

30 October 2020

Fonterra Shareholders Fund (FSF)

The company will hold its Annual Shareholders Meeting **10.00am Monday 9 November 2020**.

The location is **Fonterra's Auckland Office 109 Fanshawe Street, Auckland**.

You can also join the meeting at <https://web.lumiagm.com/> The Meeting Code is 380-776-293.

The Fund was established in 2012 to allow non-dairy farmers to trade the economic rights in Fonterra Shares. As has been well reported Fonterra has experienced some difficult times over the past few years with asset value write downs of \$885 million including investments in China operations leading to a Net Loss after Tax of \$605 million in FY19 on the back of a Net Loss of \$196 million in FY18.

FY20 has proved to be a better year for Fonterra with NPAT \$659 million and Net Debt \$4.7 billion down \$1.1 billion. In October Fonterra announced the sale of its China dairy farms for \$555 million and will use the proceeds to pay down debt. In October Fonterra also announced the midpoint forecast for Farmgate Milk Price at \$6.80 up from \$6.40 on the back of increased demand in China.

On the back of this better news the units are trading at \$4.68 and have traded through a range of \$3.41 to the current high over the past year.

Board Composition

The Board comprises an Independent Chair and two Independent Directors elected by the unit holders and two Non-Independent Directors appointed by the Manager of Fonterra. Pip Dunphy an Independent Director is retiring at the Annual Meeting.

Resolutions

1. To elect Mary-Jane Daly as an Independent Director.

Mary-Jane Daly is Chair of the Earthquake Commission, and an Independent Director of Kiwibank, Kiwi Property Group and Auckland Transport. She was previously Group Treasurer and Risk Manager at Fonterra.

We will vote undirected proxies **IN FAVOUR** of this resolution.

Proxies

You can vote online or appoint a proxy at <https://www.investorvote.com.au/Login>

Instructions are on the Proxy/voting paper sent to you.

Voting and proxy appointments close **10.00am Saturday 7 November 2020.**

Please note you can appoint the Association as your proxy. We will have a representative attending the meeting.

STANDING PROXIES - AUTOMATICALLY APPOINT NZSA AS YOUR PROXY

MAKE YOUR VOTE COUNT!

Details on the NZSA website.

The Team at NZSA