



Some things will change. Our standards will not.

Hi team,

Moving to new ownership under Lactalis will change many aspects of how we work as we build Mainland Dairy into the consumer business it was always meant to be. What it doesn't change is the standard we hold ourselves to. The Way We Work remains our Code of Business Conduct and applies to all of us, and to anyone working for or on behalf of Mainland Dairy.

This Code matters because it reflects how we expect to behave towards one another, with our customers and partners, and in the communities where we operate. Not because it sits in a document, but because it guides the choices we make every day.

After Day 1, we will take the time to review and refresh The Way We Work. That work will reflect who we're becoming as Mainland Dairy, including our refreshed values and our ownership by Lactalis. Until then, we'll apply the intent and principles of this Code as we move through this transition period.

You may notice references in the Code to fonterra.com and MilkyWay. These should be read as mainlanddairy.com and The Milk Bar. Our website will be live from Day 1 and will include important documents and information to support you.

References to documents stored in the Policy and Procedure Library (PPL) will also continue to apply, with access remaining available for the foreseeable future, as we do today.

Our existing support services and reporting channels also remain in place at this time. If anything changes, we'll make sure this is clearly communicated.

Transitions can raise practical questions. If you encounter a situation where the Code doesn't quite fit, or where interpretation isn't clear, please speak with a member of the People & Culture team. They are there to help you navigate this in a sensible and fair way.

How we act, especially during periods of change, says a great deal about the kind of business we're building. I ask all of us to uphold the standards set out here and to speak up when something doesn't feel right.

Thank you for doing the right thing, every day.

René

René Dedoncker
Chief Executive Officer
Lactalis–Mainland Dairy





Dairy for life

CODE OF
BUSINESS CONDUCT
SEPTEMBER 2024

The Way We Work



CODE OF
BUSINESS CONDUCT
SEPTEMBER 2024

**“We are
good people,
doing good
things.”**



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**Tuia ki
runga Tuia
ki raro
Tuia te muka tangata o Te
Mātāpuna Tēnā koutou katoa,**

Unite from above
Unite from below
Unite our organisation
I acknowledge you all,

As a co-operative of thousands of farming families, we're committed to producing dairy nutrition in a way that cares for people, animals and our environment, as well as supporting our communities.

Our Code of Business Conduct guides our decisions at work. It reflects our values and the way we do things, providing guidance for everyone who is part of our co-operative across the globe.

Please take the time to read through this information to help guide the work you do every day.

I'm proud to work for a business full of passionate people working hard to take our farmers' premium, sustainable milk to the world.

Thank you for the role you play to ensure our co-operative empowers people to create goodness for generations.

You, me, us together.

Tātou, tātou.

Miles Hurrell
CEO

OUR PURPOSE

Our Co-operative,
empowering people
to create goodness for generations.
You, me, us together
Tātou, tātou

Our Co-operative is our pride, our passion, the essence of who we all are as one.

Empowering people is how we help each other reach our full potential and that of our Co-op.

To create goodness for generations is the positive impact we make to lives here, and around the world, through our products and know-how - now and into the future.

You, me, us together is our fundamental belief that we all matter - and through diversity of thought we're good together.

Tātou, tātou connects us all spiritually and emotionally with our unique Aotearoa New Zealand heritage. In

Te Reo Māori, tātou means 'our', yours and mine, it means all of us together.



OUR VALUES

Our Values represent us and help guide us to where we want to go. They're at our core, lived by each of us, every day in everything we do.

We're good together when we work collaboratively, we're better every day by embracing transformation, and we're focused on performance, because every drop counts.

Like us, they're best when they work together, complementing and supporting each other. Tātou, tātou.



Good Together

Every Drop Counts

Better Every Day



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 Our Purpose, Values
 and Strategy help
 us focus on the right
 things to create a
 sustainable future
 for our Co-op – for
 those who rely on us
 – our farmer owners,
 employees, customers
 and communities.
 —

—
 Our Co-op has a
 unique strength when
 we are Good Together,
 clear on what we need
 to do, why and how.
 —

**We are a Co-operative
 made up of people from
 all around the world,
 passionate about creating
 goodness for generations
 to come.**

**We are very proud of our
 role in New Zealand and
 global communities.**

We are guided by a strong sense of understanding of who we are and how we work together. We empower our people to achieve the best outcome for the Co-operative and protect our place in community with our families and key supporting partners; we use Manaakitanga and Kaitiakitanga as guiding principles.

Manaakitanga is how we care for each other as people in all we do. Kaitiakitanga is how we protect our natural environment today for future generations.

To continue to be a successful Co-operative for the future and provide the best returns for our farmer shareholders, we encourage everybody to make decisions and take actions that are right for the Co-operative.

Having the right environment is important for us and our code of conduct is here to be a guide that represents how we work and operate in our Co-operative.



We encourage our people to speak openly and honestly and challenge when things don't seem right.

The Way We Work - Code of Business Conduct

The Way We Work is fundamental to our business. It summarises and reflects our beliefs, commitments and expectations, as laid out in the Fonterra Global Policy Framework.

The information contained in this booklet outlines Fonterra's position across a wide range of internal and external operating practices, our values and expected behaviour and conduct.

To access further information on the content summarised here, please go to Āwhina and you can find all our Global Policies on the Policy and Procedure Library (PPL), which you can access through MilkyWay, our Fonterra intranet. We also publish some of our global policies on www.fonterra.com.

Compliance

Fonterra is committed to the application of the principles set out in The Way We Work in all countries where we conduct business.

All Fonterra operations must comply with local and cross-jurisdictional legislation and regulatory requirements. We expect our suppliers and business partners to uphold the product safety, economic, social and environmental standards aligned with these principles.

We expect suppliers and business partners to align with our Sustainability Code of Practice to help improve their practices in these areas. The code is available on fonterra.com.

For help understanding which policies, standards and guidelines are relevant to your role, or if you don't have MilkyWay access, talk with your manager or contact the Group Policy and Compliance team at policies@fonterra.com.

What to do?

We encourage our people to speak openly and honestly and to challenge things that don't seem right. If you're uncertain or uneasy about a course of action or a decision, have concerns about dishonest or unethical behaviour or any other action that you don't think meets the standards of behaviour set in The Way We Work, you can talk with your manager or contact The Way We Work Hotline (anonymously if you need to).

Sometimes people worry about speaking up because they think it may cause trouble for them. Rest assured, when concerns are raised, these are treated seriously and sensitively. Fonterra does not tolerate anyone creating problems for people who speak up in good faith. When it is clear that illegal or unethical behaviour is taking place, Fonterra expects you to report it.

The Way We Work Hotline

If you're not comfortable reporting a concern to your manager, you can use The Way We Work Hotline. This is a confidential service operated for Fonterra by an independent firm. You don't need to provide your name or contact details if you do not wish to.

You can find contact details for the Hotline, including a wide range of language options, on the back page of this booklet.



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Caring for the
land today, so the
land cares for us
tomorrow.
—

—
Tiakina te
whenua i
tēnei rā, hei
oranga tangata
mō ngā rā e
heke mai nei.
—

Water

Freshwater is essential for our business and the communities where we live, work and farm. It's not only vital to life, our farmers and factories depend on it to produce high quality nutrition.

We are committed to protecting and enhancing water catchments, ensuring future water security by using water responsibly from farm to factory and working together with others to support the protection and restoration of waterways, natural habitats and biodiversity.

Climate and energy

Sustainable and secure energy supply and a suitable climate are critical contributors to our operational activities and business continuity.

We are committed to reducing our greenhouse gas emissions across our supply chain, by improving energy efficiency, transitioning to renewable energy and supporting our farmers to adopt the best available practices for emissions reduction and resilience to climate change.



—
 We are working together to achieve a healthy environment for farming and society.
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We recognise the importance of protecting nature and we work collaboratively with communities and farmers to promote restoration

Biodiversity and ecosystems

We believe that dairy has a regenerative future and the way we care for our environment is critical to safeguard opportunities for future generations. We recognise the importance of protecting and enhancing nature with nature-based solutions and we work collaboratively with our communities and farmers. This includes ensuring products are sourced responsibly, protecting areas of high conservation value and committing to no deforestation of primary forests associated with our value chain.

Biotechnology

We see value in maintaining optionality around the use of technology and the possibilities offered by new and emerging life science technologies such as gene editing. We are committed to taking a precautionary approach based on sound science.

Efficiency and waste

Efficient and effective management of raw materials, waste and hazardous substances helps protect our food safety and quality, gain production and cost efficiencies and ensure that the environmental impacts of our business are minimised.

We are committed to maximising yield, reducing waste, managing hazardous substances responsibly, and improved circularity through packaging innovation and supporting community waste solutions.

Embedded Environmental Management

Environmental Management is everyone's responsibility.

We expect that:

- Our people demonstrate active commitment to environmental management and to protecting and

restoring the environment in all aspects of their strategic planning and the way they run the business

- Our people are aware of the environmental legislative requirements within their area of work and understand what is required to meet these.
- Our people follow the process to identify, assess and actively manage environmental risks within the scope of their activities, including appropriate contingency planning to mitigate potential environmental impacts.
- Our people follow the process to immediately respond to incidents and complaints, take action to minimise damage to the environment and safeguard ecosystem health, and identify root causes to effectively prevent reoccurrence
- Our environmental and sustainability performance is measured and reported to senior management and our Board to ensure we continually seek to improve.

Animals and biosecurity

Ensuring high standards of animal health and wellbeing and biosecurity is vital to help secure strong and thriving rural communities for future generations. We are committed to continuous improvement of animal health and wellbeing outcomes, including compliance with codes of welfare and the elimination of practices that contravene the Five Freedoms. Biosecurity is a set of preventative measures designed to reduce the risk of transmission of infectious diseases and pests to livestock and crops that impact animal, plant and human health, the community, economic livelihoods and the environment. We are committed to supporting robust standards, innovative solutions and being prepared to respond to any incidents.



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**Safe Food. Safe People.
World Class Quality.
It's Our Promise.**



Families are important to us - the safety of the families that consume our products, and the families of the people who work for our Co-op. So focusing on both health, safety and wellbeing, and also food safety and quality, is core to our day to day work, regardless of role.

Health, Safety and Wellbeing

We want all of our employees, contractors, and visitors to live healthy and balanced lives and get home safely every day.

This care extends across physical and mental health as well as wellbeing. Therefore we take a holistic approach in caring for our people while keeping them safe.

The Fonterra Management Team are committed to role modelling health, safety, and wellbeing leadership and ask each and every one of you to own and lead our collective health, safety, and wellbeing.

Do this by first taking care of one's self, and by looking after those around you in delivering what you do every day.

We have established 6 Life Savers, which are fundamental behaviours we expect to see at all times. These are leading safety behaviours based on the dominant risks we face daily at Fonterra. They are:

- ① be fit for work
- ② use the right PPE for the task
- ③ always drive safely
- ④ work with a valid permit where required
- ⑤ only operate equipment with safeguards in place
- ⑥ follow access rules

We deliver on our commitment through:

People, including our employees, contractors and visitors, who believe harm is avoidable and who support a safe and healthy work environment.

Processes that consider design, construction, operation, management, maintenance and disposal creating a safe and healthy work environment.

Plant and Equipment that considers design, operation, management and maintenance that creates a safe and healthy work environment.

We expect that:

- all leaders are committed to our health, safety and wellbeing principles, and expect their teams to do the same.
- our safety management systems are always improving.
- all health and safety incidents are reported, recorded and investigated accurately and thoroughly, so root causes are identified, and corrective actions are put in place.
- anyone who suffers a work-related injury or illness, is supported with an individualised return to work programme, which reflects our duty of care to our people.
- the personal wellbeing of our people is valued through targeted health and wellbeing initiatives.
- our world class health, safety and wellbeing performance is measured and reported to senior management and our Board to ensure we continually seek to improve our work environment.

If you want to find out more, talk with your manager, visit Fonterra's health, safety and wellbeing portal on MilkyWay, or contact your local health, safety and wellbeing representative. You can access the Global Health, Safety and Wellbeing Policy in the Policy and Procedure Library or on www.fonterra.com

Alcohol and other drugs

All Fonterra workplaces are drug and alcohol free. In exceptional circumstances temporary exemptions to allow alcohol to be consumed at specific functions may be granted when approval processes are followed.

If you are concerned or have an issue with drugs or alcohol, we ask you to have a confidential discussion with your manager, Occupational Health Nurse or our Global Employee Assistance Programme (EAP) provider before it impacts your workplace, others, or your employment.

Food Safety and Quality

The most important way that we create goodness for generations is through making food.

It doesn't matter what role you have in our Co-operative, you are connected to that food, directly or indirectly. Ask yourself, is there a food safety and quality impact to the decisions you are making:

- Does this IT system play a role in keeping our food safe?
- Is this supplier safe enough to be part of our food chain?
- Are we recruiting people with the right skills and mindsets to make food?

FSQ

It's Up to You!

- ✔ **People** - Control the risks we can bring to the product.
- ✔ **Product** - Control product integrity through the chain to the customer.
- ✔ **Process** - Control the process our product goes through.
- ✔ **Plant** - Control the environment our product is in.

Treat the product as if you're feeding it to your family.

If something's not right speak up!

Food safety and quality (FSQ) is everyone's responsibility, from our farms to our manufacturing sites and all the way to our customers and consumers around the world. We achieve our high standards by every one of our people taking a proactive approach to safety and quality, understanding what's required of them, working together, doing what's right and challenging ourselves to improve every day.

Our Food Safety and Quality System ensures wherever we are in the world, we have a clear, consistent framework to deliver safe, high quality products and services.

You can access the Global Food Safety and Quality Policy in the Policy and Procedure Library.

Leading Safe Food Safe People

As leaders and representatives of Fonterra it's vital that you prioritise and role model the right behaviours for safety - both in our support offices and on our operational sites. It's a promise we have collectively made to families everywhere.

The World Health Organisation Code

We support the aim and intent of the World Health Organization (WHO) International Code of Marketing of Breast-Milk Substitutes (1981) and are committed to the ethical marketing and distribution of breastmilk substitutes. Our position is to comply to both the national laws and codes of the countries in which we sell our products.

Children as customers

Our products for children provide both nutrition and enjoyment.

We are responsible in the way we market dairy-based products for children. In doing so we do not attempt to undermine their parents' or caregivers' right to say what's best for them or try to overrule their good judgement. We do not portray children in unsafe situations.

Nutrition

Good nutrition is central to our health and wellbeing ensuring that we thrive, that we are productive and make a significant contribution to society.

We recognise people eat for enjoyment as well as to gain the essential nutrients needed to fuel the growth, development and maintenance of health and wellbeing.

As a global nutrition company, we operate honestly and with integrity regarding nutrition to deliver products and services to meet nutrition and health needs, help consumers to make informed nutrition choices and enable healthy business outcomes for the future.

You can access the Global Nutrition Policy in the Policy and Procedure Library or on www.fonterra.com.



—
 What is the most important thing in the world?
 —

It is people,
 it is people,
 it is people.
 —

—
 He aha te mea nui o te ao?
 —

He tāngata,
 he tāngata,
 he tāngata.
 —



We are working together to care for people and make a positive social impact.

Commitment to being a good global employer

At Fonterra, people matter - in our workforce, in our supply chain, and in the communities in which we operate. We believe everyone has value and the right to be treated equally with respect and dignity, regardless of background or circumstances. We recognise our responsibility to respect human rights and our ability to contribute to positive human rights outcomes.

As part of our commitment to being a good employer throughout our global business, Fonterra has an agreement with the IUF (International Union of Food), Agricultural and other Allied Workers Associations and the NZDWU (New Zealand Dairy Workers Union).

This agreement:

- ✔ requires us to comply with certain international minimum labour standards (set down by the International Labour Organisation)
- ✔ recognises the value of employees being able to choose to bargain collectively (e.g. through a union or workers' council), and
- ✔ commits to not discriminating against our people for joining, or not joining, a union.

Some of those international minimum labour standards include:

- ✘ not using forced or compulsory labour - where a person has not offered their services voluntarily (in line with the Forced Labour Convention, 1930 (No. 29) and Abolition of Forced Labour Convention, 1957 (No.105)).
- ✘ not using any labour that is defined as Modern Slavery (as defined in the Australian Modern Slavery Act (2018))
- ✘ not exploiting children under any circumstances. The minimum age in our workforce is set by local legislation (and in line with the Minimum Age Convention, 1973 (No.138)), and we don't allow those less than 18 years of age to carry out work that is likely to harm their health and safety (in line with the Worst Forms of Child Labour Convention, 1999 (No.182))

If you would like more information about our commitment to being a good employer globally, please ask your manager, your P&C Manager or the Employment Relations Team (in New Zealand). A copy of the Fonterra, IUF and NZDWU Agreement is available on PPL or MilkyWay.

Diversity, Equity and Inclusion

Diversity is the differences which make us unique, all of us. Equity considers that each of us has different circumstances. To achieve equity, we must allocate the resources and opportunities needed to reach a fair outcome.

Inclusion is what we want for our workplaces where we all feel valued, respected and safe to contribute. Diversity, Equity and Inclusion are integral to the success of our Co-operative. Supporting a diverse and inclusive workforce enables us to deliver to our purpose, values and our strategy. Empowering our people to create goodness for generations. You, me, us, together, Tātou, tātou.

Fonterra is incredibly proud of the diversity of our people, including our employees, farmer owners, suppliers, customers and stakeholders, and have committed to constantly improving how we demonstrate inclusion in all we do.

As such we do not allow unlawful discrimination against any employee or by any employee. We treat people equally, whether they are an employee, farmer owner, supplier, customer or other stakeholder.

All job applications are assessed based on the individual's qualifications, experience and achievements.

Opportunities for promotion are based upon merit. To help people progress in their careers, we provide opportunities for ongoing learning and skill development.

For further understanding the Global Diversity and Inclusion Policy is in the Policy and Procedure Library and on www.fonterra.com

Getting the balance right

Fonterra offers a competitive total rewards framework that engenders an atmosphere of recognition, innovation and challenge. We reward our people fairly and recognise exceptional performance.

Fonterra recognises the need for people to strike a balance between their work life and their home life. People who achieve this are happier and healthier and so are their families.

From time-to-time you may be asked to work overtime or take part in projects that add responsibilities on top of your day-to-day work demands. This is part of the 'pitch in' culture that underpins our values. The flipside of this is that we build flexibility into the way that we work wherever we can, so that your work commitments can sit alongside your other commitments to your family and friends, and your outside interests.

Flexibility will look different depending on your role and where you work in our business. If you would like to talk more about working flexibly or if you think the demands of your work are impacting unfairly on your personal life and family, raise your concerns with your manager.

Stakeholder Engagement

Our leaders embed engagement with local community groups, including Iwi and indigenous peoples and communities potentially impacted by Fonterra's direct activities, into manufacturing site management and planning processes to support proactive identification of local and collaborative solutions.

Harassment, bullying and victimisation

Fonterra does not tolerate harassment, bullying or victimisation, whether this occurs directly or indirectly.

We demonstrate this in a number of ways:

- ✔ by building a culture where diversity is celebrated and where bullying and other inappropriate behaviours are mitigated.
- ✔ by creating an environment where those who are concerned about bullying or harassment can speak up, without fear of repercussions
- ✔ by taking any concerns raised seriously and responding appropriately.

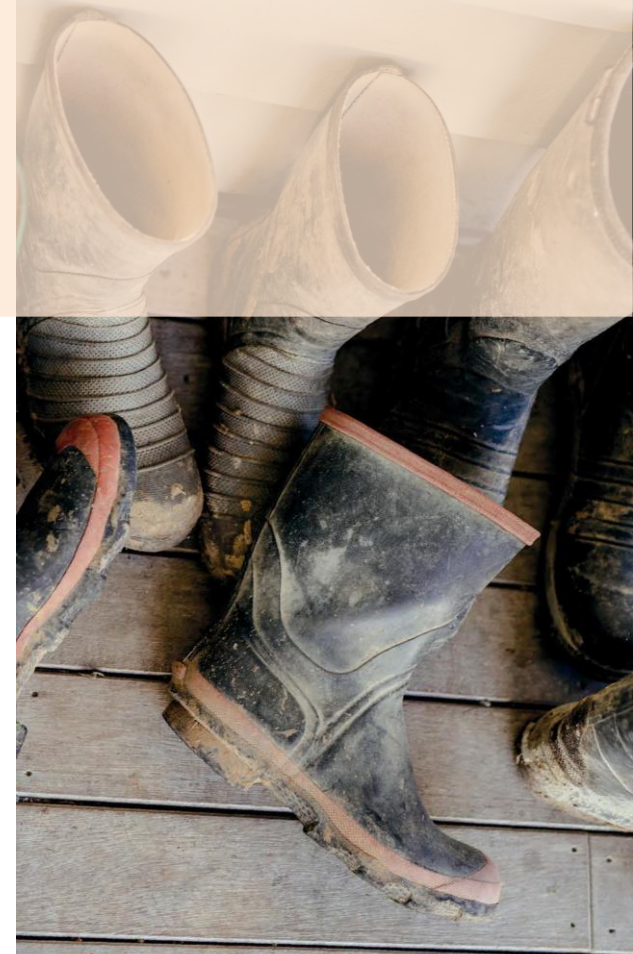
If you're concerned about any sort of harassment, bullying or victimisation, or you think a colleague is subject to this behaviour, please speak up. You can do this by talking with your manager, another trusted manager, your P&C Manager or by contacting The Way We Work Hotline.

Global Employee Assistance Programme (EAP)

EAP is a professional and confidential service to assist you if you are experiencing any personal or work-related difficulties. This service is provided by an independent company whose professionals are all qualified, registered and highly experienced. This service is available to all Fonterra employees. If you would like to talk to someone, you can phone the EAP number 24/7 or access EAP resources online - see www.eapservices.co.nz or www.convergeinternational.com.au (for Australia) for more information.

And for other markets please liaise with your local People Solutions advisor for in country arrangements.

Inclusion is what we want for our workplaces where we all feel valued, respected and safe to contribute.





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Sales, marketing and advertising

The marketing and advertising of Fonterra products is honest and responsible. We label our products correctly and truthfully and market our products as part of a healthy balanced lifestyle. We do not make false or misleading claims about our products or those of our competitors. We do not promote unsafe or irresponsible consumption and our advertising and marketing avoids messages that could be deemed offensive.

Fonterra respects third party intellectual property rights. This extends to Fonterra respecting the intellectual property rights and confidential information of third parties, including our partner organisations

Business records

We are all responsible for correctly recording and reporting business information. All financial books, records and accounts accurately reflect the transactions and events and conform to both generally accepted accounting principles and Fonterra's system of internal controls.

Privacy

Consistently doing what's right to protect the privacy of every individual we engage with is fundamental to the integrity of our business.

This includes respecting the privacy of our employees, farmers, shareholders, customers, suppliers, vendors and all other stakeholders from whom we collect personal information. We are committed to managing the personal information gathered by Fonterra in accordance with applicable privacy laws in the jurisdictions in which we operate. You can access the Global Privacy Policy in the Policy and Procedure Library or on www.fonterra.com.

Recording business information

When we record information, we are clear, concise, truthful and accurate. Every time we write a memo, leave a voice mail, send an email, or send a text or other instant message we understand that it is not always private. We dispose of documents in accordance with company policy and we never destroy or alter any documents or records in response to any investigation, suspected investigation or unlawful request.

Competition Laws (sometimes referred to as "Antitrust" Laws)

Fonterra supports free and open competition. We compete for business vigorously and honestly and in compliance with applicable laws and we acknowledge the cost of violations of competition laws to our reputation as well as the substantial financial penalties that can be imposed on the company and individual employees.

Various competition laws apply to Fonterra's business activities around the world. Employees and agents must always consider all relevant competition laws. Fonterra representatives should only share information with competitors as is permitted under relevant competition laws.

Protecting business assets

We are all entrusted with numerous company assets, which can include cash and other financial assets, plant and equipment, inventory and supplies.

We protect Fonterra's assets and resources from loss, damage, misuse or theft in accordance with our Global Policy framework requirements.

Competitive information

Information about our industry and the markets in which we operate is critical to our competitiveness. We obtain this information legally and share it as appropriate within our company. Theft or misuse of our proprietary information is prohibited.

Fonterra is bound by securities laws designed to protect our business and the people who invest in us. This legislation ensures everyone has the same access to the same material information about our company at the same time, so nobody can take advantage of inside knowledge to trade in any Fonterra securities or related securities (such as Milk Price futures) and profit unfairly.

To make sure we comply with this legislation, we prohibit disclosure of material information gained through employment with Fonterra before it is made public. We require all employees to comply with the Fonterra Global Disclosure Policy. You can access the policy in the Policy and Procedure Library or www.fonterra.com

We also prohibit all employees from trading in financial instruments of Fonterra or other companies or encouraging others to trade based on material information gained through employment with Fonterra before it is made public. Trading in any Fonterra securities or any related securities requires adherence to the rules of the Fonterra Global Securities Trading Policy. You can access the policy on MilkyWay or www.fonterra.com.

Protecting confidential information

Examples of confidential information include:

- ① Trade secrets
- ② Detailed sales, profit, cost and pricing figures
- ③ Financial risk management
- ④ New product or marketing plans
- ⑤ Research and development ideas or information
- ⑥ Manufacturing processes
- ⑦ Formulations
- ⑧ Proprietary technical information
- ⑨ Information about potential acquisitions, divestments and investments
- ⑩ Employee information
- ⑪ All other non-public business information

We never try to persuade others to give us confidential information from other companies or competitors. We comply with confidentiality agreements that we enter into with other companies and individuals to protect their confidential information.

When people leave Fonterra, they are required to continue to keep information confidential.

Protecting our name and brands

Our name and brands are valuable. We only use Fonterra's name, brands and logo for authorised business and in accordance with company policy.



What and how we buy

We're committed to making well-considered purchasing decisions that:

- ① have feasibly explored all options
- ② plan for sustainable results that deliver to our strategy
- ③ take into account areas of uncertainty, and
- ④ help us to make good choices with respect to achieving our business goals and for the wider benefit of the economies and communities within which we operate.

To help improve their practices in these areas, we expect suppliers and business partners to align with our Sustainability Code of Practice. This is available on fonterra.com.

External business practices

Wherever we do business, we deal with companies and individuals who respect and obey the law and demonstrate high business standards. If a situation arises where an external business partner is trying

to encourage a Fonterra employee to do something dishonest, illegal or against The Way We Work we will stop doing business with them and cancel any contracts.

Anti-corruption laws

Wherever we operate, we stick to our value of Do What's Right. We do not become involved in any illegal or disreputable activities including bribes, kickbacks or corrupt payments to obtain business. It is a serious breach of The Way We Work and our Global Ethical Behaviour Policy to make or receive a bribe, corrupt payment or kickback, or to use a third party to facilitate a bribe, corrupt payment or kickback. You can access the policy via the Policy and Procedure Library or www.fonterra.com.

Any individual or company in the Fonterra Group operating in a foreign country must be aware of, and comply with, local and cross-jurisdictional legislation and regulations, including but not limited to those related to anti-corruption.

Conflicts of interest

Conflicts of interest may impact on our ability to conduct business with integrity and impartiality. They can arise when your work at Fonterra gives you information or influence which could be used to benefit family, friends or companies in which you have a financial or personal interest.

Our people and anyone who works with Fonterra are required to report activities and financial interests that could present an actual or potential conflict of interest. There are three main areas where you may find yourself in a conflict of interest:

Financial or business conflicts

People are often keen to do business with Fonterra and may try to smooth the way by offering personal favours, such as discounts. Accepting personal favours, discounts or other benefits is a clear conflict of interest unless the offer is made available to all Fonterra employees.

Benefiting someone you know

As a global organisation, Fonterra has a number of contractual relationships with suppliers, consultants and service providers. If you are in a position where you make decisions such as awarding a contract or piece of work to a company that employs a spouse, partner or immediate family member you'll need to declare this.

Conflicting loyalties

You may have a conflict of interest in a range of circumstances, including if you have another form of employment; hold investments or other forms of business interests in certain companies or entities, including syndicates of supplying farmer shareholders; or hold the position as a director or governance role in another organisation. This needs to be declared.

If one (or more) of these situations applies, you must seek written consent from Fonterra before you can continue or commence secondary employment, an external governance role, or an investment. You can do this by registering an actual or potential conflict of interest or external governance role on the Ethics Portal, accessed through MilkyWay.

We don't object to employees forming close personal relationships at work, but we do ask that you ensure any such relationship does not create or appear to create a conflict of interest or unfairly disadvantage or advantage others.

To avoid this, employees in a family or close personal relationship must not have a reporting relationship in the business. If this does happen, please let your manager know so this conflict can be addressed.

Personal relationships that could give rise to a conflict (such as personal relationships with employees of a competitor) also need to be declared.

As an employee, you may not be involved in the recruitment and/or appointment of anyone with whom you have a family or close personal relationship, or be involved with remuneration or leave review and approval processes for that person.

If you need more information to help you identify and resolve actual or potential conflicts of interest, talk to your manager or review additional resources and support available via Āwhina.

When in doubt

If you're unsure about whether a course of action you're considering could be seen as a bribe, corrupt payment or kickback - stop immediately and talk to your manager or a member of Fonterra's legal team.



Let us know

The best way to avoid actual or potential conflict of interest situations is to talk the matter through with your manager, or you can contact the P&C Operations team. You can access more information, including an e-learning module and register an actual or potential conflict of interest on the Ethics Portal - this can be accessed through MilkyWay or Āwhina knowledge articles.





Fonterra is committed to open dialogue with a range of stakeholders, including national and international

Gifts and corporate hospitality/entertainment

When we offer or accept appropriate gifts or corporate hospitality/entertainment, we act with honesty and integrity, respect generally accepted business practices and cultural norms and behave in a manner that is consistent with legal requirements.

The offer and/or acceptance of gifts and corporate hospitality/entertainment valued at USD 100 and over must be recorded in the Gift, Hospitality and Entertainment Register. In addition, gifts and corporate hospitality/entertainment valued at USD 250 and over must also gain your manager's prior written approval and be attached to the registration.

Volunteer commitments

Our Good Together Philosophy leads us to achieve positive change in the communities in which we live and work through actions that:

- align to our Purpose of creating goodness for generations
- bring our values to life & our principles of manaakitanga, kaitiakitanga & whanaungatanga
- align to our strategy to focus on our unique strengths & competitive advantages

We are proud of the many employees who are active members of their communities to support our strategic partners through our Volunteering programme, members of representative sporting teams, support local causes, and those who volunteer their time to emergency services and reserve defence forces.

If you are an emergency services or defence forces volunteer, or you represent your community in sports at a national or international level, please talk to your manager about how we can support you to fulfil your commitments without it impacting on your role. If you have volunteer commitments (including involvement with a political party) &/or conflicting interests these can be declared on the conflict of interest register.

External relations

Fonterra engages regularly with a wide range of stakeholders, including international and national authorities, business and industry groups, community groups and Non-Governmental Organisation. The purpose of these engagements can be for a broad range of reasons including to provide insights and inform business decisions; understand stakeholders' expectations, advocate and provide input on key issues for Fonterra, and understand and ensure compliance against

regulatory and policy developments and requirements. We seek to do so in a way that is aligned with the Fonterra values, and reflects our broader interests as a Co-op. Sensitive material is shared following consultation with Group Legal and/or Group Communications.

Political activities

Fonterra respects our people's right to engage in political activities, to be involved in the political process and to vote. If you choose to express a political opinion when participating in civic or political affairs, you must make it clear they are your personal opinions and not those of Fonterra.

Fonterra resources must not be used to support political parties, causes or candidates and corporate contributions of any kind to a candidate or political party are prohibited. Lobbying activities must comply with all legislative and regulatory requirements.



Social media

Social media is a great way for us to engage with our stakeholders and to connect and collaborate with colleagues around the globe.

Fonterra and our brands use a number of social media platforms to encourage and enable two-way communication and increase engagement with our brands. We encourage our people to participate in this dialogue, however, please remain mindful of your responsibilities online and ensure you participate in a respectful, relevant way that protects you and Fonterra's reputation.

External communication and reputation

Fonterra is frequently approached by the media and by interested parties and asked to provide information or to give our perspective on a topic. Often, responses require a good understanding of legal and media issues. To ensure these are professionally handled, all requests are handled by Fonterra Group Communications or the delegated authority applicable to each business unit.

Fonterra Group Communications plays an important part in maintaining a strong reputation for Fonterra and ensures our customers, community, media and other stakeholders receive accurate information on-time. But we all have a responsibility to ensure Fonterra's reputation is not put at risk and we must speak up if we see or hear something that we feel might damage our Co-operative's reputation.

We must do this by ensuring our conduct and behaviour reflects our shared values and our global policies, standards and guidelines and that we don't abuse Fonterra's assets, information systems or brand.

A photograph of two workers in white cleanroom suits and hairnets walking down a stainless steel staircase. The worker in the foreground has a name tag that says 'DANIEL'. The background shows a cleanroom environment with blue and white walls and industrial equipment.

**Need advice about
The Way We Work?**

Most of us get through the working week without seeing or experiencing behaviours that clash with our own sense of what's right. However, there may be times when what we see, hear or experience feels wrong and is clearly not in line with The Way We Work. When this happens, it is important to speak up.

At Fonterra we support open and honest communication. We do not want people to turn a blind eye to something that bothers them. Our reputation depends on how honestly we treat one another, our customers, our farmer owners, and our communities.

There are a number of places you can go to talk about any concerns you may have. In the first instance, we encourage people to raise any issues they have with their manager, their P&C representative, another trusted manager or a senior business unit leader. Most issues will be able to be considered and resolved through these channels.

However, there may be times where those options are not appropriate. In those cases, another option is to contact The Way We Work Hotline by using the dedicated telephone number, website, email or return post. Contact details are on the inside back page of this booklet, including options if English is not your spoken or preferred language.

You may also complete an online disclosure report available on The Way We Work Hotline website, www.thewaywework.deloittedigital.com

Regardless of how you choose to contact the Hotline, Deloitte will not provide your contact details including your name, email or postal address to Fonterra without your consent. However, if you use a Fonterra computer and want your identity to remain confidential, please be aware that your Fonterra email records are accessible by others within Fonterra and your email address name may be identifiable.

Furthermore, if as a result of your communication to the Hotline legal action is

required, or the police are asked to investigate an accusation of criminal behaviour, you may need to provide a statement or give evidence.

If your concern involves employment related issues, remaining anonymous may mean it is not possible to conduct a formal investigation that may result in disciplinary action. This is because employment laws usually require that the person responding to concerns knows who has raised them.

Once your report has been received, the information you have provided will be reviewed and reported back to Fonterra's Hotline Administrators. These are senior Fonterra employees, who are not involved in the matters that you have raised. Fonterra will then decide what action to take about the concern raised.

Fonterra does not tolerate retaliation for reporting concerns in good faith. Retaliation for good faith reporting is itself a violation of The Way We Work. If you believe you have been penalised for reporting an incident in good faith, you should advise your manager or contact the Hotline if you cannot talk with your manager or another trusted manager.

Similarly, Fonterra does not allow The Way We Work Hotline to be used as a way to harass colleagues or to threaten them. If you feel this is happening to you, please let us know.

Contacting the hotline



Website

www.mainlandthewaywework.dws.deloitte.com.au

Email

thewaywework@deloittedigital.com



Reply paid post

New Zealand - The Way We Work Hotline

PO Box 912028
Victoria St
West Auckland 1142

New Zealand

Australia - The Way We Work Hotline

Reply paid 12628 A'Beckett Street
Melbourne, VIC 8006
Australia



Telephone Assistance is available in the countries below

Country	Freephone number	Language availability
New Zealand	0800 425 048	English
Australia	1800 950 719	English
USA	1866 401 8238	English
Malaysia	1800 815 262	English
Saudi Arabia	1800 81 1302	English/Arabic
UAE	800 0610 4643	English/Arabic
Vietnam	120 32139 OR 122 80401	English/Vietnamese
Indonesia	0018 03 3216 0726	English/Bahasa
Sri Lanka	011 219 0099*	English/Sinhala
Thailand	1800 014 704	English/Thai

*Local charges apply

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