

Fonterra Co-operative Group

Special Meeting 2025



10.30am on Thursday, 30 October 2025
Online

Agenda

Welcome

Chairman's Address

Chief Executive Officer's Address

Chair of Fonterra Co-operative Council's
Address

Resolution: Approval of sale of Mainland Group

Questions

Voting

Closing

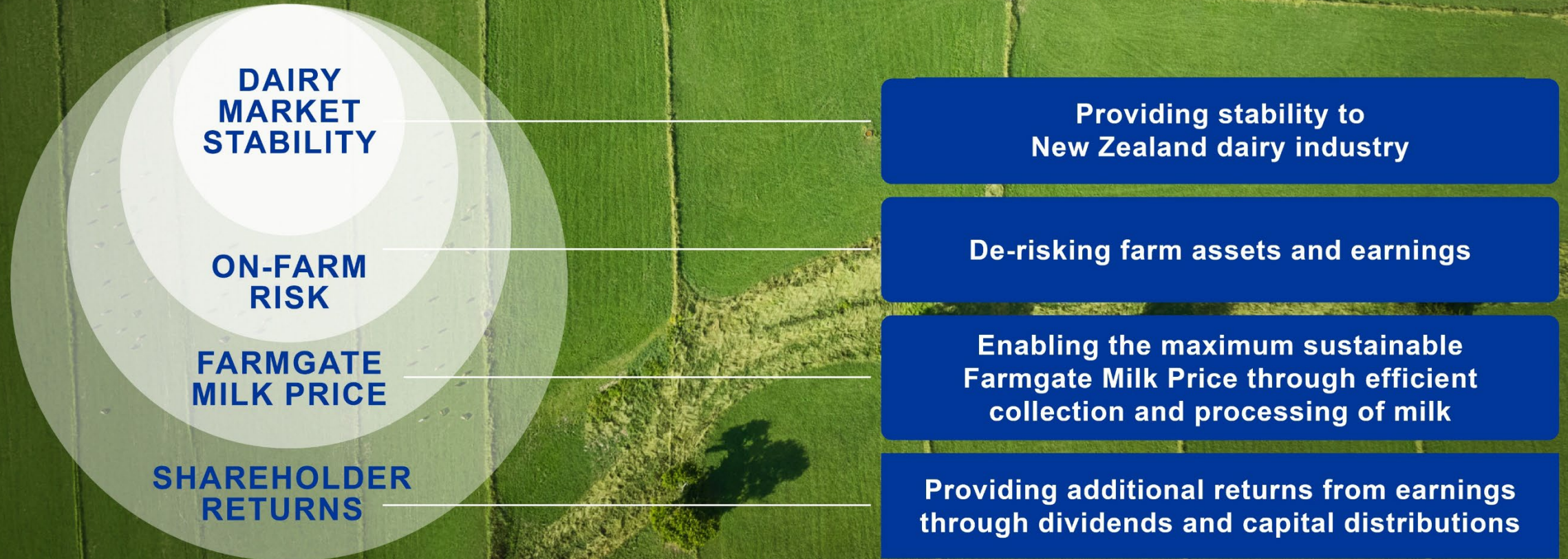


Peter McBride

Chair's address



How we create end-to-end value for farmers



Divestment Proposal

Purchase Price

\$4.22_b

Proposed Tax-Free Capital Return

\$2.00 per share

Shareholder Vote

30 Oct

Key terms of sale agreement

- Lactalis to purchase:
 - Consumer business (excluding Greater China)
 - Integrated businesses in Oceania and Sri Lanka
 - Middle East & Africa Foodservice business
- Includes long term agreements for milk supply, ingredients and other products to the divested business
- Sale is subject to separation of the business from Fonterra and approval from:
 - Fonterra shareholders by ordinary resolution
 - OIO in New Zealand, FIRB in Australia and certain competition authorities

B2B dairy expertise that leads the world

NZMP and Anchor Food Professionals are world leading product and solutions brands



Unleashing our Ingredients engine



100+ products

- One of the largest product ranges in the global dairy industry
- From core high-quality dairy ingredients to sophisticated, functional components
- Over 1,000 customers in more than 100 countries
- Offices in 13 global locations, with a strong partnership network
- Vital for formulas and recipes to some of the world's most important food and nutrition brands

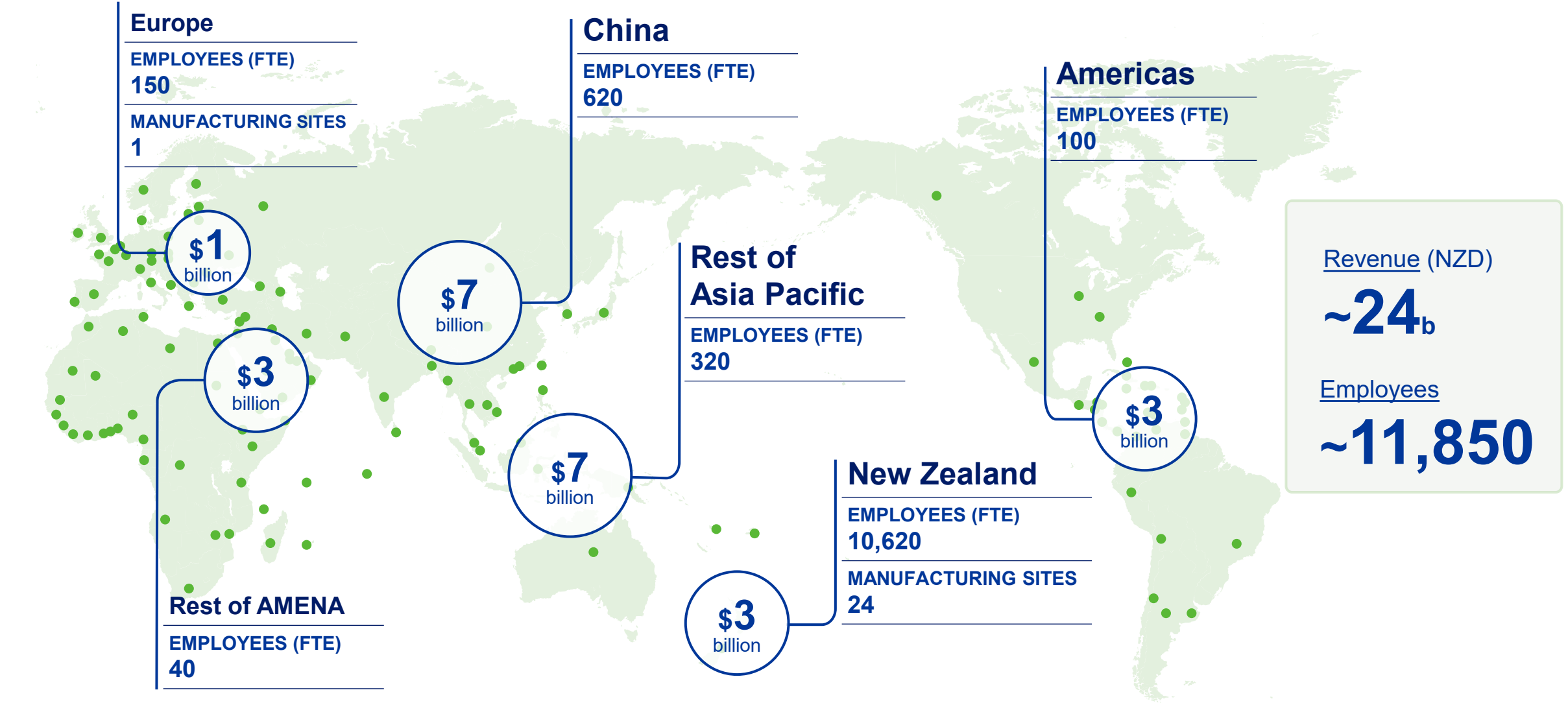
Keep momentum in Foodservice



50+ products

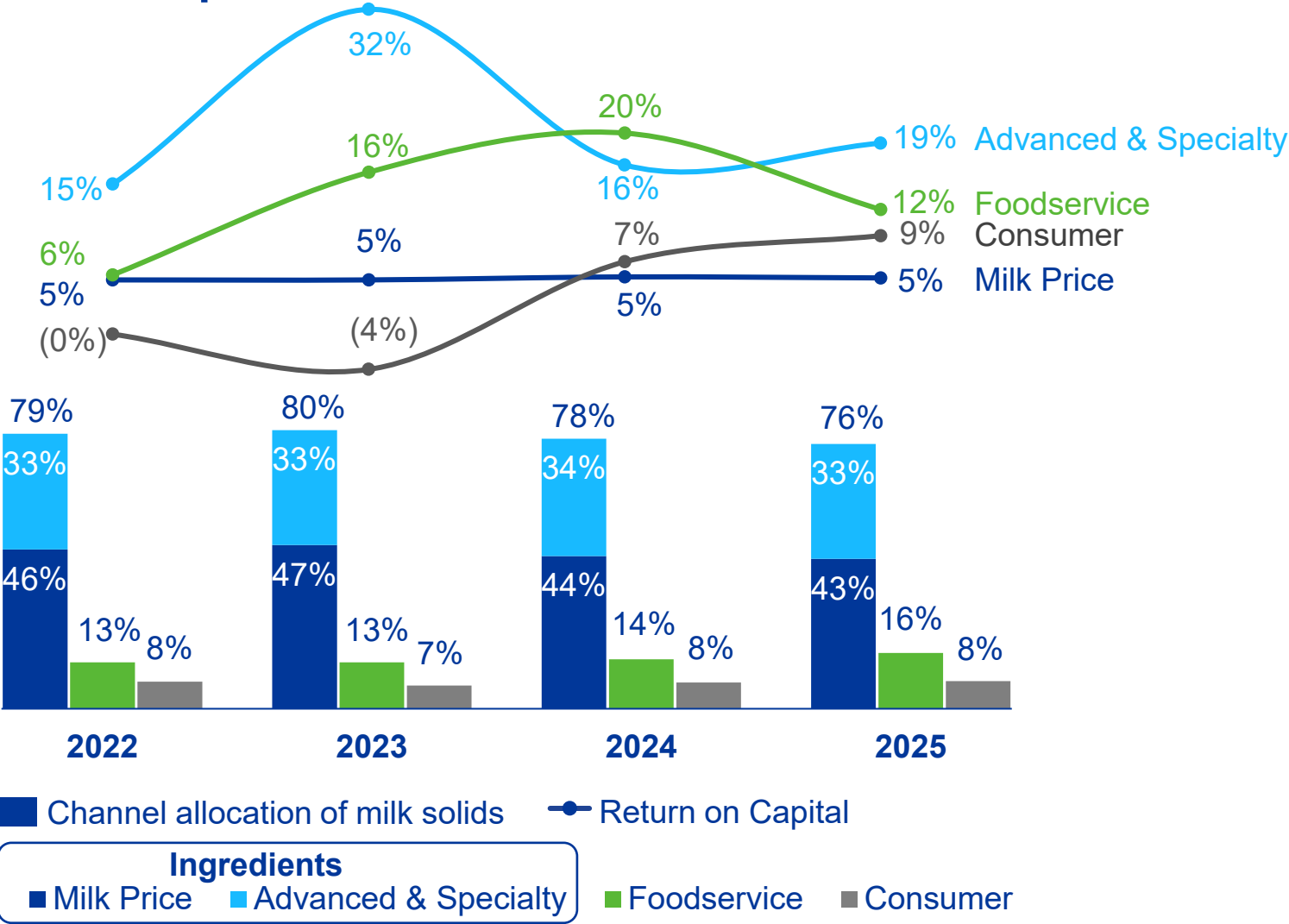
- High performing dairy products covering cream, cheese, butter and cream cheese
- Customers in over 50 countries
 - 500 cities across Greater China and 6 application centres
 - 50,000 food operators across Southeast Asia
- Accelerating growth in other markets such as Mexico, Japan, Korea and Taiwan

A significant and diverse B2B presence globally



Why divest Mainland?

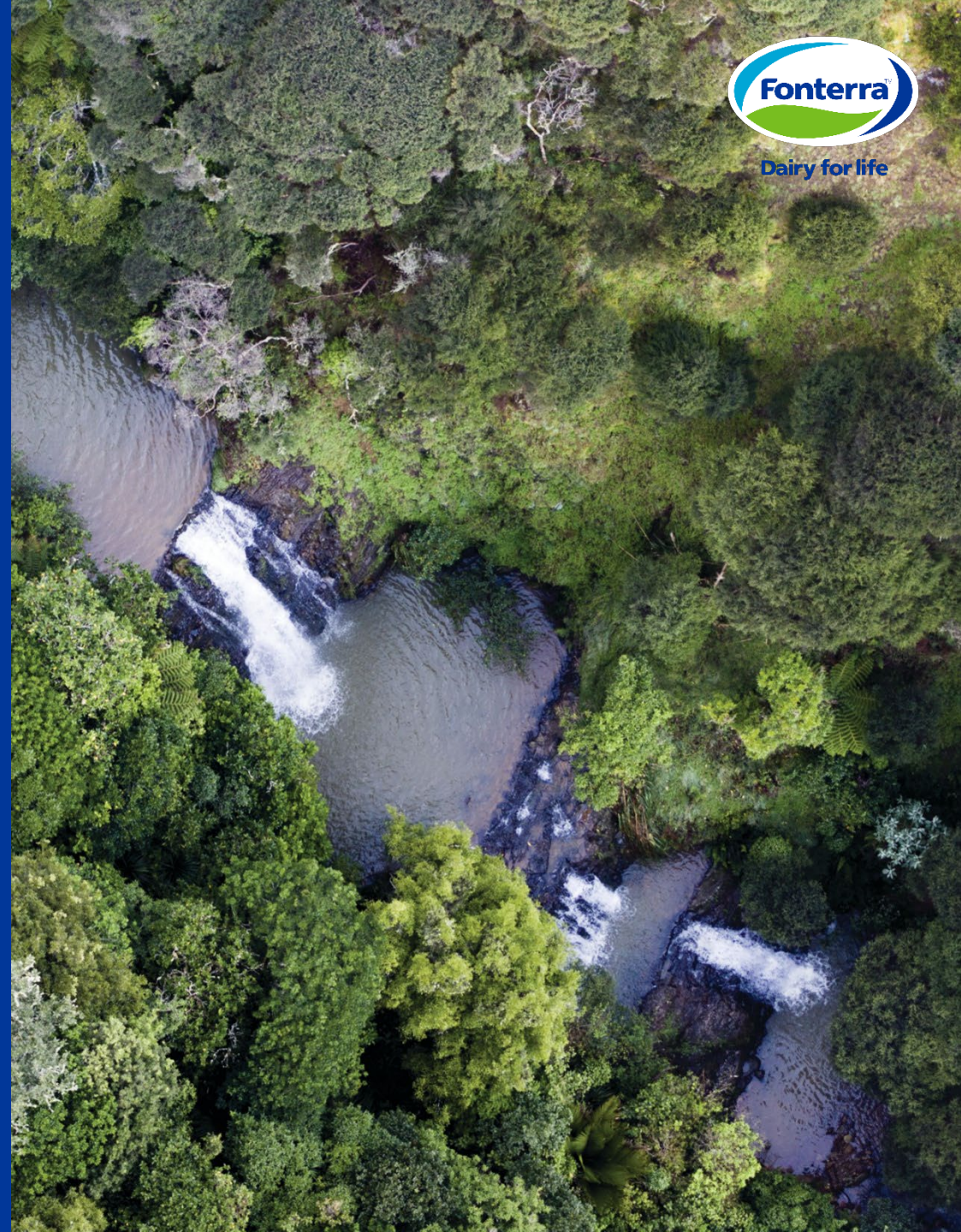
Channel performance



- Ingredients generates the Farmgate Milk Price and, alongside Foodservice, contributes majority of Co-op's earnings
- Divestment of Mainland would allow Fonterra to focus on what it does best – being a B2B provider of dairy to the world
- Farmers' capital invested into the consumer business comes at the expense of options for our Ingredients and Foodservice businesses
- Lactalis identified significant potential in the Mainland business and considers it has the experience and global scale required to take it to the next level

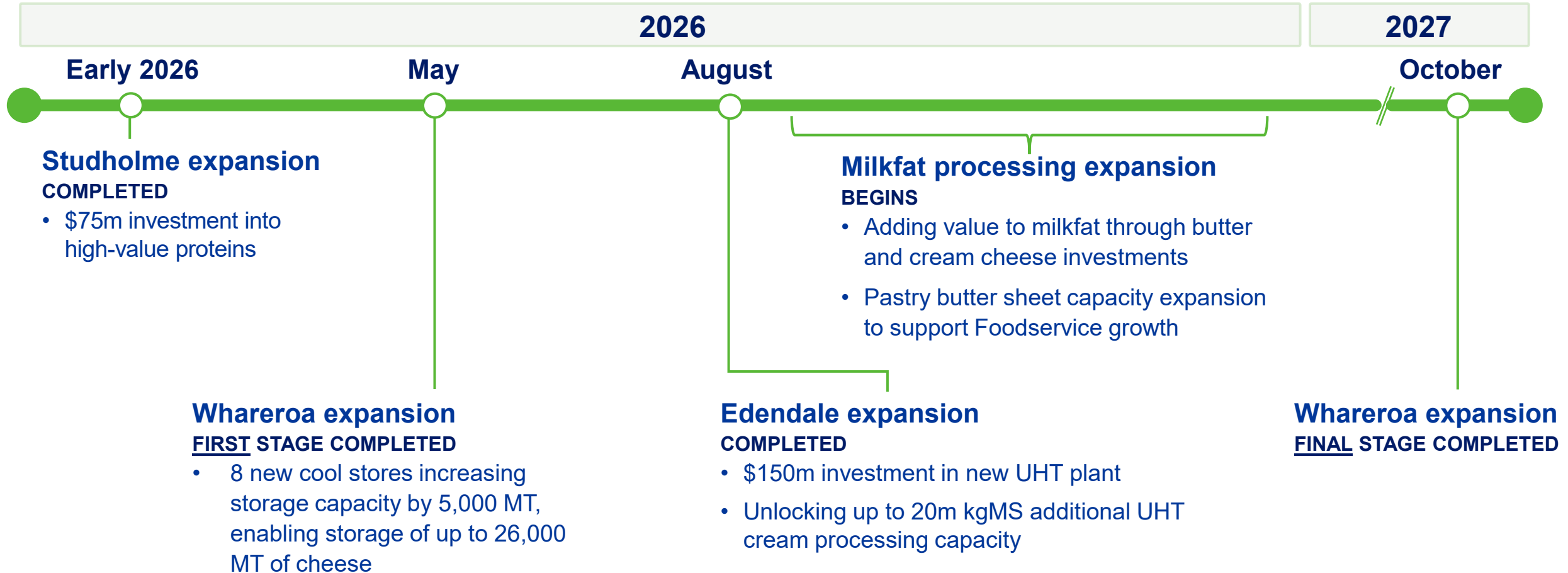
Miles Hurrell

CEO's address



Investing to support strategy

FY26 includes a strong pipeline of investments continuing to unlock capacity for higher margin products



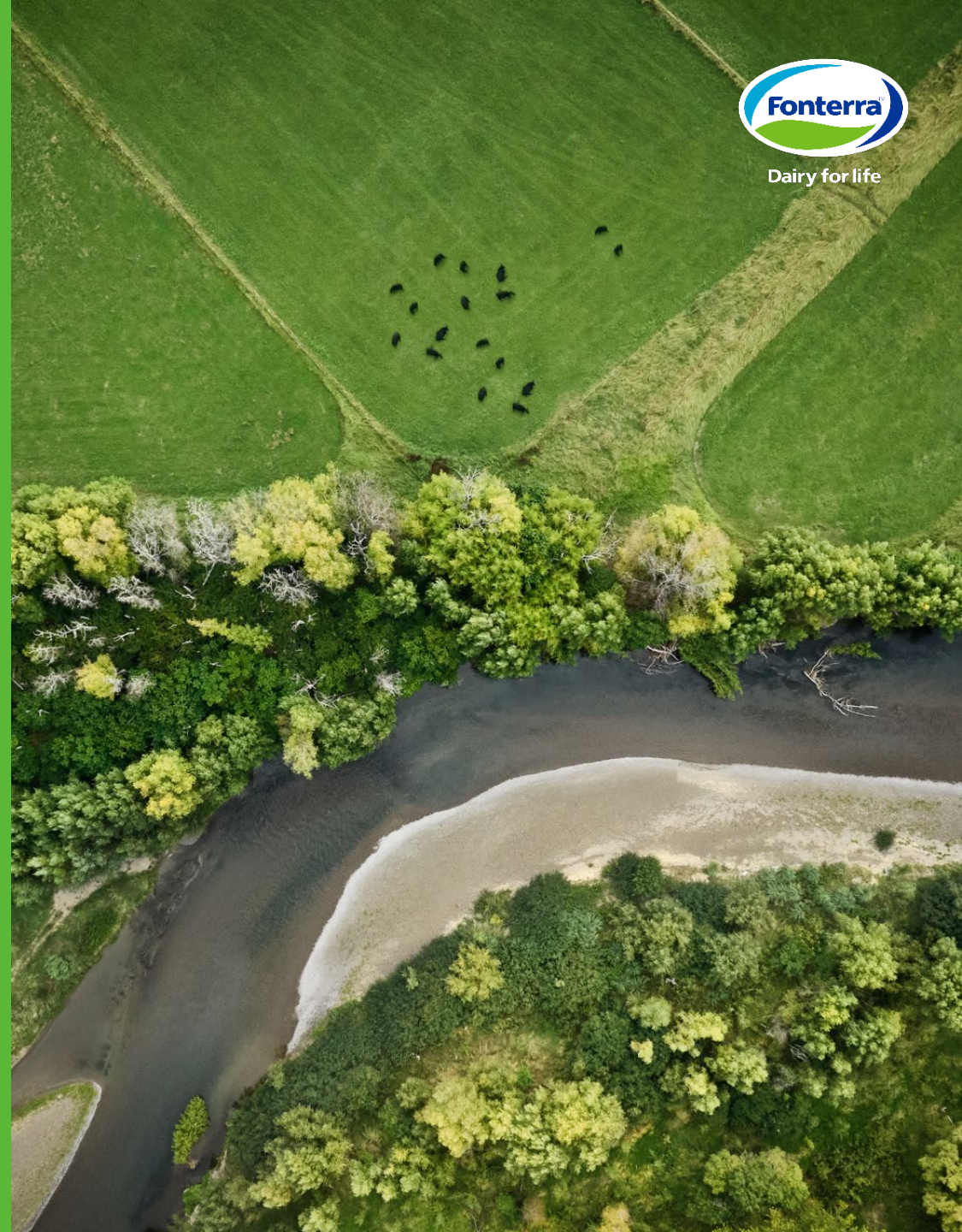
Delivering on strategy targets

OUTCOMES	TARGETS & POLICY SETTINGS		FY19-24 AVERAGE
Strong Shareholder returns	Return on capital ¹	10-12%	8.2%
	Dividend policy	60-80%	62%
	Capital distributions	Guided by Resource Allocation Framework	
Stable balance sheet	Gearing ratio	30-40%	38%
	Debt to EBITDA	< 3x	2.7x
Enduring Co-op	Capital investment requirements	~\$1+ billion per annum in Essential, Sustainability, Growth	\$660m
	Emissions reduction by 2030 ²	Absolute Scope 1 & 2 Energy & Industrial GHG emissions	50.4%
		Scope 1 and Scope 3 FLAG GHG emissions intensity from dairy ³	30.0%

1. Average Return on Capital FY24-30
2. From an FY18 base year
3. Forest, Land and Agricultural emissions per tonne of fat-and-protein-corrected milk

John Stevenson

Chair, Fonterra Co-operative Council



Resolution

That the sale of all the shares in Mainland Group Holdings Limited pursuant to the sale and purchase agreement with B.S.A. SAS dated 22 August 2025 as described in the Explanatory Notes, is approved, including for the purposes of NZX Listing Rule 5.1.1(b).

Fonterra Co-operative Group

Questions





Your Co-op, Your Vote.

- Click on the 'Voting' tab on the menu bar
- Then click on 'Click here to vote'
- Once on the voting page, enter your Pin and Password to complete voting

If you have any difficulties with voting, please click on the "Help" button in the online meeting platform.

Voting closes 5 minutes after the business of the Special Meeting has concluded.



Close of Business of Meeting



Fonterra Co-operative Group

Special Meeting 2025 has now closed. Thank you.



Dairy for life

