



**BOARD REMUNERATION
BENCHMARKING
SUMMARY REPORT 2025**



Infratil

OVERVIEW

Report methodology:

- Best practice is to conduct fee reviews and make adjustments regularly to maintain positioning, ensure the ability to attract / retain and fairly compensate high quality directors, and avoid large irregular increases. As with executive remuneration, it is good practice to provide a clear framework for director fees and not rely on ex-gratia payments to compensate for workload.
- The setting of director fees should have a focus on:

Ensuring appropriate market alignment in order to attract and retain quality directors.

The organisation's performance and ability to pay for fees.

The size and complexity of the entity.

Director workload (including committees).

The market movement of director fees.

A key consideration in reviewing fees is establishing the most appropriate comparator group for Infratil ('IFT'). It can be difficult to find direct comparators for IFT given their unique position, organisational structure and industry focus:

- A significant portion of its operating entities are offshore across a diverse range of markets, and this will continue to expand. ASX data is an important reference given IFT's aspiration to orient strongly to the ASX over time as its international footprint increases.
- A broad set of NZX and ASX comparators were considered (page 3). Fee data was drawn from the latest publicly available annual reports, and both notice and results of annual meetings.

Insights around IFT's current fees against this benchmark group:

- IFT holds a leading position in the NZX and demands the best governance talent, competing with other leading entities. There is a large difference between NZ / AU fees.
- The Chair fee and Chair premium are relatively low, sitting closer to the lower quartile than the median. Director fees sit close to the median. The ARC Chair fee sits very close to the upper quartile.
- IFT's current maximum fee pool sits around the median of NZX comparators and bottom quartile of ASX comparators (page 4).

Regular fee movements are appropriate to keep pace with the market, maintain competitiveness to attract experienced directors (both NZ-based and overseas-based), and reflect an organisation's size and scale. Please see pages 5 and 6 for a breakdown of remuneration recommendations.

Please note, in this report:

- All fee data may be rounded slightly for ease of use and comparison. Unless otherwise stated, all fee data is provided in NZ\$.
- All instances of 'director' or 'director fees' (or variations) refer to 'independent director' or 'independent director fees'. Non-independent and / or executive director fees have not been considered.
- Comparator fee data was analysed primarily in 20th and 21st March 2025, and was correct as of these dates. ASX fee data was converted from Australian dollars to NZ dollars on these dates.

NZX & ASX COMBINED COMPARATORS* - ORGANISATIONAL AND COMMITTEE QUARTILE DATA

The table below displays quartile and median data across a range of organisational elements.

COMPARATOR GROUP	LOWER QUARTILE	IFT current	MEDIAN	UPPER QUARTILE
Chair fee	\$318,000	\$375,000	\$452,800	\$553,660
Director fee	\$147,750	\$187,500	\$194,145	\$205,239
Chair premium	110%	100%	133%	170%

The table below displays quartile and median data across committee fees.

Please note, comparator committees may have different names than IFT. We have aligned comparators to IFT's committees as appropriate.

COMPARATOR GROUP	LOWER QUARTILE	MEDIAN	IFT current	UPPER QUARTILE
Audit and Risk Chair fees	\$35,725	\$43,688	\$48,000	\$49,923
Audit and Risk member fees	\$29,250	\$37,155	\$22,500	\$45,619
Nomination and Remuneration Chair fees	\$19,066	\$21,410	N/A	\$24,749
Nomination and Remuneration member fees	\$14,913	\$19,735	N/A	\$22,513
Manager Engagement Chair fees	N/A	N/A	\$30,000	N/A
Manager Engagement member fees	N/A	N/A	\$10,000	N/A

* List of comparators:

List of NZX comparators Fisher & Paykel Healthcare, Meridian Energy, Auckland International Airport, Fonterra Co-operative Group, Mercury NZ, EBOS Group, Vector, Spark New Zealand, Fletcher Building, Ryman Healthcare, Contact Energy, The a2 Milk Company, Chorus, Goodman Property Trust, Summerset Group Holdings, NZ Banks (Median).

List of ASX comparators Seven Group, ASX Limited, Soul Patts, Stockland, NextDC Limited, Atlas Arteria, Qube Holdings Limited, The Lottery Corporation Limited, APA Group, Reece Limited, BlueScope Steel Limited, JB Hi-Fi Limited, Vicinity Centres, TELIX Pharmaceuticals Limited, Technology One Limited, Australian Foundation Investment Company Limited, Capstone Copper Corp., TPG Telecom Limited, Orica Limited, GPT Group, Mirvac Group, Seek Limited, Treasury Wine Estates Limited, Ramsay Health Care Limited, Charter Hall Group.

|| TOTAL FEE POOLS OF COMPARATORS

The tables below list total fee pools of comparators (ordered by highest first as of 20th March 2025).

NZX ORGANISATION	Current maximum fee pool
Fletcher Building	\$2,000,000
EBOS Group	\$1,810,000
Fisher & Paykel Healthcare	\$1,750,000
Spark	\$1,630,000
Auckland International Airport	\$1,593,350
Infratil	\$1,525,500
Contact Energy	\$1,500,000
Ryman Healthcare	\$1,500,000
The a2 Milk Company	\$1,365,000
Chorus	\$1,365,000
Meridian	\$1,242,800
Mercury	\$1,231,450
Vector	\$1,087,020
Summerset Group Holdings	\$1,010,000
Fonterra*	-
NZ Banks (Median)*	-
Goodman Property Trust*	-
MEDIAN	\$1,500,000

ASX ORGANISATION	Current maximum fee pool
ASX Limited	\$3,882,900
Ramsay Health Care Limited	\$3,882,900
BlueScope Steel Limited	\$3,605,550
The Lottery Corporation Limited	\$3,328,200
Seven Group	\$3,106,320
Orica Limited	\$3,050,850
Mirvac Group	\$3,050,850
Soul Patts	\$3,050,850
Vicinity Centres	\$2,995,380
Stockland	\$2,773,500
TPG Telecom Limited	\$2,773,500
Treasury Wine Estates Limited	\$2,773,500
Qube Holdings Limited	\$2,773,500
APA Group	\$2,773,500
Reece Limited	\$2,773,500
GPT Group	\$2,440,680
Seek Limited	\$2,329,740
Charter Hall Group	\$2,218,800
Technology One Limited	\$2,218,800
NextDC Limited	\$2,218,800
Atlas Arteria	\$1,885,980
JB Hi-Fi Limited	\$1,664,100
Infratil	\$1,525,500
TELIX Pharmaceuticals Limited	\$1,497,690
Australian Foundation Investment Company	\$1,386,750
Capstone Copper Corp.*	-
MEDIAN	\$2,773,500

ALL COMPARATORS	Current maximum fee pool
Infratil	\$1,525,500
MEDIAN	\$2,218,800

* Could not be sourced independently.

All fee data above has been converted from AU\$ to NZ\$ (with an exchange of AU\$1 to NZ\$1.1, as at 20th March 2025).

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RECOMMENDATIONS

It is important to maintain competitiveness in the market to ensure the attraction of a large and experienced governance talent pool, reflecting IFT's scale and complexity.

We recommend the following changes (detailed in the table below):

1. Provide a conservative overall uplift to current fees given the operating environment – a modest increase of circa 2.5%.
2. A significant portion of this uplift should be allocated to the Chair fee to more closely align with the comparator group median and increase the Chair premium to reflect the workload and importance of this role.
3. Remove the separate section on the 'Overseas director' to simplify the fee structure. This additional premium can instead be paid through the unallocated pool.
4. Increase the quantum of the unallocated pool. This represents fees available for directors assuming additional duties, meeting attendances and / or workload (including, but not limited to, travel requirements and ad-hoc responsibilities). The Nomination and Remuneration Committee will determine appropriate application of additional fees from this pool as required.
 - A portion will be committed to Paul, Anne and Andrew's remuneration to offset individual fee reductions triggered by wider changes.
 - Increase to the 'Residual unallocated pool' to provide headroom for further uplifts in FY27 without increasing the total fee pool again (TBC by the NRC).

		CURRENT				REVISED				
		COUNT	CURRENT FEE	PERCENTILE AGAINST NZX	PERCENTILE AGAINST ASX	COUNT	NEW FEE	% INCREASE FROM CURRENT FEES	PERCENTILE AGAINST NZX	PERCENTILE AGAINST ASX
Current fee changes	Chair*	1	\$375,000 <small>CHAIR PREMIUM: 100%</small>	75 th	16 th	1	\$425,000 <small>CHAIR PREMIUM: 118%</small>	13%	90 th	21 st
	Director	4	\$187,500	88 th	15 th	5	\$195,000	4%	92 nd	32 nd
	Overseas director	1	\$217,500	99 th <small>CURRENT HIGHEST</small>	82 nd	-	-	-	-	-
	Audit and Risk Committee Chair	1	\$48,000	82 nd	59 th	1	\$48,000	-	82 nd	59 th
	Audit and Risk Committee member*	2	\$22,500	84 th	36 th	2	\$22,500	-	84 th	36 th
	Manager Engagement Committee Chair	1	\$30,000	-	-	1	\$30,000	-	-	-
	Manager Engagement Committee member*	4	\$10,000	-	-	2	\$10,000	-	-	-
TOTAL OF CURRENT CHANGES			\$1,505,500			\$1,543,000	2.5%		CURRENT FEE INCREASE: \$37,500	
Unallocated pool	Portion committed to Paul, Anne and Andrew to offset individual fee reductions	-	-	-	-	-	\$41,000	-	-	-
	Residual unallocated	-	\$20,000	11 th	1 st <small>CURRENT LOWEST</small>	-	\$63,000	-	-	-
	TOTAL UNALLOCATED POOL	-	\$20,000	11th	1st <small>CURRENT LOWEST</small>	-	\$104,000	420%	31st	1st <small>CURRENT LOWEST</small>
TOTAL INCLUDING UNALLOCATED POOL			\$1,525,500			\$1,647,000	8.0%		TOTAL POOL INCREASE: \$121,500	

FEE POOL BUILD UP

		CURRENT	REVISED	EXPLANATION	COST BREAKDOWN
Current fee changes	Chair	\$375,000	\$425,000	Lift by 13% to align IFT closer to the ASX median.	\$425,000
	Director	\$187,500	\$195,000	Lift by 4% to align IFT with the ASX lower quartile.	\$975,000
	Overseas director	\$217,500	-	Remove this separate section to simplify the fee structure and provide more flexibility. The additional premium would be paid through the unallocated pool (see below). The Board has confirmed this would only apply to 1 Board member.	-
	Audit and Risk Committee Chair	\$48,000	\$48,000	No immediate increase required given current strong positioning.	\$48,000
	Audit and Risk Committee member	\$22,500	\$22,500	No immediate increase required given current strong positioning.	\$45,000
	Manager Engagement Committee Chair	\$30,000	\$30,000	No immediate increase required given current strong positioning.	\$30,000
	Manager Engagement Committee member	\$10,000	\$10,000	No immediate increase required. Membership is also decreasing to 2.	\$20,000
	TOTAL	\$1,505,500	\$1,543,000		\$1,543,000 2.5% TOTAL INCREASE
Unallocated pool	Portion committed to Paul, Anne and Andrew to offset individual fee reductions	-	\$41,000	To offset individual fee reductions triggered by wider changes.	\$41,000
	Residual unallocated	-	\$63,000	Fees available for directors assuming additional duties, meeting attendances and / or workload.	\$63,000
	TOTAL UNALLOCATED POOL	-	\$104,000	<i>Total of the above elements.</i>	\$104,000
	TOTAL	-	\$1,647,000		\$1,647,000