



Dairy for life

Fonterra Annual Meeting 2020

Notice of Annual Meeting
of Shareholders and Explanatory Notes

10.30am on Thursday, 5 November 2020
Copthorne Hotel & Resort Solway Park Wairarapa
High Street
Masterton

Contents

FONTERRA CO-OPERATIVE GROUP LIMITED ANNUAL MEETING FOR 2020	1
COVID-19 Implications	1
Annual Meeting Documents	1
Votes Required and Quorum	2
Results of Voting	2
Meeting Attendees	2
2020 FONTERRA ELECTIONS AND ANNUAL MEETING	3
FONTERRA CO-OPERATIVE GROUP LIMITED ANNUAL MEETING AGENDA	4
PART ONE	
<hr/>	
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS OF FONTERRA CO-OPERATIVE GROUP LIMITED	5
Business	5
Annual Meeting Proceedings	5
Remuneration of Directors, Shareholders' Councillors and Directors' Remuneration Committee Members	5
Appointment of Auditor	5
Ratification of Appointment of Directors	5
Approval of Amendments to the Constitution	5
Shareholders' Council Report	6
Approval of Shareholders' Council Programme and Budget	6
Shareholder Proposal	6
PART TWO	
<hr/>	
EXPLANATORY NOTES TO NOTICE OF ANNUAL MEETING	7
Welcome	7
Annual Meeting Proceedings	7
Remuneration of Directors, Shareholders' Councillors and Directors' Remuneration Committee Members	7
Appointment of Auditor	9
Ratification of Appointment of Directors	9
Approval of Amendments to the Constitution	10
Approval of Shareholders' Council Programme and Budget	11
Shareholder Proposal	13

Fonterra Co-operative Group Limited

Annual Meeting for 2020

Fonterra's Annual Meeting will be held at the Copthorne Hotel & Resort Solway Park Wairarapa, High Street, Masterton, at **10.30am on Thursday, 5 November 2020.**

COVID-19 Implications

Fonterra intends to hold this Annual Meeting in person at the Copthorne Hotel & Resort Solway Park Wairarapa, High Street, Masterton. However, due to the current uncertainty relating to the COVID-19 pandemic, Fonterra may elect to hold this Annual Meeting as a hybrid meeting (being both in person and online), or as an online only meeting, depending on the COVID-19 Alert Level restrictions that are in place for Thursday, 5 November 2020.

Fonterra will provide Shareholders with as much notice as is reasonably practicable, by way of an announcement to the NZX and an email to Shareholders, if the meeting is to be held as a hybrid or online only meeting.

This Notice of Meeting has been prepared on the basis of an in person meeting. If Fonterra elects to change the Annual Meeting to a hybrid or online only meeting, detail as to virtual participation and voting will be provided at the time of advising of the change.

Annual Meeting Documents

Each Shareholder has been sent:

- This Notice of Meeting booklet, which includes:
 - Letter from the Chairman
 - Notice of Meeting (including the text of the matters to be voted on by Shareholders) (Part One)
 - Explanatory Notes regarding each of the matters to be voted on by Shareholders (Part Two)
- A Fonterra Board of Directors Election Voting Paper
- A Shareholders' Council Voting Paper (for Shareholders in Wards 4 and 6 only)
- A combined Annual Meeting Voting Paper/Proxy Form. Use this Voting Paper:
 - If you are attending the Annual Meeting 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 Proxy Form and returning it to the address specified on the freepost envelope included in the Voting Pack or otherwise set out on the form, so that the Returning Officer receives it no later than **10.30am on Tuesday, 3 November 2020.**
 - If you are a company or other body corporate, you can appoint a representative to attend and vote on your behalf by completing the Proxy Form.

Further instructions are on the back of the Proxy form.

You 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 Voting Papers.

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 Voting Paper, and count, all **online** and **postal votes**.

For the Annual Meeting you can also vote by proxy, or by attending the meeting in person.

All online, postal and proxy votes must be received by the Returning Officer by **10.30am on Tuesday, 3 November 2020**.

A Shareholder's voting entitlement is based on their milksolids production. Shareholders will receive one vote for every 1,000 kilograms of milksolids supplied to Fonterra during the season ended **31 May 2020**.

If a Shareholder did not supply last season but now owns an existing farm that supplied last season, the voting entitlement 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 2021. Milk supplied on Contract Supply and milk which is not backed by shares or counting vouchers is excluded from milksolids production when calculating voting entitlements.

In accordance with the Companies Act, the Board has fixed **5.00pm on 8 October 2020** as the date for determining voting entitlements of Shareholders for this meeting.

Accordingly, those persons who are, at **5.00pm on 8 October 2020**, registered as Shareholders will be entitled to vote at the Annual Meeting in respect of the shares registered in their name on that date backed by production.

A Shareholder's voting entitlement for a farm is shown on the Voting Paper enclosed for that farm with this pack. If a Shareholder appoints a proxy, the proxy will exercise that Shareholder's voting entitlement as described above.

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 approved by a majority of 75% or more of the votes of those Shareholders entitled to vote and voting on the resolution.

The quorum for the meeting is present if not fewer than 50 Shareholders have cast postal votes (including by electronic means) or are present in person or by a representative, who between them hold or represent the holder or holders of not less than two per cent of the voting rights entitled to be exercised on the resolutions to be considered at the meeting.

There are no 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 Farm Source at www.nzfarmsource.co.nz and our My Co-op app as soon as vote counting is complete and the Chairman has declared the results.

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 invited members of the media.

2020 Fonterra Elections and Annual Meeting

Dear farmers,

Our 2020 Annual Meeting will be held at the Copthorne Hotel & Resort Solway Park Wairarapa in Masterton on Thursday 5 November.

We have moved away from holding the Annual Meeting at our manufacturing facilities, to minimise the disruption to our operations team and to reduce costs.

At this year's meeting Miles and I will review the Co-operative's financial performance and the outlook for 2021 and beyond.

Shareholders are also being asked to vote on seven ordinary business resolutions to:

1. approve the remuneration of Directors;
2. approve the remuneration of Councillors;
3. approve the remuneration of the Directors' Remuneration Committee Members;
4. approve the appointment of the Auditor;
5. approve the Shareholders' Council programme and budget;
6. ratify the appointment of an Independent Director, Ms Holly Kramer; and
7. ratify the appointment of an Independent Director, Mr Bruce Hassall.

Each of these ordinary resolutions require more than 50 per cent support from voting farmers to be passed.

There is also a special resolution to approve amendments to the Constitution related to the legislative changes to the Dairy Industry Restructuring Act (DIRA):

1. Approval of open entry related amendments to the Constitution.

The special resolution requires at least 75 per cent support from voting farmers to be passed.

There is also a Shareholder proposal for consideration by Shareholders. Further detail on the proposal and the resolutions are included within this booklet.

If you can't attend the meeting in person, you can cast your vote online, by post, or by way of proxy. Further instructions on how to vote by all of these methods can be found on the voting papers in your voting pack.

I look forward to seeing as many of you as possible in Masterton.



John Monaghan
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 Chairman. Shareholders should allow sufficient time to register their attendance upon arrival prior to the start of the meeting.

10.00am - Registration / Morning Tea
10.30am - Welcome Welcome / Introduction – John Monaghan, Chairman of the Board
10.45am – Annual Meeting Proceedings Chairman's Review Chief Executive Officer's Presentation
Approval of Remuneration of Directors, Shareholders' Councillors and Directors' Remuneration Committee Members Directors' Remuneration Committee Review – Glenn Holmes, Member of the Directors' Remuneration Committee Resolution 1: That no increase of remuneration of Directors be approved Resolution 2: That no increase of remuneration of Shareholders' Councillors be approved Resolution 3: That no increase of remuneration of Members of Directors' Remuneration Committee be approved
Appointment of Auditor Resolution 4: Appointment of KPMG as auditor and authorisation of the Directors to fix the auditor's remuneration
Ratification of Appointment of Directors Resolution 5: Ratification of appointment of Holly Kramer Resolution 6: Ratification of appointment of Bruce Hassall
Approval of Amendments to the Constitution Resolution 7: Approval of open entry related amendments to the Constitution
Shareholders' Council Report Chairman's Review – James Barron Approval of Shareholders' Council Programme and Budget Resolution 8: Approval of the Shareholders' Council programme and budget
Shareholder Proposal Resolutions 9, 10 and 11: Mr Paterson's Proposal
Voting Paper Collection
Announcement of Resolution Results
General Business
1.00 / 1.30pm - Closing / Lunch (approximately)

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 ("Company") will be held on **Thursday, 5 November at the Copthorne Hotel & Resort Solway Park Wairarapa, High Street, Masterton.**

John Monaghan

Chairman, on behalf of the Board

Notice of Meeting dated 12 October 2020

Business

Welcome/Introduction

Annual Meeting Proceedings

Chairman's Review

Chief Executive Officer's Presentation

Remuneration of Directors, Shareholders' Councillors and Directors' Remuneration Committee Members

Directors' Remuneration Committee Review

Resolution 1: That no increase of remuneration of Directors be approved

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

"That no increase of remuneration of Directors be approved, as recommended by the Directors' Remuneration Committee."

Resolution 2: That no increase of remuneration of Shareholders' Councillors be approved

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

"That no increase of remuneration of Shareholders' Councillors be approved, as recommended by the Directors' Remuneration Committee."

Resolution 3: That no increase of remuneration of Members of the Directors' Remuneration Committee be approved

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

"That no increase of remuneration of Members of the Directors' Remuneration Committee be approved, 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."

Ratification of Appointment of Directors

Resolution 5: Ratification of appointment of Ms Holly Kramer

To consider and, if thought fit, to resolve:

"To ratify the appointment by the Board of Ms Holly Kramer as a Director of the Company, under clause 12.4 of the Constitution."

Resolution 6: Ratification of appointment of Mr Bruce Hassall

To consider and, if thought fit, to resolve:

"To ratify the appointment by the Board of Mr Bruce Hassall as a Director of the Company, under clause 12.4 of the Constitution."

Approval of Amendments to the Constitution

Resolution 7: Approval of open entry related amendments to the Constitution

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

"To approve the proposed amendments to the Constitution, as set out in the section headed 'Resolution 7' of Part Two of the Notice of Meeting."

Shareholders' Council Report

Chairman's Review

Approval of Shareholders' Council Programme and Budget

Resolution 8: Approval of Shareholders' Council programme and budget

To receive and discuss the Shareholders' Council report (including the Milk Commissioner's report) for 2019/20 (contained in the Shareholders' Council's 2020 Annual Report to Shareholders) and the Shareholders' Council's programme and budget for 2020/21 and, if thought fit, to resolve:

"To approve the Shareholders' Council's programme and budget for the financial year ending 31 July 2021."

Shareholder Proposal

Resolutions 9, 10 and 11: Mr Paterson's Proposal

"To consider and support the following resolutions to restrict the Fonterra Shareholders' Council to performing only its Constitutional duties in the manner detailed below, and that funding for these limited activities be via a cents/per kgMS levy to be determined by a farmer vote every year."

Resolution 9: That the Shareholders' Council must engage an external expert to produce reports that satisfy clause 16.1(e) and 16.1(g)(iii) of the Constitution:

- (e) subject to any applicable legislative or regulatory requirement and to the Market Rules, receiving and commenting on reports from the Board on the Company's consolidated and key business unit operations at least four times each Season, such reports to include a commentary on actual achievements compared with the Board's statement of intentions for the performance and operations of the Company for that Season, and the Company's key performance indicators;
- (g) preparing the Shareholders' Council's programme and budget for each Season and, at each annual meeting of the Company:
 - (iii) reporting on the view of the Shareholders' Council as to the Company's direction, performance and operations including a commentary on actual achievements compared with the Board's statement of intentions for the performance and operations of the Company for the most recently completed Season.

Resolution 10: That the Council's annual budget be reduced in-line with its constitutional purpose to a total of \$2,271,000 based on the following activities:

	FY20 Budget	New Budget
Operating Costs (Communications, Councillor Honoraria, Council staff, meetings, Milk Commissioner, Milk Price Panel appointees, legal, insurance, I.T)	\$2,010,000	\$1,450,000 (achieved by reducing the number of committees, meetings and utilising technology to reduce travel expenses)
Connection (My Connect conference, UYCP, Purpose Review, Councillor development, Shareholder engagement).	\$590,000	\$0 (These programmes will now be fully-funded and run by Management using existing resources).
Governance Development Programme	\$146,000	\$146,000 (This is a 50% contribution to the cost of the programme which is shared with the Board. The programme is governed by the Governance Development Committee)
Guardianship (Elections - Returning Officer, ISP, candidate meetings)	\$475,000	\$475,000
Performance (External analyst and advice)	\$50,000	\$200,000 (This cost increase reflects the out-sourcing of quarterly performance updates and creation of any special reports)
Total	\$3,271,000	\$2,271,000

Resolution 11: That the funding model for the Shareholders' Council to be in the form of a Milk Price levy, voted on by farmers every year and starting at 0.0015 cents per kgMS for the 2021 Financial Year."

Explanatory Notes to Notice of Annual Meeting

Welcome

The Chairman will welcome Shareholders.

Annual Meeting Proceedings

Remuneration of Directors, Shareholders' Councillors and Directors' Remuneration Committee Members

Resolution 1: That no increase of remuneration of Directors be approved

In accordance with clause 34.1 of the Company's Constitution, the Directors' Remuneration Committee ("Committee") met in July 2020 to consider, and recommend to Shareholders, the form and amount of the Directors' remuneration. The Committee comprises six elected Shareholders and is chaired by Mr David Gasquoine.

Between 2014 and 2016 the Committee recommended that Directors' remuneration remain unchanged, which was appropriate given the very challenging economic conditions experienced by Shareholders.

In 2017 the Committee noted that market data showed that remuneration levels for Directors had increased significantly since the Fonterra Directors' remuneration was last increased in 2013. The Committee recommended increases to the remuneration level for Directors to ensure that Fonterra continued to attract and retain the very best Director candidates, one of the key objectives of the Governance and Representation Review recommendations.

The Committee also recommended that a discretionary pool of \$75,000 be available for remunerating Directors for additional workload, to be allocated at the discretion of the Appointments and Remuneration Committee and the Chairman of the Board.

In 2018 and 2019 the Committee considered workload expectations and market trends and recommended no change to Director remuneration. In 2019 the Committee noted that the discretionary pool of fees put in place in 2017 had been used for the first time to remunerate a Director \$25,000 for additional workload.

In 2020 the Committee reviewed remuneration practices in New Zealand and Australia. The Committee noted that Director remuneration had not been increased since 2017.

The Committee considered whether current remuneration levels were appropriate, given the substantial Director workload, to ensure highly skilled directors were attracted and retained on the Board.

The Committee discussed the impact of the COVID-19 pandemic on Fonterra and globally, and noted that while the general market trend was for a small annual increase in directors' remuneration, some companies had recently reduced remuneration levels due to the financial implications of the pandemic.

The Committee noted that the \$75,000 discretionary pool of fees had been utilised for the second time to remunerate a Director \$25,000 for additional workload. The Committee determined that the discretionary pool gave the Board a tool to adequately remunerate Directors for additional workload including multiple Committee memberships, and recommended removal of the limit of \$25,000 per Director.

The Committee noted that while small incremental increases in remuneration were preferable, there was significant economic uncertainty as a result of the COVID-19 pandemic. As such the Committee determined to recommend no change to Director remuneration in 2020, other than to remove the discretionary pool's \$25,000 limit per Director.

The Committee's recommendation to Shareholders in relation to the remuneration of Directors is:

That the remuneration for the Directors be approved at the following amounts from the date of this Annual Meeting:

- Chairman **\$430,000 p.a.** (no change)
- Director **\$175,000 p.a.** (no change)

In addition, at the discretion of the Board, the Chair of each permanent Board Committee may be paid an additional \$35,000 p.a., unless that person is the Chairman of the Board or already in receipt of a Committee Chair allowance (no change).

- Discretionary Pool

Up to **\$75,000** per annum (in aggregate), be provided for fees for Directors to be remunerated for additional duties, workload and responsibilities; such fees to be allocated at the discretion of the Appointments and Remuneration Committee of the Board and the Chairman of the Board and the tabling of details of such fee payments to the Directors' Remuneration Committee annually (removal of the \$25,000 limit per Director).

The Committee has also approved the expense reimbursement policy for both Directors and Shareholders' 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.

Resolution 2: That no increase of remuneration of Shareholders' Councillors be approved

In accordance with By-law 3.1 of the Shareholders' Council By-laws, the Directors' Remuneration Committee met in July 2020 to consider, and recommend to Shareholders, the form and amount of the remuneration to be paid to Shareholders' Councillors.

The Committee considers the Councillor's representative role to be an important one for the Co-operative, and that the level of the honoraria needs to be sufficient to attract and recognise Shareholders of a high calibre serving in that capacity. The Committee noted the review of the Shareholders' Council which was underway.

Between 2014 and 2016 the Committee recommended that Shareholders' Councillor honoraria remain unchanged, which was appropriate given the very challenging economic conditions experienced by Shareholders.

In 2017 the Committee recommended increases to the Shareholders' Councillor honoraria. The Committee noted that the number of Council wards had been reduced to 25 from the date of the 2017 Annual Meeting.

In 2018 and 2019 the Committee recommended that the Shareholders' Councillor honoraria remained unchanged. The Committee noted that the role of Deputy Chair had been disestablished in 2019.

The Committee discussed the significant economic uncertainty as a result of the COVID-19 pandemic. Given this and the present review of the Shareholders' Council, the Committee considers that the Shareholders' Council honoraria remains appropriate and determined to recommend no change to Shareholders' Councillor remuneration.

The Committee reviews with the Chair of the Shareholders' Council the allocations made from the discretionary pool in the prior year, and is comfortable that the pool was utilised in a reasonable manner consistent with the intent of the recommendation.

The Committee's recommendation to Shareholders in relation to the remuneration of Shareholders' Councillors is:

That the honoraria for the Shareholders' Councillors and the Chairman of the Council be approved at the following amounts from the date of this Annual Meeting:

- Chair **\$100,000 p.a.** (no change)
- Councillors **\$35,000 p.a.** (no change)
- Discretionary Pool

Up to **\$100,000** per annum (in aggregate), be provided for additional honoraria of Project Leaders and Subcommittee Chairpersons of the Shareholders' Council (in each case not to exceed \$17,500 per annum per person); and for ordinary Councillors representing the Council at its request on external Committees; such provisions to be allocated in whole or part at the discretion of the Chairman of the Shareholders' Council and the tabling of details of such honoraria payments to the Directors' Remuneration Committee annually (no change to the amount of the current pool arrangement).

Resolution 3: That no increase of remuneration of Members of the Directors' Remuneration Committee be approved

The Board met to consider, and recommend to Shareholders, the form and amount of the remuneration to be paid to Members of the Directors' Remuneration Committee. The Directors' Remuneration Committee comprises six elected Shareholders.

The Board noted that the Directors' Remuneration Committee members' honoraria had been increased in 2017 and were not changed in 2018 and 2019.

The Board recommends no change be made in 2020.

The Board's recommendation to Shareholders in relation to the remuneration of Members of the Directors' Remuneration Committee is that the remuneration be set at the following amounts from the date of this Annual Meeting:

- Chairman **\$2,000 p.a.** (no change)
- Member **\$1,000 p.a.** (no change)

Furthermore, Members of the Directors' Remuneration Committee are entitled to be paid for reasonable expenses incurred in connection with the business of the Committee, in line with the policy for remuneration of Directors and Shareholders' 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 1993 requires the Company to appoint an auditor. Section 207S of the Companies Act 1993 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 2020.

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.

Ratification of Appointment of Directors

Resolution 5: Ratification of appointment of Ms Holly Kramer

The Company's Constitution requires that the Shareholders of the Company ratify the appointment of each Director appointed by the Board in accordance with clause 12.4 of the Constitution. This is to take place at the first Annual Meeting of the Company following that Director's appointment and, where the appointment is for a term exceeding three years, shall be ratified by Shareholders every three years.

Ms Holly Kramer was appointed by the Board in accordance with clause 12.4 of the Constitution and her appointment is required to be ratified by Shareholders at the 2020 Annual Meeting.

The Fonterra Board has determined that Ms Holly Kramer qualifies as an Independent Director.

Ms Kramer's remuneration and benefits, as with all of the Independent Directors, are determined by the Board in accordance with section 161 of the Companies Act and are not subject to Resolution 1. However, the Fonterra Board remunerates Independent Directors at the same level as Elected Directors.

Details of her qualifications and experience are set out below.

Holly Kramer

Holly Kramer was appointed to the Fonterra Co-operative Group Board in May 2020.

She has more than 25 years of extensive governance, management and product/marketing experience. Holly was Chief Executive Officer of major Australian retailer Best & Less. She has also held senior executive roles at Telstra Corporation, Ford Motor Company (in the US and Australia) and Pacific Brands.

Holly is currently a Director on the Boards of Woolworths, Abacus Property Group and the GO (Goodes-O'Loughlin) Foundation. She is Chair of the unlisted mortgage broking fintech, Lendi. She is also the Pro-Chancellor of Western Sydney University. Holly's previous governance roles include the Boards of Australia Post, Nine Entertainment Corporation, AMP Limited, and Telstra Clear (NZ).

Resolution 6: Ratification of appointment of Mr Bruce Hassall

The Company's Constitution requires that the Shareholders of the Company ratify the appointment of each Director appointed by the Board in accordance with clause 12.4 of the Constitution. This is to take place at the first Annual Meeting of the Company following that Director's appointment and, where the appointment is for a term exceeding three years, shall be ratified by Shareholders every three years.

Mr Bruce Hassall was appointed by the Board in accordance with clause 12.4 of the Constitution and his appointment is required to be ratified by Shareholders at the 2020 Annual Meeting.

The Fonterra Board has determined that Mr Bruce Hassall qualifies as an Independent Director.

Mr Hassall's remuneration and benefits, as with all of the Independent Directors, are determined by the Board in accordance with section 161 of the Companies Act and are not subject to Resolution 1. However, the Fonterra Board remunerates Independent Directors at the same level as Elected Directors.

Details of his qualifications and experience are set out below.

Bruce Hassall

Bruce Hassall was appointed to the Fonterra Co-operative Group Board in November 2017.

He is a Chartered Accountant and has had a 35-year career at PwC, including holding the position of Chief Executive Officer of the New Zealand practice from 2009 to 2016. Bruce is Chairman of The Farmers Trading Company Limited, Prolife Foods Limited and Fletcher Building Limited and serves as a director on the Board of Bank of New Zealand.

He was previously a member of the University of Auckland Business School Advisory Board and was a founding Board Member of the New Zealand China Council. Bruce has extensive experience in financial reporting, information system processes, risk management, business acquisitions, capital raising and IPOs across both listed and private companies.

Approval of Amendments to the Constitution

Resolution 7: Approval of open entry related amendments to the Constitution

Resolution 7 is a special resolution required by section 106(1)(a) of the Companies Act 1993.

In July 2020, the Company committed to farmers that once open entry is removed from the Dairy Industry Restructuring Act 2001 ("DIRA"), it will continue to accept applications to supply from all farms that are, at the time of the application, supplying the Company, until the remainder of the pro-competition provisions in the DIRA fall away. The Company also stated that it would propose that this commitment was included in the Company's Constitution at the 2020 Annual Meeting and asked farmers to support its addition.

The Dairy Industry Restructuring Amendment Act 2020 amends DIRA, amongst other things, to remove the requirement on the Company to accept applications to become shareholding farmers made by a new entrant, effective from 1 June 2023.

The proposed amendment to clause 2.3 of the Constitution gives effect to the Company's July 2020 commitment, and is set out below.

Consequential clause reference amendments will also be made to clauses 2.7, 8.2, 8.3 and 9.1(e), by replacing references to clause "2.3(b)" in those clauses with "2.3(a)(ii)".

2.3 Board may accept application:

(a) Subject to clause 2.3(b), the Board may in its absolute discretion decide:

(ai) whether or not to accept an application by a person to become a Shareholder made in accordance with clause 2.2 or any application procedure which the Board may from time to time determine; and

(bii) whether or not to accept the supply of Milk from any person, on such terms and conditions as the Board thinks fit, without requiring that person to become a Shareholder in respect of that supply.

(b) In respect of applications for the supply of Milk to the Company that are made on or after 1 June 2023, the Board will (subject to clause 2.4) accept an application by a person to supply Milk to the Company from any Farm from which, at the time of the application, Milk is supplied to the Company, provided that the Board is satisfied that the applicant and the relevant Farm comply with the Terms and Conditions. This clause 2.3(b) will cease to apply on the first date that subpart 5 of Part 2 of the Dairy Industry Restructuring Act 2001 is repealed or otherwise ceases to apply to the Company.

The proposed amendment differs from the July 2020 commitment by specifying that it ceases to apply when subpart 5 of Part 2 of DIRA is repealed or ceases to apply to the Company, rather than when the pro-competition provisions in DIRA fall away. Subpart 5 of Part 2 of the DIRA sets out the open entry/exit and associated "pro-competition" provisions. It is separate to subpart 5A, which sets out the milk price regime. This means that the proposed amendment will cease to apply if subpart 5 of DIRA is repealed, even if the milk price regime in subpart 5A continues in force.

This proposed amendment also clarifies that both the applicant and the farm need to comply with the Company's standard terms and conditions of supply in order for the proposed amendment to apply.

As the amendments to the Constitution of the Company that are contemplated by Resolution 7 do not impose or remove a restriction on the activities of the Company, Shareholders will not have the benefit of the minority buy-out rights set out in section 110 of the Companies Act 1993.

A solicitor's opinion regarding the Constitution of the Company, as required under rule 1.11.1 of the FSM Rules applicable to the Fonterra Shareholders' Market, has been provided to NZX.

As the proposed amendments will alter Part A of Fonterra's Constitution, the approval of a majority of 50 per cent or more of Shareholders' Councillors is required under clause 18.1 of the Constitution. This approval was received on 18 September 2020.

If Resolution 7 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 7 is not passed then the recommended changes will not take effect. However, this will not otherwise impact the commitment the Company made in July 2020.

Approval of Shareholders' Council Programme and Budget

Resolution 8: Approval of Shareholders' Council programme and budget

Under this item of business the Chairman of the Shareholders' Council will, in accordance with the requirements of the Company's Constitution:

- report on Council's view of the Company's direction, performance and operations for the financial year ending 31 July 2020 (FY20);
- report on the activities undertaken by Council in FY20;
- present Council's programme and budget for the current financial year;
- present the Milk Commissioner's Report;
- comment on other Company and dairy industry matters.

Shareholders are then asked to approve the programme and budget of the Shareholders' Council for the current financial year, ending 31 July 2021 (FY21).

In preparing the below budget for FY21 Council has sought to take into account possible outcomes of the Review of Council, based on the Steering Group's Issues and Options discussion paper sent to farmers in late August 2020. The final report and recommendations of the Steering Group are expected to be received after this Notice of Meeting is sent to Shareholders.

	FY20 Budget \$000	FY20 Actual \$000	FY21 Budget \$000
Council operating costs:			
Communications – including Annual Report design and print	20	11	13
Councillor Honoraria (refer Resolution 2 for amounts), and Council staff salaries and associated costs	1,660	1,645	1,650
Council meetings – including accommodation and travel for Council meetings, Board/ Board Committee meetings, and meetings with external stakeholders, and Diligent meeting papers software costs	200	234	200
Councillor engagement with farmers in Wards – including travel, accommodation and catering	100	15	68

Councillor training and development – including course/facilitator and travel costs, and new Councillor introduction programme	30	10	70
Insurance and IT costs – including Councillor liability insurance and staff information technology costs	20	20	24
Review of Council – Steering Group costs including fees paid to independent Chair, Steering Group travel and meeting costs, Report design, and costs of farmer consultation meetings	0	54	75
External analyst support – including financial and survey design and analysis	50	53	100
Total Council operating costs	2,080	2,042	2,200
Other costs contributed to or met by Council:			
<i>Connection</i>			
Contribution to costs of MyConnect conference	210	50	160
Understanding Your Co-operative Programme	250	74	170
Governance Development Programme	146	22	100
<i>Guardianship</i>			
Fonterra Director Elections:			
• Returning Officer costs	235	204	170
• Director candidate meetings	55	38	45
• Independent Selection Panel and secretariat, independent agent and candidate interview expenses	185	152	185
Professional Services - Milk Commissioner costs, fees paid to Council's appointees to the Milk Price Panel, legal costs	110	112	125
Total other costs contributed to or met by Council	1,191	652	955
Combined Total	3,271	2,694	3,155

Budget

Council seeks Shareholder approval for a budget of \$2.2 million for Council operating costs for FY21 and \$955,000 for other costs contributed to or met by Council, giving a combined total of \$3.155 million, as summarised above.

In November 2019 Fonterra Shareholders approved a budget of \$3.271 million for FY20 of which \$2.694 million (82%) was utilised.

Material variations between FY20 budgeted and actual expenditure, and FY20 actual spend and FY21 budgeted spend are summarised as follows:

- **Council meetings:** Costs exceeded budget, even with one online meeting due to COVID-19 restrictions. During FY21 full Council will meet less frequently, however Committees will need to meet occasionally in person. These meetings will be scheduled as possible around Ward engagements to manage costs.
- **Councillor engagement with farmers in Wards:** As an extension to individual Councillor engagements in Wards and in response to farmer requests, Leadership Team meetings in Wards were planned for FY20 but were impacted by COVID-19 restrictions. Recognising farmer feedback during the Review of Council, more regional and Ward engagements are planned for FY21.
- **Councillor training and development:** Councillor training and development is imperative to Council effectively fulfilling its functions. In FY19 and FY20 Council did not allocate budget to training given the Fonterra wide focus on reducing expenditure. The FY21 budget will enable all 25 Councillors to undertake targeted relevant training and development, and reflects spend prior to FY19.
- **Review of Council:** The FY20 Budget did not include costs for the Review as the Steering Group had not been formed and would determine the Review process. Costs were managed through the Terms of Reference which required prior approval.
- **External analyst support:** Recognising farmer feedback during the Review of Council, allowance has been made for additional support including for financial analysis and surveys.
- **MyConnect conference:** The 2020 conference was cancelled due to COVID-19 restrictions. FY20 actual costs are Council's share of non-refundable deposits, which can be credited to 2021 event costs. Allowance has been made for the same contribution to the 2021 conference as in recent years (\$210,000), less the deposits already paid.
- **Understanding Your Co-operative Programme:** One Programme was held in December 2019. The other planned FY20 event and a series of shorter regional Know Your Co-op programmes were cancelled due to COVID-19 restrictions. Two UYCP events are planned for FY21.

- **Governance Development Programme:** COVID-19 restrictions required the second workshop to be deferred to October. As a result, a significant proportion of the 2020 intake's Programme costs will fall into FY21. After finalising the FY20 budget the Governance Development Committee decided to increase participant contributions which resulted in a lower cost to the Co-op. This Programme is a joint Council and Board initiative, with costs shared equally between Council and the Board.
- **Director election:** The budgeted FY21 reduction in Returning Officer costs reflects the costs that relate to Councillor and Directors' Remuneration Committee elections (and the Fonterra Farmer Custodian Trust election in 2019), which are met by Fonterra head office which manages those elections.

Work Programme

Council's work programme for FY21 includes the following key workstreams:

Connection

- Foster members' engagement with their Co-op through Ward and regional meetings
- Understand members' interests, needs and perspectives through survey and meetings
- Represent members' interests, needs and perspectives to the Board
- Provide regular feedback on how members' interests, needs and perspectives have been represented
- Report on how members' interests, needs and perspectives align with Board strategy and Co-op performance
- Provide Councillors with relevant learning and development programmes
- Foster Councillor succession
- Deliver the Understanding Your Co-operative Programme

Guardianship

- Progress any changes (including Constitutional, Council By-laws, Board-Council-Management Working Interface document (as applicable)) arising from the Review of Council
- Review and refresh (as necessary) the Co-operative philosophy and principles, and promote greater member understanding
- Manage the Director election in consultation with the Board, and appoint the Returning Officer and Council's independent appointee to the Independent Selection Panel
- 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

- Jointly with the Board, formally review the 2016 Governance and Representation Review changes

Accountability

- Meet with the Board each quarter to understand performance, strategy and future prospects and how well members' interests, needs and perspectives 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 Annual Report and at the 2021 Annual Meeting.

Shareholder Proposal

Under clause 15.1 of the Constitution, a Shareholder may give written notice to the Board of a matter which the Shareholder proposes to raise for discussion or resolution at the next meeting of Shareholders at which the Shareholder is entitled to vote. Under the provisions of section 9 of the first schedule to the Companies Act, the Shareholder may include a statement of not more than 1000 words in support of the proposal, together with the name and address of the proposing shareholder.

Resolutions 9, 10 and 11: Mr Paterson's Proposal

The Company has received the following proposal from Mr Tony Paterson for shareholder consideration and resolution at the Annual Meeting.

"To consider and support the following resolutions to restrict the Fonterra Shareholders' Council to performing only its Constitutional duties in the manner detailed below, and that funding for these limited activities be via a cents/per kgMS levy to be determined by a farmer vote every year.

Resolution 9: That the Shareholders' Council must engage an external expert to produce reports that satisfy clause 16.1(e) and 16.1(g)(iii) of the Constitution:

(e) subject to any applicable legislative or regulatory requirement and to the Market Rules, receiving and commenting on reports from the Board on the Company's consolidated and key business unit operations at least four times each Season, such reports to include a commentary on actual achievements compared with the Board's statement of intentions for the performance and operations of the Company for that Season, and the Company's key performance indicators;

(g) preparing the Shareholders' Council's programme and budget for each Season and, at each annual meeting of the Company:

(iii) reporting on the view of the Shareholders' Council as to the Company's direction, performance and operations including a commentary on actual achievements compared with the Board's statement of intentions for the performance and operations of the Company for the most recently completed Season.

Resolution 10: That the Council's annual budget be reduced in-line with its constitutional purpose to a total of \$2,271,000 based on the following activities:

	FY20 Budget	New Budget
Operating Costs (Communications, Councillor Honoraria, Council staff, meetings, Milk Commissioner, Milk Price Panel appointees, legal, insurance, I.T)	\$2,010,000	\$1,450,000 (achieved by reducing the number of committees, meetings and utilising technology to reduce travel expenses)
Connection (My Connect conference, UYCP, Purpose Review, Councillor development, Shareholder engagement).	\$590,000	\$0 (These programmes will now be fully-funded and run by Management using existing resources)
Governance Development Programme	\$146,000	\$146,000 (This is a 50% contribution to the cost of the programme which is shared with the Board. The programme is governed by the Governance Development Committee)
Guardianship (Elections - Returning Officer, ISP, candidate meetings)	\$475,000	\$475,000
Performance (External analyst and advice)	\$50,000	\$200,000 (This cost increase reflects the out-sourcing of quarterly performance updates and creation of any special reports)
Total	\$3,271,000	\$2,271,000

Resolution 11: That the funding model for the Shareholders' Council to be in the form of a Milk Price levy, voted on by farmers every year and starting at 0.0015 cents per kgMS for the 2021 Financial Year."

The Board believes that Mr Paterson's proposal raises matters which are best considered by Shareholders. For this reason, the Board will not be making a recommendation to Shareholders regarding the resolutions contained within Mr Paterson's proposal.

The Shareholders' Council has advised it does not support the proposal.

This Shareholder proposal is three ordinary resolutions requiring the support of a simple majority of the votes of those Shareholders entitled to vote and voting on the resolutions.

Under Fonterra's Constitution, the resolutions will not be binding on the Board or Shareholders' Council.

The proposing Shareholder, Mr Tony Paterson, was entitled to provide a statement in support of the proposal. The following was supplied:

Outcome:

For the Fonterra Shareholders' Council to be restricted to performing its Constitutional duties only, and that its funding be provided by way of a cents per kgMS levy to be determined by a farmer vote every three years.

Sponsors:

Tony Paterson

Background:

We are incredibly disappointed with the outcome of the Shareholders' Council Review. It is a lost opportunity to return our representative body to the effective, respected organisation it has been in the past.

Overwhelmingly, farmer feedback is that the Shareholders' Council has not performed. It is ludicrous that the review Steer-Co's response to this is to suggest giving the Council even greater responsibility.

Ultimately, everything we need from our Shareholders' Council is already possible within Clause 16.1 of the Constitution today. In short, our proposal is that the Shareholders' Council stick to its Constitutional functions, provide farmers with independent and expert financial analysis, and look for significant cost-savings by transferring some activity to the management team.

There has been a lot of noise about the Shareholders' Council being a 'cornerstone shareholder' and 'holding the board to account'. None of that is included within our Constitution. Over time, Council has anointed itself with those titles and expanded its scope - to the detriment of its overall performance.

A review or self-assessment of the skills and attributes of our Councillors was critically left out of the scope of this latest review.

Our Shareholders' Councillors are good people. They are committed, passionate members of our ownership base who are well placed to represent farmer interests to the Board and communicate their independent view of the Co-op's direction farmer-to-farmer.

Councillors are also well-placed to advocate on behalf of their fellow farmers when it comes to national or Co-operative issues that impact their on-farm practices, such as freshwater policy, DIRA, or the emissions trading scheme.

Aside from the skills and experience gained through their farming businesses, Councillors may also be highly skilled in other areas as a result of tertiary education or professional careers in other sectors.

However, unlike our Directors, Councillors are not assessed or elected against any set criteria of skills and attributes. Therefore, it cannot guarantee that within its membership, Council will have the ability to critically assess the performance of the Board or Management team when it comes to complex issues such as investment/divestment strategy or overall financial performance.

Council is setting itself up for failure by anointing itself the 'cornerstone shareholders' and charging itself to 'hold the board to account' - roles that it is neither empowered nor qualified to undertake.

In developing the following proposal, we have looked at the overlap between Council's Constitutional function, the capabilities of Councillors, and what farmers want from their Council.

This leaves you with narrow list of jobs for the Shareholders' Council that is more cost effective for farmers, and ultimately can be delivered by the calibre of people filling Council positions.

The Refreshed Fonterra Shareholders' Council

Role definition:

To share the collective view of Fonterra's farmer-owners with the Board and ensure the Co-operative acts in accordance with our Co-operative Principles and its Constitutional purpose.

Scope:

- a) Represent farmers' collective interests to the Fonterra Board and ensure the Co-operative acts in accordance with our Co-operative Principles and its Constitutional purpose.
- b) Manage the Director election process in consultation with the Board.
- c) Oversee the creation of an independent quarterly review of the Co-operative's performance against the Board's statement of intentions, and report that back to farmers.
- d) As required, commission a special report (whether internal or independent) on specific projects or activities of the Co-operative and report that back to farmers.
- e) Call a special meeting of Shareholders, if the Shareholders' Council has serious concerns about any Co-operative issue.
- f) Consult with the Board in relation to the operation of the Fonterra Shareholders Market and any Authorised Fund.

- g) Consult with the Board in relation to any changes to the Milk Price Manual and the Milk Price Principles.
- h) Appoint any Valuer and procuring that any such Valuer acts in accordance with the provisions of this Constitution.
- i) Appoint and coordinate with the Milk Commissioner.
- j) Publicly advocate on behalf of Fonterra farmers on matters that impact their on-farm practices or the future of the dairy industry.

Shareholder's Council Budget:

	FY20 Budget	New Budget
Operating Costs (Communications, Councillor Honoraria, Council staff, meetings, Milk Commissioner, Milk Price Panel appointees, legal, insurance, I.T)	\$2,010,000	\$1,450,000 (achieved by reducing the number of committees, meetings and utilising technology to reduce travel expenses)
Connection (My Connect conference, UYCP, Purpose Review, Councillor development, Shareholder engagement.	\$590,000	\$0 (These programmes will now be run by Management using existing resources)
Governance Development Programme	\$146,000	\$146,000 (This is a 50% contribution to the cost of the programme which is shared with the Board. The programme is governed by the Governance Development Committee)
Guardianship (Elections - Returning Officer, ISP, candidate meetings)	\$475,000	\$475,000
Performance (External analyst and advice)	\$50,000	\$200,000 (This cost increase reflects the out-sourcing of quarterly performance updates and creation of any special reports)
Total	\$3,271,000	\$2,271,000

Funding:

Shareholders' Council funding be provided by way of a cents/ per kgMS levy to be determined by a farmer vote every year.

For the 2021 Financial Year, based on the budget above, the levy would be set at 0.0015 cents per kgMS.

Farmer support:

We seek your support for this proposal to simplify and improve the representative function of our Co-operative. We appreciate the need for consultation with shareholders, but believe this has been achieved through the official Steer-Co and other recent Governance and Representation reviews in 2016 and 2019.

For our resolution to be successful, we require 50% support of farmer votes cast and ask that you support all three of our resolutions that will bring about this change.

If however you do not support one or more of the resolutions we have put forward, we ask that you support those that you do agree with as each resolution has merit in its own right.

Phone or email:

Any farmer who wished to discuss this proposal is welcome to contact Tony Paterson by phone or email on the details below

Ph 0275948341 email tp.lisa@extra.co.nz

The Board comments on Mr Paterson's Proposal as follows:

The Board respects the rights of Shareholders to propose resolutions for consideration by all Shareholders. The Board believes that Mr Paterson's proposal raises matters which are best considered by Shareholders. For this reason, the Board will not be making a recommendation to Shareholders regarding the resolutions contained within Mr Paterson's proposal.

The Shareholders' Council has reviewed Mr Paterson's Proposal.

Council respects the right of Shareholders to propose matters for discussion or resolution at meetings of Shareholders. Council has considered Mr Paterson's proposal and the statement provided in support of the proposal. Council does not support the proposal for the reasons set out below.

1. The proposal pre-empt's the outcomes of a review of Council which has been conducted this year by a Steering Group having a majority of members independent of the Council and the Board. The Steering Group signalled possible changes to Council's role and functions in its Issues and Options Discussion Paper sent to Fonterra farmers in late August, which preceded a nation-wide series of consultation meetings to discuss those issues and options. The Steering Group's final report and recommendations are expected to be released soon (before the 2020 Annual Meeting). It is premature for farmers to give a view on the outcomes of the review before they are finalised and communicated to farmers, or the recommendations have been acted on and implemented.

2. The proposal is not fully consistent with the views that have been expressed by Fonterra farmers. Feedback and submissions during the review clearly evidence that the vast majority place a high value on all of Council's representation, monitoring, connection and guardianship functions. This includes farmers wanting Council to help them feel connected to their Co-op and also wanting greater visibility of Councillors in their Wards to hear their views.
3. Council has seen the Steering Group's draft final report. Councillors are confident that changes can be implemented and that these changes will address the issues identified by Fonterra farmers during the review.
4. The Steering Group's review has followed a thorough and considered process, and has drawn on feedback and submissions from Fonterra farmers, discussions with independent experts of co-operatives (in New Zealand and internationally), academic literature, discussions with Council and the Board, and the Steering Group's own analysis. Council is confident that the Steering Group's recommendations are very well informed, have a sound basis and will result in a Council that better meets expectations and gives the Co-op's members more effective representation.
5. It is not accurate to assert that the Steering Group is suggesting that the Council is given greater responsibility. As noted in its Issues and Options Discussion Paper the Steering Group's proposed changes are 'all aimed at sharpening the Council's focus and increasing its value for members'.
6. The proposal does not recognise that:
 - Council has for many years engaged external expertise to assist with its analysis of Board reports on the Company's performance and operations. Council currently reports quarterly. However quarterly reporting against the Board's Statement of Intentions (SOI's) has been prevented as the SOIs are not published until after the end of the financial year. From FY21 Council will be able to report against the SOIs on a quarterly basis during the financial year and Council will engage external analyst support to do this. Council's budget set out in this Notice of Meeting reflects this.
 - In order to effectively represent Fonterra farmers' collective interests to the Board, Councillors must be enabled to connect and engage with the farmers they represent, however no budget has been allocated to do that.
 - Councillors are elected against a 'key qualities and capabilities list' which is included in the Candidate Handbook when nominations are sought and in the Candidate Profile booklets sent with voting papers.
 - Bodies that operate effectively under a levy based funding model must manage funding volatility arising from production variations by holding adequate reserves to cover poor seasons. Council has no ability or desire to retain farmers' funds in this manner. Council's budget for the year ahead already requires Shareholder approval at each Annual Meeting. That budget must be adequate for it to perform all the functions it is tasked with under the Constitution. For these reasons Council believes the current funding model and process for approval by Shareholders is appropriate.



If undelivered please return to:

The Returning Officer
Fonterra Elections 2020
PO Box 3138
Christchurch 8140
Free phone 0800 666 034

Annual Meeting Proxy Paper Information

10.30am on Thursday, 5 November 2020. Copthorne Hotel & Resort Solway Park Wairarapa, High Street, Masterton.

HOW TO COMPLETE THE PROXY PAPER AND APPOINT A PROXY

- Appoint a proxy:** Provide the full name and address of your chosen proxy in the box labelled "Primary Proxy". A proxy need not be a Shareholder.
The Chairman of the Meeting is willing to act as your primary proxy. If you wish to appoint the Chairman of the Meeting you can simply write "Chairman of the Meeting".
It is recommended that you appoint an alternate proxy as well, in case your primary proxy is unable to attend on the day of the Annual Meeting. Please provide the full name and address of your alternate proxy in the box labelled "Alternate Proxy".
Please note: You do NOT need to appoint an alternate proxy if the Chairman of the Meeting is your primary proxy.
- 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. Your proxy CANNOT change the direction of your vote if you instruct them how to vote in this manner. If you do not instruct your proxy how to vote by placing a tick in either the "For" or "Against" box, then your proxy can vote as she/he determines.
- Sign the form:** Each Shareholder must sign the paper:
 - Individuals/Sole Proprietors: the Shareholder must sign the paper.
 - Companies: a duly authorised representative of the company must sign the paper.
 - Joint Shareholders (including trusts, partnerships and estates): it is your responsibility to ensure that the person(s) signing this paper is/are authorised to sign on behalf of, and bind, all joint holders.
 - Attorneys: if the 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 paper is signed must be sent with the paper if the power of attorney has not been previously produced to the Company.
- Return the form:** Return the proxy paper as soon as possible. It must be received by the Returning Officer no later than 10.30am on Tuesday, 3 November 2020.
 - Mail by separating, folding and inserting the proxy paper into the freepost envelope provided.

To ensure your Proxy Paper reaches the Returning Officer before the close of voting please **post no later than Thursday, 29 October 2020**.

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 proxy form. In this form, proxy can mean proxy or representative appointed for a company or other body corporate or entity.

ERRORS AND OMISSIONS

By signing and returning the proxy paper, you authorise Fonterra, in its sole discretion, to rectify any errors in, or omissions from, the paper form, including by inserting and correcting details.

REVOKING YOUR APPOINTMENT

If you change your mind on the appointment of a proxy or representative, you can revoke the appointment by written notice to the Company. Such notice must be received at the registered office of the Company - Fonterra Annual Meeting, Fonterra Co-operative Group Limited, Private Bag 92032, Auckland 1142 no later than 10.30am on Tuesday, 3 November 2020.

Combined Annual Meeting Voting / Proxy Paper



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

1

INTERNET VOTING

Vote 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 Voting Paper and it can be destroyed.

PIN

PASSWORD

2

POSTAL VOTING

Post the completed Voting Paper to *electionz.com* in the freepost reply envelope provided.

To ensure your Voting Paper reaches the Returning Officer before the close of voting please **post no later than Thursday, 29 October 2020**.

3

AT THE MEETING

If you plan to attend the meeting, bring this form with you.

Voting instructions:

- Indicate your vote with a tick
- When advised by the Chairman of the Meeting, pass the completed Voting Paper to an official of the meeting.

4

BY PROXY

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

VOTING CLOSES AT: 10.30AM ON TUESDAY, 3 NOVEMBER 2020

FONTERRA ANNUAL MEETING 2020

Annual Meeting Voting Paper

Use this paper to vote online, by post or by attending the Annual Meeting to vote in person.

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

	Indicate your vote with a tick ✓	FOR	AGAINST
1	Resolution 1: That no increase of remuneration of Directors be approved	<input type="radio"/>	<input type="radio"/>
2	Resolution 2: That no increase of remuneration of Shareholders' Councillors be approved	<input type="radio"/>	<input type="radio"/>
3	Resolution 3: That no increase of remuneration of Members of Directors' Remuneration Committee be approved	<input type="radio"/>	<input type="radio"/>
4	Resolution 4: Appointment of KPMG as auditor and authorisation of the Directors to fix the auditor's remuneration	<input type="radio"/>	<input type="radio"/>
5	Resolution 5: Ratification of appointment of Holly Kramer	<input type="radio"/>	<input type="radio"/>
6	Resolution 6: Ratification of appointment of Bruce Hassall	<input type="radio"/>	<input type="radio"/>
7	Resolution 7: Approval of open entry related amendments to the Constitution	<input type="radio"/>	<input type="radio"/>
8	Resolution 8: Approval of the Shareholders' Council programme and budget	<input type="radio"/>	<input type="radio"/>


SHAREHOLDER PROPOSALS

	Indicate your vote with a tick ✓	FOR	AGAINST
9	Resolution 9: Mr Paterson's Proposal	<input type="radio"/>	<input type="radio"/>
10	Resolution 10: Mr Paterson's Proposal	<input type="radio"/>	<input type="radio"/>
11	Resolution 11: Mr Paterson's Proposal	<input type="radio"/>	<input type="radio"/>

FONTERRA ANNUAL MEETING 2020

Annual Meeting Proxy Paper

10.30am on Thursday, 5 November 2020. Copthorne Hotel & Resort Solway Park Wairarapa, High Street, Masterton.



Only use this 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 Chairman 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, 5 November 2020 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 Chairman of the Meeting as proxy. The Chairman 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

You only need to complete this section if you want to instruct your proxy holder how to vote.

		FOR	AGAINST			FOR	AGAINST
1	Resolution 1	<input type="radio"/>	<input type="radio"/>	7	Resolution 7	<input type="radio"/>	<input type="radio"/>
2	Resolution 2	<input type="radio"/>	<input type="radio"/>	8	Resolution 8	<input type="radio"/>	<input type="radio"/>
3	Resolution 3	<input type="radio"/>	<input type="radio"/>	9	Resolution 9	<input type="radio"/>	<input type="radio"/>
4	Resolution 4	<input type="radio"/>	<input type="radio"/>	10	Resolution 10	<input type="radio"/>	<input type="radio"/>
5	Resolution 5	<input type="radio"/>	<input type="radio"/>	11	Resolution 11	<input type="radio"/>	<input type="radio"/>
6	Resolution 6	<input type="radio"/>	<input type="radio"/>				

Signature(s) of Shareholder(s) named in Section A (Please see signing instructions on the next page.)	
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 Tuesday, 3 November 2020**.
Mail by separating, folding and inserting the proxy paper into the freepost envelope provided.

A collection of several worn, muddy rubber boots of various styles and colors (black, grey, brown) are scattered on a wooden plank floor. The boots show signs of heavy use, with mud and dirt caked on the soles and sides. The lighting is somewhat dim, creating a gritty, industrial feel.

Fonterra Elections 2020 Board of Directors

Candidate Profiles



Dairy for life

Contents

Fonterra Directors Election Introduction	1
Attributes and Skills	2
Report of Independent Selection Panel	5
CANDIDATE PROFILES	
Mike O'CONNER	7
Brent GOLDSACK	10
Cathy QUINN	13
Nathan GUY	16
Nicola SHADBOLT	19
Annabel COTTON	21

NOTE ON CANDIDATE STATEMENTS

Each Candidate Profile Statement contains a maximum of 1,000 words (excluding the Candidate Interest Statement) provided by the candidate.

The Returning Officer and Fonterra Co-operative Group Limited note that 'shareholdings' in Fonterra or other companies disclosed by candidates may include shares held by third parties in which candidates have a relevant interest as defined by the Financial Markets Conduct Act 2013.

Any emphasis (including capitalisation, italics, bolding, underscoring and bullet points) has been added by the candidate.

The Returning Officer and Fonterra Co-operative Group Limited accept no responsibility for the content, or accuracy of the content, contained in Statements supplied by candidates.

Warwick Lampp, Returning Officer – 2020 Fonterra Elections
Freephone 0800 666 034
iro@electionz.com

Fonterra Directors Election Introduction

Voting is now open for the election of TWO (2) Directors to the Fonterra Board.

This year there are six candidates: four Independently Assessed Candidates (Mike O'Connor, Brent Goldsack, Cathy Quinn and Nathan Guy), and two Non-Assessed Candidates (Nicola Shadbolt and Annabel Cotton).

The Fonterra Board has provided details of the Attributes and Skills the Board is seeking in the 2020 Directors' Elections (pages 2-4 of this booklet).

The four Independently Assessed Candidates have been assessed by the Independent Selection Panel against the desired Attributes and Skills. The Independent Selection Panel's Report outlining the process followed is on page 5 of this booklet. The Panel's assessment is included prior to each of these candidates' Profile Statements.

The Non-Assessed Process allowed any Fonterra Shareholder (with the support of not less than 35 different Shareholders) to put themselves forward as a Director candidate and be considered for election by their fellow Shareholders alongside the previously announced Independently Assessed Candidates. Nicola Shadbolt and Annabel Cotton are standing as Non-Assessed Candidates in 2020.

'First Past the Post' Voting System

The Farmer Directors' election uses First Past the Post voting. Each Shareholder may vote in favour of up to (but no more than) two candidates.

The two candidates with the highest number of votes will be elected to the Board. In the event of a tied vote the outcome will be determined by lot by the Returning Officer.

Fonterra Director Candidate Meetings

Fonterra Shareholders have the opportunity to meet and ask questions of the Director candidates at eight meetings throughout the country.

Chaired by the Fonterra Shareholders' Council, these meetings provide a setting in which candidates meet with and answer questions from Fonterra Shareholders with a focus on explaining how their governance skills and attributes meet the requirements of the Co-operative.

The format of the meetings will be that of a panel discussion whereby candidates are first provided an allotted time to introduce themselves before the Chair takes questions from the floor and moderates.

The dates and locations of the meetings are as follows:

Date	Time	Location	Venue
Monday 19 October	7:00 – 9:00pm	Invercargill	Aparima Room, Ascot Park Hotel Cnr Tay Street & Racecourse Road, Invercargill
Tuesday 20 October	11:00am – 1:00pm	Timaru	Talbot Room, The Landing Service Conference Centre 2 George Street, Timaru
Tuesday 20 October	7:00pm – 9:00pm	Templeton	Clubhouse (upstairs lounge), Templeton Golf Club Pound Rd, Templeton, Christchurch
Wednesday 21 October	11:30am – 1:30pm	Stratford	Main Lounge, Stratford Golf Club Pembroke Road East, Stratford
Wednesday 21 October	7.00pm – 9.00pm	Palmerston North	Elmwood Room, Palmerston North Convention Centre 354 Main Street, Palmerston North
Thursday 22 October	11.30am – 1.30pm	Rotorua	Totara Room, Holiday Inn 10 Tryon St, Whakarewarewa, Rotorua
Thursday 22 October	7.00pm – 9.00pm	Hamilton	Gallagher Building, Mystery Creek Event Centre 125 Mystery Creek Rd, Hamilton
Friday 23 October	11.00am – 1.00pm	Whangarei	Level 2 Lounge, Semenoff Stadium 51 Okara Drive, Whangarei

Attributes and Skills

All of our Directors must believe in and value the Co-operative and be able to demonstrate that they have the attributes and skills needed to deliver governance at a level expected for a globally competitive New Zealand dairy co-operative.

Directors on most boards operate within a band of governance experience, from the most experienced through to those who are newer to the particular role, organisation or industry. Over time, newer directors gain more experience and this helps ensure that there is succession on a board as well as a range of views and perspectives.

In order to attract the best candidates for our Board, we will need to access the attributes and skills that we know are in our farmer shareholder base that will result in the right balance of experience and ability on the Board over time. It is important for potential candidates and for all our farmer shareholders to be clear on what is required on our Board to deliver the necessary performance and to set up our Co-operative for success in the future.

We have identified a list of attributes (described below) that each Director of our Co-operative must be able to demonstrate. For some of these attributes, a Director will continue to develop expertise but it is important that they are able to show that they have the attribute and the ability to keep developing in their role as Directors of our Co-operative.

In addition to these required attributes, our Board requires a set of skills to deliver good governance. There is no expectation that each Director will have all of these skills but it is important that they are appropriately represented across the Board. Some Directors will have strengths in some of the skills while others might be still developing them or will be able to rely on fellow Directors to provide guidance and expertise in particular areas.

It is also important that the skills required for our Board take into account the types of opportunities and challenges that the Co-operative will face in the future, and ensure we are developing the skills that may not be needed currently but will be critical going forward.

This means that the search for skills on the Board should always be looking to extend and build on current expertise. The Fonterra Board Skills List (described on page 3) should never show that all skills are currently being delivered – it works best when it shows the aggregate skills that are shared across the Board as well as the skills that will be needed to deliver on the strategy in coming years. This has resulted in a balanced mix of skills related to the current requirements of the Co-operative, which will continue to be enhanced to match Fonterra's future requirements.

A Director needs to demonstrate each of the attributes but does not need to be able to demonstrate each of the skills. The key requirement for a Director is that they are able to meet the governance requirements at the level required for our Co-operative. From time to time, we will identify particular skills that may be needed on the Board. Prospective candidates should not see the full list of skills or any particular set of skills as a pre-requisite or as eligibility requirements but rather as some of the things to take into account in considering if they would meet the overall requirements for a Fonterra Director.

Attributes

We consider that there are certain attributes that all of our Directors must be able to demonstrate. These are the core requirements, and you should consider them carefully as you will be asked to show how you are able to deliver on each attribute.

- (a) Understanding of and commitment to the highest standards of governance including an understanding of the collective group decision making processes adopted by the Fonterra Board.
- (b) Understanding of and empathy with the Co-op and its farmer owners.
- (c) Ability and knowledge to comprehend the wider commercial and economic framework in which Fonterra operates.
- (d) Broad governance experience.
- (e) Proven track record of creating shareholder value.
- (f) Global perspective.
- (g) Time available to undertake a Director's responsibilities.
- (h) Sound judgement.
- (i) Ability to apply strategic thought to important issues.
- (j) Ability and willingness to constructively question, challenge and critique and, where appropriate, offer alternative viewpoints.
- (k) Unquestioned honesty and integrity.

Skills List

Our strength as a co-operative relies on us being able to maximise the opportunity for our farmer shareholders to move from their farming businesses to the board room.

An appreciation of the experience and skills required to make that transition and access to adequate training are essential for any farmer shareholder who wants to become a Fonterra Director.

We expect our Board to have access to Directors with on-farm dairy knowledge based on having run or owned a dairy operation as a member of our dairy Co-operative, who are well versed in what drives Fonterra's Farmgate Milk Price and profitability in our global Co-operative, and who demonstrate strong co-operative values.

For a number of Directors' Elections, we have used a skills list made up of the skills the Board requires to govern Fonterra. This skills list has been updated regularly and is published in the documents for the Directors' Elections each year. The list has also been used to help with the selection and appointment of our Independent Directors. In addition to keeping the skills list updated, the Board has considered the relative weighting of how much of each skill is needed on the Fonterra Board. This weighting can be used to establish how much of each skill we need on the Board over time (ie. how many Directors need to exhibit each skill and to what level).

Skill Category	Definition
In Depth Dairy Farming Experience	Has deep "on farm" dairy experience, having run or owned dairy operations as a member of our dairy Co-operative
Dairy Industry/ Understand Value Drivers of Milk Price/ profit	Well versed in and has a strong understanding of what drives Fonterra's milk price and of the profit drivers of the Co-operative
Financial Experience	Has strong financial skills and knowledge gained through business management, or is a highly experienced auditor, or has functional expertise in a senior financial position to make them a qualified financial expert
Risk Management Experience	Has had senior level experience in, or governed organisations that have significant risk management frameworks including health and safety and reputational risk management
Global Manufacturing/ Commodity Experience	Has experience running manufacturing assets in order to maximise financial return/or experience at a senior executive or governance level in a global commodity business
Consumer Experience	Has had a senior level executive or governance role in a consumer-oriented, retail or consumer goods company with significant local, regional or global brands
Effective leadership	Demonstrated governance leadership experience. Has had executive or governance experience in strategy oversight, stakeholder management and human resource/ people management, in particular, experience in environments that value and demonstrate diversity of thinking and diversity of approach
Commercial/ Value creation track record	Has functional experience as CEO of a large operating business or has been the primary person responsible for driving significant value creation of either a private or public organisation, including developing strategy and leading implementation
Global Experience/ Understanding	Has a deep understanding of international issues, has had on the ground experience in Asia or other emerging markets, or has a proven global mindset
Technology Strategy and Governance	Has knowledge and experience in the governance, strategic use and risk management of technology including information systems
Corporate Sustainability and Responsibility Expertise	Has knowledge and a strong understanding of corporate sustainability including the management of social, environmental and economic factors and their contribution to long-term value creation
Innovation and Research and Development	Has experience in or a strong understanding of the management or governance of research and development and applied innovation

Skills Matrix

The Fonterra Board has produced a Skills Matrix. The purpose of the Skills Matrix is to show:

- the aggregate skills of the current Board
- for each skill the required level of that skill across the whole Board and the desired level of that skill

The Board has determined these required and desired levels based on the right mix of skills to govern Fonterra currently, the present composition of the Board and the future strategic needs of the business.

The Skills Matrix uses blue horizontal bars to show the current aggregated skill of the Board. The whole of each blue bar represents the current Board's aggregated level for each skill, and the darker shading within those bars represents the skills of the directors who are retiring by rotation in the current year.

The lighter shading represents the skills of directors who are not retiring in 2020.

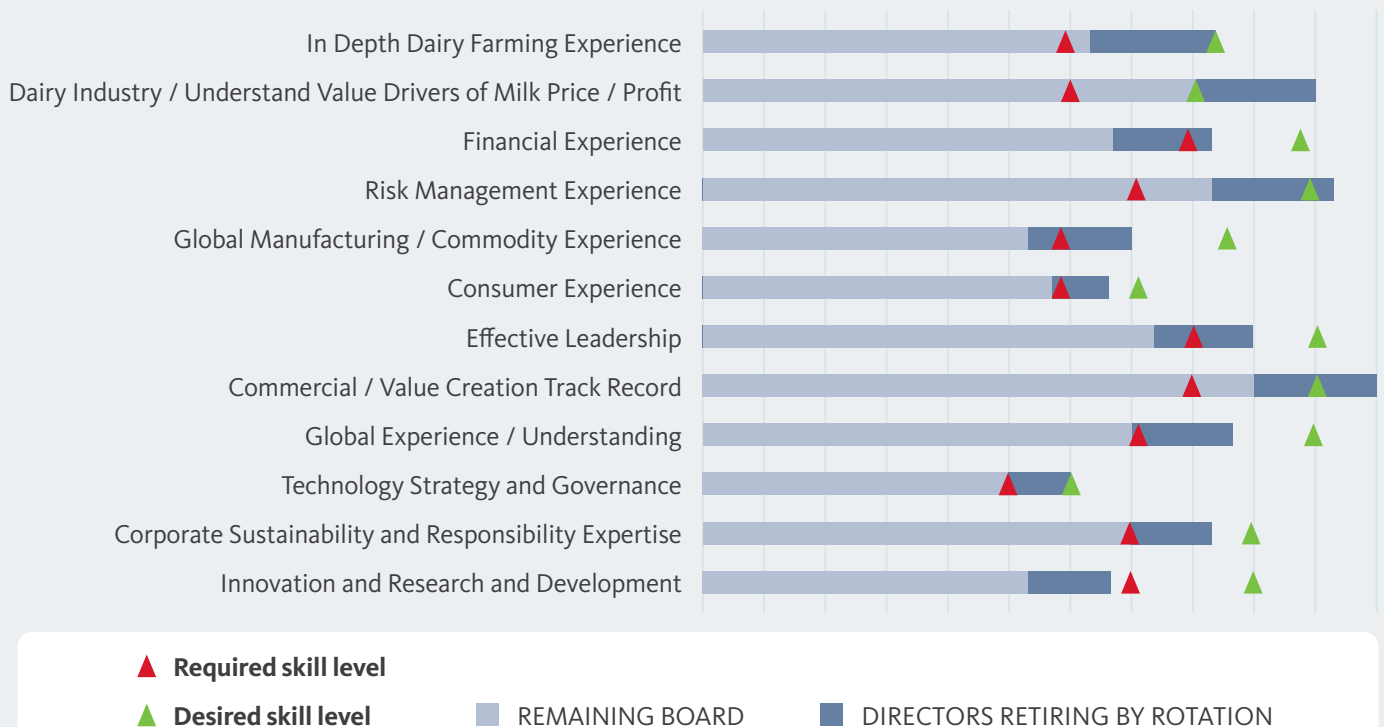
The Skills Matrix will be provided to prospective candidates and to farmer shareholders to show them the skills that the Board is looking for over time, and should be used as guidance. The Skills Matrix will be supplied to the Independent Selection Panel to assist them as they assess the best candidates for the Board, and the Matrix will also provide useful information for farmers when making voting decisions.

Based on this Skills Matrix (see below) the Board has prioritised a list of targeted skills being sought in the 2020 Farmer Director Election. These are:

- Effective Leadership
- In Depth Dairy Farming Experience
- Financial Experience
- Global Manufacturing / Commodity Experience
- Global Experience / Understanding; and
- Innovation and Research & Development

Prospective candidates should consider these targeted skills, but should also consider the broader set of skills as they may be able to demonstrate strengths and potential in some or all of these broader skills that would still make them worthy of consideration.

2020 Skills Matrix – Aggregated Skills of Existing Fonterra Board



Report of Independent Selection Panel

Appointed In Respect of Fonterra Co-operative Group Limited (Fonterra) 2020 Election of Directors

Introduction

This report sets out the 2020 process undertaken by the Independent Selection Panel (Panel) to:

- Rigorously assess and evaluate potential Farmer Director candidates under the Independent Assessment Process and make recommendations to Shareholders of the Farmer Director candidates to stand for election at the upcoming Fonterra 2020 election of directors; and
- Rigorously assess and evaluate incumbent directors standing for re-election in the 2020 election of directors who elected to participate in the Independent Assessment Process.

The Panel was formed in 2016 by the Fonterra Board of Directors and the Fonterra Shareholders' Council to provide intending candidates with a confidential, rigorous and totally independent assessment of their skills and experience against the attributes and skills required by the Fonterra Board in any year; and to provide Shareholders with independent and comprehensive information about recommended candidates. The membership and operations of the Panel are independent of the Fonterra Board and Fonterra Shareholders' Council.

A joint committee of the Fonterra Board and Fonterra Shareholders' Council was established in March 2019 to review the director election process, following which changes were made to improve the independence and transparency of the 'Independent Assessment Process'.

The Panel Members for 2020 are as follows:

- Tony Carter, Independent Chair appointed by the Panel members
- Joan Withers, Independent Member appointed by the Fonterra Board
- Rob Campbell, Independent Member appointed by the Fonterra Shareholders' Council

The objectives of the Panel are:

- To have high quality Farmer Director candidates nominated for election to the Fonterra Board; and
- That Shareholders will be better informed in the electoral process.

2020 Process Undertaken by the Panel

The Panel met in July to:

- Elect the Chair of the Panel and note the re-appointment of the representative Panel members by the Fonterra Board and Fonterra Shareholders' Council;
- Appoint an independent secretariat to assist the Panel;
- Appoint an independent search agent to support the assessment of intending Independently Assessed Candidates;
- Consider and note the required attributes and skill requirements for director candidates, as set by the Fonterra Board;
- Review and recommend minor amendments to its Terms of Reference;
- Agree the 2020 Panel Search Brief; and
- Agree the timetable to be followed in respect of the 2020 election process.

Following review of the nominations received, and an initial interview and reference checking process conducted by the Panel's independent search agent, the Panel interviewed each of the candidates that applied under the 2020 Independent Assessment Process.

The Panel instructed the independent search agent to arrange interviews with the selected candidates, including the incumbent director standing for re-election who had elected to participate in the Independent Assessment Process. The interviews were all conducted over a two-day time-period. Time was allowed for deliberation after each interview and following conclusion of all interviews.

During the selection process, the Panel undertook a rigorous assessment of each candidate's attributes, skills and experience relative to those identified in the 2020 Candidate Handbook published by Fonterra, with particular regard given to the six targeted skills identified.

The Panel considers that the interview process was conducted in such a way that each candidate had the same opportunity to demonstrate why their attributes and skills meant they should be recommended by the Panel to shareholders for consideration as a director of Fonterra.

Following the Independent Assessment Process, confidential feedback was provided to all candidates who participated in the process.

The incumbent director who is eligible for re-election this year, Brent Goldsack, confirmed he would stand for re-election in the 2020 election process.

The Panel unanimously selected three additional intending candidates to put forward to Shareholders for election (in alphabetical order by surname) – Nathan Guy, Michael O'Connor, Cathy Quinn.

To assist Shareholders when deciding which candidates to vote for in the 2020 director elections, the Panel has prepared an assessment summary of the incumbent director standing for re-election and the three additional intending candidates put forward by the Panel, relative to the skills and attributes set out in the 2020 Candidate Handbook. These summaries are included in these Voting Papers.

Declaration of Association

From time to time, Panel members may interview and assess intending candidates they have worked with in the past or have a continuing business relationship with. The Panel is confident that, notwithstanding these associations, each Panel member will act with professionalism and independent judgment when assessing Independently Assessed Candidates and it is the intention of the Panel to make any such associations known to shareholders to ensure full transparency.

This year the Panel interviewed Cathy Quinn, with whom each Panel member has a current or prior business relationship. Notwithstanding these associations, the Panel is confident that its assessment of each Independently Assessed Candidate during the 2020 Independent Assessment Process was based on merit and was not influenced by any prior or current business relationship with Panel members.

Yours faithfully

Independent Selection Panel



Tony Carter



Joan Withers



Rob Campbell



Mike O'CONNOR

INDEPENDENTLY ASSESSED CANDIDATE

Mobile: 027 476 9794

Email: mikeo@spectrumgroup.co.nz

Independent Selection Panel (ISP) Assessment - Non-incumbent

Mike is a third-generation farmer and current General Manager and majority shareholder of Spectrum Group. The group comprises five Canterbury dairy farms and three Waikato-based dairy operations, milking a total of 7,600 cows and producing 3.1 million kgs milk solids/year. The group also operates a large-scale heifer grazing block in Canterbury on a fully irrigated 300ha lease block located in the West Melton area. Mike started his farming career as a cadet, moving on to a 50/50 sharemilking career which spanned twelve years. He and his wife purchased their own Waikato dairy farm in 1992 where they still live and where they have raised three children. Mike has been the General Manager of Spectrum Group since 2007, leading the business through a complete restructure in 2013 to allow the exit of other shareholders and to create a sustainable business fit to withstand future challenges and provide a succession pathway. He also has experience in governance roles for several organisations, including a current position as Chair of Koromiko Grazing Ltd.

Panel's assessment of Mike's capabilities relative to 2020 Attributes:

Whilst a lot of Mike's governance experience has been in his own businesses and is not broad in the traditional sense, the Panel recognised that he takes a well-organised, pragmatic approach to the oversight of farming objectives, constantly strives for excellence and is unafraid to make bold decisions. He introduced independent directors for example, including an independent Chair onto the board of his own business, Spectrum Group, and at a time when this was unusual in the dairy industry. Mike impressed as an authentic, grassroots New Zealand farmer who has worked his way up from being a farm cadet to majority shareholder and General Manager of an impressive and hugely successful farming business, whose farms are considered 'gold standard'. His humility and deep sense of community contribution was viewed as innate in his personality. His farming family background and personal values embody the co-operative principles of collaboration, fairness and shared property.

Panel members were satisfied that he had some understanding of Fonterra's commercial and economic framework through his farming concerns. They saw his considered judgement style and strategic mindset as a strength and its success proven through his leadership of a complex company restructure and his steady guidance through the global financial crisis refinancing exercise. Mike likes to take time to collate information before making decisions to give the best possible chance of success – this is

his general judgement style.

It was acknowledged that the international experience gained during an investment into a farm in Missouri, USA and other overseas business trips, have given Mike a taste of the challenges when operating offshore. But the Panel saw that Mike's heart generally lies closer to home in his deep connection with the land and in nurturing a new generation of farm leaders to ensure a bright future for the dairy industry – a position Panel members strongly appreciated, believing he would bring an extra level of shareholder connection to the Fonterra board.

Panel's assessment of Mike's capabilities relative to 2020 Skills:

The Panel recognised Mike as a major shareholder and General Manager of Spectrum Group and a successful 'hands on' dairy farmer who cherishes the traditional but also explores and considers the new. Spectrum Group is a Fonterra top performer, and Mike's focus is on building a thriving business which gives others the opportunity to grow and achieve in the dairy industry. Panel members welcomed this commitment to build and nurture effective and loyal teams and his approach to mentoring his staff to be the best they can be, supporting from behind and leading from the front.

It is evident that achieving excellence in standards is very dear to Mike, and he is just as happy in gumboots on the farm as he is in corporate guise. Panel members observed that whilst he is not a trained financier, he keeps very close to his business and thoroughly understands the cashflows. At interview, he could articulate some of the drivers of the milk price. The Panel also saw that Mike has some global commodity experience and international experience. In terms of technology, Mike describes himself as a follower rather than a leader. In typical style, he chooses technology carefully, with consideration for the relevancy. However, he has demonstrated his ability to embrace innovation in many areas of farm management. Corporate sustainability and responsibility are very close to Mike's heart and he puts his staff and local rural communities front and centre of what he does with the business. The Panel were again impressed with his deep and natural connection to the community eco-system.

The Panel acknowledge that Mike is the least experienced candidate in a traditional governance sense, however, he embodies the co-op principles and they believed he would work diligently to develop skills where required to be an effective Fonterra director.

Candidate Profile Statement

Being the eldest of six and the third generation of a farming family, my destiny was set, I always wanted to be a farmer. Having witnessed the frustrations of farming the family farm during my childhood, I recognised that I needed to create my own future and the dairy industry was the chosen pathway for this.

My next realisation was that if I was to achieve farm ownership, I had to develop sufficient expertise to operate profitably every year. I needed to focus on the business of dairy farming.

The dairy industry has provided me with opportunities beyond my expectations, but it has required resilience, energy, planning and attention to detail, to bring these opportunities to life.

After completing a Diploma in Agriculture at Massey University, I embarked on a 50/50 sharemilking career which spanned twelve years. Andrea and I were married during the early stages of our farming career and we have three adult children.

We purchased our own Waikato dairy farm in 1992 where we continue to reside. Since then, we have grown our business through the equity partnership model to include farming operations in Waikato, King Country, Canterbury and for a period, Missouri USA.

To complement my equity partners' skills, my time was spent on all parts of the business as was required but in particular I have been involved in the set up of equity partnerships, the management of them and the eventual restructure to satisfy shareholder needs. There were challenges along the way and as a result, I recognised the need for governance, organisation and structure if the business was to have a long-term future.

Spectrum Group in its current form is the result of the restructured business and Andrea and I are the majority shareholders.

Attributes

Why do I believe that I have the requisite attributes to contribute as a director of Fonterra?

- Firstly, I am a dairy farmer and I believe that a strong Co-operative is necessary to ensure all New Zealand dairy farmers can prosper. I am committed to the Co-operative principles.
- My background may seem traditional, but I have reached beyond the farm boundary to help grow our business. My skillset expanded from undertaking initial due diligence through to setting up and managing farming businesses both within New Zealand and offshore.
- In my role as General Manager for Spectrum Group I helped guide the business through refinancing from multi-banking during the Global Financial Crisis, the restructure of the original business over a two year period and resetting the organisational framework to take the business forward.

- During my career, I have sought adult learning to complement the experience already gained to remain capable of managing the Spectrum Group. I believe that these learnings combined with practical grass roots experience, has provided me with the platform to step into the Fonterra board.
- While I am a loyal team player with a collaborative style, I am also comfortable in leadership roles. I am commercial and work hard to become informed before sharing an opinion.
- I understand and differentiate governance from management. As a Fonterra shareholder I have witnessed a subtle change in the way Fonterra's management and board operate. This suggests that the Fonterra board is healthy, and I would like to contribute.

Targeted Skills

I aim to achieve excellence in all that I do and expect that of others around me. While this can be challenging for others at times, I take pride in the culture that exists within Spectrum Group.

- My skills are relatively broad being comfortable in overalls or a suit jacket. Common sense, determination and attention to detail is a pre-requisite to both.
- I committed to dairy farming early and remained so from entering as a farm cadet through sharemilking to farm ownership and equity ownership beyond the farm boundary.
- I recognise the importance of people in business and enjoy helping develop potential, be it on farm or at a corporate level. In the roles that I have had I have been given a unique learning experience about people, structure and strategy.
- The experience gained while doing business in Missouri gave me a taste of the challenges when operating offshore. I am certainly no expert but do recognise that businesses such as Fonterra need to be well versed around regulations and cultures to operate a successful business abroad.
- I have operated in a management role reporting to our Spectrum Board and in governance roles on boards. This window into each side allows me to understand the pressures that come with each role.

Why Mike O'Connor?

My passion is farming, and I recognise there are many opportunities that exist within the dairy industry. I have spent the last decade in the General Manager's role at Spectrum Group helping to strengthen the business and organise it to be capable of providing a successional answer for shareholders.

Our business is organised and is complemented by competent and loyal people who are rising into the leadership roles within the business. I have the time, experience and energy and want to recognise the good fortune that I have enjoyed by serving on the Fonterra Board which has had such an influence on our lives.

I realise that if elected, a position within the Fonterra Board of Directors will be very challenging and I will do my best to be an effective director.

Qualifications

Industry Involvement:

- Diploma in Agriculture - Massey University
- Winner - Waikato Sharemilker of the Year 1988
- Judge - NZ Sharemilker of the Year Competition. (judged for 3 years)
- Participant - Kelloggs Rural Leadership Programme
- Participant - NZ Institute of Directors Course
- Participant - NZ Icehouse Leadership Programme
- Participant - Fonterra Governance Development Programme 2010
- Participant - Seven Habits Programme
- Participant - ASB FAME Programme 2008
- Past Chairman - NZ Large Herds Conference, Waikato

Directorships:

- Director - Te Awamutu Veterinary Association, 1990 – 1996
- Director - RP O'Connor & Son Ltd
- Managing Director - Spectrum Group and associated companies
- Chairman - Koromiko Grazing Ltd
- Director - M & A O'Connor Ltd

Candidate Interest Statement

Listed below are the details of all business, investment and other relationships I have with Fonterra Co-operative Group Limited and its subsidiaries (the "Fonterra Group") (including as supplying shareholder), or with any third party that transacts with the Fonterra Group or carries on business in competition with the Fonterra Group:

I am a supplying Shareholder of Fonterra (in my name) jointly and with associated persons (as defined in the Financial Markets Conduct Act 2013) as follows:

• M & A O'Connor Ltd	221,026 FC Shares
• R.P. O'Connor and Son Limited	199,623 FC Shares
• Burmont Holdings Ltd	441,599 FC Shares
• Jamieson Dairies Ltd	617,281 FC Shares
• Hinewai Holdings Ltd	248,614 FC Shares
• Mitcham Holdings Ltd	326,810 FC Shares
• Quintag Holdings Ltd	506,447 FC Shares
• Island Glen Dairies Ltd	355,463 FC Shares

I am a shareholder and director of the following companies supplying Open Country Dairies in a 50/50 sharemilking capacity:

- Piarere Holdings Ltd
- Totman Dairies Ltd

To the best of my knowledge and belief the disclosures set out above are full and complete.



Brent GOLDSACK

INCUMBENT DIRECTOR - INDEPENDENTLY ASSESSED CANDIDATE

Mobile: 021 756 154

Email: brent@dairygold.co.nz

Independent Selection Panel (ISP) Assessment - Incumbent Director

Brent has served on the Fonterra Board for three years, having been elected in November 2017. He is currently the Chair of the Co-operative Relations Committee, is a member of the Milk Price Panel, the Safety and Risk Committee, the Capital Structure Committee, the Divestment Review Committee, and the Disclosure Committee. In addition, he serves as the Fonterra representative on the 'Dairy Tomorrow' Steering Group – which focuses on the strategy for the dairy industry. Previously, Brent enjoyed a professional services career with PwC of more than 20 years as a tax and financial advisor. He advised many New Zealand companies operating in the primary and export led sectors and led PwC New Zealand's 'Behind the Farm Gate' Agri strategy. He also holds several governance roles, including director of Rabobank and Chair of Waitomo Petroleum Group. He was previously on the board of Canterbury Grasslands Limited and the New Zealand National Fieldays Society. He is married with two daughters and lives just outside of Hamilton. The family owns three dairy farms in the Waikato milking 1,500 cows and takes an active role in these businesses.

Panel's assessment of Brent's capabilities relative to 2020 Attributes:

The Panel appreciated that Brent has had the opportunity to experience the dialogue and decision-making on the Fonterra board. As such, they viewed his governance level, understanding of the co-op and its commercial and economic framework to be very strong, as might be expected from an incumbent board member. He clearly takes immense pride in the organisation and in what it has achieved over the past 2-3 years, whilst acknowledging there was still much more to be done to realise further value for farmers, communities, and the workforce.

With a 20+ year background at the global accounting firm PwC, the Panel considered Brent's understanding of Fonterra's wider commercial and economic frameworks, and his judgment and strategic thinking, as some of his greatest strengths and his value-add to the Fonterra Board. He spoke convincingly about commercial performance and strategy. As an advisor, he has worked with several of New Zealand's most significant companies to add value, including those in the primary and export led sectors. He has also worked internationally, which has contributed to his global perspective.

The Panel was impressed with Brent's energy and passion for the Co-op. He is a clear communicator with a collegiate

personal style. He has multiple, diverse experiences to call on and share when offering his contribution, which he delivers with a deeply logical approach.

Panel's assessment of Brent's capabilities relative to 2020 skills:

The Panel viewed Brent's track record in leadership as particularly significant. As a PwC partner (including as Managing Partner of the Waikato office) of 12 years he has been tasked with delivering complex solutions and assisting many high-level executive teams with strategic and practical advice. His financial understanding is extensive - he is a Chartered Accountant, with specific expertise in tax and financial structuring, and it was observed that he had an innate understanding of business risk. Maximisation of the value of commodities/milk powders is an interest of Brent and speaks to his financial skillset. He also has a detailed understanding of the complex drivers of the milk price, being the only farmer-elected director on the Milk Price Panel.

In terms of global perspective, Brent brings experience from earlier in his career working in Moscow, London and New York. He has also travelled extensively during his three-year tenure on the Fonterra Board. He is actively involved as a shareholder of three dairy operations in the Waikato and until recently had shareholding interests in two other dairy farms with operations in both New Zealand and the United States, which the panel reflected as extensive experience in dairy farming. His time on the Fonterra board has also provided Brent with some experience of global manufacturing and commodities, and consumer-focused issues, but the panel recognised that these were not his core strengths. Similarly, he has had some exposure to technology strategy through previous roles in technology investment and advisory work, as well as contributing to Fonterra's digital strategy discussions.

The Panel recognised that it is New Zealand's farming success which is Brent's overriding motivation and his commitment to sustainability is demonstrated through his involvement on the 'Dairy Tomorrow' Steering Group, the strategy for the industry, which has a keen focus on national and international sustainability goals.

Overall, the Panel viewed Brent as an energetic and accomplished contributor who would continue to bring extensive skills and experience in several categories to the Fonterra board.

Candidate Profile Statement

My wife Delwyn and I live with our two daughters (12 and 15) just out of Hamilton where we milk 1,500 cows on three farms.

I was first elected to serve on the Board of Fonterra in November 2017. I am currently the Chair of the Co-operative Relations Committee, a member of the Milk Price Panel, the Safety and Risk Committee, the Capital Structure Committee, and the Disclosure Committee. I am also the Fonterra representative on the 'Dairy Tomorrow' Steering Group - which focuses on the strategy for our industry and is led by Dairy NZ.

I take my position as a Farmer elected Board member very seriously. It is our role to ensure that Fonterra collects our milk every day, processes it efficiently, sells our products for as much as we can and returns the maximum amount to our New Zealand farmers.

I believe passionately in the Co-op. I am proud of our Co-op and what we have done over the past 3 years, but am aware there is still much to do to realise further value for our farmers, our communities and our people.

Over the past three years Fonterra has gone through many changes. We have had to make some difficult choices, but as a Board we have not shied away from asking the necessary questions. Today we have a Co-op that is in better shape, poised for the future and is a Fonterra I am proud to say we supply, own and have a role in governing on your behalf.

The majority of the board have served for less than 4 years. Continuity of board leadership and experience are important to our Co-op if we are to maintain our momentum.

I would greatly appreciate your vote to be re-elected for a second term on the Board and look forward to discussing strategy, culture and performance.

Why am I am standing?

1. We need farmers on our board who have the necessary skills and preferably a recent track record of successful governance. I meet all three of those criteria.
2. We must continue to have a strong Co-op. At the heart of a strong Co-op is a strong milk price. I pride myself on my deep understanding of milk price, will fight for every cent and ensure the process is transparent.
3. In times of uncertainty, having an experienced director to continue with the changes we have made is valuable. I am proud of the difference we as a board are making. However, there is still much to do.

I have the specific skills and experience that Fonterra currently requires: empathy with farmers, global experience, deep financial skills, an understanding of consumer markets and risk management, common sense and now I also have a deep understanding of the workings of the Co-op from the past 3 years as a director.

Around the Board table I have a reputation for having a backbone, the ability to understand the big picture, to communicate with passion and clarity, and the courage to hold people (including myself) to account.

Empathy with Farmers and the Co-op

Including our family farms, Delwyn and I are partners and actively involved in three dairy operations in the Waikato. Each has between 450-550 cows, with a strong focus on our people and profit. I am often in the shed.

I am currently Chair of the Co-operative Relations Committee and a Fonterra representative on the Steering Group of Dairy Tomorrow – which focuses on the dairy industry's long-term strategy. I understand the opportunities and challenges Fonterra and our industry is facing.

Commercial Nouse and Risk Management

I worked for PwC (a global accounting firm) for 25 years and was a Partner for 12. I understand numbers, risk management and the importance of allocating capital effectively. I have put this experience to good use at Fonterra over the past two years, where we have reduced operational expenditure and capital expenditure significantly, improved our cashflow, reduced our debt, sold non-strategic assets and increased Advance Rate payments to get more money to farmers earlier in the season.

I am on the Board of Rabobank New Zealand and Chair of the fuel industry disruptor, Waitomo Group.

Formal qualifications:

- Commerce degree (accounting and finance) from Victoria University
- Qualified Chartered Accountant
- Member of the Institute of Directors
- Lectured on International tax at the Auckland University Masters of Tax programme
- Completed a short course at INSEAD University Business School in Singapore

Global Experience

I had the privilege of working in Russia for 3 years, London for 2.5 years and New York for 18 months. Over the past 3 years I have travelled to more than 15 countries for business.

I take a keen interest in global matters, in particular relating to finance, dairy, and politics. I have a strong global network.

Understanding of Milk Price and our Profit Drivers

I understand the milk price in detail, and for 3 years I have been the only farmer elected director on the Milk Price Panel. I believe that we need higher earnings from the assets we own, and the capital we have invested in the Co-op. Although we are on the right track, we still have significant work to do in this area.

Governance experience

Currently I am on the board of Fonterra, and Rabobank New Zealand (including the Audit Committee, the Risk and Compliance Committee, and the Remuneration Committee). I am Chairman of Waitomo Group – a 75 year old 3rd generation family business supplying the lowest cost fuel we can with great service.

I am an experienced governor, a member of the Institute of Directors and have completed the Fonterra Governance Development Program.

Previously I was a director of PwC New Zealand, New Zealand National Fieldays, Canterbury Grasslands Limited and have and continue to be an advisor to families, trusts and NZX listed companies.

I would be humbled to be re-elected to the Board of Fonterra to work on behalf of farmers, continuing to build a strong sustainable Co-op, ensuring our strategy delivers, our culture is one we are proud of, and to maximise our milk price and performance.

Candidate Interest Statement

Listed below are details of all business, investment and other relationships I have with Fonterra Co-operative Group Limited and its subsidiaries (the “Fonterra Group”) (including as a supplying shareholder), or with any third party that transacts with the Fonterra Group or carries on business in competition with the Fonterra Group.

As at 31 July 2020:

- Financial interest jointly with associated persons in *Ngarua Dairy Limited*, which holds 160,434 Fonterra shares.
- Partner jointly with associated persons in *Takepuku Farms L.P.*, which holds 239,973 Fonterra shares. *Takepuku Farms L.P.* also has a Growth Contract Milk in relation approx. 180,000 milk solids.
- I am the Chair of *Waitomo Group Limited* (and subsidiaries) who have a standard business relationship with Farm Source for the sale of fuel to farmers.
- I am a director of Rabobank New Zealand Limited, who provide debt funding to a number of Fonterra supplying farmers. Further, it is my understanding that from time to time *Rabobank in the Netherlands* may provide certain funding and advice to Fonterra, however, I am not aware of what those arrangements are as I have never been party to any documentation or discussion on such arrangements.
- Financial interest jointly with the associated persons in *Ngarua Dairy Limited* and *Takepuku Farms L.P.* which holds shares in *Ballance Agri-Nutrients Limited* and *Livestock Improvement Corporation Limited*.

To the best of my knowledge and belief the disclosures set out above are full and complete.



Cathy QUINN

INDEPENDENTLY ASSESSED CANDIDATE

Mobile: 021 610 771

Email: cathy.quinn@minterellison.co.nz

Independent Selection Panel (ISP) Assessment - Non-incumbent

Cathy has a number of governance roles having previously enjoyed a 30+ year career as a commercial and corporate lawyer with MinterEllisonRuddWatts, and has significant expertise in governance, equity capital markets, mergers and acquisitions and private equity services. Amongst the numerous awards she has won, Cathy was made an Officer of the New Zealand Order of Merit for services to law and women in 2016.

Cathy grew up in rural New Zealand and spent summers on family farms in her youth. She is now a director and shareholder of Thistlehurst Dairy Limited, based in the Waikato. She has advised the dairy industry for many years including the Dairy Board, Fonterra, the Shareholders' Council, and competitors of Fonterra.

Cathy is now pursuing a full-time governance career, having stepped down from the MinterEllisonRuddWatts partnership at the end of 2019. Key commercial Boards that Cathy serves on are Fletcher Building, Tourism Holdings, Rangatira and she chairs Fertility Associates. In terms of public service roles Cathy is on the advisory board of New Zealand Treasury and is a member of the Council of Auckland University. Cathy lives in Auckland and has two adult sons.

Panel's assessment of Cathy's capabilities relative to 2020 Attributes:

The Panel respected Cathy's deep commitment to the highest standards of governance, both through her experience advising boards on governance matters and through her own broad range of governance roles. In her legal career, she initiated and led the annual MinterEllisonRuddWatts Governance Symposium to challenge and raise standards of governance in New Zealand through thought leadership.

The Panel took the view that she had a solid empathy with the co-operative, demonstrated through her provincial New Zealand upbringing and through her legal work in the dairy sector. She had a long association with the Dairy Board as a legal advisor, and then advised Fonterra from formation up to 2005. Cathy is a director and shareholder of Thistlehurst Dairy Limited. The Panel felt that Cathy had a good track record of shareholder value creation, both indirectly through her years of advising different organisations, and directly, having led a significant turnaround in the performance as Chair of MinterEllisonRuddWatts. She was responsible for growing revenue by 70 per cent and doubling its profitability, demonstrating sound judgement in the decisions she took to deliver this outcome. This tenure has also provided her with a broad global perspective, having worked with many

international companies and organisations operating in global markets. In addition, she has served on the NZ China Council, where she has led trade delegations to China and represented the Securities Commission at international meetings.

Despite having an active governance portfolio, the Panel believe the strength of Cathy's intellectual ability and work ethic give her capacity to fulfil the role of a Fonterra Director.

Panel's assessment of Cathy's capabilities relative to 2020 Skills:

The Panel acknowledged Cathy's strong leadership through her role as Chair and Acting Managing Partner of the MinterEllisonRuddWatts business, transforming it from a second-tier law firm to one of the top four in NZ, recognised by numerous awards. Honours for her leadership and contribution, include an Officer of the New Zealand Order of Merit in the Queen's Birthday honours list 2016.

Cathy has limited 'on farm' experience, but the Panel recognised her efforts over the last 12 months to nurture her farming connections and better understand issues affecting the dairy industry. At interview she spoke fluently about the key challenges for Fonterra and the critical need for greater shareholder engagement. She had already developed a very solid understanding of the milk price and profit drivers of the co-operative through her legal work. Whilst not a core area of expertise, Panel members were satisfied that Cathy brings experience in financial management. Her understanding of risk is extensive, gained through her legal career and chairing and membership of several Audit & Risk Committees. The Panel noted that she had advised many clients operating in global manufacturing and had further exposure through the manufacturing operations of THL and Fletcher's. She has a strong global understanding developed partly through her former board role on the NZ China Council which would be potentially useful to the Fonterra board. Panel members saw that Cathy has championed artificial intelligence projects and IT at the law firm and understood corporate sustainability in its widest sense, introducing integrated reporting at THL.

Overall, Panel members were highly impressed again by Cathy's calm, collected and intelligent communication style and insightful questioning. They observed that she had interviewed more strongly than last year and attributed this to an extra 12 months of governance experience, through particularly challenging times. The Panel expressed the view that she would constructively challenge the Fonterra board and offer significant value in representing farmer interests.

Candidate Profile Statement

Why I want to stand for the Fonterra Board

Fonterra's success is important to shareholders and our nation. Fonterra was formed in expectation it would create a company of global scale and deliver greater value than would otherwise be.

Fonterra has not delivered on its full potential. While Fonterra's performance has improved over the past year - there is still much to do for Fonterra to be the success it should.

I am not a traditional farmer candidate but believe my skills, experience and attributes would positively contribute.

Attributes

- I have the attributes sought - from experience as an adviser to complex and global businesses, and as a director of various entities including of scale.
- I have sought to raise corporate governance standards and to apply them. I have an independent and inquiring mind, ask challenging questions respectfully, listen and make decisions taking into account the long term.
- I have advised the industry for decades, including the Dairy Board, Fonterra, the Shareholders' Council and competitors of Fonterra. Through this, during last year's election process and subsequently I have engaged with many farmers and heard their concerns.
- I have broad governance experience. Key commercial director roles - Fletcher Building, Tourism Holdings, Rangatira Investments, Fertility Associates (chair). Key public service roles - NZ Treasury, Auckland University Council. Previous roles- NZ China Council, Securities Commission, chair of a law firm, director NZ Forest Research Institute (now called Scion).
- I have a track record of creating value. During my tenure as chair of a law firm, profitability and reputation grew significantly. I contributed to clients' strategies that created value. All Boards I am on have strategies for long term value creation.
- I have a global perspective. I have been involved in organizations that interact globally. I represented the Securities Commission at meetings of international regulators. I advised companies from different jurisdictions. On NZ Treasury we obtain international insights. I spent time in China with NZ China Council. My governance roles provide insights in respect of offshore businesses.
- I have time available to become a Fonterra director. I have retired as a law partner and deliberately not pursued various roles available.
- I am of sound judgment. Law clients sought me out for this skill and I am seen as providing sound judgment as a governor.

- A hallmark of a good commercial lawyer is the ability to constructively question, challenge and critique before advising. I have a successful track record of doing so as a lawyer and director. A good lawyer is also capable of listening to different stakeholder perspectives and having these different perspectives considered by decision makers. This is also a critical attribute of a good chair.

Skills

I have skills that could positively contribute to Fonterra.

Targeted skills

- Effective Leadership. I chaired a law firm for 8 years. We developed and executed a strategy to be more successful. We did things differently and embraced diversity. Our enduring success reflects effective leadership including management of different stakeholder groups. Diversity of thought delivers creative solutions for clients. I lead teams that provided creative client solutions. As a director, I offer and listen to different perspectives.
- In depth dairy farming experience. While not a hands-on farmer I have been a director of our dairy farming business for 9 years.
- Financial experience. As a corporate lawyer, director and chair I have financial skills and knowledge. I am on the Finance Committee of Auckland University Council.
- Global Manufacturing/Commodity Experience. Tourism Holdings is a global business with local and offshore manufacturing. Fletcher Building has manufacturing concentrated in New Zealand and Australia with offshore suppliers. I advised global manufacturing/commodity businesses over years.
- Global experience/Understanding. I am interested in international issues and read widely. I spent time in Greater China as a member of the NZ China Council and developing a China legal practice. On the Securities Commission I attended international conferences. I learn from global competitors. My past law firm has a global brand and I participated in its governance.
- Innovation and Research & Development. As chair of a law firm I championed it investing in artificial intelligence. We formed a joint venture to commercialise the technology. Fertility Associates applies advanced technology and science in treating patients. Fletcher Building is researching, developing and applying innovative technologies and approaches across a range of products and businesses including at Golden Bay Cement and at its Clever Core facility at Wiri. NZ Forest Research Institute specializes in research, science and technology development for forestry and wood products. Auckland University conducts significant research and development.

The skills matrix highlights skills in Corporate Sustainability and Responsibility Expertise, Risk Management, Commercial/ Value Creation and Consumer Experience would be desirable on Fonterra's Board.

Corporate Sustainability and Responsibility. I chair the Sustainability Committee for Tourism Holdings and am a member of the Health, Safety and Sustainability Committee of Fletcher Building. I completed Cambridge Institute's sustainability course. As a director, I advocate for sustainability in its broadest sense.

Risk management experience. Over my career I advised organizations on risk management issues. I am a member of the Risk and Audit Committee, Fletcher Building and its Health, Safety and Sustainability Committee. I am a member of the Audit Committee, Tourism Holdings. I chair the Risk and Audit Committee for NZ Treasury. I am a member of the Audit and Risk Committee, Fertility Associates.

Consumer Experience. I advised consumer companies with significant local, regional or global brands on a range of issues. Tourism Holdings is a global business providing services to customers in market. Fletcher Building operates in a globally competitive market albeit now focused on the Australasian market. Fertility Associates provides fertility services to customers including in Malaysia. Rainbows End (a Rangatira subsidiary) is focused on the domestic consumer market. In addition, the law is a business and its customers are demanding and sophisticated consumers.

Commercial/Value Creation. I led a law firm during a period of transformation and growth resulting in significant value creation which endures. I have contributed to value creation as an adviser and director.

Candidate Interest Statement

Listed below are details of all business, investment and other relationships I have with Fonterra Co-operative Group Limited and its subsidiaries (the "Fonterra Group") (including as a supplying shareholder), or with any third party that transacts with Fonterra Group or carries on business in competition with Fonterra Group:

- I am a director and shareholder (as trustee) of Thistlehurst Dairy Limited, which is a supplying shareholder of Fonterra and holds 444,280 Fonterra shares.
- I am currently a consultant on a part time basis at MinterEllisonRuddWatts. MinterEllisonRuddWatts has provided legal services from time to time to Fonterra, the Fonterra Shareholders' Council and competitors of Fonterra.

To the best of my knowledge and belief the disclosures set out above are full and complete.



Nathan GUY

INDEPENDENTLY ASSESSED CANDIDATE

Mobile: 021 618 498

Email: nathguy@xtra.co.nz

Independent Selection Panel (ISP) Assessment - Non-incumbent

Nathan, aged 50, is retiring at the 2020 election after 15 years as a National MP, culminating in five years as the Minister for Primary Industries. He is the third generation to grow up on his family dairy farm at Koputaroa, near Levin. Nathan has a long history with the dairy industry – his great grandfather, Joseph Nathan, helped establish Glaxo in the Manawatu and his grandfather, Duncan Guy, was Chair of Levin Dairy Co-op. He also has a long history of public service, with three generations of family before him all involved in local government. Prior to becoming an MP, Nathan served as an elected Councillor on the Horowhenua District Council. Nathan is now the joint owner and Managing Director of Kereru Farm that began supplying the Levin Dairy Co-op in 1933 and has grown to milk 1,400 cows. He is also a director of Horowhenua Kapiti Rugby Football Union. He is married with three children.

Panel's assessment of Nathan's capabilities relative to 2020 Attributes:

The Panel found Nathan's commitment to a broad concept of high governance standards convincing, developed through his time in Cabinet. He has strong relationships with politicians from all parties and senior officials who provide advice to Government and the Panel acknowledged that access to these networks would be invaluable around the Fonterra board table.

As Minister for Primary Industries (MPI) and in his other parliamentary roles; public service, collective decision-making and integrity have high priority. Making sound judgements, often under pressure and in the spotlight was evident in his experience and the Panel believed he would take a fearless approach to robust and constructive questioning.

The Panel viewed his empathy with the Co-op as very strong. Much of this belief has been anchored by his family's intergenerational commitment to dairy and pioneering spirit and this underpins his passionate belief that farmers should stick together.

In summary, the nature of his MPI role and his farming background means that he demonstrates a very good understanding of the Co-op's commercial and economic drivers and he looks forward to adding value as he has done to many other iconic Kiwi businesses through the Ministry.

Panel's assessment of Nathan's capabilities relative to 2020 skills:

Stepping away from politics this year, Nathan impressed the Panel with his desire to contribute a wealth of experience to the success of Fonterra and be a continuing champion for New Zealand's dairy industry. Extensive leadership positions and portfolios during his career mean that he has strong, contemporary connections and influence which would be very valuable to the organisation. He has tackled many tough issues at MPI, such as international food safety concerns which he credits with sharpening his risk management skills and his commitment to openness and transparency generally. Panel members also recognised his sophisticated communication skills which have been honed in the political arena, but which are very much rooted and directed towards achieving healthy relationships with the New Zealand farming community. Overlaid with this grassroots appeal is Nathan's international experience, representing the Government overseas, which has also given him a high-level understanding of the global commodities area, foreign dairy industries and trade.

His understanding of finance has grown and evolved over the years. He articulates a strong commitment to get Fonterra's milk price and dividends as high as possible for its farmer shareholders and believes this can be achieved with a well-executed strategy delivering strong results year on year. This is one of Nathan's main motivations for being on Fonterra's board. Through his Minister roles, he has had experience overseeing significant systems implementations, and has a solid understanding of the risks and challenges involved. Like other candidates, he has had some exposure to consumer issues and innovation and research & development, but these are not his core strengths.

In short, Panel members felt that Nathan demonstrated real ambition for Fonterra and warmed to his optimism for its sustainable and successful future. He is an unproven commercial director and transitioning from Cabinet to a commercial boardroom might be a challenge. However, overall, the Panel felt that his government and wider industry experience were strong credentials for his candidacy.

Candidate Profile Statement

I'm the third generation to grow up on our family dairy farm at Koputaroa, near Levin. Married to Erica, we have two sons (15 and 12) and a daughter (13) all of whom love life on the farm.

I believe I can make a valuable contribution to Fonterra's Board. Fonterra faces some challenges but has considerable opportunities.

My Background

I oversee and jointly own Kereru Farm that began supplying the Levin Dairy Co-op in 1933 and has grown to milk 1,400 cows.

Our family has huge confidence in Fonterra, and we are expanding our operation by installing two 50 bail rotary platforms in one building that will milk 700 cows an hour. It's important for our business and staff that we harvest quality milk in a sustainable, efficient and environmental manner. Technology will enable us to better manage our whole operation.

For the past 15 years I have been an MP in Parliament, highlighted by five years as the Minister for Primary Industries (MPI).

Pride in Dairying

Family farms remain at the heart of Fonterra. Our recognition as 'essential' during Covid-19 lockdown and our major role in New Zealand's economic recovery provides an opportunity for Fonterra farmers to gain well deserved kudos.

Fonterra and DairyNZ need to continue winning the 'hearts and minds' of those that are disconnected from rural life. Like most of you, we have fenced off our waterways, created wetlands and done riparian planting.

Staunch Supporter of the Co-operative

I am a strong believer in the co-operative structure and retaining Fonterra in Kiwi farmers' control. Much of that belief has been anchored by my family's intergenerational commitment to dairy and pioneering spirit.

I was fortunate to attend, with my late father Malcolm, the shareholder meetings to create Tui Milk Products then Kiwi Dairies and ultimately MergeCo and Fonterra.

I believe in the power of farmers sticking together and benefitting from economies of scale through co-operative ownership structures.

Fonterra's strength comes from the success of its supply chain which connects our dairy products with consumers around the world.

Fonterra Should Play to Win

I strongly believe Fonterra needs to 'back winners' with a more refined strategy. Now is not the time for high risk – high reward investments.

There is an opportunity to create more value from New Zealand's grass-fed provenance story and having the most efficient carbon footprint in the world.

Fonterra has an impressive track record in commodity markets but shouldn't take its eye off its ability to add more value to products. Our research centre in Palmerston North has some of the best scientific brains and needs to keep creating innovative products.

Farmers should be proud of what Fonterra has achieved. The fundamentals of the co-operative are strong and I want to be a part of taking it to the next level.

Milk Price

Fonterra's core purpose is to get milk price and dividends as high as possible for its farmer shareholders.

To achieve this, Fonterra needs to execute its strategy well and deliver results year on year.

I want to be part of a strong united Board that articulates Fonterra's direction and drives management to deliver.

My background is about leading and delivering for farmers and my experiences have given me financial literacy and the ability to assimilate large volumes of material. I have a track record of speaking my mind while remembering the importance of being a Board team player.

Transferable Skills

Cabinet operates much like a Board of Directors. During my time in Parliament I built good relationships with senior politicians from all parties.

As Fonterra is regulated, its relationship with Wellington decision-makers is critical. I know how the system works and have strong relationships with senior officials - who provide advice to Government. These relationships and connections will be invaluable around the Board table, whoever is in Government.

Known for being calm under pressure, I have helped lead the dairy industry through crisis situations with strong communication skills, clear thinking and good decision-making.

Trade and Market Access

While Minister, I accompanied trade missions to China, Thailand, Mexico, Brazil, Chile and Columbia, and led missions to China, Sri Lanka, India, Chile, Colombia and Iran – often promoting Fonterra's interests.

These in-market experiences and relationships developed with overseas Ministers and senior officials would benefit Fonterra. They enabled me to deal more proactively with several food safety and market access issues like getting infant formula brands listed in China, the botulinum false alarm and the 1080 criminal blackmail threat.

Covid-19 proved Fonterra's supply chain is strong and flexible, and this agility will be necessary as markets respond to this pandemic.

Summary

I would consider it a huge privilege if you elect me to the Board of Fonterra. I will bring common sense governance mixed with fresh new ideas.

I am ready to make a difference for you, your families and our great country. A strong sustainable Fonterra is needed now - more than ever.

Qualifications and Experience

- Independent Director, Horowhenua Kapiti Rugby Union
- Institute of Directors Member
- 'Te Hono' Primary Sector Leaders course, Stanford, USA
- Global Young Leaders Conference, South Korea.
- Kellogg's Rural Leadership programme, Lincoln University
- Winston Churchill Fellowship, USA
- Rotary Group Study Exchange, Canada
- Bachelor of Agriculture and Diploma of Rural Studies, Massey University.

Candidate Interest Statement

Listed below are details of all business, investment and other relationships I have with Fonterra Co-Operative Group Limited and its subsidiaries (the "Fonterra Group") (including as a supplying shareholder), or with any third party that transacts with the Fonterra Group or carries on business in competition with the Fonterra Group.

- Director of Kereru Farm (2005) Ltd which is a supplying shareholder of Fonterra and holds 439,207 Fonterra shares.

To the best of my knowledge and belief the disclosures set out above are full and complete.



Nicola SHADBOLT

NON-ASSESSED CANDIDATE

Mobile: 021 598 799

Email: nmshadbolt56@gmail.com

Nicola Shadbolt is standing as a candidate under the Non-Assessed Process.

Nicola provided the following statement, and the assessments and views on attributes and skills are her own.

Candidate Profile Statement

Two years ago, based on a board initiated independent assessment of my performance, the Fonterra Board endorsed me to serve another term as an elected director. Unfortunately, the election rules at that time meant that you, the owners, did not get the chance to agree, or not, with that endorsement. So, I am standing this year to give you that chance as I am still willing and able to serve another term. My passion for Fonterra is as strong as it was then and I bring to the board, again, a deep knowledge of Fonterra and the industry, plus enhanced skills in the areas identified as in short supply in the current board.

I would like to share with you some of the comments made by that independent assessor. He identified that I possess notable points of difference as a director - my strong awareness of global dairy and my breadth and currency of knowledge across multiple subject matters and their significance in strategic planning and long-term value creation. He stated that my assets are my intellect, my facts-based approach, currency on contemporary issues and interest in good governance. He recognised my knowledge and ability to contribute in the “softer” issues of business (sustainability, CSR, safety, innovation, R&D, governance) notwithstanding my board experience in other areas. He noted my strength of knowledge and advocacy in relation to science as a real driver of Fonterra’s success. My science qualifications and background, together with my scanning of international food and farming trends and developments, provide me with a strong knowledge and understanding of the central roles of science and innovation to Fonterra’s strategic options.

He thought that I exhibited a healthy understanding of good governance practices and requirements, and what makes for “a good board” and suggested that I was somewhat of “an iron fist in a velvet glove”, was principled, relatively tough, courageous and called out behaviours or conduct that I don’t approve of. Importantly he believed I understand governance well, know the responsibilities of a Fonterra Board Member relative to farmer representation, can draw on my personal experiences and have the ability, in his opinion, to be a valuable sounding board for less experienced directors. This, and finding ways to bring on the next generation of directors, is an area I would like to focus on if elected for another term.

Value Creation Track Record

I have been a farmer for nearly 40 years and have taken an active involvement both in developing and implementing strategic plans for the farms. In 2006, the main farm business, Westview, won the Ballance Supreme Farm Environment Award for the Horizon’s region. I have been a key driver in the expansion of our farming business and in its financial management. Our original partners are still in the business. We have always prided ourselves on maintaining profitability and being able to farm sustainably through the commodity cycles. We are a farming family who understand the challenges and opportunities of shareholders.

Starting from scratch, we now manage, and part own, a farming venture with turnover of \$4.7m and assets of \$34m; a mix of share and cash leasing arrangements within 4 equity partnerships – including 1000 dairy cows plus sheep, beef, deer & forestry. Our journey has not only created value for us but also for all the partners who have travelled with us.

Co-operative Knowledge & Background: I am a strong supporter of the Co-operative business model and have a broad understanding of the factors impacting on the success of Co-operatives internationally. In the last two years I have further expanded this knowledge through being involved in aid projects with Cambodian and Tanzanian cooperatives and being invited to a Cooperative Leaders’ Forum in the US by Professor Mike Cook, exploring a wide variety of cooperative business models. More recently I was asked to attend a workshop of the Fonterra Shareholders Council Review Committee to discuss responses to the comments you all submitted. This workshop reminded me that our cooperative is evolving and that there is more work to be done to strengthen the critical link between the Board and Council. It will take commitment at both levels to build the respect and trust required to make this work.

Leadership & Science: In the last two years I have also taken on the role of Chair of the Plant & Food Crown Research Institute. This has provided an opportunity for me to expand my leadership skills and to be involved in setting strategy and the delivery of science-based solutions for the food industry. This has strengthened my belief that Fonterra’s strategic solutions and competitive positioning lie in its much better use of the research and development capability that it has.

My Passion for the Dairy Industry, and Fonterra

One of the most important strategic decisions dairy farmers make is selecting membership of the Co-operative Board. When I first stood for the board several of you asked if I was in for the long haul and I said I was. You asked me to devote my time and energy to Fonterra and I believe I did. The reasons why I accepted the challenge have not changed, they have instead been strengthened; I would like your support to enable me to, once again, serve your cooperative.

Strong governance is critical for Fonterra. The reality is that successful governance is most likely to be based around a Board with a diverse, balanced and complementary set of skills. My unique combination of agribusiness, science and practical farming experience, international perspective and analytical skill set, and governance experience will provide you with choice to empower the Board.

I look forward to hearing your views on our Co-operative by phone 021 598 799 or by email nmshadbolt56@gmail.com and at the Directors' Election Candidate Roadshow meetings. I ask for **your vote** in this election. I would consider it a priority, and a privilege, to join the team that leads Fonterra.

Qualifications: *B.Sc(Hons), M.AgrSc(Hons), DipBusStud (Accountancy), FNZIPIM (Reg), FAICD, INSEAD IDP-C, ONZM for services to agribusiness.*

Candidate Interest Statement

Listed below are details of all business, investment and other relationships I have with Fonterra Co-operative Group Limited and its subsidiaries (the "Fonterra Group") (including as a supplying shareholder), or with any third party that transacts with the Fonterra Group or carries on business in competition with the Fonterra Group.

- Pohangina Land Company (No.1) Limited
- North Grove Dairy Limited
- I am a supplying shareholder of Fonterra jointly with Associated Persons (as defined in the Companies Act 1993) and hold 386,705 Fonterra shares.

To the best of my knowledge and belief the disclosures set out above are full and complete.



Annabel COTTON

NON-ASSESSED CANDIDATE

Mobile: 027 473 7333

Email: acotton@merlinir.nz

Annabel Cotton is standing as a candidate under the Non-Assessed Process.

Annabel provided the following statement, and the assessments and views on attributes and skills are her own.

Candidate Profile Statement

A Family History of Industry Leadership

I own a 252 ha dairy farm west of Hamilton with my husband Michael and brother David. Our sharemilkers run a top tier 420 cow herd.

I'm a proud 4th generation guardian of this property which my family has owned since titles were issued in the late 1800s. My great grandfather, Thomas Blackett, was Farmer Chair of the NZ Dairy Association and drove the merger in 1919 that created the NZ Co-operative Dairy Company, inherently securing farmer control of co-operative dairy companies.

I Offer a Unique Skill Set

Like the vast majority of Fonterra shareholders we own a single dairy property. I face the same challenges and opportunities as many of you across the multitude of issues that affect our business.

While my industry involvement qualifies me to stand in this election what differentiates me from other candidates is the knowledge and expertise I have gained in my 30+ year career in finance. Having started as an investment analyst I now advise NZX and ASX-listed companies on matters related to investor communications and engagement, sustainability and governance. I also have a portfolio of board appointments built around trust being placed in me by national and local government, and private sector shareholders to represent their interests. I think independently and differently to many directors.

As a director of and consultant to the boards of some of NZ's largest companies I have extensive experience reviewing and assessing corporate strategy, capital expenditure, risk management, sustainability and operational and financial performance.

My leadership, integrity, judgement and commitment to high standards of governance has been recognised by four professional organisations awarding me with Fellow status.

Why I've Chosen the Non-assessed Path

Last year I was one of a small number of Panel-interviewed candidates. This year, I've reached out to a broader group for an assessment of my suitability to represent you. Senior company directors, business leaders and Fonterra suppliers have told me that my proven ability to think, analyse and constructively critique is what Fonterra shareholders most need to represent their interests as critical decisions are made regarding Fonterra's long-term strategy.

Targeted Skills Match

The board skills matrix identifies **financial skills** as the Board's second most required skill set. I have advanced level corporate financial expertise and assess my other skill sets as follows:

Leadership	Considerable senior level experience
Dairy farming	Highly engaged farm owner
Financial	Considerable advanced level experience
Global manufacturing / Commodities	Limited experience
Global experience / understanding	Considerable experience
Innovation and R&D	Moderate experience. Owner of international software business

My Four Priorities

Learn from past mistakes

Disrupted business models and changing consumer demand patterns are today's reality. As Fonterra's owners we need assurance that your directors apply 50+ years of corporate memory to ensure that the strategy reset incorporates the elements of our greatest successes and doesn't repeat critical, value-destroying mistakes.

Re-engage with capital markets

The Board's engagement with capital markets participants must be bolstered. Seeking their views can give direction to communications improvements and boost market confidence in Fonterra.

Maximise our grass-fed protein and fat advantage

Fonterra should be the world's most efficient commodity manufacturer and leader in the manufacturing of innovative nutrition products. Our natural competitive advantage in high-quality production must be supported by an entrepreneurial, market-leading vision for products. This must be underpinned by astute capital management, and strong performance and risk monitoring.

Reduce the environmental impact

Our industry's long-term future and social licence to operate requires a lower environmental impact between the paddock, processing chain and consumer. Strengthening the co-op's farm advisory programme can deliver proven, appropriate solutions to support us as we change and innovate our farming practices.

Experience, Attributes and Governance Style

Over the last 20+ years I have held governance appointments at a number of large NZ companies across a range of industries. My consultancy business advises NZX and ASX-listed boards and executives on governance and communication of strategy, and operational and financial performance.

My governance style is to be brave, thorough and question until satisfied with management's proposed approach. I probe deeply and use the knowledge base and experience built up over many years. I use common sense, a sense of what's right and take a long-term view. I'm pragmatic, outcome-focussed and think a strategy should be simple to understand and explain.

I understand value creation from a technical and practical perspective. However, experience tells me that by focussing on generating long-term sustainable profitability, shareholder value will naturally follow.

My global perspective on economics, trade, finance and risk is based on many years' working in financial markets, international study tours, conferences, travel and plain hard work.

Fonterra's shareholders include traditional farmers, corporate owners, family and iwi groupings. Each has a different perspective, but we are all guardians of the land. My considerable experience managing complex stakeholder relationships means I understand and will continue to support the common threads binding us together and underpinning the co-operative ethos. Tātou, tātou.

Governance Appointments

Private/ family-controlled companies are not included.

NZX Regulation Ltd	Director
Hamilton & Waikato Tourism Ltd	Chair
Global Women	Trustee *
Trust Investments Management Ltd	Director ** ^^
Waikato Regional Airport Ltd	Director **
Donny Charitable Trust	Trustee

Previous

External Reporting Board	Board Member
Kingfish Ltd, Barramundi Ltd, Marlin Global Ltd	Director **
Genesis Power Ltd	Director *
Momentum Waikato Community Foundation	Trustee ^
Reclaim Another Woman	Director **
Securities Commission	Commissioner * Commissioner for Financial Advisers

* *Audit @ Risk Committee Member*

^ *Investment Committee Chair*

** *Audit @ Risk Committee Chair*

^^ *Due Diligence Committee Member*

Fellowships Conferred

Institute of Directors
Chartered Accountants Australia & NZ
Institute of Finance Professionals
Australasian Investor Relations Association

Qualifications

Associate Chartered Accountant
Chartered Accountants Australia & NZ

Bachelor of Management Studies in Accounting and Finance
University of Waikato

Certified Securities Analyst
Institute of Finance Professionals

Professional memberships

Chartered Accountants Australia & NZ
Institute of Finance Professionals
Institute of Directors
NZ Global Women

I offer you the opportunity to appoint me to the Fonterra board to apply my skills to govern on your behalf. I have the knowledge, experience, time, energy and personal commitment to contribute to guiding Fonterra's future success.

Candidate Interest Statement

Listed below are details of all business, investment and other relationships I have with Fonterra Co-operative Group Limited and its subsidiaries ("Fonterra Group") (including as a supplying shareholder), or with any third party that transacts with the Fonterra Group or carries on business in competition with the Fonterra Group:

An Associated Person (as defined in the Financial Markets Conduct Act 2013) is a supplying shareholder of Fonterra Group as follows:

- I am a director and shareholder (as trustee) of Farmy McFarm Limited, which is a supplying shareholder of Fonterra and holds 116,607 Fonterra shares.
- I am Managing Director of Merlin Consulting Limited, a consulting business that provides:
 - Beneficial ownership reporting services to Fonterra Group.
 - Investor relations advisory services to Synlait Limited. Separation procedures are in place to ensure I have no access to any workstreams undertaken for this client by Merlin Consulting advisers. Fees billed to Synlait in the 12 months to 31 August 2020 were approximately \$3,500 + GST.

To the best of my knowledge and belief the disclosures set out above are full and complete.



If undelivered please return to:

The Returning Officer
Fonterra Elections 2020
PO Box 3138
Christchurch 8140
Free phone 0800 666 034

Board of Directors

VOTING PAPER



Election of TWO (2) Directors

YOU CAN VOTE IN ONE OF THE FOLLOWING TWO WAYS:

1

INTERNET VOTING

Vote 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 Voting Paper and it can be destroyed.

PIN

PASSWORD

2

POSTAL VOTING

Post the completed Voting Paper(s) in the freepost envelope provided no later than **Thursday, 29 October 2020** so it reaches the Returning Officer **before** the close of voting.

Please only use one of these voting methods

For enquiries phone the ELECTION HELPLINE: 0800 666 034

**Voting closes at:
10.30am on Tuesday, 3 November 2020**

First Past the Post Voting

This is a First Past the Post vote to elect two (2) directors.

The two candidates with the highest number of votes will be elected.

Postal Voting Instructions

- You may select a maximum of **TWO (2)** candidates. If you select more than two candidates, all your votes will be invalid.
- You can select fewer than two candidates.
- Vote by placing a tick “✓” in the circle next to the name of each candidate you wish to vote in favour of.



VOTE HERE



Mike O'CONNOR

Independently Assessed Candidate



Brent GOLDSACK

Incumbent Director - Independently Assessed Candidate



Cathy QUINN

Independently Assessed Candidate



Nathan GUY

Independently Assessed Candidate



Nicola SHADBOLT

Non-Assessed Candidate



Annabel COTTON

Non-Assessed Candidate



Fonterra Elections 2020 Shareholders' Council

Candidate Profiles
Ward 4 - Waikato West

FONTERRA
SHAREHOLDERS'
COUNCIL



Dairy for life

Contents

The Fonterra Shareholders' Council Election	1
The Shareholders' Council Representation Role	1
Key Qualities and Capabilities of a Councillor	2
Shareholders' Council Wards	3
CANDIDATE PROFILES	
Grant Coombes	4
Gaynor Tierney	5

DISCLAIMER STATEMENT BY FONTERRA CO-OPERATIVE GROUP LIMITED

Each Candidate Profile Statement contains a maximum of 400 words (excluding the Candidate Interest Statement) provided by the candidate.

The Returning Officer and Fonterra Co-operative Group Limited note that 'shareholdings' in Fonterra or other companies disclosed by candidates may include shares held by third parties in which candidates have a relevant interest as defined by the Financial Markets Conduct Act 2013.

Any emphasis (including capitalisation, italics, bolding, underscoring and bullet points) has been added by the candidate.

The Returning Officer and Fonterra Co-operative Group Limited accept no responsibility for the content, or accuracy of the content, contained in Statements supplied by candidates.

Warwick Lampp, Returning Officer – 2020 Fonterra Elections
Freephone 0800 666 034
iro@electionz.com

The Fonterra Shareholders' Council Election

There are 25 Shareholders' Councillors representing Fonterra shareholders in 25 Wards throughout New Zealand.

Voting is now open for the election of a Councillor to represent shareholders in Ward 4 Waikato West.

There are two candidates – Grant Coombes and Gaynor Tierney.

Voting Method

Voting for Shareholders' Councillors is on the basis of two votes per shareholder. Both votes may be used by the shareholder, or one may be given to a sharemilker. Votes are not weighted by milksolids production.

The Shareholders' Council Representation Role

The formal role of the Shareholders' Council is set out in our Constitution and Council's By-laws. It can currently be summarised under the following three main themes, however this may change following the review of Council which is currently underway. The Steering Group leading the review is aiming to complete its consultation process and deliver its recommendations in November 2020. Some proposed changes may need to be voted on by shareholders before they can be implemented, others may be introduced straight away. In the meantime, the role and functions of Council will continue as they are at present:

1) Monitoring:

- Council acts as the Co-operative's cornerstone shareholder monitoring and reporting on the performance of the Co-operative against specified targets and its strategy.
- Council provides farmers with an objective, independent opinion on matters which they deem to be significant from an owner's perspective.

2) Farmer Connect:

- Council is responsible for ensuring we have an informed and connected farmer base within the Co-operative.
- Council represents the collective view of farmers up to the Board, and provides farmer-minded analysis of key Board decisions back out to the farmer base.
- Council works with the Board to develop a pipeline of future leaders through educational programmes such as the Understanding Your Co-operative Programme and the Governance Development Programme.
- Council plays a supportive role in developing farmers' understanding of our Co-operative's strategy and how key Board decisions relate to that strategy. Importantly, Council educates farmers on the benefit of being in a co-operative, who we are and why our Co-operative exists.

3) Guardians of our Co-operative Principles:

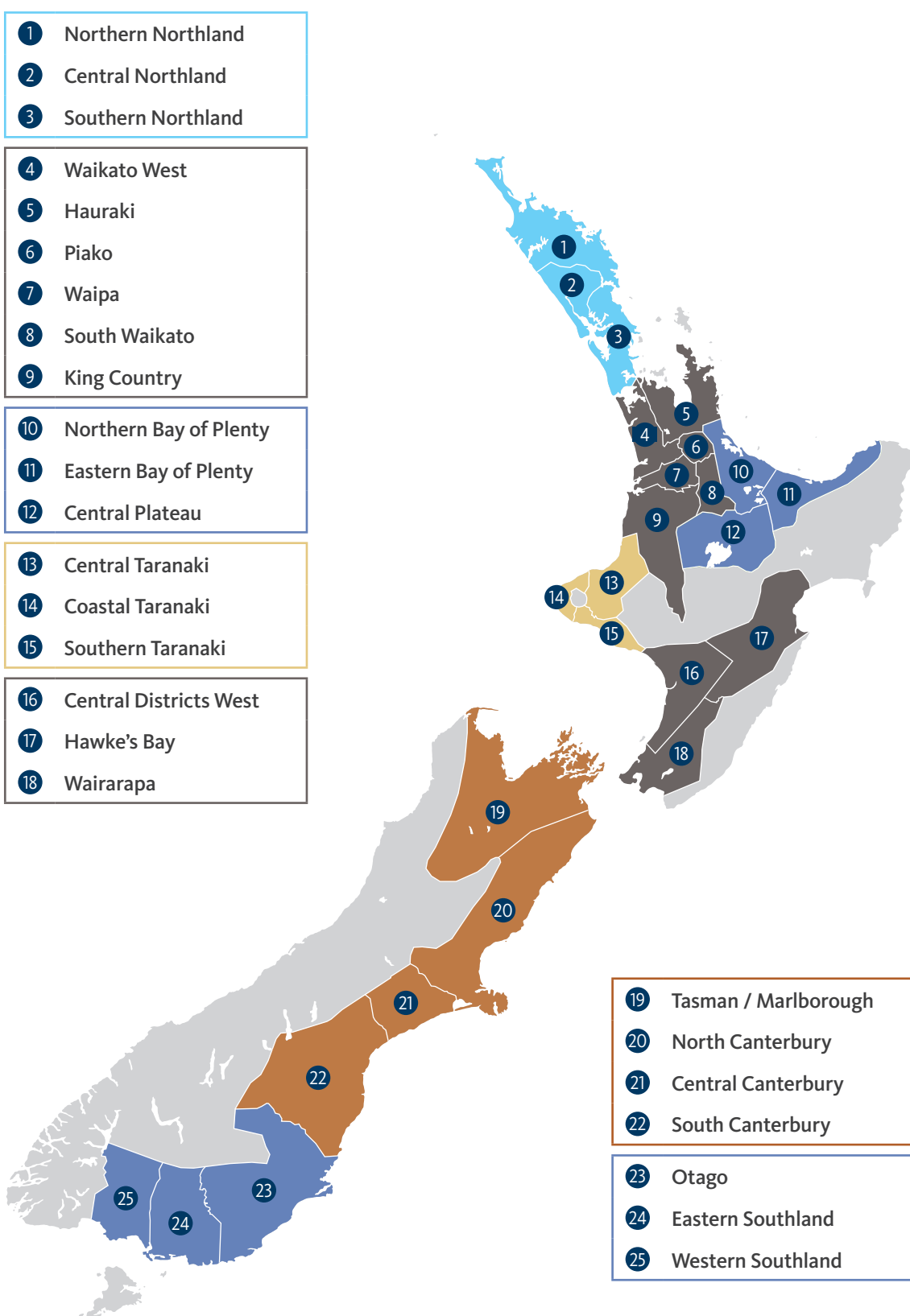
- Council is the guardian of our Co-operative Principles and acts as a sounding-board for the Board on matters that impact our individual farming businesses.
- Council has other formal and constitutional roles including:
 - Managing the Director elections process in consultation with the Board.
 - Approving the company's mission statement and values as proposed by the Board.
 - Appointing the Milk Commissioner.
 - Considering and, in consultation with the Board, proposing changes to Part A of the Constitution.
 - Ability to call a Special Meeting of shareholders.
 - Consulting with the Board in relation to the Fonterra Shareholders' Market and Fonterra Shareholders' Fund.
 - Consulting with the Board in relation to the Milk Price Manual and Principles.
 - Sitting on the Board's Co-operative Relations Committee.

Key Qualities and Capabilities of a Councillor

- Honesty and integrity.
- Courage to question/challenge the status quo.
- In-depth farming knowledge.
- An understanding of Fonterra's business.
- Awareness of the regulatory frameworks in which the Co-operative operates.
- An understanding of and empathy with the Co-operative.
- An understanding of the key drivers of wealth - milk price and profit.
- Business acumen - financial literacy and ability to think strategically.
- Communication skills (including presentation/public speaking capability).
- Interpersonal skills (approachable nature, empathy with fellow farmers).
- Time available to undertake the required Councillor responsibilities.
- A commitment to on-going training including building broad-based Co-operative and governance knowledge to enhance their effectiveness in the role.

Shareholders' Councillors are elected representatives and are expected to commit an average of one day per week to their role.

Shareholders' Council Wards





Grant COOMBES

TAUPIRI

Mobile: 027 223 4384

Email: foxrpl@gmail.com

I ask for your vote in the Fonterra Shareholders' Council elections. I represent a new voice at Fonterra Shareholders' Council, it is one that is committed to strong representation and advocacy for you as a Fonterra farmer in our ward.

My farming career has spanned over 25 years. My wife Kyly and I along with our four grown children Aleisha, Hayden, Liam and Marcus farm in Taupiri and the surrounding areas. We have worked through the dairy pathway from 50/50 sharemilking through to farm ownership now milking 460 cows on a farm we own on the outskirts of Hamilton.

I enjoy being part of our wider community, contributing with my role as a board member of Rural Support Trust, Waikato Hauraki Coromandel and involvement with our local sports clubs.

As someone whom has supplied Fonterra since its inception, I am passionate about ensuring that the Shareholders' Council creates value to our Co-op. This comes via strong Shareholder engagement, effective representation and advocacy on your behalf. We have a great Co-operative and it must be guarded wisely. We need to remain ever focused that our business remains strong for future generations. To achieve this, we need our Shareholders' Council to be effective.

I value your support and ask for your vote to enable me to ensure that your views are represented within our Co-operative.

Should you have any questions or comments in the lead up to the election please feel free to contact me on 027 223 4384.

Candidate Interest Statement

Listed below are details of all business, investment and other relationships I have with Fonterra Co-operative Group Limited and its subsidiaries (the "Fonterra Group") (including as a supplying shareholder), or with any third party that transacts with the Fonterra Group or carries on business in competition with the Fonterra Group

- I am a supplying shareholder of Fonterra as a director and shareholder of Waikato Dairy Limited and hold 216,854 Fonterra shares

To the best of my knowledge and belief the disclosures set out above are full and complete.



Gaynor TIERNEY

HAMILTON

Mobile: 021 125 0334

Email: gaynortierney@hotmail.com

My husband and I currently farm in Ngaruawahia. Milking 240 cows. Returning from travel overseas in 2000 we progressed through the industry from managing through to sharemilking and farm ownership. All in the local geographic area.

I am a working farmer, mother and passionate supplier and shareholder of Fonterra and whilst I am a relatively new farm owner and shareholder (8 years) believe that the Cooperative is crucial to the future of the success of our NZ dairy Industry and rural prosperity. I believe the Shareholders' Council is fundamental in making this a success through working alongside and representing our farmers. I would be a dedicated and focused member of the Council.

I want my generation to be paving the way for our next generation and the success of the Shareholders' Council is vital to this.

I have been very fortunate and blessed to have met so many wonderful farmers in my time farming in our local area and have attended Fonterra meetings, held shed meetings and farmer catch ups regularly for the past 20 years.

Having a clear vision and strategy and the right structure for Fonterra is imperative to the future success of the Cooperative and now more than ever we need a strong Council who is able to listen and utilise the immense knowledge in their farming communities. They need to be engaged with their members and the board at all times to ensure that Fonterra remains on track and a driving force for NZ dairying.

In addition to working on the home farm and bringing up our children I have worked outside the farm gate in many roles with both DairyNZ (Consulting Officer, Project Mgmt.) Federated Farmers, Primary ITO and currently Tutor the Agribusiness Diploma (part time) and am a Director of Anexa FVC Waikato.

I am not afraid to challenge the status quo. I adapt to new environments easily and I always aim to ensure that I add value where I can. I am open and honest and feel I have good communication, facilitation skills but most importantly am a good listener.

I am a keen observer, enjoy researching subjects and have a good ability to assimilate and retain information. Most of all I feel I am loyal and have good empathy and a passion for our Dairy Industry and the amazing people that work within it and support it.

Candidate Interest Statement

Listed below are details of all business, investment and other relationships I have with Fonterra Co-operative Group Limited and its subsidiaries (the "Fonterra Group") (including as a supplying shareholder), or with any third party that transacts with the Fonterra Group or carries on business in competition with the Fonterra Group

- I am a supplying shareholder of Fonterra (Gaynor Louise Tierney, Director of Glendine Ltd) and hold 78,139 Fonterra shares
- To the best of my knowledge and belief the disclosures set out above are full and complete.



If undelivered please return to:

The Returning Officer
Fonterra Elections 2020
PO Box 3138
Christchurch 8140
Free phone 0800 666 034

FONTERRA ELECTIONS 2020

Shareholders' Council Election

VOTING PAPER 1



For the Shareholders' Council Election you have received two Voting Papers for each farm that you own in Ward 4.

Votes for the Shareholders' Council Elections are on a per farm basis, not on milksolids production.

- You are automatically entitled to two votes. You may use your two votes in the following ways:**
1. If you want BOTH YOUR votes to be the same just complete and return VOTING PAPER 1.
 2. If you want your two votes to be different, or give the second vote to your sharemilker, tick the blue box below.
- ☐ I want my two votes to be different and have completed both Voting Papers / I have given Voting Paper 2 to my sharemilker to complete.

WARD 4 WAIKATO WEST
Election of ONE (1) Councillor

YOU CAN VOTE IN ONE OF THE FOLLOWING TWO WAYS:

1

INTERNET VOTING

Vote 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 Voting Paper and it can be destroyed.

PIN

PASSWORD

2

POSTAL VOTING

Post the completed Voting Paper(s) in the freepost envelope provided no later than **Thursday, 29 October 2020** so it reaches the Returning Officer **before** the close of voting.

Please only use one of these voting methods

For enquiries phone the ELECTION HELPLINE: 0800 666 034

Voting closes at:
10.30am on Tuesday, 3 November 2020

Postal Voting Instructions

(Please read carefully)

- Please rank the candidates you wish to vote for in your order of preference by clearly writing a “1” beside the name of the candidate you most prefer and a “2” beside the name of your second most preferred candidate.
- You can rank as many or as few candidates as you wish, **though your vote is most effective if you rank all candidates.**
- You can only write one number “1” and one number “2” and you must not give the same ranking to more than one candidate.
- **Do not** vote with a cross “X” or a tick, “✓”.
- If you make a mistake, cross it out and write the correct number next to it.

NUMBER HERE

Ensure each number is written neatly inside the voting box next to each candidate.

☐

Gaynor TIERNEY

☐

Grant COOMBES

FONTERRA ELECTIONS 2020

Shareholders' Council Election

VOTING PAPER 2



For the Shareholders' Council Election you have received two Voting Papers for each farm that you own in Ward 4.

Votes for the Shareholders' Council Elections are on a per farm basis, not on milksolids production.

- You are automatically entitled to two votes. You may use your two votes in the following ways:**
1. If you want BOTH YOUR votes to be the same just complete and return VOTING PAPER 1.
 2. If you want your two votes to be different, or give the second vote to your sharemilker, tick the blue box below.
- ☐ I want my two votes to be different and have completed both Voting Papers / I have given Voting Paper 2 to my sharemilker to complete.

WARD 4 WAIKATO WEST
Election of ONE (1) Councillor

YOU CAN VOTE IN ONE OF THE FOLLOWING TWO WAYS:

1

INTERNET VOTING

Vote 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 Voting Paper and it can be destroyed.

PIN

PASSWORD

2

POSTAL VOTING

Post the completed Voting Paper(s) in the freepost envelope provided no later than **Thursday, 29 October 2020** so it reaches the Returning Officer **before** the close of voting.

Please only use one of these voting methods

For enquiries phone the ELECTION HELPLINE: 0800 666 034

Voting closes at:
10.30am on Tuesday, 3 November 2020

Postal Voting Instructions

(Please read carefully)

- Please rank the candidates you wish to vote for in your order of preference by clearly writing a “1” beside the name of the candidate you most prefer and a “2” beside the name of your second most preferred candidate.
- You can rank as many or as few candidates as you wish, **though your vote is most effective if you rank all candidates.**
- You can only write one number “1” and one number “2” and you must not give the same ranking to more than one candidate.
- **Do not** vote with a cross “X” or a tick, “✓”.
- If you make a mistake, cross it out and write the correct number next to it.

NUMBER HERE

Ensure each number is written neatly inside the voting box next to each candidate.

☐

Gaynor TIERNEY

☐

Grant COOMBES

Fonterra Elections 2020 Shareholders' Council

Candidate Profiles
Ward 6 - Piako

FONTERRA
SHAREHOLDERS'
COUNCIL



Dairy for life

Contents

The Fonterra Shareholders' Council Election	1
The Shareholders' Council Representation Role	1
Key Qualities and Capabilities of a Councillor	2
Shareholders' Council Wards	3
CANDIDATE PROFILES	
Robert Cookson	4
Nacre Maiden	5
Andrew Reymer	6

DISCLAIMER STATEMENT BY FONTERRA CO-OPERATIVE GROUP LIMITED

Each Candidate Profile Statement contains a maximum of 400 words (excluding the Candidate Interest Statement) provided by the candidate.

The Returning Officer and Fonterra Co-operative Group Limited note that 'shareholdings' in Fonterra or other companies disclosed by candidates may include shares held by third parties in which candidates have a relevant interest as defined by the Financial Markets Conduct Act 2013.

Any emphasis (including capitalisation, italics, bolding, underscoring and bullet points) has been added by the candidate.

The Returning Officer and Fonterra Co-operative Group Limited accept no responsibility for the content, or accuracy of the content, contained in Statements supplied by candidates.

Warwick Lampp, Returning Officer – 2020 Fonterra Elections
Freephone 0800 666 034
iro@electionz.com

The Fonterra Shareholders' Council Election

There are 25 Shareholders' Councillors representing Fonterra shareholders in 25 Wards throughout New Zealand.

Voting is now open for the election of a Councillor to represent shareholders in Ward 6 Piako.

There are three candidates – Robert Cookson, Nacre Maiden and Andrew Reymer.

Voting Method

Voting for Shareholders' Councillors is on the basis of two votes per shareholder. Both votes may be used by the shareholder, or one may be given to a sharemilker. Votes are not weighted by milksolids production.

The Shareholders' Council Representation Role

The formal role of the Shareholders' Council is set out in our Constitution and Council's By-laws. It can currently be summarised under the following three main themes, however this may change following the review of Council which is currently underway. The Steering Group leading the review is aiming to complete its consultation process and deliver its recommendations in November 2020. Some proposed changes may need to be voted on by shareholders before they can be implemented, others may be introduced straight away. In the meantime, the role and functions of Council will continue as they are at present:

1) Monitoring:

- Council acts as the Co-operative's cornerstone shareholder monitoring and reporting on the performance of the Co-operative against specified targets and its strategy.
- Council provides farmers with an objective, independent opinion on matters which they deem to be significant from an owner's perspective.

2) Farmer Connect:

- Council is responsible for ensuring we have an informed and connected farmer base within the Co-operative.
- Council represents the collective view of farmers up to the Board, and provides farmer-minded analysis of key Board decisions back out to the farmer base.
- Council works with the Board to develop a pipeline of future leaders through educational programmes such as the Understanding Your Co-operative Programme and the Governance Development Programme.
- Council plays a supportive role in developing farmers' understanding of our Co-operative's strategy and how key Board decisions relate to that strategy. Importantly, Council educates farmers on the benefit of being in a co-operative, who we are and why our Co-operative exists.

3) Guardians of our Co-operative Principles:

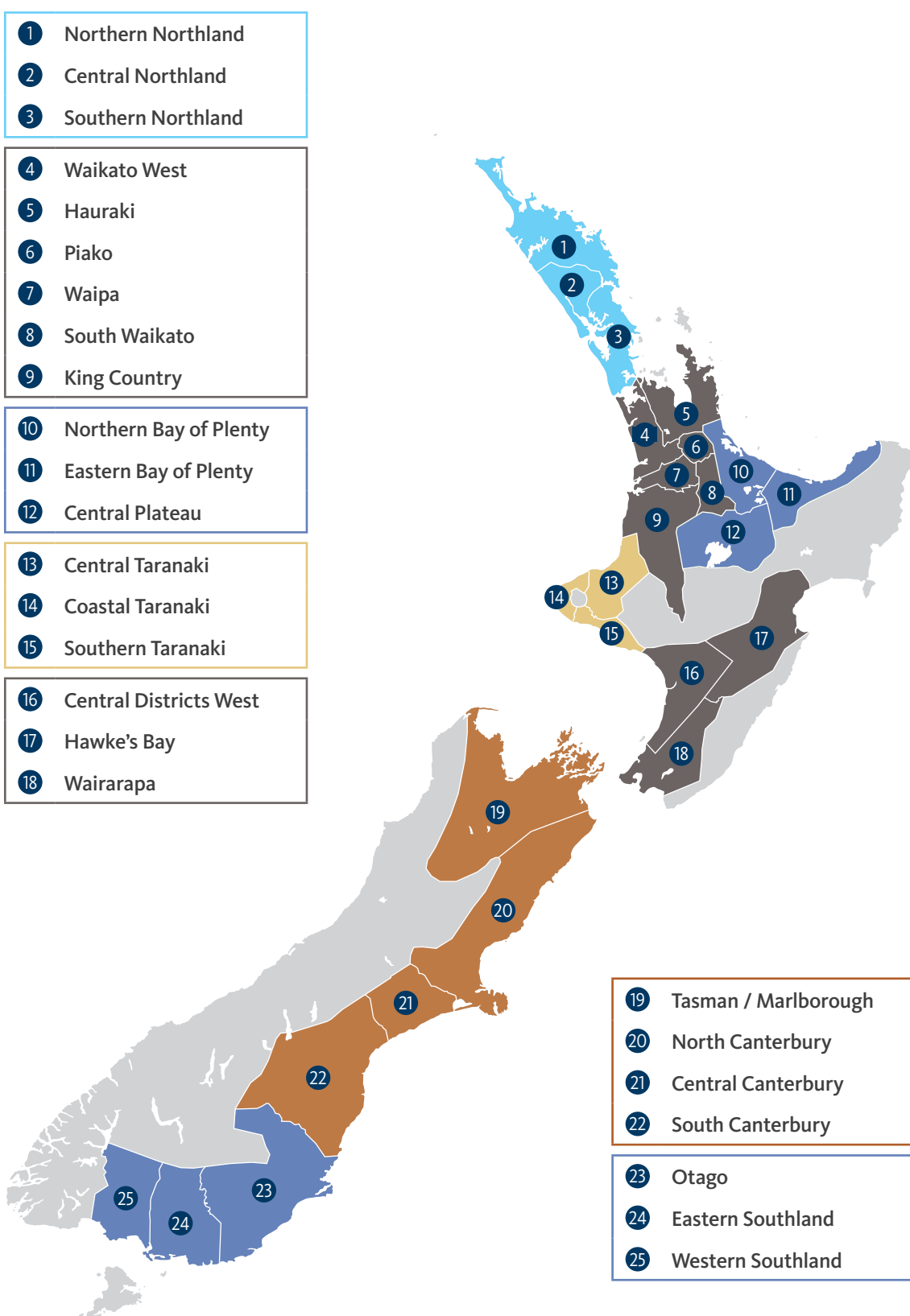
- Council is the guardian of our Co-operative Principles and acts as a sounding-board for the Board on matters that impact our individual farming businesses.
- Council has other formal and constitutional roles including:
 - Managing the Director elections process in consultation with the Board.
 - Approving the company's mission statement and values as proposed by the Board.
 - Appointing the Milk Commissioner.
 - Considering and, in consultation with the Board, proposing changes to Part A of the Constitution.
 - Ability to call a Special Meeting of shareholders.
 - Consulting with the Board in relation to the Fonterra Shareholders' Market and Fonterra Shareholders' Fund.
 - Consulting with the Board in relation to the Milk Price Manual and Principles.
 - Sitting on the Board's Co-operative Relations Committee.

Key Qualities and Capabilities of a Councillor

- Honesty and integrity.
- Courage to question/challenge the status quo.
- In-depth farming knowledge.
- An understanding of Fonterra's business.
- Awareness of the regulatory frameworks in which the Co-operative operates.
- An understanding of and empathy with the Co-operative.
- An understanding of the key drivers of wealth - milk price and profit.
- Business acumen - financial literacy and ability to think strategically.
- Communication skills (including presentation/public speaking capability).
- Interpersonal skills (approachable nature, empathy with fellow farmers).
- Time available to undertake the required Councillor responsibilities.
- A commitment to on-going training including building broad-based Co-operative and governance knowledge to enhance their effectiveness in the role.

Shareholders' Councillors are elected representatives and are expected to commit an average of one day per week to their role.

Shareholders' Council Wards





Robert COOKSON

WAITOA

Mobile: 021 752 423

Email: rjc76431@gmail.com

Coming from a family that has been farming in Springdale for over 90 years I am proud to be standing for election this year to represent Ward 6 as your local Shareholders' Councillor.

I am involved in the daily operations of my 170 hectare farm, milking 420 cows, so am well aware of the challenges we face in operating our farms day-to-day.

Despite the recent unrest and opinion that the Shareholders' Council is ineffective, I believe this to be untrue. I do however, believe changes in the way the Council currently operates would be beneficial in order to protect the interests of us, the farmers and shareholders of our Co-op. Changes would also ensure there is a level of transparency and accountability within the Fonterra ranks.

I want to ensure our Co-op continues to thrive for generations to come and look forward to your support.

Candidate Interest Statement

Listed below are details of all business, investment and other relationships I have with Fonterra Co-operative Group Limited and its subsidiaries (the "Fonterra Group") (including as a supplying shareholder), or with any third party that transacts with the Fonterra Group or carries on business in competition with the Fonterra Group

- I am a supplying shareholder of Fonterra in the name of Rangitahi Farms Limited and hold 163,315 Fonterra shares.

To the best of my knowledge and belief the disclosures set out above are full and complete.



Nacre MAIDEN

TE AROHA

Mobile: 021 137 2334

Email: kaimore@farmside.co.nz

My husband and I own a 62ha Fonterra supply dairy farm with an Autumn calving herd. I am also involved in my family's dairy farming business, regularly milking to provide time off for the farm manager, among other tasks.

Having grown up on a dairy farm and continuing to see the challenges faced by the industry, now seems as good a time as any to put my hand up to give back. My previous experience, having worked in local government and in agri-banking gives me a well-rounded view of the challenges on both sides of the table for our farmers. It will be important to me that I am available to all Fonterra suppliers, be they shareholders or sharemilkers, having come through the sharemilking system, one of my main concerns is how we retain people within the Fonterra family. We want them to choose to supply Fonterra rather than our competitors, when they achieve farm ownership. With this in mind, it is important to me that Fonterra continues to facilitate and support both existing and alternate pathways to farm ownership and Fonterra supply.

Within the wider family business, we are very fortunate to have farmland that has been in the family for over 100 years, we aim to retain this as productive land for another 100 years. Sustainability is a "no-brainer", but it has to be done right. Many farmers feel they have been burnt spending money on compliance but finding that very quickly the standards have changed and more expenditure is required. Being 'green' but not making profit is not sustainability. We need to have money to invest in green technology and systems. Environmental and financial sustainability must go hand in hand. As Fonterra suppliers we need Fonterra to continue to support us in both aspects. Fonterra must be a financially strong company to provide us with a great milk price and significant dividends on a year in, year out basis, while also upskilling and supporting farmers to be environmentally sustainable. We must retain our social licence to dairy farm. The Shareholders' Council must continue to remind the Board of both of these requirements.

I look forward to meeting you and hearing your views of the Co-op.

Candidate Interest Statement

Listed below are details of all business, investment and other relationships I have with Fonterra Co-operative Group Limited and its subsidiaries (the "Fonterra Group") (including as a supplying shareholder), or with any third party that transacts with the Fonterra Group or carries on business in competition with the Fonterra Group

- I am a supplying shareholder of Fonterra jointly with Associated Persons (as defined in the Financial Markets Conduct Act 2013) in the name of Kaimore Farms Limited, which holds 90,957 Fonterra shares.
- I have a beneficial and financial interest jointly with Associated Persons in Tauhei Farms Limited, which holds 820,150 Fonterra shares.

To the best of my knowledge and belief the disclosures set out above are full and complete.



Andrew REYMER

OHAUPO

Mobile: 027 498 8496

Email: andrew@grasslandz.co.nz

Guarding the Co-op is the single simplest form of the Shareholders' Councilors' role. While the Board is charged with running the business, it is the Shareholders' Council that must hold it to the Co-op principles. Once this clear distinction is made, the rest falls into place. It is not our role to run the business, but simply to ensure it is run how we, the farmer shareholders would like to see it run.

What then are we looking for in a Shareholders' Councilor? Simply someone that keeps us connected to the Co-op and gives us the avenue for information to be passed both up and down. We want to know our opinions are heard, as well as have genuine 'tell us how it really is' reporting coming back down about our Co-op. I have always prided myself in my ability to bridge this gap, to be able to connect with farmers on the ground, but also the managers of the business. I enjoy people, understanding their thinking and connecting them with others.

While actively involved with the daily operation on our 500-cow farm in Ohaupo, I have the time to commit to the role to do it justice yet connected to the younger farmers coming through to understand their concerns and thinking.

Developing a strong Shareholders' Council and representative network is one of the most important duties I see in this role. Building a more engaged and informed shareholder base is the key to its survival. Information leads to knowledge, which leads to understanding and then belief. Having farmers believe in their co-op is our strength.

Having completed the Fonterra Understanding Your Co-operative course in 2014, I developed the passion that followed on from understanding. This led me to the Governance Development Program which I completed in 2015. What was evident to me from that programme is that representation is key to shareholder's connection with the Co-op. Governance and representation are very different, but equally important. I am married to Liz with three budding All Blacks, Joshua 16, Curtis 15 and Nathan 11 who keep us focused on why we are in a co-op, so we have a strong industry to pass on.

I am the chairman of the Te Awamutu Branch of the Federated farmers, and Waikato Vice Dairy Chair. Collective strength amongst farmers is their philosophy, and this lines up with co-op principles, and mine.

Candidate Interest Statement

Listed below are details of all business, investment and other relationships I have with Fonterra Co-operative Group Limited and its subsidiaries (the "Fonterra Group") (including as a supplying shareholder), or with any third party that transacts with the Fonterra Group or carries on business in competition with the Fonterra Group

- I am a supplying Shareholder of Ohaupo Dairies Ltd with associated persons, which is a fully shared up Fonterra supplier holding 223,937 shares.

To the best of my knowledge and belief the disclosures set out above are full and complete.



If undelivered please return to:

The Returning Officer
Fonterra Elections 2020
PO Box 3138
Christchurch 8140
Free phone 0800 666 034

FONTERRA ELECTIONS 2020

Shareholders' Council Election

VOTING PAPER 1



For the Shareholders' Council Election you have received two Voting Papers for each farm that you own in Ward 6.

Votes for the Shareholders' Council Elections are on a per farm basis, not on milksolids production.

- You are automatically entitled to two votes. You may use your two votes in the following ways:**
1. If you want BOTH YOUR votes to be the same just complete and return VOTING PAPER 1.
 2. If you want your two votes to be different, or give the second vote to your sharemilker, tick the blue box below.
- ☐ I want my two votes to be different and have completed both Voting Papers / I have given Voting Paper 2 to my sharemilker to complete.

WARD 6 PIAKO
Election of ONE (1) Councillor

YOU CAN VOTE IN ONE OF THE FOLLOWING TWO WAYS:

1

INTERNET VOTING

Vote 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 Voting Paper and it can be destroyed.

PIN

PASSWORD

2

POSTAL VOTING

Post the completed Voting Paper(s) in the freepost envelope provided no later than **Thursday, 29 October 2020** so it reaches the Returning Officer **before** the close of voting.

Please only use one of these voting methods

For enquiries phone the ELECTION HELPLINE: 0800 666 034

Voting closes at:
10.30am on Tuesday, 3 November 2020

Postal Voting Instructions

(Please read carefully)

- Please rank the candidates you wish to vote for in your order of preference by clearly writing a “1” beside the name of the candidate you most prefer and a “2” beside the name of your second most preferred candidate, and so on.
- You can rank as many or as few candidates as you wish, **though your vote is most effective if you rank all candidates.**
- You can only write one number “1”, one number “2”, one number “3” and you must not give the same ranking to more than one candidate.
- **Do not** vote with a cross “X” or a tick, “✓”.
- If you make a mistake, cross it out and write the correct number next to it.

NUMBER HERE

Ensure each number is written neatly inside the voting box next to each candidate.

<input type="text"/>	Nacre MAIDEN
<input type="text"/>	Robert COOKSON
<input type="text"/>	Andrew REYMER

FONTERRA ELECTIONS 2020

Shareholders' Council Election

VOTING PAPER 2



- You are automatically entitled to two votes. You may use your two votes in the following ways:**
1. If you want BOTH YOUR votes to be the same just complete and return VOTING PAPER 1.
 2. If you want your two votes to be different, or give the second vote to your sharemilker, tick the blue box below.
- ☐ I want my two votes to be different and have completed both Voting Papers / I have given Voting Paper 2 to my sharemilker to complete.

WARD 6 PIAKO
Election of ONE (1) Councillor

YOU CAN VOTE IN ONE OF THE FOLLOWING TWO WAYS:

1

INTERNET VOTING

Vote 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 Voting Paper and it can be destroyed.

PIN

PASSWORD

2

POSTAL VOTING

Post the completed Voting Paper(s) in the freepost envelope provided no later than **Thursday, 29 October 2020** so it reaches the Returning Officer **before** the close of voting.

Please only use one of these voting methods

For enquiries phone the ELECTION HELPLINE: 0800 666 034

Voting closes at:
10.30am on Tuesday, 3 November 2020

Postal Voting Instructions

(Please read carefully)

- Please rank the candidates you wish to vote for in your order of preference by clearly writing a “1” beside the name of the candidate you most prefer and a “2” beside the name of your second most preferred candidate, and so on.
- You can rank as many or as few candidates as you wish, **though your vote is most effective if you rank all candidates.**
- You can only write one number “1”, one number “2”, one number “3” and you must not give the same ranking to more than one candidate.
- **Do not** vote with a cross “X” or a tick, “✓”.
- If you make a mistake, cross it out and write the correct number next to it.

NUMBER HERE

Ensure each number is written neatly inside the voting box next to each candidate.

<input type="text"/>	Nacre MAIDEN
<input type="text"/>	Robert COOKSON
<input type="text"/>	Andrew REYMER