

Fonterra Annual Meeting 2025

Notice of Hybrid Annual Meeting of Shareholders and Explanatory Notes



10.30am on Thursday, 11 December 2025

Christchurch Town Hall - Limes Room
86 Kilmore St
Christchurch
Canterbury

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Fonterra Co-operative Group Limited

2025 Annual Meeting

Fonterra's Annual Meeting will be held as a hybrid meeting at 10.30am on Thursday, 11 December 2025. Shareholders may either attend in person at the Christchurch Town Hall - Limes Room, 86 Kilmore Street, Christchurch, Canterbury or join online using the instructions set out below.

Annual Meeting documents

Each shareholder has been sent:

- This Notice of Meeting booklet, which includes:
 - a letter from the Chair;
 - the Notice of Meeting (including the text of the matters to be voted on by shareholders) (Part One); and
 - explanatory notes regarding each of the matters to be voted on by shareholders (Part Two).
- A Fonterra Board of Directors Election Voting Paper.
- A Fonterra Board of Directors Candidate Booklet.
- A Fonterra Co-operative Council Voting Paper (for shareholders in Wards 10 and 11 only).
- A Fonterra Co-operative Council Candidate Booklet (for shareholders in Wards 10 and 11 only).
- A combined Annual Meeting Voting/Proxy Paper. Use this Voting/ Proxy Paper:
 - To vote online or by post so that the Returning Officer receives your vote no later than 10.30am on Tuesday, 9 December 2025.
 - If you are attending the Annual Meeting in person, to vote in person.
 - If you are unable to attend the Annual Meeting, and you do not wish to vote online or by post, you can appoint a proxy to attend and vote on your behalf by completing the Voting/Proxy Paper and returning it to the address specified on the freepost envelope included in the voting pack or otherwise as set out on the form, so that the Returning Officer receives it no later than 10.30am on Tuesday, 9 December 2025.
 - If you are a company or other body corporate, you can appoint a representative to attend and vote on your behalf by completing the Voting/Proxy Paper.

Further instructions are on the back of the Annual Meeting Voting/ Proxy Paper and on page 2 of this Notice of Meeting.

Note: Shareholders without voting entitlements have only been sent this Notice of Meeting booklet.

How to join online

To attend the meeting and participate online, use the following link to the virtual meeting platform:

<https://fonterra.brandlive.com/Fonterra-Co-operative-Group-Annual-Meeting-2025/en>

Shareholders may attend and participate in the meeting virtually via the online platform and will be able to vote and ask questions during the meeting. Shareholders will be required to enter their name, supply number and email address.

More information regarding virtual attendance at the meeting (including how to vote and ask questions virtually during the meeting) is available on the Farm Source website www.nzfarmsource.co.nz by following the voting links, and is also available here: <https://www.fonterra.com/nz/en/investors/results-and-reporting/archived-reports.html>.

Questions

Shareholders will be able to ask questions in person or, for those attending online, via the online platform during the Annual Meeting. We encourage shareholders to submit questions online as early as possible to ensure that as many questions as possible are received and addressed at the appropriate time during the meeting.

Meeting attendees

The Annual Meeting is held for the benefit of shareholders and their authorised proxies and representatives. Fonterra management will also be in attendance, as well as the auditors and invited members of the media.

Voting

Shareholders can vote on the matters to be considered at the Annual Meeting online or by post. The instructions on how to vote in this manner can be found on the Annual Meeting Voting/ Proxy Paper.

electionz.com Limited has been authorised by the Board to receive, at the address specified on the freepost envelope included in the voting pack or otherwise set out on the Annual Meeting Voting/Proxy Paper, and count, all online and postal votes.

Shareholders can also vote by attending the meeting in person or online, or by appointing a proxy or representative (who can attend the meeting in person or online to vote on their behalf).

All online and postal votes must be received by the Returning Officer by **10.30am on Tuesday, 9 December 2025**.

Voting entitlements

A shareholder's voting entitlement is based on their share backed milk supply.

'Supplying Shareholders' receive one vote for every 1,000 kilograms of milksolids backed by shares that they supplied to Fonterra during the season ended 31 May 2025. The voting

entitlement of 'Secondary Shareholders' is based on share backed milk supply, up to the 'agreed percentage' in relation to Fonterra's share standard for the relevant supplying farm. By way of example:

- if a Supplying Shareholder supplied 100,000 kilograms of milksolids but held only 75,000 shares, they would have only 75 votes, whereas if they held 100,000 shares they would have 100 votes; and
- if the 'agreed percentage' for a Secondary Shareholder is 50% and the supplying farm supplied 100,000 kilograms of milksolids but the Secondary Shareholder held only 45,000 shares, they would have only 45 votes, whereas if they held 50,000 shares they would have 50 votes.

If a Supplying Shareholder did not supply last season but now owns an existing farm that supplied last season, the voting entitlement for that Supplying Shareholder and any Secondary Shareholder will be based on that farm's supply last season or on the Board's estimate of milksolids production for this season.

In the case of a dry farm conversion and farm amalgamations/divisions, voting entitlement is based on one vote for every estimated 1,000 kilograms of milksolids to be supplied during the season ended 31 May 2026. Milk supplied on Contract Supply and milk which is not backed by shares is excluded from milksolids production when calculating voting entitlements.

In accordance with the Companies Act 1993 (the Companies Act), the Board has fixed Thursday, 13 November 2025 following the close of trading (the Voting Entitlement Time) as the date for determining voting entitlements of shareholders for this meeting.

Accordingly, those persons who are, at the Voting Entitlement Time, registered as shareholders will be entitled to vote at the Annual Meeting in respect of their supply, as noted above, backed by shares registered in their name at the Voting Entitlement Time.

A shareholder's voting entitlement is shown on their Annual Meeting Voting/Proxy Paper, which is enclosed with this pack (if applicable). If a shareholder appoints a proxy or representative, the proxy or representative will exercise that shareholder's voting entitlement as described above.

Shareholder questions or requests for corrections relating to voting entitlements should be sent to electionz.com (email: info@electionz.com or phone: +64 3 377-3530).

Proxies or representatives

Proxies

Shareholders may appoint a proxy to attend, and vote at, the Annual Meeting on their behalf. If a shareholder wishes to appoint a proxy, the shareholder must ensure that the Returning Officer receives their completed Voting/Proxy Paper by no later than 10:30am on Tuesday, 9 December 2025.

Shareholders can submit their completed Voting/Proxy Papers by posting the completed Voting/Proxy Paper to the address on the Voting/Proxy Paper (or use the enclosed freepost envelope).

If a shareholder appoints a proxy, the shareholder can either direct the proxy how to vote or let them decide on the shareholder's behalf by ticking the box marked "discretion". If the shareholder does not tick a box for a Resolution, then their proxy will have discretion on how to vote on the shareholder's behalf.

A proxy need not be a shareholder. A shareholder may, if they wish, appoint the Chair or any other Director as their proxy. The Chair and all other Directors and their associated persons (as that term is defined in the NZX Listing Rules) are disqualified from acting as a discretionary proxy in relation to Resolution 1. Subject to voting restrictions, the Chair and all other Directors intend to vote undirected proxies in favour of the Resolutions.

If, in appointing a proxy, the shareholder does not name a person to be their proxy, or their named proxy does not attend the Annual Meeting, the Chair will be their proxy and will vote in accordance with the shareholder's express direction. If the shareholder has not included an express direction, the Chair will exercise that shareholder's vote in favour of the Resolution (subject to voting restrictions).

Once appointed, a proxy can be changed or the shareholder's voting direction to their proxy can be changed by lodging a new Voting/Proxy Paper by written notice to Fonterra at its registered office (addressed to the Returning Officer), provided this is received before 10:30am on Tuesday 9 December 2025. A shareholder may revoke the appointment of any proxy by written notice to Fonterra at its registered office (addressed to the Returning Officer) by no later than 7:30am on Thursday, 11 December 2025. If you attend the Annual Meeting online you may, but are not required to, revoke your proxy by voting on the Resolutions.

Corporate representatives

A corporation which is a shareholder may appoint a corporate representative to vote on its behalf in the same manner as that in which it could appoint a proxy.

Votes required and quorum

The ordinary resolutions will be passed if they are approved by a simple majority of the votes of those shareholders entitled to vote and voting on the resolutions.

The special resolution will be passed if it is approved by a majority of 75% or more of the votes of those shareholders entitled to vote and voting on the resolution.

Directors and their associated persons (as that term is defined in the NZX Listing Rules) are disqualified by Listing Rule 6.3.1 from voting on, or acting as a discretionary proxy in relation to, Resolution 1. There are no other voting restrictions on the resolutions to be considered at the meeting.

Results of voting

The results of voting at the Annual Meeting will be posted on NZX, the Farm Source website and our My Co-op app as soon as vote counting is complete and the Chair has declared the results.

Chair's Letter

Kia ora tātou

Our 2025 Annual Meeting will be held as a hybrid meeting at 10.30am on Thursday, 11 December 2025. Shareholders may either attend in person at the Christchurch Town Hall (Limes Room), 86 Kilmore Street, Christchurch, Canterbury or join the meeting online.

At this year's meeting, Miles and I will review the Co-operative's performance in 2025 and discuss the outlook for 2026 and beyond.

We will also spend time discussing the revised strategic direction and associated financial settings following the decision to divest our Consumer and associated businesses that was the subject of our Special Meeting in October.

As always, there will be time for you to ask questions about these topics, or any other matter of interest during General Business. This year, shareholders are being asked to vote on five ordinary business resolutions:

- Resolution 1: ratify, and approve changes to, the remuneration of Directors;
- Resolution 2: approve changes to the remuneration of Co-operative Councillors;
- Resolution 3: approve changes to the remuneration of the Directors' Remuneration Committee members;
- Resolution 4: approve the appointment of KPMG as the auditor and authorisation of the Directors to fix the auditor's remuneration;
- Resolution 6: approve the Co-operative Council programme and budget.

Each of these ordinary resolutions requires more than 50% of votes cast in favour of it to be passed. There is also one special resolution which shareholders are being asked to vote on:

- Resolution 5: approve amendments to the Constitution relating to Fonterra's move to the NZX Main Board.

This special resolution requires more than 75% of votes cast in favour of it to be passed.

If you can't attend the Annual Meeting in person or online and are eligible to vote, you can cast your vote online, by post, or by way of proxy or representative. Further instructions on how to vote by all of these methods can be found on the voting paper in your voting pack (if applicable).

I look forward to seeing as many of you as possible in Christchurch and online.

Ngā mihi



Peter McBride
Chairman

Fonterra Co-operative Group Limited

Annual Meeting Agenda

Below is the proposed programme for the Annual Meeting. Shareholders should note that the order may change at the discretion of the Chair. Shareholders should allow sufficient time to register their attendance upon arrival, prior to the start of the meeting.

10.00am - Registration
10.30am - Welcome Welcome - Peter McBride, Chair of the Board
Annual Meeting Proceedings Chief Executive Officer's presentation Chair's review
Approval of Remuneration of Directors, Co-operative Councillors and Directors' Remuneration Committee Members Directors' Remuneration Committee review – Conall Buchanan, Chair of the Directors' Remuneration Committee Resolution 1: Ratification of, and approval of changes to, the remuneration of Directors Resolution 2: Approval of changes to the remuneration of Co-operative Councillors Resolution 3: Approval of changes to the remuneration of members of the Directors' Remuneration Committee
Appointment of auditor Resolution 4: Appointment of KPMG as auditor and authorisation of the Directors to fix the auditor's remuneration
Amendments to the Constitution relating to Fonterra's move to the NZX Main Board Resolution 5: Approval of amendments to the Constitution relating to Fonterra's move to the NZX Main Board
Co-operative Council report Chair of Council's review – John Stevenson
Co-operative Council programme and budget Resolution 6: Approval of the Co-operative Council programme and budget
Voting paper collection
General business
12.30pm - Closing (approximately)

PART ONE

Notice of Annual Meeting of Shareholders of Fonterra Co-operative Group Limited

Notice is given that the Annual Meeting of the shareholders of Fonterra Co-operative Group Limited (the Company) will be held as a hybrid meeting at 10.30am on Thursday, 11 December 2025. Shareholders may either attend in person at the Christchurch Town Hall (Limes Room), 86 Kilmore Street, Christchurch, Canterbury or join online using the instructions set out in this Notice of Meeting.

Peter McBride
Chair, on behalf of the Board
Notice of Meeting dated 17 November 2025

Business

Welcome.

Annual Meeting proceedings

Chief Executive Officer's presentation.

Chair's review.

Remuneration of Directors, Co-operative Councillors and Directors' Remuneration Committee Members

Directors' Remuneration Committee review.

Resolution 1: Ratification of, and approval of changes to, the remuneration of Directors

To ratify, and consider changes to, the remuneration of each of the Directors in accordance with the recommendations of the Directors' Remuneration Committee and, if thought fit, to resolve:

"To ratify, and approve changes to, the remuneration of each of the Directors in accordance with the recommendations of the Directors' Remuneration Committee."

Resolution 2: Approval of changes to the remuneration of Co-operative Councillors

To consider changes to the remuneration of Co-operative Councillors recommended by the Directors' Remuneration Committee and, if thought fit, to resolve:

"To approve the changes to the remuneration of Co-operative Councillors, as recommended by the Directors' Remuneration Committee."

Resolution 3: Approval of changes to the remuneration of members of the Directors' Remuneration Committee

To consider changes to the remuneration of members of the Directors' Remuneration Committee recommended by the Board and, if thought fit, to resolve:

"To approve the changes to the remuneration of members of the Directors' Remuneration Committee, as recommended by the Board."

Appointment of auditor

Resolution 4: Appointment of KPMG as auditor and authorisation of the Directors to fix the auditor's remuneration

To consider the appointment of KPMG as auditor of the Company and authorisation of the Directors to fix the auditor's remuneration and, if thought fit, to resolve:

"To appoint KPMG as auditor of the Company until the conclusion of the Company's next Annual Meeting and authorise the Directors to fix the auditor's remuneration."

Amendments to the Constitution relating to Fonterra's move to the NZX Main Board

Resolution 5: Approval of amendments to the Constitution relating to Fonterra's move to the NZX Main Board

To consider and, if thought fit, to resolve as a special resolution:

"To approve the proposed amendments to the Constitution of the Company, as set out in the section headed 'Resolution 5' of Part Two of the Notice of Meeting."

Co-operative Council report

Chair of Council's review.

Co-operative Council programme and budget

Resolution 6: Approval of the Co-operative Council programme and budget

To receive and consider the Co-operative Council's report on its activities during the financial year ending 31 July 2025 and its view on the alignment of Company strategy and performance to members' expectations and aspirations; the Milk Commissioner's report for the 2024/25 season (which is set out in the Co-operative Council's 2025 Annual Report); and the Co-operative Council's programme and budget for the financial year ending 31 July 2026 and, if thought fit, to resolve:

"To approve the Co-operative Council's programme and budget for the financial year ending 31 July 2026."

PART TWO

Explanatory Notes to Notice of Annual Meeting

Welcome

The Chair will welcome shareholders.

Annual Meeting proceedings

Chief Executive Officer's presentation.

Chair's review.

Remuneration of Directors, Co-operative Councillors and Directors' Remuneration Committee Members

Resolution 1: Ratification of, and approval of changes to, the remuneration of Directors

The Directors' Remuneration Committee (DRC) met in July 2025 to consider, and recommend to shareholders, the form and amount of Directors' remuneration. The DRC comprises six elected shareholders and is chaired by Mr Conall Buchanan.

The DRC reviewed remuneration practices in New Zealand and Australia. The DRC considered whether current remuneration levels were appropriate to ensure highly skilled Directors were attracted and retained on the Board, noting the substantial Director workload. The DRC confirmed that small incremental annual increases in fees continued to be its preferred approach, rather than having periods of no increase followed by large uplifts. The DRC determined that the appropriate level of an increase to recommend was approximately 3%.

The DRC reviewed the allocations made from the discretionary pool in the prior year, and was comfortable that the pool was utilised in a reasonable manner.

Historically, only the remuneration of directors elected by shareholders ('Elected Directors') has been approved by shareholders. Since Fonterra's move to the NZX Main Board, the remuneration of independent directors appointed by the Board ('Appointed Directors') also needs to be approved. This Resolution 1 therefore refers to 'Directors' (being both Elected Directors and Appointed Directors).

In accordance with the waiver granted to Fonterra by NZX Regulation Limited (NZ RegCo), New Zealand's listed market operator, dated 17 December 2024, this Resolution 1 also ratifies the remuneration of Appointed Directors between the date Fonterra migrated to the NZX Main Board and the date remuneration for the Directors is set by the shareholders. The remuneration for Appointed Directors during that period is \$202,000 p.a. for each Appointed Director, together with a right to further remuneration for positions held as Chairs of Committees and to participate in the discretionary pool of remuneration for additional duties, workloads and responsibilities.

The DRC recommended that the following changes to the remuneration of Directors be approved from the date of this Annual Meeting:

- Chair: Increase of \$15,000 (being ~3.01%) to \$513,000 p.a.
- Director: Increase of \$6,000 (being ~2.97%) to \$208,000 p.a.
- In addition, at the discretion of the Board:
 - The Chair of each permanent Board Committee (unless that person is the Chair of the Board, the Chair of the Audit, Finance and Risk Committee or already in receipt of a Committee Chair allowance): Increase of \$1,500 (being ~3.90%) to \$40,000 p.a.
 - The Chair of the Audit, Finance and Risk Committee: Increase of \$2,000 (being ~3.77%) to \$55,000 p.a.
- Discretionary pool: No change from up to \$200,000 p.a. in aggregate. The discretionary pool is provided for Directors to be remunerated for additional duties, workload and responsibilities (such fees to be allocated at the discretion of the People, Culture and Safety Committee of the Board and the Chair of the Board).

The DRC also approved the expense reimbursement policy for both Directors and Co-operative Councillors, whereby actual and reasonable expenses associated with their positions are reimbursed. It has also approved, and regularly monitors, the reimbursement of reasonable travel expenses for Directors' spouses/partners.

Directors and their associated persons (as that term is defined in the NZX Listing Rules) are disqualified by Listing Rule 6.3.1 from voting on, or acting as a discretionary proxy in relation to, Resolution 1.

Resolution 2: Approval of changes to the remuneration of Co-operative Councillors

In accordance with By-law 3.1 of the Co-operative Council By-laws, the DRC met in July 2025 to consider, and recommend to shareholders, the form and amount of the remuneration to be paid to Co-operative Councillors.

The DRC considered Councillor remuneration, noting that small incremental annual increases in fees continued to be its preferred approach, rather than having periods of no increase followed by large uplifts. The DRC determined that the appropriate level of an increase to recommend was approximately 3%.

The DRC reviewed the allocations made from the discretionary pool in the prior year, and was comfortable that the pool was utilised in a reasonable manner, but noted that the current pool did not provide much flexibility to compensate for unexpected contingencies.

The DRC recommended that the following changes to the remuneration of Co-operative Councillors be approved from the date of this Annual Meeting:

- Chair: Increase of \$4,000 (being ~3.13%) to \$132,000 p.a.
- Councillor: Increase of \$1,500 (being ~3.65%) to \$42,500 p.a.
- Discretionary pool: Increase of \$25,000 (being ~25%) to \$125,000 p.a. in aggregate. The discretionary pool is provided for additional honoraria of Co-operative Councillors (excluding the Chair of the Co-operative Council) who have additional responsibilities including as Council committee chairpersons, project leaders for Council workstreams, observers on Board Committees, or representing the Council at its request on external committees (such provisions to be allocated in whole or part at the discretion of the Chair of the Co-operative Council). The increase to the pool is recommended to allow for unexpected contingencies after Committee and observer roles have been compensated for.

Resolution 3: Approval of changes to the remuneration of members of the Directors' Remuneration Committee

In accordance with clause 34.1 of the Company's Constitution, the Board met to consider, and recommend to shareholders, the form and amount of the remuneration to be paid to members of the DRC. The DRC comprises six elected shareholders.

The DRC members' honoraria was last increased in 2024 following several static years of no increase.

The Board recommended that the following changes to the remuneration of members of the DRC be approved from the date of this Annual Meeting:

- Chair: increase of \$100 to \$3,100 p.a.
- Member: increase of \$50 to \$1,850 p.a.

Members of the DRC are also entitled to be paid for reasonable expenses incurred in connection with the business of the DRC, in line with the policy for remuneration of Directors and Co-operative Councillors.

Appointment of auditor

Resolution 4: Appointment of KPMG as auditor and authorisation of the Directors to fix the auditor's remuneration

The Companies Act requires the Company to appoint an auditor. Section 207S of the Companies Act provides that the fees and expenses of an auditor appointed at an Annual Meeting can be fixed in the manner determined at that meeting.

KPMG has audited the Company's financial statements for the year ended 31 July 2025.

The Directors recommend that KPMG be appointed as auditor for the coming year. The Directors recommend that shareholders authorise the Board to fix the auditor's remuneration.

Amendments to the Constitution relating to Fonterra's move to the NZX Main Board

Resolution 5: Approval of amendments to the Constitution relating to Fonterra's move to the NZX Main Board

Resolution 5 is a special resolution required by section 106(1)(a) of the Companies Act.

Background

In early 2025, Fonterra shifted its shares from a private market operated by the NZX to the NZX Main Board. This move followed the successful implementation of Fonterra's Flexible Shareholding capital structure and has resulted in cost savings given that the NZX no longer needs to operate a separate market exclusively for Fonterra.

The shift resulted in no change to the way shareholders trade shares or who can buy Fonterra shares.

As part of this move, NZ RegCo granted Fonterra multiple rulings and waivers from the NZX Listing Rules to accommodate Fonterra's co-operative structure. Two of the waivers were 'transitory', to provide Fonterra with time to amend its Constitution for consistency with two provisions of the NZX Listing Rules.

Why are the proposed amendments to the Constitution needed?

The proposed amendments to the Constitution are intended to aid readability and interpretation of the Constitution. They relate to Appointed Director remuneration and the incorporation of provisions of the NZX Listing Rules by reference.

Although Fonterra's Constitution already requires Fonterra to comply with the NZX Listing Rules and deems any provision of the Constitution inconsistent with the NZX Listing Rules to be changed or removed for consistency, the Board recommends making the proposed changes for clarity so that someone reading the Constitution will not need to look up both the Constitution and the NZX Listing Rules (plus Fonterra's NZX rulings and waivers) to determine which provisions apply.

The technical changes recommended by the Board are outlined below.

Proposed amendments to clause 34.1 of the Constitution

The proposed amendments to clause 34.1 of the Constitution will align Fonterra's Constitution with NZX Listing Rule 2.11.

Listing Rule 2.11 requires shareholders to approve Director remuneration. Historically, only the remuneration of Elected Directors has been approved by shareholders. However, since the move to the NZX Main Board, the remuneration of Appointed Directors also needs to be approved.

The proposed amendments are set out below in mark up:

34.1 Power to authorise: Except in the case of Directors appointed by the Board in accordance with clause 12.4 the ~~The~~ Board may not exercise the power conferred by section 161 of the Act to authorise any payment or other benefit of the kind referred to in that section to or in respect of a Director in his or her capacity as such, without the prior approval of the Shareholders, ~~except as provided in this clause 34. There is, at the date this Constitution takes effect, and there shall~~ continue to be, a committee of six Shareholders ("**Directors' Remuneration Committee**") elected by postal ballot of Shareholders. The provisions of this Constitution relating to the appointment, rotation and removal of Directors shall apply to the appointment, rotation and removal of members of the Directors' Remuneration Committee, with necessary modifications. The Board shall consider and recommend to Shareholders for their approval the form and amount of the remuneration to be paid to members of the Directors' Remuneration Committee. The Directors' Remuneration Committee shall consider and recommend the form and amount of Directors' remuneration to the Shareholders for their approval. ~~No such recommendation may be made which would result in any change to the terms of the remuneration for any Director appointed in accordance with clause 12.4. The Board may exercise the power conferred by section 161 of the Act to authorise any payment or other benefit of the kind referred to in that section to or in respect of a Director appointed by the Board pursuant to clause 12.4.~~

Proposed amendments to clause 48.4 of the Constitution

The proposed amendments to clause 48.4 of the Constitution will align Fonterra's Constitution with NZX Listing Rule 2.20.1(a) and NZX Listing Rule 2.20.1(c).

These NZX Listing Rules require Fonterra to incorporate various provisions of the Listing Rules in its Constitution by reference (as modified by Fonterra's NZX rulings and waivers). These provisions relate to Board composition, removal of directors, director vacancies, interested directors and general compliance with the NZX Listing Rules.

The proposed amendments are set out below in mark up:

48.4 The Market Rules: In relation to the Market Rules (and except to the extent that the Market Rules otherwise provide):

- (a) those provisions of the Market Rules which are required by Rule 2.20.1 of the Market Rules to be contained or incorporated by reference in this Constitution, as they may be modified by any Ruling relevant to the Company, are deemed to be incorporated in this Constitution (to the extent not expressly incorporated in the Constitution) and have the same effect as if they were set out in full;

- (a)(b) failure to comply with any Market Rule shall not affect the validity or enforceability of any transaction, contract, action or other matter whatsoever done or entered into by, or affecting, the Company;
- (b)(c) if the Operator has given a Ruling authorising any act or omission which, in the absence of that Ruling would have been in contravention of the Market Rules or this Constitution, that act or omission is deemed to be authorised by the Market Rules and by this Constitution notwithstanding such contravention or inconsistency;
- (c)(d) any reference to a specific Market Rule includes that Market Rule as it may be amended from time to time and any Market Rule which may be substituted for that Market Rule;
- (d)(e) if any provision of this Constitution is inconsistent with the Market Rules (as modified by any Ruling relevant to the Company), that provision shall be deemed to be amended, or deleted, to the extent necessary to make that provision consistent with the Market Rules (as modified by any Ruling relevant to the Company); and
- (e)(f) subclauses (a) to (d)(e) inclusive apply only for so long as the Company is a party to a Trading Agreement with the Operator. If the Company ceases to be a party to a Trading Agreement those clauses shall cease to have any effect.

Voting on the proposed amendments to the Constitution

On 24 September 2025, the Board of Fonterra approved the changes to the Constitution of the Company as outlined in Resolution 5, subject to shareholders' approval.

A solicitor's opinion regarding the Constitution of the Company, as required under Listing Rule 2.19, has been provided to NZX.

The Board recommends that shareholders vote to support the amendments proposed in Resolution 5.

If Resolution 5 is passed by the requisite majority of 75 per cent or more of votes cast by shareholders entitled to vote and voting on the resolution, the Constitution will be amended as set out above.

If Resolution 5 is not passed, then the recommended changes will not be made to the Constitution. However, Fonterra would still need to comply with the applicable provisions of Listing Rule 2.11, Listing Rule 2.20.1(a) and Listing Rule 2.20.1(c) regardless, given Fonterra's Constitution deems any provision inconsistent with the NZX Listing Rules to be changed or removed to match the NZX Listing Rules. If the wording of Fonterra's Constitution is not updated with the recommended changes, the Constitution could cause confusion as someone reading the Constitution would need to look up both the Constitution and the NZX Listing Rules (plus Fonterra's NZX rulings and waivers) to determine which provisions apply.

Co-operative Council programme and budget

Resolution 6: Approval of the Co-operative Council programme and budget

Under this item of business, the Chair of the Co-operative Council will, in accordance with the requirements of the Company's Constitution:

- report on the activities undertaken by Council during the financial year ending 31 July 2025;
- report Council's view on the alignment of the Company's strategy and performance to members' expectations and aspirations;

- present the Milk Commissioner's report; and
- present Council's programme and budget for the current financial year to shareholders for approval.

The Co-operative Council seeks shareholder approval for a budget of \$2.711 million for operating costs for FY26 and \$788,000 for other costs contributed to or met by the Co-operative Council, giving a combined total of \$3.499 million, as summarised below:

	FY25 Budget \$000	FY25 Actual \$000	FY26 Budget \$000
Co-operative Council operating costs:			
Councillor honoraria (refer Resolution 2 for amounts), and Council staff salaries and associated costs	2,040	2,065	2,160
Co-operative Council meetings – including accommodation and travel for Council meetings, Board/Board Committee meetings, and meetings with external stakeholders	200	208	220
Communications – including Annual Report design and print	13	11	14
Councillor Ward meetings – including travel and catering	18	24	27
Councillor training and development – including course/facilitator costs, and the new Councillor introduction programme	15	11	15
Insurance and IT costs – including Councillor liability insurance and staff information technology costs	39	40	40
External analyst support: • Financial • Letter of Members' Expectations survey	180	79	235
Total Co-operative Council operating costs	2,505	2,438	2,711
Other costs contributed to or met by the Co-operative Council:			
<i>Connection</i>			
Understanding Your Co-operative Programme	200	103	135
Governance Development Programme	100	106	90
<i>Accountability</i>			
External analyst – financial markets research and analysis required by the Dairy Industry Restructuring Act 2001	105	80	125
<i>Guardianship</i>			
Fonterra Director election: • Returning Officer costs • Director candidate meetings • Independent Assessment Panel and secretariat, independent agent and candidate interview expenses • Printing and mail house costs	125 35 115 30	122 0 105 24	133 40 120 25
Professional Services - Milk Commissioner costs, fees and other costs relating to the Co-operative Council appointees to the Milk Price Panel, legal costs	155	157	120
Total other costs contributed to or met by the Co-operative Council	865	697	788
Combined Total	3,370	3,135	3,499

Budget

In November 2024, Fonterra shareholders approved a budget of \$3.370 million for FY25. Actual costs incurred were \$3.135 million (93% of budget).

Material variations between FY25 budgeted and actual expenditure, and FY25 actual expenditure and FY26 budgeted expenditure, are explained below:

- **Councillor honoraria and staff costs:** The FY26 budget includes the honoraria increases recommended by the Directors' Remuneration Committee (which are subject to shareholder approval, refer to Resolution 2), increased payments to Councillors who take on additional responsibilities, and increases in Council staff salaries as recommended by Fonterra.
- **Co-operative Council meetings:** FY25 actual costs and the increase in FY26 budgeted costs reflect inflationary increases in accommodation, travel and catering costs.
- **External analyst support:** Council's external financial analyst (Northington Partners) provides independent analysis each quarter of Fonterra's performance (which is currently budgeted under 'Co-operative Council operating costs') and the twice-yearly independent financial markets research and analysis required by the Dairy Industry Restructuring Act 2001 (DIRA) (which is budgeted under 'Other costs contributed to or met by the Co-operative Council - Accountability'). In the FY26 budget the costs of the Q1 and Q3 analysis continue to be allocated to 'Co-operative Council operating costs', but the interim and full year analysis has been allocated to 'Other costs contributed to or met by the Co-operative Council - Accountability' given this analysis and reporting is required by the DIRA. The costs of the DIRA analysis reduced in FY25 reflecting this is the second year that this analysis and reporting has been commissioned. The FY25 budget included an allowance for independent analysis by Northington Partners of the proposed divestment of some or all of Fonterra's global Consumer business, and integrated businesses of Fonterra Oceania and Fonterra Sri Lanka, announced on 16 May 2024. As the conditional sale agreement with Lactalis was announced in August 2025, the costs of this analysis have been incurred in FY26. The FY26 budget also includes an allowance for the costs of holding focus groups to help inform Council's 2026 survey of members.
- **Understanding Your Co-operative Programme:** The FY25 budget contemplated three Understanding Your Co-operative Programme events. Due to a low number of registrations for two of the planned events, only one event was held. The FY25 budget had allowed for three Beyond the Farm Gate events in regions. Five events were held. The FY26 budget allows for one Understanding Your Co-operative Programme event in Auckland (as a MyConnect conference is planned for 2026) and Beyond the Farm Gate events in the regions which are co-hosted with the Farm Source team.
- **Elections:** FY25 costs were less than budgeted. Two incumbent directors retiring by rotation (and no other candidates) stood for the two places on the Board, and no in-person Director candidate meetings were therefore held. No election was required for the Directors' Remuneration Committee as two candidates stood for the two vacancies. The FY26 budget makes allowance for a contested 2025 Director election and Director candidate meetings, an increase in Independent Assessment Panel fees and an increase in the costs of Director candidate interviews with the Panel.
- **Professional Services:** The FY25 budget included allowance for the appointment by Council of an observer to the Milk Price Panel for 12 months due to the impending retirement of Council's former appointee. The transition of the appointment of Andrew Barlass as an observer to full Panel membership occurred on 1 September 2025 on Bill Donaldson's retirement. The resulting reduction in Panel member costs met by Council (from three members to two) is reflected in the FY26 budget.

Work programme

Council's work programme for FY26 includes the following key workstreams:

Connection

- Foster members' engagement with their Co-op through Ward meetings
- Further develop Council's understanding of members' interests, needs, views and expectations through survey and meetings
- Represent members' interests, needs, views and expectations to the Board
- When the Board or Management wish to consult with members on decisions which have the potential to affect members' interests in their Co-operative, engage with the Board and/or Management as part of that consultation
- Deliver the Understanding Your Co-operative Programme and, jointly with Farm Source, Beyond the Farm Gate events

Guardianship

- Commission an independent report on the agreement to sell Fonterra's global Consumer business, and integrated businesses Fonterra Oceania and Fonterra Sir Lanka, to Lactalis
- Submit on behalf of members on the expected periodic review of the Dairy Industry Restructuring Act 2001
- Promote greater member understanding of Fonterra's Co-operative Philosophy, including the Co-operative Principles
- Manage the Director, Directors' Remuneration Committee and Fonterra Farmer Custodian Trust elections in consultation with the Board, appoint the Returning Officer, and jointly with the Board appoint the Independent Assessment Panel that assesses Director candidates who choose to stand for election as Independently Assessed Candidates
- Represent members' interests in relation to changes to the terms and conditions of supply and the operation of the Fonterra Shareholders' Fund and the Fonterra Shareholders' Market
- Administer the Governance Development Programme

Accountability

- Meet with the Board each quarter to discuss reports on consolidated and key business unit operations, including actual achievements compared to the Board's key measures for performance and any identified risks to the Company's ongoing performance
- Meet with the auditor to discuss their audit engagement and reports
- Monitor information provided by the Company to members and assist members to understand the implications of that information to them
- Seek Board explanation of and responsibility for the Company's strategy and performance
- Report to members Council's view on the extent to which members' expectations are being met
- Represent members' interests in relation to Milk Price Manual changes and governance.

Council will report to members at least quarterly, including through its Quarterly Updates, Annual Report and at the 2026 Annual Meeting.



Dairy for life



If undelivered please return to:

The Returning Officer
Fonterra Elections 2025
PO Box 3138
Christchurch 8140
Free phone 0800 666 034

fonterra.com

Fonterra Annual Meeting 2025

Annual Meeting Proxy Paper Information

10.30am on Thursday, 11 December 2025, at Christchurch Town Hall - Limes Room, 86 Kilmore Street, Christchurch, Canterbury. Shareholders can also attend the meeting online using the instructions in the Notice of Meeting.

HOW TO COMPLETE THE PROXY PAPER AND APPOINT A PROXY

1. **Appoint a proxy:** Provide the full name and address of your chosen proxy in the space provided for “Primary Proxy” in the box labelled “Appointment of Proxy” in the Annual Meeting Proxy Paper. A proxy need not be a shareholder.
- However, if a person who is disqualified from voting in favour of Resolution 1 (being the Chair, all other Directors and their associated persons (as that term is defined in the NZX Listing Rules)) is appointed as a proxy, that person will not be permitted to vote a discretionary proxy in respect of that Resolution 1.
- The Chair of the meeting is willing to act as your primary proxy. If you wish to appoint the Chair of the meeting you can simply write “Chair of the meeting”.
- Where a shareholder does not name a person as their proxy but otherwise completes the Annual Meeting Proxy Paper in full, or where a shareholder’s named proxy (and any alternate, if one has been appointed) does not attend the meeting, the Chair of the meeting will act as that shareholder’s proxy and will vote in accordance with their express direction. The Chair intends to vote any discretionary proxies, for which they have authority to vote, in favour of the resolutions (except in the case of Resolution 1, which the Chair is disqualified from voting on, and shareholder proposals).
- Please note: You do NOT need to appoint an alternate proxy if the Chair of the meeting is your primary proxy.
2. **Instruct your proxy how to vote:** You can instruct your proxy how to vote by placing a tick in either the “For” or “Against” box in the box labelled “Voting Instructions”. If you wish for your proxy to vote as she/he determines place a tick in the “Proxy Discretion” box. Your proxy CANNOT change the direction of your vote if you instruct them how to vote in this manner. If you do not expressly direct your proxy on how to vote by placing a tick in a box, then your proxy cannot vote.
3. **Sign the form:** Each shareholder who wishes to appoint a proxy must sign the “Annual Meeting Proxy Paper”:
- Individuals/sole proprietors: The shareholder must sign the Annual Meeting Proxy Paper.
 - Companies: A duly authorised representative of the company must sign the Annual Meeting Proxy Paper.
 - Joint shareholders (including trusts, partnerships and estates): It is your responsibility to ensure that the person(s) signing the Annual Meeting Proxy Paper is/are authorised to sign on behalf of, and bind, all joint holders.
 - Attorneys: If the Annual Meeting Proxy Paper is signed under a power of attorney, it must be accompanied by a signed certificate of non-revocation of the power of attorney. The power of attorney under which the Annual Meeting Proxy Paper is signed must be sent with the Annual Meeting Proxy Paper if the power of attorney has not been previously produced to Fonterra.
4. **Return the form:** Return the Annual Meeting Proxy Paper as soon as possible. It must be received by the Returning Officer no later than 10.30am on Tuesday, 9 December 2025.
- Mail by separating, folding and inserting the Annual Meeting Proxy Paper into the freepost envelope provided.

We recommend that you post your Annual Meeting Proxy Paper by no later than **Wednesday, 3 December 2025** so that it is received by the Returning Officer before the close of appointment.

HOW TO APPOINT A CORPORATE REPRESENTATIVE

In the case of a shareholder that is a company or other body corporate, a representative can be appointed to attend the Annual Meeting by completing the Annual Meeting Proxy Paper. In this form, proxy can mean proxy or representative appointed for a company or other body corporate.

REVOKING YOUR APPOINTMENT

A shareholder can still attend, even if they have appointed a proxy (although shareholders attending online will not be able to vote if a proxy has been appointed). If you change your mind on the appointment of a proxy or representative, you can revoke the appointment by written notice to Fonterra. Such notice must be received at Fonterra’s head office - Fonterra Annual Meeting, Fonterra Co-operative Group Limited, Private Bag 92032, Auckland 1142 no later than 7.30am on Thursday, 11 December 2025.

 **PROXY APPOINTMENT CLOSSES AT: 10.30AM ON TUESDAY, 9 DECEMBER 2025**

Fonterra Annual Meeting 2025

Combined Annual Meeting Voting/Proxy Paper

YOU CAN VOTE IN **ONE** OF THE FOLLOWING WAYS:

OPTION 1: **POSTAL VOTING (INCLUDING ELECTRONICALLY) – Closes at 10.30am on Tuesday, 9 December 2025**

- Either:**
- (a) Post the completed “Annual Meeting Voting Paper” to the Returning Officer in the freepost reply envelope provided.
- We recommend that you post your Annual Meeting Voting Paper by no later than **Wednesday 3 December 2025** so that it is received by the Returning Officer before the close of voting.
- Or**
- (b) Electronically via Farm Source website at: **www.nzfarmsource.co.nz**
- Login using your Farm Source login and password.
 - Follow the voting links from the homepage.
 - Enter your Personal Identification Number (PIN) and password – see below.
- IMPORTANT: By entering the PIN and password you warrant and undertake that you are authorised to exercise the vote of this shareholder.
- After voting online, you do not need to submit this Annual Meeting Voting Paper and it can be destroyed.

PIN	Password
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OR

OPTION 2: **AT THE MEETING – From 10.30am on Thursday, 11 December 2025**

- If you plan to attend the meeting in person, bring this form with you.
- Voting instructions:
- Indicate your vote with a tick
 - When advised by the Chair of the meeting, pass the completed Annual Meeting Voting Paper to an official of the meeting.
- If you plan to attend the meeting online, please vote via the virtual meeting platform: <https://fonterra.brandlive.com/Fonterra-Co-operative-Group-Annual-Meeting-2025/en>
- Login using name, email address and supply number(s)
 - Follow the voting links from the homepage.
 - Enter your PIN and password – see above.

OR

OPTION 3: **BY PROXY – Received by 10.30am on Tuesday, 9 December 2025**

Appoint a person to attend the Annual Meeting and vote on your behalf. A proxy need not be a shareholder.

Please only use one of these voting methods

For enquiries phone the ELECTION HELPLINE: **0800 666 034**

 **POSTAL VOTING (INCLUDING ELECTRONICALLY) CLOSSES AT: 10.30AM ON TUESDAY, 9 DECEMBER 2025**

Annual Meeting Voting Paper

Use this paper to vote by post or by attending the Annual Meeting to vote in person. If voting online by way of electronic postal vote, refer to instructions on reverse.

Supply No.:	
Details of person completing this Annual Meeting Voting Paper:	
First Name:	
Surname:	
Signature:	

Indicate your vote with a tick ✓		FOR	AGAINST
1	Resolution 1: Ratification of, and approval of changes to, the remuneration of Directors	☐	☐
2	Resolution 2: Approval of changes to the remuneration of Co-operative Councillors	☐	☐
3	Resolution 3: Approval of changes to the remuneration of members of the Directors' Remuneration Committee	☐	☐
4	Resolution 4: Appointment of KPMG as auditor and authorisation of the Directors to fix the auditor's remuneration	☐	☐
5	Resolution 5: Approval of amendments to the Constitution relating to Fonterra's move to the NZX Main Board	☐	☐
6	Resolution 6: Approval of the Co-operative Council programme and budget	☐	☐

Annual Meeting Proxy Paper

10.30am on Thursday, 11 December 2025, at Christchurch Town Hall - Limes Room, 86 Kilmore Street, Christchurch, Canterbury. Shareholders can also attend the meeting online using the instructions in the Notice of Meeting.

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Only use this Annual Meeting Proxy Paper if you **do not** plan to attend the meeting but wish to be represented by a proxy holder at the meeting.

This paper can also be used by a shareholder that is a company or other body corporate to appoint a representative. There are no voting restrictions on the resolutions to be considered at the meeting.

A: Shareholder Details	
Name:	Supply Number:
	Party Number:

B: Appointment of Proxy
If you wish to appoint someone as your proxy, insert their full name and address below. The Chair of the meeting is willing to act as a proxy.
Primary Proxy: I/We appoint:
Full name of your proxy:
Full address of your proxy:
as my/our proxy to vote for me/us on my/our behalf at the Annual Meeting of Shareholders to be held at 10.30am on Thursday, 11 December 2025 and at any adjournment of that Annual Meeting.
Alternate Proxy: You do not need to appoint an alternate proxy but it is recommended that you do so, unless you are appointing the Chair of the meeting as proxy. The Chair of the meeting is willing to act as an alternate proxy. If the person I/we have appointed is unable to be my/our proxy then I/we appoint:
Full name of your alternate proxy:
Full address of your alternate proxy:

C: Voting Instructions		FOR	AGAINST	PROXY DISCRETION
Complete this section to instruct your proxy holder how to vote.				
1	Resolution 1: Ratification of, and approval of changes to, the remuneration of Directors	☐	☐	☐
2	Resolution 2: Approval of changes to the remuneration of Co-operative Councillors	☐	☐	☐
3	Resolution 3: Approval of changes to the remuneration of members of the Directors' Remuneration Committee	☐	☐	☐
4	Resolution 4: Appointment of KPMG as auditor and authorisation of the Directors to fix the auditor's remuneration	☐	☐	☐
5	Resolution 5: Approval of amendments to the Constitution relating to Fonterra's move to the NZX Main Board	☐	☐	☐
6	Resolution 6: Approval of the Co-operative Council programme and budget	☐	☐	☐

Signature(s) of shareholder(s) named in Section A (Please see signing instructions on reverse.)	
By signing this form, I/we warrant and undertake that I/we are authorised to sign on behalf of, and bind, the shareholder(s) named in Section A.	
Name of shareholder:	Signature:
Full name and title of signatory:	Date:
Name of shareholder:	Signature:
Full name and title of signatory:	Date:
Name of shareholder:	Signature:
Full name and title of signatory:	Date:

If you are appointing a proxy, return this paper as soon as possible. It must be received by the Returning Officer no later than **10.30am on Tuesday, 9 December 2025**.

Mail by separating, folding and inserting the Annual Meeting Proxy Paper into the freepost envelope provided.