

FUNDAMENTALS

A photograph of the Fisher & Paykel Healthcare building, featuring a concrete wall with the company name and a glass canopy. Two people are walking on the sidewalk in front of the building. A white geometric overlay consisting of interconnected hexagons and lines is superimposed on the image. Six colored dots (dark blue, light blue, green, brown, gold, and dark blue) are placed at various points within the geometric structure.



- Our unique culture is built around guiding principles that clarify our intent, shape our thinking and underpin the way we work. We call them **FUNDAMENTALS** and we apply them every day as we strengthen our business for the future.

About this report

Welcome to our 2025 Annual Report – Fundamentals. In this report, we feature the work we have done this year to improve patient care and outcomes around the world and the financial results we achieved while doing so.

Our people, investors and customers can also learn about our track record in non-financial matters, including environmental, social and governance (ESG) topics. Our ESG commitments and metrics are included in the Operating Sustainably section of this report.

This report references the 2021 Global Reporting Initiative (GRI) Standards. It also contains a section on our Climate-related Disclosures in compliance with the External Reporting Board's Aotearoa New Zealand Climate Standards.

We welcome your feedback and suggestions for improvement. Please send any questions or comments to investor@fphcare.co.nz. A digital version of this report, along with all previous annual and interim reports are available at www.fphcare.com/nz/corporate/investor/reports.

This report covers the financial year ended 31 March 2025 and is dated 27 May 2025. The report has been approved by the Board and is signed on behalf of Fisher & Paykel Healthcare Corporation Limited by Neville Mitchell, Board Chair, and Lewis Gradon, Managing Director and Chief Executive Officer.



NEVILLE MITCHELL
BOARD CHAIR



LEWIS GRADON
MANAGING DIRECTOR
AND CHIEF EXECUTIVE OFFICER

Constant currency information contained within this report is non-conforming financial information, as defined by the NZ FMA, and has been provided to assist users of financial information to better understand and assess the company's financial performance without the impacts of spot financial currency fluctuations and hedging results, and has been prepared on a consistent basis each financial year. A reconciliation between reported results and constant currency results is available on page 130 of this report. The company's constant currency framework can be found on our website at www.fphcare.com/ccf.

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THE BUSINESS YEAR



Financial highlights

OPERATING REVENUE

\$2.02B

▲ 16% | 2024 \$1.74B

GROSS MARGIN

62.9%

181* BASIS POINTS INCREASE
(UNDERLYING)

NET PROFIT AFTER TAX

\$377.2M

▲ 43%* | 2024 \$264.4M
(UNDERLYING)

TOTAL DIVIDEND FOR YEAR FULLY IMPUTED

42.5CPS

▲ 2% | 2024 41.5CPS

HOSPITAL REVENUE

\$1.28B

▲ 18% | 2024 \$1.1B

NEW APPLICATIONS CONSUMABLES REVENUE GROWTH

↑ **18%**

CONSTANT CURRENCY

HOMECARE REVENUE

\$739.9M

▲ 13% | 2024 \$652.3M

SPEND ON R&D

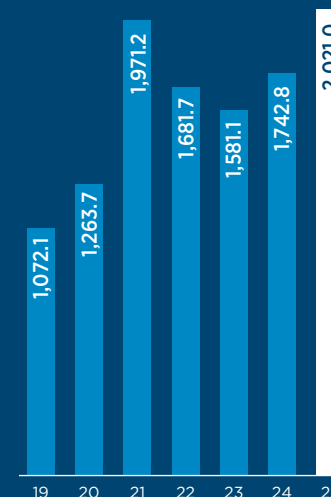
\$226.9M

11% OF OPERATING REVENUE

* These growth figures are calculated against the respective underlying gross margin and net profit after tax figures for the 2024 financial year, which excluded the abnormal impact of a product recall provision, the revaluation of land and deferred tax on removal of building depreciation.

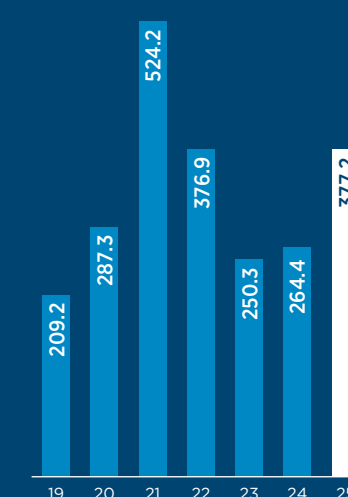
OPERATING REVENUE

NZ\$ MILLIONS



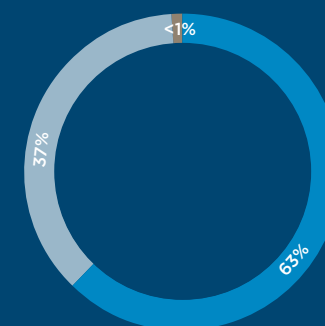
NET PROFIT AFTER TAX*

NZ\$ MILLIONS



REVENUE BY PRODUCT GROUP

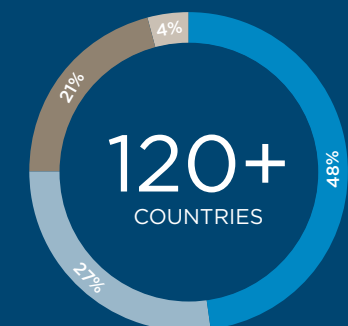
12 MONTHS TO 31 MARCH 2025



● Hospital
● Homecare
● Distributed & Other

REVENUE BY REGION

12 MONTHS TO 31 MARCH 2025



● North America
● Europe
● Asia Pacific
● Other

Business highlights



IMPACTED

the lives of approximately
22 million patients globally



SURPASSED

\$2 billion in annual revenue for
the first time in our company's history



CONTINUED

roll-out of F&P Airvo™ 3
and F&P 950™ System into
the United States



LAUNCHED

our F&P Nova™ Nasal mask for
treating obstructive sleep apnea
in New Zealand and Australia



SUSTAINED

momentum in anesthesia with
adoption of F&P Optiflow Switch™
and F&P Optiflow Trace™



SIGNED

construction contract for fifth
building at our East Tāmaki campus
in Auckland, New Zealand

PRODUCT GROUP OVERVIEW

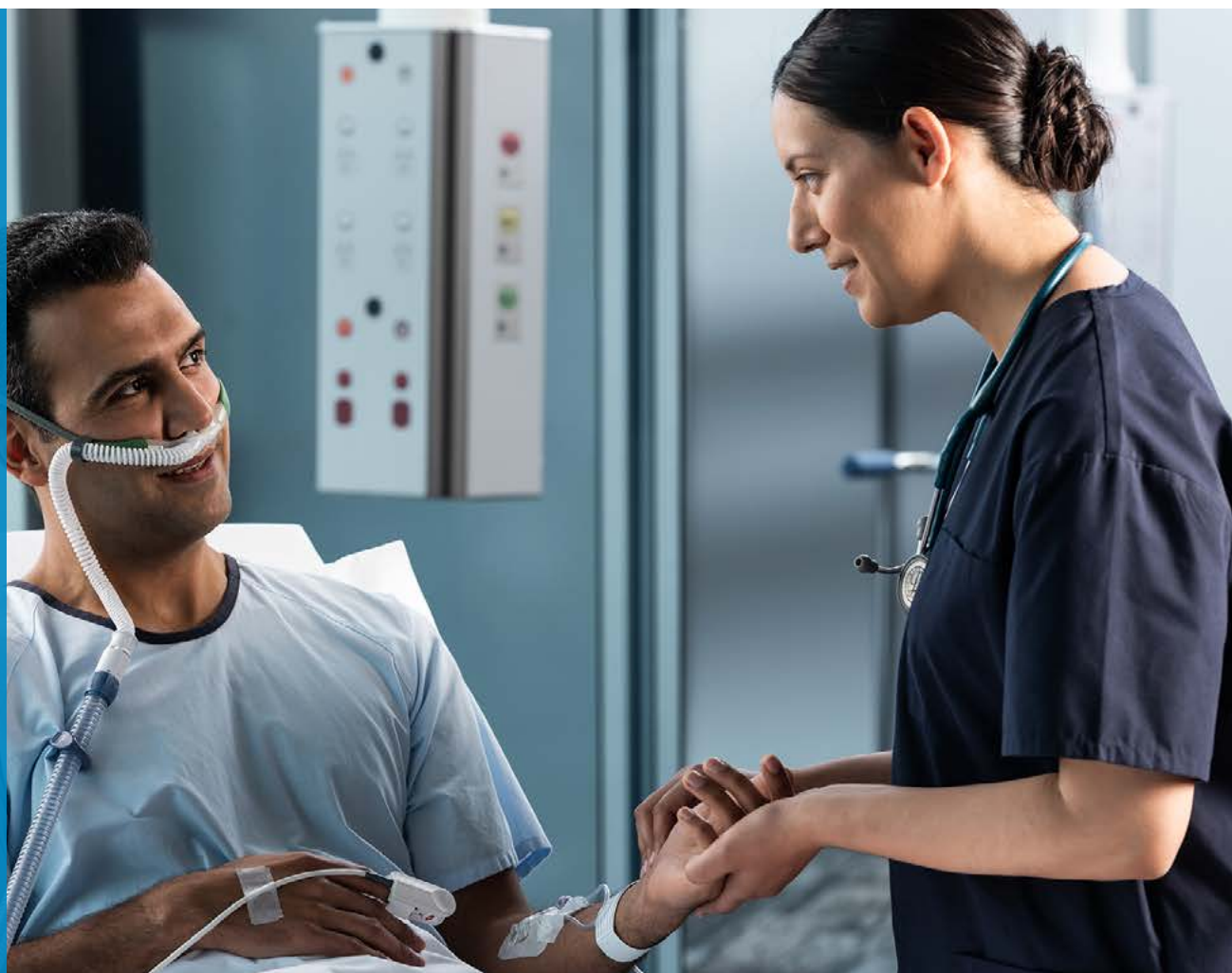
Our business is structured in two parts: Hospital and Homecare.

Hospital

Our Hospital product group includes products used in invasive ventilation, noninvasive ventilation, high flow therapy, anesthesia, and laparoscopic and open surgery. Not only do these products help healthcare providers improve patient outcomes, they often deliver economic benefits as well, by reducing the need to escalate care and shortening patient stays in hospital.

FEATURED PRODUCT

F&P Optiflow Duet



63%

OF OPERATING REVENUE

OPERATING REVENUE
▲ 18%

\$1.28B

CONSTANT CURRENCY REVENUE FROM
NEW APPLICATIONS CONSUMABLES

↑ 18%

Homecare

Our Homecare product group includes devices and systems used to treat obstructive sleep apnea (OSA) and provide respiratory support in the home. These include our CPAP therapy masks as well as flow generators, interfaces and data management technologies.

FEATURED PRODUCT

F&P Nova Micro

OPERATING REVENUE
▲ 13%

\$739.9M

CONSTANT CURRENCY REVENUE
FROM OSA MASKS

↑ **11%**

37%

OF OPERATING REVENUE

Report from the Chair

NEVILLE MITCHELL
Board Chair

The number of patients treated each year is an important measure of our progress, and last year, our products were used to treat an estimated 22 million patients.

The business also achieved a record revenue result, and I am pleased to share with you some of the highlights of the year in this report. For the full 2025 financial year, operating revenue surpassed \$2 billion for the first time. At \$2.02 billion, revenue was up 16% over the prior year, or 14% in constant currency.



Net profit after tax was \$377.2 million, up 43% or 30% in constant currency. These growth rates are against the underlying net profit after tax in the prior year, which excluded three abnormal items.

During the year, the team released a number of key hospital products into additional markets and launched new masks for treating obstructive sleep apnea.

Board update

Following Scott St John's retirement last August, I took up the role of Chair. It is truly a privilege to lead the Board and contribute to this company's growth and success. To fill the vacancy left by Scott St John, Mark Cross joined the Board as an independent director, and he was appointed to chair the Audit & Risk Committee. With eight directors, our Board is at full strength, and we have a strong mix of skills among our members. We will continue to prioritise identifying strong candidates for the future.

One of the Board's responsibilities is to oversee the company's long-term and annual plans for delivering sustainable, profitable growth. This includes regular reviews of strategy documents and global policies that set out the company's intentions and 'fundamentals' – the guiding principles and business practices that enable those intentions.

During the 2025 financial year, we reviewed policies related to our people, digital technology, corporate governance, product quality and regulatory compliance, and sales. We conducted deep-dives into health and safety and the company's regional sales strategies, hearing directly from senior leaders responsible for these functions. The Board also discussed the company's use and governance of artificial intelligence.

Infrastructure

Another Board responsibility is to review the company's plans for growing infrastructure. In March we approved the construction contract for the fifth building on the East Tāmaki campus in Auckland. This is a purposeful investment to ensure the business continues to have the capacity and resources in New Zealand to progress its future product pipeline. The total cost of the new building is expected to be approximately \$250 million, and it is expected to be operational in 2027.

Plans are still in development for the second New Zealand campus at Karaka, Auckland. The company has submitted a plan change application for the land and is continuing to engage with the community, local government, and mana whenua to align on goals for the site. Ngāti Tamaoho, Ngāti Te Ata and Te Aakitai Waiohū supported us with cultural values assessments that formed part of the planning submission to Auckland Council.

As we mentioned in November, the company's newest manufacturing facility in China is now fully operational, and sales from this site into the local market commenced this year. Growing our capabilities in China is critical, and the Board looks forward to visiting that facility later this year.

Tariffs

In response to US tariffs, we are giving careful thought to trade policy developments in consultation with experts in this field. We would particularly like to acknowledge the valuable assistance from the New Zealand Ministry for Foreign Affairs and Trade, and New Zealand Trade and Enterprise.

Guided by one of our 'fundamentals,' we are applying long-term thinking to the challenges presented by tariffs. Our actions

will be measured and cautious, and we will manage any changes without becoming distracted from our core business. We will be guided by our principles, which include supporting our people, keeping the trust of our customers and maintaining stability in our operations.

Environmental and social responsibility

It is our view that we have a responsibility to operate this business efficiently and to demonstrate care for the company's people, customers, suppliers, local communities and the natural environment. This report includes information about those initiatives, as well as non-financial risks and opportunities. Each year we strive to enhance this reporting.

This is the second year we have published climate-related disclosures in accordance with the Aotearoa New Zealand Climate Standards. These disclosures are mandatory for listed companies to help ensure that the effects of climate change are routinely considered in business and investment decisions. Every year we aim to refine and improve these disclosures, and our environmental sustainability and social responsibility performance is a standing item on the agenda for the Board's Audit & Risk Committee.

We believe in supporting the local communities where we have a large presence. Our community activities focus on three key areas – health, education and the environment – and a summary of the past year's achievements are included in this report. In New Zealand, our community support is largely coordinated and funded by the Fisher & Paykel Healthcare Foundation. Our global offices organised additional activities in their local communities during the 2025 financial year.

Dividend

For the second half of the year, the Board has approved a final dividend of 24 cents per share. This takes the total dividend for the year to 42.5 cents per share, an increase of 2% over the previous full year. The final dividend, carrying full New Zealand imputation credit, will be paid on 4 July 2025 with a record date of 24 June 2025. Given the company's strong financial performance, the dividend reinvestment plan remains suspended, and the dividend will be paid in cash.

Thank you

Our company's purpose – improving care and outcomes – is brought to life by the people of Fisher & Paykel Healthcare, who now number over 7,500 around the world. To recognise their contribution, the Board has approved a profit-sharing payment totalling \$15 million for the full year, to be shared among everyone who has worked for the company for a qualifying period.

On behalf of all our directors, I want to thank the employees of Fisher & Paykel Healthcare for their diligence and determination, and for living out the F&P values – life, relationships, internationalism, commitment and originality.

This is an extraordinary company positioned well for the future. I want to acknowledge everyone who supports our success – our clinical partners, suppliers, customers, and you, our shareholders. Your investment fuels a business making a positive difference for patients in more than 120 countries.



Neville Mitchell
Board Chair

Report from the Managing Director & Chief Executive Officer

LEWIS GRADON

Managing Director and Chief Executive Officer

Our strategy for sustainable, profitable growth has been consistent for years. Our ‘fundamentals’ guide the way we execute it.

During the 2025 financial year, we stayed focused on our strategy and fundamentals, and we achieved an excellent result, with operating revenue of more than \$2 billion for the first time in our history.

Compared to the 2024 financial year, revenue was up 16%, or 14% in constant currency. Net profit after tax for the 2025 financial year was \$377.2 million, up 43% or 30% in constant currency, over underlying net profit for the previous financial year.

Our Hospital product group result was pleasing across the portfolio, including in noninvasive ventilation, Optiflow for both respiratory and anesthesia patients, and invasive ventilation. Hospital revenue was \$1.28 billion, an 18% increase compared to the previous year, or 16% in constant currency. New applications consumables sales were up 20%, or 18% in constant currency, driven by changing clinical practice.

Our Homecare product group, which includes devices for home use and masks for obstructive sleep apnea (OSA), also delivered solid growth. Revenue for this product group was \$739.9 million, up 13% from the previous year, or 11% in constant currency. OSA masks revenue was up 14% for the year, or 11% in constant currency; we saw strong growth in the nasal and pillows categories where we launched new masks.

We remain committed to reaching our gross margin target of 65%, and over the previous two financial years, we achieved incremental improvements. For the 2025 financial year, gross margin increased to 62.9%, or an improvement of 129 basis points, in constant currency underlying performance.



Fundamentals

Back in November, we opened our report to shareholders by referring to our 'fundamentals' – basic principles that underpin the way we work, collaborate and make decisions. It is fundamental, for example, that we put the patient first in everything we do.

Some of the 'fundamentals' of our business relate to product development. The products we deliver must have unique, customer-valued benefits – products that not only improve but transform clinical practice. This starts with a deep understanding of patient care and the problems that need solving.

Understanding problems and finding better solutions requires a consistent commitment to research and development (R&D), so we cannot be complacent. During the 2025 financial year, we invested \$226.9 million into R&D.

Medical products must be approved in the market in order to benefit patients, and meeting the regulatory requirements in individual regions happens over time. During the 2025 financial year, we launched the F&P Airvo™ 3 and the F&P 950™ System in the United States, and we increased the adoption of our anesthesia products, F&P Optiflow Switch™ and F&P Optiflow Trace™. We also expanded our portfolio of masks for treating OSA, launching the F&P Nova Micro™ mask in April 2024 and the F&P Nova™ Nasal mask in March 2025. With the introduction of these products, we are strengthening our position as leaders in mask innovation.

The products we deliver must have unique, customer-valued benefits – products that not only improve but transform clinical practice. This starts with a deep understanding of patient care and the problems that need solving.

Clinical evidence

Some of our 'fundamentals' apply to clinician relationships – we seek to work with clinicians who are the best in their field. Key opinion leaders not only help us understand problems, they also evaluate the effectiveness of our therapies and contribute to the body of clinical evidence supporting them.

In December 2024, the Journal of the American Medical Association published the results of the largest randomised clinical trial comparing the use of nasal high flow therapy with noninvasive ventilation. Led by Dr Israel Maia, a leading critical care physician, the study's findings support the use of nasal high flow as a safe and effective alternative to noninvasive ventilation in most causes of acute respiratory failure. In about a third of cases, nasal high flow therapy was initiated in the emergency department, showing its usefulness as a first-line or bridge therapy while clinicians determine the underlying cause of respiratory failure.

Looking ahead

While we cannot fully anticipate the short-term challenges, we will continue to rely on the fundamental principles that have guided this business for decades. We know that healthcare systems around the world need to treat more patients with limited resources. We believe our products and therapies help them solve that problem. So, we will focus on doing what's right to support our customers and deliver world-leading healthcare solutions.

I am pleased with our performance this year, and I am grateful to our people, whose constant efforts at continuous improvement made it possible. To our clinical partners, customers, suppliers, community members and shareholders, I thank you for your support and confidence.



Lewis Gradon
Managing Director and
Chief Executive Officer



THE COMPANY



Our company

Fisher & Paykel Healthcare is a leading designer, manufacturer and marketer of products and systems for use in acute and chronic respiratory care, surgery and the treatment of obstructive sleep apnea.

Established in New Zealand in 1969, our business was built on a vision to emulate the body's natural humidification processes. It all started with Dr Matt Spence, an intensive care specialist at Auckland Hospital, who noticed his patients on mechanical breathing machines were suffering from dry and infected tracheas.

For help solving the problem, he turned to Alf Melville, a government electrical engineer, and Dave O'Hare, a senior engineer with appliances company Fisher & Paykel Industries. The three collaborated to find an innovative solution, and the result was a prototype humidifier made from a humble fruit preserving jar, which was then designed and manufactured by a small team at Fisher & Paykel Industries.

The first respiratory humidifier was sold in 1970 and was marketed internationally.

By 1990, the medical division of Fisher & Paykel Industries had been renamed Fisher & Paykel Healthcare, and its annual sales had grown to \$29 million.

In 2001, the appliances business divested, and Fisher & Paykel Healthcare became a separate company listed on the New Zealand and Australia stock exchanges.

Over time, the Fisher & Paykel Healthcare portfolio has expanded to other clinical applications, including products for noninvasive ventilation, high flow therapy, surgery and the treatment of obstructive sleep apnea.

Our medical devices and technologies help clinicians deliver the best possible patient care in over 120 countries worldwide. They enable patients to transition into less-acute care settings, recover more quickly and avoid more serious conditions.

OUR GROWTH OVER THE YEARS

1969	1977	2000	2001	2009	2016	2020	2022	2023	2025
First respiratory humidifier prototype developed	Medical division of F&P Industries established	New Zealand headquarters inaugurated at East Tāmaki, Auckland	F&P Healthcare separately listed on NZX and ASX	Tijuana, Mexico manufacturing facility set up	10 million patients treated with F&P products this year	F&P products help fight COVID-19 pandemic	Land acquired for second NZ campus in Karaka, Auckland	Guangzhou, China manufacturing facility established	22 million patients treated with F&P products this year

OUR ANNUAL REVENUE MILESTONES (NZ\$)



Our culture, values and beliefs

We have a culture of Care by Design, which is a simple way of expressing the care and intentionality we put into everything we do — our relationships, our decisions and our daily interactions with customers. We believe that if we focus on delivering what is best for the patient, we will be successful.

OUR VALUES



Life

We relentlessly focus on improving patients' lives and strive to provide a high quality of life for our employees.



Relationships

We care for our patients, customers, suppliers, shareholders, the environment and each other.



Internationalism

We are global in people, in thinking and in behaviours.



Commitment

We value people who are self-motivated and have a desire to make a real contribution.



Originality

We encourage original thinking which leads to the innovative solutions required to create better products, processes and practices.

OUR BELIEFS



We believe in doing what is best for the patient.



We believe the commitment to doing the right thing is what our customers will find compelling.



We believe that empathy, effectiveness and efficiency are essential to our success.



We believe our people are our strength.



We believe lessons learned are the cornerstones of innovation.



We believe in the need to be relentless in the pursuit of healthcare innovation.

How our business works

RESEARCH & DEVELOPMENT

Our R&D is based in New Zealand. The team works extensively in hospitals, and with patients and clinicians, in order to develop better technology that enhances patient care.

PATIENTS

Each year millions of patients are treated with our products in over 120 countries. Seeking to understand our patients' needs is what drives our R&D programme.

CUSTOMERS

We work with thousands of healthcare professionals, including doctors, clinicians and nurses, providing them the products and tools to deliver the best possible care. Our products are sold either direct to customers or through distributors. Our largest markets by revenue are North America, Europe and Asia Pacific.



The needs of our customers and their patients drive everything we do.
We call this **Care by Design**.

THERAPIES

The majority of our operating revenue is from products and systems used in hospitals in invasive ventilation, noninvasive ventilation, high flow therapy, anesthesia and surgery. The remainder is from products used in home environments to treat patients suffering from obstructive sleep apnea and those in need of respiratory support.

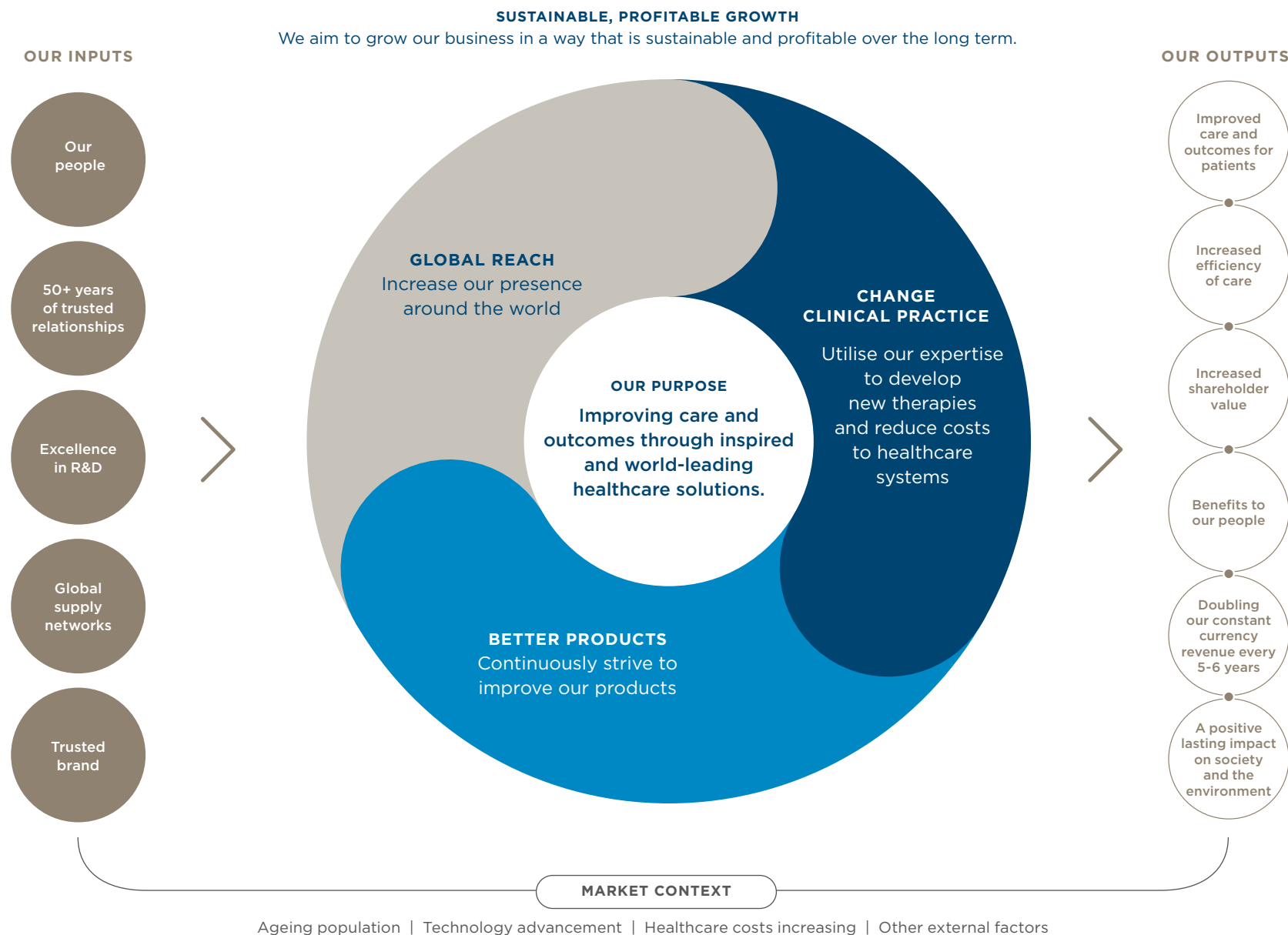
MANUFACTURING

We manufacture our products in New Zealand, North America and China. The co-location of engineering, quality, manufacturing, marketing and clinical teams facilitates collaboration and an awareness of the medical device process from concept and design right through to how our products are used by patients.

SUPPLY CHAIN

We have distribution centres located around the world and a network of distributors. We prioritise sustainable and cost-effective methods of transportation. We source materials from all over the world and look for socially responsible partners to support our growth.

How we deliver value



What matters most

Investors and other stakeholders are increasingly using non-financial information on other material topics to make decisions. Those include trends and risks that could affect a company's long-term value, such as climate change, as well as the economic and social impacts of doing business.

During the 2024 financial year, we worked with an independent consultant, thinkstep-anz, to update and validate our assessment of material topics. Thinkstep-anz obtained feedback by conducting surveys with internal and external stakeholders, including our Board, senior managers, investors, suppliers, customers and clinicians. Participants were asked to assess a selection of material topics and rank their importance to F&P. We also considered our unique business risks, the United Nations Sustainable Development Goals, and feedback we receive through regular interactions with customers, clinicians, suppliers and investors. In this exercise, we added a new material topic: 'climate-related business risk', which is defined

as understanding and adapting to impacts that Fisher & Paykel Healthcare might experience in a changing climate and transition to a low-carbon economy.

This resulted in an updated materiality assessment informed by the principles of the 2021 GRI Sustainability Reporting Standards. Within this framework, 'materiality' differs from financial and audit interpretations and NZX/ASX definitions of material information.

The five topics of highest interest were: patient safety; product quality; employee health, safety and wellbeing; innovation; and sustainable financial performance. These are shown in the upper right quadrant of our materiality matrix.

OUR STAKEHOLDERS



EMPLOYEES



CUSTOMERS



INVESTORS



CLINICIANS



SUPPLIERS



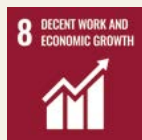
COMMUNITIES

Materiality matrix



Sustainable development goals

Fisher & Paykel Healthcare supports the United Nations Sustainable Development Goals. We have identified three goals where we believe we can make a positive difference in order to achieve a more sustainable future for all. The goals we are most closely aligned with are Goal 3, Goal 8 and Goal 12, and our contributions are outlined in this section.



GOAL 3:**Ensure healthy lives and promote wellbeing for all at all ages**

UN SDG target	UN key indicators	Our contribution
3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing.	Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease.	Our Optiflow™ nasal high flow therapy is a first-line treatment for patients suffering from respiratory disease, including being used both pre-intubation and post-extubation. More than seven million patients were treated with our Optiflow therapy over the past year.
3.6 By 2020, halve the number of global deaths and injuries from road traffic accidents.	Death rate due to road traffic injuries.	Hundreds of millions of people suffer from obstructive sleep apnea (OSA) globally, and the associated daytime fatigue creates significant risk for drivers – there are clinically proven links between these conditions and traffic accidents. Our range of OSA masks are used by millions of patients around the world for a better night's sleep.
3.7 Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all.	Coverage of essential health services (defined as the average coverage of essential services based on tracer interventions that include reproductive, maternal, newborn and child health, infectious diseases, non-communicable diseases and service capacity and access, among the general and the most disadvantaged population).	The use of our Optiflow™ nasal high flow therapy has often been shown to reduce the escalation of patient care, resulting in not only better outcomes for the patient but also reducing cost and capacity constraints for healthcare providers.

GOAL 8:**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

UN SDG target	UN key indicators	Our contribution
8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.	Annual growth rate of real GDP per employed person.	We are a major proponent of research and development and in the 2025 financial year invested 11% of annual revenue into R&D. We have more than 950 people engaged in clinical research and product and process development – they are primarily engineers, scientists and physiologists.
8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.	Proportion of informal employment in total employment, by sector and sex.	We are a significant employer, with a team of 7,440 permanent and 95 temporary employees (as at 31 March 2025). We are an equal opportunity employer that values workplace diversity. Of our full-time permanent employees, 55% are women and 45% are men.

GOAL 12:**Ensure sustainable consumption and production patterns**

UN SDG target	UN key indicators	Our contribution
12.2 By 2030, achieve the sustainable management and efficient use of natural resources.	<p>Material footprint, material footprint per capita, and material footprint per GDP.</p> <p>Domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP.</p>	<p>Aligned with the goals of the Paris Agreement to limit global warming to 1.5 degrees Celsius, we have set science-based targets for our Scope 1 and 2 emissions. We are also working with our suppliers to set their own targets. We recognise the overall importance of water and other natural ecosystems. Across our New Zealand and Mexico sites, we apply good water stewardship practices such as rainwater harvesting and closed-loop water systems, and have established a water re-use plant at our Tijuana facility.</p>
12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	<p>National recycling rate, tons of material recycled.</p>	<p>In the 2025 financial year, we diverted 1,694 tonnes of waste from landfill globally. Our recycling efficiency rate was 53%. Through our Ecodesign initiatives, we intend to embed environmental considerations into product development as a means of minimising the environmental impacts of a product throughout its full life cycle.</p>

Our Board



Neville Mitchell

Chair and non-executive director

TERM OF OFFICE:

Appointed November 2018, last re-elected 24 August 2022. Appointed Chair on 28 August 2024.

Neville was Chief Financial Officer and Company Secretary of Cochlear Limited between 1995 and 2017. He is a director of Sonic Healthcare and Sigma Healthcare, and a former director of The Board of Tax, South Eastern Sydney Local Health District, Osprey Medical and Sirtex Medical. Previously, he served on the New South Wales Medical Devices Fund, was Chairman of the Group of 100, and Chairman, Standing Committee (Accounting and Auditing) for the Australian Securities and Investments Commission.

Bachelor of Commerce

COMMITTEE RESPONSIBILITIES:

Member, Audit & Risk Committee

Member, People & Remuneration Committee

Member, Quality, Safety & Regulatory Committee



Lewis Gradon

Managing Director and Chief Executive Officer

TERM OF OFFICE:

Appointed 1 April 2016, last re-elected 24 August 2022.

Lewis became Managing Director and Chief Executive Officer in April 2016. Prior to that, he spent 15 years as Senior Vice President – Products & Technology, and six years as General Manager – Research & Development. During his 42-year tenure with Fisher & Paykel Healthcare, he has held various engineering positions overseeing the development of our range of products as well the development of our manufacturing, quality, intellectual property, supply chain and clinical research functions.

Bachelor of Science – Physics



Mark Cross

Non-executive director

TERM OF OFFICE:

Appointed October 2024.

Mark chairs the board of Chorus and is a director of Xero. He is a board member of Accident Compensation Corporation (ACC) and chair of the ACC Investment Committee. He is a former chair of Milford Asset Management and a former director of Z Energy, Genesis Energy and Argosy Property. Mark previously held executive investment banking positions with Deutsche Bank and Lloyds Corporate Finance/Southpac Corporation, where he was an advisor to companies across a range of sectors. He is a member of Chartered Accountants Australia and New Zealand.

Bachelor of Business Studies – Accounting and Finance

COMMITTEE RESPONSIBILITIES:

Chair, Audit & Risk Committee



Sir Michael Daniell

Non-executive director

TERM OF OFFICE:

Appointed November 2001, last re-elected 28 August 2024.

Mike was Managing Director and Chief Executive Officer of Fisher & Paykel Healthcare from 2001 to 2016. He was General Manager of Fisher & Paykel's medical division from 1990 to 2001 and previously held various technical management and product design roles within the company. Mike is a director of Cochlear Limited, Tait International Limited and the Medical Research Commercialisation Fund. Sir Michael was named a Knight Companion of the New Zealand Order of Merit in June 2021.

Bachelor of Engineering (Hons)

COMMITTEE RESPONSIBILITIES:

Chair, Quality, Safety & Regulatory Committee

Member, People & Remuneration Committee



Pip Greenwood

Non-executive director

TERM OF OFFICE:

Appointed June 2017, last re-elected 29 August 2023.

Pip is chair of both Westpac New Zealand Limited and The a2 Milk Company Limited. She was previously a director of Vulcan Steel and Spark New Zealand and served as a member of the New Zealand Takeovers Panel from 2007 to 2011. Pip was a partner at Russell McVeagh between 2001 and 2019 and served as the firm's board chair.

Bachelor of Laws

COMMITTEE RESPONSIBILITIES:

Member, Audit & Risk Committee
Member, People & Remuneration Committee



Dr Lisa McIntyre

Non-executive director

TERM OF OFFICE:

Appointed October 2021, elected 24 August 2022.

Lisa is a director of The University of Sydney, Studiosity, Nanosonics and Baymatob. She has previously been a director of a range of health entities, including those in healthcare insurance, clinical service delivery and medical research and innovation. Lisa spent 20 years as a senior strategy partner with LEK Consulting providing advice to companies in North America, Asia and Australia.

PhD Physical Chemistry, Bachelor of Science – Biochemistry and Pure Maths

COMMITTEE RESPONSIBILITIES:

Chair, People & Remuneration Committee
Member, Audit & Risk Committee



Graham McLean

Non-executive director

TERM OF OFFICE:

Appointed October 2023, elected 28 August 2024.

Graham is chair of both CleanSpace Technology and Universal Biosensors. He previously spent 16 years as an executive at leading medical device manufacturer Stryker Corporation, most recently as President of the Asia Pacific region situated in Hong Kong and Singapore. Prior to joining Stryker, Graham had finance, audit and commercial positions at Lion Nathan, McVitie's and Unilever.

Bachelor of Science – Geography

COMMITTEE RESPONSIBILITIES:

Member, Audit & Risk Committee



Dr Cather Simpson

Non-executive director

TERM OF OFFICE:

Appointed June 2022, elected 24 August 2022.

Cather is a professor of physics and chemical sciences at the University of Auckland, CEO of Orbis Diagnostics and a partner at Pacific Channel, with expertise in lasers and photonics. She is Vice President of the International Society for Optics and Photonics (SPIE) and a member of the Academy Executive Committee of the Royal Society Te Apārangi. Cather is a co-founder of three hard-tech start-ups, including Engender Technologies, where she served as Chief Science Officer from 2011 to 2021. She founded and directed the Photon Factory at the University of Auckland in 2010.

PhD Medical Sciences, Bachelor of Arts – Interdisciplinary Studies

COMMITTEE RESPONSIBILITIES:

Member, Quality, Safety & Regulatory Committee

Our Executive Management Team



Lewis Gradon

Managing Director &
Chief Executive Officer

Lewis became Managing Director & Chief Executive Officer in April 2016. Prior to that, he spent 15 years as Senior Vice President – Products & Technology, and six years as General Manager – Research & Development. During his 42-year tenure with Fisher & Paykel Healthcare, he has held various engineering positions overseeing the development of our range of products as well as the development of our manufacturing, quality, intellectual property, supply chain and clinical research functions. He received his Bachelor of Science degree in physics from the University of Auckland, New Zealand.



Lyndal York

Chief Financial Officer

Lyndal was appointed Chief Financial Officer in March 2019. Before joining Fisher & Paykel Healthcare, Lyndal was CFO at Asaleo Care and prior to this held Head of Group Finance and Group Financial Controller roles at Cochlear in Australia over an 11-year period. She has also spent time in the US, as VP Corporate Accounting and Reporting at Edwards Lifesciences. Lyndal is a member of Chartered Accountants Australia and New Zealand and a graduate of the Australian Institute of Company Directors. She received her Bachelor of Economics degree from Macquarie University, Australia and Master of Business Administration degree from Pepperdine University in the United States.



Dr Andrew Somervell

Vice President
– Products & Technology

Andrew was appointed Vice President – Products & Technology in April 2016. Since joining Fisher & Paykel Healthcare in 2006, he has held various product development and operations management roles, and most recently was General Manager – Product Groups. He has overseen the development of the OSA product range and managed research and development, marketing, clinical, manufacturing, and aspects of the supply chain. Before joining Fisher & Paykel Healthcare, Andrew was a Research Fellow at the University of Auckland, New Zealand, and holds a doctorate in physics from the same university.



Justin Callahan

Vice President
– Sales & Marketing

Justin was appointed Vice President – Sales & Marketing in April 2024. He has held several roles in sales management after joining Fisher & Paykel Healthcare in Australia in 1988. Justin took up the mantle as President – North America in 1996, delivering significant revenue and earnings growth in our largest market during his tenure. Most recently, Justin served as President – North America & Europe.



Andy Niccol

Chief Operating Officer

Andy was appointed Chief Operating Officer in April 2024. Prior to that, he served as General Manager – Respiratory Humidification from October 2020 and General Manager – Infant Care from December 2015 to September 2020. Andy has held a number of roles spanning research and development, sales and global original equipment manufacturer (OEM) partnerships, since joining Fisher & Paykel Healthcare in 2001. Andy received his Bachelor of Engineering (Mechanical) degree with honours from the University of Auckland, New Zealand.



Winston Fong

Vice President
- Surgical Technologies

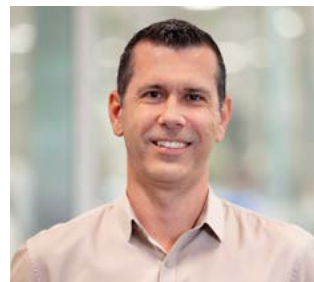
Winston was appointed Vice President - Surgical Technologies in February 2017. Winston previously served as Vice President - Information & Communication Technology from 2010 and has held various IT management, product and software development, and systems engineering roles in the business since 1999. Winston received his Bachelor of Engineering degree with honours in Electronics & Computer Engineering from Manukau Institute of Technology and Master of Business Administration degree from the University of Auckland, New Zealand.



Brian Schultz

Vice President - Quality,
Safety & Regulatory Affairs

Brian was appointed Vice President - Quality, Safety & Regulatory Affairs in 2015. Brian previously served as Quality Manager for New Zealand Manufacturing since joining the company in 2011. Prior to joining Fisher & Paykel Healthcare, Brian held quality management positions within the medical device and pharmaceutical industries in Australia, Switzerland, United Kingdom and the United States. He received his Bachelor of Science degree from Grand Valley State University in the United States.



Nicholas Fourie

Vice President - Information &
Communication Technology

Nicholas was appointed Vice President - Information & Communication Technology in February 2017. Nicholas has been with Fisher & Paykel Healthcare since 2007, and in that time has held various systems engineering and ICT management roles, including his most recent position as ICT Manager - Development & Engineering. Prior to joining Fisher & Paykel Healthcare, he worked for the South African division of BHP Billiton. Nicholas holds a Diploma in Computer Engineering from Damelin School of Information Technology in South Africa.



Marcus Driller

Vice President - Corporate

Marcus was appointed Vice President - Corporate in February 2019. Marcus joined Fisher & Paykel Healthcare in 2009 as an in-house lawyer and since that time has held several roles in legal, investor relations and communications and most recently as General Manager - Corporate. Prior to joining the company, he worked for New Zealand law firm Russell McVeagh where he specialised in corporate and commercial law. Marcus received his Bachelor of Commerce and Bachelor of Laws degrees from the University of Auckland, New Zealand.



Nicola Talbot

Vice President
- Human Resources

Nicola was appointed Vice President - Human Resources in October 2020. She has more than 20 years of experience with Fisher & Paykel Healthcare. She worked with our International Sales team for 14 years and was appointed to the role of General Manager - Human Resources (International Sales) in 2017. She holds a Bachelor of Management Studies with honours in Human Resources and Marketing from the University of Waikato, New Zealand.



Jonti Rhodes

Vice President – Network Design, Facilities, Infrastructure & Sustainability

Jonti was appointed Vice President – Network Design, Facilities, Infrastructure & Sustainability in April 2025. Prior to that, he served as Vice President – Supply Chain, Facilities & Sustainability from April 2022, having joined the Executive Management team in 2015. Jonti joined Fisher & Paykel Healthcare in 2007 as a product design engineer, and since that time has held several roles, both in New Zealand and the United States. He holds a Bachelor of Engineering (Mechanical) from Auckland University of Technology and a Master of Business Administration from the University of Auckland, New Zealand.



Raelene Leonard

General Counsel & Company Secretary

Raelene was appointed General Counsel in March 2019, assumed Company Secretary responsibilities in October 2021 and joined the Executive Management team in April 2024. She joined Fisher & Paykel Healthcare in 2016, bringing with her a wealth of legal experience gained across Asia Pacific and Europe. Raelene received her Bachelor of Laws and Bachelor of Commerce degrees from Victoria University of Wellington, New Zealand.



Desh Edirisuriya

General Manager – New Zealand Operations

Desh was appointed General Manager – New Zealand Operations and joined the Executive Management team in April 2024. He has been with Fisher & Paykel Healthcare since 2000. Over that time, Desh has held various roles in business excellence, manufacturing operations and product development, including leading the company's response to COVID-19 and embedding our culture of continuous improvement. Most recently, he served as General Manager – NZ Manufacturing Operations & Business Excellence. Desh holds a Bachelor of Engineering (Mechanical) from the University of Auckland, New Zealand.

OPERATING SUSTAINABLY



People

Our purpose is brought to life by our people every day. We invest in good people who want to make a positive lasting impact – people who value long-term relationships, innovation and human connections.

In this section we highlight some of the ways we enable a positive and inclusive culture, empower our people to keep growing their knowledge and skills, and provide a safe, healthy and enjoyable work environment. This year our commentary focuses mainly on our largest manufacturing operations which are in New Zealand and Mexico.



Talent attraction

Our goal is to be an employer of choice, attracting good people who care to make a difference and grow with us over the long term. We believe in giving employees every opportunity to learn, grow and advance toward their full potential. We seek to build a team of good people doing good work with intent.

As a global employer in the medical device industry, our talent strategy is aimed at attracting and retaining good people across a range of business areas including engineering, technical, clinical, quality, manufacturing, supply chain, sales and shared services.

Early careers programme

Building our talent pipeline starts with growing our early careers programme to support our long-term people needs. This involves recruiting interns and recent university graduates alongside increasing awareness of science, technology, engineering and mathematics (STEM) in schools. During the 2025 financial year, we intentionally increased STEM advocacy by hosting site tours for key high school groups and participating in specific STEM-based high school careers expos.



Our people engaging with students during the careers expo by the Engineering Society at the University of Canterbury.

Our efforts to recruit interns and graduates this year included participating in careers events at educational institutions around New Zealand and a social media campaign across diverse channels to increase awareness of our brand.

During the 2025 financial year, we took part in 17 careers events, sponsored three university clubs, and hosted key groups and university representatives for tours to further strengthen our partnerships.

We welcomed over 170 summer interns and recent graduates across many areas of our business in New Zealand, and 70% of our graduate roles this year were filled by previous interns. Eight of our interns joined us through our partnerships with First Foundation and Pūhoro STEMM Academy.

We continued to make our recruitment process more inclusive, working closely with our rainbow and neurodiversity employee-led networks and offering candidates choices of video, audio or text to submit their applications.

Growing our talent

Our people are well-versed in our ways of working and aligned with our culture and values, so we encourage internal applications for our vacancies across the business. This approach provides valuable growth opportunities for our people and enables them to contribute over the long term.

We also advertise vacancies externally to recruit new employees to the business. Some roles do require a broader reach to attract specialised skillsets from overseas markets, particularly at the mid-senior level, with a background in medical devices. In such cases, we also engage with top talent overseas and continue to attract highly qualified candidates. With a strong employer brand and accreditation under the New Zealand Accredited Employer Work Visa scheme, we successfully source global talent and support migrants to settle in New Zealand.

In manufacturing, our selection process for assemblers includes candidates completing a series of technical tasks at our assessment centres in New Zealand and Mexico.

Sales and distribution is another strategic focus for recruitment, and we have talent sourcing teams in our regional sales offices focused on finding the right people to fulfil a variety of local sales, distribution and operational roles.

Retaining our people

Our commitment is to provide our people with ways to learn, develop and progress their careers, and reward them for their contribution over the long term. We understand that people's needs and goals can be different, and we consider retention activities specific to the needs of our people and in line with our culture.

In the 2025 financial year, 28% of open roles at our New Zealand campus were filled by existing employees. Globally, employee turnover was down compared with the previous financial year, as shown in the tables on page 44.

Learning and development

Our approach to learning and development is underpinned by a culture of coaching that enables and supports our people to continuously grow their knowledge and skills to realise their full potential. Incorporating a blend of experiential learning, online learning, workshops and self-paced development activities, we encourage learning for everyone.

This year, our focus was on developing learning experiences for our people when and where they need to build their capabilities – learning in the moment. Examples include self-paced learning for coaching, explainer videos for manufacturing procedures and technical induction modules for quicker retention and competency. We believe this contributed to better employee retention and reduced time spent in traditional classroom environments.

Over the 2025 financial year, our investment in digital technologies and collaboration with subject matter experts helped us deliver tailored learning programmes to fulfil technical and business needs. In addition, we improved efficiency and saved time and resources by digitising formerly paper-based learning assessments in New Zealand and bringing them into one platform.

Employee development

We believe in empowering each individual to take ownership of their learning. Throughout their careers, we provide our people with opportunities to continue learning and earning qualifications. Learning options include general workplace skills, digital skills, technical qualifications, clinical education and formal diplomas and degrees. One of the initial learning opportunities is our welcome induction, where new hires gain essential knowledge about our

purpose, values, policies, and requirements for working in a medical device company.

Below are some highlights from the 2025 financial year.

- We inducted 1,191 new employees and contractors across our New Zealand and Mexico campuses.
- Salaried employees in New Zealand, Mexico and international sales completed a total of 51,000 hours of formal learning.
- 63 recent graduates in New Zealand completed our graduate experience programme, with sessions on our products and business, networking, design thinking, teamwork, and diversity, equity and inclusion.
- 214 Mexico employees completed cross-skills training across different manufacturing processes.

LEARNING & DEVELOPMENT

51k

HOURS OF FORMAL LEARNING by salaried NZ, Mexico & global sales people

1,191

NEW STARTERS inducted in NZ & Mexico

214

CROSS-SKILLS trained in Mexico





Employees in specialised technical areas, including process engineers, machine operators and maintenance technicians, received training to boost their capability in engineering, maintaining and operating injection moulding machines in both New Zealand and Mexico. Some of our people in New Zealand gained external qualifications in management, electrical inspection and project management.

Some of our Mexico team members gained qualifications including the ISO 13485 Lead Audit certification, and the ECO217 training certification awarded by the National Council for the Standardisation and Certification of Labour Competencies. Several employees also graduated with high school diplomas completed through the Open High School programme in Mexico, which empowers our people to continue and complete their school education.

Partnerships with universities

We work with local universities to enable our people to gain valuable qualifications relevant to their roles, while continuing to work.

In New Zealand, we have a long-standing partnership of over 14 years with the University of Auckland for their Master of Medical Engineering degree. The programme comprises taught papers and a research project exploring medical issues and therapies. This year, we sponsored 11 employees to complete this degree, and seven of our engineers also provided teaching services.

In Mexico, we partnered with Tecmilenio University, CESUN University and CETYS University, supporting 18 employees to complete their degrees in industrial engineering, customs and logistics, business administration, organisational psychology and public accounting.



Graduates celebrating their achievements at our Mexico campus.

Building digital literacy

As part of our commitment to enabling our people to contribute over the long term, we offer a digital skills learning programme for our manufacturing and site operations teams in New Zealand. This customised programme includes courses on essential office and collaboration software, data privacy and security, and our approach to digital technology.

This programme is an important element in building cross-functional capability and our people's readiness for a broad range of career pathways. Participants gain digital competence and confidence to complement their business knowledge, and this often encourages them to progress their careers. Among the employees who completed the programme this year, 94% reported growth in their digital skillset.



Participants learn about our Digital Technology Policy as part of the digital skills learning programme.

Leadership development

Our leaders play an important role in helping to embed our culture and our ways of working. To enable this, we invest in developing new and experienced leaders with coaching, resources and tools delivered through conversations, classroom-based learning, workshops and online platforms.

Below are some highlights of our efforts in leadership development for the 2025 financial year:

- In New Zealand more than 600 people accessed customised, formal leadership learning on topics such as strategy, resilience, courageous conversations, emotional intelligence and continuous improvement.
- 110 managers and team leaders accessed training developed in-house on having meaningful conversations to build trusted relationships.
- Leaders in Mexico completed an Executive Coaching certification course focused on developing leadership competencies and achieving measurable results.
- We hosted our second annual conference for senior manufacturing managers, bringing 40 leaders together to discuss coaching, diversity, equity and inclusion, and continuous improvement.
- We hosted global forums that help senior leaders across our offices understand and execute our business strategy, embed our culture and learn from the experiences of their peers.



Managers in New Zealand attend a session on leadership resilience.

600+

LEADERS accessed formal leadership learning

Performance feedback

Our coaching culture is fundamental to our way of working and helping our people be better at what they do. Our focus is on leaders and their team members having regular coaching conversations, in the moment and throughout the year, to recognise recent successes and provide feedback on opportunities for improvement. These moments help to unlock solutions, embed our culture and help our people reach their full potential and contribute over the long term. These conversations guide decisions on contribution ratings and assessments, which happen formally once a year.

Rewarding our people

We aim to reward our people fairly based on individual performance and contribution, the size of their role and the market context. Employee remuneration is reviewed annually.

In addition to base remuneration, we offer a discretionary profit share scheme payable every six months. During the 2025 financial year, the total profit share pool amounted to \$15 million and was divided among employees who met the qualifying criteria.

In New Zealand, Australia, the United States and Canada, we offer an employee share purchase scheme whereby our people may purchase shares at a discount. During the 2025 financial year, over 2,600 eligible employees participated.

In certain countries, additional benefits may include superannuation, health and life insurance, and the opportunity to receive long-term variable remuneration in the form of share options, performance share rights or employee share rights. Read more in the Remuneration section on pages 80-88.

Collective bargaining agreements

Our people have the freedom of association to negotiate work relations effectively. We support sound collective bargaining practices to help ensure employees have an equal voice in negotiations and that the outcome is fair and equitable for everyone. In the 2025 financial year, over 90% of our New Zealand manufacturing and site operations employees and 61% of our Mexico manufacturing and site operations employees were covered by collective bargaining agreements.

In December 2023, Fisher & Paykel Healthcare agreed on a collective employment agreement with the representative unions in New Zealand. The agreement is effective for three years. Our Mexico team completed general collective agreement negotiations with their representative unions in January 2024, and their agreement is also valid for three years. Their pay-related collective employment agreement was finalised with the unions in January 2025 and this remains valid for a year.

Diversity, equity and inclusion

To achieve our purpose, we nurture a culture that is collaborative, open, diverse, honest and inclusive – a place where everyone can find belonging. Our approach is to embed diversity, equity and inclusion (DEI) into everything we do by implementing the following fundamentals:

- A global approach encompassing all demographics, identities, backgrounds and experiences
- High performing teams built with the best possible people, free of bias, unconscious or otherwise
- An environment where people are empowered to take an active role in DEI
- A positive and inclusive culture based on trust and respect
- Supporting brighter and healthier communities through care and collaboration.

We review the effectiveness of our DEI Procedure annually and monitor our performance against it, reporting to the Board any recommended changes to our measurable objectives, strategies or the way in which they are implemented.

In New Zealand, more than 400 of our people participated in DEI-related events, including 80 who actively supported DEI activities across the business in the 2025 financial year. We also collected feedback from our employees, including topics related to inclusion and equity to help inform our DEI initiatives.

During the 2025 financial year, we made considerable progress toward our DEI objectives and our key areas of focus are highlighted below.

Elevating role models and career paths for women in engineering

Our representation of women in engineering manager roles has increased from 4% to 15% over the last five years. We are pleased with this progress and are continuing our programmes of work to understand and address why women are under-represented in senior engineering roles.

During the 2025 financial year, a working group hosted lunch-and-learn sessions where women in engineering manager roles could connect with potential role models and learn about their career paths. Attendees said the sessions were inspiring for their career goals and gave them a stronger sense of support.



Senior manufacturing managers participated in a workshop on leading with inclusion at their annual conference in Auckland.

Developing manufacturing leaders in DEI

This year, DEI was a key focus at our annual conference for senior manufacturing managers in New Zealand operations. Participants discussed workforce demographics with regard to gender, age and ethnicity to achieve a better understanding of the diversity of their teams. The conference included a workshop on leading with inclusion. Leaders rated the session highly and left with a framework they could use to develop their skills in inclusive leadership and collaboration.

Developing recruitment practices and career paths in sales regions

In our sales regions, we enhanced our recruitment practices and developed more transparent career paths in sales using DEI strategies along with turnover analysis. In Europe and Australia, we updated our interview guides to mitigate bias and improve the experience for candidates. In North America, we identified that women are less likely to apply for senior sales roles and have started identifying initiatives to remove barriers and close that gap. In other regions, we have developed career pathways for sales management roles to help our people understand their options to progress their careers.

Strengthening employee-led networks in New Zealand

At our largest campus in New Zealand, we have several employee-led networks. Formed around shared identities and experiences, these communities include Spectra focused on rainbow inclusion, Manaaki focused on Māori language and culture, WISE focused on women in science and engineering and ReThink focused on neurodiversity.

This year's highlights for our employee-led networks included:

- Spectra and the marketing operations team worked together to update New Zealand email signature templates to enable and encourage the use of pronouns.
- Marae-based wānanga (learning, discussions and reflection) for Manaaki and our mana whenua partnerships working group to learn about Te Tiriti o Waitangi and create a shared vision for Māori employees. Mana whenua are recognised tribal groups in Auckland.
- WISE hosted workshops on financial empowerment, impostor phenomenon and breaking barriers.

Menopause Matters was launched this year – another people-led initiative that shared information and resources about menopause, which were accessed by over 600 employees. We also held information sessions on hormones and menopause with our Hei Oranga Hinengaro Mental Wellbeing Champion Network.



The Women in Science and Engineering (WISE) network hosted a learning workshop on impostor phenomenon at our New Zealand campus.

Gender pay equity

Fisher & Paykel Healthcare has been reporting on gender pay equity since 2017. Gender pay equity is about making sure people are paid fairly regardless of their gender. We continue to monitor this on a regular basis across our global locations.

Like-for-like gender pay gap

The like-for-like gender pay gap is the difference between the mean pay of men and women in like-for-like roles, therefore measuring whether men and women receive equal pay for equal work. 'Like-for-like' comparisons consider the type and size of roles and experience. We include only salaried roles in our like-for-like gender pay gap as pay rates for our people covered by a collective agreement are fixed, based on skills and position, so there is no difference in pay within like-for-like roles.

SALARIED EMPLOYEES LIKE-FOR-LIKE GENDER PAY GAP	FY2024	FY2025
New Zealand	0.7%	0.9%
International regions	4.6%	4.7%

The data in the table above reflects the like-for-like gender pay gap at a single point in time. We regularly monitor this metric and take action as needed to ensure all employees are paid fairly regardless of gender.

Overall gender pay gap – New Zealand

The overall gender pay gap for employees in New Zealand measures the difference in median pay between men and women. It does not take into account the nature of the role or the type of work done.

OVERALL GENDER PAY GAP	FY2024	FY2025
New Zealand	36%	33%

Our overall gender pay gap is shaped by the composition of our workforce, and it is influenced by the distribution of men and women across the business. At Fisher & Paykel Healthcare, a higher proportion of men occupy engineering roles while a higher proportion of women are employed in manufacturing roles.

Health and safety

Creating healthy and safe ways of working that allow our people to thrive is at the heart of how we improve the safety of work at F&P. Our approach to improving the safety of work is to grow leadership, promote employee engagement and participation, and focus on the risks that matter.

Fundamentals to achieve healthy and safe ways of working

Our goal is to work safely, effectively and reliably, empowering the people who do the work to make the right decisions and take action. People make the safety of work happen. We believe that to influence safety, we must first influence the work. We have six fundamentals that enable us to achieve this:

People are the solution: We trust our people to share ideas and come up with solutions that continuously improve the way their work is done. Leaders make it possible for work to be done in a healthy and safe way by empowering their teams.

Health & Safety is more than compliance, it is about care for our people: The focus shifts from solely meeting compliance requirements to considerations of what is required to better set people up for successful work.

Safety is the presence of positives, not the absence of negatives: We aim to learn from things that go well as much as we learn from when things don't. By celebrating success, learning from previous experience, and sharing what we do across teams and around the world, we can improve the way work is done, as well as overall work performance.

Simple, effective and efficient tools: We focus on simple, effective and efficient tools and processes that build capability and guide healthy and safe work.

Open and enabling work environments: We ensure our people are encouraged to speak up when they see opportunities for improvement. Our goal is to provide work environments that allow our people to thrive.

A fit for purpose approach: We create and continuously improve a unique approach to Health & Safety that aligns with international standards and fits our needs.

Framework for health and safety

Our global health and safety framework is aligned to ISO 45001 Occupational health and safety. The Quality, Safety & Regulatory Committee has oversight of our health and safety performance, and we regularly engage with and report to the full Board on health and safety.

Health and safety initiatives

A Safety of Work (SOW) maturity assessment tool was piloted across our global operations. This tool focuses on understanding, at an operational level, leadership capability, operational safety resilience, and the ability for frontline leaders and employees to adapt and respond to new and emerging risks experienced daily within their operations.

Six SOW maturity assessments were completed in the 2025 financial year across our operations in Australia, United States, France and New Zealand. We intend to refine our approach and embed this tool into our global operations in a sustainable manner.

In Mexico, we were recertified in the Entornos Laborales Seguros y Saludables (Safe and Healthy Workplace Environments) programme. This voluntary programme provides us with preventative strategies and actions designed to improve the health, safety and wellbeing of our people. We were also recognised by the government of Mexico for our participation in the 2024 National Day of Preparedness and Response to Chemical Emergencies (DINAPREQ).



In Mexico, our teams were recognised for participating in the 2024 National Day of Preparedness and Response to Chemical Emergencies (DINAPREQ).

Health and safety training

In the 2025 financial year, the global Health & Safety team participated in an Enabling Operational Safety Performance course. This course increased our team's capability to support and enable the business to create healthy and safe ways of working.

We also implemented training for our manufacturing team leaders and managers on rehabilitation management for employees in New Zealand. This is designed to empower our leaders to support their people recovering from illnesses and injuries safely and enable their return to sustainable work. Our goal is to embed rehabilitation processes in daily practice and to deliver this training in other business areas.

Occupational health

The Occupational Health Centres (OHCs) at our New Zealand and Mexico campuses offer a variety of services, including pre- and post-employment health checks, preventative physiotherapy treatments, rehabilitation support, travel and vaccination services, and health monitoring.

Over the 2025 financial year, the OHCs continued to empower our leaders to provide support and advice to their people, support with identifying, preventing and managing work-related injuries and illnesses, and enable our people to return to work in a timely and cost-effective manner. In Mexico, we completed medical assessments for 91% of manufacturing and distribution employees who perform manual material handling, as part of our ergonomic assessment programme.

At our Tijuana campus, we held multiple health promotion campaigns during the 2025 financial year for our people. These included clinical health checks, eye checks, cervical and breast cancer screening and influenza vaccinations. We organised a Health and Wellness Day for our employees and their families, which included a sports rally and a two-kilometre run, as part of our efforts to promote physical activity and encourage healthy habits.

Health and safety data

INJURY RATES BY YEAR (per million hours worked)

Injury Rates	2024	2025
TRIFR ¹	3.37	3.42
LTIFR ²	2.65	2.76

1 Total recordable injury frequency rate

2 Lost time injury frequency rate

INJURY RATES (per million hours worked) AND SEVERITY

	New Zealand		Mexico		Rest of World	
	2024	2025	2024	2025	2024	2025
TRIFR	6.71	5.95	0.00	0.97	1.51	3.30
LTIFR	5.47	4.99	0.00	0.97	0.75	1.83
Fatality	0	0	0	0	0	0
Serious injury	0	0	0	0	0	0
Lost time injury	32	31	0	6	2	5
Medical treatment injury	3	3	0	0	2	4
Restricted work injury	5	3	0	0	0	0
First aid injury	163	193	26	159	11	11
Pain and discomfort	195	241	3	46	8	12

Aligned with our strategy of learning from incidents to improve the safety of work, we have continued to improve the reporting and classification of health and safety incidents. This has contributed to an increase in reported incidents in Mexico.



Mental health and wellbeing

Our approach to mental health and wellbeing has a deep connection to our Care by Design culture. We apply a holistic method to promote positive health and wellbeing outcomes for our people, fostering a work environment where our people can thrive over the long term. When our people have good health and wellbeing, they become more resilient to change and conflict and can contribute more at work.

Mental Health Champion Networks

In the 2025 financial year, we completed the pilot for the Hei Oranga Hinengaro Mental Health Champion Network in New Zealand manufacturing. This involved training and supporting selected employees to become champions in mental health and wellbeing.

These champions are local advocates for facilitating wellbeing conversations and encouraging our people to use the Employee Assistance Programme (EAP) and other wellbeing support services. The network is designed to be informal, authentic and accessible. It is from our people to our people and serves as another layer of wellbeing support at work.

The pilot was a success and led to the introduction of two new champion networks across other business functions. We now have:

- 1:30 ratio of champions trained in mental health first aid to employees in New Zealand manufacturing
- 256 new employee referrals to EAP from our champions
- 46 wellbeing learning sessions completed by our champions to upskill on topics such as managing stress, coping with grief, financial literacy and wellness action plans.

The Mental Health Champion Network's successful blueprint has paved the way for future wellbeing initiatives.

1:30

RATIO of champions to employees in New Zealand manufacturing

256

NEW EMPLOYEE REFERRALS to EAP from our champions



Members of our Mental Health Champions Network in New Zealand.

Wellbeing support for employees

The Employee Assistance Programme offers counselling and other support services to all our global employees and their immediate family members. This is a free and confidential service, providing support through everything from trauma, grief, managing addiction, financial stress and more.

In New Zealand, we provide Safer Homes leave for employees affected by family violence and run the InStep programme to help achieve an alcohol and drug free workplace. We also have trained employees around the business that our people can contact to discuss any concerns of harassment and bullying.

During the 2025 financial year in Mexico, we launched 'Orange Days' aligned with the United Nations Women's campaign to eliminate violence against women. On 'Orange Day' each month, we organised information sessions to promote safe, violence-free lives for women and girls, held wellness programmes for women and encouraged our people to show their support by wearing orange, the signature colour of the UN campaign.

Counselling services for mental health needs

At our New Zealand and Mexico campuses, we have psychologists available at our Occupational Health Centre to provide counselling for employees.

In Mexico this year, we provided psychological counselling consultations on site for 250 employees. In addition, we provided off-site assistance to 75 family members with mental health needs through our collaboration with the Tijuana Mental Health Hospital.

In addition, we signed agreements with local government agencies in Mexico to provide specialised services in psychological counselling, gender violence support and addiction treatment for our people. Several employees were able to receive support through our collaboration with the Municipal Institute for Women (IMMUJER), which offers care for victims of violence, the Women's Justice Center (CEJUM), which offers legal counsel and complaints services and the Municipal Institute Against Addictions (IMCAD), which provides psychological and addiction counselling, and the Human Rights Commission of the State of Baja California (CEDHBC).

Human rights

Fisher & Paykel Healthcare fully supports the principles in the United Nations Universal Declaration of Human Rights and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, including non-discrimination, freedom of association and collective bargaining, and freedom from forced and child labour. We seek to uphold human rights in all business activities.

During the 2025 financial year in Mexico, we received the Human Rights Committed Company Distinction from the Comisión Estatal de los Derechos Humanos de Baja California (Human Rights Commission of the State of Baja California or CEDHBC). This was the second time we were recognised for this voluntary initiative to promote sustainable development and corporate citizenship through a commitment to human rights and a platform for learning and exchange of experiences. We were also invited to participate in the CEDHBC's first state meeting on best practices in human rights, where we shared our work and progress in sustaining human rights with several government organisations and private companies.

Our Mexico facility also received the Verificación Laboral Voluntaria certification, a voluntary programme that allows workplaces to declare compliance with local labour regulations.

Workforce composition

The tables below provide insight into the composition of our workforce by headcount as at 31 March 2025, and into hire rates and retention rates.

People numbers

BY REGION

Region	FY2024		FY2025	
	Permanent	Temporary	Permanent	Temporary
New Zealand	3,474	91	3,772	54
Mexico	2,265	27	2,344	14
Rest of World	1,292	19	1,324	27
Total	7,031	137	7,440	95

BY GENDER

Gender	FY2024		FY2025	
	Permanent	Temporary	Permanent	Temporary
Women	3,789	81	4,067	50
Men	3,205	54	3,325	45
Gender diverse	8	0	6	0
Not specified/Prefer not to say	29	2	42	0
Total	7,031	137	7,440	95

BY NATURE OF ROLE (full-time and part-time*)

Gender	FY2024		FY2025	
	Full-time	Part-time	Full-time	Part-time
Women	3,757	32	4,032	35
Men	3,185	20	3,305	20
Gender diverse	8	0	6	0
Not specified/Prefer not to say	28	1	41	1
Total	6,978	53	7,384	56

* Does not include temporary employees (casual, fixed-term, temporary, temporary part-time and contract temporary) due to the changing nature of their hours.

Leadership by gender

The tables below show gender diversity among our Board members, senior executives, senior management and all employees as at 31 March 2025.

	FY2024			FY2025		
	Women	Men	Gender diverse	Women	Men	Gender diverse
Board	3	5	0	3	5	0
Senior executives ¹	3	8	0	3	10	0
Management (CEO-2) ^{2, 4}	16	46	0	19	45	0
All employees^{3, 4}	3,789	3,205	8	4,067	3,325	6

	FY2024			FY2025		
	Women %	Men %	Gender diverse %	Women %	Men %	Gender diverse %
Board	37.5%	62.5%	–	37.5%	62.5%	–
Senior executives ¹	27.3%	72.7%	–	23.1%	76.9%	–
Management (CEO-2) ^{2, 4}	25.4%	73.0%	–	29.2%	69.2%	–
All employees^{3, 4}	53.9%	45.6%	0.1%	54.7%	44.7%	0.1%

¹ Senior executives: This refers to all members of the Executive Management team.

² Management (CEO-2): This includes senior managers who report into the direct reports of the Chief Executive Officer.

³ Temporary employees are not included in the above numbers.

⁴ Employees who have not specified their gender are not included in the above numbers.

Leadership by age

The tables below show the age ranges among our Board members, senior executives, management and all employees as at 31 March 2025.

	FY2024			FY2025		
	Under 30 years old	30 – 50 years old	Over 50 years old	Under 30 years old	30 – 50 years old	Over 50 years old
Board	0	0	8	0	0	8
Senior executives ¹	0	7	4	0	8	5
Management (CEO-2) ²	1	45	16	0	44	20
All employees³	1,843	3,948	1,240	1,790	4,328	1,322

	FY2024			FY2025		
	% Under 30 years old	% 30 – 50 years old	% Over 50 years old	% Under 30 years old	% 30 – 50 years old	% Over 50 years old
Board	–	–	100%	–	–	100%
Senior executives ¹	–	63.6%	36.4%	–	61.5%	38.5%
Management (CEO-2) ²	1.6%	72.6%	25.8%	–	68.8%	31.2%
All employees³	26.2%	56.2%	17.6%	24.1%	58.2%	17.7%

¹ Senior executives: This refers to all members of the Executive Management team.

² Management (CEO-2): This includes senior managers who report into the direct reports of the Chief Executive Officer.

³ Temporary employees are not included in the above numbers.

Hire rates*

BY REGION

Region	FY2024		FY2025	
	New employees	Hire rate	New employees	Hire rate
New Zealand	331	10%	635	18%
Mexico	763	34%	389	17%
Rest of World	213	17%	213	16%
Total	1,307	19%	1,237	17%

BY GENDER

Gender	FY2024		FY2025	
	New employees	Hire rate	New employees	Hire rate
Women	839	22%	732	19%
Men	458	14%	486	15%
Gender diverse	0	–	1	13%
Not specified/ Prefer not to say	10	31%	18	56%
Total	1,307	19%	1,237	17%

BY AGE GROUP

Age group	FY2024		FY2025	
	New employees	Hire rate	New employees	Hire rate
Under 30 years old	670	35%	508	29%
30 – 50 years old	582	15%	652	16%
Over 50 years old	55	5%	77	6%
Total	1,307	19%	1,237	17%

* Hire rate is the number of permanent employees hired divided by total headcount for that region or category.

Employee turnover rates

BY REGION

Region	FY2024		FY2025	
	Number of leavers	Turnover rate	Number of leavers	Turnover rate
New Zealand	390	11%	355	10%
Mexico	472	21%	463	20%
Rest of World	171	14%	162	12%
Total	1,033	15%	980	14%

BY GENDER

Gender	FY2024		FY2025	
	Number of leavers	Turnover rate	Number of leavers	Turnover rate
Women	541	14%	541	14%
Men	486	15%	433	13%
Gender diverse	1	14%	1	13%
Not specified/ Prefer not to say	5	17%	5	16%
Total	1,033	15%	980	14%

BY AGE GROUP

Age group	FY2024		FY2025	
	Number of leavers	Turnover rate	Number of leavers	Turnover rate
Under 30 years old	419	22%	385	22%
30 – 50 years old	524	13%	461	11%
Over 50 years old	90	7%	134	10%
Total	1,033	15%	980	14%

Suppliers

Our approach is to build trusted long-term relationships with suppliers whose values align with ours – who share our commitment to sustainable, ethical and socially responsible business practices.

In this section we provide an overview of our sustainable procurement processes within our product supply value chain.



Our approach to sustainable procurement

Suppliers are a vital link in our product supply value chain, which begins at the source of raw materials and ends with a customer providing patient care. We are committed to building a supply chain aligned with our approach to social responsibility and environmental sustainability. We seek to maximise opportunities for companies and communities to thrive, all while promoting safe working environments and sustainable outcomes.

Operating in a sustainable way depends not only on what we do, but on the activities of our supply chain. For that reason, we seek to purchase goods and services from suppliers that minimise negative impacts and increase positive outcomes through sustainable and ethical business practices.

Our responsible sourcing process includes selecting and collaborating with suppliers who align with our values, providing education and support on relevant standards, and enabling our people and our suppliers to speak up in cases of non-compliance.

The raw materials and components we use to manufacture our products come from a network of suppliers around the globe. We manufacture in New Zealand, North America and China, while raw materials and components used in manufacturing come from a network of global suppliers. A large portion originates from suppliers in Asia and North America.

Responsible sourcing



2,000+

TIER 1 SUPPLIERS to New Zealand, Mexico and China manufacturing sites

BASED IN

20+

Countries

ACROSS

4

Continents



Overview of our supply chain



● Direct supplier locations

Sustainable procurement framework

We are committed to building a supply chain aligned with our approach to social responsibility and sustainability. Our approach is holistic and considers economic, environmental and social factors.

We have developed a sustainable procurement framework which is aligned in principle to ISO 20400 Sustainable Procurement. This enables us to identify, monitor and address risk (including modern slavery risk), and provides the foundation to build a culture of awareness and knowledge on social and environmental topics relevant to our supply chain. We use an integrated enterprise resource planning system and a strong quality management system to ensure that our supply chain is transparent and coordinated across our global network.

We offer a customised Environmental & Social Responsibility (ESR) engagement programme for our suppliers. Managed by a specialist team within our procurement function, this programme enables our suppliers to align with our sustainable procurement framework and fundamentals, Supplier Code of Conduct and ESR Policy.

Our sustainable procurement framework is managed by our Supply Chain team, with our executive management team providing oversight. The Audit & Risk Committee of the Board reviews our company's environmental and social risk management framework and record of performance and proposed actions relating to our sustainable procurement framework.

Fundamentals of our sustainable procurement framework

The following fundamentals underpin our sustainable procurement approach, support management of risk and drive our purchasing decisions:

- Collaborate with suppliers who align with our values
- Proactively measure the effectiveness of our sustainable procurement framework and continuously improve outcomes
- Use a risk and materiality approach to prioritise activities
- Learn, educate and support others to raise standards
- Enable our people and our suppliers to speak up when they have concerns.

Training

We provide regular training opportunities to our Supply Chain teams to understand and apply the fundamentals of our sustainable procurement approach and framework. Employees working in Quality, Procurement and Sourcing receive additional training on the principles and processes we follow to manage our supply chain, including our due diligence and risk assessment and management processes and procedures.

Understanding ESR impacts in our supply chain

We complete a supply chain risk assessment annually based on our knowledge and understanding of the sustainability impacts relating to the materials we source, our supply chain and sourcing countries. We also undertake specific risk assessment to determine where the biggest risk of potential modern slavery lies within our supply chain.

Modern slavery risks in our operations and supply chains

As part of our commitment to do the right thing, we recognise that we have a role to play in guarding against and eradicating modern slavery. We have processes in place that identify and address modern slavery risks within our supply chain and aid our procurement decisions. We recognise these processes do not eliminate the risk of modern slavery and continue to remain focused on raising awareness, assessing our suppliers, and supporting our suppliers to address modern slavery risks.

To determine where the biggest risk of potential modern slavery lies within our supply chain, we identify the geographical regions where our suppliers are located and cross-reference the prevalence of modern slavery in those regions with the most recent Global Slavery Index.

While we source globally, a large portion of the externally procured products and services for our operations originates from suppliers in Asia and North America, with highest-risk categories being electronics and textiles. We acknowledge that the highest-risk factors which could potentially link to modern slavery violations within our supply chain and operations relate to the use of forced labour, with particular risks for migrant workers.

For further details on how we manage modern slavery risks in our supply chain as well as our assessment of the effectiveness of our approach, refer to our Modern Slavery Statement on our website: www.fphcare.com.

Through these assessments we identify potential environmental and social responsibility risks in our supply chain based on factors such as geographical location, prevalence of human rights and modern slavery risk, and environmental (carbon) impact of materials sourced. We then apply a sustainable risk-based approach focusing primarily on:

- Direct suppliers that provide products or services used in our medical devices or in the manufacturing of those devices
- Geographical regions where our suppliers are located where there is a high risk or prevalence of modern slavery
- Materials or supplier practices that have a significant impact on our carbon footprint.

Our supplier assessments cover governance, ethical and legal employment practices, the eradication of child, forced or compulsory labour in their supply chain and operations, and environmental practices.

We use multiple tools including third-party provided sustainability platforms, desktop analysis, in-house ESR questionnaires and surveys and in-person visits. We also contract with third parties to assist with deep-dive assessments on the environmental and social responsibility impacts of our supply chain.



Managing environmental and social responsibility impacts

We are committed to reviewing our supply chain on an ongoing basis to assess environmental and social responsibility impacts. As a large organisation with a complex supply chain, we acknowledge that we need to continue to treat this as a priority.

We apply a sustainable risk-based approach when managing environmental and social responsibility impacts.

Using our sustainable procurement framework, we categorise suppliers based on the level of their social responsibility and environmental practices. The categories are:

- **Embarking:** Suppliers at an early stage with few – or no – policies focused on social responsibility and environmental sustainability.
- **Intermediate:** Suppliers that have policies and some internal controls in place covering social responsibility and environmental sustainability.
- **Proficient:** Suppliers that are identifying and actively working to mitigate modern slavery risks both within their organisation and also their supply chain, and proactively improving environmental sustainability.
- **Advanced:** Suppliers that have enlisted third-party verification to assess their modern slavery processes and risk mitigations and have set environmental targets.

Incorporating supplier categorisation within our sustainable risk-based approach enables us to prioritise our activities with suppliers, and ensure sustainable and responsible procurement practices.

We work to proactively measure the effectiveness of our framework, and thus verify and validate the environmental, social and ethical performance of our suppliers. To support our suppliers and to ensure transparency, our local teams personally interact with and visit our suppliers, where possible, to understand and evaluate their operations. We have on-the-ground support for suppliers in New Zealand, Mexico and China, where we have a larger presence. We have a sustainable procurement manager based in Hong Kong to support all suppliers within the Asia region, which we have identified as having a high potential for modern slavery.

Where any potential environment or social responsibility issue has been identified in our supply chain, our approach is to engage and collaborate with suppliers to create awareness, educate and implement remedial measures, where required. This includes corrective actions to address the underlying causes of violations to prevent reoccurrence.

In the event that a supplier does not engage with us or fails to remediate a material issue, we would consider appropriate next steps, including suspending sourcing or supply of services and/or terminating the relationship.

Collaboration with our supply chain

A fundamental tenet of our ESR engagement programme is to collaborate with our supply chain to continuously improve performance and raise standards across our global network.

We want to learn from, educate and support our suppliers to create better environmental and social responsibility outcomes.

Using the sustainable procurement categorisation as a baseline for development, our ESR engagement programme assesses and

supports Embarking and Intermediate suppliers to progress and achieve a Proficient status.

In addition, our supplier performance scorecard assesses our suppliers across a range of key metrics. Over the 2025 financial year, we included more strategic metrics aligned with our Environmental & Social Responsibility Policy into this scorecard. This enables a more comprehensive rating of suppliers beyond operational metrics. We plan to roll out the updated scorecard to suppliers during the 2026 financial year.

Policies and procedures to assist sustainable procurement

We have a number of policies and procedures that support our approach to sustainable procurement. These include our Code of Conduct, Supplier Code of Conduct, Speak Up Procedure, Environmental & Social Responsibility Policy and Responsible Minerals Sourcing Procedure.

Code of Conduct

We expect our employees and directors to maintain high ethical standards. Our Code of Conduct sets out these standards and covers a range of areas relevant to legal and ethical behaviour. These include competing fairly, health and safety, data protection and privacy, working with customers and suppliers, sanctions compliance and combating bribery and corruption. The Code has been translated into a number of languages for ease of understanding and it is included in the induction process for new employees and directors.

Supplier Code of Conduct

Our Supplier Code of Conduct reflects our values and expectations for all suppliers, contractors and consultants who provide goods

or services to us. We seek relationships with suppliers who share a common commitment to:

- incorporate quality business processes within their day-to-day operation
- conduct their business ethically and with integrity
- comply with all laws and regulations
- respect human and employee rights
- promote and maintain a health and safety culture within their organisation
- design for sustainability
- monitor and minimise any negative impacts on the environment
- have systems in place to ensure business continuity, continuous improvement and protection of intellectual property.

Speak Up Procedure

We have a global Speak Up Procedure (or whistle-blowing/protected disclosures procedure) that sets out how employees and contractors can report potentially unethical or illegal behaviour or breaches of our Code of Conduct, without fear of retaliation or harassment. We have expanded this service so that it can be used by our suppliers and third-party contractors to report potential unethical or illegal behaviour. This process provides greater clarity across our supply chain and ensures there can be disclosure by suppliers without reprisals.

Environmental & Social Responsibility Policy

The intention of our Environmental & Social Responsibility Policy is to create a positive lasting impact on society and the environment. One of the fundamental ways in which we want to achieve this is through verifying and validating our environmental, social and ethical performance, and that of our suppliers. It sets out that we will collaborate with others to

continuously improve this performance. This includes building trusted long-term relationships to create better outcomes for all, as well as striving to provide a high quality of life for our employees and support our suppliers to do the same for their people.

Responsible Minerals Sourcing Procedure

Our Responsible Minerals Sourcing Procedure sets out the way Fisher & Paykel Healthcare will source and use minerals. We understand the importance of actively mitigating human rights abuses and other risks related to the extraction of specific minerals from areas where armed conflict and human rights abuses may occur. We work with existing suppliers and monitor supply chain risks related to conflict minerals to ensure responsible minerals sourcing.

As part of the ongoing process of due diligence, we steer our suppliers (and their supply chains) to source minerals from smelters validated through the Responsible Minerals Assurance Process or an alternative equivalent. Our process for responsible minerals sourcing is consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Commitment to human rights

We fully support the principles in the United Nations Universal Declaration of Human Rights and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, including non-discrimination, freedom of association and collective bargaining, and freedom from forced and child labour.

Supplier Sustainability events

Partnering with our suppliers is crucial to verify and validate our environmental, social and ethical performance and theirs, so we can continuously improve this. Over the 2025 financial year, we hosted two Supplier Sustainability events following the success of our inaugural conference last year.

At our New Zealand event, we welcomed over 50 local and overseas suppliers who gained insights from our senior leaders on F&P's approach to sustainability and environmental and social governance. We also held our first-ever supplier expo, with suppliers showcasing their sustainable products and initiatives to the wider business.

This year we also held our first Supplier Sustainability event in Mexico with 13 of our local suppliers. They learned more about our ESR objectives and shared ideas and opportunities relevant to their business and the Mexico region. We also awarded our suppliers for their valuable contributions to our sustainable procurement goals.



We hosted our first Supplier Sustainability event at our Mexico campus in February 2025.

Key sustainable procurement activities in FY25

- **HOSTED** our first Supplier Sustainability event in Mexico with local suppliers
- **INCLUDED** a supplier expo on sustainable products at our New Zealand Supplier Sustainability event
- **CONDUCTED** one-to-one engagements with 66 suppliers
- **UPGRADED** 41 suppliers (including four Tier 2 suppliers) based on our supplier categorisation criteria
- **IDENTIFIED** four suppliers with potential non-compliance with local labour laws. One supplier remediated all issues within FY25, working with three suppliers on development plans to be completed during FY26
- **CONTINUED** assessment of Tier 2 suppliers
- **ADDED** strategic metrics, including environmental and social responsibility, within our supplier performance scorecard

Future focus

- **ROLL OUT** improved supplier performance scorecard to suppliers
- **EMBED** visibility of supplier ratings into supplier material database
- **REVIEW** and update supplier agreements with modern slavery clauses
- **COMMENCE** roll-out of digital learning resources to educate suppliers on topics in our Supplier Code of Conduct
- **CONTINUE** mapping multiple tiers of our supply chain to obtain greater visibility of key commodities
- **CONTINUE** developing and measuring key performance indicators to monitor effectiveness of our initiatives

Community

We believe in providing support to our local communities and building trusted, long-term relationships to create better outcomes for all. This will help us create a positive lasting impact on society and the environment.

The medical devices and therapies we provide have a direct impact on improving millions of people's lives around the world. Our community work prioritises funding clinical research, improving access to healthcare, promoting science education, and supporting social and environmental initiatives. We also foster sustainable partnerships with tāngata whenua (Māori).

Many of our philanthropic activities in New Zealand are coordinated and funded by the Fisher & Paykel Healthcare Foundation. In other countries, our people select and sponsor local community initiatives that connect to our purpose.

This section features some of the ways we seek to build brighter and healthier communities through care and collaboration.



Students harvesting kai (food) at East Tāmaki School in Auckland.

Fisher & Paykel Healthcare Foundation

Since its establishment in March 2021, the purpose of the Fisher & Paykel Healthcare Foundation has been to support healthier communities. It aims to achieve this by focusing on three key areas – health, education and environment – supporting people and organisations that help those who are underserved and underrepresented.

Foundation initiatives and highlights

This year, the Foundation made progress on strengthening its relationships with its partners, as well as developing a deeper understanding of how the Foundation can make the most impact in its focus communities.

In FY25, the Foundation provided \$1.4 million in grants and donations, continued its partnerships with 11 community-focused organisations, and leveraged the enthusiasm of Fisher & Paykel Healthcare employees to provide volunteer support.

Garden to Table

Garden to Table aims to empower tamariki (children) to grow, harvest, prepare and share food while building awareness of individual and collective responsibility to manaaki te taiao (care for the environment). It supports schools throughout the country to take the learning out of the classroom and into the garden and the kitchen.

The Foundation has partnered with Garden to Table since 2022, currently supporting its South Auckland facilitator and the development of its Māori cultural resources. In FY25, the Foundation increased its financial commitment, providing

\$224,148 during the course of the financial year. This ongoing support has enabled Garden to Table to extend its reach to more schools across South Auckland and enhance the understanding of Māori culture and te reo Māori in the context of growing, harvesting, preparing and sharing food. In addition, graduates from Fisher & Paykel Healthcare volunteered to help build garden beds for a local school in collaboration with Garden to Table this year.

Pūhoro STEMM Academy

Pūhoro STEMM Academy is an educational initiative that supports pathways for rangatahi (young) Māori into high value careers, by integrating science, technology, engineering, mathematics (STEM) with mātauranga Māori (traditional knowledge).

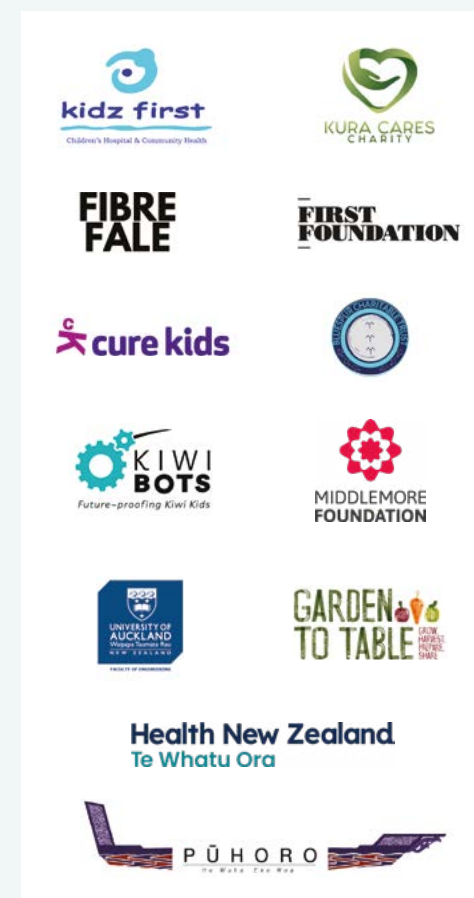
The Foundation has supported Pūhoro since 2022. In FY25, the Foundation renewed its partnership commitment, committing a total of \$450,000 over a three-year period. The Foundation's support funds research to better understand barriers to rangatahi Māori entering STEMM education and careers. It also supports the salary of Pūhoro's tertiary kaihautū – a mentor who provides pastoral care to rangatahi Māori transitioning to tertiary education.



Celebrating Pūhoro STEMM Academy's 2025 summer interns and their achievements.

Partners of the Foundation

We partner with community organisations that are aligned with our purpose of supporting healthier communities.



University of Auckland Faculty of Engineering

The Foundation partners with the University of Auckland Faculty of Engineering to support Māori, Pasifika and female rangatahi (youth) into engineering pathways, through its Apollo programme and Women in Engineering programme.

Apollo – Māori and Pasifika in Engineering

The Apollo programme is designed to help Māori and Pacific high school students to enhance their advanced mathematics skills, regardless of their current proficiency level. This initiative aims to create pathways for Māori and Pacific students to enter the field of engineering. The programme offers dedicated, free school holiday maths workshops hosted at the University of Auckland. Māori and Pacific Year 11 to Year 13 students from schools across Auckland are invited to attend. In 2022, the Foundation committed to supporting the Apollo programme for a five-year period with \$50,000 funding per year.



Students attend a holiday workshop by the Apollo programme at the University of Auckland Faculty of Engineering.



High school students at the Women in Engineering programme's holiday camp.

Women in Engineering

The Women in Engineering outreach programme is dedicated to providing support, advice, encouragement and opportunities to female high school students who have an interest in engineering.

The Foundation has committed to support the Women in Engineering programme since 2023, providing funding of \$25,000 per year. The programme includes a variety of outreach activities such as school visits, STEM expos and recruitment events, all with the goal of increasing the representation of women pursuing careers in engineering.

Mana whenua partnerships

Fisher & Paykel Healthcare supports local Māori communities in line with Te Tiriti o Waitangi (the Treaty of Waitangi) and our intention to create a positive lasting impact on society and the environment.

During the 2025 financial year, we continued to develop our relationships with mana whenua partners (recognised Māori tribal groups in Auckland) for the East Tāmaki and Karaka campuses in Auckland, New Zealand, while improving our own understanding of how we can work together better.

A deeper understanding

We believe lessons learned are the cornerstones of innovation and lead to better empathy and care. This includes understanding the complex history of Aotearoa New Zealand, the ongoing impact of historical actions and how that manifests in society today. We held two wānanga (learning and discussion conferences) to gain a deeper understanding of this history and how it impacts the relationships we want to build with indigenous people.

The first wānanga, with Manaaki (Māori employee-led network), reset the direction and structure for the group with the aim of developing people through simple community hui (meetings). The second wānanga, with a working group of senior leaders and Manaaki representatives, initiated the work to articulate what we are trying to achieve in our partnerships with Māori and create the conditions for shared aspirations and reciprocal benefits.

Following these wānanga, we implemented an online learning programme on Te Tiriti o Waitangi, available to employees in New Zealand. Feedback has been very positive, with most attendees wanting to learn more. We will identify opportunities to provide further learning on this topic to support our people's understanding and connection to where they live and work.

Quotes from learners:

“I really appreciate the perspective that was taken, the fact-based approach.”

“Now I am encouraged to find out more and be brave to engage in conversations relating to the Treaty.”

Cultural inductions and Karaka campus masterplan

Cultural Values Assessments (CVAs) were completed by three mana whenua – Ngāti Tamaoho, Ngāti Te Ata and Te Aakitai Waiohū – for the Karaka campus development during the 2025 financial year. The CVAs formed part of our planning submission to Auckland Council. Discussions were also held to align recommendations in each CVA with the Karaka campus masterplan.

Cultural inductions were also provided to help our teams and contractors understand the history of the land, environmental issues and how to ensure the correct protocols to manage archaeological finds made over the course of the development. We appreciate the time taken by mana whenua to work with us and provide their knowledge and experience to help inform this development.

Opening Te Ahunga at East Tāmaki

A formal dawn ceremony was held in January 2025 to bless and name our new multi-storey car park, marking a key milestone for infrastructure development at our East Tāmaki campus in New Zealand.

Senior leaders, contractors and our people joined mana whenua Ngāi Tai ki Tāmaki and Ngāti Tamaoho to perform karakia (prayers) and name the car park Te Ahunga, which means direction, bearing or orientation and aligns with traditional Māori orientation through landmarks.



Ngāi Tai ki Tāmaki and Ngāti Tamaoho led karakia (prayers) to bless and open the Te Ahunga car park at our East Tāmaki campus in New Zealand.

Contributing to Mexico's communities

In Mexico, we were recognised as a 'Company of the Future' by the Tijuana Economic and Industrial Development Centre for promoting local investment, development, sustainability and social responsibility.

During the 2025 financial year, our teams in Mexico supported two orphanages in the community by donating a range of essential items. Casa Hogar La Gloria, which shelters 42 children, and Casa Paloma, which looks after 15 children, received a generous supply of canned goods, dairy products, wholegrains, toys, and items for personal hygiene and cleaning.

Promoting science education is another aspect of how we support local communities. In March 2025, we donated a decommissioned compact electrical substation to CENYCA University in Tijuana, providing engineering students with a practical tool to learn and practise their skills.

Toward the end of 2024, extremely hot, dry weather and strong winds caused unprecedented wildfires in several areas in the state of Baja California, including Tijuana where our campus is located. Three of our employees sadly lost their homes in these fires. Our people rallied to help these employees and their families by collecting and donating clothing, furniture, crockery, electronics and construction material.



F&P Mexico team collecting donations for the Casa Hogar La Gloria orphanage.

Global initiatives

Our offices around the world supported several initiatives aimed at helping their local communities over the course of the 2025 financial year.

F&P Australia ran collection drives for personal health and hygiene items and donated them to Share the Dignity, an organisation that supports women affected by homelessness, domestic violence or poverty. The team also held fundraising events during FY25 in support of local charities such as Cancer Council Australia and Lort Smith Animal Hospital.



F&P India team helped the children at Kritagyata Trust in Bengaluru decorate special lamps to celebrate the festival of Diwali.

F&P India made significant donations to Kritagyata Trust and Sparsha Trust. These not-for-profit organisations provide education, opportunities and safe environments for underprivileged children, helping them overcome challenges and build a better future. The team also spent a day volunteering at children's charities nationwide, organising art, craft, yoga and singing sessions and donating school stationery and essential supplies.

F&P United Kingdom and Ireland organised fundraising to support charities in their communities such as Macmillan Cancer Support and The Link Foundation which supports vulnerable children.

Product quality

Our products are used to treat millions of people around the world each year, so it is essential that our products meet high quality standards. We continuously strive to improve our products and the way in which they are manufactured so that we achieve the levels of quality and reliability that patients and caregivers expect.

This section provides an overview of our framework and processes that help ensure product quality and patient safety.



Our approach to product quality and patient safety

Our intention is that the quality of our products and processes and our good relationships with regulators provide a competitive advantage and enable better outcomes for patients.

The medical device industry is highly regulated worldwide. We strive to ensure that the quality of the products we distribute meets the expectations of patients, caregivers and regulatory authorities and facilitates market acceptance of our products.

We manage product quality with processes that drive continuous improvement throughout the life cycle of our products. These include:

- verification and validation of product requirements to meet user needs
- proactive quality control mechanisms within our manufacturing operations
- data collection and statistical analysis to make improvements
- risk mitigation intervention to correct a process before product quality is compromised
- market surveillance and response processes to ensure continued product safety and quality for our customers and patients.

The Vice President – Quality, Safety & Regulatory Affairs has executive accountability for quality and regulatory affairs, and along with the executive management team, oversees the performance of the Quality Management System (QMS) to ensure it remains effective and efficient and continues to improve.

The Quality, Safety & Regulatory Committee exercises oversight of the QMS and receives regular quality management reports. The Committee also reviews our quality, health and safety and regulatory risk management approach and ensures effective mechanisms and internal controls are in place to identify and manage areas of material risk and maintain compliance with applicable regulations.

Quality management for products

Our QMS incorporates processes that have an impact on product quality and regulatory compliance aligned to ISO 14971:2019 Application of Risk Management to Medical Devices, specific to medical device design and manufacturing. Our QMS is compliant with ISO 13485:2016 Quality Management Systems for Medical Devices and meets the requirements of various international regulations. We participate in the Medical Device

Single Audit Program with our QMS audited against the requirements of several global regulatory authorities.

Our QMS and related processes are continuously reviewed for ongoing improvement. We have processes in place for the regular auditing and review of the system for ongoing suitability and effectiveness. This includes the review and audit by notified bodies and regulatory agencies, to ensure continued compliance.

All of these processes help to ensure that our customers and patients receive high-quality products that are safe and effective.

Quality and safety throughout the product life cycle

We develop high-quality products that meet the needs of patients, clinicians and caregivers. Product requirements are driven by detailed understanding of user needs. As part of the design process, products are thoroughly tested and validated to ensure they deliver on those requirements and meet applicable standards for intended use.

Our quality teams operate as a service to our product and process development and manufacturing operations teams, which means that quality controls are built into the design process through collaboration.

We ensure our manufacturing activities produce products that meet specifications through robust manufacturing technology, processes and controls. Our global product supply chain is set up to deliver products that meet customer expectations, through great relationships with our suppliers, effective inventory and distribution management, and distribution partners worldwide.

We review real-world customer experience through an extensive post-market surveillance process to ensure our products continue to deliver on customer needs and take steps to proactively address potential risks.

The information we gather throughout the product life cycle is also used to identify improvements to our current and future products.

During the 2025 financial year, we continued our activities in relation to the voluntary limited recall of Airvo 2 and myAirvo 2 devices, which was initiated in March 2024.

We also initiated a field action to update the software of a select number of Airvo 3 devices with specific versions of software. The software update was in response to certain use cases and ensured the target therapy continues. We worked with our customers and distributors to update the software.

Regulatory clearance for products

Prior to sales and distribution in any country, our products are verified and validated to demonstrate safety and efficacy. Our products and systems comply with relevant international standards and regulations and are reviewed and approved by various regulatory bodies. We work closely and collaboratively with regulatory authorities to ensure our products and operations meet their expectations and can enter and remain in their market.

We proactively engage with regulators in their efforts to further improve the timely delivery and access to quality medical devices, such as the Voluntary Improvement Program and Experiential Learning Program, organised by the US Food and Drug Administration (FDA).

We have procedures in place for processes and activities that have an impact on product quality and regulatory compliance. These are continuously improved to ensure our products remain compliant with applicable regulations, enabling us to sustain sales in these markets.

Clinical collaboration for better outcomes

Clinical studies are an essential element in building confidence in the safety and efficacy of our products. We support clinical research that validates improvements in patient outcomes that our products can deliver. In this context, we work closely with clinicians and healthcare organisations to support their studies and identify ways in which our products can help them provide better healthcare solutions.

Fisher & Paykel Healthcare currently supports over 74 active studies. Such clinical research shows the impact of industry and healthcare providers working together to improve patient care and outcomes.

Hospital simulations for better patient care

Understanding the hospital environment is essential to the way we develop products and ensure product quality and patient care. Our research and development (R&D) teams do this in various ways to grow their insights into product use.

Our Hospital Simulation Centre in New Zealand underwent a significant refurbishment this year, transforming it into a state-of-the-art facility. Teams can configure this versatile space to replicate hospital environments, including neonatal, pediatric and adult intensive care units, emergency departments, respiratory wards and operating theatres. This supports R&D testing, clinical simulations, usability and human factors testing, clinical trials and education across a range of our products. The Centre also hosted sessions across the year for new employees and specific business teams to learn first-hand how our products are used in hospital settings.

Our R&D teams visit hospitals regularly to engage with experienced doctors, nurses and respiratory care specialists around the world to understand their needs and challenges, and to grow their

understanding of care environments across neonatal, pediatric and adult specialties. The knowledge gained contributes to enhancing both product quality and patient safety.

Some of our products are used to support patients in the critical and intensive care units, where it can be challenging for observers to be present. To help our people gain practical insights into these environments, simulations are run in collaboration with universities and hospitals. This year, we worked with critical care specialists to develop training videos on respiratory care practices to help our R&D teams better understand the challenges of product use in the context of other therapies provided to patients.

Our clinical research teams actively engage in simulation workshops facilitated by clinicians at hospitals. They also conduct product testing at local hospitals to obtain valuable feedback on usability and human factors based on their clinical context and use. These initiatives provide crucial inputs into product development with a focus on patient safety and care.

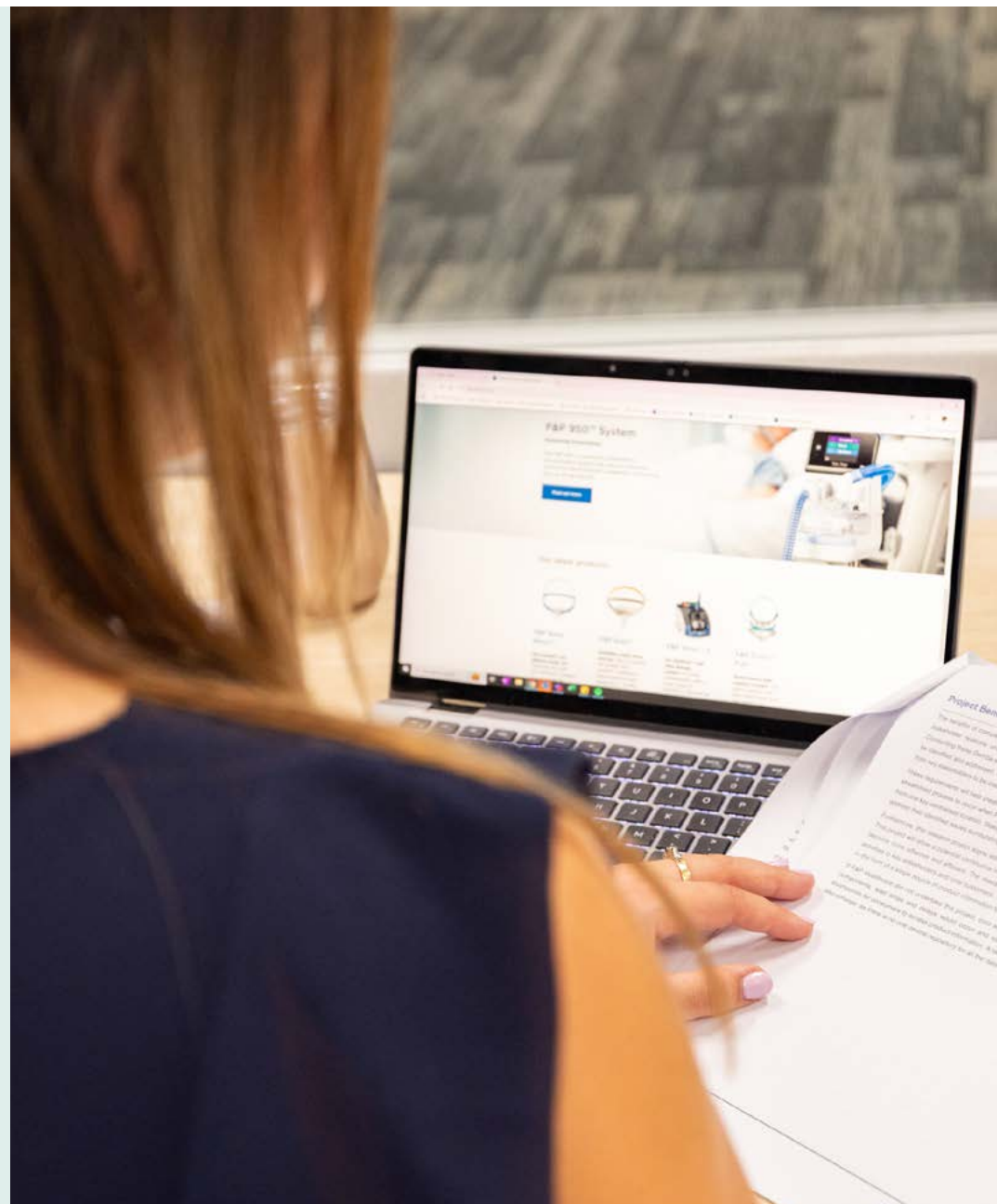


An R&D team attending a clinical simulation at our Hospital Simulation Centre in New Zealand.

Risk management

Our approach is to identify and manage risks within acceptable levels in pursuit of our long-term strategy. We seek to improve the quality of our business decisions by applying a bespoke framework and aligning with international standards.

In this section we summarise our strategies to govern and manage business risks that enable us to continue delivering value to our stakeholders.



Governance of risk

Our Board is committed to its role of ensuring quality, safety, compliance and effective risk management. The Board provides oversight of senior leadership's management of risk. The Board meets regularly with key risk management functional leaders and receives regular reports from senior representatives on material risk and mitigation strategies.

The Audit & Risk Committee reports to and assists the Board by reviewing and ensuring our business risk management processes (excluding any risks related to quality, safety and regulatory functions) can provide reliable information to the Board on the status of major risks that could impact our business.

Business risk management framework

The objective of our risk management process is to identify, assess, prioritise and inform decisions to manage uncertainty, both positive and negative. This is achieved with processes and tools that support high quality decision-making in complex and uncertain situations.

Our business risk management framework is focused on deriving competitive advantage through making better judgements and supporting decision-making in unpredictable environments. The framework is guided by ISO 31000 Risk Management Principles and Guidelines.

The framework helps to ensure we:

- resolve internally identified risks in compliance with laws and regulations
- plan, make decisions and prioritise opportunities and threats to strategic objectives and new product introductions
- respond in a prompt, efficient and effective manner to future events that create uncertainty or pose a significant risk.

The risk management processes that support this framework are designed to reflect the dynamics of our business. They begin broadly with an analysis of the operating environment and then narrow to focus on strategy, followed by project execution, and lastly specific decisions.

Risk analysis

We carry out risk analyses to support material business decisions.

We involve the relevant stakeholders in these evaluations and communicate the findings to key decision-makers and management.

When making a decision, carrying out a business activity or approving an initiative, we apply a range of quantitative risk management techniques to measure and effectively manage uncertainty.

Business continuity planning

We continue our focus on business continuity planning. Our goal is to anticipate and plan for potential crises that may cause a significant disruption to our business and subsequently impact patients, customers, products and shareholders.

We conduct simulations regularly to provide confidence that our framework is tested, embedded and continuously improved. During the 2025 financial year, we conducted a business continuity planning simulation, which involved a range of teams across our New Zealand, Mexico and UK businesses focused on maintaining supply of product following a disruptive event.



Data governance

Our intention is to ensure our global digital landscape supports uninterrupted operations and enables our people to work effectively and safely. We achieve this by following established procedures to implement, operate, and secure our digital technologies, collaborating with external authorities to ensure compliance with regulations, and maintaining effective safeguards against cyber security and privacy risks.

We promote a culture of shared responsibility, exercising rigour in selecting digital technologies to maximise investments and complement our culture. In addition, we proactively assess the performance and security of our technologies to avoid any adverse effects on our operations.

Our Information Security Management system, as well as the team, processes, and technology that support it, helps ensure our people comply with our Digital Technology Policy. This system aligns with industry-leading security guidelines and is supported and verified by expert third parties.

We leverage internal controls and risk management processes within our enterprise Quality Management System (QMS) to support our technology systems. This includes an ICT QMS to ensure our data governance meets strong robust requirements.

New technologies

We enable our people to experiment, learn and innovate by using new technologies, including artificial intelligence (AI). The integration of new technologies into our processes, systems and/or products is governed by our ICT QMS.

When enabling the use of AI, we ensure that our people understand how to protect our intellectual property, institutional knowledge and data privacy while respecting the intellectual property rights and data privacy of others.

Cyber security

We believe that our people are our greatest strength and having a strong culture of security awareness is essential to ensure the information we manage is protected. We do this by establishing that security is everyone's responsibility and providing data security and awareness programmes to our global employees, empowering our people with the knowledge to make the right decisions to keep data safe. Our cyber awareness programme provides regular training on cyber security risks and has high levels of engagement across our business.

A dedicated security team identifies and manages cyber security risks, monitors for abnormal activity, responds to incidents and collaborates with expert partners. We also conduct regular incident response drills across multiple areas of the business involving a range of stakeholders to practise and build our capability. These drills are part of our broader disaster recovery, business continuity and crisis management processes.

Privacy protection

We are committed to acting ethically and doing the right thing, and care drives our commitment to privacy. We incorporate privacy principles into the design of our processes, systems and products that involve the collection or processing of personal information.

Our Global Privacy Procedure sets out principles that underpin how we collect or process personal information, including respect and care, data minimisation, transparency, choice and control (Privacy by Default) and confidentiality, integrity and accessibility.

Our Privacy team are responsible for the global management of our privacy policies and procedures. They also provide risk management support and training and awareness initiatives to educate our people about their privacy obligations, risks and how to interact with personal information we collect or process.

Our web-based software application that collects and stores data from patients' use of specific Fisher & Paykel Healthcare devices is certified to ISO 27001 Information Security Management Systems. This application enables healthcare providers to manage and report on patients' device usage and therapy.

Material business risks and strategies to mitigate

After completing our annual risk management processes, we have identified key areas of risk for our business and strategies to mitigate them.

Area	Description	Strategies to mitigate
Product quality and patient safety	Patients are harmed as a result of using our products. This may result in product recalls and potentially product liability litigation.	We operate a worldwide quality management system related to the design, testing and manufacture of our products aligned to ISO 13485:2016 Quality Management Systems for Medical Devices and ISO 14971:2019 Application of Risk Management to Medical Devices. In addition, we monitor customer experience through post-market surveillance. We are committed to fostering an organisational attitude of product safety and continuous improvement.
Health and safety	Work-related injuries or illnesses	Our global health, safety and wellbeing standards are aligned with ISO 45001 Occupational Health and Safety, with greater emphasis on managing critical risks. We design and implement preventative and recovery risk controls for critical health and safety risks across our global business.
Market access	Maintaining regulatory compliance is required to market and sell our products in certain countries	We have regulatory affairs processes, supported by dedicated teams, that enable us to obtain and maintain product licenses, as well as a quality management system that ensures compliance with applicable regulatory requirements. We have monitoring steps in place to evaluate the effectiveness of our programmes, and our executive management team conducts regular management reviews.
Intellectual property	Third parties asserting IP rights against us	We have a comprehensive patent portfolio across our technologies, and we actively and robustly manage IP litigation risk. As part of our product development phase, we conduct freedom-to-operate searches during product design. We monitor competitor patent filings and take action as required.
Sustainable profitable growth	Financial performance and management, and governance	Our financial management policy enables the business to continue uninterrupted operations through financial controls, financial management and financial integrity. This includes appropriate hedging of currency risk, maintenance of an adequate supply of capital and financial resources to satisfy the present and future requirements of the business, and collaboration with applicable regulatory authorities to ensure their expectations are met.
Business continuity	Continuity and quality of product supply	We actively monitor our end-to-end processes and systems through an internal risk management process and implement actions to prevent disruption. We use business impact analyses to identify, understand and quantify the impact of a material disruption across the different aspects of our product supply network, including to a key facility, location, supplier or business process. This approach enables us to prioritise the most significant potential exposures to the business. It is also aligned with our crisis planning framework.
Cyber security and data protection	Cyber security attack resulting in disruption to operations and data breach	To manage our risk and protect the data entrusted to us, we are constantly reviewing and honing our risk analysis and control mechanisms to ensure our protections can proactively respond to developing cyber threats. We continue to use independent reviews to test and identify potential risks to ensure we focus on the right cyber risks.

For more information on climate-related risks, please refer to our Climate-related Disclosures on pages 94-124.

Governance

We are committed to ensuring that the company maintains a high standard of corporate governance and ethical conduct.

In this section we provide a summary of our corporate governance framework, processes and practices that guide our business and operations.



Corporate governance overview

The Board and management of Fisher & Paykel Healthcare are committed to ensuring that the company maintains a high standard of corporate governance and ethical conduct.

The Board regularly reviews and assesses the company's governance policies and procedures to ensure that they provide the direction and controls which enable us to achieve sustainable, profitable growth and the trust of our customers, shareholders, regulators, suppliers and communities.

The company is listed on both the NZX and the ASX (Foreign Exempt Listing category). Corporate governance principles and guidelines apply in both countries. As at the date of this report, the company complies with all of the recommendations of the NZX Corporate Governance Code dated 31 January 2025. While the company has Foreign Exempt Listing on the ASX and is not required to comply with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition (ASX Principles), the company considers its corporate governance practices and procedures substantially reflect the ASX Principles. The full content of the company's corporate governance policies, practices and procedures can be found in the corporate governance section of the company's website: www.fphcare.com.

Ethical standards

As a business we are committed to doing the right thing. It is important to us from a social responsibility standpoint and is what our customers, employees and shareholders find compelling. We ensure we comply with our legal and ethical obligations throughout our business operations, from the way we source materials, design and manufacture our products, through to selling our products across the world.

We have policies and procedures in place to ensure we conduct our business in a legally, ethically and socially responsible manner. These policies and procedures are available on our website, and summary information with respect to a number of our policies and procedures can also be found throughout this section.

Code of Conduct

We expect our employees and directors to maintain high ethical standards. A Code of Conduct for the company sets out these standards.

The Code covers a range of areas relevant to legal and ethical behaviour, including competing fairly, health and safety, data protection and privacy, working with customers and suppliers, sanctions compliance, responsible marketing, financial records and reporting, continuous disclosure and insider trading, combating bribery and corruption, and interactions with healthcare professionals. It also covers matters such as confidentiality, conflicts of interest and receipt of gifts.

The Code explains how an employee or director can report an actual or suspected breach of the Code. Globally, employees

undertake training on our Code of Conduct as part of our induction process, including refresher training at least once every three years. It has been translated into a number of different languages for our local offices and we rolled out refresher training on the Code globally for our employees during the 2024 financial year. The Code of Conduct is available on our internal intranet and our external website. New directors are trained on the Code of Conduct during their induction.

We have an in-house legal team that provides advice and assistance to the business globally on how to comply with our various legal obligations and engage external legal counsel to assist us as and when required.

We maintain a schedule for regularly reviewing and updating corporate governance policies and charters. The Code of Conduct was last reviewed and updated in March 2024.

Speak Up Procedure

Our global Speak Up Procedure (or whistle-blowing/protected disclosures procedure) ensures that employees, contractors and suppliers know how to report potentially unethical or illegal behaviour or breaches of our Code of Conduct, without fear of retaliation or harassment.

Speak Up reports can be made confidentially to Speak Up Officers within the company or to an independent reporting service managed by Deloitte. Our Speak Up Procedure, including translations where required, helps ensure that all employees can be confident that concerns will be taken seriously and investigated and will not result in retaliation or other harassment.

Anti-bribery and corruption

In the course of our business, we interact with a wide range of government officials and private sector individuals and businesses, including government regulators, inspection authorities and healthcare professionals.

We do not tolerate bribery, corruption, kickbacks or other types of improper benefits, whether committed by our own people or by anyone we deal with.

Most of the countries in which we operate have strict anti-bribery and corruption laws that apply to our interactions with public officials. Failing to comply with these laws could have serious consequences for us, both as individuals and as an organisation. In some cases, these consequences could include criminal charges. We have processes in place for assessing anti-bribery and corruption risks and we implement measures to mitigate these risks.

Our Code of Conduct sets out our expectations for all employees in combating bribery and corruption. We never offer or accept (or ask a third party to offer or accept) bribes, illegal facilitation payments, secret commissions or kickbacks to or from any person. These rules apply to all our business activities, including any interactions we may have with government officials or with any private person or business, either locally or overseas.

The Code requires that where we suspect bribery or corruption, either by our own people or by any of our suppliers, customers or other business partners, we report it immediately.

During the year ended 31 March 2025, the company is not aware of any instances of corruption or of incidents in which employees were dismissed or disciplined for corruption.

Policy influence

We are, from time to time, involved in discussions with various governmental or regulatory agencies in relation to existing or proposed legislation. While we are members of various trade associations, as set out on pages 173-174 of this report, we prefer to engage directly with regulatory bodies on any legislative matters that may relate to our business. The company has a policy that it does not make political donations.

Over the last year, we have been working with New Zealand's Ministry of Health – Manatū Hauora and industry associations to provide expertise in relation to New Zealand's proposed Medical Products Bill, as it relates to medical devices. We have also provided submissions on the proposed Patents Amendment Bill, which proposes amendments to the New Zealand Patents Act 2013.

Interactions with healthcare professionals

As we are a medical device business, we must comply with laws and regulations on interacting with healthcare professionals in various countries around the world. It is critical that our activities do not improperly influence the medical decisions of healthcare professionals or the purchasing decisions of entities that buy our products.

Our Interactions with Healthcare Professionals Procedure ensures that we act ethically and legally in our interactions with healthcare professionals, comply with all applicable laws, and do not provide improper benefits or inducements to healthcare professionals. We provide training to employees on this procedure.

Ethical research and clinical trials

We have formal procedures in place to ensure that we adhere to the International Conference on Harmonisation Good Clinical Practice (GCP) standards during all clinical investigations we carry out. GCP standards cover the design, conduct, recruitment, recording and reporting of clinical investigations that involve the participation of human subjects.

Our procedures have also been compiled based on the ISO 14155:2020 standard for Clinical investigation of medical devices for human subjects – Good clinical practice and the EU Medical Device Regulation.

These procedures are designed to ensure that the data and reported results of all clinical trials are credible and accurate and that the rights, integrity and confidentiality of trial participants are protected.

Animal research and testing

We are committed to animal welfare and believe that animal research and testing should only be undertaken when there is good reason to believe the research or testing will enhance the maintenance or protection of human health.

We apply the principles of Replacement, Reduction and Refinement to evaluate whether there is good reason to participate in or observe animal testing and research. We sometimes participate in or observe animal research and testing to assess safety or biocompatibility and obtain worldwide regulatory clearances. This includes animal testing on rabbits, pigs, guinea pigs and mice. Wherever possible, we look for alternatives such as in vitro or analytical chemistry testing,

which do not require the use of laboratory animals. We take great care to minimise the risk of duplicate testing of our products.

In the limited occasions where animal research and testing is observed or undertaken, we ensure that any external third party engaged to carry out animal research or testing has appropriate animal welfare accreditations (such as the Association for Assessment and Accreditation of Laboratory Animal Care International (AAALAC) or the Ministry for Primary Industries (NZ)) and that all applicable portions of study protocols are conducted in accordance with regulations and guidelines regarding animal care and welfare.

Sustainable tax strategy

Collecting and paying tax is an important contribution to the communities in which we operate. In support of our overall business strategy and objectives, we pursue a tax strategy that is principled, transparent and sustainable.

Our Group's tax contribution includes paying corporate income taxes, employment-related taxes and other taxes that we pay or collect on behalf of governments. We support the OECD Business and Industry Advisory Committee (BIAC) Statement of Tax Principles for International Business and have endorsed these principles in our published Group Tax Strategy, which was last reviewed and approved by our Board in November 2024.

Our tax strategy sets out our approach to tax governance and tax management and is aligned to our conservative approach towards tax risk. Its primary purpose is to ensure that we comply with all of our tax obligations, undertake all transactions with a business purpose considering all of our stakeholders, and have an open and transparent relationship with tax authorities.

Our business model is centred in New Zealand, and the majority of our taxes are paid in New Zealand. Most of our manufacturing activities and tangible assets are located in Auckland. All of our R&D is performed in New Zealand, and the associated intellectual property is owned in New Zealand as well.

The Board

The Board plays a vital role in overseeing our strategic direction. Strong governance from a diverse and experienced Board ensures we can achieve our aims of improving patient care and outcomes through inspired and world-leading healthcare solutions, thereby sustainably increasing shareholder value.

The biography of each Board member, including each director's skills, experience, expertise and term of office, is set out in the section, Our Board.

Role of the Board

The Board is ultimately responsible for our strategic direction. The specific roles and responsibilities of the Board, and the Board's procedures, are set out in detail in our Board Charter, available on our website: www.fphcare.com. In summary, the Board is elected by our shareholders to:

- approve the company's business strategies and objectives
- oversee management in its implementation of the company's strategic objectives, instilling of the company's values and performance generally
- review and approve budgets and business plans
- approve our remuneration policy and other policies and procedures governing the way we operate our business
- provide governance of internal decision-making and management.

The Board delegates management of the day-to-day affairs and responsibilities of the company to the CEO and executive management to deliver the strategic direction and goals approved by the Board. The specific responsibilities delegated to executive management are recorded in the Board Charter.

The Board regularly reviews and assesses our governance structures, policies and procedures to ensure these meet all legal requirements and ensure we maintain the trust of our customers, suppliers and communities. The Board Charter was last updated on 27 September 2024.

Nomination and appointment of directors

The number of directors is determined by the Board, in accordance with the company's constitution. The constitution requires that there are at least four directors, and no more than nine directors, and governs the process for the appointment and removal of directors.

A director is appointed by ordinary resolution of the shareholders, although the Board may fill a casual vacancy.

Under the NZX Listing Rules, a director must not hold office (without re-election) past the third annual meeting following the director's appointment or three years, whichever is longer. A director appointed by the Board must not hold office (without re-election) past the next annual meeting following the director's appointment.

When searching for and nominating candidates to act as a director, the People & Remuneration Committee takes into account such factors as it deems appropriate, including diversity of background (considering factors such as gender, ethnicity, cultural background, sexual orientation and age), experience and qualifications of the candidate, independence and the Board skills matrix. The Committee

may use external search firms to assist with locating possible candidates and gathering relevant information.

When considering the re-election of an existing director, the People & Remuneration Committee will also consider the length of service of the director, and the director's performance on the Board to date. It is the Board's general expectation that a non-executive director will hold office for an aggregate period of approximately nine years (including re-elections), though there may be circumstances when it will be appropriate for directors to have tenures shorter or longer than this.

We undertake a number of checks before appointing a director and putting forward to shareholders a candidate for election as a director. We ensure shareholders are provided with all relevant information to inform their decision on whether to elect or re-elect a director.

At the annual shareholders' meeting (ASM) on 28 August 2024, Michael Daniell retired by rotation and being eligible, offered himself for re-election and was re-elected to the Board. At the ASM, Graham McLean also offered himself for election as a director and was elected to the Board.

At the ASM, Scott St John retired from the Board, and the Board elected Neville Mitchell to succeed Scott as the new Chair of the Board.

In August 2024, the company announced the appointment of Mark Cross as a new addition to the Board. Mark joined the Board on 1 October 2024, to fill the vacancy on the Board left by Scott St John's retirement.

More details relating to the nomination and appointment of directors are outlined in the Procedure for Selection and Appointment of Directors available on our website:

www.fphcare.com.

Skills and experience	Neville Mitchell	Lewis Gradon	Mark Cross	Michael Daniell*	Pip Greenwood	Lisa McIntyre	Graham McLean	Cather Simpson
Financial acumen	✓	✓	✓	✓	✓	✓	✓	✓
Sales/Marketing	✓	✓	✓	✓	✓	✓	✓	
Engineering/ Science/Technology/ Manufacturing	✓	✓		✓		✓	✓	✓
Medicine/Medical Device	✓	✓		✓		✓	✓	✓
Legal/Regulatory	✓	✓	✓	✓	✓			
Governance	✓	✓	✓	✓	✓	✓	✓	✓
International Business Experience	✓	✓	✓	✓	✓	✓	✓	✓
Tenure (years)	6.5	9	0.5	23.5	8	3.5	1.5	3

* Michael Daniell was appointed as a non-executive director on 1 April 2016 following his retirement as Managing Director and Chief Executive Officer.

Board diversity and skills

A diverse Board allows the company to benefit from a range of different perspectives, which leads to healthier debate and decision-making. As we operate in specialised international markets, the Board believes that it is important to have a Board consisting of members with diverse backgrounds, experience and skills.

The Board has set itself a gender diversity objective to have not less than 30% of its directors being male and not less than 30% of its directors being female. As at 31 March 2025, 37% of the company's directors are female. The Board also believes that the tenure of each of its members is important as it seeks to balance independent, institutional knowledge gained through length of service and the importance of fresh perspectives in decision-making.

The table above summarises the current key skills, experience and tenure of the Board.

Written agreements with directors

Upon appointment, non-executive directors are issued a letter setting out the terms and conditions of their appointment. This includes information about their role and duties, time commitments, term of appointment, remuneration and insurance, access to information, and disclosure and compliance obligations. A copy of the standard form of this letter is available on our website: www.fphcare.com. The Chief Executive Officer has an employment agreement setting out his role and conditions of employment. Further information about the remuneration of directors is set out in the Remuneration section of this report.

Directors' and officers' insurance and indemnity

The Group has arranged, as provided for under the company's constitution, policies of directors' and officers' liability insurance which, with a Deed of Indemnity entered into with all directors, ensure that generally directors will incur no monetary loss as a result of actions undertaken by them as directors. Certain actions are specifically excluded, for example, the incurring of penalties and fines which may be imposed in respect of breaches of the law.

Independence of directors

We are committed to ensuring that a majority of directors are independent of the company, and do not have any interests, positions, associations or relationships which might interfere, or might be seen to interfere, with their ability to bring independent judgement to the issues before the Board.

The Board has regard to a number of factors, including those described in the NZX Corporate Governance Code, when assessing the independence of directors. After consideration of these factors, the company is of the view that:

1. Lewis Gradon is a director who is currently employed in an executive role by the company.
2. Michael Daniell is a director who was employed in an executive role by the company until 31 March 2016.
3. No non-executive director is currently deriving, nor has derived within the last 12 months, a substantial portion of their annual revenue from the company.
4. No director currently holds, nor has held within the last 12 months, a senior role in a provider of material professional services to the company or any of its subsidiaries.

5. No director is currently, nor was within the last three years, employed by the external auditor to the company or any of its subsidiaries.
6. No director currently has, nor has had within the last three years, a material business relationship (such as a supplier or customer) with the company or any of its subsidiaries.
7. No director is a substantial shareholder of the company, nor a senior manager of, nor otherwise associated with, a substantial shareholder of the company.
8. No director has, or has had within the last three years, a material contractual relationship with the company or another Group member other than as a director of the company.
9. No director has close family ties or personal relationships (including close social or business connections) with anyone in the categories listed in point 6.
10. Other than Michael Daniell, no director has held the position of director of the company for a period of 12 years or more.

Based on these assessments, the Board considers that, as at 31 March 2025, a majority (six) of the directors are independent, namely Neville Mitchell (Board Chair), Mark Cross, Pip Greenwood, Lisa McIntyre, Graham McLean and Cather Simpson, and that Michael Daniell and Lewis Gradon are not independent.

Induction and continuing development of directors

A formal induction programme is provided to new directors to ensure that they have a working knowledge of our business. The programme includes one-on-one meetings with management and a tour of our R&D and manufacturing facilities. All directors are regularly updated on relevant industry and

company issues. From time to time, the Board may also undertake educational trips to receive briefings from customers and visit operations of the company outside of New Zealand. There is an ongoing programme of presentations to the Board by all business units.

All directors are members of the Institute of Directors (or overseas equivalent) and attend training sessions to remain current on their duties as directors. The company also arranges training for directors and management on specific issues as the need arises.

Board performance

We have a Performance Evaluation Procedure which relates to the performance of the Board, the Board Committees and individual directors. The Performance Evaluation Procedure is available on our website: www.fphcare.com. The Procedure, in accordance with the Board Charter, requires the Board to undertake a two-yearly performance evaluation of itself that:

- compares the performance of the Board with the requirements of the Board Charter
- reviews the performance of the Board Committees and individual directors
- effects any improvements to the Board Charter deemed necessary or appropriate.

An external consulting company facilitated the Board's performance evaluation between May and August 2022, surveying Board and executive management on a range of items including strategy and planning, company oversight, engagement with management, stakeholder engagement, board culture, capability, and succession planning.

In 2024 it was agreed that given the Board had appointed a new Chair, the performance evaluation for 2024 would be conducted by the Chair of the Board engaging in one-on-one discussions with individual directors and implementing any required changes.

Our executive management are also subject to regular performance and contribution reviews, which occurred during the 2025 financial year. The performance and contribution of senior executives is reviewed regularly through ongoing discussions with the CEO.

Board committees

The Board has three permanent committees which support the Board by working with management on relevant issues at a suitably detailed level and then report back to the Board. Committees and their members as at 31 March 2025 are:

Audit & Risk Committee

Members: Mark Cross (Chair), Graham McLean, Lisa McIntyre, Pip Greenwood and Neville Mitchell.

All members are independent non-executive directors.

People & Remuneration Committee

Members: Lisa McIntyre (Chair), Michael Daniell, Pip Greenwood and Neville Mitchell.

All members are non-executive directors, and three of the four members (including the Chair) are independent.

Quality, Safety & Regulatory Committee

Members: Michael Daniell (Chair), Cather Simpson and Neville Mitchell.

All members are non-executive directors, and two of the three members are independent.

Each Committee has a charter setting out its objectives, procedures, composition and responsibilities. A summary is set out on the right, and copies of these charters are available on our website: www.fphcare.com.

The Board may from time-to-time establish other committees for specific purposes.

About the Audit & Risk Committee

The primary function of the Audit & Risk Committee is to assist the Board in fulfilling its responsibilities relating to the company's risk management and internal control framework, the integrity of its financial reporting, and the company's internal and external auditing processes and activities. The Committee also assists the Board in monitoring and reporting the company's strategies, activities and performance regarding sustainability, social responsibility and the environment. The Committee has an annual work plan and reports to the Board, which enables it to properly and regularly inform the Board on significant financial matters relating to the company.

Employees and external auditors are invited to attend meetings when it is considered appropriate by the Committee. At least once per year, the Committee meets with the auditors without any representatives of management present and is encouraged to seek advice from external consultants or specialists where the Committee considers that necessary or desirable.

The Audit & Risk Committee closely monitors financial reporting risks in relation to the preparation of the financial statements. The Committee, with the assistance of management, works to ensure that the financial statements are founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks. As part of this process, before the company's financial statements are approved, the CEO and CFO are required to state in writing to the Board that, to the

best of their knowledge, the company's financial reports present a true and fair view of the company's financial condition and operational results and are in accordance with the relevant accounting standards, and those reports are founded on a sound system of risk management and internal control which is operating effectively.

About the People & Remuneration Committee

The People & Remuneration Committee's role is to oversee and regulate remuneration and organisation matters of the company, including reviewing and monitoring the company's human resources strategy, reviewing remuneration and benefits policies, monitoring company performance against the Diversity, Equity & Inclusion Procedure, and reviewing performance objectives and remuneration of the company's Chief Executive Officer and senior executives. It also seeks advice on and recommends director remuneration structure and recommends director appointments and director succession planning to the Board, aiming to ensure there is a range of skills, experience and diversity represented on the Board.

About the Quality, Safety & Regulatory Committee

The objective of the Quality, Safety & Regulatory Committee is to assist the Board in fulfilling its responsibilities relating to the oversight of the company's quality management system and health and safety risk management system. As part of the company's internal audit function, regular quality system-specific internal audit reports are received by the Committee.

For more details on our internal audit processes and our quality management system, refer to page 58 of this report.

Board and committee meetings

Normally, the Board holds eight formal meetings a year. One of those meetings is typically focused on reviewing the company's annual business plan and budget, and at a separate meeting the long-term strategic plan is considered. The Board also meets with senior executives to consider matters of strategic importance. At the company's ASM held on 28 August 2024, all the then-serving directors were in attendance.

Committees generally meet three or four times per year, or as required to carry out their responsibilities, and report to the Board following each meeting.

Details of attendance at Board and Committee meetings during the year ended 31 March 2025 are set out in the table below.

Takeover Response

The Board has adopted a Takeover Response Procedure to assist the directors and management with the response to unexpected takeover activity. The procedure summarises key aspects of takeover preparation, and sets out governance, conflict and communications protocols for a takeover response. This procedure provides that in the event of a takeover offer, the Board would establish an Independent Takeover Response Committee to manage its takeover response obligations.

Company Secretary

The Company Secretary is Raelene Leonard, General Counsel. The Company Secretary is responsible for supporting the proper functioning of the Board and ensuring the appropriate policies and procedures are followed. The Company Secretary reports directly to the Board, through the Chair, on all governance matters as outlined in the Board Charter.

Disclosure of interests by directors

Directors' certificates to cover entries in the company's interests register in respect of remuneration, insurance, indemnities, dealing in the company's shares, and other interests have been disclosed as required by the Companies Act 1993.

Directors' shareholdings

Directors held interests in the following ordinary shares in the company as at 31 March 2025:

Name	Ownership	Ordinary shares
Neville Mitchell	Beneficial	7,445
Lewis Gradon ¹	Beneficial	574,165
Mark Cross	Beneficial	4,000
Michael Daniell	Beneficial	900,168
Pip Greenwood	Beneficial	3,800
Lisa McIntyre	Beneficial	13,564
Graham McLean	Beneficial	2,900
Cather Simpson	Beneficial	1,950

¹ Lewis Gradon also had a beneficial interest in 470,992 options issued under the company's share option plans and a beneficial interest in 159,726 performance share rights under the company's PSR plans.

	Board		Committees					
	Eligible to attend ³	Attended	Audit & Risk		People & Remuneration		Quality, Safety & Regulatory	
	Eligible to attend ³	Attended	Eligible to attend ³	Attended	Eligible to attend ³	Attended	Eligible to attend ³	Attended
Scott St John ¹	3	3			2	2	1	1
Neville Mitchell ⁴	8	8	4	4	3	3	3	3
Lewis Gradon	8	8						
Mark Cross ²	4	4	2	2				
Michael Daniell	8	8			5	5	3	3
Pip Greenwood	8	8	4	4	5	5		
Lisa McIntyre	8	8	4	4	5	5		
Graham McLean ⁴	8	8	4	4				
Cather Simpson ⁴	8	8					3	3

¹ Scott St John retired from the Board partway through the financial year in August 2024.

² Mark Cross joined the Board partway through the financial year in October 2024.

³ The number of Board and Committee meetings listed above does not include unscheduled Board and Committee conference calls which were held throughout the year.

⁴ Neville Mitchell (prior to his appointment as Chair), Graham McLean and Cather Simpson attended additional Committee meetings each as an 'optional' attendee.

Share dealings by directors

In accordance with the Companies Act 1993 and the Financial Markets Conduct Act 2013, the Board has received disclosures from the directors named below of acquisitions or dispositions of relevant interests (as defined in the Financial Markets Conduct Act 2013) in the company between 1 April 2024 and 31 March 2025, and details of those dealings were entered in the company's interests register.

Name	Transaction	Number of shares	Price per share (NZD unless otherwise stated)	Date
Neville Mitchell	Purchase of shares under DRP	60	\$28.9705	10 July 2024
Lewis Gradon	Share issue upon exercise of 25,761 PSRs	25,761	-	5 September 2024
	Sale of shares	28,000	\$37.3650	5 September 2024
	Granted 85,480 Options	-	-	11 September 2024
	Granted 31,549 PSRs	-	-	11 September 2024
	Share issue upon exercise of 43,848 PSRs	43,848	-	13 September 2024
	Sale of shares	46,000	\$38.4843	13 September 2024
	Employee share scheme offer	71	\$28.1116	10 March 2025
Lisa McIntyre	Purchase of shares under DRP	109	\$28.9705	10 July 2024
Graham McLean	Purchase of shares	1,100	AU\$28.6600	21 June 2024
	Purchase of shares	800	AU\$34.915	12 September 2024
	Purchase of shares	1,000	AU\$32.3000	17 February 2025
Cather Simpson	Purchase of shares	700	\$36.6500	24 September 2024

General disclosure of interests by directors

In accordance with section 140(2) of the Companies Act 1993, the directors named below have made a general disclosure of interests by a general notice disclosed to the Board and entered in the company's interests register.

General notices given by directors which remain current as at 31 March 2025 are as follows:

Name	Entity	Relationship
Neville Mitchell	Sigma Healthcare Limited Sonic Healthcare Limited	Director
Lewis Gradon	Other Fisher & Paykel Healthcare Group entities listed in the 'Group structure' section of this Report	Director
Mark Cross	Chorus Limited	Chair
	Accident Compensation Corporation Board Investment Committee	
	Xero Limited Kinaro Holdings Limited	Director
	Accident Compensation Corporation	Board Member
Michael Daniell	Cochlear Limited MRCF IIF GP Pty Limited MRCF Pty Limited Tait International Limited Tait Limited	Director
Pip Greenwood	The a2 Milk Company Limited Westpac New Zealand Limited	Chair
Lisa McIntyre	Baymatob Pty Limited Nanosonics Limited Studiosity Pty Limited University of Sydney	Director
Graham McLean	Universal Biosensors International CleanSpace Holdings Limited Suicide Prevention Australia	Chair
Cather Simpson	Advento Limited	Chair

Name	Entity	Relationship
	Dewpoint Innovations Limited Orbis Diagnostics Limited	Director
	SPIE The International Society for Optics and Photonics	Vice President
	Orbis Diagnostics Limited	CEO
	Dodd-Walls Centre for Photonic and Quantum Technologies	Governance Board
	Pacific Channel Fund II	Partner
	Academy Executive Committee of the Royal Society Te Apārangi International Council of Academies of Engineering and Technological Sciences Paihau – Robinson Research Institute Advisory Board	Member
	Luminoma Diagnostics Limited	Founder / Director
	Commission 17 of the International Union of Pure and Applied Physics	Vice-Chair

Reporting and disclosure

We are committed to the promotion of investor confidence by ensuring that the trading of our shares takes place in an efficient, competitive and informed market. We believe that evenly balanced disclosure is fundamental to building shareholder value and earning the trust of employees, customers, suppliers, communities and shareholders.

Continuous disclosure

Our Market Disclosure Procedure establishes our procedures for meeting our continuous disclosure obligations and is available on our website: www.fphcare.com. This Procedure explains the respective roles of directors, officers and employees in complying with continuous disclosure obligations, confidentiality of information, external communications with analysts and shareholders, and responding to rumours and market speculation.

The Disclosure Committee, comprising the CEO, CFO, VP – Corporate and General Counsel, and the Disclosure Officer, being the VP – Corporate or alternatively the General Counsel, are responsible for administering compliance with our Market Disclosure Procedure, including continuous disclosure obligations. Market disclosure requires the approval of either the Board or the Disclosure Committee, depending on the circumstances. The Market Disclosure Procedure was last updated on 27 March 2024.

Company policies

We have policies and procedures in place to ensure we conduct our business with integrity, and in a legally, ethically and socially responsible manner. Key governance documents including our Board and Committee Charters, Corporate Governance Policy, Code of Conduct, Diversity, Equity & Inclusion Procedure, Health & Safety Procedure, Market Disclosure Procedure, Remuneration Procedure (Summary) and Securities Trading Procedure are all available on our website: www.fphcare.com.

Financial reporting

We are committed to reporting our financial information in an objective, balanced and clear manner. Financial results are reported in this annual report in accordance with the New Zealand equivalent of International Financial Reporting Standards. This annual report includes detailed financial commentary and notes to the financial statements which explain any changes to financial reporting.



This annual report also includes comments from the Chair and CEO on strategic progress, performance during the year and progress towards our strategic objectives. It explains how we deliver value for shareholders and how key performance indicators, such as revenue, profit, constant currency information, dividend growth and gearing, are used to link results to our strategy.

We ensure that financial information reported in investor presentations, company overviews and other documents is portrayed in an accurate, fair and understandable format.

Other reporting

We are committed to transparent reporting of non-financial objectives, such as environmental, social and governance (ESG) factors, as well as risk, health and safety, and business strategy. Our annual report references the guidelines and principles set out by the Global Reporting Initiative (GRI) and includes a GRI-referenced content index which can be found at the end of this report. This report also contains our Climate-related Disclosures in accordance with the External Reporting Board's Aotearoa New Zealand Climate Standards, which can be found on pages 94-124.

Shareholder and company information

The company has in place an investor relations programme to facilitate effective two-way communication with investors. We aim to build strong relationships with our shareholders and investors based on integrity, transparency and trust. Our intention is to provide shareholders with all relevant information about the company to enable them to actively engage with us and exercise their rights as shareholders in an informed manner.

Shareholder communications

Our Shareholder Communications Procedure facilitates communication with shareholders through written and electronic means, and by facilitating shareholder access to directors, executive management and our auditors. A copy of our Shareholder Communications Procedure is available on our website: www.fphcare.com.

We communicate with shareholders through the following channels:

- investor section of our website
- annual report
- interim report
- annual shareholders' meeting (ASM)
- webcasts
- regular disclosures on company performance and news
- disclosure of presentations provided to analysts and investors during regular briefings, meetings and roadshows.

Our website

Our website is a core component of our shareholder communications. We include on our website a range of information relevant to shareholders and others concerning the operation of the company.

We make available a webcast of our ASM and management presentations of financial results. Webcast details are published on the NZX and ASX before the event so that shareholders and other interested parties may participate.

We encourage shareholders to receive their shareholder communications electronically to help reduce our environmental footprint and costs.

Direct communication

Shareholders may, at any time, direct questions or requests for information to directors or management through our website or by contacting the relevant officer in charge of investor relations. These contact details are available on our website: www.fphcare.com.

We have a comprehensive communication framework in place so shareholders can receive communications in a manner that best suits them. We provide shareholders with the option to receive communications from, and send communications to, us and our share registrar electronically. We offer shareholders the ability to attend our ASM in person or digitally, including the option to ask questions through a virtual tool, and to vote electronically.

ASM and shareholder voting

Our next ASM will be held online at www.virtualmeeting.co.nz/FPH25 and in person at our East Tāmaki campus in the Daniell Building, 15 Maurice Paykel Place, East Tāmaki, Auckland, New Zealand on Thursday, 21 August 2025 commencing at 2.00pm (NZST).

Notice of the ASM will be released to the NZX and ASX and posted on our website, along with a meeting guide, at least 20 working days prior to the meeting. We encourage active participation by shareholders at the ASM, and shareholders may present questions to engage with the Board and executive management.

Shareholders have the right to vote on major decisions which may change the nature of the company. Each shareholder has one vote per ordinary share they own in the company, equally with other shareholders, and may vote at a meeting in person, or by proxy, representative or attorney. We offer an electronic voting facility to allow shareholders to vote ahead of the meeting without having to attend or appoint a proxy.

Share information

Stock exchange listing requirements

The company's shares were listed on the NZX Main Board on 14 November 2001 and on the ASX on 21 November 2001. On 20 June 2016 the company changed its admission category to an ASX Foreign Exempt Listing. As part of this change, the company is still required to comply with the NZX Listing Rules but is not required to comply with many of the ASX Listing Rules. For the purposes of ASX Listing Rule 1.15.3, the company confirms that it continues to comply with the NZX Listing Rules.

For the purposes of NZX Listing Rule 3.7.1(h), the company confirms that there has been no public exercise of powers by the NZX under NZX Listing Rule 9.9.3.

Current on-market share buy-back

There is no current on-market buy-back of the company's ordinary shares. During the year ended 31 March 2025, none of the company's ordinary shares were purchased on-market under or for the purposes of an employee incentive scheme or to satisfy the entitlements of holders of options or other rights to acquire ordinary shares granted under an employee incentive scheme. The company does not have any restricted securities or securities subject to voluntary escrow on issue.

Dividend reinvestment plan (DRP)

Given the company's strong financial performance and reduction of debt, the Board determined to suspend the DRP in November 2024. As a result, eligible shareholders who had previously elected to participate in the DRP are to receive their dividends for both the interim and final periods in cash. The DRP had previously been reactivated during the 2023 financial year to assist in reducing the additional debt financing required for the company's capital expenditure programme, including the acquisition of land for the second campus in Karaka, New Zealand.

Incorporation and limitations on the acquisition of shares

The company is incorporated in New Zealand and is not subject to Chapters 6, 6A, 6B and 6C of the Australian Corporations Act 2001. In general, securities in the company are freely transferable and the only significant restrictions or limitations in relation to the acquisition of securities are those imposed by the New Zealand Takeovers Code, the Overseas Investment Act 2005 (NZ), the Commerce Act 1986 (NZ) and the Companies Act 1993 (NZ). The company does not impose additional ownership restrictions.

Credit rating

The company does not currently have an external credit rating status.

Distribution of shareholders and holdings

The company only has one class of shares on issue, ordinary shares, each conferring to the registered holder the right to one vote on any resolution, and these shares are listed on the NZX and ASX. There are no other classes of equity security currently on issue. The total number of ordinary shares on issue as at 31 March 2025 was 586,139,423 shares.

The distribution of shareholdings as at 31 March 2025 was as shown in the table below:

Size of shareholding	Number of holders	%	Number of ordinary shares	%
1 to 1,000	14,096	59.01%	4,478,488	0.76%
1,001 to 5,000	7,362	30.82%	17,044,132	2.91%
5,001 to 10,000	1,434	6.00%	10,138,622	1.73%
10,001 to 50,000	864	3.62%	15,714,806	2.68%
50,001 to 100,000	55	0.23%	3,647,575	0.62%
100,001 and over	77	0.32%	535,115,800	91.30%
Total	23,888	100.00%	586,139,423	100.00%

The employee share options, rights and PSRs on issue to employees are disclosed in Note 18 of the financial statements in this annual report. There are no voting rights attaching to share options, rights or PSRs.

Substantial product holder

According to company records and notices given under the Financial Markets Conduct Act 2013, the substantial product holders in ordinary shares (being the only class of quoted voting products) of the company as at 31 March 2025 were as follows:

Substantial product holder	Date of notice	Number of ordinary shares held as at date of notice	Holding as a % of total ordinary shares on issue as at date of notice
BlackRock, Inc. and related bodies corporate	13 Jul 21	37,908,016	6.6%
Pinnacle Investment Management Group Limited and its subsidiaries	13 Oct 23	36,059,206	6.2%

Principal shareholders

The names and holdings of the 20 largest registered shareholders in the company as at 31 March 2025 were:

Investor name	Total units	% Issued capital
HSBC Nominees (New Zealand) Limited R601127393	72,851,413	12.43%
JPMorgan Nominees Australia Pty Limited	57,561,758	9.82%
HSBC Custody Nominees (Australia) Limited	56,987,614	9.72%
HSBC Nominees (New Zealand) Limited R601127385	49,522,756	8.45%
Citicorp Nominees Pty Limited	45,014,138	7.68%
JPMorgan Chase Bank	38,164,940	6.51%
BNP Paribas Nominees NZ Limited R601338998	34,567,359	5.95%
Citibank Nominees (NZ) Ltd	26,303,930	4.49%
Custodial Services Limited	18,854,845	3.22%
Tea Custodians Limited	17,923,982	3.06%
New Zealand Superannuation Fund Nominees Limited	14,683,602	2.51%
Premier Nominees Limited	7,842,613	1.34%
Accident Compensation Corporation	7,828,198	1.34%
New Zealand Permanent Trustees Limited	6,561,373	1.12%
Public Trust	6,119,187	1.04%
New Zealand Depository Nominee	5,708,620	0.97%
FNZ Custodians Limited	5,446,374	0.93%
JBWere (NZ) Nominees Limited	5,233,917	0.89%
National Nominees Limited	4,773,913	0.81%
BNP Paribas Nominees NZ Limited R601339005	4,582,882	0.78%

Other Group information

Principal activities

The company is a world-leading designer, manufacturer and marketer of products and systems for use in acute and chronic respiratory care, surgery and the treatment of obstructive sleep apnea. There were no significant changes to the state of affairs of the company or to the nature of the company's (or its subsidiaries') principal activities during the year ended 31 March 2025.

Use of company information

We did not receive any notices from directors requesting to use company information received in their capacity as directors which would not otherwise have been available to them.

Donations

Please refer to Note 5 of the financial statements in this report for the Group's donations in the financial year to 31 March 2025.

Entries recorded in the interests register

Except for disclosures made elsewhere in this report, there have been no entries in the company's interests register made during the year ended 31 March 2025.

Other subsidiary company information

No entries were made in the interests register of any subsidiary during the year ended 31 March 2025.

No employee of the Group who is appointed as a director of a Group entity receives or retains any remuneration or other benefits in his or her capacity as a director. The remuneration and other benefits of Group employees and former employees totalling \$100,000 or more during the year ended 31 March 2025 are included in the relevant bands for remuneration disclosed in the Remuneration section of this report.

During the year ended 31 March 2025, all directors of subsidiaries were full-time employees of the Group, with the exception of:

1. Neville Mitchell, who is a director of Fisher & Paykel Healthcare Employee Share Purchase Trustee Limited
2. Toh Han Nee, who is a director of Highbrook Insurance Company Pte. Limited (Singapore)
3. Basyirah Anuar, who is a director of Fisher & Paykel Healthcare Malaysia Sdn. Bhd. (Malaysia)
4. Shanty Putri, who is a director of PT Fisher and Paykel Healthcare Indonesia (Indonesia).

Neville Mitchell does not receive any remuneration or other benefits for his role as director of the above subsidiary. Toh Han Nee, Basyirah Anuar and Shanty Putri also do not receive any remuneration personally for their respective roles as directors as described above; however, a management fee is paid to their respective employers (Marsh Singapore Ltd., Zico Corporate Services Sdn. Bhd and PT TMF Indonesia).

Group structure

All subsidiary companies in the Group are ultimately 100% owned by the company. The Group structure and the persons who held office as directors of subsidiary companies at 31 March 2025 are detailed below.

Entities	Directors
<i>Fisher & Paykel Healthcare Corporation Limited* owns:</i>	
Fisher & Paykel Healthcare Limited* (NZ)	Andrew Niccol, Andrew Somervell, James Tuck
Fisher & Paykel Healthcare Treasury Limited* (NZ)	Andrea Blackie, Rachael Bull, Raelene Leonard
Fisher & Paykel Healthcare Employee Share Purchase Trustee Limited (NZ)	Neville Mitchell, Nicola Talbot, Rachael Bull
Fisher & Paykel Asia Limited (NZ)	Andrea Blackie, Eloise Jones, James Tuck
Fisher & Paykel Healthcare Americas Investments Limited (NZ)	Andrea Blackie, Eloise Jones, James Tuck
Fisher & Paykel Healthcare Pty. Limited (Australia)	David Boyle, Graham Gourd, Lewis Gradon, Paul Shearer
Fisher & Paykel Healthcare Limited (UK)	Lewis Gradon, Patrick McSweeney, Paul Shearer, Samuel Frame
Fisher & Paykel Holdings, Inc. (USA)	Andrew Niccol, Justin Callahan, Steven Wilson
Fisher & Paykel do Brasil Ltda (Brazil)	Brazilian law does not require directors. Decision-making authority lies with the directors of its shareholders.
Fisher & Paykel Healthcare (Guangzhou) Limited (China)	David Boyle, Lewis Gradon, Paul Shearer, Zhiping Hou
Fisher & Paykel Healthcare Limited (Canada)	Andrew Niccol, James Tuck, Justin Callahan
Highbrook Insurance Company Pte. Ltd. (Singapore)	Grant Gillingham, Lyndal York, Toh Han Nee
Fisher & Paykel Healthcare MEA Limited (NZ)	Andrea Blackie, Eloise Jones, James Tuck

Entities	Directors
<i>Fisher & Paykel Healthcare Limited* (NZ) owns:</i>	
Fisher & Paykel Healthcare Properties Limited* (NZ)	Andrea Blackie, Andrew Niccol, Jonathan Rhodes
<i>Fisher & Paykel Healthcare Asia Limited (NZ) owns:</i>	
Fisher & Paykel Healthcare Asia Investments Limited (NZ)	Andrea Blackie, Eloise Jones, James Tuck
Fisher & Paykel Healthcare Malaysia Sdn. Bhd.	Basyirah Anuar, Bryan Peterson, James Tuck, Justin Callahan
<i>Fisher & Paykel Healthcare Asia Investments Limited (NZ) owns:</i>	
Fisher & Paykel Healthcare India Private Limited	David Boyle, James Tuck, Prashant Kate
Fisher & Paykel Healthcare K.K. (Japan)	Bryan Peterson, James Tuck, Justin Callahan
Fisher & Paykel Healthcare Limited (Hong Kong)	Andrew Niccol, David Boyle, Justin Callahan, Zhiping Hou
Fisher & Paykel Healthcare Supply Chain Limited (Hong Kong)	Jonathan Rhodes
Fisher & Paykel Healthcare Colombo (Private) Limited (Sri Lanka)	David Boyle, James Tuck, Justin Callahan
Fisher & Paykel Healthcare Bangladesh Limited	David Boyle, James Tuck, Justin Callahan
PT Fisher and Paykel Healthcare Indonesia	Bryan Peterson, James Tuck, Justin Callahan, Shanty Putri
Fisher & Paykel Healthcare Medical Device (Guangzhou) Co., Ltd (China)	Andrew Somervell, Deshitha Edirisuriya, Lewis Gradon
Fisher & Paykel Healthcare Pakistan (Private) Limited	David Boyle, James Tuck

Entities	Directors
<i>Fisher & Paykel Healthcare Americas Investments Limited (NZ) owns:</i>	
Fisher & Paykel Healthcare S.A. de C.V. (Mexico)	Andrew Niccol, Lyndal York
Fisher & Paykel Healthcare Colombia S.A.S.	Legal Representatives: Bryan Peterson, James Tuck
Fisher & Paykel Healthcare Mexico S.A. de C.V.	Bryan Peterson, Justin Callahan, Stuart Grant
Fisher & Paykel Healthcare Mexico Properties S.A. de C.V.	Andrew Niccol, Jonathan Rhodes, Lyndal York
Fisher & Paykel Healthcare Chile SpA	No directors. Bryan Peterson and James Tuck are delegates for the shareholder of the Company (with the power to act individually).
Fisher & Paykel Healthcare Peru S.A.C.	Bryan Peterson, Justin Callahan, Stuart Grant
Fisher & Paykel Healthcare Costa Rica, S.R.L.	Bryan Peterson, Justin Callahan, Stuart Grant
<i>Fisher & Paykel Healthcare Limited (UK) owns:</i>	
Fisher & Paykel Healthcare SAS (France)	Lewis Gradon, Paul Shearer, Philippe Berardi
Fisher & Paykel Healthcare GmbH (Germany)	Jon Clausen, Justin Callahan, Patrick McSweeney
Fisher & Paykel Healthcare AB (Sweden)	Lewis Gradon, Patrick McSweeney, Paul Shearer, Philippe Berardi
Fisher Paykel Sağlık Ürünleri Ticaret Limited Şirketi (Turkey)	Lewis Gradon, Patrick McSweeney, Paul Shearer
Limited Liability Company Fisher & Paykel Healthcare (Russia)	Anatoly Filippov, Bryan Peterson, James Tuck, Stuart Grant

Entities	Directors
<i>Fisher & Paykel Holdings, Inc. (USA) owns:</i>	
Fisher & Paykel Healthcare, Inc. (USA)	Andrew Niccol, Justin Callahan, Steven Wilson
<i>Fisher & Paykel Healthcare SAS (France) owns:</i>	
Fisher & Paykel Healthcare Romania S.R.L.	Bryan Peterson, James Tuck, Justin Callahan
<i>Fisher & Paykel Healthcare GmbH (Germany) owns:</i>	
Fisher & Paykel Healthcare (Czech Republic) s.r.o.	Bryan Peterson, James Tuck, Justin Callahan
Fisher & Paykel Healthcare Poland spółka z ograniczoną odpowiedzialnością	Bryan Peterson, James Tuck, Justin Callahan
<i>Fisher & Paykel Healthcare MEA Limited (NZ) owns:</i>	
Fisher & Paykel Healthcare MEA Investments Limited (NZ)	Andrea Blackie, Eloise Jones, James Tuck
<i>Fisher & Paykel Healthcare MEA Investments Limited (NZ) owns:</i>	
Fisher and Paykel Healthcare Tunisia SARL	Bryan Peterson, James Tuck, Justin Callahan
Fisher & Paykel Healthcare Nigeria Limited	Bryan Peterson, James Tuck, Justin Callahan
Fisher and Paykel Healthcare Jordan	Bryan Peterson, James Tuck, Justin Callahan
Fisher & Paykel Healthcare Kenya Limited	Bryan Peterson, James Tuck, Justin Callahan

*Companies operating under a Negative Pledge Deed

Remuneration

Our approach is to attract, reward and retain high-quality employees who will help us to achieve our short and long-term strategic objectives. This depends in large part upon the remuneration packages we offer.

This section provides an overview of our remuneration strategy and governance, including executive and director remuneration.



Letter from Lisa McIntyre, Chair of the People & Remuneration Committee



LISA MCINTYRE

Chair, People & Remuneration Committee

At Fisher & Paykel Healthcare, our intention is to have good people who contribute the most they can over the long term. The fundamentals that enable us to achieve this include supporting and caring for our people, and creating a safe, healthy and enjoyable work environment with sustainable workloads. We are also committed to rewarding our people fairly based on individual performance and contribution, the size of their role, market context and the company's ability to pay.

We operate in a large number of countries, and our remuneration practices reflect our culture, values and local market conditions. Our employee remuneration programme consists of a base wage or salary, a discretionary component providing the potential for an annual profit-sharing payment based on relevant company performance. In certain countries, additional benefits may include superannuation, health and life insurance, and the opportunity to purchase shares and/or receive long-term variable remuneration in the form of share options, performance share rights or employee share rights.

Employees receive base remuneration packages that are generally benchmarked against similar positions in companies of comparable size and complexity. We use industry remuneration surveys conducted by external consultants to determine remuneration levels. In general, remuneration is reviewed annually, and our process supports our intention to pay our people fairly.

The company delivered strong revenue, operating profit and operating cashflow performance during the year, which was above the targets set at the beginning of the financial year. The Committee did not exercise any discretion when assessing discretionary annual variable remuneration (DAVR) and long-term variable remuneration (LTVR) outcomes in respect of the 2025 financial year.

There were no significant changes to our remuneration arrangements during the 2025 financial year. In the coming year, we will be engaging with shareholders on our LTVR plans, as we work to ensure that they remain fit-for-purpose and supportive of our long-term objectives.

A handwritten signature in black ink that reads "Lisa McIntyre".

Lisa McIntyre

Chair, People & Remuneration Committee

Remuneration governance

The People & Remuneration Committee is responsible for reviewing and recommending to the Board the company's approach to remuneration. This includes overseeing and regulating remuneration matters related to directors, and reviewing executive management in consultation with the Chief Executive Officer. The majority of the Committee's members are independent and members of the executive management team only attend Committee meetings upon invitation.

More details on the role and composition of the People & Remuneration Committee are available on page 70 of this report and in the People & Remuneration Committee charter, which is available on the company's website. A summary of the company's Remuneration Procedure is also available on our website: www.fphcare.com.

Executive remuneration

Executive management remuneration packages consist of a combination of a fixed remuneration package, a discretionary annual variable remuneration (DAVR) component, a long term variable remuneration (LTVR) component, and the company-wide profit-sharing payment scheme, as described further below. Our executive management team remuneration approach ensures that a significant proportion of total remuneration is variable to align the executives more closely to the performance of the company. The CEO remuneration target for the 2025 financial year was 48% fixed remuneration, 28% LTVR and 24% DAVR. The total remuneration earned by executive management is set out in Note 18 of the financial statements.

Fixed remuneration

All members of executive management receive a fixed remuneration component based on the scale and complexity of the role, market relativities and experience, and performance. This also includes any KiwiSaver or other superannuation contribution.

Variable remuneration

Executive management receive variable remuneration linked to financial and strategic performance.

Discretionary Annual Variable Remuneration (DAVR)

Discretionary annual variable remuneration (DAVR) is designed to remunerate executive management relative to the company's financial performance and non-financial measures which are the annual implementation of our long-term plan for sustainable profitable growth. Details of our plan are shown on the right.

Performance period	Paid annually and aligned with financial year (1 April 2024 to 31 March 2025)	
Measures	Financial (80%)	Weighting
	Constant currency operating profit	45%
	Constant currency revenue	25%
	Constant currency pre-tax operating cash flow	10%
	Non-financial (20%) Measures relating to the strategic direction of the company and environmental and social responsibility initiatives. Non-financial measures are shared across all members of the executive management team as the measures involve collaboration and commitment.	
Performance hurdle	The trigger for considering whether to exercise discretion to make any payment is 90% achievement of at least one of the financial measures.	
Payment calculation method	Meeting 100% of each financial and non-financial measure results in payment of 100% of the DAVR amount.	
	Each financial measure is assessed independently. If the achievement of a financial measure is less than 90%, 0% achievement will be applied for that measure.	
	If the achievement of a financial measure is greater than 120%, 120% achievement will be applied for that measure.	
	The DAVR payment amount is adjusted pro-rata, with each 1% above or below each financial measure resulting in a 2% increase or decrease in payment.	
Target payments*	Up to 24% of total remuneration for the CEO/Managing Director.	
Maximum payment	The maximum achievable DAVR which may be awarded is 132% of the target DAVR at 20% or more over achievement of the financial measures and achievement of all non-financial measures.	
Approval process	The Board (administered through the People & Remuneration Committee) has the discretion to alter, amend, replace or withdraw the DAVR scheme at any time without notice (including during a financial year).	
	The Board also retains the ultimate discretion in assessing and determining any payments under the scheme. As part of that, the Board has the right to exercise its discretion not to make any payments or to pay a reduced amount, regardless of whether the measures have been met.	
Termination of employment	Participants will not be entitled to be considered for a DAVR payment if they cease to be employed by the Company prior to the end of the DAVR year and/or in circumstances where they are under notice of termination of employment when the DAVR award is under consideration or paid. Should a participant leave the company (e.g. due to death, permanent disability, redundancy or on medical grounds) before they are due to be considered for a DAVR award, the Board will have discretion as to whether to pay any DAVR award.	

* In previous years, we have expressed this as a percentage of fixed remuneration. There has been no change to the methodology for target payments.

Key performance summary

The relative weighting of DAVR measures and the target achieved in 2025 are set out below:

Measures	Weighting	% of Target Achieved		
		Minimum 90%	Target 100%	Maximum 120%
Constant currency operating profit	45%			
		Achieved (105%; \$437.0M)		
Constant currency revenue	25%			
		Achieved (101%; \$1.93B)		
Constant currency pre-tax operating cash flow	10%			
		Achieved (119%; \$566.4M)		
Non-financial measures	20%	Achieved	Number	Measure
			1	Health & safety
			1	Quality
			1	Environmental & social responsibility
			2	Diversity & inclusion
			4	Long-term sales strategies
			3	Manufacturing & operational efficiency
			1	Infrastructure
		96% of non-financial measures were achieved for the financial year.		
Total				
		Achieved 108%		

Profit-sharing payment

All our employees, including executive management, who have worked with us for more than six months are eligible to receive a profit-sharing payment twice per year.

Long Term Variable Remuneration (LTVR)

LTVR components are designed to align executive management with shareholder interests over the longer term and provide a longer-term employee retention benefit. The current LTVR plans available to executive management are described below. Further information on these and other LTVR plans can be found in the Long Term Variable Remuneration section of our website: www.fphcare.com.

2022 Share Option Plan – Options vest if the company's share price on the NZX has exceeded the “escalated price” at the third anniversary of the grant date. The escalated price is determined by a representative amount representing the company's cost of capital.

2022 Performance Share Rights Plan – PSRs fully vest if the company's gross total shareholder return (TSR) exceeds the performance of the Dow Jones US Select Medical Equipment Total Return Index (DJSMDQT) by 10% or more at the third anniversary of the grant date of the PSRs.

Employee Share Purchase Plan – Executive management can choose to participate in this Plan up to the value of \$2,000 with a discount of up to \$500, with no interest charged on the loans. The qualifying period between grant and vesting date is three years.

The rules of the Share Option Plan and Performance Share Rights Plan were amended in 2022 and executives may retain instruments granted in 2020 and 2021 under previous versions of the plan rules. Further information on the previous plan rules can be found in Note 18 of our financial statements.

Participants in the company's equity-based remuneration schemes are not permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of their unvested entitlements. For the avoidance of doubt, this does not prevent participants entering into financial arrangements from being able to exercise vested entitlements under any company equity-based remuneration scheme.

Summary of LTVR performance

Performance Share Rights

	Met vesting hurdle in FY25?	Comment
2019 PSRs	✓	From 11 September 2019 to 11 September 2024, our TSR performance exceeded that of the DJSMDQT, and PSRs met the vesting hurdle for the third performance period.
2020 PSRs	✗	From 4 September 2020 to 4 September 2024, our TSR performance did not exceed that of the DJSMDQT, and PSRs did not meet the vesting hurdle for the second performance period.
2021 PSRs	✓	From 1 September 2021 to 1 September 2024, our TSR performance exceeded that of the DJSMDQT, and PSRs met the vesting hurdle for the first performance period.

Share Options

	Met vesting hurdle in FY25?	Comment
2020 Options	✗	The five-day volume-weighted average price (VWAP) for the company's shares did not exceed the escalated price at the fourth anniversary of the grant date (4 September 2024) and these options did not meet the vesting hurdle for the second performance period.
2021 Options	✗	The five-day VWAP for the company's shares did not exceed the escalated price at the third anniversary of the grant date (1 September 2024) and these options did not meet the vesting hurdle for the first performance period.

CEO remuneration arrangements and outcomes

Remuneration structure

The CEO remuneration structure is consistent with the executive management remuneration structure described previously.

CEO remuneration summary

Year	Fixed remuneration		Discretionary annual variable remuneration (DAVR) ²			Long term variable remuneration (LTVR)				Total remuneration
	Base salary (NZD)	Other benefits ¹ (NZD)	Earned (NZD)	Amount earned as a % of maximum award	Total cash-based remuneration earned (NZD)	Number of shares issued upon exercise	Vesting – % of maximum ³	Market price upon exercise (NZD)	Total LTVR ⁴ (NZD)	Fixed remuneration + DAVR earned + LTVR vested (NZD)
FY25	1,841,334	156,598	1,125,005	82%	3,122,938	69,609	30%	\$37.91	2,638,813	5,761,751
FY24	1,786,930	150,297	935,057	72%	2,872,284	30,109	51%	21.98	661,687	3,533,971

1 Other includes superannuation contributions and life insurance.

2 DAVR represents what was earned for the financial year. DAVR value includes the company-wide profit-sharing payment.

3 Calculated as the number of LTVR instruments that vested and were exercised by the CEO during the relevant performance period, divided by the total number of LTVR instruments held by the CEO that were tested during that performance period.

4 LTVR in the table represents what was earned during the financial year. However, the cost of each LTVR plan is independently measured and accounted for based on the fair value at the date granted. Details of the plans and valuation methodology are set out in Note 18 to the financial statements.

DAVR achieved in 2025

The DAVR financial targets achieved are set out in the Executive remuneration section on page 82. During the 2025 financial year, the CEO achieved 108% of his DAVR target. The DAVR earned in the 2025 financial year is 20% of total remuneration.

PSRs granted to the CEO (as at 31 March 2025)

Grant name	PSR award date	Vesting date	Balance of PSRs at 31 March 2024	Awarded during the reporting period		PSRs lapsed during the reporting period	PSRs vested during the reporting period			Shares issued during the reporting period			Balance of PSRs at 31 March 2025
				PSRs awarded	Market price at award		PSRs vested	Market price at vesting date	Vesting date	Shares issued	Market price at issue date	Issue date	
2024 - PSRs	11 Sep 2024	11 Sep 2027	-	31,549	\$37.55	-	-	-	-	-	-	-	31,549
2023 - PSRs	12 Sep 2023	12 Sep 2026	49,250	-	-	-	-	-	-	-	-	-	49,250
2022 - PSRs	7 Sep 2022	7 Sep 2025	56,749	-	-	-	-	-	-	-	-	-	56,749
2021 - PSRs	1 Sep 2021	1 Sep 2024 to 1 Sep 2026	25,761	-	-	-	25,761	\$35.60	1 Sep 2024	25,761	\$37.52	5 Sep 2024	-
2020 - PSRs	4 Sep 2020	4 Sep 2023 to 4 Sep 2025	22,178	-	-	-	-	-	-	-	-	-	22,178
2019 - PSRs	11 Sep 2019	11 Sep 2022 to 11 Sep 2024	43,848	-	-	-	43,848	\$37.55	11 Sep 2024	43,848	\$38.50	13 Sep 2024	-

Share options granted to the CEO (as at 31 March 2025)

Grant name	Options award date	Vesting date	Balance of options at 31 March 2024	Awarded during the reporting period		Options lapsed during the reporting period	Share options vested and exercised during the reporting period			Shares issued during the reporting period			Balance of options at 31 March 2025
				Options awarded	Market price at award		Share options vested and exercised	Market price at vesting date	Vesting date	Shares issued	Market price at issue date	Issue date	
2024 - Options	11 Sep 2024	11 Sep 2027	-	85,480	\$37.55	-	-	-	-	-	-	-	85,480
2023 - Options	12 Sep 2023	12 Sep 2026	113,177	-	-	-	-	-	-	-	-	-	113,177
2022 - Options	7 Sep 2022	7 Sep 2025	128,771	-	-	-	-	-	-	-	-	-	128,771
2021 - Options	1 Sep 2021	1 Sep 2024 to 1 Sep 2026	73,633	-	-	-	-	-	-	-	-	-	73,633
2020 - Options	4 Sep 2020	4 Sep 2023 to 4 Sep 2025	69,931	-	-	-	-	-	-	-	-	-	69,931

Severance arrangements

Within a period of two years following a change in control of the company, and upon either written notice from the CEO or termination of the CEO's employment for any reason (excluding serious or repeated misconduct or demonstrable and prolonged poor performance), the company will pay to the CEO the sum of one year's total fixed remuneration in addition to any other compensation that may be payable to the CEO pursuant to the terms and conditions of his employment.

Other than in the event of a change of control in the company, there are no general severance arrangements for the CEO.

CEO/worker ratio

At the balance date, the Chief Executive Officer's base salary of \$1,841,334 was 31 times that of the median global employee remuneration figure of \$59,426. The Chief Executive Officer's total remuneration (including LTVR earned, not granted) was 40 times that of the mean employee total remuneration.

Gender pay equity

Fisher & Paykel Healthcare has been reporting on gender pay equity since 2017. Gender pay equity is about making sure people are paid fairly regardless of their gender. We continue to monitor this on a regular basis across our global locations. For full details on our like-for-like gender pay gap and overall gender pay gap, refer to page 38 of this report.

Remuneration bands

The tables opposite show the remuneration (inclusive of the value of other benefits) totalling \$100,000 or more received by employees or former employees in the 2025 financial year. This includes global employees, and offshore remuneration amounts have been converted into New Zealand dollars. This does not include the CEO, who is a director of the company.

The tables include salary and wages, profit-sharing payment and discretionary annual variable remuneration (DAVR) paid during the 2025 financial year. They also include the fair value of long term variable remuneration (LTVR) as expensed in the period.

Remuneration band (NZD)	Number of employees	Remuneration band (NZD)	Number of employees
100,000 - 110,000	336	450,001 - 460,000	4
110,001 - 120,000	264	460,001 - 470,000	4
120,001 - 130,000	252	470,001 - 480,000	5
130,001 - 140,000	192	480,001 - 490,000	2
140,001 - 150,000	181	490,001 - 500,000	2
150,001 - 160,000	140	500,001 - 510,000	1
160,001 - 170,000	108	510,001 - 520,000	1
170,001 - 180,000	106	520,001 - 530,000	2
180,001 - 190,000	69	530,001 - 540,000	2
190,001 - 200,000	70	540,001 - 550,000	3
200,001 - 210,000	47	550,001 - 560,000	2
210,001 - 220,000	38	570,001 - 580,000	2
220,001 - 230,000	30	580,001 - 590,000	1
230,001 - 240,000	33	600,001 - 610,000	1
240,001 - 250,000	34	610,001 - 620,000	2
250,001 - 260,000	40	630,001 - 640,000	1
260,001 - 270,000	25	650,001 - 660,000	1
270,001 - 280,000	22	680,001 - 690,000	1
280,001 - 290,000	28	720,001 - 730,000	1
290,001 - 300,000	15	750,001 - 760,000	1
300,001 - 310,000	23	760,001 - 770,000	2
310,001 - 320,000	14	780,001 - 790,000	1
320,001 - 330,000	18	810,001 - 820,000	1
330,001 - 340,000	13	820,001 - 830,000	1
340,001 - 350,000	12	830,001 - 840,000	1
350,001 - 360,000	9	910,001 - 920,000	1
360,001 - 370,000	12	930,001 - 940,000	1
370,001 - 380,000	10	1,010,001 - 1,020,000	1
380,001 - 390,000	6	1,020,001 - 1,030,000	1
390,001 - 400,000	6	1,100,001 - 1,110,000	1
400,001 - 410,000	4	1,200,001 - 1,210,000	1
410,001 - 420,000	1	1,340,001 - 1,350,000	1
420,001 - 430,000	7	1,860,001 - 1,870,000	1
430,001 - 440,000	3	2,110,001 - 2,120,000	1
440,001 - 450,000	1		

Non-executive directors' remuneration

Remuneration strategy

The People & Remuneration Committee is responsible for establishing and monitoring remuneration policies and guidelines for directors. This enables us to attract and retain directors who contribute to the successful governing of the business and create value for shareholders.

We also take advice from independent consultants and take into account fees paid to directors of comparable companies in New Zealand and Australia as part of our assessment of the appropriate level of remuneration of directors.

The maximum total monetary sum payable by the company by way of directors' fees is \$1,750,000 per annum as approved by shareholders at the Annual Shareholders' Meeting which was held in August 2023. Independent remuneration benchmarking was provided by Mercer. A summary of the report is available on the company's website: www.fphcare.com.

Executive directors are not entitled to receive any remuneration solely in their capacity as directors of the company. Non-executive directors do not take a portion of their remuneration under an equity security plan; however, directors

may hold shares in the company. Details are set out on page 71 of this report. It is our policy to encourage directors to acquire shares on-market.

No non-executive director is entitled to receive a retirement payment.

Approved director remuneration

The current non-executive directors' fees, including a breakdown of Board fees and Committee fees, are set out in the table below. The table at the bottom of this page outlines the fees received by non-executive directors in the 2025 financial year. The fees payable are determined based on the time commitment and responsibilities of each role.

Fees per annum	Chair \$	Member \$
Board of Directors	340,200	151,200
People & Remuneration Committee	30,000	18,950
Quality, Safety & Regulatory Committee	30,000	18,950
Audit & Risk Committee	37,900	18,950

Director remuneration received in the 2025 financial year

Director	Board Fees \$	People & Remuneration Committee \$	Quality, Safety & Regulatory Committee \$	Audit & Risk Committee \$	Overseas Director Allowance ² \$	Total Remuneration \$
Scott St John	135,000	–	–	–	–	135,000 ³
Neville Mitchell	258,450	–	7,896	15,792	41,500	323,638 ^{5, 6}
Pip Greenwood	148,200	18,950	–	18,950	–	186,100
Mark Cross	75,600	–	–	18,950 ¹	–	94,550 ⁴
Michael Daniell	148,200	18,950	30,000 ¹	–	–	197,150
Lisa McIntyre	148,200	30,000 ¹	–	18,950	24,000	221,150 ⁵
Graham McLean	148,200	–	–	18,950	24,000	191,150 ⁵
Cather Simpson	148,200	–	18,950	–	–	167,150
	1,210,050	67,900	56,846	91,592	89,500	1,515,888

¹ Designates Chair of Committee.

² Directors based outside New Zealand are paid an allowance associated with attendance at Board and Committee meetings in a different country or time zone and to reflect local pecuniary practices.

³ Scott St John retired from the Board at the conclusion of the annual shareholders' meeting in August 2024.

⁴ Mark Cross was appointed to the Board with effect at the beginning of October 2024.

⁵ Remuneration for Neville Mitchell, Lisa McIntyre, and Graham McLean is set in NZD but paid in AUD at the prevailing exchange rate at the date of payment.

⁶ Neville Mitchell was appointed Chair of the Board at the conclusion of the annual shareholders' meeting in August 2024.

During the 2025 financial year, there were no additional fees or benefits earned that do not relate to services as a non-executive director. In addition, non-executive directors were not issued shares or LTVR instruments as part of their remuneration during the financial year.

Environment

Our intention is to create a positive lasting impact on society and the environment. We understand that in the course of improving patient outcomes, we also have a responsibility to operate our business efficiently and responsibly, caring for the natural environment.

This section outlines some of our environmental commitments and initiatives for measuring and improving our environmental performance.



Environmental commitments

Our commitment and intentions toward the environment are outlined in our Environmental & Social Responsibility Policy, which has been embedded across our business and posted publicly on our company website. While improving patient care and outcomes, we seek to validate and verify our environmental performance, comply with laws and regulations relating to environmental responsibility and operate in a way that contributes to a lasting positive impact on the environment, enabling a more sustainable future.

We recognise the overall importance of biodiversity, water and forests and other natural ecosystems. In addition to measuring carbon emissions (as reported in our Climate-related Disclosures on pages 94-124), we also track other key environmental metrics, including waste management, recycling and water usage.

Our environmental commitments and practices are governed and overseen by our Board, under the guidance of the Audit & Risk Committee.

Environmental Management System

Our Environmental Management System (EMS) is externally audited each year against the international standard ISO 14001 and is a key framework in enabling our environmental sustainability approach across our business operations. Through the EMS, we integrate and follow formal processes within our operations to review and monitor environmental risks and identify opportunities to improve our environmental performance. All our manufacturing sites are ISO 14001 certified, and we continue to drive efforts toward operating more efficiently and sustainably.

Biodiversity

Our biodiversity intentions are outlined in our Ecosystems: Biodiversity Procedure. They include identifying pathways to achieve a net positive impact on biodiversity, minimising the conversion of natural ecosystems, and promoting restoration and maintenance of natural ecosystems in our direct operations.

In New Zealand, we have begun restoring waterways at our Karaka site to improve water quality and hydrology, support the migration of culturally significant native fish, increase biodiversity and build resilience to climate change. We also engage with community stakeholders at our East Tāmaki and Karaka campuses, educate our people about biodiversity and develop our frameworks to assess biodiversity risks and opportunities.

Our Biodiversity, Forests and Water Procedures are available on our website: www.fphcare.com.

Forests

Our intentions related to forests are outlined in our Ecosystems: Forests Procedure. We support responsible forest management, both environmentally and socially, by adopting traceability standards for the forest commodities we use in our operations.

We promote sustainable sourcing and consumption of forest risk commodities through eco-efficiency and support for a transition to a paperless society. We also use wood fibre products approved by the Forest Stewardship Council for our shipping boxes. In the course of doing business, we document and monitor potential business impacts on forests and other natural ecosystems. Furthermore, we engage stakeholders and create awareness of forest risks and opportunities along our value chain.



Employee Chelsea Johnson and her family supporting a biodiversity initiative in New Zealand.

Water

Our water-related intentions are outlined in our Ecosystems: Water Procedure. We promote water efficiency in our company operations, including the design and manufacture of products. Across our New Zealand and Mexico sites, we apply good water stewardship practices, such as rainwater harvesting, closed-loop water systems and water recycling. For our operations in Tijuana, Mexico, we have assigned specific responsibilities for water efficiency, recognising that this is a water-scarce region.

Each year we measure and report metrics on our water usage, so that we can identify ways to improve our performance. Of our total water use, our New Zealand campus accounted for 66%, our Mexico campus accounted for 31%, and our global sites accounted for the remainder.

Water	FY2023	FY2024	FY2025
Water usage (cubic metres)	133,517	136,923	129,586

Recycling

Each year we measure and report metrics on waste diverted from landfills so that we can understand the efficiency of our recycling programmes.

Waste and recycling	FY2023	FY2024	FY2025
Global waste diverted to landfill (tonnes)	1,727	1,348	1,694
NZ recycling efficiency (% waste diverted from landfill)	62%	59%	53%
Global recycling efficiency (% waste diverted from landfill)	54%	53%	53%

CDP scores

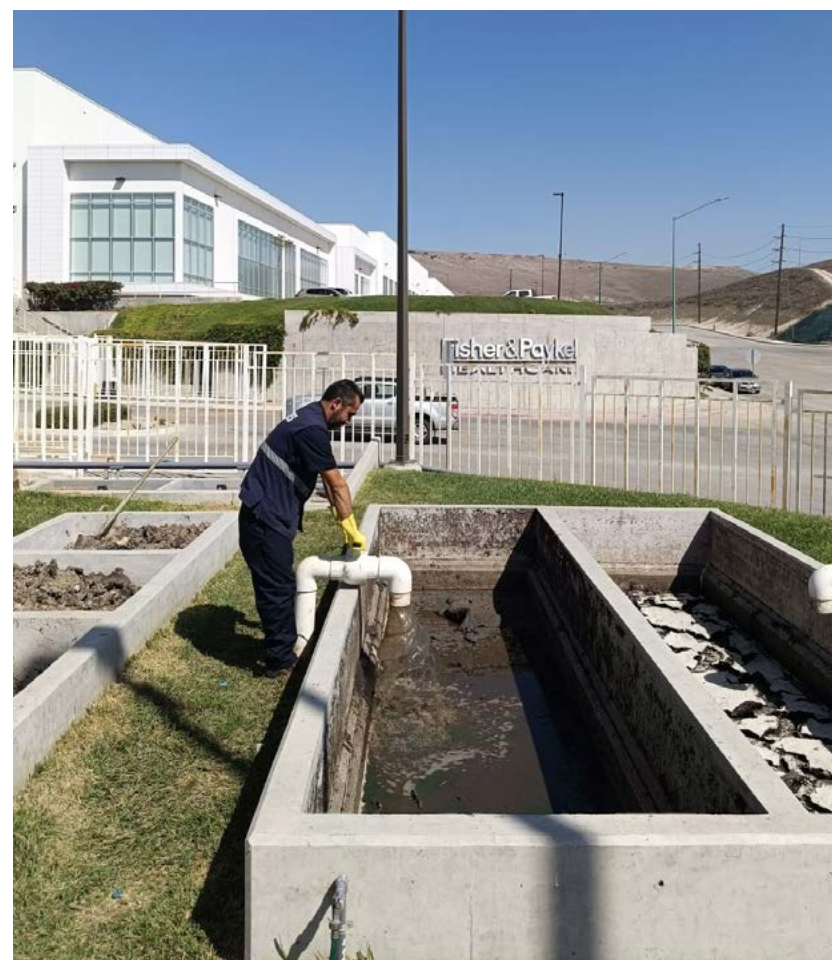
We report on key performance metrics and disclose our ratings in CDP's Climate, Supplier Engagement Assessment (which is a subset of Climate), Water and Forests programmes. Below are our CDP ratings for the last three financial years.

CDP programme	FY2023	FY2024	FY2025
Climate	A-	B	B
– Supplier Engagement Assessment	B	B-	–*
Water	C	B	B-
Forests	C	C	C

* As at the date of this report, CDP has not released our Supplier Engagement Assessment score (formerly known as Supplier Engagement Rating).

Memberships

Fisher & Paykel Healthcare is a member of the Sustainable Business Network, which is New Zealand's largest and longest-standing sustainable business organisation. The network aims to enable change in the areas of climate, waste and nature.



Maintaining our water recycling plant in Tijuana, Mexico.

Promoting sustainability

Our volunteer-led Green Team includes hundreds of employees committed to encouraging environmental sustainability in New Zealand.

During the 2025 financial year, the Green Team organised the annual Sustainable Transport Showcase, held our second Planting Day at the Karaka campus and hosted a Makerspace Repair Café event, which extended the life of 24 items and diverted 58 kilograms of waste from landfills.



A Makerspace member fixing a food mixer at the Repair Café event in New Zealand.

The Green Team also celebrated its annual Green Award and recognised employee James Milne for his long-standing dedication to giving items a new life instead of sending them to landfills. Additionally, we welcomed Dr. Elspeth MacRae, a world-leading bioeconomy expert and member of our Ecodesign Advisory Board, to speak about emerging trends in ecodesign.

Our manufacturing team in China undertook a litter clean-up at Jingxia village, a popular tourist destination in Guangzhou.



The China team after their clean-up activity in Guangzhou.

Annual Planting Day at Karaka campus

More than 60 employees and their families dug deep in September 2024 to safeguard the environment at our future campus in Karaka, New Zealand. Accompanied by members of the Karaka planning team and mana whenua (recognised Māori tribal groups in Auckland), the green-minded group planted 1,000 trees across 20 native species. Designed to restore the health of land along the Oiroa Stream at the site, the additional trees will also provide food and shelter for local wildlife species including insects, bats, fish, reptiles and birds.



Employees and their families helping to restore the Oiroa stream at our Karaka campus in New Zealand.

Ecodesign Advisory Board

We have appointed an external Ecodesign Advisory Board made up of four independent subject matter experts to provide external guidance and support on environmental sustainability initiatives.

During the 2025 financial year, the Board provided guidance on our carbon reduction initiatives and mentored key team members.



DAVID TRUBRIDGE
Globally renowned
Ecodesign practitioner



DR ANN SMITH
Leading global
carbon expert



DR ELSPETH MACRAE
Leading global
bio-economy expert



DR DAVID GALLER
Leading sustainability
medical practitioner



Andrew Somervell, VP – Products & Technology (left) with the winners of the 2024 Ecodesign Trophy.

Ecodesign Expo

In June 2024, we held our annual Ecodesign Expo in New Zealand where employees shared their innovations in embedding sustainability into product and packaging design with members of our Board, executive team and our people. The impressive range of initiatives showcased ways of reducing carbon emissions, healthcare waste and costs across the full life cycle of our products and packaging.

This year's displays included recyclable packaging and labelling, packaging optimisation and reduction in production waste.

We also awarded the Ecodesign Trophy to the OSA Marketing and Informatics teams for their myMask selection sizing app, which reduces the number of mask refits, cushions, packaging and sizing tools that would otherwise end up in landfill.

CLIMATE-RELATED DISCLOSURES



As part of our commitment to creating a positive lasting impact on society and the environment, we recognise the need to mitigate and adapt to a changing climate both now and in the decades to come. Embedded into our global Environmental & Social Responsibility Policy is our commitment to innovate to enable a more sustainable future, and the knowledge that our actions today impact future generations.

These climate-related disclosures are representative of a large body of work occurring across the business to identify, consider and assess climate-related risks and opportunities, and integrate them within our broader risk management framework and strategic business planning. We see the disclosure process as an iterative one, whereby we commit to improving our breadth and depth of detail over future reporting periods.

These climate-related disclosures have been approved by the Board and are signed on behalf of Fisher & Paykel Healthcare Corporation Limited by Neville Mitchell, Board Chair, and Mark Cross, Chair of the Audit & Risk Committee.



Neville Mitchell
Board Chair



Mark Cross
Chair, Audit & Risk Committee

About our disclosures

Fisher & Paykel Healthcare Corporation Limited is a climate-reporting entity under the Financial Markets Conduct Act 2013. We have been measuring our greenhouse gas (GHG) emissions since 2012 and have been reporting against the Task Force on Climate-related Financial Disclosures (TCFD) in our annual reports since 2020. This is our second set of climate-related disclosures under the External Reporting Board's (XRB) Aotearoa New Zealand Climate Standards (NZCS). The disclosures cover the period of 1 April 2024 to 31 March 2025 and include Fisher & Paykel Healthcare Corporation Limited and its subsidiaries.

These climate-related disclosures continue to integrate the recommendations of the TCFD and comply with NZCS, applying Adoption Provision 2: Anticipated Financial Impacts (paragraphs 12-14 of NZCS 2) which provides an exemption in the first and second NZCS reporting periods from the requirements to disclose the anticipated financial impacts of climate-related risks and opportunities, a description of the time horizons over which the anticipated financial impacts could reasonably be expected to occur, and (if relevant) an explanation as to why quantitative information cannot be disclosed.

The principles outlined in climate-related disclosures should not be considered a prediction of future financial or non-financial performance. These statements are subject to a range of known and unknown risks, uncertainties and assumptions, many of which lie outside of our control.

Our climate scenarios were developed based on current assumptions and projections using information available at the time of development. There is inherent uncertainty within each scenario – they are not intended to provide a complete or accurate forecast of future events. The climate risks and opportunities identified may not eventuate and, if they do, the actual impacts and consequences are likely to be significantly different to what is set out in this report.

Governance

Board oversight of climate-related risks and opportunities

The Board is responsible for providing overall governance and oversight of the company's environmental and social responsibility practices, including ultimate responsibility for our strategic direction and consideration of the risks and opportunities presented by climate change.

The Audit & Risk Committee supports the Board in providing governance oversight of climate-related risks and opportunities. The Audit & Risk Committee reviews the company's environmental and social risk management framework and record of performance on these matters, along with any proposed actions based on the record of performance. This includes monitoring and overseeing the annual GHG emissions assurance processes, potential emission reduction pathways, sustainability targets and our group-wide macro risk analysis. The Audit & Risk Committee also oversees the climate-related disclosures programme and recommends the climate-related disclosures to the Board for approval.

The Audit & Risk Committee is briefed on environmental sustainability issues by the executive management team and the Head of Sustainability & Environmental Innovation throughout the year. This includes performance against our Environmental Management System, which includes climate-related risks and progress toward our science-based targets and other environmental sustainability targets and metrics.

The Audit & Risk Committee meets at least four times per year and environmental sustainability is a standing item on the agenda at each meeting. The Board is updated on the Audit & Risk Committee's proceedings following each Audit & Risk Committee meeting.

The Board is also briefed on environmental sustainability issues by the executive management team throughout the year. The Vice President – Network Design, Facilities, Infrastructure & Sustainability reports to the Board at each meeting in relation to environmental sustainability matters, and the General Manager – Group Risk Advisory reports to the Board at each meeting in relation to group-wide risk matters. Additional reporting to the Board is undertaken as required. The Board meets eight times per year.

Our long-term business plan, which assesses our business model, global operations and strategy across a 15-year period, is reviewed annually. Climate-related risks and opportunities are considered as part of our long-term planning. In addition, our annual business plans include environmental

Fisher & Paykel Healthcare Board

Responsible for governance and oversight of environmental and social responsibility practices.

Audit & Risk Committee

Monitors performance and compliance against our environmental and social risk management framework, including progress to meet sustainability targets.

Executive Management Team

Responsible for identifying, assessing and managing climate-related risks and opportunities. Accountable for embedding environmental and social responsibility initiatives within business plans.

Carbon Committee

Provides strategic direction to the business on carbon issues. Reviews performance and progress towards our environmental sustainability initiatives.

Business Units

Integrates sustainability initiatives into the business and manages climate-related risks.

Risk Advisory

Facilitates the business to make informed decisions in relation to climate-related risks.

Climate Working Group

Supports the integration of climate-related risk and opportunity analysis within the business.

Sustainability Team

Shapes environmental sustainability strategy and manages our environmental management system.

Ecodesign Advisory Board

Provides external guidance and support on environmental sustainability and Ecodesign initiatives.

objectives. The Board reviews and approves our annual business plans and the long-term plan on an annual basis.

Directors' climate capabilities and understanding

The Board draws upon expertise from the executive management team, the Sustainability team and other subject matter experts within the business, which informs their understanding of climate change and its impacts on our business and operations. The Board attends our annual Ecodesign Expo, where teams from around the business showcase how they are embedding sustainability considerations into the product design process.

The directors also obtain insight and education from external experts and gain experience through their involvement in other businesses and industries, and in governance roles on other boards. A number of directors are members of Chapter Zero, a governance group hosted by the Institute of Directors. This is the New Zealand chapter of the global Climate Governance Initiative which was established to support World Economic Forum's Climate Governance Principles for boards of directors. Chapter Zero provides directors with climate awareness and skills, so they can bring climate considerations to the fore of boards' decision-making processes.

Further details relating to the Board and the Audit & Risk Committee, including the Board's background, skills and experience can be found in the Governance section of the annual report from page 67.

Management's role in assessing and managing climate-related risks and opportunities

Executive management team

The Board assigns the management of climate-related risks and opportunities to the executive management team. Members of the executive team are responsible for implementing the Environmental & Social Responsibility Policy and for identifying, assessing and managing climate-related risks and opportunities. Each Audit & Risk Committee meeting is attended by the Chief Executive Officer, Chief Financial Officer, Vice President – Corporate, General Counsel & Company Secretary and the General Manager – Group Risk Advisory. Other members of the executive management team and subject matter experts attend as required. The executive management team also reports to the

wider Board for progress on environmental and social responsibility initiatives. Further details relating to the executive management team can be found on pages 28-30.

The Carbon Committee serves as a steering group for carbon-related matters within the business. It comprises the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Vice President – Corporate, Vice President – Network Design, Facilities, Infrastructure & Sustainability, and Vice President – Products & Technology. The Carbon Committee meets at least once each quarter with the Sustainability team, providing direction on the company's emissions reduction programme, including implementation of sustainability initiatives aligned with business strategy and long-term planning, in addition to monitoring progress towards sustainability targets.

Business units

Business units are responsible for day-to-day management of climate-related risks and implementing sustainability strategies which are aligned with the Board-approved annual business and long-term plans.

Our Sustainability team shapes our environmental strategy, policy development and long-term planning, and is responsible for the performance of our global Environmental Management System, which includes climate-related risks. The team is led by our Head of Sustainability & Environmental Innovation who reports to the Vice President – Network Design, Facilities, Infrastructure & Sustainability. The team plays a fundamental role in creating awareness, educating and working with the business on sustainability initiatives, including identifying and managing risks and opportunities.

Our Risk Advisory team supports the business to make informed decisions using a range of risk management techniques to identify, analyse and prioritise uncertainty. The team is led by the General Manager – Group Risk Advisory who reports to the Chief Financial Officer. For more detail on the company's overall approach to risk management, refer to pages 60-63 of the annual report.

The Climate Working Group supports the business to identify, assess and manage climate-related risks and opportunities through scenario analysis and implementation of our transition planning framework. This working group is responsible for preparing climate-related disclosures and reports to the Carbon Committee.

Risk management

Our process for managing climate-related risks

The purpose of our risk management process is to identify, analyse and prioritise uncertainty to improve the quality of decisions we make. We identify and assess climate-related risks as part of our overall sustainability strategy and risk management framework, both of which are reviewed by the Board, the Audit & Risk Committee and the executive management team annually. Climate-related risks have been considered a key area of risk to our business, and we have prepared voluntary disclosures, aligned with the recommendations of the TCFD, as part of the annual report since 2020.

Each year we improve the process to identify, assess and manage climate-related risks and opportunities. As part of our annual process:

- We identify physical and transitional climate-related risks, considering the timeframe over which the risks may eventuate, and assess their size and impact on our business.
- We document, score and manage climate-related risks through our ISO 14001 Environmental Management System process.
- We perform scenario analysis, as appropriate. Refer to 'Scenario analysis process' at page 100 for further details.
- Our business units and wider executive management team assess and review climate-related risks. We do not prioritise climate-related risks independently from other material business risks.

We also rely on input from external stakeholders through our materiality assessment, which specifically includes climate-related business risk. For further details on the materiality assessment, refer to pages 20-21 of the annual report.

We continue to build our capability in aligning our climate-related risk management processes and scenario analyses with strategic business planning cycles.

Integration within the wider business

Business units are responsible for:

- day-to-day management of climate-related risks
- identifying metrics to monitor the risks
- identifying actions to mitigate the risks
- implementing sustainability strategies which are aligned with the Board-approved annual business and long-term plans.

The climate-related identification and assessment processes described above feed into and inform how we work to mitigate and adapt to climate change. For further information, refer to 'Developing a climate-resilient business model' section of these climate-related disclosures at page 116.



Strategy

Long-term thinking is at the core of our sustainable, profitable growth model. It can take many years to bring a new healthcare product to market and achieve changes in clinical practice – this necessitates foresight, discipline and careful planning.

This is evidenced across the business, in how we continuously strive to improve our products, invest in R&D, scale our infrastructure and global operations, and collaborate with partners. Our focus on the long term is also reflected in our intention to create a positive lasting impact on society and the environment. These elements are highlighted in our business model and strategy. For more details on our business model, refer to page 19 of the annual report titled 'How we deliver value'.

The scenario analysis process on pages 100-102 provides details on the development of our climate scenarios and the rationale for their selection.



Current climate-related impacts

During the 2025 financial year, climate change impacted our business in the following ways.

Transitional impacts

We continued to assess future climate-related reporting in markets where we operate in addition to complying with our obligations under the NZCS.

We have responded to the increasing interest in our sustainability initiatives and carbon footprint from global customers. As required by the National Health Service (NHS) in the United Kingdom, our UK business has made a net zero by 2050 commitment in respect of its in-market Scope 1, 2 and 3 emissions.

Physical impacts

We have begun to see minor supply chain disruption due to adverse weather events. In March 2025, a cyclone in Taiwan caused a two-day delay for air freight, the impact was absorbed as part of our business continuity planning.

These impacts are not considered to have a current material financial impact or expose the business to material climate-related vulnerabilities.

This section does not include work done to implement our transition plan. For information on our transition plan, refer to 'Developing a climate-resilient business model' on pages 116-119.

Scenario analysis process

During the 2024 financial year, we established our scenario analysis process, which was a stand-alone process to identify climate-related risks and opportunities and did not form part of our existing risk management processes.

The core purpose of our scenario analysis was to consider the key questions of “How could climate change plausibly affect our business model and strategy?” and “What should we do and when?”.

The answers to these questions will inform the incorporation of future, plausible climate risks and opportunities into our strategic business planning.

During the 2025 financial year, we reviewed our climate scenarios, narratives and scenario workshop analysis to assess whether updates were required. We determined that the analysis from 2024 remained relevant for the 2025 financial year. We also refined our understanding and approach to quantify the financial impacts of climate-related risks and opportunities, and engaged with R&D, supply chain, infrastructure and network design teams to build awareness and visibility of the climate-related scenario analysis.

Our scenario analysis process is described on the following pages 100-102.

Stakeholder engagement

The key stakeholders and cross-functional teams that support our climate scenario analysis process:

- **The Climate Working Group** was formed to develop a climate-related disclosure programme to enable the business to comply with the NZCS. The group comprised members from Sustainability, Risk Advisory, Corporate Affairs and Finance teams. Other subject matter experts from within the business were identified to provide input into the analysis.
- **The Carbon Committee** provides oversight of the climate-related disclosures programme and participated in the scenario analysis workshops, along with additional senior leaders.
- **The Audit & Risk Committee** review and approve the climate-related disclosures programme and provide recommendations to the Board.



Scenario development

As a medical device and technology company with an extensive global footprint (deriving 99% of revenue outside of New Zealand), we did not consider that there was a suitable sector-wide scenario analysis to draw upon. We developed our own climate scenarios for the analysis, taking the following steps.

Scenario selection. We chose three Shared Socioeconomic Pathways (SSPs) scenarios as a means of testing and challenging the resilience of our business model across a range of plausible climate futures:

- **Outpatient** scenario reflects emissions reduction and decarbonisation occurring at a manageable, non-critical state and relates to SSP1. This assumes the world achieves net zero by 2050 and reaches the stated goal of the Paris Agreement: a 1.5°C temperature rise above pre-industrial levels. The global response is coordinated, orderly and focused on mitigating the impact of climate change. The Outpatient scenario aligns with the mandated NZCS scenarios and tests how we would respond in a rapidly decarbonising and transitioning landscape.
- **Emergency Department** scenario reflects emissions reduction and decarbonisation needing critical attention and relates to SSP2. This assumes net zero is unattainable by 2050 as emissions persist past current levels. The world follows a path in which social, economic and technological trends do not shift markedly from historical patterns, resulting in a 2.7°C warming scenario by 2100. The Emergency Department scenario was selected as we consider this scenario suitably challenges our business model, given the effects of variable customer preferences and the impact on market access.
- **High Dependency Unit** scenario reflects a deteriorating state of the environment and climate and relates to SSP3. Emissions approximately double from current levels by the end of the century, resulting in a 3.6°C rise in global temperature. Global cooperation efforts falter and self-interested actions prevail. Climate change cannot be mitigated globally and there is limited ability to adapt. The High Dependency Unit scenario was selected due to the significant increase in physical impacts of climate change, and the significant challenges to a global business given protectionist behaviours and a shift towards deglobalisation.

Scenario definitions. Using the three SSPs outlined in 'Scenario selection', the time horizons, key temperature outcomes and socio-economic features of each scenario were identified.

Physical risk mapping. Using mapping tools, the possible physical climate impacts on all our owned infrastructure, key leased sites and certain strategic supplier sites out to 2100 for each scenario were analysed. The following types of climate impacts were assessed: sea level rise, coastal flooding, extreme precipitation, total precipitation, surface temperature and wind speed.

Healthcare and population modelling. Using insights from our proprietary healthcare modelling and insights from global population data, we estimated patient cohort size and associated medical capacity required for a range of respiratory conditions in each scenario. Population models helped gauge the drivers of population growth (i.e. developed world vs. developing world), while forecasts for healthcare expenditure were also used to offer a view of the healthcare system's capacity in these scenarios.

Identification of driving forces. Key factors within our value chain which influence climate-related risks and opportunities were identified. This included a high-level understanding of features such as demographics, economic conditions, energy supply, technological advancements, regulatory landscape, customer/market dynamics, and population health and wellbeing. These driving forces were then assessed against R&D, supply chain, manufacturing and sales operations, market access and ability to operate, in order to identify where their impact and influence would most meaningfully occur.

Scenario narratives. We prepared scenario narratives to provide a compelling illustration of how different temperature outcomes and pathways would affect our strategy and business model in plausible future states. We used a number of quantitative and qualitative sources to guide the drafting of each scenario¹. Excerpts from each narrative are included on the following pages.

¹ Data sources to construct scenarios. A number of quantitative and qualitative sources were used, including: The International Institute for Applied Systems Analysis' (IIASA) SSP Database, Organisation for Economic Co-operation and Development (OECD) GDP projections, OECD forecasts for healthcare expenditure, IPCC Working Group I (WGI) Interactive Atlas, Climate Central's Surging Seas sea-level analysis tool, the IPCC's Sixth Assessment Report (AR6), Brian O'Neill's article 'The roads ahead: narratives for shared socioeconomic pathways describing world futures in the 21st pathway' published in Global Environment Change, February 2015, The International Energy Agency (IEA) transition scenarios: the Stated Policies Scenario and Net Zero Emissions by 2050, carbon price modelling from external consultants and the IEA, and proprietary healthcare market demand modelling.

Scenario analysis and evaluation

Workshop sessions. Workshops were held with the Carbon Committee and additional senior leaders for each of our climate scenarios. During the workshops, our business model and strategy were analysed for resilience to climate-related risks and opportunities.

Board engagement. Following the workshops, the directors attended a walk-through briefing in our workshop room during the February 2024 Board meeting. An overview of the scenario analysis process and a sample of workshop inputs and outputs were provided. Directors were able to build on their understanding of the data, assumptions and parameters in each scenario, and question the assumptions. During 2025, we briefed our newly appointed director and Chair of the Audit & Risk Committee on our scenario development process, workshop outputs and analysis.

Evaluation session. Following consolidation of the workshop outputs, the working group reported back to the workshop attendees to attain consensus on the key risks and opportunities identified under each scenario in order to feed these into our broader risk management framework and transition planning activities. The working group subsequently reported back to the Audit & Risk Committee.

CONTINUOUS IMPROVEMENT

Key improvements identified for subsequent reporting periods include:

- Financial impact analysis to support risk and opportunity analysis and quantification of anticipated financial impacts for our next reporting period.
- Improving the breadth and depth of the data, including healthcare data, expanding the risk modelling and categories of physical risk modelling, and understanding vulnerabilities in third party distribution (freight/shipping) infrastructure.
- Continue engaging with a broader range of people within the business.
- Improving our ability to understand the climate-related risks of our suppliers and customers, which is currently limited by the availability of their own data and information.
- Integrating climate-related risk management processes and the climate scenario analysis with strategic business planning cycles.



Climate scenarios and narratives

Scenario 1: Outpatient

In the Outpatient scenario, rapid climate action sees the world achieve net zero by 2050 and reach the stated Paris Agreement goal – a 1.5°C degree temperature increase above pre-industrial levels. Shared Socioeconomic Pathway 1 (SSP1) is known as ‘Sustainability – Taking the Green Road’, due to low challenges of mitigation and adaption. This has been selected as a plausible scenario to test how we would respond in a rapidly decarbonising and transitioning landscape.

Overview	Key features	Narrative (excerpt)
<p>1.5°C</p> <p>Global temperature increase peaks at 1.5°C by the year 2050, before settling to 1.4°C in 2100.</p>	<p>Climate & Weather</p> <p>There is a continuation of acute weather events globally, with sea level rise and coastal flooding presenting the most impactful challenges in certain regions.</p> <p>Demographics & Economy</p> <p>Global population climbs 6.4% by 2040, before marking an overall decline of 12% by 2100. The aged population cohort rises from a baseline of ~10% to ~45% in 2100. Low- and medium-income countries experience high GDP growth, while high-income countries see moderate growth. GDP growth (CAGR) for OECD nations is 3.9% in 2040 (from a 2020 baseline), slowing to 2.2% on a 2100 timescale.</p> <p>Energy</p> <p>The majority of electricity is generated from renewable sources, with fossil fuels becoming expensive to use.</p> <p>Technology</p> <p>There is a concerted global effort to implement ‘green’ technology into the value chain, with a significant focus placed on energy efficiency, reusability, and bio-based raw materials.</p> <p>Regulation & Policy</p> <p>There is effective international cooperation. High levels of regulation are imposed, such as carbon pricing and taxes, carbon reduction disclosure mandates, and climate-resilient infrastructure requirements.</p> <p>Market Conditions</p> <p>There is elevated and sustained pressure from customers and investors upon businesses to mitigate the impacts of climate change.</p> <p>Health & Wellbeing</p> <p>There are high levels of investment in healthcare relative to 2024 levels.</p>	<ul style="list-style-type: none"> • The political momentum for a course correction builds, aided by effective international cooperation and a heightened sense of urgency. • Participation in New Zealand’s Emissions Trading Scheme (ETS) becomes mandatory over time, encompassing fuel used, purchased electricity and landfill/waste disposal costs at the East Tāmaki and Karaka sites. • OECD countries adopt similar emissions trading schemes, and the price of carbon units rises steadily in these markets. • A carbon credit scheme for all global shipping lanes is introduced, which forwarders and shipping lines pass through to their customers. • The European Union proceeds with the introduction of its Carbon Border Adjustment Mechanism (CBAM). • To compete in tenders, there is an increased need for energy-efficient hardware, reusables, bio-based raw materials, recycled packaging, take-back/recycling programs and life cycle assessments across our product range. • All of our future infrastructure projects are subject to stringent climate-resilience requirements. • There is continued growth in global population out to 2040, before declining out to 2100. There is a significant increase in the aged population cohort. • A 1.5°C warming scenario, and the associated worsening in environmental and atmospheric conditions, leads to an increase in the incidence and prevalence of respiratory conditions from a 2020 baseline.

Scenario 2: Emergency Department

In the emergency department scenario, a disorderly transition makes net zero unattainable by 2050 as emissions rise above current levels, resulting in temperature increase by 2.7°C from pre-industrial temperature by 2100. Shared Socioeconomic Pathway 2 (SSP2) is described as ‘Middle of the Road’, due to medium challenges to mitigation and adaption. This has been selected as a plausible scenario to challenge our business model, given the effects of variable customer preferences and the impact on market access.

Overview	Key features	Narrative (excerpt)
<div>2.7°C</div> <div>Global temperature increase by the year 2100.</div>	<div>Climate & Weather</div> <div>There is a meaningful increase in acute and chronic weather events globally, with sea level rise, coastal flooding and increases in surface temperature presenting significant challenges in many regions.</div>	<ul style="list-style-type: none"> • The world’s progress towards its climate goals is uneven, with limited additional progress beyond today’s policy framework both here in New Zealand and internationally. • Rather than achieving global consensus on mitigation, there are varying expectations in different regions, with some markets pursuing carbon reduction while others lag. This makes it challenging for us to cater to the range of markets while remaining competitive. • On the whole, there is a hesitancy among customers and healthcare systems to carry the added cost of carbon-friendly products. • We see meaningful disruption at our global sites. Coastal flooding and sea level rise make for extremely challenging operating conditions at certain owned and leased warehouse facilities in Asia in the coming decade, while surface temperature increases in Tijuana, Mexico have a significant flow-on effect to energy costs and associated carbon intensity. • Support from suppliers on our sustainability targets is mixed depending on their broader customer base and which regions they service. This results in the bifurcation of our supply chain, where some suppliers are unable to meet the standards for those end markets with stringent requirements (i.e. Europe). • There is accelerated growth in global population out to 2040, and then population growth slows. • A 2.7°C warming scenario, and the associated worsening in environmental and atmospheric conditions, leads to a meaningful increase in the incidence and prevalence of respiratory conditions from a 2020 baseline.
<div>9.0B</div> <div>Global population in 2100.</div>	<div>Demographics & Economy</div> <div>Global population climbs 12.3% by 2040 and arrives at an overall increase of 15% by 2100. The aged population cohort rises from a baseline of ~10% to ~30% in 2100. There is uneven GDP growth across the board. GDP growth (CAGR) for OECD nations is 3.0% in 2040 (from a 2020 baseline), slowing to 2.1% on a 2100 timescale.</div>	
<div>2.1%</div> <div>OECD GDP growth to 2100 (CAGR), compared with a historical (prior 50 years) growth rate of 2.5%.</div>	<div>Energy</div> <div>There is some investment in renewables but a continued reliance on fossil fuels.</div>	
	<div>Technology</div> <div>There is an uneven development of technology, with the level of innovation and intent varying greatly depending on the market.</div>	
	<div>Regulation & Policy</div> <div>There is relatively weak international cooperation - government intervention is delayed and uneven. There is varying application of carbon pricing and taxes.</div>	
	<div>Market Conditions</div> <div>There is inconsistent pressure from customers and investors to mitigate climate change, and expectation levels vary depending on the region and/or country.</div>	
	<div>Health & Wellbeing</div> <div>There is a medium level of investment in healthcare relative to 2024 levels.</div>	

Scenario 3: High-Dependency Unit

In the high-dependency unit scenario, global cooperation efforts falter and self-interest actions prevail. This leads to emissions approximately doubling, resulting in a 3.6°C increase in global temperature and significant climate and weather impacts. Shared Socioeconomic Pathway 3 (SSP3) is described as ‘Regional Rivalry – a Rocky Road’, due to high challenges of mitigation and adaption. This has been selected as a plausible scenario to test how we would respond in a highly volatile and physically impacted world.

Overview	Key features	Narrative (excerpt)
<div>3.6°C</div> <div>Global temperature increase in 2100.</div>	<div>Climate & Weather</div> <div>There is a significant increase in acute and chronic weather events globally, with sea level rise, coastal flooding, increases in surface temperature and wind speed presenting significant challenges in most regions.</div>	<ul style="list-style-type: none"> Global efforts to address climate change are derailed by nationalistic and protectionist actions. Competition intensifies as resources are depleted and climate impacts worsen – nations turn inward and prioritise regional issues. Climate regulatory frameworks falter and there is a lack of consensus on how to proceed. Alliances and trade blocs deepen. This tension impacts the cost of goods and services. There are significant increases in fossil fuel costs amid a lack of alternatives and as oil reserves are depleted. This drives up the cost of shipping, energy, and the sourcing of resins and other raw materials critical to our production. We see significant disruption at our global sites. Average wind speed increases across much of our network, including at our East Tāmaki campus in New Zealand and our distribution sites in Western Europe. Coastal flooding and sea level rise presents challenges for certain leased sites in Asia, as does an increase in surface temperature in Mexico. Global shipping routes are congested as the Panama Canal experiences drought conditions each year, significantly reducing the number of passages each year. Nations and regions compete to secure access to medical devices and technology. Patent enforcement becomes increasingly difficult in this environment. There is significant population growth on both a 2040 and 2100 timescale, with a particular growth surge in developing nations. A 3.6°C warming scenario, and the associated worsening in environmental and atmospheric conditions, leads to a significant increase in the incidence and prevalence of respiratory conditions from a 2020 baseline.
<div>12.6B</div> <div>Global population in 2100.</div>	<div>Demographics & Economy</div> <div>Global population surges 61% by 2100, with rapid growth in developing countries. There is slow GDP growth across the board.</div>	
<div>1.3%</div> <div>OECD GDP growth to 2100 (CAGR), compared with a historical (prior 50 years) growth rate of 2.5%.</div>	<div>Energy</div> <div>Fossil fuels become difficult to source due to nationalistic and protectionist action from governments. Electricity grids are disrupted amid a lack of suitable alternatives.</div>	
	<div>Technology</div> <div>There is slow technological progress and innovation and constrained budgets fuels demand for commodity goods. Protectionism results in nations competing to secure access to technology.</div>	
	<div>Regulation & Policy</div> <div>There is weak, uneven international cooperation as traditional institutions falter. Nation states adopt protectionist policies to preserve domestic resources.</div>	
	<div>Market Conditions</div> <div>There are different levels of demand and funding by region and country, though on the whole there is limited focus on carbon reduction. Economic development is slow, and consumption is material-intensive.</div>	
	<div>Health & Wellbeing</div> <div>There is a low level of investment in healthcare (relative to 2024 levels) amid constrained budgets and competing priorities for expenditure.</div>	

Climate-related risks and opportunities

Fisher & Paykel Healthcare has built a global business by identifying a difficult medical problem and designing an innovative solution. Without a doubt, a changing climate will present challenging problems, and we will respond to them the way we always have – by collaborating and innovating. For that reason, we view some of the impacts of climate change as risks and opportunities at the same time.

We have identified anticipated climate-related risks and opportunities, including impacts, time horizons and potential management responses and strategies, across three climate scenarios:

• Outpatient

• Emergency Department

• High-Dependency Unit

Definitions

In identifying risks and opportunities, we acknowledge and adopt the definitions used by the XRB in NZCS 1:

Physical risks: Risks related to the physical impacts of climate change. Physical risks emanating from climate change can be event-driven (acute), such as increased severity of extreme weather events. They can also relate to longer-term shifts (chronic) in precipitation and temperature and increased variability in weather patterns, such as sea level rise.

Transition risks: Risks related to the transition to a low-emissions, climate-resilient global and domestic economy, such as policy, legal, technology, market and reputation changes associated with the mitigation and adaptation requirements relating to climate change.

Opportunities: The potentially positive climate-related outcomes for an entity. Efforts to mitigate and adapt to climate change can produce opportunities for entities, such as through resource efficiency and cost savings, the adoption and utilisation of low-emissions energy sources, the development of new products and services, and building resilience along the value chain.

Time horizons: We have considered risks and opportunities across three different time horizons: Short, Medium and Long Term. We define Short Term as within the next five years (2025-2030), Medium Term as between five and 15 years (2031-2040) and Long Term as 15 years and beyond (2041 onwards).



Scenario 1: Outpatient | 1.5°C

TRANSITIONAL RISKS

Global customer demand for low-carbon products

TIME HORIZON: SHORT – MEDIUM – LONG TERM

Anticipated Impact

We expect a rapid transition to a low-carbon product offering will be required in our key markets.

In the Short Term, to ensure we maintain market access, we expect we would need to prioritise R&D activities to provide low-carbon offerings of existing products. This could involve using sustainable materials (e.g. bio-based plastics) and adopting design improvements for energy efficiency.

The focus on the immediate response could lead to a delay in the Short – Medium Term innovation and development of new products and their release to market.

TRANSITIONAL OPPORTUNITY

We could innovate and develop and transition ahead of our competitors.

Potential Response

Accelerate our R&D low-carbon initiatives such as:

- Increasing investment in R&D
- Monitoring development of sustainable technologies and materials by suppliers, competitors and other innovators.

To effectively respond, we have assumed that medical device regulators would have enabled regulatory processes to efficiently approve and validate the use of sustainable materials in products.

Widespread adoption of carbon cost/pricing regimes

TIME HORIZON: SHORT – MEDIUM TERM

Anticipated Impact

We expect there is a high likelihood that carbon cost regimes will be implemented, which will lead to an increase in the cost of manufacturing, including raw materials and freight.

An increase in freight costs could have a potential significant impact on our business, in relation to products manufactured in New Zealand and exported globally due to the distance to many key end markets (such as the United States and Europe).

We also expect constraints on sourcing low-carbon alternatives in the Short Term due to increased demand; and constraints sourcing fossil fuel-based raw materials in the Short – Medium Term as suppliers transition to low-carbon alternatives and potentially phase out fossil fuel-based materials.

Potential Response

- Continue analysis on carbon price, and potential impacts to sourcing raw materials and freight cost.
- Review procurement strategy to enable access to sustainable materials and continued sourcing of critical raw materials.
- Decrease reliance on external utilities required for manufacturing.
- Evaluate advancements and/or collaboration opportunities in shipping and freight.
- Evaluate infrastructure network design strategy and the geographical mix of manufacturing output.

Scenario 1: Outpatient | 1.5°C

TRANSITIONAL RISKS

Threats to market share amid emergence of novel technology and increased levels of competition

TIME HORIZON: MEDIUM – LONG TERM

Anticipated Impact

We expect that the need for rapid innovation would spur the introduction of novel technology and an increase in investment, incentivising new competitors to enter our markets in certain product categories and/or particular regions. This may make it more challenging to maintain market share and our long-term aspirational growth trajectory.

TRANSITIONAL OPPORTUNITY

If we can develop novel and patent-protected technology ahead of our competitors, we could gain a competitive advantage.

Potential Response

- Continue to analyse and monitor customer requirements and compliance obligations and integrate into our long-term business planning.
- Apply appropriate patent protection to innovative low-carbon technology and product design.
- Monitor development of sustainable technologies and products by competitors and other innovators.

Heightened regulatory and customer requirements

TIME HORIZON: SHORT – MEDIUM – LONG TERM

Anticipated Impact

We expect a high compliance burden under this scenario amid stringent regulatory frameworks in key markets; and our customers request a high level of detail on our carbon footprint in addition to our progress and effectiveness on broader environmental and social responsibility efforts.

Potential Response

- Increase investment in processes/systems for gathering information and data required to make accurate disclosures and respond to requests for information.

Scenario 1: Outpatient | 1.5°C

PHYSICAL RISK

Adverse weather events

TIME HORIZON: MEDIUM – LONG TERM

MANUFACTURING SITES

Anticipated Impact

Due to our global footprint, we assume that a number of our locations may be impacted by adverse weather events although current modelling suggests our key locations have strong levels of resilience.

We expect that although our manufacturing sites may be resilient, acute and chronic weather events may lead to challenges for our people and their communities, which may affect the ability of our people to travel to work resulting in operational downtime at our manufacturing sites.

Potential Response

- Broaden analysis on severe weather events across our global network, assess the impact on product/distribution flow and improve business continuity planning initiatives.
- Continue to refine site selection criteria based on improved climate modelling.

SUPPLY CHAIN

Anticipated Impact

An increase in adverse weather events could lead to significant disruptions to our supply chain networks in this scenario (freight lane closures, constraints to port access), including the ability of our supply chain partners to provide us with services. These disruptions could impact our ability to ensure we have appropriate inventory levels as well as timely delivery of product to our global customers. Over time, if the frequency of these weather events increase, we expect wider impacts to our global supply chain.

Potential Response

- Increase inventory levels to buffer any unexpected delays or unplanned orders to customers.
- Consider increasing air freight to ensure our customers receive product when needed. We expect this will be costly given preference to transition to low-carbon freight methods.
- Evaluate network design strategy.

Scenario 2: Emergency Department | 2.7°C

TRANSITIONAL RISKS

Divergent market requirements impacting our product development approach

TIME HORIZON: SHORT - MEDIUM - LONG TERM

Anticipated Impact

We expect there will be uneven and divergent market requirements with some markets firmly committing to carbon reduction and environmentally sustainable goals while others remain ambivalent or deprioritise carbon reduction. In order to maintain access to markets which prioritise carbon reduction, we would need to ensure we have products which are designed to have low-carbon impact, are energy efficient and made from sustainable materials.

TRANSITIONAL OPPORTUNITY

If we can develop products to cater to this divergence ahead of our competitors, we could gain a competitive advantage.

Our ability to respond to this opportunity depends on:

- Medical device regulators enabling frameworks to efficiently approve and validate the use of sustainable materials in products
- Availability of sustainable materials
- Acceptance of sustainable products by healthcare professionals and proving efficacy and clinical outcomes.

Potential Response

- Focus R&D to meet market requirements. Assess adequacy of investment in low-carbon technology and sustainable materials.
- Consider whether low-carbon and Ecodesign R&D will be applied to existing and new products in markets impacted, or whether priority would be given to new product development only.
- Consider opportunities for all new products across all markets to be designed for a low-carbon impact and made from sustainable materials.
- Refine strategy to monitor customer and market requirements.

Variance in cost base as a result of increased market complexity

TIME HORIZON: SHORT - MEDIUM TERM

Anticipated Impact

We expect differing regional requirements would result in a variance in our cost base. This may make it more challenging to maintain market share and achieve our long-term aspirational growth trajectory.

F&P anticipates that two “versions” of key products would need to be manufactured to satisfy regions pursuing carbon reduction and sustainable goals and those regions that are not.

Potential Response

- Evaluate any variance in cost base to execute a product strategy to meet different market requirements (including R&D implications).
- Evaluate network design strategy and the geographical mix of manufacturing output to optimise operational costs.
- Assess and manage cost/pricing strategies.

Scenario 2: Emergency Department | 2.7°C

PHYSICAL RISKS

Meaningful increase in adverse weather events

TIME HORIZON: MEDIUM – LONG TERM

MANUFACTURING, DISTRIBUTION AND SALES OPERATIONS

Anticipated Impact

Due to our global footprint, we assume that a number of our locations would be impacted by acute and chronic weather events. In this scenario, we expect:

- Sea-level rise and coastal flooding will impact our ability to use our leased warehousing sites in Asia.
- Significant increase in surface temperature will be experienced in Tijuana, Mexico. We expect this to have significant impacts on our people and their communities. We would also anticipate operational costs (e.g. for water and electricity) to increase in order to maintain optimal working and manufacturing conditions. Increase in water costs are likely to escalate due to water scarcity in Mexico. For the 2025 financial year, we manufactured approximately 45% of our volume (by revenue) in Mexico.
- Across our network we expect that acute and chronic weather events may lead to challenges for our people and their communities, which may affect the ability of our people to work.

Potential Response

- Decrease our reliance on external utilities required for manufacturing processes.
- Broaden analysis on severe weather events across our network.
- Refine site selection criteria for leased and owned sites.
- Continue to build resilience in our water-use approach at our Tijuana site.
- Evaluate our network design strategy.

SUPPLY CHAIN

Anticipated Impact

We expect a meaningful increase in the severity and frequency of weather events, resulting in more significant supply chain disruption in this scenario when compared to the Outpatient scenario. These disruptions include freight lane closures, constraints to port access, inability of our supply chain partners to provide us with services. These disruptions could severely impact our ability to ensure timely delivery of product to our global customers. There is a heightened risk for supply of raw materials to, and export of finished goods from, our New Zealand site given distance from suppliers and global markets.

Based on the duration of the disruption, we expect significant disruptions across our entire global supply chain.

Potential Response

- Increase inventory levels to buffer any unexpected delays or unplanned orders to customers.
- Increase use of air freight to provide an alternative freight method to ensure we can respond to customer needs.
- Broaden analysis on severe weather events across our network, assess the impact on product/distribution flow, and improve business continuity planning initiatives.

Scenario 3: High-Dependency Unit | 3.6°C

TRANSITIONAL RISKS

Prioritisation of infant and homecare products

TIME HORIZON: MEDIUM – LONG TERM

Anticipated Impact

Given the strain on healthcare capacity and funding in this scenario, we anticipate there is a prioritisation of neonatal/pediatric patients, and a need for greater volumes of care to be delivered in lower intensity settings and/or the home.

This could result in healthcare systems not prioritising investment in certain therapies and products provided by F&P.

In this scenario, there are assumed low levels of economic growth. In addition, population growth is likely to be in regions where healthcare infrastructure is underdeveloped.

Potential Response

- Invest in R&D in neonatal/pediatric and homecare products and therapies.

TRANSITIONAL OPPORTUNITY

We could grow our neonatal/pediatric and homecare business in responding to the prioritisation of care in this scenario.

Raw material scarcity

TIME HORIZON: MEDIUM – LONG TERM

Anticipated Impact

In a heightened disorderly world, we expect fossil fuel-based products, including plastics and resins crucial to our manufacturing process will become difficult to attain. This is likely to affect our ability to manufacture products and meet customer demand.

Potential Response

- Hold additional raw materials inventory to mitigate supply volatility due to anticipated material shortages in the Medium Term.
- Assess planned R&D activities and determine an appropriate level of investment in sourcing/testing/developing alternate raw materials in the Medium to Long Term.
- Understand potential vulnerabilities in our supply chain to proactively mitigate material shortages.

Scenario 3: High-Dependency Unit | 3.6°C

TRANSITIONAL RISKS

Protectionist policies impact trade flows, making it challenging to source raw materials, distribute products and maintain market access

TIME HORIZON: MEDIUM – LONG TERM

Anticipated Impact

Given the highly volatile and physically impacted world, we expect governments to adopt protectionist policies which could impact our ability to source raw materials and require us to source and manufacture products locally in order to maintain market access.

This may require us to implement a 'close to customer' network strategy to maintain access to raw materials and ensure continued market access amid a protectionist landscape.

Potential Response

- Increase surveillance to monitor protectionist trends/developments, competitors and new emerging entrants.
- Assess the resilience of our product supply global network and the need for a localised/regionalised strategy.
- Consider the viability of maintaining our product suite at its current size, when operating across a highly diversified and distributed network.
- Consider network design and long-term infrastructure plan.

Scenario 3: High-Dependency Unit | 3.6°C

PHYSICAL RISK

Significant increase in adverse weather events

TIME HORIZON: SHORT - MEDIUM - LONG TERM

MANUFACTURING, DISTRIBUTION AND SALES OPERATIONS

Anticipated Impact

Due to our global footprint, it is assumed that a number of our locations are impacted by acute and chronic weather events. In this scenario we expect:

- Sea-level rise and coastal flooding will impact our ability to use our leased warehousing sites in Asia.
- Increasing levels of wind speeds impacting our New Zealand sites, which could lead to business disruption. For the 2025 financial year we manufactured approximately 55% of our volume (by revenue) in New Zealand.
- Increase in surface temperature at our Tijuana facilities having a significant impact on our people and their communities. We would also anticipate operational costs (e.g. for water and electricity) to increase in order to maintain optimal working and manufacturing conditions, coupled with increasing disruption to electricity networks and ongoing access to water due to the scarcity of water in Tijuana, Mexico. For the 2025 financial year we manufactured approximately 45% of our volume (by revenue) in Mexico.
- Across our network we expect that acute and chronic weather events may lead to significant devastation, disruption and challenges for our people and their communities, which may affect the ability of our people to work.

Potential Response

- Decrease our reliance on external utilities required for manufacturing processes.
- Broaden analysis on severe weather events across our network.
- Refine site selection criteria for leased and owned sites.
- Assess workforce and production impact due to increased employee absenteeism due to weather disruption.
- Consider network design.

Scenario 3: High-Dependency Unit | 3.6°C

PHYSICAL RISK

SUPPLY CHAIN

Anticipated Impact

We expect a significant increase in the severity and frequency of weather events, resulting in more significant supply chain disruption in this scenario when compared to the Outpatient and Emergency Department scenarios. These disruptions include freight lane closures, constraints to port access, inability of our supply chain partners to provide us with services. These disruptions could severely impact our entire network and impact our ability to ensure timely delivery of product to our global customers.

Due to the increased frequency and severity of weather events in this scenario, we expect significant disruptions across our entire global supply chain.

Potential Response

- Increase inventory levels to buffer any unexpected delays or unplanned orders to customers.
- Air freight allocation would also be increased to provide an alternative freight method as required to ensure we can supply our customers. We anticipate increased costs associated with air freight, which will be increasingly challenging to recover given the assumption that GDP growth is low in this scenario.
- Broaden analysis on severe weather events across our network, assess the impact on product/distribution flow and improve business continuity planning initiatives.
- Assess resilience of our supply chain and need for a localised/regionalised strategy.

Developing a climate-resilient business model

We recognise we have a responsibility to care for the natural environment while we pursue our business goals.

Climate change is a growing concern among our customers, investors and our own people. Climate change will negatively impact future generations – including the quality of life and health outcomes of patients. Our approach is to operate our business in a resilient, efficient and responsible manner while improving care and outcomes for patients and creating a positive lasting impact on society and the environment.

The work we have done to plan and prepare for the future has allowed us to mitigate some of the current impacts of climate change and reduce their effect. The different potential climate futures that lie ahead will provide both risks and opportunities for businesses, and with this will come significant uncertainty. How climate change will impact our business, including the risks and opportunities presented, will need to be regularly monitored and reviewed so that we can continue to maintain a resilient business.

We recognise it is important that we strive for continuous improvement, to mitigate and adapt to climate change, like we do in all areas of our business.



OUR APPROACH TO TRANSITION PLANNING

LONG-TERM FOCUS

Operate our business in a resilient, efficient and responsible manner, while improving care and outcomes for patients and creating a positive lasting impact on society and the environment.

RESPONSE TO CLIMATE CHANGE



Understand the impact of climate change on our business through scenario analyses and develop potential ways to respond and manage risks



Identify opportunities to minimise the environmental impact of our products and operations, increase our business resilience and enable sustainable profitable growth



Integrate transition planning into our long-term business planning and include implementation plans into our annual business planning cycles

CONTINUOUS IMPROVEMENT TO ENABLE TRANSITION AND BUILD RESILIENCE

Ecodesign in R&D

Decarbonisation

Product supply network design

Ecodesign in R&D

We intend to embed environmental considerations into product development as a means of minimising the environmental impacts of a product throughout its full life cycle. We want to reduce total global carbon emissions and enable our customers to do the same.

We see carbon intensity as a design challenge that requires a deep understanding of the impact of our operations and therapies on total carbon emissions.

We enable our R&D engineers to adopt Ecodesign thinking during the design phase. We provide guidance on low-carbon materials, life cycle assessments and clinical impact, facilitate collaboration across R&D teams and pilot programmes to identify Ecodesign opportunities and continuously improve our approach.

We understand that embedding Ecodesign is a medium to longer term objective given the nature of product development and our product life cycles.



Decarbonisation

Over the years we have identified a number of carbon reduction initiatives across the business. These initiatives have informed the development of our carbon reduction plans as we work towards net zero CO₂e by 2050. In addition to Ecodesign, we consider carbon impacts and sustainability objectives when assessing our infrastructure, operations and supply chain.

Key initiatives include:

- Implementing renewable energy infrastructure at our manufacturing sites, such as installation of solar arrays to help reduce our emissions.
- In the near term, investing in renewable energy certificates; and in the medium – long term exploring renewable energy solutions for our manufacturing sites and strategic sites overseas.
- Using electric and hybrid vehicles across our sales operations. Our transition to an electric fleet is dependent on local infrastructure to support use of EVs by our sales teams.
- Focusing on the materials we source and the supplier practices that have a significant impact on our carbon footprint. Through our ESR engagement programme, we collaborate with our suppliers to continuously improve performance, raise standards across our global network, and educate and support them to create better outcomes, including the reduction of carbon emissions.
- Adopting low-carbon freight options, routes and transport types.

We continue to build our understanding of how carbon impacts our business. We conduct annual surveillance of carbon pricing and policy developments across our global markets. We are developing internal carbon cost tools and an internal carbon price model to factor carbon impacts into our decision-making.

Product supply network design

We also consider climate-related impacts when assessing our infrastructure, operations and supply chain as we build resilience.

Network design

Our approach is to develop a global network that can respond to customer and market requirements, enables innovation and builds resilience. Climate-related impacts are considered during site selection and when building new infrastructure.

Operations

We build resilience by implementing water treatment and re-use systems in water-scarce areas such as Tijuana, Mexico, and integrating solar arrays into our infrastructure in New Zealand and Mexico, to grow our solar-generated electricity capacity over time.

Manufacturing

We seek to improve efficiency and utilisation within our operations to reduce waste in our manufacturing operations.

Supply chain

We develop our understanding of supplier vulnerabilities and collaborate with our suppliers through our ESR engagement programme, and gain insights into weather events and how they impact our supply chain.





Capital deployment and investment

Alignment with capital deployment and funding processes

Climate-related risks and opportunities are considered when deploying capital and making funding decisions in relation to projects that:

- Support our decarbonisation efforts, including renewable energy infrastructure, and purchasing renewable energy certificates
- Build resilience in our manufacturing infrastructure, including our water treatment plant at Tijuana, Mexico.

We do not set long-term specific climate-related targets in respect to capital deployment spend. We continue to integrate climate risk and opportunities as relevant throughout the business when decisions are being made in relation to capital deployment and investment.

Investment in climate-related initiatives

Investment in R&D is fundamental to how we deliver value and ensure we can develop better technology that enhances patient care. We consistently invest in R&D, and through our Ecodesign programme, our R&D investment aims to minimise the environmental impacts of our products.

During the 2025 financial year, we assessed the feasibility of significantly increasing our solar rooftop arrays at our East Tāmaki campus in New Zealand. We already have a small solar array that was installed between 2015 to 2017. Since its installation, we have developed our understanding of practical generation maintenance and return of solar generation at our site. Based on this, we assessed future needs to identify an optimal solution for solar energy that meets our long-term infrastructure growth needs and is aligned to our environmental sustainability objectives. During the 2025 financial year, we entered into a power purchase agreement (with a future option to purchase) whereby 5.6 megawatts of solar rooftop arrays will be installed across two buildings at our site. Construction of the solar arrays will commence in the 2026 financial year.

During the 2025 financial year, we have been reviewing our processes to collect and transform global carbon data in order to have data available to make informed decisions about carbon impacts on our business and meet our GHG reporting obligations. We have also been exploring ways to optimise the collection of our global carbon data and create efficiencies in our business practices, including investigating software tools and platforms.

Metrics and targets

Metric	Method / Assumptions	Commentary
GHG emission intensity (tonnes CO ₂ e/revenue NZ\$M)	Calculated using Scope 2 market-based methodology in accordance with the GHG Protocol Scope 2 Guidance.	FY24: 146.7 FY25: 138.9 GHG emission intensity has decreased compared to the prior financial year, largely driven by an increase in revenue.
Purchase of certified renewable energy certificates – in respect of electricity consumed by F&P at our New Zealand sites	New Zealand Energy Certificates (NZ ECs) are acquired through the New Zealand Energy Certificate System (NZECS) platform operated by BraveTrace. Issuance and redemption of NZ ECs are performed in accordance with the NZECS rules ¹ . NZECS certificates adhere to criteria for the market-based approach to emissions allocation as defined by the GHG Protocol Scope 2 Guidance.	FY24: NZ ECs were redeemed in respect of 28,578,000 kWh of renewable energy generated from the Benmore hydro station, owned and operated by Meridian Energy. FY25: NZ ECs were redeemed in respect of 29,563,000 kWh of renewable energy generated from the Benmore hydro station, owned and operated by Meridian Energy.
R&D spend	Investment in Ecodesign activities are included within the total R&D spend. We do not separately allocate R&D spend to Ecodesign initiatives.	FY24: 11% of operating revenue spent on R&D FY25: 11% of operating revenue spent on R&D
Executive management's discretionary annual variable remuneration (DAVR)	DAVR includes non-financial measures which have a 20% weighting. Refer to the 'Executive remuneration' section of the annual report on page 82 for further details.	During the financial years 2024 and 2025, environmental measures supporting decarbonisation were included within the DAVR non-financial measures.

¹ For further details on the BraveTrace programme, refer to <https://bravetrace.co.nz/renewable-electricity/>

Refer to climate-related risks and opportunities on pages 106-115 for metrics related to our assets and/or business activities vulnerable to climate-related risks (and aligned to opportunities). Our understanding of vulnerabilities and opportunities identified from our climate scenario analyses is ongoing. We see the assessment of business exposure as linked to the financial modelling of anticipated financial impacts (we have taken Adoption Provision 2).

GHG Scope 1 and 2 target

Aligned with the goals of the Paris Agreement to limit global warming to 1.5 degrees Celsius, we are working toward net zero CO₂e by 2050. Setting near-term targets helps to guide us in the right direction.

In 2019 we engaged with the Science Based Targets initiative (SBTi) to set our GHG targets. SBTi is a corporate climate action organisation which supports companies to set greenhouse gas emissions reduction targets in line with what is needed to meet the goals of the Paris Agreement.

We have set an absolute target to achieve a 67% reduction in our Scope 1 and 2 GHG emissions by 2034 from a 2019 baseline (11,198 tCO₂e).

Targets were set using SBTi methodology. Our overall Scope 1 and 2 emissions have increased since setting our target. This is largely due to our response to the global COVID-19 pandemic and the increase in production capacity over this period. Refer to page 121 for further details on our GHG emissions.

We also set a Scope 3 supplier engagement target which was set to be completed in 2024 and is in the process of being reviewed.

Greenhouse gas emissions

We have been measuring our greenhouse gas (GHG) emissions since 2012. Over this time, we have improved our measurement processes and subsequent assurance of our carbon footprint. We have progressively expanded the geographical boundary of our footprint and the scope of emissions sources.

GHG emissions in FY25

Our total emissions (location-based) for the year ended 31 March 2025 were 281,571 tCO₂e, representing a 9% increase (23,845 tCO₂e) compared to the previous financial year, primarily driven by Scope 3, category 11 emissions as a result of a higher number of units placed connected to the voluntary recall of Airvo 2 and myAirvo 2 devices manufactured before 14 August 2017.¹

The table below details our GHG emissions for Scope 1, 2 and 3 emissions.

GHG emissions (tonnes CO ₂ e)		FY2023	FY2024	FY2025
Scope 1	Total Scope 1²	2,329	2,013	2,295
Scope 2	Total Scope 2 (location-based)	14,529	14,293	13,232
	Scope 2 (market-based)	11,105	12,253	12,406
Scope 3	Total Scope 3	310,697	241,420	266,044
	Category 1: Purchased goods and services ^{3,4}	116,911	80,071	88,220
	Category 2: Capital goods	7,832	11,064	6,893
	Category 3: Fuel and energy related activities	1,987	1,552	4,909
	Category 4: Upstream transportation and distribution	28,712	21,820	22,651
	Category 5: Waste generated in operations	912	1,108	858
	Category 6: Business travel	9,090	7,769	13,690 ⁵
	Category 7: Employee commuting	8,767	8,225	7,554
	Category 9: Downstream transportation and distribution	2,234	2,088	590
	Category 11: Use of sold products ⁶	128,559	102,013	117,249
	Category 12: End of life treatment of sold products	5,693	5,710	3,430
Total GHG emissions (location-based)		327,555	257,726	281,571
Total GHG emissions (market-based)		324,131	255,686	280,745
GHG emission intensity (tonnes CO₂e/revenue NZ\$M)⁷		205.0	146.7	138.9⁸

1 Refer to page 123 for further detail on treatment of this voluntary recall.

2 Our emissions inventory in FY24 overestimated 110 tCO₂e, and FY23 omitted 41 tCO₂e natural gas consumed at an offshore location. During FY25 we have recalculated and restated our FY23 and FY24 Scope 1 emissions to address this.

3 In line with the Cool Food Pledge methodology (World Resources Institute, Technical note, 2019), emissions have been restated to remove carbon opportunity cost related to food purchased for our New Zealand and Mexico cafeterias. Carbon opportunity cost is not within the scope of GHG Protocol. This has resulted in reduced emissions of -17,600 tCO₂e in FY23 and -12,600 tCO₂e in FY24.

4 Our emissions inventory in FY24 incorrectly applied spend-based data associated with the Karaka land purchase. We have recalculated and restated our FY24 Scope 3, category 1 emissions to address this, leading to a reduction of -12,100 tCO₂e in FY24.

5 During FY25 our US sales team held its annual sales meetings in New Zealand. While these meetings are usually held in the US, occasionally we bring our people to NZ so they can connect with our R&D, quality and manufacturing teams, and align on strategic priorities. This has resulted in an increase in kilometres travelled and being an activity-based calculation, has led to an increase in business travel emissions for FY25.

6 FY24 has been restated to ensure consistency with presentation in the current period. Following a revision of key estimates for electricity usage and medical gas used in calculating use of sold products emissions, this restatement reduced emissions for FY24 by -36,500 tCO₂e. Changes in FY23 emissions for electricity usage have not been restated as the difference was not considered significant. Emissions from medical gases were not reported in FY23, we reported these emissions for the first time in FY24. Accordingly, we have restated FY24 for this change in estimate. FY23 has not been restated to reflect emissions from medical gases, as we did not have the data to support a reasonable estimate. Refer to page 123 for further information.

7 GHG emission intensity calculated using Scope 2 market-based methodology. GHG emission intensity metric has not been subject to PwC assurance procedures.

8 GHG emission intensity has decreased when compared to the prior two financial periods, largely driven by increased revenue.

Assurance of GHG emissions

PricewaterhouseCoopers (PwC) has provided independent, third-party limited assurance over our 2025 financial year group-wide GHG emissions (tonnes CO₂e) footprint presented in the climate-related disclosures as described in the assurance report on pages 168-170.

For the financial year 2024 and prior periods, a verification engagement was performed by Toitū Envirocare (acting through Enviro-mark Solutions Limited). A verification report was issued in accordance with ISO 14064-3:2019 and the requirements of the Toitū carbonreduce programme. For more information on the assurance outcome of the verification engagement, refer to the FY2024 Toitū carbonreduce statement on our website: www.fphcare.com.



Methods, assumptions and uncertainties in estimating GHG emissions

GHG emissions have been measured in accordance with the Greenhouse Gas Protocol – a Corporate Accounting and Reporting Standard (GHG Protocol), the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and the GHG Protocol Scope 2 Guidance.

GHG emissions have been consolidated using the operational control approach. The scope of our emissions inventory covers all activities within the operational boundaries of Fisher & Paykel Healthcare Corporation Limited globally, including head offices, sales offices and manufacturing sites. This includes any facilities under construction. No material facilities, operations or assets have been excluded from our organisational boundary.

Emission categories

Scope 1 includes direct GHG emissions from sources that we own or control. This includes the fuel used in vehicles we own or lease, natural gas and fugitive emissions generated through the use of refrigerants. Emissions are calculated using an activity-based method. Estimates are used where volume data is not available. Estimated activity data accounts for approximately 20% of Scope 1 emissions (tCO₂e).¹

Scope 2 (location and market-based) includes indirect GHG emissions from the generation of electricity we purchase, calculated using supplier-based activity data and country-specific emission factors (EFs). Using a location-based methodology, electricity use generated 13,232 tCO₂e.

Our Scope 2 (location-based) emissions decreased in the 2025 financial year. This was the result of a change to the International Energy Agency (IEA) emission factor for Mexico which is used to determine Scope 2 emissions generated by our Tijuana manufacturing facilities.

Our Scope 2 (market-based) emissions generated 12,406 tCO₂e. This reflects the purchase of Renewable Energy Certificates (RECs) in the 2025 financial year in respect of energy use in our New Zealand and UK operations.

RECs certify that the electricity purchased by our New Zealand and UK operations is from renewable sources. Where RECs show that energy consumption is from renewable sources, we recognise emissions as zero. For all other Scope 2 (market-based) emissions, we calculate energy consumption using the residual mix factor of the country of emission consumption, or, if no residual mix factor is available, we use location-based factors. Residual mix factors sourced from Carbon Database Initiative (CaDi) 2022, EU Association of Issuing Bodies (AIB) 2022 and BraveTrace 2024 are used to calculate Scope 2 (market-based) emissions. The net proceeds of the purchase of New Zealand RECs are reinvested into community decarbonisation projects.

¹ For further information on emission factors used, refer to page 124.

Scope 3 includes indirect GHG emissions generated by our suppliers, customers and employees (included within category 7, employee commuting). The most significant sources of Scope 3 emissions are discussed in further detail below:

Category 1: Purchased goods and services

This category includes any upstream emissions generated by the consumption of raw materials, components, packaging and services that are acquired to create and distribute our products. This includes both production-related goods and services as well as emissions from non-production related goods and services.

37% of emissions associated with purchased goods are determined by an activity-based method using volume data (including resin, food, pallets, etc.) Other purchased goods use a spend-based method. Emissions from purchased services (including ICT services, marketing, consultancy, etc.) are also calculated using spend data sourced from our internal financial systems multiplied by the relevant emission factors.

We have applied several 2022 US Environmental Protection Agency Emission Factors (2022 US EPA EFs) to spend-based data in Scope 3 category 1. Where we have used supplier-provided volume data, we have used EFs sourced from GaBi 2025 and UK Department for Business, Energy & Industrial Strategy (BEIS) 2024. Emissions associated with the purchase of food for our New Zealand and Mexico cafeterias have been calculated using the Cool Food Pledge 2022 calculator.

Category 4: Upstream transportation and distribution

Core freight services include inbound and outbound transportation from manufacturing sites to sales offices or global customers, local freight, port to office/warehouse, and office/warehouse to customer.

Our largest freight forwarder suppliers across New Zealand, Mexico, the UK and the US provide us with tonne/km data, which we use to derive full-year consumption and convert to tCO₂e using EFs from BEIS and the Ministry for the Environment in New Zealand. Both inbound and outbound freight, paid for by us, are classified as upstream transportation and distribution under GHG Protocol and includes all items shipped. Where tonne/km data is not available, we use spend-based data and 2022 US EPA EFs.

Category 11: Use of sold products

Energy consumption during the use phase of sold products is the largest contributor to our Scope 3 footprint. The total energy consumption for the lifetime of a product is reflected in the emission calculation in the year of sale and are included within the Scope 3, category 11 emissions. Annual category 11 emission levels are based on total estimated future energy consumption of our products, as at the point of sale, and current location-based grid emission factors. Grid emission factors, where available, are sourced from the 2022 IEA database and applied based on the location where the product was sold. We assume that devices remain, and are operated in, the country they are sold into.

Emissions are estimated using actual sales volume data by country as well as assumptions on use of sold products by our engineers who design our products. There is a higher level of estimation uncertainty around the average number of hours our products are in use for as they are subject to clinician decisions outside of our control.¹

We have included the full lifetime of emissions associated with voluntary product recall replacement devices which have been distributed in the 2025 financial year. This has resulted in an addition of -7,300 tCO₂e to this financial year's GHG footprint. GHG emissions associated with recalled devices have not been removed from previous year(s) GHG emissions given these devices were recalled in the final years of their estimated use life.

Medical gases: We have included emissions associated with medical gases where medical gas is a part of our therapies and not solely dependent on clinician choice. Emissions are calculated using actual sales data, as well as indicative gas volumes and average procedure lengths as determined by our engineers who design our products. There is a higher level of estimation uncertainty around average procedure lengths and gas volumes as they are subject to clinician decisions outside of our control. We have applied 2022 US EPA EFs to spend-based data.

¹ Estimates used in calculations were revised in FY25. Refer to page 124 for additional information.

Emission factors

GHG Protocol provides guidance around data hierarchies where activity data will provide the greatest level of precision and, in the absence of activity data, spend-based data will provide a lower level of precision.

We follow an internally generated emission factor (EF) rule hierarchy which is used to determine the most appropriate EF to use for each of the GHG categories. Our hierarchy is as follows:

- 1) Country-specific EF
- 2) Neighbouring country (with a similar 'profile' e.g. 50% hydro-electric) EF
- 3) Regional EF
- 4) Default EF (provided by a global organisation such as IEA)

Emission factors have been sourced from several databases. We use the latest available EF sources available at 31 March 2025, this includes a mix of 2024 and prior year emission factors.¹ Due to the time lag on publication of sources of EFs, this means some EFs are dated prior to 2025. Our GHG emissions are calculated using a number of methods, including activity data multiplied by relevant EFs. We use primary data directly from our suppliers, where this is available and practical to collect. Where primary data is not easily obtainable, without undue cost or effort, emissions have been estimated using spend data and an appropriate conversion factor to estimate the emissions.

The majority of our financial year 2025 emissions have been calculated using US EPA 2022 spend-based EFs, IEA 2024 and BEIS 2024 EFs.

US EPA Emission Factors

We consider the application of 2022 US Environmental Protection Agency Emission Factors (US EPA EFs) to spend-based data provide us with a more accurate input to determine our Scope 3, categories 1, 2, 4, 6, 9 and 11 emissions when compared to alternatives (including New Zealand spend-based EFs). US EPA EFS are used to calculate 31% of our GHG footprint. We have reviewed alternative spend-based EFs and have determined that the alternatives do not have sufficient granularity and there is limited information relating to methodology which is used to determine the EFs. Use of US EPA EFs require conversion of spend from local currency to USD. Movement in the US dollar will have an associated impact on our carbon emissions. By using US EPA EFs, as the US dollar strengthens (for example, moves from USD:NZD 0.64 to USD:NZD 0.57), tCO₂e emissions will reduce and vice versa.

Changes in estimates

In the 2025 financial year, the calculation methodology for the use of sold products has been revised to include:

- greater accuracy in the measure of electricity used to power devices sold (impact on FY24 -12,500 reduction tCO₂e).
- more accurate pricing appropriate for spend-based calculation of medical gas emissions (impact on FY24 -24,000 reduction tCO₂e).

Where significant, these changes necessitated a restatement of the emissions for the use of sold products in comparative periods.²

Excluded emissions sources

In our GHG inventory, certain emissions sources have been excluded as they account for less than one percent of the total emissions within their respective categories, and their total emissions and removals do not exceed five percent of either Scope 1 or Scope 2 or five percent of each Scope 3 sub-category. As such, they are not considered significant for our inventory, its intended use, or for users relying on this data.

The following emissions sources have been excluded from the GHG emissions inventory:

Emissions source	Explanation
Technology acquisition programme assets	Hardware devices (manufactured by F&P) that we hold as property, plant and equipment. This hardware is available to customers who commit to purchasing a certain level of consumable items. We do not have a way of tracking devices which are used by multiple customers over their lifetime. Inclusion would lead to double counting of emissions on each issue to customer(s). These units represent a very small percentage of total sales volume.
Karaka, Auckland site - downstream	Emissions from our Karaka site are currently immaterial for inclusion.
F&P Neopuff	The F&P Neopuff is a reusable, manually operated, gas-powered resuscitator which provides ventilatory support to neonates and infants with respiratory insufficiency. Due to insufficient available data, we have not included medical gas required to operate these devices in this year's GHG footprint.

¹ Emission factors used apply a mix of IPCC Assessment Report AR4, AR5 and AR6 global warming potentials (GWPs) that have been assigned to the emission factor by relevant reporting authorities.

² Refer footnote 6 on page 121 for details of restatements.

FINANCIALS



Financial commentary

The financial commentary below provides an overview of the financial results for the year ended 31 March 2025. Readers should refer to the following financial statements and notes for an understanding of the basis on which the financial results are determined.

INCOME STATEMENTS

Year ended 31 March	2024 NZ\$M	2025 NZ\$M	Change Reported %	Change CC ¹ %
Operating revenue	1,742.8	2,021.0	+16	+14
Gross profit	1,044.4	1,270.9	+22	+18
Gross margin	59.9%	62.9%	296 bps	247 bps
SG&A expenses	(492.8)	(534.4)	+8	+8
R&D expenses	(198.2)	(226.9)	+14	+14
Total operating expenses	(691.0)	(761.3)	+10	+10
Operating profit	353.4	509.6	+44	+36
Operating margin	20.3%	25.2%	494 bps	377 bps
Revaluation of land	(98.1)	-	-	-
Profit before financing and tax	255.3	509.6	+100	+97
Net financing expense	(19.6)	(6.3)	-68	-56
Profit before tax	235.7	503.3	+114	+107
Tax expense	(103.1)	(126.1)	+22	+18
Profit after tax	132.6	377.2	+184	+180
Underlying profit after tax²	264.4	377.2	+43	+30

1 Constant currency (CC) removes the impact of exchange rate movements. This approach is used to assess the Group's underlying comparative financial performance without any impact from changes in foreign exchange rates. See further details on page 130.

2 Underlying profit after tax has been presented excluding the impact of abnormal items occurring during the 2024 financial year. A reconciliation is set out on page 127.

Total profit after tax for the year was \$377.2 million, a 184% increase from last year, or 180% in constant currency. Excluding the impact of the land revaluation, voluntary product recall and deferred tax liability recognised on buildings in the 2024 financial year, profit after tax ("Underlying profit after tax") increased by 43% or 30% in constant currency.

Revenue

Operating revenue was \$2,021.0 million, a 16% increase from the prior corresponding period or 14% in constant currency. Hospital revenue had a strong year with an 18% increase in reported and 16% in constant currency. The Hospital product group continued to see strong demand across the product portfolio, including hardware. Homecare revenue also delivered strong growth, up 13% or 11% in constant currency with OSA masks revenue growth of 14% or 11% constant currency.

Gross margin

Gross margin at 62.9% increased by 247 basis points in constant currency from last year. Excluding the impact of the prior year's voluntary product recall, underlying gross margin increased by 129 basis points in constant currency. This reflects the continued progress of our improvement initiatives and overhead efficiency. The recently announced tariffs on products imported into the United States have had no impact on the financial results for the year ended 31 March 2025.

Operating expenses

Operating expenses increased 10% both in reported and constant currency to \$761.3 million reflecting our ongoing investment in sales, marketing and R&D to support the development of our product pipeline and our global sales growth. The operating margin at 25.2% improved by 260 basis points in constant currency from underlying 2024 operating margin. This reflects the gross margin improvement and operating leverage.

R&D spend of \$226.9 million grew 14%, in line with our constant currency revenue growth.

Financing expenses

Interest expense reduced to \$11.1 million (2024: \$18.2 million) due to lower average borrowings during the year. Interest income increased by \$1.0 million to \$4.3 million. Net foreign exchange gains on translation of foreign currency assets and liabilities this year were \$0.5 million (2024: \$4.7 million loss).

Tax

The effective tax rate was 25.1% (underlying 2024: 25.3%). The R&D tax credit of \$20.4 million for this period (2024: \$18.0 million) represents the estimated eligible R&D expenditure incurred during the year. Excluding the R&D tax credit, the effective tax rate was 29.1% (underlying 2024: 30.5%).

UNDERLYING FINANCIAL PERFORMANCE

While we understand the importance of reported profits meeting the NZ IFRS standards, we believe the underlying profit measurements assist readers to better understand the Group's financial performance, and against which comparative performance should be considered.

During the 2024 financial year, net profit after tax included the expense associated with the voluntary Airvo 2 and myAirvo 2 product recall, revaluation of the land in Karaka, New Zealand, and the tax expense associated with the removal of building depreciation deductibility in New Zealand. We believe the financial impact of each of these distorted the reported financial results for the year ended 31 March 2024, and a more meaningful representation of the performance of our business for this year is the underlying result. We have included the reconciliation of the impact of each of the abnormal items to the "underlying" 31 March 2024 income statement.

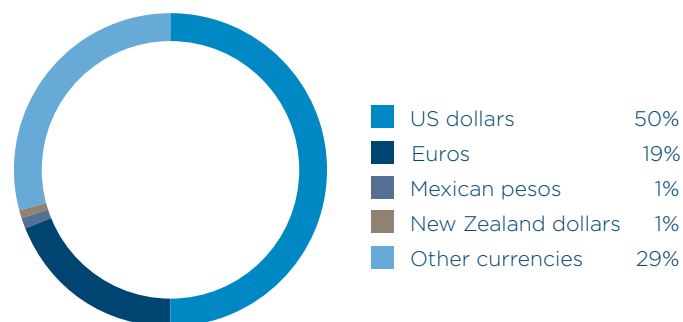
There have been no abnormal items in the year ended 31 March 2025. This reconciliation shows the underlying growth rates in 2025 compared to the underlying 2024 income statement.

	2024					2025		
	Adjustments for abnormal items							
Year ended 31 March	Reported NZ\$M	Product recall NZ\$M	Revaluation of land NZ\$M	Deferred tax* NZ\$M	Underlying NZ\$M	Reported NZ\$M	Underlying growth change %	Underlying growth change (CC) %
Operating revenue	1,742.8	-	-	-	1,742.8	2,021.0	+16	+14
Cost of sales	(698.4)	20.0	-	-	(678.4)	(750.1)	+11	+10
Gross profit	1,044.4	20.0	-	-	1,064.4	1,270.9	+19	+16
Gross margin	59.9%				61.1%	62.9%	+181 bps	+129 bps
SG&A expenses	(492.8)	-	-	-	(492.8)	(534.4)	+8	+8
R&D expenses	(198.2)	-	-	-	(198.2)	(226.9)	+14	+14
Total operating expenses	(691.0)	-	-	-	(691.0)	(761.3)	+10	+10
Operating profit	353.4	20.0	-	-	373.4	509.6	+36	+28
Operating margin	20.3%				21.4%	25.2%	+379 bps	+260 bps
Revaluation of land	(98.1)	-	98.1	-	-	-		
Profit before financing and tax	255.3	20.0	98.1	-	373.4	509.6	+36	+28
Net financing expense	(19.6)	-	-	-	(19.6)	(6.3)	-68	-56
Profit before tax	235.7	20.0	98.1	-	353.8	503.3	+42	+32
Tax expense	(103.1)	(5.6)	-	19.3	(89.4)	(126.1)	+41	+39
Profit after tax	132.6	14.4	98.1	19.3	264.4	377.2	+43	+30
Basic earnings per share	22.8 cps				45.4 cps	64.4 cps		
Diluted earnings per share	22.6 cps				45.1 cps	63.9 cps		

* Deferred tax on removal of building depreciation

FOREIGN CURRENCY IMPACTS

The Group is exposed to movements in foreign exchange rates, with approximately 99% of operating revenue generated in currencies other than NZD as shown below.



Over 60% of COGS and over 50% of operating expenses are in currencies other than NZD.

Foreign currency impacts had a favourable effect of \$38.9 million on net profit after tax when compared to the prior year. Net foreign exchange gains on balance sheet translations increased profit after tax for the year by \$0.1 million (2024: \$1.1 million increase). The hedging programme contributed a pre-tax gain of \$7.0 million (2024: \$1.9 million gain).

The average daily spot rate, the average conversion exchange rate (the accounting rate, incorporating the settlement of forward exchange contracts in the relevant financial year) and the closing spot rate of the main foreign currency exposures for the reported periods are set out in the table below.

Year ended 31 March	Average daily spot rate		Average conversion exchange rate		Closing spot rate	
	2024	2025	2024	2025	2024	2025
USD	0.610	0.595	0.658	0.617	0.599	0.571
EUR	0.562	0.553	0.544	0.537	0.554	0.527
MXN	10.56	11.37	13.02	12.42	9.91	11.67

Foreign exchange hedging position

In line with our hedging programme, additional hedges have been added for future years. The hedging position for our main currency exposures as at 12 May 2025 is:

Year to 31 March	2026	2027	2028	2029	2030	2031-2035*
USD % cover of expected exposure	90%	70%	65%	50%	45%	0%
USD average rate of cover	0.605	0.598	0.586	0.574	0.559	0.536
EUR % cover of expected exposure	85%	70%	65%	50%	45%	10%
EUR average rate of cover	0.535	0.529	0.524	0.510	0.501	0.464
MXN % cover of expected exposure	80%	60%	20%	10%	0%	
MXN average rate of cover	12.31	12.87	13.79	14.41	15.06	

Hedging cover has been rounded to the nearest 5%.

+ 2031 – 2035 shows average % cover of expected exposure and rate of cover for the five-year period.

CASH FLOWS

The full statement of cash flows is provided on page 134.

Year ended 31 March	2024 NZ\$M	2025 NZ\$M	Change NZ\$M
Operating profit	353.4	509.6	156.2
Plus depreciation and amortisation	114.3	139.9	25.6
Change in working capital and other	30.4	(1.0)	(31.4)
Net interest paid	(16.7)	(9.5)	7.2
Net income tax paid	(51.8)	(90.4)	(38.6)
Operating cash flows	429.6	548.6	119.0
Lease repayments	(16.8)	(18.5)	(1.7)
Purchase of land and buildings	(251.3)	(21.6)	229.7
Purchase of plant and equipment	(65.5)	(52.0)	13.5
Purchase of intangible assets	(22.2)	(29.4)	(7.2)
Free cash flows	73.8	427.1	353.3
Dividends paid	(145.5)	(195.9)	(50.4)

+ Free cash flows include lease liability repayments following the adoption of NZ IFRS 16.

Operating cash flows

Cash flows from operations for the period increased by \$119.0 million to \$548.6 million (2024: \$429.6 million). The strong operating cash flows benefited from the increase in profit excluding non-cash items, more than offsetting the increased tax payment and the increase in net working capital. Tax payments have normalised this year after being lower in the prior period from prepayments in the 2023 financial year.

Capital expenditure

During the period, \$103.0 million was spent on capital expenditure (excluding leased assets), including the East Tāmaki campus development for the car park and earthworks and design for our fifth building. We continue to invest in manufacturing production equipment and patents.

Dividends

The dividends paid of \$195.9 million increased 35% from the prior period due to the suspension of the Dividend Reinvestment Plan (DRP) from the 2025 interim dividend paid in December 2024. Prior to the DRP suspension, \$49.7 million of dividends were reinvested as new shares during the year (2024: \$92.6 million reinvested).

BALANCE SHEET

As at 31 March	2024 NZ\$M	2025 NZ\$M	Change NZ\$M
Trade receivables	219.5	263.1	43.6
Inventories	320.4	342.9	22.5
Less trade and other payables*	(111.3)	(150.3)	(39.0)
Working capital	428.6	455.7	27.1
Property, plant and equipment**	1,340.0	1,338.5	(1.5)
Intangible assets	88.4	82.1	(6.3)
Lease liabilities	(74.9)	(89.3)	(14.4)
Other net assets (liabilities)	9.2	(97.1)	(106.3)
Net cash (debt)	(32.2)	200.5	232.7
Net assets	1,759.1	1,890.4	131.3

* Trade and other payables exclude all non-current payables and all employee entitlements and provisions

** Property, plant and equipment includes lease assets recognised

Trade receivables have increased by \$43.6 million at 31 March 2025 reflecting favourable exchange rates and revenue growth. Our debtor days were within the normal range at 44 days (March 2024: 45 days). Inventories increased by \$22.5 million from March 2024 primarily in finished goods reflecting business growth. Trade and other payables increase includes timing associated with inventory purchases and payments to suppliers.

Property, plant and equipment (excluding leased assets) decreased by \$10.0 million in the year. Depreciation of \$86.4 million more than offset the additions of \$73.8 million. The additions include the East Tāmaki campus development. The movement also includes \$5.7 million of favourable foreign currency translation.

Net intangible assets decreased \$6.3 million. Additions in patents and trademarks spending was \$22.3 million and software spending was \$4.0 million for the year.

Other net assets/liabilities movements of \$106.3 million included the movements from derivative financial instruments, provisions and net deferred tax assets.

The derivative financial instruments net liabilities of \$46.2 million at 31 March 2025 compared to \$59.0 million net assets at 31 March 2024. This is primarily due to the change in exchange rates at 31 March 2025 compared to 31 March 2024 – with the corresponding offset in the cash flow hedge reserve. All currency derivatives continued to be effective hedges.

In March 2024, the Group initiated a voluntary limited recall of Airvo 2 and myAirvo 2 devices manufactured before 14 August 2017. During the year, the Group has utilised \$12.2 million of the total provision related to recall costs incurred to date, reducing the recall provision to \$7.8 million (31 March 2024: \$20.0 million).

Net deferred tax assets increased by \$59.5 million to \$146.4 million at 31 March 2025, mainly due to movements in derivative instrument valuations.

Net cash and debt facilities

As at 31 March	2024 NZ\$M	2025 NZ\$M	Change NZ\$M
Loans and borrowings			
– Current	(77.4)	(59.7)	17.7
– Non-current	(35.7)	–	35.7
Bank overdrafts	(1.1)	(4.3)	(3.2)
Total interest-bearing liabilities*	(114.2)	(64.0)	50.2
Total cash and investments	82.0	264.5	182.5
Net (debt) cash	(32.2)	200.5	232.7
Gearing	1.8%	-11.6%	–
Undrawn committed debt facilities	544.3	520.3	(24.0)
Undrawn uncommitted debt and overdraft facilities	82.0	91.0	9.0

+ Excluding lease liabilities

As at 31 March 2025, the average maturity of loans and borrowings of \$59.7 million was 0.9 years. The currency split for loans and borrowings was 94% US dollars and 6% Australian dollars. During the year, US\$40.0 million of committed borrowing facilities matured and were not renewed. Within the next 12 months, four facilities totalling \$180.0 million will expire, of which \$60.0 million was drawn at 31 March 2025.

Cash and cash equivalents were \$264.5 million at 31 March 2025. This balance, operating cash generated in the 2026 financial year and available borrowing facilities will fund the ongoing capital expenditure, New Zealand tax payments and the payment for the final dividend.

Gearing¹

At 31 March 2025, the Group had net cash of \$200.5 million and net gearing ratio of -11.6%. This was below the target gearing range of -5% to +5%. The construction of the fifth building at our East Tāmaki campus and final payments for the Karaka land acquisition over the next few years are expected to increase the gearing ratio.

NOTES - CONSTANT CURRENCY

Constant currency analysis is non-Generally Accepted Accounting Practice (GAAP) financial information, that is not prepared in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS). Constant currency information has been provided to assist users of financial information to better understand and assess the Group's financial performance without the impacts of foreign currency fluctuations, including hedging results.

Constant currency financial information is prepared each month to enable the Board and management to monitor and assess the Group's underlying comparative financial performance without any distortion from changes in foreign exchange rates. Constant currency information is prepared on a consistent basis for reported periods restated into NZD based on "constant" exchange rates, typically the budgeted exchange rates for the current year. This information excludes the impact of movements in foreign exchange rates, hedging results and balance sheet translations.

The Group's constant currency framework can be found on the company's website at www.fphcare.com/ccf. PwC perform assurance procedures over the constant currency information.

RECONCILIATION OF CONSTANT CURRENCY TO REPORTED PROFIT AFTER TAX

	2024 NZ\$M	2025 NZ\$M	Change NZ\$M
For the year ended 31 March			
Profit after tax (constant currency)	114.1	319.8	205.7
Spot exchange rate effect	16.0	52.3	36.3
Foreign exchange hedging result	1.4	5.0	3.6
Balance sheet revaluation	1.1	0.1	(1.0)
Total impact of foreign exchange	18.5	57.4	38.9
Profit after tax (reported)	132.6	377.2	244.6

RECONCILIATION OF CONSTANT CURRENCY TO REPORTED REVENUE

	2024 NZ\$M	2025 NZ\$M	Change NZ\$M
For the year ended 31 March			
Operating revenue (constant currency)	1,697.1	1,929.1	232.0
Spot exchange rate effect	53.9	94.4	40.5
Foreign exchange hedging result	(15.3)	(2.5)	12.8
Balance sheet revaluation ²	7.1	–	(7.1)
Total impact of foreign exchange	45.7	91.9	46.2
Operating revenue (reported)	1,742.8	2,021.0	278.2

The significant exchange rates used in the constant currency analysis, being the budget exchange rates for the year ended 31 March 2025, are USD 0.64, EUR 0.57, JPY 88, MXN 11.0.

¹ Net interest-bearing debt (debt less cash and cash equivalents and short-term investments) to net interest-bearing debt and equity (less hedging reserves). Net interest-bearing debt excludes lease liabilities.

² From 1 April 2024, all foreign exchange gains and losses from the translation of monetary assets and liabilities are presented within Net financing income / (expense).

Financial statements

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2025

	Notes	2024 NZ\$M	2025 NZ\$M
Operating revenue	4	1,742.8	2,021.0
Cost of sales		(698.4)	(750.1)
Gross profit		1,044.4	1,270.9
Selling, general and administrative expenses		(492.8)	(534.4)
Research and development expenses		(198.2)	(226.9)
Total operating expenses		(691.0)	(761.3)
Operating profit		353.4	509.6
Revaluation of land	9	(98.1)	-
Profit before financing and tax		255.3	509.6
Financing income		3.3	4.3
Financing expense		(18.2)	(11.1)
Exchange gain/(loss) on translation of foreign currency assets and liabilities		(4.7)	0.5
Net financing expense		(19.6)	(6.3)
Profit before tax	5	235.7	503.3
Tax expense	11	(103.1)	(126.1)
Profit after tax		132.6	377.2
Basic earnings per share	16	22.8 cps	64.4 cps
Diluted earnings per share	16	22.6 cps	63.9 cps

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	2024 NZ\$M	2025 NZ\$M
Profit after tax		132.6	377.2
Other comprehensive income			
Items that may be reclassified to profit or loss			
Foreign currency translation reserve			
Exchange differences on translation of foreign operations		2.0	4.0
Hedging reserves			
Changes in fair value in hedging reserves		(14.7)	(98.0)
Transfers to profit before tax from cash flow hedge reserve		(3.1)	(7.0)
Tax on above reserve movements	11	5.0	29.4
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of land	9	17.3	-
Other comprehensive income, net of tax		6.5	(71.6)
Total comprehensive income		139.1	305.6

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Notes	Share capital NZ\$M	Retained earnings NZ\$M	Reserves NZ\$M	Total equity NZ\$M
Balance at 31 March 2023		303.7	1,200.5	249.2	1,753.4
Total comprehensive income		-	132.6	6.5	139.1
Dividends paid	17	-	(238.1)	-	(238.1)
Issue of share capital under the dividend reinvestment plan	15	92.6	-	-	92.6
Issue of share capital under employee share plans	15	9.5	-	-	9.5
Movement in share based payments reserve	17	-	-	4.4	4.4
Movement in treasury shares	15	(1.8)	-	-	(1.8)
Balance at 31 March 2024		404.0	1,095.0	260.1	1,759.1
Total comprehensive income		-	377.2	(71.6)	305.6
Dividends paid	17	-	(245.6)	-	(245.6)
Issue of share capital under the dividend reinvestment plan	15	49.7	-	-	49.7
Issue of share capital under employee share plans	15	12.5	-	-	12.5
Movement in share based payments reserve	17	-	-	6.7	6.7
Movement in treasury shares	15	2.4	-	-	2.4
Balance at 31 March 2025		468.6	1,226.6	195.2	1,890.4

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED BALANCE SHEET

As at 31 March 2025

	Notes	2024 NZ\$M	2025 NZ\$M
ASSETS			
Current assets			
Cash and cash equivalents		82.0	264.5
Trade and other receivables	7	257.2	304.6
Inventories	8	320.4	342.9
Derivative financial instruments	6	36.3	9.9
Tax receivable		9.0	13.5
Total current assets		704.9	935.4
Non-current assets			
Derivative financial instruments	6	53.5	38.6
Other receivables		2.4	1.1
Property, plant and equipment	9	1,340.0	1,338.5
Intangible assets	10	88.4	82.1
Deferred tax assets	11	92.5	155.1
Total assets		2,281.7	2,550.8
LIABILITIES			
Current liabilities			
Borrowings	12	78.5	64.0
Lease liabilities	12	17.7	22.4
Trade and other payables	13	219.9	271.8
Provisions	14	31.0	25.8
Tax payable		18.5	75.4
Derivative financial instruments	6	19.4	41.0
Total current liabilities		385.0	500.4

	Notes	2024 NZ\$M	2025 NZ\$M
LIABILITIES			
Non-current liabilities			
Borrowings	12	35.7	-
Lease liabilities	12	57.2	66.9
Provisions	14	6.3	5.5
Other payables	13	21.4	25.2
Derivative financial instruments	6	11.4	53.7
Deferred tax liabilities	11	5.6	8.7
Total liabilities		522.6	660.4
EQUITY			
Share capital	15	404.0	468.6
Retained earnings		1,095.0	1,226.6
Reserves	17	260.1	195.2
Total equity		1,759.1	1,890.4
Total liabilities and equity		2,281.7	2,550.8

The accompanying notes form an integral part of the financial statements.

On behalf of the Board
27 May 2025



Neville Mitchell
Board Chair



Lewis Gradon
Managing Director and
Chief Executive Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2024 NZ\$M	2025 NZ\$M
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,716.2	1,990.0
Interest received	3.2	3.9
Payments to suppliers and employees	(1,218.1)	(1,341.5)
Tax paid	(51.8)	(90.4)
Interest paid	(16.4)	(8.9)
Lease interest paid	(3.5)	(4.5)
Net cash flows from operating activities	429.6	548.6
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(316.8)	(73.6)
Purchases of intangible assets	(22.2)	(29.4)
Net cash flows from investing activities	(339.0)	(103.0)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of share capital under employee share plans	3.0	3.1
New borrowings	300.6	106.8
Repayment of borrowings	(270.0)	(163.7)
Lease liability payments	(16.8)	(18.5)
Dividends paid	(145.5)	(195.9)
Net cash flows from financing activities	(128.7)	(268.2)
Net increase (decrease) in cash	(38.1)	177.4
Opening cash	116.8	80.9
Effect of foreign exchange rates	2.2	1.9
Closing cash	80.9	260.2
RECONCILIATION OF CLOSING CASH		
Cash and cash equivalents	82.0	264.5
Bank overdrafts	(1.1)	(4.3)
Closing cash	80.9	260.2

	2024 NZ\$M	2025 NZ\$M
CASH FLOW RECONCILIATION		
Profit after tax	132.6	377.2
Add (deduct) non-cash items:		
Depreciation - right-of-use assets	17.7	20.9
Depreciation and amortisation - other assets	96.6	119.0
Share based payments	10.8	11.2
Movement in provisions	9.0	(6.0)
Movement in deferred tax assets / liabilities	10.2	(26.0)
Movement in net tax payables	39.2	54.6
Foreign currency translation	(0.7)	3.3
Revaluation of land	98.1	-
Other non-cash items	3.8	1.3
	284.7	178.3
Net working capital movements:		
Trade and other receivables	(38.5)	(45.1)
Inventories	45.4	(22.5)
Trade and other payables	5.4	60.7
	12.3	(6.9)
Net cash flows from operating activities	429.6	548.6

The accompanying notes form an integral part of the financial statements.

Notes to the financial statements

For the year ended 31 March 2025

1. REPORTING ENTITY

Fisher & Paykel Healthcare Corporation Limited (the “Company” or “Parent”) together with its subsidiaries (the “Group”) is a leading designer, manufacturer and marketer of medical device products and systems for use in both hospital and homecare settings. Products are sold in over 120 countries worldwide. The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 15 Maurice Paykel Place, East Tāmaki, Auckland. These consolidated financial statements were approved for issue by the Board of Directors on 27 May 2025.

2. BASIS OF PREPARATION AND PRINCIPLES OF CONSOLIDATION

Statement of compliance

The Company is registered under the Companies Act 1993 and is an FMC reporting entity under Part 7 of the Financial Markets Conduct Act 2013. The Company is also listed on the NZX and the ASX. The consolidated financial statements have been prepared in accordance with the requirements of Part 7 of the Financial Markets Conduct Act 2013.

These consolidated financial statements for the year ended 31 March 2025 have been prepared in accordance with New Zealand Generally Accepted Accounting Principles (NZ GAAP). They comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS), other New Zealand accounting standards and authoritative notices that are applicable to entities that apply NZ IFRS. The consolidated financial statements also comply with International Financial Reporting Standards (IFRS). The Group is a for-profit entity for the purposes of complying with NZ GAAP.

Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit or loss and/or other comprehensive income, and the revaluation of land.

Functional and presentation currency

The consolidated financial statements are presented in New Zealand dollars (NZD), which is the Company's functional currency, to the nearest hundred thousand dollars unless otherwise stated. Items included in the financial statements of each of the subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”).

The Group operates as one integrated business, and the functional currency of all material global operations is NZD, with the exception of Fisher & Paykel Healthcare Mexico Properties S.A. de C.V. (“Mexico Properties”). Mexico Properties was established for the purpose of holding the Group's property in Mexico, and its functional currency is United States dollars (USD).

The results and financial position of entities that have a different functional currency are translated to NZD as follows: assets and liabilities are translated at the exchange rate at balance date and income statement items are translated at rates approximating the foreign exchange rates ruling at the dates of transactions. Exchange differences are recognised in other comprehensive income as a currency translation reserve movement.

Foreign currency transactions and balances

Foreign currency transactions are translated into the relevant functional currency at the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The Directors regularly review all accounting policies and areas of judgement in presenting the financial statements. Significant estimates are disclosed in each of the applicable notes to the financial statements and are designated with an **(E)** symbol.

Material accounting policy information

Material accounting policy information is disclosed in each of the applicable notes to the financial statements and are designated with an **(AP)** symbol.

Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at balance date and the results of all subsidiaries for the year then ended. All subsidiaries are 100% owned within the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

3. SIGNIFICANT TRANSACTIONS AND EVENTS IN THE FINANCIAL YEAR

The following significant transactions and events affected the financial performance and financial position of the Group for the year ended 31 March 2025:

Property, plant and equipment

During the year, the multi-storey car park building construction at our East Tāmaki site has been completed.

In March we signed a building construction contract for the fifth building at our East Tāmaki campus. We expect the total cost of the new building to be approximately \$250 million.

Spending for these key property projects during the year was \$17.9 million, with total spend to date \$93.1 million. Capital commitments as at 31 March 2025 include \$200.2 million related to the construction of the fifth building.

Land acquisition and valuation

During the year, the Company submitted a private plan change application with Auckland Council to rezone the Karaka, Auckland land to accommodate growth over the longer term. Capital commitments as at 31 March 2025 include \$58 million for the acquisition of a further 24.8 hectares in Karaka, \$43.0 million of which is to be paid in January 2026 and the final payment of \$15.0 million is due in December 2026.

Share capital

During the year, the Group issued a total of 1,715,075 shares under the Dividend Reinvestment Plan (DRP) and 460,666 shares under employee share based payment arrangements. Under the DRP, the new shares were issued relating to the FY24 final dividend at an average price of \$28.9835 per share, totaling \$49.7 million.

4. OPERATING REVENUE AND SEGMENTAL INFORMATION

	2024 NZ\$M	2025 NZ\$M
Sales revenue	1,758.1	2,023.5
Foreign exchange loss on hedged sales	(15.3)	(2.5)
Total operating revenue	1,742.8	2,021.0
Revenue by product group		
Hospital products	1,087.9	1,280.3
Homecare products	652.3	739.9
	1,740.2	2,020.2
Distributed and other products	2.6	0.8
Total operating revenue	1,742.8	2,021.0
Revenue after hedging by geographical location of customer:		
North America	806.1	967.2
Europe	477.3	541.5
Asia Pacific	368.9	420.8
Other ¹	90.5	91.5
Total operating revenue	1,742.8	2,021.0

¹ Other includes New Zealand, Latin America (including Mexico), Africa and the Middle East.

4. OPERATING REVENUE AND SEGMENTAL INFORMATION (CONTINUED)

Segmental reporting

The Group operates in one segment - being the design, manufacture, marketing and sale of medical devices and systems globally. These products and systems are for use in respiratory care, acute care, surgery and the treatment of OSA in the home and hospital. Resource allocation decisions are made to optimise the Group's financial operating profit. This is consistent with the internal management reports the chief operating decision-maker (CODM)¹ reviews.

AP

Revenue is recognised at the point in time performance obligations are satisfied by transferring control of goods to the customer at the transaction price specified in the contract. Control typically transfers to the customer at the same time as the legal title passes to the customer, typically on delivery. The transaction price includes all amounts which the Group expects to be entitled to net of sales taxes and other indirect taxes, expected rebates and discounts. Where applicable, rebates and/or discounts are included within the consideration using an estimation typically based on the most likely method, and are only recognised to the extent that it is highly probable that a significant reversal will not occur.

There are no significant financing components in the Group's revenue arrangements.

5. EXPENSES

	2024 NZ\$M	2025 NZ\$M
Profit before tax is after charging the following specific expenses:		
Donations	0.4	0.1
Net inventories written down	25.9	(0.5)

Fees paid to auditors

	2024 NZ\$000	2025 NZ\$000
Audit and review of the financial statements (i)	1,740	1,809
Audit or review related services (ii)	42	44
Other assurance services (iii)	23	262
Total fee for audit, other audit related and other assurance services	1,805	2,115
Other services (iv)	2	-
Total fee for audit, other audit related, other assurance and non-audit services	1,807	2,115

- (i) Audit and review of the financial statements includes \$660,630 (2024: \$662,274) paid to other PwC network firms.
- (ii) Audit or review related services include limited assurance engagement in the area of constant currency disclosures \$43,900 (2024: \$41,900).
- (iii) Other assurance services include the limited assurance engagement in the area of greenhouse gas emissions disclosures \$234,000 (2024: nil) and regulatory compliance procedures in Mexico \$28,481 (2024: \$22,674).
- (iv) In 2024, other services includes market survey data relating to executive remuneration levels \$1,950.

The fee paid to PwC for the audit and review of the Group's financial statements is split across the jurisdictions where there are subsidiary entities that require an audit or are a significant component of the Group.

	2024 NZ\$000	2025 NZ\$000
PwC New Zealand	1,120	1,426
Other PwC network firms	687	689
Total fees paid to auditors	1,807	2,115

¹ CODM comprised the Board of Directors (which includes the Chief Executive Officer), the Chief Financial Officer, the Chief Operating Officer, the Vice President - Sales & Marketing, and the Vice President - Products & Technology during the 2025 financial year.

6. DERIVATIVE FINANCIAL INSTRUMENTS

	2024		2025	
	Assets NZ\$M	Liabilities NZ\$M	Assets NZ\$M	Liabilities NZ\$M
CURRENT				
Foreign currency forward exchange contracts – cash flow hedges	36.3	19.0	9.9	40.2
Foreign currency forward exchange contracts – not hedge accounted	–	0.4	–	0.8
	36.3	19.4	9.9	41.0
NON-CURRENT				
Foreign currency forward exchange contracts – cash flow hedges	53.5	11.4	38.6	53.7
	53.5	11.4	38.6	53.7

AP

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and are subsequently re-measured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group generally applies hedge accounting to all derivative financial instruments.

The Group designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). At the inception of the transaction, the Group documents the relationship between hedging instruments and hedged items, as well as the risk management objective and strategy for undertaking various hedge transactions.

The Group also documents their assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and

will continue to be highly effective in offsetting changes in cash flows of hedged items. Any ineffective portion is recognised immediately in the income statement. Derivatives that are designated as hedges will be classified as non-current if they have maturities greater than 12 months after the balance date.

Some components of hedge accounted derivatives are excluded from the designated risk. Cash flow hedges include only the intrinsic value of options. Time value on options is excluded from the hedge designation and is marked to market through other comprehensive income and accumulated within a separate component of equity ('the costs of hedging reserve' within 'hedging reserves') until such time as the related hedge accounted cash flows affect profit or loss. At this stage the cumulative amount is reclassified to profit or loss.

Master netting arrangements

The Group enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master agreements. The ISDA agreements do not meet the criteria for offsetting derivatives in the balance sheet. Netting arrangements are only enforceable upon early termination, for example, on occurrence of a credit default. Refer to Note 21 for information on the calculation of fair values and maturity of undiscounted cash flows for these financial instruments.

6. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Contractual amounts of derivative financial instruments were as follows:

	2024 NZ\$M	2025 NZ\$M
Foreign currency forward contracts and options		
Sale commitments forward exchange contracts	3,109.5	3,991.6
Purchase commitments forward exchange contracts	52.1	129.6
Foreign currency borrowing forward exchange contracts	64.2	68.3
Interest rate derivatives		
Interest rate swaps	2.5	2.5

Undiscounted foreign currency contractual amounts for outstanding hedges of the main foreign currency exposures were as follows:

	Foreign currency	
	2024 M	2025 M
Sale commitments		
United States dollars	US\$962.5	US\$1,174.5
European Union euros	€526.5	€690.0
Japanese yen	¥9,260.0	¥12,020.0
Purchase commitments		
Mexican pesos	MXN743.5	MXN1,680.0

7. TRADE AND OTHER RECEIVABLES

	2024 NZ\$M	2025 NZ\$M
CURRENT		
Trade receivables	223.0	267.3
Loss allowance for doubtful trade receivables	(3.5)	(4.2)
	219.5	263.1
Other receivables	37.7	41.5
	257.2	304.6

AP

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance for doubtful trade receivables. Estimates are used in determining the level of receivables that may not be collected. The Group has applied the simplified approach to calculating expected credit losses on trade receivables and recognises a doubtful debt provision based on the lifetime expected credit loss at each reporting date.

Bad debts are written off when they are considered to have become uncollectable.

Trade receivables credit risk

As at balance date, 91% of trade receivables were current (2024: 85%) with 1% (2024: 1%) more than 90 days past due. The total loss allowance for doubtful trade receivables represents an estimate of the expected credit losses in respect of trade receivables and covers the majority of these more than 90 days past due balances. The expected credit losses are assessed by reference to historical collection trends and are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Customer and receivable concentration

	2024	2025
Five largest customers' proportion of the Group's:		
Operating revenue	23%	24%
Trade receivables	16%	15%

There is no history of default in relation to these customers. Further information about the credit quality and the Group's exposure to credit risk can be found in Note 21.

8. INVENTORIES

	2024 NZ\$M	2025 NZ\$M
Materials	164.1	156.8
Finished products	235.4	257.5
Provision for inventory write downs	(79.1)	(71.4)
	320.4	342.9

AP

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the first-in, first-out (FIFO) method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. The cost of finished products comprises materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

9. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amounts at the beginning and end of the year

	Land	Buildings			Plant & equipment		Capital projects in progress		Total
	Fair value NZ\$M	Structure (i) NZ\$M	Fit-out and other NZ\$M	Leased assets NZ\$M	Purchased NZ\$M	Leased assets NZ\$M	Buildings (i) NZ\$M	Other NZ\$M	NZ\$M
Cost and revaluation									
Balance at 31 March 2023	276.3	231.2	253.9	75.5	531.7	15.1	56.8	192.1	1,632.6
Revaluation recognised in asset revaluation reserve	17.3	-	-	-	-	-	-	-	17.3
Revaluation recognised in the income statement	(98.1)	-	-	-	-	-	-	-	(98.1)
Additions	224.4	1.0	6.9	27.4	16.0	5.7	43.0	35.8	360.2
Transfers	2.2	5.3	8.4	-	52.3	-	(12.4)	(55.8)	-
Disposals	-	-	(0.3)	(6.1)	(5.6)	(6.2)	-	(0.4)	(18.6)
Foreign exchange differences	1.5	4.2	0.2	-	0.1	-	0.3	-	6.3
Balance at 31 March 2024	423.6	241.7	269.1	96.8	594.5	14.6	87.7	171.7	1,899.7
Additions	-	9.1	2.6	22.7	22.4	8.5	11.2	28.5	105.0
Transfers	-	59.5	13.5	-	64.9	-	(72.6)	(65.3)	-
Disposals	-	(1.0)	(0.9)	(7.5)	(10.8)	(3.9)	(0.5)	-	(24.6)
Foreign exchange differences	1.9	4.4	0.2	0.1	0.3	-	-	-	6.9
Balance at 31 March 2025	425.5	313.7	284.5	112.1	671.3	19.2	25.8	134.9	1,987.0
Depreciation and impairment									
Balance at 31 March 2023	-	37.0	105.1	27.4	305.5	9.4	-	-	484.4
Depreciation charge for the year	-	6.4	11.8	12.8	51.9	4.9	-	-	87.8
Disposals	-	-	(0.3)	(1.2)	(5.6)	(5.9)	-	-	(13.0)
Foreign exchange differences	-	0.5	-	-	-	-	-	-	0.5
Balance at 31 March 2024	-	43.9	116.6	39.0	351.8	8.4	-	-	559.7
Depreciation charge for the year	-	7.3	12.4	15.1	66.7	5.8	-	-	107.3
Disposals	-	(0.1)	(0.9)	(6.8)	(9.1)	(2.7)	-	-	(19.6)
Foreign exchange differences	-	0.8	0.2	-	0.1	-	-	-	1.1
Balance at 31 March 2025	-	51.9	128.3	47.3	409.5	11.5	-	-	648.5
Carrying amounts									
At 31 March 2023	276.3	194.2	148.8	48.1	226.2	5.7	56.8	192.1	1,148.2
At 31 March 2024	423.6	197.8	152.5	57.8	242.7	6.2	87.7	171.7	1,340.0
At 31 March 2025	425.5	261.8	156.2	64.8	261.8	7.7	25.8	134.9	1,338.5

(i) \$2.0 million of finance costs were capitalised during the year in relation to building additions (2024: \$2.4 million).

9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

AP

Land is measured at fair value, based on periodic but at least triennial valuations by external independent valuers less any impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the fair value does not differ materially from its carrying amount.

All other property, plant and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. This cost includes labour attributable to bringing the assets to the location and working condition for its intended use.

Depreciation is generally calculated using the straight-line method and is expensed over the estimated useful lives. Depreciation methods, residual values and useful lives are reassessed at each reporting date. Estimated useful lives are as follows:

Buildings – structure	25 – 50 years
Buildings – fit-out and other	3 – 50 years
Plant and equipment	3 – 15 years

An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Leased assets

The Group's leases predominantly relate to property or equipment outside New Zealand. All leases are included within property, plant and equipment. Lease contracts are typically made for fixed periods between 3-12 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The right-of-use (leased) asset is depreciated over the shorter of the asset's useful life and the expected lease term on a straight-line basis.

Revaluations of land

Revaluation increases are recognised in other comprehensive income and accumulated as a separate component of equity in the asset revaluation reserve, except to the extent that they reverse a revaluation decrease of the same asset previously recognised in the income statement, in which case the increase is recognised in the income statement.

Revaluation decreases are recognised in the income statement, except to the extent that they offset a previous revaluation increase for the same asset, in which case the decrease is recognised in other comprehensive income and accumulated as a separate component of equity in the asset revaluation reserve.

E

Land revaluation

As described in Note 21, land in Mexico and New Zealand is considered to be a level 3 asset within the fair value hierarchy for valuation purposes. Valuation of land is performed in accordance with the provisions of NZ IAS 16 'Property, Plant and Equipment' and NZ IFRS 13 'Fair Value Measurement'. There are certain estimates associated with determining fair value, with the significant input being comparable land sales information per square metre ('psm') for similar properties adjusted to reflect relevant physical and locational characteristics, including usability of land (likely yield). In the case of development land, adjustments also include envisaged future zoning and relevant timing of development.

As at 31 March 2024, the Group obtained external valuations of land for financial reporting purposes, including East Tāmaki and Karaka in New Zealand and Tijuana, Mexico. The East Tāmaki and Tijuana land values increased by \$17.3 million in total, which was recognised as a revaluation gain within other comprehensive income which is included in the asset revaluation reserve. The Karaka land value decreased by \$98.1 million, which was recognised as an expense in the income statement.

East Tāmaki - New Zealand

The East Tāmaki, New Zealand land holding was valued by Jones Lang LaSalle (JLL NZ), with an effective date of 31 March 2024. The land was valued at \$263.9 million, ranging from \$600 psm for development land to \$643 psm for land with improvements.

Karaka - New Zealand

The Karaka, New Zealand land holding was valued by Savills NZ Limited (Savills), with an effective date of 31 March 2024. The land comprised 79.4 hectares for the development of a second New Zealand campus in Karaka and includes a mix of rural and future urban zoned land. The land was valued at \$122.0 million. The valuation was conducted in accordance with accepted market approaches, the principle approach being the Direct (Sales) Comparison Approach. Reference was also made to the Residual Feasibility Analysis (Discounted Cashflow) and Chance of Change (Plussage).

Tijuana - Mexico

The Mexico land holding was valued by Jones Lang LaSalle (JLL Mexico), with an effective date of 31 March 2024. The land was valued at US\$22.5 million (NZ\$37.7 million).

The Directors consider the carrying value of land at 31 March 2025 remains an appropriate fair value.

9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(E)

The table below summarises the valuation approach to land and the principal assumptions used in establishing the fair values as at 31 March 2024. There have been no changes with the assumptions as at 31 March 2025.

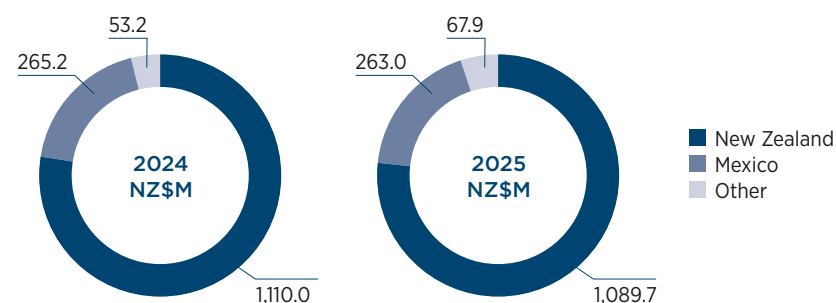
Predominant land valuation approach	Inputs used to measure fair value	2024		2025	
		Range of significant inputs	Weighted average	Range of significant inputs	Weighted average
Auckland East Tāmaki					
Direct sales comparison	Rate per sqm	\$600-643	\$628	\$600-643	\$628
Auckland Karaka					
Direct sales comparison with adjustments made to reflect usability and timing of zoning and development	Rate per sqm	\$50-\$183	\$154	\$50-\$183	\$154
Mexico Tijuana					
Direct sales comparison	Rate per sqm – US\$	US\$139-146	US\$143	US\$139-146	US\$143
	Rate per sqm – NZ\$	\$232-\$244	\$238	\$232-\$244	\$238

The significant unobservable input used in the fair value measurement of the Group's land is the value per square metre. Increases or decreases in the value per square metre would result in corresponding increases or decreases in the total valuation.

Carrying amounts of land if measured at historical cost

	Unit	Historical cost		Fair value	
		2024	2025	2024	2025
East Tāmaki	NZ\$M	86.4	86.4	263.9	263.9
Karaka	NZ\$M	220.1	220.1	122.0	122.0
Total New Zealand	NZ\$M	306.5	306.5	385.9	385.9
Mexico	US\$M	16.3	16.3	22.5	22.5
Mexico	NZ\$M	27.4	27.4	37.7	39.6
Total Land	NZ\$M	333.9	333.9	423.6	425.5

Property, plant and equipment (including leased assets) and intangible assets by geographical location:



10. INTANGIBLE ASSETS

	Software NZ\$M	Patents, trademarks & applications NZ\$M	Other NZ\$M	Capital projects in progress NZ\$M	Total NZ\$M
Cost					
Balance at 31 March 2023	60.6	121.2	8.2	5.9	195.9
Additions	4.3	26.5	–	0.3	31.1
Transfers	2.9	–	1.3	(4.2)	–
Disposals	(0.1)	(3.2)	–	(1.9)	(5.2)
Foreign exchange differences	–	–	0.2	0.3	0.5
Balance at 31 March 2024	67.7	144.5	9.7	0.4	222.3
Additions	4.0	22.3	–	–	26.3
Transfers	0.4	–	–	(0.4)	–
Disposals	(0.1)	(2.7)	–	–	(2.8)
Foreign exchange differences	–	–	0.3	–	0.3
Balance at 31 March 2025	72.0	164.1	10.0	0.0	246.1
Amortisation and impairment					
Balance at 31 March 2023	31.2	75.9	3.2	–	110.3
Amortisation for the year	5.2	21.0	0.3	–	26.5
Disposals	–	(2.9)	–	–	(2.9)
Balance at 31 March 2024	36.4	94.0	3.5	–	133.9
Amortisation for the year	6.1	26.1	0.4	–	32.6
Disposals	(0.1)	(2.4)	–	–	(2.5)
Foreign exchange differences	–	–	–	–	–
Balance at 31 March 2025	42.4	117.7	3.9	–	164.0
Carrying amounts					
At 31 March 2023	29.4	45.3	5.0	5.9	85.6
At 31 March 2024	31.3	50.5	6.2	0.4	88.4
At 31 March 2025	29.6	46.4	6.1	0.0	82.1

AP

Software: Software development costs that are directly attributable to the design and testing of identifiable and unique software products and acquired computer software licences controlled by the Group are recognised as intangible assets and are initially capitalised at cost. Directly attributable costs that are capitalised as part of the software include employee costs. The project costs (including the ERP implementation) are transferred from Capital projects in progress to Software, as each stage is completed. These software costs are amortised over their useful economic life of 3 to 15 years.

The costs of configuring or customising, and the ongoing fees to obtain access to an application software in a cloud computing Software-as-a-Service agreement are recognised as expenses when the services are received.

Patents and trademarks: Patents and trademarks have a finite useful life and are carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method to allocate the cost of patents and trademarks over their anticipated useful lives of 5 to 15 years. In the event of a patent being superseded or a trademark registration is not continued or renewed, the unamortised costs are expensed immediately.

11. INCOME TAX

Income tax expense

	2024 NZ\$M	2025 NZ\$M
Profit before tax	235.7	503.3
Tax expense at the New Zealand rate of 28%	66.0	140.9
Adjustments to tax:		
Non-assessable income / additional deductible expenses	(0.5)	–
Non-deductible expenses / additional assessable income	8.9	6.6
Non-deductible revaluation of land	27.5	–
Foreign rates other than 28%	(0.8)	3.3
Effect of foreign currency translations	0.1	(2.7)
R&D tax credit	(18.0)	(20.4)
Removal of building depreciation	19.3	–
Prior period under/(over) provision / tax rate changes	0.6	(1.6)
Tax expense	103.1	126.1
This is represented by:		
Current tax	92.8	152.6
Deferred tax	10.3	(26.5)
Tax expense	103.1	126.1
Effective tax rate	43.7%	25.1%
Effective tax rate excluding R&D tax credit, revaluation of land and removal of building depreciation	30.5%	29.1%

The Group is subject to the global minimum top-up tax under Pillar Two rules. The Group does not have significant operations in low-tax jurisdictions. For the year ended 31 March 2025, the Group has not recognised any current tax expense related to Pillar Two income taxes.

The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

AP

Tax expense comprises current and deferred tax. Tax expense is recognised in the income statement except to the extent that it relates to items recognised outside of the income statement, in which case it is recognised in other comprehensive income or directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance date. It also includes any adjustment to tax payable for previous financial years.

Deferred tax arises due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and those for tax purposes.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by balance date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

The R&D tax credit is estimated based on the eligible R&D expenditure incurred during the period and is recognised as a deduction to current tax expense and offset in current tax payable. The R&D tax credit is only recognised when there is reasonable certainty the Group will comply with the conditions of the tax incentive.

	2024 M	2025 M
IMPUTATION CREDITS		
New Zealand imputation credits available for use in subsequent reporting periods	NZ\$280.4	NZ\$301.1
Australian franking credits available for use in subsequent reporting periods	A\$19.3	A\$21.6

11. INCOME TAX (CONTINUED)

Deferred tax assets / (liabilities)

	Provisions and accruals NZ\$M	Inventories NZ\$M	Leases NZ\$M	Property, plant and equipment and intangibles NZ\$M	Financial instruments NZ\$M	Employee share based payments NZ\$M	Other NZ\$M	Total NZ\$M
Balance at 31 March 2023	31.0	91.9	1.8	(14.2)	(21.8)	4.7	0.1	93.5
Amounts recognised in:								
Other comprehensive income	-	-	-	-	5.0	-	-	5.0
Directly in equity	-	-	-	-	-	(1.3)	-	(1.3)
In the income statement	5.3	(0.8)	0.1	4.1	-	(0.2)	0.5	9.0
In the income statement – removal of building depreciation	-	-	-	(19.3)	-	-	-	(19.3)
Balance at 31 March 2024	36.3	91.1	1.9	(29.4)	(16.8)	3.2	0.6	86.9
Amounts recognised in:								
Other comprehensive income	-	-	-	-	29.4	-	-	29.4
Directly in equity	-	-	-	-	-	3.6	-	3.6
In the income statement	0.5	14.2	1.0	7.8	-	2.3	0.7	26.5
Balance at 31 March 2025	36.8	105.3	2.9	(21.6)	12.6	9.1	1.3	146.4

Deferred tax assets and liabilities are offset within the balance sheet where they relate to income taxes levied by the same taxation authority.

12. INTEREST-BEARING LIABILITIES

	2024		2025	
	Borrowings NZ\$M	Leases NZ\$M	Borrowings NZ\$M	Leases NZ\$M
CURRENT				
Bank overdrafts	1.1	-	4.3	-
Borrowings	77.4	-	59.7	-
Lease liabilities	-	17.7	-	22.4
	78.5	17.7	64.0	22.4
NON-CURRENT				
Borrowings expiring				
Between one and two years	5.7	-	-	-
Between two and three years	-	-	-	-
Between three and four years	30.0	-	-	-
Between four and five years	-	-	-	-
Lease liabilities	-	57.2	-	66.9
	35.7	57.2	-	66.9

AP

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Subsequent to initial recognition, borrowings are measured at amortised cost, applying the effective interest rate method. Financing expenses directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Lease liabilities

The lease agreements do not impose any covenants, and leased assets may not be used as security for borrowing purposes.

Lease liabilities have been measured at the present value of the total lease payments and discounted at the incremental borrowing rate for each relevant territory. Incremental borrowing rates applied to lease liabilities range between 2% - 51%, with a weighted average rate of 5.3% (2024: 6.4%)

Extension and termination options

Some property leases contain an extension option exercisable by the Group. At the commencement of a lease, the Group assesses whether it is reasonably certain an extension option will be exercised. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group. The extension options are only exercisable by the Group and not by the lessor. Where it is reasonably certain the extension will be exercised, that extension period and related costs are recognised on the balance sheet.

Short-term and low-value leases

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value leases predominantly relate to computer equipment.

12. INTEREST-BEARING LIABILITIES (CONTINUED)**Borrowing facilities**

Borrowings have been aged in accordance with the expiry dates of the facilities as there are no required principal payments before the expiry of each facility. At year end the weighted average interest rate for borrowings is 5.0% (2024: 6.5%).

Key lenders to the Group are Debt Certificate Holders under the Negative Pledge Deed. The negative pledge includes the covenant that security can be given only in limited circumstances.

The companies in the Group providing the undertakings under the Negative Pledge Deed are:

Fisher & Paykel Healthcare Corporation Limited
 Fisher & Paykel Healthcare Limited
 Fisher & Paykel Healthcare Treasury Limited
 Fisher & Paykel Healthcare Properties Limited

The principal covenants of the negative pledge are that:

- (i) the interest cover ratio for the Group shall not be less than 3 times earnings before interest, tax, depreciation and amortisation (EBITDA);
- (ii) the net tangible assets of the Group shall not be less than \$200.0 million; and
- (iii) the total tangible assets of the Guaranteeing Group shall constitute at least 80% of the total tangible assets of the Group.

There have been no breaches of debt covenants for the current or prior year.

The Company had total available committed debt funding of \$580.0 million as at 31 March 2025, of which \$520.3 million was undrawn. As at 31 March 2025, the weighted average maturity of committed borrowing facilities was 1.9 years.

	2024 NZ\$M	2025 NZ\$M
Unused lines of credit		
Uncommitted borrowing and bank overdraft facilities	82.0	91.0
Committed borrowing facilities	544.3	520.3
	626.3	611.3

13. TRADE AND OTHER PAYABLES

	2024 NZ\$M	2025 NZ\$M
CURRENT		
Trade payables	32.4	52.9
Employee entitlements	108.6	121.5
Other payables and accruals	78.9	97.4
	219.9	271.8
NON-CURRENT		
Employee entitlements	18.1	21.7
Other payables and accruals	3.3	3.5
	21.4	25.2

AP

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Refer to Note 18 for further details of employee entitlements and benefits.

14. PROVISIONS

	2024			2025		
	Warranty NZ\$M	Recall NZ\$M	Total NZ\$M	Warranty NZ\$M	Recall NZ\$M	Total NZ\$M
Warranty and recall provision						
CURRENT						
Balance at beginning of the year	20.9	–	20.9	11.0	20.0	31.0
Current year provision	(7.0)	20.0	13.0	10.9	–	10.9
Warranty and recall expenses incurred	(2.9)	–	(2.9)	(3.9)	(12.2)	(16.1)
Balance at end of the year	11.0	20.0	31.0	18.0	7.8	25.8
NON-CURRENT						
Balance at beginning of the year	7.3	–	7.3	6.3	–	6.3
Current year provision	(1.0)	–	(1.0)	(0.8)	–	(0.8)
Balance at end of the year	6.3	–	6.3	5.5	–	5.5

AP

Provisions are recognised where the Group has a present legal or constructive obligation as a result of past events and it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Warranty and product recall

Provision for warranty covers the obligations for the unexpired warranty periods for products, based on recent historical costs incurred on warranty exposure. Typical warranty terms are 1 to 2 years for parts and/or labour.

The actual future warranty claims experienced by the Group may be different to that of the past. Factors that could impact future warranty claims include the success of the Group's quality system, as well as future parts and labour costs. Where the Group is aware of specific product warranty issues including associated recall costs these are included in the provision.

Management has made judgements, estimates and assumptions related to probable costs arising from the recall which affect the provision and total expenses. Actual outcomes may differ from these estimates as information is identified.

15. SHARE CAPITAL

	2024 NZ\$M	2025 NZ\$M
Share capital at beginning of the year	307.0	409.1
Issue of share capital under dividend reinvestment plan	92.6	49.7
Issue of share capital under employee share plans	9.5	12.5
Share capital at end of the year	409.1	471.3
Less treasury shares (i)	(5.1)	(2.7)
	404.0	468.6
Number of issued shares		
Number of shares on issue at beginning of the year	579,356,576	583,963,682
Shares issued:		
Dividend reinvestment plan	3,960,480	1,715,075
Employee share purchase schemes	76,683	60,666
Employee share based payments plans	569,943	400,000
Number of shares on issue at end of the year	583,963,682	586,139,423
Less treasury shares (i)	(419,172)	(238,180)
	583,544,510	585,901,243

AP

Incremental costs directly attributable to the issue of new shares, rights or options are shown in equity as a deduction, net of taxation, from the proceeds.

When shares are acquired by a member of the Group, the amount of consideration paid is recognised directly in equity. These shares are classified as treasury shares and presented as a deduction from share capital until the ownership transfers to a holder outside the Group. When treasury shares are subsequently reissued under employee share plans, the cost of treasury shares is reversed and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs, is recognised within share capital.

All shares are fully paid. All ordinary shares rank equally with one vote attached to each fully paid ordinary share.

- (i) Treasury shares are shares held and controlled by Fisher & Paykel Healthcare Employee Share Purchase Trustee Limited under the Employee Share Purchase Scheme and shares held by the Fisher & Paykel Healthcare Employee Share Trust.

16. EARNINGS PER SHARE

	2024 NZ\$M	2025 NZ\$M
Profit after tax	132.6	377.2
Weighted average number of ordinary shares	581,972,373	585,543,359
Adjustment for share options, PSRs and ESRs	4,206,561	4,656,277
Weighted average number of ordinary shares for diluted earnings per share	586,178,934	590,199,636
Basic earnings per share (cents per share)	22.8 cps	64.4 cps
Diluted earnings per share (cents per share)	22.6 cps	63.9 cps

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Basic earnings per share is calculated by dividing the profit after tax by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Options, Performance Share Rights (PSRs) and Employee Share Rights (ESRs) are convertible into the Company's shares, and are therefore considered dilutive securities for diluted earnings per share.

17. RESERVES AND DIVIDENDS

	2024 NZ\$M	2025 NZ\$M
Hedging reserve	42.9	(32.7)
Asset revaluation reserve	187.0	187.0
Employee share based payment reserve	26.8	33.5
Foreign currency translation reserve	3.4	7.4
Total reserves	260.1	195.2

Nature and purpose of reserves

Hedging reserve

This reserve is used to record unrealised gains or losses on hedging instruments that are recognised directly in equity and the cumulative net change in the time value on currency options which are excluded from hedge designations of foreign currency risk.

Amounts are recycled to the income statement when the associated hedged transactions affect the income statement.

Asset revaluation reserve

The asset revaluation reserve relates to the revaluation of land. For further information refer to Note 9.

Share based payment reserve

This reserve is used to recognise the fair value of shares, options, PSRs and ESRs granted but not exercised or lapsed. Tax deductions in excess of the cumulative share based payment expense are recognised in equity.

Amounts are transferred to share capital (including income tax benefits) when the vested shares, options, PSRs or ESRs are exercised or lapse.

Foreign currency translation reserve

The foreign currency translation reserve contains foreign exchange differences arising on consolidation of assets and liabilities of overseas entities with a functional currency other than NZD.

Dividends

All dividends are recognised as distributions to shareholders.

During the year, supplementary dividends of \$27.7 million were paid to non-resident shareholders (2024: \$26.2 million), for which the Group received an equivalent foreign investor tax credit entitlement. The foreign investor tax credit entitlement is included in income taxes paid within the statement of cash flows.

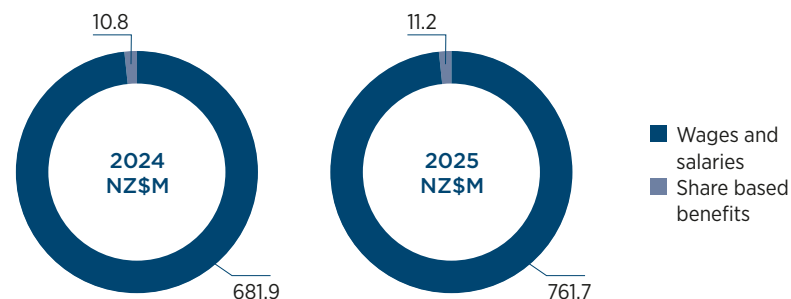
	Cents per share	NZ\$M
Dividends		
2023 final	23.00	133.3
2024 interim	18.00	104.8
31 March 2024	41.00	238.1
2024 final	23.50	137.2
2025 interim	18.50	108.4
31 March 2025	42.00	245.6

Subsequent event – dividend declared

On 27 May 2025 the Directors approved the payment of a fully imputed 2025 final dividend of \$140.7 million (24.0 cents per share) to be paid on 4 July 2025. A supplementary dividend of 4.2353 cents per share was also approved for eligible non-resident shareholders.

18. EMPLOYEE EXPENSES

Employee expenses total \$772.9 million (2024: \$692.7 million).



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Wages and salaries

Wages and salaries includes non-monetary benefits, annual leave, long service leave and contributions to superannuation plans.

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave are recognised within employee entitlements in trade and other payables. These are measured at the amounts expected to be paid when the liabilities are settled in respect of employees' services up to the reporting date.

For the liabilities for long service leave, consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Equity settled share based payments

The fair value (at grant date) of shares, options, PSRs and ESRs granted to employees is recognised as an employee expense in the income statement over the vesting period with a corresponding increase in the employee share based payment reserve. When shares, options, PSRs or ESRs are exercised, the amount in the share based payment reserve relating to those instruments, together with the option exercise price paid by the employee, is transferred to share capital. When any shares, options, PSRs or ESRs lapse, the amount in the share based payment reserve relating to those shares, options, PSRs or ESRs is also transferred to share capital.

a) Key management and director compensation

	2024 NZ\$000	2025 NZ\$000
Salary and other short-term benefits	10,201	11,522
Share based benefits	4,030	3,275
Directors fees	1,515	1,516
	15,746	16,313

Key management personnel includes the Chief Executive Officer and senior executives reporting directly to the Chief Executive Officer.

The table excludes any dividends received on the Company's shares held by the Directors or key management personnel.

18. EMPLOYEE EXPENSES (CONTINUED)

b) Employee share based compensation

The Company grants options and share rights to certain employees under a number of Long Term Variable Remuneration Plans as follows:

- 2022 Share Option Plan and the 2022 Performance Share Rights Plan (from 1 April 2022)
- 2019 Share Option Plan and the 2019 Performance Share Rights Plan (from 1 April 2019 to 31 March 2022)
- Fisher & Paykel Healthcare Employee Share Rights Plan

Vesting of all schemes is subject to the employee still being in service at date of vesting. No amounts are payable for the grant of any options or share rights. Options, PSRs and ESRs granted to employees have no voting rights until they have been exercised and ordinary shares issued.

(i) Share option plans

Under the 2019 and 2022 Share Option Plans, one option gives the employee the right to acquire one ordinary share in the Company. Options vest on the anniversary date of the grant as long as the FPH share price on the NZX on that date has exceeded the “escalated price”. The escalated price is determined at the anniversary of the grant date and is calculated by:

- increasing the last calculated escalated price (which, as at the grant date, will be the exercise price of the option) by a percentage amount determined by the Board to represent the Company's cost of capital; and
- reducing the resulting figure by the amount of any dividend paid by the Company in respect of a share in the 12 month period immediately preceding that anniversary.

Options under the 2022 plan vest on the third anniversary date if the vesting condition is met. Options under the 2019 plan vest on the third, fourth or fifth anniversary date if the vesting condition is met.

(ii) Performance share rights plans

Under the Performance Share Rights Plans, one share right gives the employee the potential to exercise a share right for an ordinary share in the Company at no cost. PSRs will fully vest if the Company's gross total shareholder return (TSR) performance exceeds the performance of the Dow Jones US Select Medical Equipment Total Return Index (DJSMDQT) in NZD by 10% or more over the same period. PSRs partially vest if the company's TSR exceeds the DJSMDQT by less than 10%.

The 2022 plan is a 3 year scheme and the Company's TSR will be calculated and compared against the Index return of the third anniversary of the grant. The 2019 plan is a 5 year scheme, with the potential for rights to fully vest on the third and fourth anniversary of the grant date.

(iii) Employee share rights plan

The Employee Share Rights (ESR) Plan entitles certain New Zealand and Australian employees to be issued ordinary shares in the Company. ESRs automatically vest on the third anniversary of their grant date at no cost to the employee. For each ESR that vests, one ordinary share will be issued.

(iv) Other Employee share and stock purchase plans

Employee Share Purchase Plan: New Zealand and Australian full-time employees are eligible, after a qualifying period, to participate in this plan. Shares are issued up to the value of \$2,000, with a discount of up to \$500 per employee. Loans are provided to employees for the purchase and repaid over the vesting period. No interest is charged on the loans. The qualifying period between grant and vesting date is 3 years. At 31 March 2025 the total receivable owing from employees was \$1.2 million (2024: \$2.8 million).

Employee Stock Purchase Plan: North American employees working more than 20 hours per week, in accordance with section 423 of the US Internal Revenue Code as amended, are eligible to participate in this plan. Shares under this plan are issued at a discount of 15%, are allocated to employees at the time of issue and vest immediately. Shares issued under this plan in 2025 totalled 60,666 shares (2024: 76,683).

Measurement

The fair value of share options and PSRs is independently determined using a Monte Carlo simulation valuation methodology. The fair value of ESRs is independently determined using a discounted dividend approach. The key inputs and assumptions are included on the following page.

18. EMPLOYEE EXPENSES (CONTINUED)

Movements in the number of options, PSRs and ESRs outstanding and their exercise prices are as follows:

	2024			2025		
	Options	Performance Share Rights	Employee Share Rights	Options	Performance Share Rights	Employee Share Rights
Number outstanding						
As at beginning of the year	2,674,761	931,229	293,687	2,638,517	1,312,329	390,477
Granted during the year	920,620	400,683	173,829	691,423	255,256	126,802
Exercised during the year	(905,423)	-	(55,223)	-	(393,084)	(69,785)
Lapsed during the year	(51,441)	(19,583)	(21,816)	(53,196)	(22,459)	(13,560)
As at end of the year	2,638,517	1,312,329	390,477	3,276,744	1,152,042	433,934
Exercisable at year end	-	-	-	-	-	-
Number of employees holding employee share options, PSRs and ESRs	237	241	435	249	248	501
Weighted average exercise price	\$25.13	-	-	\$27.72	-	-
Weighted average remaining contractual life (months)	27	21	20	19	15	17
Fair value of share options or rights granted during the year (NZ\$M)	4.7	4.7	3.7	4.9	4.9	4.4
Fair value of share options or rights granted during the year (\$ per share)	\$5.10	\$11.72	\$21.40	\$7.09	\$19.21	\$34.67
Key inputs and assumptions used in fair value of grants during the year						
Share price at grant date	\$21.55	\$21.55	\$21.55	\$37.55	\$37.55	\$37.55
Contractual life (years)	3	3	3	3	3	3
Exercise price	\$21.96	Nil	Nil	\$37.39	Nil	Nil
Expected volatility (i)	32.5%	32.5%	n/a	29.6%	29.6%	n/a
Expected dividend yield	1.83%	1.83%	1.83%	1.18%	1.18%	1.18%
Cost of equity	10.5%	n/a	10.5%	10.2%	n/a	10.2%
5 year NZD risk free rate	5.18%	5.18%	n/a	3.83%	3.83%	n/a
5 year USD risk free rate	n/a	4.65%	n/a	n/a	3.63%	n/a
NZD/USD exchange rate of grant date	n/a	0.5877	n/a	n/a	0.6200	n/a
Expected NZD/USD volatility	n/a	11.60%	n/a	n/a	12.00%	n/a
Expected DJSMDQT index volatility	n/a	16.00%	n/a	n/a	19.00%	n/a

(i) The expected share price volatility is derived by analysing the historical volatility over the most recent historical period corresponding to the term of the option or PSR.

19. CONTINGENT LIABILITIES

(E)

Contingent liabilities are subject to uncertainty or cannot be reliably measured and are not provided for. Disclosures as to the nature of any contingent liabilities are set out below. Judgements and estimates are applied to determine the probability that an outflow of resources will be required to settle an obligation. These are made based on a review of the facts and circumstances surrounding the event and advice from both internal and external parties.

Periodically the Group is party to litigation including product liability and patent claims. The Directors are unaware of the existence of any claim or contingencies that would have a material impact on the financial statements.

20. COMMITMENTS

	2024 NZ\$M	2025 NZ\$M
Capital expenditure commitments contracted for but not recognised as at the reporting date:		
Within one year	21.6	126.8
Between one and two years	43.4	128.2
Between two and five years	15.0	16.0
	80.0	271.0

The commitments above as at 31 March 2025 includes \$200.2 million for the construction of the fifth building and \$58.0 million for the Karaka land purchase (2024: \$58.0 million).

21. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board has approved procedures and guidelines that identify and evaluate risks and authorise various financial instruments to manage financial risks. These procedures and guidelines are reviewed regularly.

a. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and prices will affect profit or the value of financial instruments.

The objective of market risk management is to manage and control market risk exposures through the use of various financial instruments in accordance with the Group's treasury procedures.

(i) Foreign exchange risk

Foreign exchange risk arises when future transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily US dollar (USD), Euro (EUR), Japanese yen (JPY) and Mexican peso (MXN).

Foreign exchange risk is hedged in accordance with the Group's treasury procedures.

The Group enters into foreign currency option contracts and forward foreign currency contracts within procedure parameters to hedge the foreign exchange risk associated with anticipated sales or costs. The terms of the foreign currency option contracts and the forward foreign currency contracts generally do not exceed 5 years, but may have terms of up to 10 years with Board approval.

Foreign exchange contracts and options in relation to sales are designated at the Group level as hedges of foreign exchange risk on specific forecast foreign currency denominated sales.

Balance sheet foreign exchange risk arising from net assets held by the Group may be hedged either by debt in the relevant currency, foreign currency swaps, options and forward foreign currency contracts.

(ii) Interest rate risk

The Group's main interest rate risk arises from floating rate borrowings drawn under bank debt facilities. When deemed appropriate, the Group manages floating interest rate risk by using floating-to-fixed interest rate swaps and interest rate options within procedure parameters. Interest rate swaps and options are accounted for as cash flow hedges.

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

The carrying amounts of significant non-derivative financial assets and liabilities are denominated in the following currencies:

	NZD NZ\$M	USD NZ\$M	EUR NZ\$M	JPY NZ\$M	AUD NZ\$M	CAD NZ\$M	GBP NZ\$M	MXN NZ\$M	Other NZ\$M	Total NZ\$M
2024										
Cash	3.2	12.1	8.3	2.7	2.4	1.5	1.7	9.4	40.7	82.0
Trade receivables	1.6	102.4	58.2	17.4	7.8	9.4	10.4	1.9	13.9	223.0
Trade and other payables	(50.6)	(25.9)	(15.5)	(1.5)	(3.2)	(1.2)	(4.8)	(6.1)	(5.8)	(114.6)
Bank overdraft	-	-	-	-	-	-	-	-	(1.1)	(1.1)
Lease liabilities	(5.9)	(45.0)	(8.4)	(0.7)	(2.4)	(1.0)	(3.2)	(1.0)	(7.3)	(74.9)
Borrowings	(40.6)	(66.8)	-	-	(3.6)	(2.1)	-	-	-	(113.1)
	(92.3)	(23.2)	42.6	17.9	1.0	6.6	4.1	4.2	40.4	1.3
2025										
Cash	192.0	13.3	9.2	-	2.1	2.1	2.2	7.6	36.0	264.5
Trade receivables	1.3	138.9	57.4	24.6	8.1	8.2	8.4	3.9	16.5	267.3
Trade and other payables	(75.4)	(36.8)	(15.5)	(2.0)	(3.4)	(1.2)	(5.5)	(7.8)	(6.2)	(153.8)
Bank overdraft	-	-	-	(4.3)	-	-	-	-	-	(4.3)
Lease liabilities	(5.5)	(55.4)	(7.9)	(3.9)	(2.4)	(1.3)	(3.5)	(0.8)	(8.6)	(89.3)
Borrowings	-	(56.1)	-	-	(3.6)	-	-	-	-	(59.7)
	112.4	3.9	43.2	14.4	0.8	7.8	1.6	2.9	37.7	224.7

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

a. Market risk (continued)

Summarised sensitivity analysis

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to interest rate risk and foreign exchange risk.

A sensitivity of +/-10% for foreign exchange risk has been selected. The Group believes that an overall sensitivity of +/-10% is reasonably possible given the exchange rate volatility observed on a historical basis. A sensitivity of +/-1% has been selected for interest rate risk. This sensitivity is based on reasonably possible changes over a financial year using the observed range of historical data.

All variables other than the applicable interest rates and exchange rates are held constant.

	2024		2025	
	NZ\$M	NZ\$M	NZ\$M	NZ\$M
Interest rate change	-1%	+ 1%	-1%	+ 1%
Impact on profit after tax	0.6	(0.6)	(1.1)	1.1
Impact on hedging reserves (within equity)	-	-	-	-
	0.6	(0.6)	(1.1)	1.1
Foreign exchange rate change	-10%	+ 10%	-10%	+ 10%
Impact on profit after tax	14.8	(13.8)	10.8	(10.1)
Impact on hedging reserves (within equity)	(213.0)	174.3	(284.3)	232.9
	(198.2)	160.5	(273.5)	222.8

Fair value estimation

NZ IFRS 13 for financial assets and liabilities measured at fair value requires disclosure of the fair value measurements by level from the following fair value hierarchy:

- Level 1 – Quoted price (unadjusted) in active markets for identical assets and liabilities;
- Level 2 – Inputs, other than quoted price included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3 – Inputs for assets and liabilities that are not based on observable market data (that is, unobservable inputs).

Financial instruments

All the Group's financial instruments held at fair value have been measured at the fair value measurement hierarchy of level 2 (2024: level 2).

The fair value of derivative instruments designated in a hedging relationship is determined using the following valuation techniques:

- Foreign currency forward exchange contracts have been fair valued using quoted forward exchange rates and discounted using yield curves from quoted interest rates that match the maturity dates of the contracts.
- Foreign currency option contracts have been fair valued using observable option volatilities, and quoted forward exchange and interest rates that match the maturity dates of the contracts.
- Interest rate swaps are fair valued by discounting the future interest and principal cash flows using current market interest rates that match the maturity dates of the contracts.

These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates.

Land

Refer to Note 9 for further information about land that is measured at fair value, including a summary of the valuation techniques used.

Other

All financial assets other than derivatives are measured at amortised cost including short-term investments. All financial liabilities other than derivatives are classified as measured at amortised cost. Financial liabilities measured at amortised cost are fair valued using the contractual cash flows. The carrying value of financial assets and liabilities approximates their fair value. In considering the fair value of interest-bearing assets and liabilities, the estimated future interest rates approximate the discount rates used in a fair value assessment.

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

b. Liquidity risk

Management monitors rolling forecasts of the Group's liquidity position on the basis of expected cash flows. The table below sets out the contractual, undiscounted cash flows for non-derivative financial liabilities and derivative financial instruments.

	< 1 year NZ\$M	1–2 years NZ\$M	2–5 years NZ\$M	5+ years NZ\$M	Contractual cash flows NZ\$M	Consolidated Balance Sheet NZ\$M
2024						
Bank overdrafts	1.1	–	–	–	1.1	1.1
Trade and other payables	114.6	–	–	–	114.6	114.6
Borrowings	82.3	6.1	32.1	2.1	122.6	113.1
Lease liabilities (i)	17.9	14.8	31.6	25.8	90.1	74.9
Total non-derivative financial liabilities	215.9	20.9	63.7	27.9	328.4	303.7
Foreign currency forward exchange contracts	17.4	6.3	24.0	21.1	68.8	59.0
Total derivative financial instruments – assets	17.4	6.3	24.0	21.1	68.8	59.0
2025						
Bank overdrafts	4.3	–	–	–	4.3	4.3
Trade and other payables	150.3	3.5	–	–	153.8	153.8
Borrowings	62.3	–	–	–	62.3	59.7
Lease liabilities (i)	22.8	20.3	38.7	23.2	105.0	89.3
Total non-derivative financial liabilities	239.7	23.8	38.7	23.2	325.4	307.1
Foreign currency forward exchange contracts	(31.7)	(20.0)	(8.3)	15.5	(44.5)	(46.2)
Total derivative financial instruments – assets	(31.7)	(20.0)	(8.3)	15.5	(44.5)	(46.2)

(i) Contractual cash flows on leases exclude extension options.

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

c. Credit risk

The Group is exposed to credit risk in respect of trade receivables, financial instruments, cash and cash equivalents and short-term investments in the normal course of business. The maximum exposure to credit risk is represented by the carrying value of these financial assets. Credit risk is managed on a Group basis with no significant concentration of credit risk.

The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. There are no significant trade receivable balances relating to customers who have previously defaulted on amounts due to the Group.

Derivative counterparties, cash transactions, cash at banks, and short-term investments are limited to high credit quality financial institutions. Over 94% of cash and short-term investments (2024: 73%) is held with counterparties with credit rating of Standard and Poors' A- and above.

The Group's exposure to credit risk from derivative financial instruments is limited because it does not expect non-performance of the obligation contained therein due to the credit rating of the financial institutions concerned.

22. SIGNIFICANT EVENTS AFTER BALANCE DATE

Other than the dividends disclosed in Note 17, there are no other significant events after balance date.

23. OTHER MATERIAL ACCOUNTING POLICY INFORMATION

a. Changes to accounting policies

From 1 April 2024, the Group has changed the accounting presentation of foreign exchange gains and losses from monetary assets and liabilities. These are all now presented within Net financing income / (expense). Other than this presentation change, all other accounting policies have been applied on a consistent basis.

AP

b. Impairment of non-financial assets

Assets that have an indefinite useful life or are under development are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is the higher of an asset's fair value less costs of disposal, and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

AP

c. Goods and Services Tax (GST)

The income statement has been prepared so that all components are stated exclusive of GST. All items in the balance sheet are stated net of GST, with the exception of trade receivables and payables, which include GST invoiced.

d. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

e. Research and development

Research expenditure is expensed as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group are recognised as intangible assets only when all the following criteria are met:

- it is technically feasible to complete the product so that it will be available for use or sale;
- management intends to complete the product and use or sell it;
- there is an ability to use or sell the product;
- it can be demonstrated that the product will generate future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the product are available and;
- the expenditure attributable to the product during its development can be reliably measured and is material.

Directly attributable costs capitalised as part of the product would include employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Development costs recognised as an asset are amortised over their estimated useful lives.



Independent auditor's report

To the shareholders of Fisher & Paykel Healthcare Corporation Limited

OUR OPINION

In our opinion, the accompanying consolidated financial statements (the financial statements) of Fisher & Paykel Healthcare Corporation Limited (the Company), including its subsidiaries (the Group), present fairly, in all material respects, the financial position of the Group as at 31 March 2025, its financial performance, and its cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

What we have audited

The Group's financial statements comprise:

- the consolidated balance sheet as at 31 March 2025;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our capacity as auditor and assurance practitioner, our firm provides review and other assurance services. Our firm carried out other assignments in the area of other training services. The firm has no other relationship with, or interests in, the Group.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition</p> <p>The Group's revenue primarily consists of the sale of products. Operating revenue totalled \$2,021.0 million in the year ended 31 March 2025 as outlined in Note 4. In determining the appropriate recognition of revenue, management has considered the following characteristics of the sale of products:</p> <ul style="list-style-type: none"> products are sold to customers in multiple territories with varying sales contract terms and conditions; and in certain markets, some sales include rebate arrangements. <p>Management has concluded that:</p> <ul style="list-style-type: none"> revenue is primarily derived from the satisfaction of a single performance obligation for each contract which is the sale of products; and control of product transfers to the customer/distributor at the same time as legal title passes. <p>Given the varying contracts, the number of territories and the volume of revenue recognised, we have given significant audit focus and attention to the recognition of revenue.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> obtaining an understanding of systems, processes and controls and evaluating and testing certain controls in place over the recognition of revenue; on a sample basis, examined contracts with customers to validate that management's conclusion in relation to the determination of performance obligations and when control transfers was appropriate; on a sample basis for major operating components, obtained an understanding of rebate, payment and pricing arrangements that support the recognition of a sale on transfer of control to the distributor, for certain major operating components, utilising data assurance techniques to match invoices issued to cash received, rebates or amounts receivable at balance date; for a sample of revenue transactions in the other major operating components, we examined invoices issued to customers, shipping documentation or cash remittances, where paid; for a sample of transactions within accounts receivable at balance date we obtained either confirmation of the amount owing from the customer, or performed alternative procedures including testing of subsequent receipts or shipping documentation; and assessing the risk of revenue cut-off and performing testing where necessary.

Description of the key audit matter

How our audit addressed the key audit matter

Inventory valuation

At 31 March 2025, the Group held inventories of \$342.9 million, net of provision for inventory write downs of \$71.4 million.

As outlined in Note 8, inventories are stated at the lower of cost or net realisable value. The Group holds inventory in a number of locations globally. Global inventory is adjusted to cost at year end by eliminating intra-group margin.

Management applies judgment in determining inventory valuation, including the level of provision for inventory write downs.

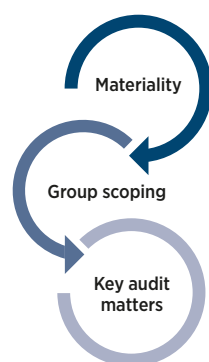
Given the value and quantum of inventory and the estimates and judgements described above, the valuation of inventory required significant audit attention and is a key audit matter.

Our audit procedures included:

- obtaining an understanding of systems, processes and controls and evaluating and testing certain controls in place over inventory;
- on a sample basis, testing materials and finished products costing to supporting documentation;
- understanding and assessing the reasonableness of the allocation of costs to production, including the costs capitalised into inventory at year end;
- on a sample basis, testing the accuracy of the costing of the Group's global inventory through the elimination of intra-group margin; and
- performing procedures on selected provisions for inventory write downs to assess their reasonableness.

OUR AUDIT APPROACH

Overview



Overall group materiality: \$25.1 million, which represents approximately 5% of profit before tax.

We chose this measure as the benchmark because, in our view, it is the benchmark against which the performance of the Group is measured by users.

Our Group audit scoping focussed on those components that are financially significant to the Group's revenue or profit before tax. Specified audit and/or analytical procedures were performed over certain residual components.

As reported above, we have two key audit matters, being:

- Revenue recognition; and
- Inventory valuation.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance about whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the financial statements as a whole as set out above. These, together with qualitative considerations, helped us to determine the scope of our audit, the nature, timing and extent of our audit procedures, and to evaluate the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The Directors are responsible, on behalf of the Company, for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS Accounting Standards, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern, and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/>

This description forms part of our auditor's report.

WHO WE REPORT TO

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Indumin Senaratne (Indy Sena).

For and on behalf of:



PricewaterhouseCoopers
27 May 2025

Auckland

APPENDICES



Five year summary

For the years ended 31 March

All figures in NZ\$M (except as otherwise stated)

		2021	2022	2023	2024	2025
FINANCIAL PERFORMANCE	Sales revenue	1,948.2	1,642.4	1,588.6	1,758.1	2,023.5
	Foreign exchange gain (loss) on hedged sales	23.0	39.3	(7.5)	(15.3)	(2.5)
	Total operating revenue	1,971.2	1,681.7	1,581.1	1,742.8	2,021.0
	Gross profit	1,245.6	1,052.7	938.4	1,044.4	1,270.9
	Gross margin	63.2%	62.6%	59.4%	59.9%	62.9%
	SG&A expenses	(396.6)	(393.1)	(431.9)	(492.8)	(534.4)
	R&D expenses	(136.7)	(154.0)	(174.3)	(198.2)	(226.9)
	Total operating expenses	(533.3)	(547.1)	(606.2)	(691.0)	(761.3)
	Operating profit	712.3	505.6	332.2	353.4	509.6
	Operating margin	36.1%	30.1%	21.0%	20.3%	25.2%
	Revaluation of land	-	-	-	(98.1)	-
	Profit before financing and tax	712.3	505.6	332.2	255.3	509.6
	Net financing expense	5.9	(1.4)	(4.2)	(19.6)	(6.3)
	Tax expense	(194.0)	(127.3)	(77.7)	(103.1)	(126.1)
	Profit after tax	524.2	376.9	250.3	132.6	377.2
	Underlying profit after tax⁽¹⁾	524.2	376.9	250.3	264.4	377.2
Growth Rates Reported	Revenue	56.0%	-14.7%	-6.0%	10.2%	16.0%
	Gross profit	49.0%	-15.5%	-10.9%	11.3%	21.7%
	R&D expenses	15.4%	12.7%	13.2%	13.7%	14.5%
	Profit before tax	93.8%	-29.8%	-34.9%	-28.1%	113.5%
	Profit after tax	82.5%	-28.1%	-33.6%	-47.0%	184.5%
	Underlying profit after tax ⁽¹⁾	82.5%	-28.1%	-33.6%	5.6%	42.7%
Growth Rates in Constant Currency⁽²⁾	Revenue	61.4%	-13.7%	-9.0%	8.4%	13.7%
	Gross profit	57.4%	-15.8%	-14.4%	10.2%	18.5%
	R&D expenses	15.4%	12.7%	13.2%	13.7%	14.5%
	Profit before tax	103.6%	-31.4%	-39.9%	-35.1%	107.3%
	Underlying profit before tax ⁽¹⁾	103.6%	-31.4%	-39.9%	6.9%	32.2%

(1) Underlying profit has been presented excluding the impact of abnormal items occurring during the 2024 financial year. A reconciliation is set out on page 127.

(2) Constant Currency (CC) removes the impact of exchange rate movements. This approach is used to assess the company's underlying comparative financial performance without any distortion from changes in foreign exchange rates. A reconciliation for the most recent two years and basis of preparation is set out on page 130. The 2021 to 2024 growth rates in constant currency have been sourced from the 2024 annual report.

		2021	2022	2023	2024	2025
REVENUE By region and product group	North America	825.7	665.1	683.8	806.1	967.2
	Europe	633.8	468.1	427.6	477.3	541.5
	Asia Pacific	348.4	438.8	399.0	368.9	420.8
	Other	163.3	109.7	70.7	90.5	91.5
	Hospital products	1,498.1	1,207.1	1,023.5	1,087.9	1,280.3
	Homecare products	465.6	469.5	553.8	652.3	739.9
	Core products subtotal	1,963.7	1,676.6	1,577.3	1,740.2	2,020.2
	Distributed and other products	7.5	5.1	3.8	2.6	0.8
	Total operating revenue	1,971.2	1,681.7	1,581.1	1,742.8	2,021.0
FINANCIAL POSITION	Property, plant and equipment	882.1	957.8	1,148.2	1,340.0	1,338.5
	Total assets	2,075.0	2,107.0	2,204.5	2,281.7	2,550.8
	Total liabilities	(554.1)	(427.3)	(451.1)	(522.6)	(660.4)
	Shareholders' equity	1,520.9	1,679.7	1,753.4	1,759.1	1,890.4
	Return on assets (%)	40.9%	24.1%	15.2%	10.5%	20.8%
	Return on equity (%)	57.6%	31.5%	19.1%	13.4%	27.6%
	Net debt / (cash) (including short-term investments)	(302.9)	(221.6)	(37.7)	32.2	(200.5)
	Gearing ratio ⁽¹⁾	-27.2%	-16.3%	-2.3%	1.8%	-11.6%
DIVIDENDS AND EARNINGS PER SHARE (CENTS PER SHARE)	Basic shares outstanding at 31 March	576,412,532	577,405,878	579,356,576	583,963,682	586,139,423
	Interim	16.00	17.00	17.50	18.00	18.50
	Final ⁽²⁾	22.00	22.50	23.00	23.50	24.00
	Total ordinary dividends	38.00	39.50	40.50	41.50	42.50
	Basic earnings per share	91.1	65.3	43.3	22.8	64.4
	Diluted earnings per share	90.4	65.0	43.0	22.6	63.9
CASH FLOWS	Net cash flow from operating activities	625.3	324.3	238.2	429.6	548.6
	Free cash flow ⁽³⁾	430.4	140.5	12.5	73.8	427.1
	Dividends paid	(181.3)	(224.9)	(195.7)	(145.5)	(195.9)

(1) Net interest-bearing debt (debt less cash and cash equivalents and short-term investments) to net interest-bearing debt and equity (less hedging reserves). Net interest-bearing debt excludes lease liabilities recognised on the adoption of IFRS 16 - Leases.

(2) Final dividend is paid in the following financial year.

(3) Free cash flow represents net cash flows from operating activities less capital expenditure - including lease liability repayments following the adoption of IFRS 16 - Leases.

		2021	2022	2023	2024	2025	
CAPITAL EXPENDITURE	Plant and equipment	123.0	97.4	98.8	65.5	52.0	
	Land and buildings	37.2	41.0	89.0	251.3	21.6	
	Intangible assets	24.5	31.4	23.5	22.2	29.4	
	Total	184.7	169.8	211.3	339.0	103.0	
	Plant and equipment capex: depreciation ratio ⁽¹⁾	2.8	2.3	2.3	1.3	0.8	
PATENT PORTFOLIO NUMBERS	US patents	381	454	522	601	685	
	US patent applications (includes PCTs) ⁽²⁾	454	504	534	557	581	
	Non-US patents	1,508	1,947	2,329	2,815	3,443	
	Non-US patent applications (excludes PCTs) ⁽²⁾	1,345	1,491	1,708	1,862	1,823	
PEOPLE NUMBERS	People numbers ⁽³⁾	6,897	7,375	6,564	7,141	7,506	
By function:	Research and development	684	765	846	928	960	
	Manufacturing and operations	4,685	4,989	3,975	4,421	4,690	
	Sales, marketing and distribution	1,230	1,311	1,408	1,455	1,494	
	Management and administration	298	310	335	337	362	
By region:	New Zealand	3,932	3,927	3,538	3,544	3,802	
	North America	2,191	2,608	2,147	2,675	2,744	
	Europe	350	380	379	389	392	
	Rest of World	424	460	500	533	568	
EXCHANGE RATES NZ\$ 1 =	AVERAGE DAILY SPOT RATES	USD	0.6714	0.6969	0.6241	0.6097	0.5948
	AVERAGE CONVERSION RATES ⁽⁴⁾	USD	0.6692	0.6734	0.6666	0.6582	0.6168
		EUR	0.5624	0.5571	0.5452	0.5435	0.5366
		JPY	69.70	71.80	70.24	73.10	76.37
		MXN	13.79	14.97	14.48	13.02	12.42
	CLOSING SPOT RATES	USD	0.6981	0.6957	0.6290	0.5989	0.5708
		EUR	0.5964	0.6231	0.5766	0.5535	0.5269
		JPY	77.37	85.11	83.48	90.63	85.00
		MXN	14.37	13.84	11.38	9.91	11.67

(1) Depreciation excludes leased asset depreciation.

(2) PCTs (Patent Cooperation Treaty) are unified patent applications across a number of jurisdictions.

(3) People numbers are represented as full-time equivalents.

(4) Actual exchange rates achieved in delivering or purchasing net foreign currency in relation to the Group's exposures. The average rate includes hedged, spot and closed-out transactions in each year.



Independent assurance report

To the Directors of Fisher & Paykel Healthcare Corporation Limited

LIMITED ASSURANCE REPORT ON FISHER & PAYKEL HEALTHCARE CORPORATION LIMITED'S GREENHOUSE GAS (GHG) EMISSIONS DISCLOSURES AND SCOPE 2 MARKET-BASED INDICATOR

Our conclusion

We have undertaken a limited assurance engagement on:

- 1) the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty (together, the GHG Disclosures); and
- 2) the Scope 2 (calculated using the market-based method) emissions and related disclosures (together, the Scope 2 Market-based Indicator)

within the *Scope of our Limited Assurance Engagement* section below, included in the Climate-related Disclosures report of Fisher & Paykel Healthcare Corporation Limited (the Company) and its subsidiaries (the Group) for the year ended 31 March 2025.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the GHG Disclosures and the Scope 2 Market-based Indicator are not fairly presented and are not prepared, in all material respects, in accordance with the Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page 95 of the Climate-related Disclosures report.

Scope of our limited assurance engagement

We have undertaken a limited assurance engagement over the following GHG Disclosures, which are required under section 461ZH of the Financial Markets Conduct Act 2013 to be the subject of an assurance engagement, on page 121 of the Climate-related Disclosures report for the year ended 31 March 2025:

- gross GHG emissions:
 - GHG Emissions Total Scope 1 of 2,295 tonnes CO₂e (tCO₂e) on page 121

- GHG Emissions Total Scope 2 (location-based) of 13,232 tCO₂e on page 121
- GHG Emissions Total Scope 3 of 266,044 tCO₂e on page 121
- additional required disclosures of gross Scope 1, Scope 2 (location-based) and Scope 3 GHG emissions on pages 122 and 124;
- gross Scope 1, Scope 2 (location-based) and Scope 3 GHG emissions methods, assumptions and estimation uncertainty on pages 122 to 123;

We have also undertaken a limited assurance engagement over the Scope 2 Market-based Indicator for the year ended 31 March 2025 as follows:

- GHG Emissions Total Scope 2 (market-based) of 12,406 tCO₂e on page 121; and
- related disclosures on page 122.

Our assurance engagement does not extend to any other information included, or referred to, in the Climate-related Disclosures report on pages 94 to 122 and page 124. The comparative information for the years ended 31 March 2023 and 31 March 2024 disclosed in the Group's Climate-related Disclosures report is not covered by our assurance conclusion. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

Key matters to the GHG assurance engagement

In this section we present those matters that, in our professional judgement, were most significant in undertaking the assurance engagement over the GHG Disclosures. These matters were addressed in the context of our assurance engagement on the GHG Disclosures, and in forming our conclusion. We did not reach a separate assurance conclusion on each individual key matter.

Description of the key matter

Scope 3 Category 11: Use of sold products

Emissions from the use of sold products comprise approximately 42% of total gross GHG emissions (location based) for the year ended 31 March 2025.

In determining GHG emissions from use of sold products the Group used design engineers to estimate future energy consumption and use of medical gases which can vary widely depending on the decisions of clinicians using the medical devices.

Detailed in Category 11: Use of sold products on page 123 of the Climate-related Disclosures report, are assumptions with a higher level of estimation uncertainty which can materially impact the accuracy of estimated future energy consumption. This includes:

- Average number of hours products are in use for.

Assumptions with a higher level of estimation uncertainty which can materially impact the accuracy of estimated medical gas use are

- Average procedure length; and
- Gas volumes.

We considered the use of sold products a key matter due to the significant attention required in assessing the higher degree of estimation uncertainty and significant management judgement in estimating these GHG emissions.

How our assurance engagement addressed the key matter

We designed our limited assurance procedures to respond to the key matter as follows:

- Making enquiries of management to obtain an understanding of the Group's overall governance and internal control environment and procedures relevant to assumptions and estimates in the calculation and disclosure of the use of sold products;
- evaluating the methodology applied in calculating the estimates and whether it was consistently applied across a sample of products;
- sample testing the calculation inputs for energy consumption and medical gas use to underlying source data, such as product design documentation or product use assessments performed by the Group's design engineers;
- made enquiries of senior engineers in surgical and anesthesia product groups who applied their expertise in developing the estimated medical gas use; and
- evaluating the adequacy of the disclosure of category 11 use of sold products against the requirements of NZ CSs.

Other matter – comparative information

The comparative GHG Disclosures and the comparative Scope 2 Market-based Indicator (that is, the comparative information presented for the years ended 31 March 2023 and 31 March 2024) prepared in accordance with NZ CSs have not been subject to an assurance engagement performed in accordance with Standard on Assurance Engagements 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures* (NZ SAE 1), issued by the External Reporting Board (XRB) or International Standard on Assurance Engagements (New Zealand) 3410 *Assurance Engagements on Greenhouse Gas Statements* (ISAE (NZ) 3410), issued by the XRB. Those comparative disclosures are not covered by our assurance engagement or assurance conclusion.

Directors' responsibilities

The Directors of the Company are responsible on behalf of the Company for the preparation and fair presentation of the GHG Disclosures and the Scope 2 Market-based Indicator in accordance with NZ CSs. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of GHG Disclosures and the Scope 2 Market-based Indicator that are free from material misstatement whether due to fraud or error.

Inherent Uncertainty in preparing GHG Disclosures and the Scope 2 Market-based Indicator

GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our independence and quality management

The assurance engagement on the GHG Disclosures was undertaken in accordance with NZ SAE 1 and the assurance engagement on the Scope 2 Market-based Indicator was undertaken in accordance with ISAE (NZ) 3410. NZ SAE 1 and ISAE (NZ) 3410 are founded on the fundamental principles of independence, integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the following professional and ethical standards and accreditation body requirements:

- Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand);
- Professional and Ethical Standard 3: Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements; and
- Professional and Ethical Standard 4: Engagement Quality Reviews.

We are independent of the Group. In our capacity as auditor and assurance practitioner, our firm provides audit, review and other assurance services. Our firm carried out other assignments in the area of other training services. The provision of these other services has not impaired our independence.

Assurance practitioner's responsibilities

Our responsibility is to express a conclusion on the GHG Disclosures and the Scope 2 Market-based Indicator based on the procedures we have performed and the evidence we have obtained. NZ SAE 1 and ISAE (NZ) 3410 require us to plan and perform the engagement to obtain the intended level of assurance about whether anything has come to our attention that causes us to believe that the GHG Disclosures and the Scope 2 Market-based Indicator are not fairly presented and are not prepared, in all material respects, in accordance NZ CSs, whether due to fraud or error, and to report our conclusion to the Directors of the Company.

As we are engaged to form an independent conclusion on the GHG Disclosures and the Scope 2 Market-based Indicator prepared by management, we are not permitted to be involved in the preparation of the GHG information as doing so may compromise our independence.

Summary of work performed

Our limited assurance engagement was performed in accordance with NZ SAE 1, and ISAE (NZ) 3410. This involves assessing the suitability in the circumstances of the Group's use of NZ CSs as the basis for the preparation of the GHG Disclosures and the Scope 2 Market-based Indicator, assessing the risks of material misstatement of the GHG Disclosures and the Scope 2 Market-based Indicator whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG Disclosures and the Scope 2 Market-based Indicator.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included enquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. In undertaking our limited assurance engagement on the GHG Disclosures and the Scope 2 Market-based Indicator, we:

- Obtained, through enquiries, an understanding of the Group's control environment, processes and information systems relevant to the preparation of the GHG Disclosures and the Scope 2 Market-based Indicator. We did not evaluate the design of particular control activities, or obtain evidence about their implementation;
- Gained an understanding of and evaluated whether the Group's methodology for developing estimates had been consistently applied. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Group's estimates;
- Tested a limited number of items to, or from, supporting records;

- Assessed a limited number of emission factor sources and reperformed a limited number of emissions calculations for mathematical accuracy;
- Performed analytical procedures on particular emission categories by comparing the expected GHGs emitted to actual GHGs emitted and made enquiries of management to obtain explanations for any significant differences we identified; and
- Considered the presentation and disclosure of the GHG Disclosures and the Scope 2 Market-based Indicator.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement and does not enable us to obtain assurance that we would become aware of all significant matters that we otherwise might identify. Accordingly, we do not express a reasonable assurance opinion on these GHG Disclosures or the Scope 2 Market-based Indicator.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance with the compliance requirements may occur and not be detected.

Who we report to

This report is made solely to the Company's Directors, as a body. Our work has been undertaken so that we might state those matters which we are required to state to them in our assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Directors, as a body, for our procedures, for this report, or for the conclusions we have formed.

The engagement partner on the engagement resulting in this independent assurance report is Victoria Ashplant.

For and on behalf of:



PricewaterhouseCoopers
27 May 2025

Auckland

GRI content index

Fisher & Paykel Healthcare has reported the information cited in the GRI content index for the period 1 April 2024 to 31 March 2025 with reference to the GRI Standards.

2021 GRI REF Number	Disclosure	Location/Response
The organisation and its reporting practices		
2-1	Organisational details	<p>Name of the organisation: Annual Report: Front cover. Fisher & Paykel Healthcare Corporation Limited.</p> <p>Location of headquarters: Annual Report: Inside back cover.</p> <p>Location of operations: Annual Report: pp. 78-79.</p> <p>Ownership and legal form: Annual Report: pp. 74-79, p. 135.</p> <p>Scale of the organisation: Annual Report: pp. 16-19. Annual Report: pp. 165-167.</p>
2-2	Entities included in the organisation's sustainability reporting	<p>List of entities: Our sustainability and financial reporting relates to all subsidiary companies in the Group structure. For the list of entities, see pages 78-79.</p>
2-3	Reporting period, frequency and contact point	<p>Reporting period: Annual Report: p. 2. Reporting period is 1 April 2024 to 31 March 2025.</p> <p>Date of most recent report: 27 May 2025 for the period 1 April 2024 to 31 March 2025.</p> <p>Reporting cycle: Annual reporting cycle. Contact point for questions regarding the report: investor@fphcare.co.nz</p>
2-4	Restatements of information	<p>Restatements of information: FY23 and FY24 Scope 1 GHG emissions have been restated. FY24 Scope 3 GHG emissions have been restated. For more information, refer to our Climate-related Disclosures, prepared in compliance with the External Reporting Board's Aotearoa New Zealand Climate Standards, on pages 121-124.</p>

2-5	External assurance	<p>External assurance for non-financial disclosures: PricewaterhouseCoopers (PwC) has provided independent, third-party limited assurance over our 2025 financial year group-wide GHG emissions (tonnes CO₂e) footprint presented in the climate-related disclosures.</p> <p>For the financial year 2024 and prior periods, a verification engagement was performed by Toitū Envirocare.</p> <p>Annual Report: pp. 122, pp. 168-170.</p> <p>External assurance for financial statements: External assurance provided by PwC. Annual Report: pp. 160-163.</p>
Activities and workers		
2-6	Activities, value chain, and other business relationships	<p>Value chain, activities, brands, products and services, markets served: Annual Report: pp. 8-9, pp. 16-19.</p> <p>Supply chain: Annual Report: pp. 45-51.</p> <p>Significant changes to the organisation and its supply chain: Our manufacturing facility in China became operational during the reporting period. More detail on our infrastructure planning is provided in the Report from the Chair on pages 10-11. We also acknowledge the impact of geopolitical uncertainty and the US tariffs in the Report from the Chair on pages 10-11.</p>
2-7	Employees	<p>Scale of the organisation (total number of employees): Annual Report: pp. 42-44.</p> <p>Information on employees and other workers: Annual Report: pp. 32-44.</p>
2-8	Workers who are not employees	<p>Information on employees and other workers (information on workers who are not employees): The most common type of worker in the organisation can be described as full-time and permanent. On page 42, we disclose that we had 95 temporary workers as at 31 March 2025.</p>

Governance		
2-9	Governance structure and composition	Governance structure: Annual Report: pp. 64-79. Composition of the highest governance body and its committees: Annual Report: pp. 67-71.
2-10	Nomination and selection of the highest governance body	Nominating and selecting the highest governance body: Annual Report: pp. 67-68.
2-11	Chair of the highest governance body	Chair of the highest governance body: The Chair of the Board is a non-executive director. Annual Report: p. 26. Board Charter available online at https://www.fphcare.com/nz/corporate/sustainability/governance/corporate-governance-policies/
2-12	Role of the highest governance body in overseeing the management of impacts	Role of highest governance body in setting purpose, values and strategy: Annual Report: p. 67. Role of highest governance body in overseeing process to identify and manage economic, environmental and social impacts: Annual Report: pp. 20-21, p. 67, pp. 70-71. Reviewing effectiveness of processes: Annual Report: pp. 70-71.
2-13	Delegation of responsibility for managing impacts	Delegating authority: Annual Report: p. 67. Executive-level responsibility for economic, environmental and social topics: Annual Report: p. 37 (Diversity, equity and inclusion), p. 39 (Health and safety), p. 48 (Sustainable procurement), p. 58 (Product quality), p. 61 (Business risk), p. 90 (Environment), pp. 96-97 (Climate change).

2-14	Role of the highest governance body in sustainability reporting	Highest governance body's role in sustainability reporting: The Board reviews and approves the Annual Report, refer to page 2. Refer to Board committee responsibilities for reviewing and approving reported information on pages 70-71 and page 95 (Climate-related Disclosures).
2-15	Conflicts of interest	Conflicts of interest: Annual Report: p. 65, pp. 71-73.
2-16	Communication of critical concerns	Communicating critical concerns: Annual Report: p. 65 (Speak Up Procedure).
2-17	Collective knowledge of the highest governance body	Collective knowledge of highest governance body: Annual Report: pp. 68-69, p. 97. Board Charter available online at https://www.fphcare.com/nz/corporate/sustainability/governance/corporate-governance-policies/
2-18	Evaluation of the performance of the highest governance body	Evaluation of the performance of the highest governance body: Annual Report: p. 69.
2-19	Remuneration policies	Remuneration policies: Annual Report: pp. 80-88.
2-20	Process to determine remuneration	Process for determining remuneration: Annual Report: pp. 82-87 (Executive management). Stakeholders' involvement in remuneration: Annual Report: p. 88 (Directors).
2-21	Annual total compensation ratio	Annual total compensation ratio: Annual Report: p. 87.

Strategy, policies and practices				
2-22	Statement on sustainable development strategy	Statement from senior decision-maker: Annual Report: pp. 10-13.	2-28	Membership associations
2-23	Policy commitments	Approach: As set out in our Environmental & Social Responsibility Policy, our intention is to create a positive lasting impact on society and the environment. To understand how our business is aligned with UN Sustainable Development Goals, see pages 22-25. Values, principles, standards and norms of behaviour: Annual Report: pp. 17, 42, 65. Code of Conduct, Supplier Code of Conduct, Environmental & Social Responsibility Policy and Corporate Governance Policy available online at https://www.fphcare.com/nz/corporate/sustainability/governance/corporate-governance-policies/ Modern Slavery Statement available online at https://www.fphcare.com/nz/corporate/sustainability/suppliers/		Membership of associations: <ul style="list-style-type: none">• American Academy of Anesthesiologist Assistants• American Academy of Sleep Medicine• American Association for Respiratory Care• American Association of Homecare• American Association of Nurse Anesthetists• American Association of Physicians of Indian Origin for Sleep• American Association of Sleep Technologists• American Chamber of Commerce• American Chamber of Commerce in South China• American College of Emergency Physicians• American Society of Anesthesiologists• American Society of Regional Anesthesia and Pain Medicine• American Thoracic Society• Association for Respiratory Technology & Physiology• Association of Anaesthetists• Association of Respiratory Care & Sleep Professionals in Pakistan• Association of the Metal and Electrical Industry Baden-Württemberg (Südwestmetall)• Association of Veterans Affairs Anesthesiologists• Auckland Regional Chamber of Commerce• Australasian Investor Relations Association• Australasian Sleep Association• Australia New Zealand Chamber of Commerce in Japan• Austrian Chamber of Commerce• Board of Registered Polysomnographic Technologists• Brazilian Association of Medical Products Importers/Distributors• British Anaesthetic & Respiratory Equipment Manufacturers Association• British Thoracic Society• Business New Zealand• Canadian Sleep Society• Canadian Society of Respiratory Therapists• China Standards Online Service Network• COPD Foundation• Council for International Development• Diversity Works New Zealand• Employers and Manufacturers Association• German Chamber of Commerce• German Industry Association for Optics, Photonics, Analytical and Medical Technologies (Spectaris)
2-24	Embedding policy commitments	The company has established global policies that apply to our people, operations and locations. All policies are approved by the Board and embedded across our business by relevant executive management. Each policy has a dedicated platform for learning and awareness.		
2-25	Processes to remediate negative impacts	The management approach and its components (grievance mechanisms): Annual Report: p. 36 (Collective bargaining agreements).		
2-26	Mechanisms for seeking advice and raising concerns	Mechanisms for advice and concerns about ethics: Annual Report: p. 65.		
2-27	Compliance with laws and regulations	Non-compliance with environmental laws and regulations: There have been no significant instances of non-compliance with environmental laws and regulations during the 2025 financial year. Non-compliance with laws and regulations in the social and economic area: There have been no significant instances of non-compliance with social and economic laws and regulations during the 2025 financial year.		

2-28	Membership associations	<ul style="list-style-type: none"> • Guangdong Investment Promotion Association (China) • Guangdong Medical Devices Management Academy • Hong Kong Medical and Healthcare Device Industries Association • International Electrotechnical Commission/Technical Committee 62 • International Medical Device Manufacturers Association • International Organisation for Standardisation/Technical Committee 121 • International Organisation for Standardisation/Technical Committee 194 • International Organisation for Standardisation/Technical Committee 215 • Japan Association of Health Industry Distributors • Japan Association of Medical Devices Industries • Japan Fair Trade Council of the Medical Devices Industry • Japan New Zealand Business Council • Karachi Chamber of Commerce & Industry • Latin America New Zealand Business Council • Medical Technology Association of India • Medical Technology Association of New Zealand • NZ Chamber of Commerce (Hong Kong) • Ontario Home Respiratory Services Association • Pakistan Association of Cardiothoracic Anaesthesiologists • Pakistan Cardiac Society • Pakistan Chest Society • Pakistan Society of Anaesthesiologists (Karachi and Lahore) • Quality Association for Medical Aids (QVH) • Sleep Health Foundation • Sleep Research Society • Society for Airway Management • Society for Ambulatory Anesthesia • Society for Anesthesia and Sleep Medicine • Society for Head and Neck Anesthesia • Southwest Business Association, Baden-Württemberg (USW) • Sustainable Business Network • Taipei Medical Instruments Commercial Association • Uniformed Services Society of Anesthesiologists • Victorian Chamber of Commerce and Industry
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Stakeholder engagement		
2-29	Approach to stakeholder engagement	Approach to stakeholder engagement including stakeholders engaged with, purpose of the engagement and key topics and concerns raised: Annual Report: pp. 20-21.
2-30	Collective bargaining agreements	Collective bargaining agreements: Annual Report: p. 36.
Disclosures on material topics		
3-1	Process to determine material topics	Defining report content and topic boundaries: Annual Report: pp. 20-21.
3-2	List of material topics	List of material topics: Annual Report: pp. 20-21.
3-3	Management of material topics	Annual Report: see sections titled The Company, Operating Sustainably and Climate-related Disclosures on pages 15-124.

SPECIFIC STANDARD DISCLOSURES

2021 GRI REF Number	Disclosure	Location/Response
GRI 200 Economic standard series		
GRI 103	Management approach 2025	Annual Report: pp. 10-13.
GRI 201: Economic performance		
201-1	Direct economic value generated and distributed	Annual Report: pp. 125-163 (Financial statements including auditor's report).
GRI 204: Procurement practices		
GRI 204	Management approach 2025 and dialogue with suppliers	Annual Report: pp. 45-51.
GRI 205: Anti-corruption		
GRI 103	Management approach 2025	Annual Report: p. 66.
205-3	Confirmed incidents of corruption and actions taken	Annual Report: p. 66. During the year ended 31 March 2025, the company is not aware of any instances of corruption or of incidents in which employees were dismissed or disciplined for corruption.
GRI 400 Social standard series		
GRI 103	Management approach 2025	Annual Report: pp. 32-42.
401-1	New employee hires and employee turnover	Annual Report: p. 44.
GRI 403: Occupational health and safety		
GRI 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Annual Report: p. 40.
GRI 404: Training and education		
GRI 103	Management approach 2025	Annual Report: pp. 34-36.
404-1	Average hours of training per year per employee	For salaried employees in New Zealand, Mexico and international sales offices, our people undertook an average of 13.7 training hours during the financial year.

GRI 416: Customer health and safety

GRI 103	Management approach 2025	Annual Report: pp. 57-59.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No instances of non-compliance with regulations or voluntary codes resulting in a fine, penalty or warnings. As disclosed on page 58, we continued our activities in relation to the voluntary limited recall of Airvo 2 and myAirvo 2 devices which was initiated in March 2024.

GRI 418: Customer privacy

GRI 103	Management approach 2025	Annual Report: p. 62. Global Privacy Procedure available online at https://resources.fphcare.com/content/fph-global-privacy-procedure.pdf
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	The company has not identified any substantial complaints concerning breaches of customer privacy. In February 2025, we identified and fixed an issue that could have led to the login details of some Education Hub users being identifiable by third parties. Based on our investigations, we do not believe there has been any harm to customers.

Glossary

AALAC	Association for Assessment and Accreditation of Laboratory Animal Care
AI	Artificial Intelligence
ARC	Audit & Risk Committee
ASM	Annual Shareholders' Meeting
ASX	Australian Stock Exchange
AUD	Australian Dollar
BEIS	Business, Energy & Industrial Strategy (United Kingdom)
BIAC	The OECD's Business and Industry Advisory Committee
CAGR	Compound Annual Growth Rate
CBAM	Carbon Border Adjustment Mechanism
CDP	The name of the international not-for-profit that facilitates environmental disclosures. Formerly known as the Carbon Disclosure Project
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CODM	Chief Operating Decision-Maker
CO ₂ e	Carbon dioxide equivalent
COGS	Cost Of Goods Sold
Company	means Fisher & Paykel Healthcare Corporation Limited
Constant Currency (CC)	is our way to measure performance of the company without any distortion from changes in foreign exchange rates
COO	Chief Operating Officer
CPS	cents per share
CRD	Climate-related Disclosures
CVA	Cultural Values Assessment
DAVR	Discretionary Annual Variable Remuneration
DEI	Diversity, Equity and Inclusion
DJSMDQT	Dow Jones US Select Medical Equipment Total Return Index
DRP	Dividend Reinvestment Plan
EAP	Employee Assistance Programme
EBITDA	Earnings before interest, tax, depreciation and amortisation
EC	Energy Certificate

EF	Emission Factor
EMS	Environmental Management System
EPA	Environmental Protection Agency (United States)
ERP	Enterprise Resource Planning
ESG	Environmental, Social and Governance
ESR	Employee Share Right
ESR	Environmental & Social Responsibility
ETS	Emissions Trading Scheme
EU	Europe
EUR	Euro
EV	Electric Vehicle
Executive Management	the Executive Management team as set out on pages 28-30
F&P	Fisher & Paykel Healthcare
FDA	Food and Drug Administration (United States)
FIFO	First In, First Out
FMA	Financial Markets Authority
FMC	Financial Markets Conduct
FPH	Fisher & Paykel Healthcare
FY	Financial Year
GCP	Good Clinical Practice
GDP	Gross Domestic Product
GHG	Greenhouse gas
GRI	Global Reporting Initiative
Group	means Fisher & Paykel Healthcare Corporation Limited together with its subsidiaries
GST	Goods and Services Tax
GWP	Global Warming Potential
ICT	Information and Communication Technology
IEA	International Energy Agency
IFRS	International Financial Reporting Standards

IIASA	International Institute for Applied Systems Analysis
IP	Intellectual Property
IPCC	Intergovernmental Panel on Climate Change
ISA	International Standards on Auditing
ISAE (NZ)	International Standard on Assurance Engagements (New Zealand)
ISDA	International Swaps and Derivatives Association
ISO	International Organisation for Standardisation
JPY	Japanese Yen
LTIFR	Lost Time Injury Frequency Rate
LTVR	Long Term Variable Remuneration
MXN	Mexican Peso
Net Debt	Debt less cash and cash equivalents and short-term investments
New Applications Consumables	Hospital applications outside of traditional invasive ventilation
NHS	National Health Service
NZ	New Zealand
NZ GAAP	New Zealand Generally Accepted Accounting Practice
NZ IAS	New Zealand International Accounting Standards
NZ IFRS	New Zealand Equivalents to International Financial Reporting Standards
NZ SAE	New Zealand Standard on Assurance Engagements
NZCS	New Zealand Climate Standards
NZD	New Zealand Dollar
NZECS	New Zealand Energy Certificate System
NZX	New Zealand Stock Exchange
OECD	Organisation for Economic Co-operation and Development
OEM	Original Equipment Manufacturer
OHC	Occupational Health Centre
PCP	Prior Corresponding Period
PCT	Patent Cooperation Treaty
psm	per square metre

PSR	Performance Share Right
PwC	PricewaterhouseCoopers
QMS	Quality Management System
R&D	Research and Development
REC	Renewable Energy Certificate
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goal
SG&A	Sales, General and Administrative
SOW	Safety of Work
SSP	Shared Socioeconomic Pathway
STEMM	Science, Technology, Engineering and Mathematics (and mātauranga Māori)
TCFD	Task Force on Climate-related Financial Disclosures
TRIFR	Total Recordable Injury Frequency Rate
TSR	Total Shareholder Return
UK	United Kingdom
UN	United Nations
US	United States
USD	United States Dollar
VP	Vice President
VWAP	Volume-Weighted Average Price
WG1	Working Group 1
XRB	External Reporting Board

Key medical terms used throughout this Report

CPAP	Continuous Positive Airway Pressure
NHF	Nasal High Flow
NIV	Noninvasive Ventilation
OSA	Obstructive Sleep Apnea

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