

21 October 2026

FLETCHER BUILDING LIMITED
2026 Annual Shareholders' Meeting
Chair and Managing Director & CEO Address

Peter Crowley, Chair

Agenda

Tēnā koutou katoa and good morning, everyone. On behalf of the Board, it is my pleasure to welcome you all to Fletcher Building's 2026 Annual Shareholders' Meeting.

Today's meeting is being held both in person and online via the Computershare online meeting platform. We therefore welcome our shareholders, proxies and guests, both those here in the room and those joining us online. Before we start the formal business of the meeting, I would like to ask people in the room to ensure their mobile phones are on silent mode.

Ladies and Gentlemen, as a quorum is present and due notice of this meeting has been given, the meeting is duly constituted and I declare it open.

I will now introduce my fellow Directors on the stage with me: James Miller, our Deputy Chair, Andrew Reding our Managing Director and Group CEO, Sandra Dodds, Cathy Quinn, Tony Dragicevich and Jacqui Coombes. Finally, our Company Secretary, Haydn Wong.

Setting the agenda for today: I'll begin with an overview of the year and the progress we have made. I'll then hand over to Andrew, who will provide an update on the turnaround plan and the Group's operating performance. We will then take any questions on those presentations.

After that, we will move to the resolutions of the meeting and I will ask Sandra to speak to her re-election and Jacqui to speak to the Remuneration Report. The resolutions will be decided by poll. Questions on a resolution will be dealt with before the resolutions are voted on.

At the conclusion of the formal business, we will take the opportunity for any final general questions or other business from the floor and online. Please note that questions will be moderated to avoid repetition and to summarise lengthy questions. We won't address questions that are considered not reasonable in the context of this meeting, that repeat

questions or otherwise may restrict all shareholders having a fair chance to have their questions heard.

For those attending online, you can start submitting your questions now. Thank you also to the shareholders who have submitted their questions in advance. Andrew and I will speak to a number of these in our addresses.

Finally, if for some reason we don't have the opportunity to answer your question, we will look to answer it in due course via email.

At the conclusion of the meeting, we invite those in the room to stay and join us for some light refreshments.

Let me start with the Board update.

Board of Directors

The Board's composition remained stable in FY26, with a capable and diverse group of directors contributing a broad range of experience and expertise to Fletcher Building.

Our directors bring a strong mix of skills to their role. Around the Board table we have deep experience in building materials, manufacturing and distribution, combined with expertise in capital markets, legal, finance and audit, large-scale transformation, and governance of listed companies on both sides of the Tasman.

That blend of sector knowledge and broader commercial experience means the Board can challenge and support management in equal measure, from operational performance through to capital allocation and portfolio decisions.

In December 2025, James Miller was appointed to the newly created role of Deputy Chair. Having a New Zealand-based Deputy Chair further strengthens the Board's connection to our New Zealand operations and allows for more on-the-ground engagement with our people, customers, government and local stakeholders.

FY26 key takeaways

Looking back on FY26, the Board's assessment is that Fletcher Building made tangible progress in stabilising and reshaping the Group. There is more work to do, but the foundations are now much stronger than they were a year ago.

I would like to highlight five key outcomes from the year:

First, we achieved a steady financial and operating performance in a tough macro environment. Activity across our residential and commercial markets remained relatively subdued on both sides of the Tasman. Despite that, our businesses held their ground, managed costs tightly and continued to serve their customers well.

Second, we progressed the execution of our strategy. Management has delivered on the priorities set out at our Investor Day, simplifying the portfolio and sharpening our focus as a building products manufacturing and distribution company.

Third, we have built a more resilient balance sheet, with net debt now in our target range. This gives us greater financial flexibility and the capacity to manage through the cycle with confidence.

Fourth, Group Return on Invested Capital improved in FY26. Returns are moving in the right direction, but they are not yet where the Board expects them to be. Lifting returns remains a priority for the Board and the Group.

Finally, the Group's operating cash flows were strong in FY26 as our core businesses performed relatively well. However, they continue to be impacted by cash outflows associated with legacy projects, as we look to manage those matters to resolution.

We are pleased with the progress made during FY26. Taken together, these outcomes show a business that is more focused, more disciplined and better positioned to benefit when markets recover. However, we remain ambitious for further progress to be made as quickly as we can.

FY26 financial summary

Turning to our financial results for FY26. Group revenue for the year was \$6.0 billion from continuing operations. That is 7.3% higher than FY25. EBIT before Significant Items was \$414 million, \$85 million higher than FY25. Property sales contributed \$49 million of that increase. Our EBIT margin grew to 6.9%, up from 5.9%, and we reported net earnings of \$228 million, compared to a net loss of \$419 million in FY25. This return to positive net earnings was very important, and reflects the benefit of tighter execution and the actions taken to reset the cost base.

Even more significant though was the substantial progress the Group made on strengthening the balance sheet, with the reduction in net debt from \$1 billion at FY25 balance date to \$637 million by the end of FY26. Together with our operating cashflow of \$715 million, this greatly improves our financial position and also creates greater financial flexibility going forward.

Capital expenditure totalled \$288 million, \$146 million of it relating to the new Laminex OSB plant, and was managed with a sharper focus on returns and within a disciplined capital allocation framework.

Return on Invested Capital, or ROIC, improved to 5.3% from 4.1%. That is progress, but it is not yet an acceptable end point. The Board expects capital discipline and improved

returns to remain central to decision-making and assessments of our performance going forward.

Taking into account the progress made to date, and the work still to do, the Board has determined not to declare a dividend for FY26.

As previously advised, the Group's dividend policy will be reset and communicated to shareholders once the Group is both operating in the lower half of the net debt target range and generating sustainable positive free cashflow. The Board acknowledges the importance of dividends to shareholders and we are determined to return to being a dividend paying company. However, the return to dividends must be prudent, sustainable and capable of being maintained through the cycle.

Overall, Fletcher Building ended the year as a simpler and financially stronger Group, better able to navigate current conditions and also better placed to benefit when market activity levels recover

Strategy

During our Investor Day in June 2025, we outlined four key priorities, which the Group has been executing on.

First – urgent action. The Group has taken decisive action after a portfolio review, leading to the divestment of the Construction division as well as our Reinforcing & Wire business. The property portfolio was also optimised during the year with some significant sales of surplus land. Andrew will expand further on some of these actions shortly.

Second – delivering high performance. As mentioned before, Return on Invested Capital – ROIC is now the key measure at Group, divisional and Business Unit levels. And we have set targets across each of these in the company. Expectations are also reflected in our remuneration framework, so that our incentives are aligned to our performance expectations.

Third – we set out to empower our leaders and decentralise the structure. I'm happy to say that our senior leaders have engaged exceptionally well, with employee NPS scores improving by 21 points since October 2025 to plus 59.

And finally – a more resilient capital structure. With debt now in the middle of the net debt target range, our focus is now on delivery of sustainable free cash flows.

Alongside the material progress we made during FY26 on our strategic goals, we continued to work on improving our operational performance and I'll turn to that now

FY26 operational highlights

Improvements to our operations strengthen the Group's strategic position and its pathway to higher and more sustainable returns.

I will highlight four examples in FY26 that are particularly relevant to sustainable shareholder value:

- The first is Cavendish Drive. Our new Frame and Truss plant in Auckland is now operational, and it gives us technology no one else has in the New Zealand market. We had been selling Frame and Truss to meet the market, but the margins were not acceptable. The Cavendish Drive plant will enable us to do this in a more efficient and economically sustainable way.
- The second is the opening of Firth's new batching plant in Penrose. This represents a significant investment in our ready-mix capacity in Auckland and positions the business well for future growth.
- The third is The Urban Quarry, our network of metro collection sites for dealing with demolition waste. We opened a new site at Tamahere during the year and overall tonnage of 938,000 relating to waste and aggregates is up 28% on FY25. This is the start of a real position for us in the circular economy, and it springboards off the capability that Golden Bay Cement already has in using alternative fuels, including waste products, in its Portland cement manufacturing plant.
- Finally – in recent news the Hunua Quarry application has been approved securing the long term position of the quarry within the Auckland market which Andrew will provide more detail on later.

There are other examples on the screen of operational highlights from FY26, but they are amongst many great things that happen across our businesses.

I will now pass over to Andrew to discuss the Group's FY26 operating performance in more detail.

Andrew Reding, Managing Director & Group CEO

Turnaround plan

Thank you, Peter and good morning shareholders,

Peter has spoken about progress against some of our key strategic goals.

We have broken out those goals into a turnaround plan that includes a range of important tasks and actions ahead, as we discussed at our Investor Day in June last year. They are outlined again on this slide and, as you can see, we have ticked a number of them off during FY26.

I want to touch on a few key items from our Turnaround plan. As previously mentioned, the portfolio work is well in train, with the Construction divestment completing sooner than our own expectations, alongside the sales of our Reinforcing and Wire businesses and our interests in NX2 and CSP.

The cost out and Group structure work is well advanced.

The NZ International Convention Centre has been handed over, and the 15 or so remaining legacy projects are provisioned for - we are working methodically through them with the goal of closing them out.

Clearly the major initiative for the year was the Construction division divestment, and no one should underestimate what coming out of that business does for our ability to perform as a Group. Beyond the financial drain, Construction was consuming a great deal of the organisation's time and attention. Monitoring its risk profile, managing the projects and resolving disputes were significant distractions from our core business. That focus is now back where it belongs.

I know you'll be interested in the strategic review of our Residential and Development division that we previously announced. All I can say is that we are working through the options to get the best outcome for shareholders and we will update you when we have news to share.

One more thing in the "Future" column. It says, "further decentralise corporate functions". There is still more to do, but we are getting closer to an optimal balance. The reality is that, whilst our preference is to have businesses choosing and owning their functionality, some centralised corporate functions do carry real economies of scale which we may not want to forego. But I can assure you we are running the ruler over everything.

Overall, I'm proud of what the team has achieved, as no single item on this list has got us here – rather it is the combined progress against all of them

FY26 divisional performance

Turning to the divisions, the important message is that, whilst there was some uneven performance, fundamentally the core manufacturing businesses delivered a creditable and resilient outcome in what was still a challenging market.

The priority now is to convert operational improvement into consistently stronger returns across the full portfolio. On ROIC, Light Building Products is strongest at 7.2% and Heavy Building Materials is at 5.1%. Distribution, at 1.4%, has the furthest to go.

- Starting at the left of the table, Light Building Products, earnings grew 22%.

Additions & Alterations volume and activity in the rural sector offset weaker residential construction activity in the North Island, while the South Island and Australia performed relatively well.

- Winstone Wallboards grew volumes by 4% and again delivered double-digit returns, while Insulation also performed well, including double-digit ROIC in Australia.
- We also saw continued volume recovery through the second half across many of the Light Building Products businesses, a result of improving activity in some of our end markets.
- In Heavy Building Materials, earnings grew 8% versus the prior year.
- Winstone Aggregates improved materially in the second half, delivering double-digit ROIC through stronger project activity and Urban Quarry share growth.
- Firth benefited from lower energy costs and stronger late-year volume momentum. However, we know that the concrete piling market, where we have a large share in Auckland, has seen delays in project commencement.
- In Distribution, full year earnings were lower at \$12 million. However, performance improved materially in the second half of the year with the division returning to profitability.
- Going forward, the structural cost of the division will benefit from both labour productivity improvement from the new Cavendish Drive plant, helping us gain greater share of wallet in further sales, as well as a flatter organisational structure.
- A further lever for growth is our regional joint venture branch model, which we've re-established this year, commencing with four branches in Southland.
- In Residential & Development, the Auckland market remained subdued, with elevated inventories and pricing pressure, while Canterbury remained resilient

Where are the volumes tracking?

The charts show volumes for our main businesses, indexed to 100 at the end of FY19, with Light Building Products on the left and Heavy Building Materials and Frame and Truss on the right. Each line is a rolling twelve-month average.

The Group has made a better start to FY27, with Q1 sales volumes ahead of the same period last year in most business units. Growth was broad-based across Light Building Products, Heavy Building Materials and Distribution, supported by residential, infrastructure and commercial activity, and market share gains. Compared with Q4 FY26, volumes largely followed normal seasonal patterns. The exception was pipelines, as customers worked through stock bought ahead of our Q4 FY26 price increases. Residential & Development remained challenging, particularly in Auckland.

Tailwinds and Headwinds

Let me update you on how market conditions have developed since the full-year results and what that means for the year ahead.

I'll start with New Zealand:

- First, the Residential market. Building consents are back above 40,000 for the first time since 2023, and our volumes have lifted a bit through the second half of FY26 and into Q1 FY27. What's interesting is that those consents are not converting into activity as quickly as they normally would. Our read is that uncertainty is causing people to hold off already consented projects, especially given high inventory levels. That said, Additions and Alterations activity is providing a welcome offset, and remains strong.
- Commercial construction remains weak - we are not seeing much improvement there. There are strong indications that uncertainty, driven by a mix of geopolitics, interest rate hikes and local election sentiment are causing projects to be delayed.
- However, Infrastructure is the offset, with activity just starting to bubble. Major roading and social infrastructure work is commencing, for example the second Ashburton Bridge, the Hawke's Bay bridge programme, Northern Corridor, Riverlink, Ōtaki to north Levin, hospitals at Whangārei, Nelson and Dunedin, Christchurch prison and a programme of school classrooms around the country.

Now for Australia:

- Population growth and underlying housing demand are supportive of our markets. Interest rates and affordability are not. Also, the picture varies more than usual by state. Renovation activity, however, appears more robust, similar to what we're seeing in New Zealand.
- Meanwhile, Commercial construction is being supported by health, education and data centre demand, concentrated in New South Wales. This is partly offset by a contraction in office, retail and industrial projects.
- And in terms of Infrastructure, there is a strong pipeline, including the 2032 Brisbane Olympics. Growth is expected to be concentrated in energy transmission, water and social infrastructure.

On Infrastructure in both countries, it's worth noting that our exposure to this sector is smaller than our exposure to residential and commercial. So, while it's encouraging, it won't move the dial for the Group on its own.

The point I would leave you with is this: The reason the last few years have been so hard is that residential, commercial and infrastructure construction activity all came down at the same time, in both countries. They are now moving again, albeit at different speeds. But we do not need all three sectors to turn at once for us to make progress from here.

So, we are not waiting for the markets to turn around to improve our performance. We are proactively continuing with our strategic plan and programme of self-improvement to deliver in any environment

Our safety

Before discussing anything else on safety, I want to acknowledge the tragic loss of Max, our team member who passed away following a crane incident in Vanuatu in July last year.

The loss of Max is totally unacceptable and reinforces the scale of commitment to safety required across the entire organisation. Whilst overall our Protect programme has delivered real improvements in our safety outcomes over the last seven years, these serious and tragic events remind us that we must remain vigilant and continue to improve.

We have reviewed all 339 of our locations across Australia and New Zealand as part of our ongoing focus on improving our safety performance and, moving forward, we are conducting a further safety system review and refreshing our Protect framework for leaders in the business

Our customers

Our customers remain at the heart of everything we do. We are proud of the role we play in enabling infrastructure, housing and community development across New Zealand and Australia. The projects highlighted on this slide are just examples of our latest projects spanning a huge range of work – from pouring concrete for wind farms and laying pipe for our urban infrastructure, to fitting out a flagship clinic and rewarding trade customers through PlaceMakers PLUS.

Our community

We're proud of our community partnerships. We have a role to play in both New Zealand and Australian societies, and we try to do our bit to make a positive impact. On the slide you will see just a small subset of examples of the good work our teams are doing across our many locations – from supporting children living with critical illnesses, to helping sports clubs raise roofs, to providing support to communities experiencing food insecurity.

Our environment

Moving to the environment. We remain committed to our environmental targets, because it is simply good business, and 76% of our revenue currently comes from Sustainably Certified products. Scope 1 and 2 carbon emissions are 21% below our FY18 baseline, and 86% of our waste is diverted from landfill.

Golden Bay Cement is among the top quartile of low-carbon cement producers globally and received the Carbon Reduction Award at the 2025 Concrete NZ Conference Awards. Initiatives such as The Urban Quarry are further examples of our circular economy ambition.

Hunua Quarry

Turning now to further good news for Winstone Aggregates, and for Auckland.

On 15 October, the Expert Panel approved the development of our Hunua Quarry under the Fast Track Approvals Act, granting the main consents we need to expand and deepen the existing quarry.

Hunua is one of Auckland's largest quarries, producing around 3 million tonnes of aggregate a year – roughly 20 to 25 per cent of the region's supply. The approval lifts our reserves from around 40 million tonnes – roughly 10 to 15 years of supply – to around 225 million tonnes of high-quality greywacke. That supports more than 50 years of quarrying, with output able to rise to around 5 million tonnes a year as demand requires.

Aggregate underpins New Zealand's roads, housing and commercial building. A long-term source close to Auckland's main markets secures supply and keeps transport distances short – benefiting our customers and the region, and giving us a long-life asset with room to grow.

The approval comes with a comprehensive set of conditions. We're committed to meeting them, and we'll keep working constructively with mana whenua, our neighbours and the local community as the project moves forward.

Conclusion

As I finish with the operational update, I want to leave you with this: we have delivered a robust performance in a tough operating environment and made good progress on our strategic plan:

- We have progressed with the portfolio simplification.
- We have put the focus on performance and made ROIC a discipline in our business.
- We've moved quickly and decisively, and we now have a fitter, leaner organisation.

The next stage is in front of us, and the job now is proving out where the growth comes from inside the core and exploring opportunities to further simplify the portfolio. I would like to say thank you to all of our teams - for performing under both major organisational change and a challenging macro environment.

I will now pass back to Peter for the Conclusion

Peter Crowley, Chair

Conclusion

Thank you Andrew. To wrap up, let me return to the five takeaways for FY26 that I set out at the start of my presentation:

1. We delivered a steady performance in a tough macro environment;
2. We executed against our strategy;
3. We have a strengthened balance sheet, with net debt in our target range;
4. Group ROIC improved, though there is more work to do; and
5. Operating cashflows were strong, albeit still impacted by some legacy projects.

That progress was achieved during a period of considerable organisational change and difficult trading conditions. FY26 was an important transition year for Fletcher Building. The task ahead is clear - to turn a simplified portfolio, stronger balance sheet and lower cost base into sustainable improvement in returns and long-term value for shareholders. On behalf of the Board, I thank our people for their commitment and professionalism, and I thank you, our shareholders, for your continued support.

ENDS

Authorised for release to the market by Haydn Wong, Company Secretary.

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