2026 FONTERRA SHAREHOLDERS FUND SPEECH

FSF MANAGEMENT COMPANY CHAIR

Tēnā Koutou Katoa. I am MJ Daly, Chair of the FSF Management Company, the manager of the Fonterra Shareholders' Fund.

Welcome to the 2026 Annual Meeting of unit holders of the Fund.

Today's meeting is being held in person at Fonterra's offices in Auckland and online. We appreciate your attendance both online and in person.

The meeting provides an opportunity to discuss the performance of the past year, the outlook for Fonterra and the Fund, and any other questions you may have.

I formally declare the meeting open.

For those that are here with us at Fonterra's offices in Auckland there are a few health and safety items I need to cover:

In the event of an emergency an alarm will sound, and we will evacuate the building.

Please leave your belongings and exit the building via a door with the green light over it and gather in the plaza outside our main front doors.

Remain outside of the building until advised by a Fonterra staff member that it is safe to return.

Bathrooms are located out of the doors and behind the lift lobby.

The Notice of Meeting was sent to unit holders on 15 October 2026. Unit holders eligible to vote are those that were on the unit register as at 5:00pm on 13 November 2026.

The Notice of Meeting will be taken as read, and we have the required quorum of 5 or more unit holders.

Firstly, I will go over the Q&A and voting process for those online.

Online questions can be submitted at any time. They will be answered at the relevant time in the meeting.

To ask a question:

Select the Q&A tab on the right of your screen at any time.

Then type your question into the field and press send. Your question will be submitted straight away.

Please ensure that each question submitted is concise and is limited to a single point to make it easier to answer.

We'll do our best to answer all questions, but if we don't get to your question in the time available, our investor relations team will follow up with you.

Should you require assistance, type your query into the chat window and one of the Computershare team will assist through the chat function.

Voting today on the resolution before the meeting will be conducted by way of a poll.

For those online, you will be able to cast your vote under the Vote tab.

To cast your vote, simply select one of the options. There is no need to hit the submit or enter button as the vote is automatically recorded.

You can change your vote up until the time voting is declared closed.

If you have any questions regarding voting, feel free to submit a question and someone from Computershare will assist you.

For those online, I now declare voting open on the resolution.

I will let you know before online voting closes.

For those in the room, you will have received voting papers, and I will provide further instruction later in the meeting when we get to that agenda item.

The agenda for the meeting was set out in the Items for Business in the Notice of Meeting.

The first item is the Chair's address for FSF Management Company, the company that manages the Fund.

Peter McBride, Fonterra's Chair, and Andrew Murray, Fonterra's Chief Financial Officer, will then address the meeting to speak about Fonterra's FY26 performance, the successful divestment of our consumer business, the Co-op's plan for future investment and the financial outlook for FY27.

After that we will open the meeting for questions on the three presentations.

I will then pass over to my fellow director Carlie Eve who will manage the meeting through the single resolution we have today, where I will be putting myself forward for re-election as a director of the FSF Management Company.

I will say a few words and the resolution will then be moved.

Finally, we will open the meeting for general business.

We expect the meeting to take around an hour and for those of you in the room today, we invite you to join us afterwards for light refreshments in the lobby at the conclusion of the meeting.

I would now like to introduce my fellow Directors of the FSF Board, and the senior representatives of Fonterra who are joining us today.

On my right are our FSF Directors

Carlie Eve, who has been an independent director of the Fund since 2022.

Alastair Hercus, who is also an independent director and has been on the Fund board since 2022.

John Nicholls who is an appointed director and has been on the Fund board since 2022, and the Fonterra Board since 2018.

Michelle Pye, who is also an appointed director and has been on both the Fund and Fonterra boards since 2025.

On my left are senior representatives of Fonterra.

Peter McBride – Chair of the Fonterra Board of Directors

Andrew Murray – Chief Financial Officer. You may have heard that Andrew is moving on from Fonterra at the end of this year, after three years at the Co-op, including the last two years as CFO. During that time Fonterra has delivered some very strong financial outcomes for shareholders and unit holders, and Andrew has been instrumental in this performance. Thank you for your contribution, Andrew, we wish you all the best for your future endeavours.

Richard Whiteman – Group Director Corporate Finance

Jackie Floyd – Director Legal and FSF Company Secretary

Unfortunately Richard Allen, Fonterra's new Chief Executive Officer since 1 May this year, can't be with us today due to a prior commitment.

Moving to the second agenda item.

I would now like to take the opportunity to discuss the performance of the Fund and some of the activities the FSF Directors have undertaken this year.

FY26 was a very strong year for Fonterra and cash returns to shareholders and unit holders were at their highest level ever.

It is pleasing to see Fonterra delivering on its long-term strategy.

The successful completion of the Mainland divestment at the end of March this year represented a significant milestone for Fonterra, as it shifts to becoming an efficient B2B entity focused on optimising return on capital and delivering consistent returns to shareholders and unit holders.

This was a significant achievement for Fonterra, with the $4.6 billion total sale proceeds one of the largest divestments in New Zealand capital markets history.

Outside of the divestment Fonterra performed strongly with underlying operating profit of $1.8 billion, up from $1.5 billion in 2025.

Underlying earnings per share were 71 cents, up from 54 cents on a like-for-like basis.

The strong financial performance and divestment meant that more cash was returned to shareholders and unit holders in 2026, with a total of $2.73 per share returned.

This consisted of:

A $2.00 capital return relating to the Mainland divestment.

A further 16 cents was paid in the form of a special Mainland dividend, distributing 100% of Mainland's earnings while under Fonterra's ownership in FY26.

And finally, 57 cents was paid in the form of ordinary dividends, reflecting the strength of Fonterra's underlying business.

Peter and Andrew will provide further details on Fonterra's FY26 performance and outlook for the future in their presentations to this meeting.

Before I move on to discuss the Fund's performance in more detail it is important to acknowledge the role of the Board of FSF Management Company.

The Board has statutory responsibilities for the activities of the Management Company and the Fund. These include monitoring compliance with regulatory requirements and ensuring that unit holders' interests are managed and protected in accordance with the constituent documents that relate to the Fund.

Directors of the Fund, in that capacity, have no role in the governance or operation of Fonterra.

Although we have no decision-making role in these areas, we do consider it important to actively represent the interests and views of unit holders to Fonterra, and we do that.

The Fund Board engaged with Fonterra management on the divestment of the Consumer business and its implications for the Fund and unit holders.

The Board continues to ensure its directors have the right skills and experience across financial markets, key investor drivers, understanding of co-operatives and risk management. An assessment was completed for each Director in 2026.

We have also continued to hold regular education sessions on areas of particular interest. This provides more transparency on activities within Fonterra and the markets in which Fonterra operates, helping to further build our understanding of the key drivers that can impact the performance of the Fund.

In the past year, this has included the Foodservice business and Fonterra's energy transition to more renewable and secure fuels, such as solar power and biomass.

The strong cash returns have supported an exceptional year for unit holders in the last 12 months, with a total shareholder return of 41%. This follows a strong performance last year, where the total shareholder return was 68%.

It has been pleasing to see the Fund continue to provide strong returns to unit holders, especially during a period of economic uncertainty and where the NZX50 performance was materially less at 2% for the year.

Not only does the recent unit price performance reflect recent distributions and the strong FY27 outlook, but it also highlights the market's increased confidence in Fonterra's strategy and ability to execute it.

Looking at the composition of the register, there was stability across the type of investors over the year with an increase in private wealth ownership and a modest decline in institutional ownership.

The drop off in units held by supplying farmers is an ongoing trend reflecting the fact that Fonterra Co-operative shares can no longer flow through to the Fund under Fonterra's capital structure.

The Fund Board is pleased to see this improving spread of ownership type, which demonstrates a broader ownership across New Zealand investors beyond those already involved in farming.

Ownership remained predominately New Zealand based, showing the strong brand recognition that Fonterra holds here. There was a modest increase in Australian ownership after a slight decline last year, when the Fund was removed from the ASX.

Lastly from me, I will briefly touch on some of the key Fund statistics.

The cap on the Fund is a permanent feature of the capital structure and there has been no change in the 107 million units on issue.

With over $4 billion paid out to unit holders and shareholders in FY26, we would expect the market capitalisations of the Fund and Fonterra to decrease.

Despite this, we have seen both maintain their market capitalisation, showing the market's increased confidence in future performance.

The Fund size as a percentage of total Fonterra shares remains unchanged year-on-year at 6.7%

We now have the opportunity to hear from the Fonterra team on the performance and outlook that will deliver value to shareholders and unit holders alike.

I invite Fonterra's Chair, Peter McBride, to address the meeting.

I am pleased to offer myself for re-election as an independent director of the Manager of the Fund,

I joined the Board in 2020 and have been Chair since 2022.

Over that time, the FSF Board has stayed focused on consistently protecting the interests of our unit holders, particularly as Fonterra has worked through its asset sale programme and delivered capital returns.

I've worked closely with the Fund Board throughout this period to ensure strong oversight when required and permitted under the Fund's structure.

I bring to the Board over 30 years' experience in financial markets and the corporate sector, with a deep understanding of financial services, corporate strategy and governance. My executive background spans banking, insurance and dairy — experience that allows me to provide a strong investor perspective to the role.

I am also Chair of Partners Life, AIG Insurance New Zealand and a Director of Kiwibank. Across these roles, and prior Board appointments, I have developed broad governance experience across multiple sectors, coupled with strong analytical and financial capability.

If I'm re-elected, I'll continue to apply independent judgment and remain focused on delivering long-term value for unit holders.

Thank you for your support.