

Fisher & Paykel Healthcare

# Performance Evaluation Policy

The Company has a range of policies in place relating to the performance evaluation of the Board, the Board's committees, individual Directors and Senior Executives.

## The Board and Individual Directors

The process of evaluating the performance of the Board as a whole is the responsibility of the Board under the direction of the Chair. The Board Charter requires the Board to undertake a performance evaluation of itself every two years that:

1. compares the performance of the Board with the requirements of its Charter;
2. reviews the performance of the Board's committees;
3. sets forth the goals and objectives of the businesses for the upcoming year; and
4. effects any improvements to the Board Charter deemed necessary or appropriate.

The performance evaluation shall be conducted in such a manner as the Board deems appropriate. The Board may choose to use external facilitators from time to time to conduct reviews.

Assessment of individual Directors' performance is a process determined by the Chair, and takes into account a number of factors, including attendance, contribution and experience of the individual Director concerned.

## Board Committees

The Charter of each Board committee requires the committee to conduct a review every two years, where external facilitators may also be used.

## Senior Executives

The Company's senior executives are subject to an annual performance review.

The performance of senior executives is reviewed by the CEO who regularly meets with each senior executive as part of an ongoing discussion on their financial and non-financial objectives and the progression of their business plans. This forum enables a constructive discussion encompassing opportunities to enhance individual skills and competencies in order to enhance future performance, and to agree on future performance targets.

*Approved by the Board on 25 May 2018*