What happens if I no longer hold any Purchased Shares at the end of the qualification period?**

You will lose the right to receive Award Shares on Purchased Shares sold during the qualification period.

**8. Award Shares**

**8.1 What are Award Shares?**

Award Shares are the shares that Fletcher Building allocates to you at no further cost at the end of the qualification period in relation to Purchased Shares and Dividend Shares acquired during the first year of the qualification period, provided that you fulfil the award conditions.

**8.2 How many Award Shares will I have the right to receive?**

If you remain employed within the Fletcher Building group for the three year qualification period you will receive one Award Share at no cost for every two Purchased Shares acquired during the first year of the qualification period that you still hold at the end of the qualification period. You will also be entitled to Award Shares on any Dividend Shares, bonus shares or shares acquired using the sale of rights.

**8.3 Can the company change the ratio of Award Shares?**

Yes, Fletcher Building may elect to vary the ratio of Award Shares to Purchased Shares (the Award Ratio) in the future. If Fletcher Building elects to vary the Award Ratio, it will notify all participants before a plan window. Participants may then elect to vary their participation in the plan, suspend their participation in the plan or withdraw from the plan during the plan window. If you do not elect to suspend your participation in the plan or withdraw from the plan, the new Award Ratio will apply to all Purchased Shares acquired in all future plan years.

**8.4 Can the company change the award conditions?**

Yes. Currently the only conditions which must be met for a participant to be eligible for Award Shares on Purchased Shares are that the participant must hold the Purchased Shares for the whole three year qualification period, and the participant must remain an employee of the Fletcher Building group at all times until and including the last day of the qualification period. If a participant meets these conditions, the participant is entitled to receive Award Shares.

Fletcher Building may change these conditions, but if it elects to do so, it will notify all participants before a plan window. Participants may then elect to vary their

participation in the plan, suspend their participation in the plan or withdraw from the plan during the plan window. If participants do not elect to suspend participation in the plan or withdraw from the plan, the new Award Ratio will apply to all Purchased Shares acquired in all future plan years.

**8.5 If I sell my Purchased Shares will I still receive Award Shares?**

No, if you sell any Purchased Shares before the end of the qualification period for those Purchased Shares, you will not receive Award Shares in relation to the Purchased Shares you have sold.

**8.6 When are the Award Shares awarded?**

If you are entitled to Award Shares, these will be allocated to you as soon as practicable, but in any event no later than 30 days after you become entitled to them. Allocations of Award Shares may be suspended by Fletcher Building for some or all participants at any time in order to avoid breaching insider trading laws. In that case, Award Shares will be allocated when the transfer restriction is lifted.

**8.7 If I leave before the end of the qualification period do I lose my right to receive Award Shares?**

FBuShare is for Fletcher Building group employees only. If you cease to be an employee of the Fletcher Building group, you will not be able to continue your participation in the plan. In normal circumstances, if you leave the Fletcher Building group before the end of the qualification period, you will be ineligible to receive Award Shares. There are, however, some circumstances where you can still receive Award Shares on ceasing to be a Fletcher Building group employee, which are outlined in the table below.

<b>Reason for leaving the Fletcher Building group</b>	<b>Entitlement to Award Shares</b>
Death, illness, injury, disability, redundancy, retirement, divestment or sale of a business.	Pro rata entitlement to Award Shares based upon how much of the qualification period has expired.
Resignation, termination, dismissal, mutual agreement if reason is performance related.	No entitlement to Award Shares.

**8.8 Do I have to hold my Award Shares for a period of time after they have been awarded to me?**

No, you can sell your Award Shares after they have been awarded to you, subject to compliance with insider trading laws and Fletcher Building’s securities trading policy.

**8.9 Can I keep my Award Shares in the plan after they have been awarded to me?**

Yes, after you have received Award Shares you can continue to hold the Award Shares (and the Purchased Shares and any other shares in the plan to which they relate) in the plan unless Fletcher Building instructs you to sell or transfer them out of the plan. If you keep these shares in the plan, they will continue to be treated in the same way as other shares held in the plan (for example with respect to dividends, rights issues and bonus issues) but you will not be entitled to Award Shares on them.

Employees who participate in the phantom plan will receive a cash payment equal to the notional value of the phantom purchased shares and the phantom award shares relating to those phantom purchased shares, provided that the employee remains employed within the Fletcher Building group. See also the section on the Cash or phantom plan.

**9. Dividends, bonus issues and rights issues**

**9.1 Will I receive dividends?**

Yes. However, any dividends received on your shares will be invested in acquiring further Fletcher Building shares, called **Dividend Shares**. Any dividend monies left over after buying whole numbers of Dividend Shares will be added to your contributions for the next monthly purchase.

**9.2 Can I participate in Fletcher Building’s dividend reinvestment plan?**

No. However, any dividends received on shares that you hold in the plan will be invested in further shares, which will be held in the plan and will also be eligible for Award Shares.

**9.3 What are Dividend Shares?**

Dividend Shares are the shares acquired on your behalf using dividends.

**9.4 Will I receive Award Shares on Dividend Shares?**

Yes, Dividend Shares are eligible for Award Shares in the same ratio as Purchased Shares.

**9.5 How does a bonus issue affect the plan?**

If Fletcher Building makes a bonus issue of shares, you will be entitled to receive bonus shares relating to shares you hold in the plan, and these bonus shares will also be held in the plan. You will be entitled to Award Shares on these bonus shares at the same time as you would be entitled to Award Shares on the Purchased Shares which gave rise to your right to bonus shares.

### 9.6 How does a rights issue affect the plan?

If Fletcher Building makes a renounceable rights issue (meaning that the right to acquire further shares is able to be sold), then the Plan Administrator will sell the rights accruing on shares held in the plan on your behalf and, unless Fletcher Building decides otherwise, will use the proceeds of sale to acquire more shares. These shares will also be held in the plan and you will be entitled to Award Shares on these shares at the same time as you would be entitled to Award Shares on the Purchased Shares which gave rise to the rights.

If Fletcher Building makes a non-renounceable rights issue of shares (meaning that the right to acquire further shares is unable to be sold), participants will not be able to take up their rights and acquire more shares in relation to any shares in the plan. This also applies to any share purchase plan undertaken by Fletcher Building.

## 10. Options available to employees who have already joined FBUShare

### 10.1 If I am already a participant in FBUShare do I need to re-apply to join FBUShare every year?

No, once you have joined the plan, your contributions will continue to be deducted from your after-tax pay until you vary or suspend your participation in the plan or withdraw from the plan (which may only be done during a plan window). However, there is no guarantee that the plan will continue to be offered in future years.

### 10.2 If I am already a participant in FBUShare what are my options during the March 2019 plan window?

Employees who have already joined FBUShare have four options available to them during the March 2019 plan window:

- Continue to participate in FBUShare at the same annual investment amount
- Vary the level of participation in FBUShare up or down
- Stop contributing to FBUShare
- Withdraw from FBUShare in which case you will stop contributing to FBUShare and either sell or transfer all shares in FBUShare (in this case you will lose any entitlement to Award Shares).

### 10.3 What happens if I do nothing during the March 2019 plan window?

If you are already a participant in FBUShare and you do nothing during the March 2019 plan window, you will continue to participate in FBUShare during the plan year commencing 1 April 2019 at the same annual investment amount. In other words, nothing will change.

You should note that you can only change the annual

investment amount during a plan window, so if you elect not to change your annual investment amount during the March 2019 plan window, you will need to wait until the next plan window, in March 2020 (if FBUShare is offered in future years).

Employees may leave FBUShare during a plan year only if they cease employment with the Fletcher Building group, change the country they work in and the currency in which they are paid (and the new country and currency are not part of the eligible countries where employees are permitted to participate in the plan) or with approval from Fletcher Building. The company will approve suspension or withdrawal from the plan in cases of genuine financial hardship.

### 10.4 Has anything changed in FBUShare?

The award ratio of one Award Share for every two Purchased Shares and the three year qualification period remain unchanged for the 2019 plan year. The maximum annual investment amount and the minimum annual investment amount in New Zealand dollars remain unchanged. However, the maximum annual investment amount and the minimum annual investment amount in currencies other than New Zealand dollars may change to reflect changes in the currency exchange rates. Please see the maximum and minimum investment amounts table in the Information Guide.

### 10.5 I want to remain in FBUShare at the same annual investment amount. What do I need to do?

Employees who wish to continue participating in FBUShare at the same annual investment amount do not need to do anything during the March 2019 plan window. If you do nothing, then you will continue to participate in FBUShare at the same annual investment amount. Please be aware that if you have previously applied to contribute at the maximum annual investment amount and the maximum annual investment amount decreases, your contributions will automatically be reduced to the new maximum annual investment amount – see section 4.22 for an explanation.

### 10.6 I want to vary my level of participation in FBUShare. What do I need to do?

If you wish to vary your level of participation in FBUShare (within the maximum and minimum annual investment amounts) you can do so during the March 2019 plan window. To vary the level of your participation, follow the instructions in the Information Guide.

### 10.7 I want to stop contributing to FBUShare. What do I need to do?

If you wish to stop contributing to FBUShare and stop acquiring Purchase Shares on your behalf, then you will need to follow the instructions in the Information Guide.

If you elect to stop contributing to FBuShare during the March 2019 plan window, then your current pay deductions will stop from 1 April 2019. However, contributions made during March 2019 will be used to acquire Purchased Shares in April 2019. Any Purchased Shares that you have already accumulated in FBuShare will be held in the Plan in your name and you will retain your right to receive Dividend and Award Shares on those Purchased Shares (provided you meet the Award Conditions).

If you stop contributing to FBuShare during the March 2019 plan window, then you can recommence your contributions (at the same or a different level) during the March 2020 plan window or any future plan window, if the company decides to continue to offer FBuShare in future years. However, there is no guarantee that the plan will continue to be offered in future years.

If you wish to stop contributing to FBuShare you can do so during the March 2019 plan window. To stop your contributions, follow the instructions in the Information Guide.

### 10.8 I want to withdraw from FBuShare. What do I need to do?

If you elect to withdraw from FBuShare during the March 2019 plan window, this means that all shares you hold in the plan will be withdrawn from the plan and you will stop contributing from 1 April 2019 (and therefore no further Purchased Shares will be acquired on your behalf). You can sell the shares you hold in the plan or transfer them into your name or the name of someone else, and you will cease to be eligible for Award Shares on these shares.

If you withdraw from FBuShare during the March 2019 plan window, you can reapply to join FBuShare during the March 2020 plan window or any future plan window, if the company decides to continue to offer FBuShare in future years. However, there is no guarantee that the plan will continue to be offered in future years.

If you wish to withdraw from FBuShare you can do so during the March 2019 plan window. To withdraw from FBuShare, follow the instructions in the Information Guide.

## 11. Stock exchanges

### 11.1 On which stock exchange will my Purchased Shares be purchased?

The stock exchange on which Purchased Shares are acquired will depend on your payroll currency, as follows:

Your payroll currency	Stock Exchange
New Zealand dollars	New Zealand (NZSX)
All other currencies	Australia (ASX)

## 12. Relocating employees

### 12.1 I am relocating within the Fletcher Building group and my payroll will change. Is there anything I need to do in relation to my participation?

Before you relocate, you will need to advise your current payroll and your new payroll (if the plan is available to employees in the country to which you relocate). You will also need to complete a 'Relocation Form' available from your People and Performance adviser. You are responsible for ensuring that your new payroll deducts your regular contributions correctly.

### 12.2 Following my relocation, my payroll currency has changed. What do I do about my contributions?

Your contributions will be automatically adjusted for you (assuming the plan is available in the country to which you relocate). Your new annual investment amount will be calculated using the new currency in which you are paid, based on the same relative proportion of the maximum investment amount. For example, if you were originally based in New Zealand and elected to contribute 80% of the New Zealand maximum investment amount, and you move to Australia and are still employed within the Fletcher Building group, your annual investment amount would change to 80% of the maximum investment amount for Australian employees.

The maximum and minimum investment amounts table can be found in the Information Guide.

### 12.3 I have relocated, but did not advise anyone in advance of my relocation. No contributions have been deducted from my pay. Can I make backdated payments?

No, it is not possible to make backdated payments to cover the period you have missed. To continue your contributions you need to advise your new payroll that you are a participant (if the plan is available to employees in the country to which you relocate) and complete a 'Relocation Form'. Please contact your People and Performance adviser for a 'Relocation Form'.

### 12.4 I am relocating within the Fletcher Building group, but my payroll will stay the same. How do I continue to participate?

As your FBuShare investment is payroll based, you don't need to do anything in this circumstance. Your investment will continue to apply without change.

### 12.5 What if I relocate to a non-participating country?

Your participation in the plan will cease, however your existing shares will remain in the plan and you will continue to be entitled to receive Award Shares on these Purchased Shares and Dividend Shares (subject to applicable law)

provided the award conditions are met. If local laws in the country to which you relocate restrict the allocation to you of Award Shares then the company will pay out the cash equivalent of those Award Shares to which you would be entitled at the end of the qualification period.

## 13. Temporary leave

### 13.1 Can I participate whilst on temporary leave (e.g. maternity/parental leave, sick leave, long-service leave, or sabbatical)?

You can participate if you are on paid leave.

### 13.2 Can I participate while I am on unpaid leave?

No, you must be receiving pay to make contributions. If you take unpaid leave your contributions will cease, as will purchases of Purchased Shares on your behalf.

### 13.3 I have returned from unpaid leave. Can I make backdated contributions?

No, you cannot make backdated contributions after returning from temporary unpaid leave. If you recommence paid leave or return from leave, your contributions and purchases of Purchased Shares on your behalf will recommence.

### 13.4 I will be going on unpaid leave. Can I make advance contributions now to cover my period of unpaid leave?

No, you cannot make advance contributions prior to temporary unpaid leave.

### 13.5 If I am on temporary unpaid leave during the qualification period, will I still receive Award Shares?

Yes, you will still receive Award Shares that you are eligible for while you are on unpaid leave from the Fletcher Building group at the end of a qualification period.

## 14. Leaving

### 14.1 I am leaving Fletcher Building; will I still be able to participate in the plan when I leave?

No, FBuShare is for Fletcher Building group employees only.

### 14.2 If I leave before the end of the qualification period do I lose my right to receive Award Shares?

In normal circumstances, if you leave the Fletcher Building group before the end of the three year qualification period, you will be ineligible to receive Award Shares. There are, however, some circumstances where you can still receive Award Shares on ceasing to be a Fletcher Building group employee, which are outlined in the table below.

Reason for leaving the Fletcher Building group	Entitlement to Award Shares
Death, illness, injury, disability, redundancy, retirement, divestment or sale of a business.	Pro rata entitlement to Award Shares based upon how much of the qualification period has expired.
Resignation, termination, dismissal, mutual agreement if reason is performance related.	No entitlement to Award Shares.

### 14.3 I am being made redundant. Will I lose my right to receive Award Shares?

No, on leaving Fletcher Building you will receive one Award Share for every two Purchased Shares and dividend or other shares you hold in the plan when you leave, pro rated for the portion of the qualification period which has expired.

### 14.4 I am retiring. Will I lose my right to receive Award Shares?

No, on leaving Fletcher Building you will receive one Award Share for every two Purchased Shares and dividend or other shares you hold in the plan when you leave, pro rated for the portion of the qualification period which has expired.

### 14.5 My business is being sold. Will I lose my right to receive Award Shares?

No, if your business unit is sold by Fletcher Building you will receive one Award Share for every two Purchased Shares and dividend or other shares you hold in the plan when you leave, pro rated for the portion of the qualification period which has expired.

### 14.6 I am resigning or have been dismissed. Do I lose my Purchased Shares and will I lose my right to receive Award Shares?

You do not lose your Purchased Shares or dividend or other shares you hold in the plan. However, you will lose your right to receive Award Shares when you leave.

## 15. Cash or Phantom plan

### 15.1 Does FBuShare operate in all countries?

In some countries (such as Fiji and Tonga) it is not possible or practicable due to local laws to offer shares to employees. Eligible employees in those countries may be offered the opportunity to participate in a phantom or cash plan. In other countries, it is not possible or practicable to offer either shares or the phantom or cash plan and no FBuShare offer is made at all.

### 15.2 How does the phantom plan differ from the share plan?

The phantom plan mirrors normal participation in FBuShare, except that shares will not be physically purchased, held or sold. The key elements of the phantom plan are as follows:

- The number of phantom purchased shares and phantom award shares will equal the number of actual Purchased Shares and actual Award Shares that would have been acquired by you if you were able to hold shares.
- The same Award Ratio, award conditions and qualification period will apply.
- Phantom purchased shares will be treated in the same way as Purchased Shares in relation to dividends, bonus issues, rights issues and any capital reorganisation.

### 15.3 Does the phantom plan have the same minimum and maximum investment amounts?

Yes, the phantom plan mirrors normal participation, including the same maximum and minimum investment amounts, except that shares will not be physically purchased, held or sold.

### 15.4 If I cannot purchase shares, what will happen?

You will contribute as you would if you were acquiring Purchased Shares. Your contributions will be held within your country of residence, and the Plan Administrator will calculate how many shares your total contributions would have purchased if you were able to acquire Purchased Shares. You will be allocated this number of phantom purchased shares. A phantom purchased share has no shareholder rights, right to receive dividends, voting rights or any other rights applicable to Fletcher Building shareholders. However, holders of phantom purchased shares will be entitled to the equivalent economic benefit of dividends paid on Fletcher Building shares.

### 15.5 Will I get Award Shares on phantom purchased shares?

If you participate in the phantom plan you will be eligible for phantom award shares. At the end of each three year qualification period, you will be entitled to one phantom award share for every two phantom purchased shares acquired during the first year of the qualification period and still held at the end of that period, provided that you remain employed within the Fletcher Building group. Again, you will not receive any actual shares in Fletcher Building.

At the end of the qualification period, you will receive a cash payment equal to the notional value of the phantom award shares and phantom purchased shares (together with any phantom dividend shares or other phantom shares held in the plan), provided that you remain employed within the Fletcher Building group.

### 15.6 Do I receive dividends if I am in the phantom plan?

No, you will not receive dividends. However, you will be entitled to the equivalent economic benefit of dividends declared by Fletcher Building, which will be used to invest in further phantom shares, called phantom dividend shares. Phantom dividend shares are also eligible for phantom award shares.

### 15.7 Do the same 'leaver' rules apply?

Yes, please refer to the Leaving section.

### 15.8 Is the cash plan applicable to all employees in the affected countries, or just local employees?

All employees.

### 15.9 Can I cash in my phantom purchased shares during the qualification period?

Yes, you can give notice to the Plan Administrator to realise the value of all or some of your phantom shares at any time in the same way and with the same consequences as selling shares under the plan. You will receive a payment of the same amount you would have received if you had sold the same number of shares under the plan.

### 15.10 What options are available to me during the March 2019 plan window if I participate in the phantom plan?

Participants in the phantom plan have the same options available to them during the March 2019 plan window as participants in the share scheme. For a description of these options please see section 10.

## 16. Change of control of Fletcher Building

### 16.1 What happens if there is a change of control of Fletcher Building?

If there is a change of control of Fletcher Building, or an amalgamation or court sanctioned arrangement or if Fletcher Building passes a resolution for voluntary winding up, the company may determine that the award conditions are satisfied in respect of some or all Purchased Shares and phantom purchased shares and as a consequence you may be entitled to receive Award Shares or phantom award shares, as applicable, relating to those shares.

## 17. Further information

### 17.1 Where can I find further details on the plan and this offer?

Further details on the plan are contained in the Information Guide, which is available online at **www.fbushare.com**

or **www.computershare.com/fbushare** or through your payroll contact. The Plan Rules are also available on that website.

Further details or if you have any questions regarding FBuShare, please:

- Contact your People and Performance adviser
- Refer to information on **www.fbushare.com**.
- ‘Ask Penny’ a question at **www.computershare.com/fbushare**.
- Email Computershare Plan Managers at **FBuShare@computershare.com.au**.
- Telephone Computershare Plan Managers in New Zealand **0800 451 541**, Australia **1800 008 188** or international **+613 9415 4353** (international call rates apply).

### 17.2 Where can I find information on previous FBuShare offers?

The previous Information Guide and other related plan documentation are available on request. Please send your request to **fbushare@fb.co.nz**.

### 17.3 How can I track how many Purchased Shares I have?

The Fletcher Building Employee Share Plan Centre website has details of all your shares acquired through FBuShare. To access details of your shareholding on the website, **www.computershare.com/fbushare**, you will need your Securityholder Reference Number (SRN) and personal identification number (PIN).

Participants will be issued with a confirmation of enrolment communication containing their SRN, and a PIN communication will follow shortly thereafter.

### 17.4 Can I track all my Fletcher Building shares with the Plan Administrator’s website?

No, the Fletcher Building Employee Share Plan Centre website will only provide you information on shares acquired through FBuShare. Details of any other Fletcher Building shares you hold are available from the company’s share registrar, Computershare Investor Services.

### 17.5 Where can I get more information about Fletcher Building and its shares?

More information about Fletcher Building and Fletcher Building shares (including the current

price of Fletcher Building shares) can be found on Fletcher Building’s website at **www.fbu.com**.

### 17.6 I have lost my SRN. Where can I get this number?

Contact Computershare Plan Managers, refer below.

### 17.7 I have forgotten my PIN. How do I get another PIN?

If you have previously used Fletcher Building Employee Share Plan Centre website (**www.computershare.com/fbushare**), use the following steps to obtain your PIN:

- Type **www.fbushare.com** into your web browser.
- Click on the ‘Access your portfolio’ button.
- Enter your Securityholder Reference Number (SRN)
- Select ‘Forgotten PIN’ option and answer your security questions. If you answer the questions correctly, a temporary PIN will be sent to the registered email address.

Alternatively, contact Computershare Plan Managers, refer below.

### 17.8 How do I contact the Plan Administrator?

You can contact the Computershare Plan Managers for assistance:

- Email: **fbushare@computershare.com.au**.
- Hotline (within Australia): **1800 008 188**.
- Hotline (within New Zealand): **0800 451 541**.
- Hotline: **+61 3 9415 4353** (international call rates will apply).