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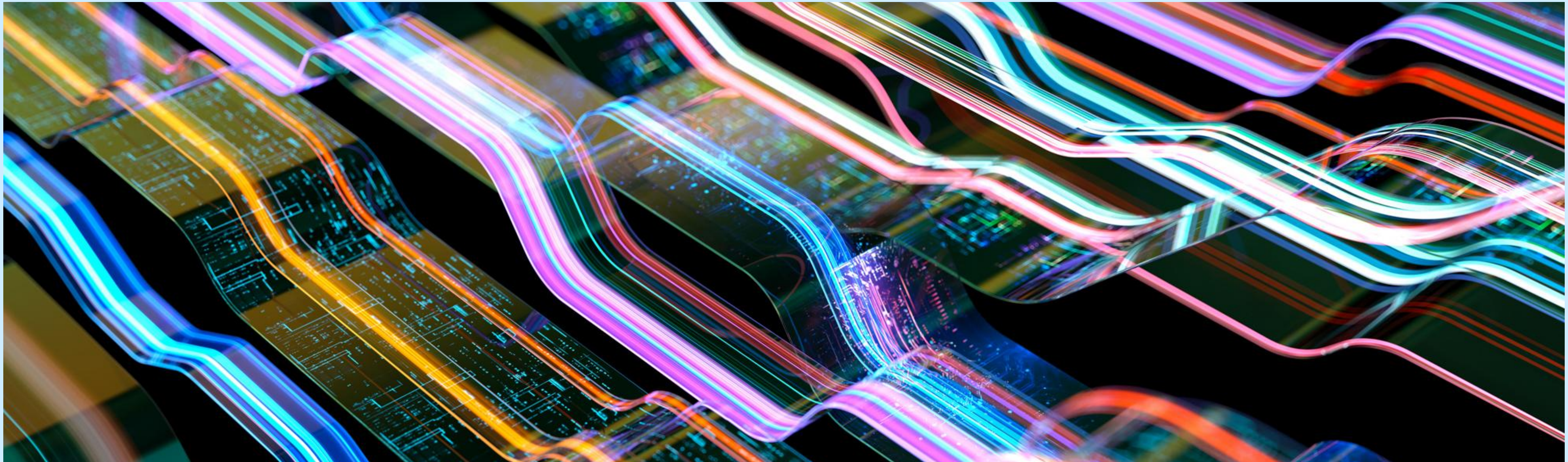
6 July 2026

Non-Executive Director Fee Benchmarking

Summary of Mercer Report dated 26 June 2026

Fisher & Paykel Healthcare Corporation Limited



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Context and approach

Context

Mercer Consulting (Australia) Pty Ltd (Mercer) has been engaged by Fisher & Paykel Healthcare Corporation Limited (FPH or the “Company”) to provide remuneration benchmarking data for its Non-Executive Directors (NEDs) against publicly listed companies comparable to FPH based on the approach established during the previous benchmarking exercise in 2023.

In particular, FPH has requested Mercer to:

- Recommend and provide a rationale for a relevant set of comparator companies;
- Determine non-executive director remuneration at the comparator companies, including remuneration for committee membership;
- Report on our findings; and
- Provide this summary report to be made available publicly for review by shareholders and proxy advisors.

Approach

Mercer’s approach to this engagement was as follows:

- Gathered current information on FPH’s Board and Committee structures, workload commitments and current remuneration arrangements for all Board and Committee roles included in the review, referencing information provided and FPH’s public disclosures.
- Worked with FPH to review and finalise a Listed Peer Group of companies listed on the New Zealand Exchange (NZX) and the Australian Securities Exchange (ASX).
- Extracted and reviewed available market data sourced from the Listed Peer Group and compared FPH’s practices against the collated market data.
- Provided further commentary in regard to Mercer’s observations of FPH’s position against the market, including potential changes to FPH’s Board fee structure and the resultant impacts on the aggregate fee pool.
- Prepared a report outlining our approach, findings and recommendations.

Please refer to **Appendix A** for more information on Mercer’s benchmarking methodology.

Selection process for benchmarking exercise

Notes:

1. *The Global Industry Classification Standard (GICS®) is an industry analysis framework that was developed by Standard & Poor's and MSCI. The GICS framework (2023) consists of 11 sectors, 25 industry groups, 74 industries and 163 sub-industries.*

In establishing an appropriate comparator dataset, Mercer has worked with FPH to review and finalise a **Listed Peer Group** of companies. The diagram below shows the filtering process adopted in shortlisting the benchmarking peer group.

All listed companies considered

All companies listed on the **ASX** and **NZX**, headquartered in Australia or New Zealand.

Industry filters applied

Mercer has then filtered all ASX listed companies to include companies classified as **Health Care**, **Communication Services** and **Information Technology** sectors based on the GICS[1]. For NZX listed companies, the industry sector filter was not applied to ensure sufficient number of companies.

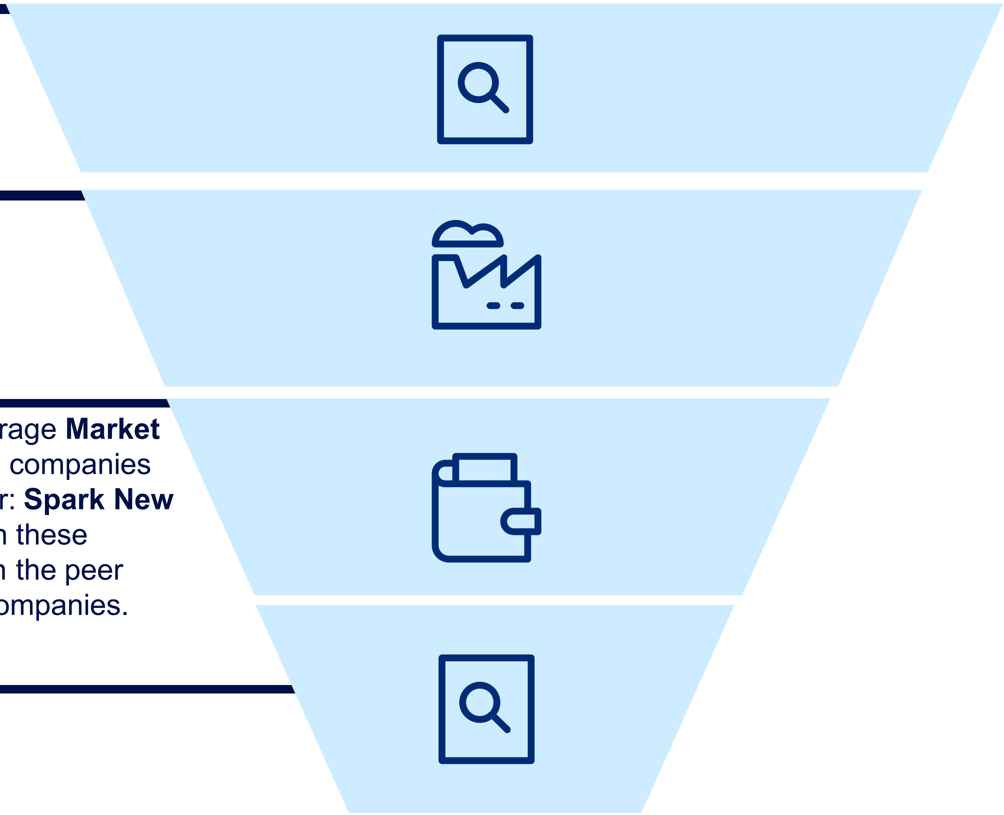
Financial filters applied

Mercer applied a **Market Capitalisation** (6-month average) filter of 33% to 300% of FPH's 6-month average **Market Capitalisation** as at 28 February 2026 which resulted in a short list of **20 companies**. Three NZX listed companies from the 2023 Peer Group had dropped out from the shortlist as a result of the market capitalisation filter: **Spark New Zealand Limited**, **EBOS Group Limited** and **Mainfreight Limited**. Mercer recommended FPH to retain these companies to ensure a balance of representation between Australia and New Zealand companies within the peer group. This approach resulted in a total of **23 listed companies** comprising **9 NZX** and **14 ASX** listed companies.

Market data extracted

Mercer has extracted Board fee data from the **23 companies** that comprise the Peer Group.

The list of companies is provided overleaf.



Peer Group: 23 companies

Peer group companies

The final list of 9 NZX and 14 ASX listed companies is presented in the table below. FPH's market capitalisation and revenue positioning against the Listed Peer Group is provided at the bottom of the table.

All financial data presented in millions of Dollars ($ 000,000s)

Exchange: Ticker	Company Name	HQ Country	6-month Market Capitalisation as at 28 February 2026	Total Revenue: Most recent year-end
ASX:TLS	Telstra Group Limited	Australia	63,341	23,555
ASX:SIG	Sigma Healthcare Limited	Australia	39,469	3,313
ASX:REA	REA Group Limited	Australia	30,501	1,570
ASX:PME	Pro Medicus Limited	Australia	28,718	103
ASX:WTC	WiseTech Global Limited	Australia	27,642	700
ASX:XRO	Xero Limited	New Zealand	24,081	1,097
FPH				
ASX:COH	Cochlear Limited	Australia	20,259	1,825
NZX:MEL	Meridian Energy Limited	New Zealand	15,076	3,776
ASX:CAR	CAR Group Limited	Australia	14,293	564
NZX:AIA	Auckland International Airport Limited	New Zealand	13,762	291
ASX:SHL	Sonic Healthcare Limited	Australia	12,652	10,340
ASX:TNE	Technology One Limited	Australia	11,891	419
NZX:IFT	Infratil Limited	New Zealand	11,625	1,297
ASX:NXT	NEXTDC Limited	Australia	10,770	322
ASX:SEK	SEEK Limited	Australia	9,943	1,236
ASX:TPG	TPG Telecom Limited	Australia	9,705	5,845
NZX:CEN	Contact Energy Limited	New Zealand	9,282	2,387

Exchange: Ticker	Company Name	HQ Country	6-month Market Capitalisation as at 28 February 2026	Total Revenue: Most recent year-end
NZX:MCY	Mercury NZ Limited	New Zealand	9,182	2,188
ASX:RHC	Ramsay Health Care Limited	Australia	9,060	14,738
NZX:ATM	The a2 Milk Company Limited	New Zealand	7,570	1,444
NZX:MFT	Mainfreight Limited	New Zealand	6,502	5,218
NZX:EBO	EBOS Group Limited	Australia	5,730	11,883
NZX:SPK	Spark New Zealand Limited	New Zealand	4,387	3,720
NZX:FPH	**Fisher & Paykel Healthcare Corporation Limited**	**New Zealand**	**22,164**	**1,682**
	Percent Rank – Combined Peer Group		*73%*	*48%*
	Percent Rank – ASX companies		*57%*	*56%*
	Percent Rank – NZX companies		*100%**	*40%*
Peer Group Summary:		*75th Percentile*	24,081	5,218
Total number of companies: 23		*50th Percentile*	12,272	1,698
Total number with larger market cap: 6		*25th Percentile*	9,493	632
Total number with smaller market cap: 17		*Average*	18,349	3,916

Note: FPH's 6-month market capitalisation as at 28 February 2026 is higher than the rest of NZX listed peer group companies.

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Benchmarking outcomes

Positioning of FPH's Board Chair Fee and NED Base Fee against the Listed Peer Group

Mercer has provided the market comparison against the peer group of 23 companies and presented by the following groupings:

- **Combined Peer Group** (all 23 ASX and NZX listed companies)
- **ASX listed companies** (14 ASX listed companies)
- **NZX listed companies** (9 NZX listed companies)

The table below presents the comparison of FPH's policy fees against the selected peer group.

Policy Fee Component	FPH	Combined Peer Group			Positioning
		25th percentile	50th percentile	75th percentile	
Board Chair Base Fee	$357,210	$320,000	$492,000	$604,009	At 25th percentile
NED Member Base Fee	$158,760	$150,300	$195,000	$219,640	At 25th percentile

Policy Fee Component	FPH	ASX Listed Companies			Positioning
		25th percentile	50th percentile	75th percentile	
Board Chair Base Fee	$357,210	$493,642	$545,269	$680,987	Below 25th percentile
NED Member Base Fee	$158,760	$193,527	$214,733	$234,821	Below 25th percentile

Policy Fee Component	FPH	NZX Listed Companies			Positioning
		25th percentile	50th percentile	75th percentile	
Board Chair Base Fee	$357,210	$245,000	$320,000	$378,350	Between 50th and 75th percentiles
NED Member Base Fee	$158,760	$120,000	$150,300	$176,250	Between 50th and 75th percentiles

FPH Fee Pool versus the Listed Peer Group

FPH's current Aggregate Fee Pool of $1,750,000 is positioned:

- At the 25th percentile of **Combined Peer Group**
- Below the 25th percentile of **ASX listed companies**
- At the 75th percentile of **NZX listed companies**

Based on the current fee structure, FPH total fee spend is **$1,619,153**, which represents 92.5% of the current approved fee pool with **7.5% headroom** available.

FPH's current headroom of 7.5% is positioned:

- Below the 25th percentile of **ASX listed companies**
- Between the 25th and 50th percentiles of **NZX listed companies**

Mercer has analysed the fee pool headroom for NZX companies within the peer group and found that the average headroom was **17%**, the median headroom was **20%**, the largest headroom was **40%** and the smallest headroom was **1.3%**.

In Mercer's experience, a fee pool headroom of 20% - 25% is typical for ASX listed companies, while NZX listed companies generally maintain smaller headroom.

The average "age" of the fee pool amongst the NZX companies within the peer group is **2.5 years**.

Summary of findings

FPH's positioning against the Listed Peer Group is summarised in the table below.

Fee Component		Combined Peer Group	ASX companies	NZX companies
Board Fees	**Board Chair Fee**	At 25th percentile	Below 25th percentile	**Between 50th and 75th percentiles**
	NED Base Fee	At 25th percentile	Below 25th percentile	**Between 50th and 75th percentiles**
Audit & Risk Committee	**Chair Fee**	At 25th percentile	Below 25th percentile	**At 50th percentile**
	Member Fee	At 25th percentile	At 25th percentile	**At 50th percentile**
People & Remuneration Committee	**Chair Fee**	At 25th percentile	Below 25th percentile	**Between 50th and 75th percentiles**
	Member Fee	At 50th percentile	At 25 percentile	**At 75th percentile**
Quality, Safety & Regulatory Committee	**Chair Fee**	At 50th percentile	- -	**- -**
	Member Fee	At 75th percentile	- -	**- -**
Approved Aggregate Fee Pool		At 25th percentile	Below 25th percentile	**At 75th percentile**
Headroom		Below 25th percentile	Below 25th percentile	**Between 25th and 50th percentiles**

"- -" Denotes insufficient data to report

Recommendations

Considerations in determining a target market position

In preparing our recommendations for FPH's proposed fees, we have proposed the **50th percentile of the Combined Peer Group** and the **75th percentile of the NZX companies** within the peer group as an appropriate target market position given FPH's market capitalisation and revenue positioning at:

- 73rd and 48th percentile respectively against the Combined Peer Group
- 100th and 40th percentile respectively against the NZX companies

Mercer's recommended changes to FPH's policy fees is presented in the table below:

Role	Current Fee (FY26)	Chair to Member Fee Ratio	Fee (FY27)	Chair to Member Fee Ratio	% Change
Main Board					
Board Chair Fee	$357,210	2.25x	$392,900	2.25x	10%
Member Base Fee	$158,760		$174,600		10%
Overseas Director Allowance					
Overseas Allowance for Board Chair	$56,700	2.25x	$62,400	2.25x	10%
Overseas Allowance for NED	$25,200		$27,700		10%
Audit & Risk					
Chair Fee	$39,795	2x	$43,800	2x	10%
Member Fee	$19,898		$21,900		10%
People & Remuneration Committee					
Chair Fee	$31,500	1.58x	$34,700	1.58x	10%
Member Fee	$19,898		$21,900		10%
Quality, Safety & Regulatory					
Chair Fee	$31,500	1.58x	$34,700	1.58x	10%
Member Fee	$19,898		$21,900		10%
Aggregate Fee Pool					
Maximum aggregate fee pool	**$1,750,000**		**$2,100,000**		**20%**
Annualised total fee	$1,619,153		$1,781,000		
Headroom	7.5%		15.2%		

Mercer notes that based on the current board composition and the proposed increase for overall board fees for FY27, the total annual fee will exceed the maximum level of the current approved fee pool. As such, it will be necessary to request an aggregate fee pool increase in the next Annual Shareholders' Meeting.

The application of the proposed fees will result in the following total fee and headroom.

Total annualised fee based on proposed fees for FY27	**$1,781,000**
Current aggregate fee pool	**$1,750,000**
Headroom	-1.8%
Suggested aggregate fee pool	**$2,100,000**
Headroom	15.2%

Key parameters considered in the proposed changes includes:

- Increasing the overall board fees by 10%. This increase will position FPH's overall board fees at approximately the **50th percentile** of the **Combined Peer Group** and at approximately the **75th percentile** of the **NZX listed companies** within the peer group.
- Setting the aggregate fee pool to $2,100,000 to provide a headroom of approximately 15% aligning to the average practice of the **NZX listed companies**. We believe this headroom will provide a buffer for FPH to respond to any additional workload resulting from changes in FPH's board structure or any special circumstances for the next three years.

Statement of Independence

In providing advice to FPH, Mercer has adopted these Global Business Standards for Board and Remuneration Advisory Services to manage actual or perceived conflicts of interest and to preserve the integrity of our advice. The Global Business Standards address how we (i) manage the executive rewards consulting relationship, (ii) ensure the quality of executive rewards consulting services and (iii) structure our business to manage actual or perceived conflicts of interest.

In providing advice on FPH's non-executive director remuneration arrangements, ***Lizzy Cullen*** *(Engagement Lead) has exercised professional judgment without being unduly influenced by any personal, financial, or professional relationships that could compromise the objectivity of the advice provided.*

Mercer also confirms that there are no conflicts of interest that could impair the integrity of the advice provided. In particular, Lizzy Cullen has not been engaged in any activity that could create a conflict of interest, either directly or indirectly, with the interests of FPH or its stakeholders.

Managing the relationship

A clearly defined client relationship provides the foundation for ensuring the objectivity and integrity of our advice. At the beginning of each engagement, our consultants establish with clients a clear mutual understanding of our role and client reporting relationship, premised on our commitment to providing objective advice. An Engagement Letter and Statement of Work document the key elements of the assignment and relationship such as roles, responsibilities, scope of services, fees, timeframe and client reporting relationships, including how and to whom information and recommendations are communicated.

Our business structure

The structure of our business not only facilitates the seamless exchange of our best thinking but also demonstrates to employees and clients the integrity of our advice. Our Career business is accountable for all of Mercer's executive rewards consultants, and our Career business leaders — not client relationship managers — evaluate performance and determine remuneration for all executive rewards consultants. Mercer's Career business leadership requires our consultants to seek guidance from them whenever there is any question that our objectivity or integrity is at risk of being compromised. Mercer will discontinue executive rewards consulting relationships where actual or perceived conflicts that would impact the quality or objectivity of our advice cannot be resolved.

The quality of our advice

Mercer is committed to providing the highest quality advice and solutions to our clients. To ensure that our professional standards are upheld, executive rewards consulting services are performed only under the direction of an executive rewards principal or partner. All consulting advice is peer reviewed pursuant to Mercer's global professional standards before it is rendered.

Our commitment

Mercer is committed to providing objective advice to all of our clients. Ensuring the objectivity of consulting advice on executive rewards is a corporate governance issue around the globe and is critical to our role as a trusted advisor to our clients.

Appendix A: Benchmarking methodology

Market data presented

- Policy fee data has been extracted from the most recent annual report and corporate governance disclosures for the companies within the Listed Peer Group. Mercer references policy fees for market comparison purposes as they presented the underlying fee structure of the peer companies, independent of the committees and roles that each individual director is accountable for.
- Mercer has referenced the Global Industry Classification Standard (GICS®) developed by Standard & Poor's and MSCI Barra as a basis for identifying the respective industries for potential comparator companies. The GICS framework (2023) consists of 11 sectors, 25 industry groups, 74 industries and 163 sub-industries.
- All remuneration data is presented in New Zealand Dollars unless otherwise indicated.
- All financial data including 6-months Market Capitalisation to 28 February 2026 and Most Recent Year – End Revenue has been sourced from S&P Capital IQ as at 28 February 2026.

Ageing of market data

- Mercer does not apply 'ageing' to market data in our non-executive director fee reviews unless requested by the client. For this review, the data used in the analysis has not been aged.

Market positioning

- Fees are considered to be 'at' the relevant market reference point if FPH's incumbent fees were positioned within a ±15% range of the market data reference point.

Sample sizes

- Mercer's approach requires at least five data points observed before presenting the 25th and 75th percentiles for each fee element. For the median (50th percentile), data is only presented if there at least four data points observed. For this review, we note that there were at least four data points observed for each fee element.

Committee fees

- In comparing FPH's committees to the Listed Peer Group, data from peer companies was matched based on the following classifications:
  - **Audit and Risk Committee**: Any committee with "Audit", "Risk" or "Finance" in the name.
  - **People and Remuneration Committee**: Any committee with "Remuneration" in the name, and if a company does not have a committee with "Remuneration" in the name, any committee that focuses on people or human resources (e.g., People Committee).
  - **Quality, Safety and Regulatory Committee**: Any committee with the following keywords in the name: "Quality", "Safety", "Regulatory", "Science", "Compliance".

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We are leaders in risk, strategy and people. One company, with four global businesses, united by a shared purpose to build the confidence to thrive through the power of perspective.