Dairy Industry
Superannuation Scheme

Annual Report

for the year ended 31 March 2026

Long term **savings**

dairy industry
superannuation scheme

Year snapshot
for year ended 31 March 2026

Money facts

$1,087.5M
in net assets at year end

$51.6M
member contributions

$2.9M
voluntary member contributions

$43.2M
employer contributions

$106.6M
in benefits paid

$82.8M
growth for the year

Member facts

8,856
total DISS membership

8,215
contributing members at year end

627
new members joined during the year

240
members retired

11
pensioners at year end

Communication facts

2,746
members on average logged in to the website per month

116
members updated their communications preferences during the year

1,721
total calls to the Helpline

Returns for the year ended 31 March 2026 (after tax and expenses)

	Cash	Cash/ Conservative	Conservative	Conservative/ Balanced	Balanced	Balanced/ Growth	Growth
Year ended	1.90%	3.53%	5.16%	6.87%	8.60%	9.73%	10.87%
10 years (p.a.)	1.59%	2.37%	3.13%	4.11%	5.07%	5.71%	6.35%

Long-term savers (15+ years) in the Scheme have an average account balance of **$288,305**. The average member has been in the Scheme for **10 years** and they have an account balance of **$122,959**.

Cover image: Dawid Kuyper - forklift operator, Crawford Street Stores

Key factors impacting crediting rates during the year

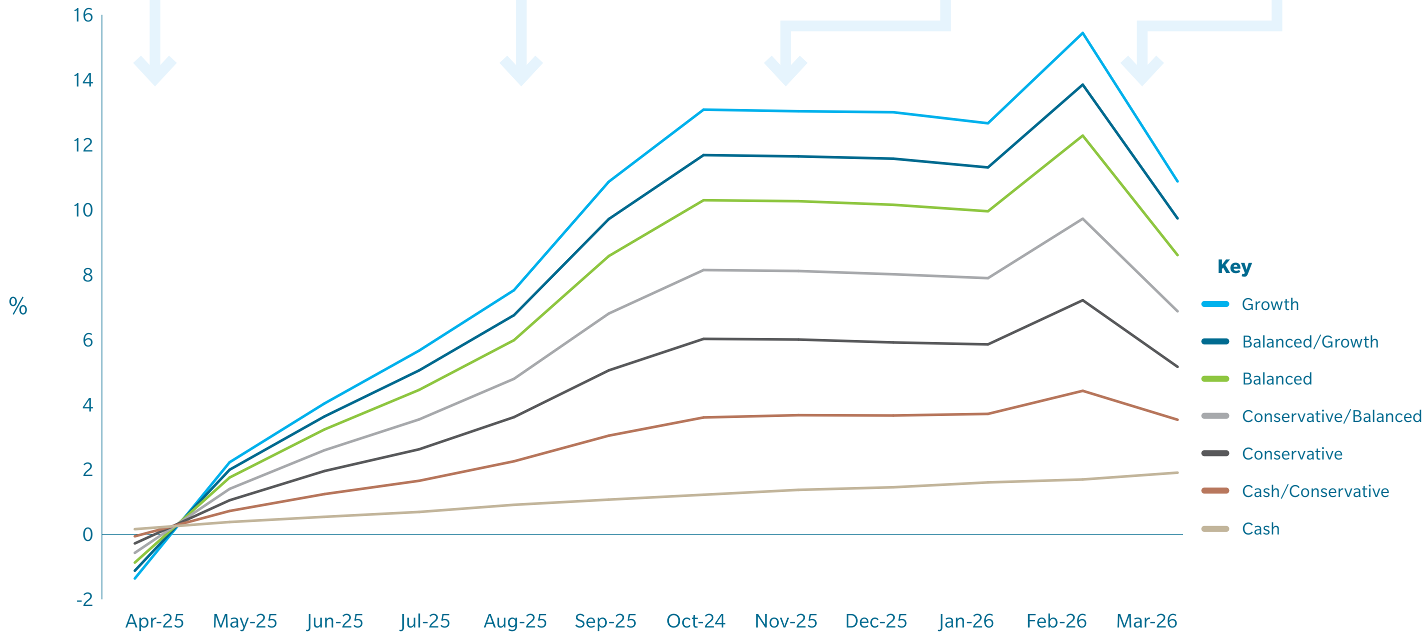
Cumulative declared interest rates for the year to 31 March 2026

The financial year had a rocky start after the newly inaugurated U.S. President, Donald Trump, announced a suite of increasingly penal tariffs on most U.S. trade partners on 2 April. A 90 day reprieve on the tariffs' start date, together with indications that the tariffs could be negotiated down, helped settle markets. By the end of April, performance was significantly less negative than earlier in the month.

From May to October, equity markets surged, boosted by encouraging U.S. trade negotiations (unwinding most of the Liberation Day tariffs), strong corporate earnings and continued investment in AI expansion. Encouragingly, growth extended beyond the U.S. with European, Asian and Emerging Market economies showing increasing signs of strength.

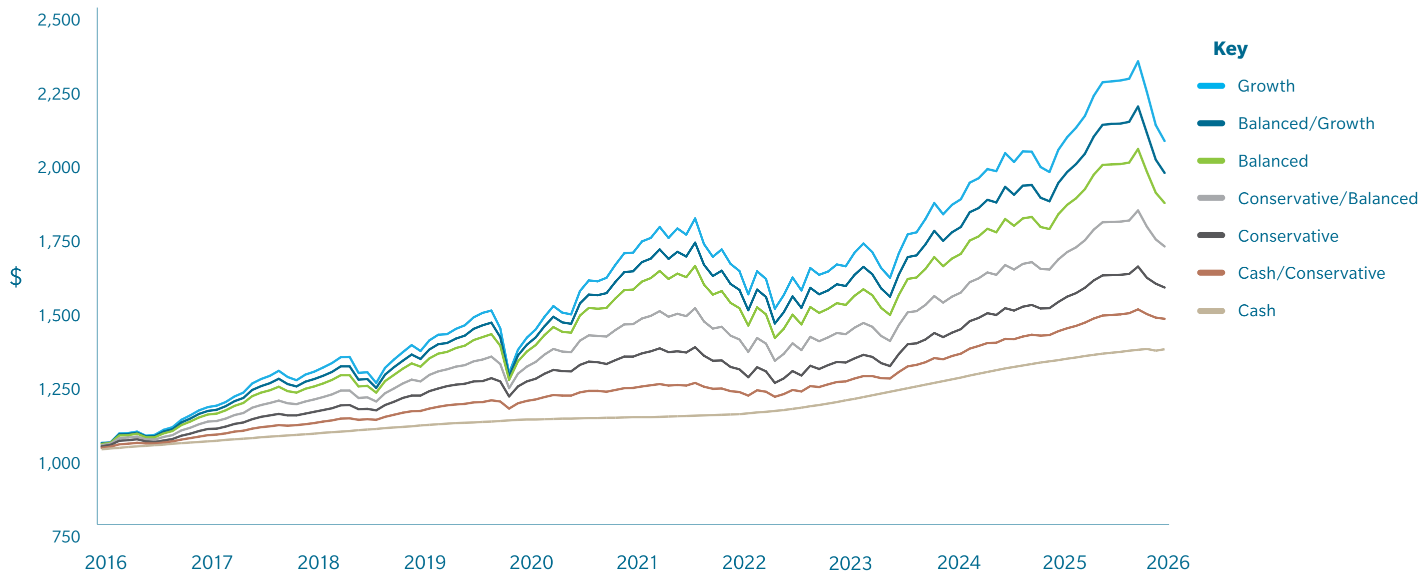
Towards the end of 2025, concerns grew about the scale of debt issuance linked to AI development. This, coupled with the longest U.S. Government shutdown in history, took some of the heat out of global equities as the calendar year came to an end. This also contributed to volatility in fixed income markets.

The first quarter of 2026 was marked by geopolitical tension. While the ousting and arrest of Venezuelan President Nicolás Maduro in early January caused a few ripples in markets, it was the U.S. and Israeli attacks on Iran, and subsequent restrictions on oil transport, that had a large negative impact on both growth and defensive markets during March.



How has the Scheme performed over the last 10 years?

Performance of $1,000 (before tax and investment-related costs) over the 10 years ending 31 March 2026



Past performance is not a guide to future performance.

Chairman's review

Towards the end of each Scheme year, we pause to reflect not just on the numbers, but on what those numbers may mean for you and your retirement savings.

For most of the Scheme year our investments performed well and delivered good returns. In March 2026, however, global events triggered oil-supply shocks and led to some negative returns. Those ups and downs are a reminder that the path to favourable outcomes is rarely a straight line, and staying focused on your long-term goals is what matters most. If you would like to know more about the market ups and downs, please watch our explainer videos: www.dairysuper.co.nz/latest-news/videos/market-volatility.html

As Chairman, I want to acknowledge the trust you place in us. We do not take that lightly. Every decision we make is guided by the Scheme Trust Deed and our commitment to act in your best interests, now and into the future, enabling members to save for a secure retirement.

I trust you will find this annual report informative. Your feedback on this report and other Scheme documents is always welcome.

Scheme year at a glance

It was another busy year. Despite investment market volatility, the Scheme's investment performance was strong, delivering positive returns for all its investment options. Here are the key numbers for the year ended 31 March 2026:

- Performance ranged between 1.90% for the Cash fund (lowest risk option) and 10.87% for the Growth fund (highest risk option), reflecting the strength of global equity returns over the year, despite increased volatility
- Scheme assets increased from $1004.6M to $1087.5M
- Over $106.6M were distributed as members benefits
- The Scheme's membership was 8,861 on 1 April 2025 and decreased marginally to 8,856 by 31 March 2026
- Member contributions totalled $51.6M, whereas employer contributions were $43.2M
- We assisted 135 members with first-home withdrawals

Financial performance

All the Scheme's investment options delivered positive returns in the latest financial year. Global developed and emerging market equities were by far the best performers, helping the Balanced and Growth Funds achieve double-digit returns (before fees and tax) over the 12-month period.

We began the year on a negative note when U.S. President Donald Trump announced his "Liberation Day" global tariffs on 2 April 2025, sparking a sharp sell-off in global equity markets in early April. Soon after, a 90-day pause on the planned tariffs and positive trade negotiations triggered a sharp rebound, erasing much of the previous losses before month end. That positive momentum persisted through most of 2025, supported by substantial investment in artificial intelligence (AI) and by robust company earnings.

Unlike previous years, when growth was concentrated in a handful of U.S. tech giants, 2025 saw many other countries – particularly in Asia – keep pace with or outperform the U.S.

For much of the year market returns seemed immune to key geopolitical events, including a protracted trade dispute between the U.S. and China, the longest ever U.S. Government shutdown (43 days from 1 October) and the removal of Venezuela's President, Nicolás Maduro, on 3 January. However, heightened uncertainty pushed investors towards precious metals like gold and silver as many market participants shied away from more traditional "safe haven" assets like the U.S. dollar and government bonds.

Then in February, a co-ordinated attack on Iran by the U.S. and Israel set a decidedly negative tone for March. Disruption to nearly 20% of the world's oil traffic through the Strait of Hormuz increased inflationary pressure on the global economy as the financial year closed.

Closer to home, New Zealand's equity and bond markets were largely spectators to offshore events, delivering modest positive returns. With inflation easing, the Reserve Bank of New Zealand (RBNZ) continued cutting interest rates to help facilitate a local economic recovery. Unfortunately, the Middle East crisis may delay that recovery and could prompt the RBNZ to raise interest rates earlier than previously expected.

It is always important to balance your financial needs with your investment risk tolerance. In uncertain markets like these, we need to make sure we are comfortable with our investment choices. From the Trustees' perspective, we aim to offer a range of investment options to meet the different needs of our members.

Trustee Director changes

I am pleased to share the following updates about our Trustee Directors.

Mark Apiata-Wade, our long-serving Dairy Workers Union representative, has had his Board tenure renewed until 31 December 2028.

Patrice Wynen and Susan Pinny, both employed by Fonterra, were reappointed for further three-year terms. Susan subsequently resigned as a Director, effective 30 April 2026 – we thank her for her valuable insights and service to the Board and Scheme members.

Bruce Kerr will retire on 30 June 2026 after 15 years of dedicated service as a 'professional' Director, including acting as the Scheme's Licensed Independent Trustee Director (LIT) for the last 10 years. We are very grateful for his significant contributions over a long period. Rochelle Price will temporarily replace Bruce Kerr as LIT until a new LIT is formally appointed.

Each Director brings valuable experience and perspective to the Board and we appreciate their ongoing contribution to Scheme matters.

On 15 May 2026, Kate Shirley was appointed as a Director, replacing Susan Pinny. Kate is Head of People & Culture for Global Engineering & Technical, Food Safety, Quality & Regulatory at Fonterra. We extend a warm welcome to Kate and we look forward to benefiting from her extensive experience.

Changes to participating employers

I would like to take the opportunity to acknowledge our members who are now at 'Mainland Dairy', following the divestment of Fonterra Brands (New Zealand) Limited to Lactalis. I also note that with the closure of the Canpac site, Canpac International Limited will likely cease to be a participating employer.

Removal of vesting scale for employer contributions

Earlier this year, after consultation with Fonterra, the decision was taken to remove the 5-year vesting scale that applied to employer contributions. Any member who left employment on or after 27 March 2026 is now entitled to 100% of the employer contributions in their Employer's No.1 Account, no matter how long they were a member of the Scheme. This change makes the Scheme fairer and simpler, ensuring members retain the full benefit of employer's contributions.

KiwiSaver changes

As noted in our recent member newsletters, the Government increased the default KiwiSaver contribution rate for both employees and employers to 3.5% of salary, effective 1 April 2026. If you're only contributing to the Scheme and not to KiwiSaver, nothing may change for you.

For more detail, please read our April newsletter: https://www.dairysuper.co.nz/content/dam/newzealand/dairysuper/documents/newsletters/DISFS-April2026-SuperNews.pdf

Navigate market uncertainty

If recent market movements have made you question your investment choices, please consider getting tailored financial advice from a qualified adviser. Good advice can really help you navigate uncertainty. You can find a range of valuable resources on: www.dairysuper.co.nz/financial-advice.html. Fonterra employees can access free financial support through the EAP offering by calling 0800 327 669 or visiting www.eapservices.co.nz and selecting 'Financial Guidance'.

Acknowledgements

Nothing we achieved this year would have been possible without the support of my fellow Trustee Directors and our DISS employers, particularly Fonterra. I would also like to acknowledge the Dairy Workers Union (DWU) for their ongoing assistance and support provided to members as well as the Scheme.

The Scheme does not employ staff directly, with our service providers being crucial in our overall success and delivering good outcomes to members. Mercer is key in this regard, with their services including scheme administration, secretarial, communications, investment consulting and actuarial, so our thanks go to them for all the efforts on behalf of the scheme over the past year.

I'd also like to thank Dentons Kensington Swan for its continued legal guidance on Scheme matters.

Looking ahead, our priority remains to seek the returns needed to meet your retirement goals. In 2027, the Scheme will reach an important milestone of 75 years since being established by the New Zealand Dairy Board in 1952.

A personal note

This will be my final Chairman's report. On 31 December 2026, I will retire from my role as Chairman and leave you in the capable hands of Rochelle Price as the incoming Chair. It has been a privilege to serve Scheme members over the past 19 years and to watch the Scheme grow. There have been many highlights during those years, the removal of the vesting scale from the Trust Deed was definitely one of them.

Thank you for your ongoing confidence in the Scheme.

As always, if you have any queries regarding the Scheme or need any support, contact our Helpline at 0800 355 900. Our team is here to help.

Tim McGuinness

Tim McGuinness
Chairman

Contents

Ways to keep up-to-date

Access your account online

To sign in, you will need your email address and password. If you are prompted to reset your password, you'll have to verify your identity by entering a unique code, which you can choose to be sent to your email or mobile phone.

More information about the Scheme

Key information about the Scheme, such as annual reports, financial statements and fund updates, is made publicly available on either of the below websites:

Scheme website
www.dairysuper.co.nz

Disclose Register
www.disclose-register.companiesoffice.govt.nz

Contact us

Helpline
0800 355 900 for general enquiries

Financial advice
www.fma.govt.nz/investors/getting-financial-advice

Online
www.dairysuper.co.nz

- Update your contact details
- Make changes to your account
- Access withdrawal forms

What retirement lifestyle do you want?

Many retirees desire better quality of life during their retirement years than what can be sustained solely by NZ Super. The Retirement Expenditure Guidelines (as at 30 June 2025) found that, on average, households in all income brackets spend more than they receive from NZ Super. This indicates that these households either have additional sources of income or are utilising their investments to meet their financial needs.

This report splits the level of expenditure into 'No Frills' and 'Choices'. The 'No Frills' guidelines offer a basic standard of living that includes few, if any, luxuries. The 'Choices' guidelines represent a more comfortable standard of living, which includes some luxuries or treats.

It also takes into account and splits the expenditure depending on whether you are a city dweller or are living in a rural location.

Key findings in this report

The New Zealand Retirement Expenditure Guidelines as at 30 June 2025.

	One-person households		Two-person households	
Weekly NZ Super rates (after tax at 'M')*	$555.15		$854.08	
Total weekly expenditure	**Metro**	**Provincial**	**Metro**	**Provincial**
No Frills budget	$705.34	$580.75	$937.38	$1060.65
Choices budget	$790.62	$771.89	$1780.32	$1243.41

* Weekly superannuation rates have been updated to reflect the rates at 1 April 2026.

Do your numbers match your goals?

You now know how much you have saved, what your future balance may be, and how much retirees generally spend in retirement. Do your numbers align with what retirement lifestyle you want? If the numbers do not align, you can follow these tips:

Check you are in the right investment option

The Scheme offers a choice of four main investment funds, or you can select a 50/50 split between adjacent funds to suit your personal situation.

Speak with a financial adviser about your personal financial goals

To find a financial adviser, visit the Financial Markets Authority website at www.fma.govt.nz/consumer/getting-advice/finding-an-adviser.

Log in to the Scheme's website (www.dairysuper.co.nz)

Become familiar with the content and information available to you online. You should also check that your contact details and communication preferences are correct to ensure you receive timely information about your account. Also, revisit the Product Disclosure Statement to familiarise yourself with the options available to you.

Use the www.sorted.org.nz retirement planner tool

The tool may help you refine your savings strategy and see whether you are on track financially for the retirement lifestyle you want.

This report represents actual levels of expenditure by retired households at the time this research was undertaken, not the recommended levels of expenditure. The full report is available on Massey University's website at www.massey.ac.nz.

Your investment options

About your choices

Choosing the right option is important and the Scheme offers you seven investment options to choose from. You can choose one of the four main funds (Growth, Balanced, Conservative and Cash) or a combination of three adjacent funds (Cash/Conservative, Conservative/Balanced and Balanced/Growth). Each option has a different level of risk and return, depending on its mix of growth and income assets.

Growth assets are more suited to longer term savings as their returns fluctuate more in the short-term, but tend to be higher over the longer term.

Income assets are more suited to shorter term savings as their returns fluctuate less over the short-term, but tend to be lower over the longer term.

For the investment risk indicator and long-term return objectives for each of the Scheme's investment options, refer to the Product Disclosure Statement available from the 'Documents' page on www.dairysuper.co.nz.

If you need help, go to the investor profiler tool on www.sorted.org.nz and/or contact a financial adviser. To find a financial adviser, visit the Financial Markets Authority website at www.fma.govt.nz/consumer/getting-advice/finding-an-adviser.

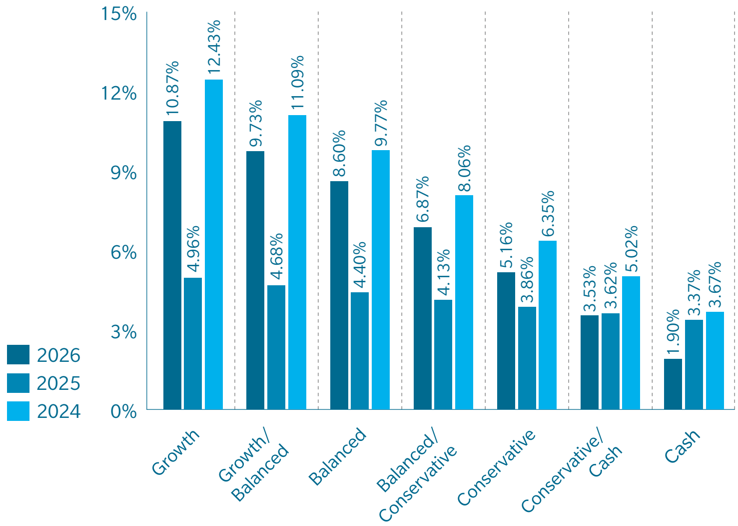
Further information about the investment options and their performance is set out in the fund updates for each investment option, which are available from the 'Documents' page on www.dairysuper.co.nz or on www.disclose-register.companiesoffice.govt.nz.

Credited interest rates

The Trustee declares the following crediting rates in respect of the Scheme's investment options/funds:

1. Final crediting rates (based on actual investment performance and year end financial statements)
2. Monthly crediting rates (based on a combination of actual and assumed investment performance for the month)

Annual credited interest rates for the last three years



Returns for the year ended 31 March 2026

	Cash	Cash/ Conservative	Conservative	Conservative/ Balanced	Balanced	Balanced/ Growth	Growth
Year ended	1.90%	3.53%	5.16%	6.87%	8.60%	9.73%	10.87%
3 years (p.a.)	2.98%	4.06%	5.12%	6.34%	7.56%	8.47%	9.37%
5 years (p.a.)	2.16%	2.30%	2.40%	2.97%	3.51%	4.06%	4.61%
10 years (p.a.)	1.59%	2.37%	3.13%	4.11%	5.07%	5.71%	6.35%

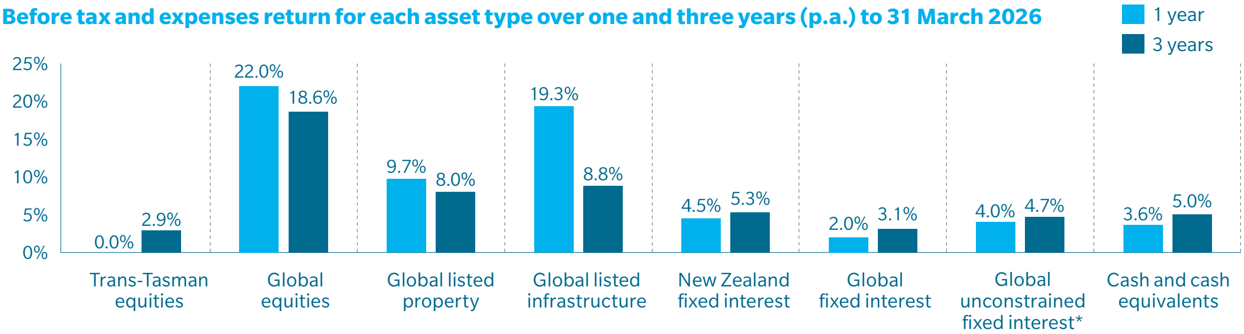
Investment performance review

Asset class performance

Apart from Trans-Tasman equities (which returned near zero percent), all asset classes in the Scheme delivered positive returns for the third consecutive year. Despite ongoing geopolitical uncertainty throughout the year, global equities was once again the top performing asset class, returning 22.0%, beating global listed infrastructure (19.3%) to the top spot. For the second year running, Trans-Tasman equities was the weakest performing sector, underperforming the fixed-interest sectors, which all delivered modest single digit positive returns. Cash returns declined further after the Reserve Bank of New Zealand cut the Official Cash Rate (OCR) by a further 1.5% between April and November 2025. Over the longer three-year period, returns for all asset classes are positive, with global equities (18.6% p.a.) comfortably ahead of the high single digit returns from listed property and infrastructure. Trans-Tasman equities (2.9%p.a.) was the weakest performing asset class over the three-year period, underperforming the fixed-interest and cash sectors.

From a benchmark relative perspective, all asset classes except trans-Tasman Equities outperformed their respective benchmarks for the year ended 31 March 2026. Global equities, property and infrastructure performed particularly well relative to their benchmarks over the year. Over three years, listed infrastructure and trans-Tasman Equities underperformed their benchmarks, while all other sectors outperformed. Overall, each of the Scheme's investment options outperformed its benchmark return over the financial year and over the three-year period.

Before tax and expenses return for each asset type over one and three years (p.a.) to 31 March 2026

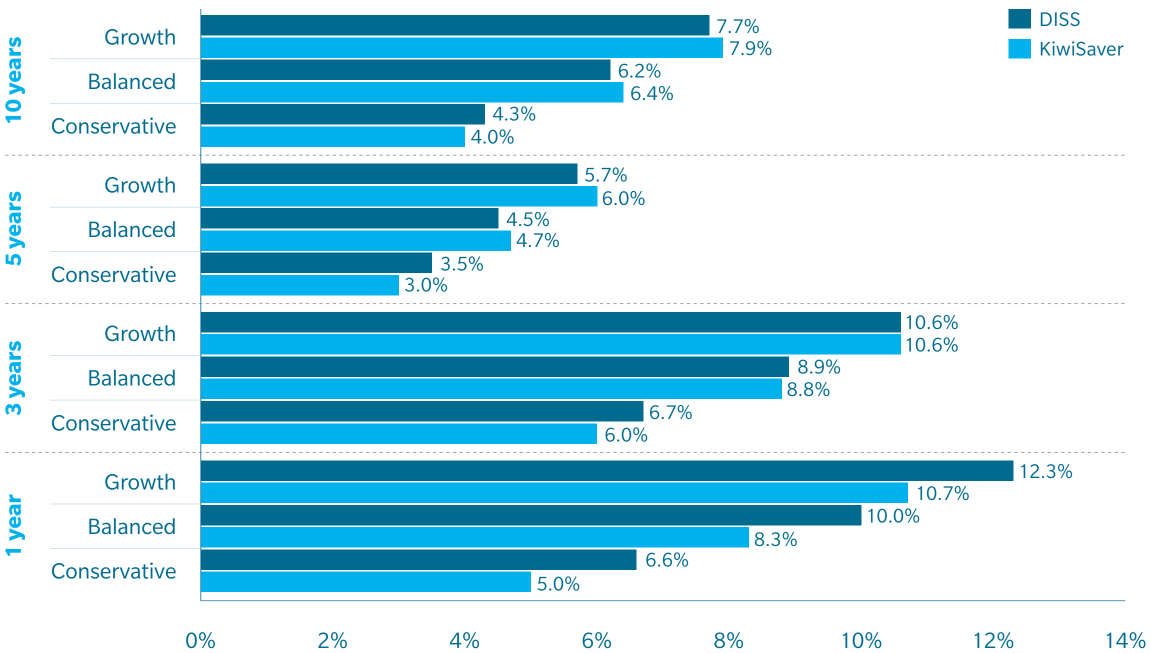


* Includes performance of global absolute return bonds prior to August 2024.

Scheme performance compared to KiwiSaver schemes

It can be useful to know how the Scheme's performance compares with similar investments. This chart shows how returns from the three main funds compare to the median (or middle) return for KiwiSaver schemes with similar proportions of growth and defensive assets. The Scheme's returns were well ahead of the respective median funds over the past year, benefiting from strong performance in the Scheme's global equities sector and improved returns from the listed infrastructure and listed property sectors. The Scheme's higher allocations to these real asset sectors (compared to the average KiwiSaver scheme) have weighed on the Scheme's performance relative to the median KiwiSaver schemes over the last three years. Over this period, average KiwiSaver schemes have had higher allocations to global equities, which has been by far the best performing asset class. These returns differ from those that appear elsewhere in the report as they are shown **before tax and after investment fees**.

Fund returns (before tax and after fees) vs KiwiSaver scheme median returns*



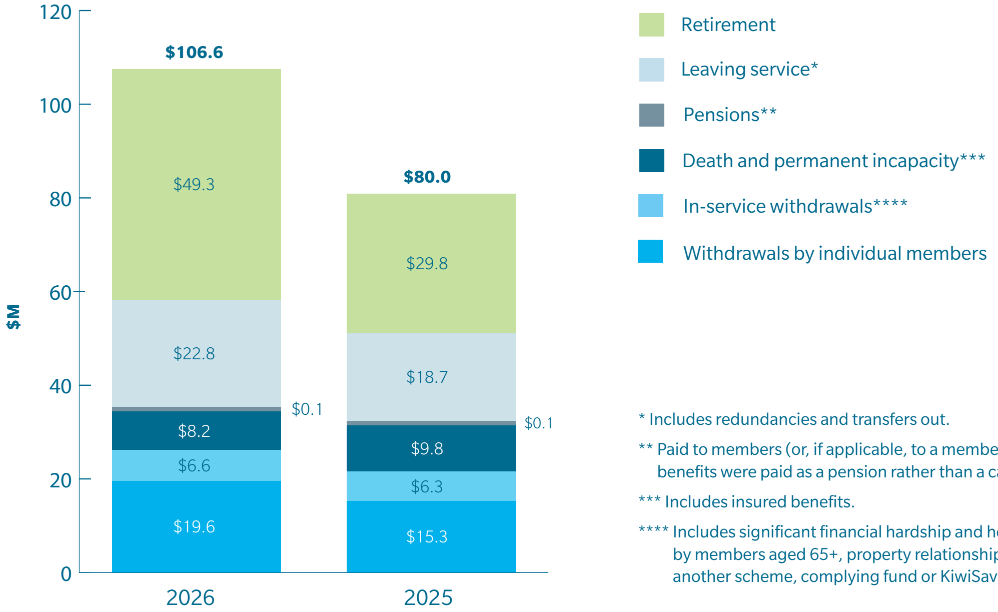
* Source: MJW Survey. For comparison purposes, the Conservative Fund (30% allocation to growth assets) is shown against the median of the combined Conservative (15-29% growth assets) and Moderate universes (30-49% growth assets) from the MJW Survey.

To find information about the Scheme on the Disclose Register, visit www.disclose-register.companiesoffice.govt.nz.

- Enter 'Dairy Industry Superannuation Scheme' to access the Scheme information.
- Click 'Search for an offer' for documents such as the Product Disclosure Statement and fund updates.
- Click 'Search for a scheme' for documents such as the annual report, financial statements, Trust Deed and Statement of Investment Policy and Objectives.

Benefits paid during the year

The chart below shows a breakdown of the different benefits paid from the Scheme over each of the last two years. **This year, benefits paid to members totalled $106.6M** (2025: $80.0M).



* Includes redundancies and transfers out.

** Paid to members (or, if applicable, to a member's spouse) who left service when benefits were paid as a pension rather than a cash lump sum.

*** Includes insured benefits.

**** Includes significant financial hardship and home withdrawals, partial withdrawals by members aged 65+, property relationship withdrawals, and partial transfers to another scheme, complying fund or KiwiSaver scheme.

In-service benefits paid to members during the year ended 31 March 2026

Withdrawal type	Number of withdrawals	Total amount
First home	135	$6,628,056
Hardship	52	$811,680
Property relationship claims	24	$3,840,503

Payment of your death benefit

All death benefit payments are now made to a member's personal representative.

This means that, in effect, a member's Will operates as a binding direction concerning how all of the benefit is to be paid.

It is very important therefore to have a Will and keep it up to date, especially when your personal circumstances change. Having a valid and up to date Will allows you to be confident your affairs will be settled as you would like, enables your estate to be administered quickly and economically, and makes the process easier for your next of kin.

If you don't have a Will, you can get one drawn up by a trustee corporation or a lawyer, or by preparing one yourself using a write-your-own-Will toolkit purchased from a book retailer or an online Will service. If writing your own, you may wish to have it checked by a lawyer to ensure everything is in order. You can find out more about Wills by visiting www.sorted.org.nz.

Consistency builds a comfortable retirement

Lucy Apiata-Wade worked as a machine operator at Fonterra's Canpac for 26 years. By the time the site closed in 2025, she felt it was the right choice to retire at 65. Retirement has given Lucy a chance to catch her breath, slow down and spend more time with her whānau.

Lucy Apiata-Wade (right) at her whānau home in Matauri Bay, overlooking the Cavalli Islands.

My job was steady and suited my lifestyle. I worked regular Monday to Friday hours, and it wasn't the sort of position where overtime was expected of me. I joined the Scheme when I first started, 26 years ago. I wasn't on what most people would call a big salary, but over the years I consistently contributed 6% of my pay into the Scheme each month, and my employer contributed 9%. I felt comfortable with the Balanced Fund option and the returns it provided me. That steady habit mattered more than any single large payment into my super. My salary was about $60,000 when I retired and my net Scheme balance had grown to roughly six times that amount. When I stopped working, the savings I had built gave me options I hadn't been certain I'd have.

Looking back, I feel really grateful for the job I had, the supportive terms and conditions, and the opportunity to be part of the Scheme. The friendships and memories I made over the years were valuable in ways that go beyond pay. But having that financial cushion that came from my membership has been just as important: it's allowed me to step away with confidence, without worrying too much about finances.

If there's one thing I'd suggest anyone starting out or to anyone feeling like their pay is too small to make a difference, consistency matters. In the long run, your regular contributions and hard work pay off and can give you more options: whether that's retiring when you planned, taking a trip you've long talked about, or simply having the peace of mind that comes from knowing you won't be a drain on whānau or have to rely on the government pension alone.

Keeping an eye on costs and expenses

The Trustee regularly monitors the Scheme's costs and expenses to ensure that they are reasonable and competitive compared to most other savings options.

There are three main elements to Scheme expenses:

1 Investment-related **2** Administration **3** Insurance premiums

Investment-related expenses

Total investment fees and expenses paid by the Scheme last year (including those paid to its consultant) amounted to $4.63M, compared to $4.20M the year before. Investment fees are related to the amount of money being managed. The increase compared to last year is primarily attributed to an increase in total assets (up more than 6% over the year). At year end, the percentage of the Scheme's assets allocated to each investment option was similar to the end of the previous financial year, with close to 80% invested in the Balanced and Growth Funds.

Investment fund	Cost per $100 invested	
	2024/2025	2025/2026
Cash	14 cents	14 cents
Conservative	38 cents	37 cents
Balanced	51 cents	50 cents
Growth	55 cents	53 cents

A key measure is the cost for each dollar invested. The current investment-related costs (including consulting fees) for the various investment options are summarised in the table above. Costs for the 2025/2026 year finished down on the previous year, following structural changes to the global equity funds in which the Scheme invests. These changes were implemented in the middle of the year, reducing the overall costs for the diversified investment options. Costs for the 2026/2027 year should experience similar reductions as the new global equity fees will apply to the full financial year.

Administration and operating expenses

Operating expenses for the Scheme span a wide range of services, including, for example, administering member records, communications, directors' fees and legal advice.

Expense type	2025/2026 ($000s)	2024/2025 ($000s)
Administration and secretarial services	906	861
Member communications	114	114
Legal, tax and actuarial consulting	179	153
Audit	50	48
Trustee directors' fees and related costs	293	292
Financial Markets Authority (FMA) levy	154	91
Other expenses	10	8
Total operating cost (before tax) excluding investment costs	**1,706**	**1,567**
Total operating cost as % of funds managed	0.16%	0.16%
Total operating cost per member	$193	$177

Insurance

The Scheme pays insurance premiums for members' death and permanent incapacity cover. Premiums paid for the year to 31 March 2026 totalled $6.7 million, covering 7,243 members. For members with insurance cover, the insurance premiums paid as a percentage of funds managed was 0.61%.

Information about the scheme

1. Details of scheme

This is the annual report for the Dairy Industry Superannuation Scheme for the year ended 31 March 2026.

The Scheme is a restricted workplace savings scheme. The manager and Trustee of the Scheme is Dairy Industry Superannuation Scheme Trustee Limited.

The Scheme's most recent Product Disclosure Statement is dated 27 March 2026 and the Scheme is open for applications. A fund update dated 31 March 2026 for each of the investment options will be made publicly available by 30 June 2026.

The Scheme's latest financial statements are for the year ended 31 March 2026. They were authorised for issue on 16 June 2026 and were lodged (with the auditor's report on those financial statements) with the Registrar of Financial Service Providers on 17 June 2026.

Copies of the fund updates and the financial statements (including the auditor's report) are available on www.dairysuper.co.nz or www.disclose-register.companiesoffice.govt.nz.

2. Information on contributions and scheme participants

This section provides a summary of changes in the membership of the Scheme over the year ended 31 March 2026.

Membership details

	Contributing employee members	Employee members	Individual members	Preserved members	Pensioners	**Total non-contributory members**	**Total**
At 1 April 2025	**8,207**	333	239	68	14	**654**	**8,861**
Member status changes							
Contributory status change	(10)	8	-	2	-	10	-
Transfer to individual members' section	(36)	(4)	40	-	-	36	-
Total status change	**(46)**	**6**	**40**	**-**	**-**	**46**	**-**
New members							
New members	627	-	-	-	-	-	**627**
Transfers in from other schemes	-	-	-	-	-	-	-
Total new members	**627**	**-**	**-**	**-**	**-**	**-**	**627**
Member exits							
Retirements	(222)	(10)	-	(8)	-	(18)	**(240)**
Leaving service/ resignation	(294)	(10)	(23)	-	-	(33)	**(327)**
Retrenchment/ redundancy	(40)	(1)	-	-	-	(1)	**(41)**
Deaths	(12)	-	(3)	(1)	(3)	(7)	**(19)**
Ill health benefit	-	-	-	-	-	-	-
Permanent incapacity	(4)	-	-	-	-	-	**(4)**
Transfers to other schemes	(1)	-	-	-	-	-	**(1)**
Total member exits	**(573)**	**(21)**	**(26)**	**(9)**	**(3)**	**(59)**	**(632)**
At 31 March 2026	**8,215**	**318**	**253**	**59**	**11**	**641**	**8,856**

Members' accumulations

	1 April 2025	31 March 2026
Total members' accumulations	$1,004,092,104	$1,087,045,602
Number of members	8,861	8,856

Contributions received during the year ended 31 March 2026

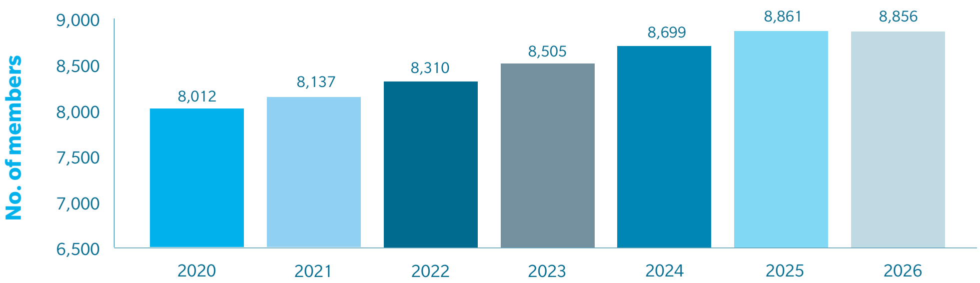
Type	Number of members	Total amount
Member contributions	8,499	$51,635,667
Transfers in from other schemes	-	$77,308*
Additional voluntary member contributions	662	$2,920,757
Employer contributions	8,116	$43,195,991
Government contributions (formerly called member tax credits)	326	$144,593
		$97,974,316

* This figure relates to an existing Scheme member who transferred funds from another complying fund.

Deaths

Sympathy is extended to the families of members and pensioners who have died.

Changes in membership over the last seven years



3. Changes relating to the scheme

Trust Deed

The Scheme's Trust Deed was amended on 27 March 2026 to remove the vesting scale.

Terms of Offer of Interest in the Scheme

On 27 June 2025, the Product Disclosure Statement (PDS) was updated to standardise account names to 'Locked' and 'Unlocked', lower the Growth Fund risk indicator from five to four, update fees, add a holding statement on potential KiwiSaver changes and make other minor changes.

The PDS was further updated on 17 February 2026 to reduce annual fund charges (except for the Cash Fund), apply fee indexation from 1 January 2026 and revise wording for regular contributions.

The PDS was amended again on 27 March 2026 to reflect the removal of the vesting scale.

Subsequent to the year end, we intend to update and lodge the PDS on 30 June 2026 to reflect the change in Licensed Independent Trustee from 1 July 2026.

On 1 April 2025, the Other Material Information (OMI) document was updated to reflect the new Employer Superannuation Contribution Tax (ESCT) rates that went into effect on that date, the current directors (Esraa El Shall replacing Andy Williams) and the transaction fees based on administration fee indexation that applied from 1 January 2025.

The OMI was updated again on 27 June 2025 to standardise account names to 'Locked' and 'Unlocked', lower the Growth Fund risk indicator from five to four, update fees, add a holding statement on potential KiwiSaver changes and make other minor changes.

The OMI was further updated on 17 February 2026 to reflect the reduction in government contributions, remove a holding statement on KiwiSaver changes, update fees and minor wording changes.

On 27 March 2026, the OMI was updated to remove reference to the vesting scale.

Subsequent to the year end, we intend to update and lodge the OMI on 30 June 2026 to reflect the change in Licensed Independent Trustee from 1 July 2026.

Statement of Investment Policy and Objectives (SIPO)

On 4 December 2025, the SIPO was updated to reflect a change to the benchmark name for global listed infrastructure, the renaming and consolidation of ex-Macquarie Asset Management investments to Mercer Macquarie funds offered by Mercer Investments, a product name change for the Global Unconstrained Bond Fund managed by Salt Funds Management, renaming of the Mercer Global Developed Markets Equities funds (removing 'Plus') and reducing the outperformance targets for these two funds from +1.5% to 1.0% per annum. The SIPO also recorded the name change of Nikko Asset Management New Zealand Limited to Amova Asset Management New Zealand Limited.

Related party transactions

Mercer (N.Z.) Limited (Mercer) as administrator of the Scheme is regarded as a related party in terms of the Financial Markets Conduct Act 2013. Mercer provides the Scheme with a range of services, including administration, secretarial, investment consulting and funds management.

During the Scheme year, the Trustee:

- entered into an agreement with Mercer (N.Z.) Limited in relation to the Mercer Investment Trusts New Zealand (MITNZ) fee reduction.
- entered into a Letter of Variation to the Services Agreement with Mercer (N.Z.) Limited in relation to the additional obligations in respect of information security controls.

There were no other material changes to the nature or scale of the related party transactions in respect of the Scheme. All related party transactions entered into during the accounting period were on arm's-length commercial terms.

4. Other information for particular types of managed funds

Withdrawals

During the year to 31 March 2026, the following members made withdrawals from the Scheme:

Leaving service		In-service	
Retirements	240	Significant financial hardship	43
Leaving service/resignation	327	First home withdrawal	135
Retrenchment/redundancy	41	Partial transfer to another complying superannuation fund/KiwiSaver scheme	2
Deaths	19	Property (Relationships) Act	24
Transfers to other schemes	1	Partial withdrawal by members aged 65+	121
Ill health benefit	-	Regular partial withdrawal	27
Permanent incapacity	4	Retained partial withdrawal	74
Total members who made leaving service withdrawals	**632**	**Total members who made in-service withdrawals**	**426**

Employer contributions

The amounts of employer contributions paid have been in accordance with the recommendations contained in the most recent actuarial report for the Scheme.

Summary of triennial statutory actuarial valuation report as at 31 March 2024

The most recent triennial actuarial valuation of the Scheme was carried out as at 31 March 2024 in a report dated 22 October 2024. The report concluded that the Scheme's assets were equal to the accrued benefit liabilities and, as at 31 March 2024, the assets were more than the value of the total vested benefits. The report noted that if the future experience of the Scheme is in line with the assumptions made and no additional contributions were paid by the employers (other than those required under the Trust Deed for allocated members), it was expected that the assets would be equal to the accrued benefit liabilities at the next valuation.

Declared interest rates for the year to 31 March 2026

The declared interest rates are the rates applied to benefits paid out during the year:

	Month Ending	Cash	Cash/ Conservative	Conservative	Conservative/ Balanced	Balanced	Balanced/ Growth	Growth
2025	April	0.16%	-0.06%	-0.28%	-0.57%	-0.87%	-1.12%	-1.36%
	May	0.38%	0.72%	1.05%	1.40%	1.75%	1.99%	2.22%
	June	0.54%	1.24%	1.95%	2.59%	3.23%	3.63%	4.03%
	July	0.69%	1.65%	2.62%	3.54%	4.45%	5.05%	5.66%
	August	0.91%	2.25%	3.61%	4.79%	5.98%	6.75%	7.52%
	September	1.07%	3.04%	5.05%	6.80%	8.57%	9.71%	10.86%
	October	1.22%	3.60%	6.02%	8.14%	10.29%	11.68%	13.08%
	November	1.37%	3.67%	6.00%	8.11%	10.26%	11.64%	13.03%
	December	1.45%	3.66%	5.91%	8.01%	10.15%	11.57%	13.00%
2026	January	1.60%	3.71%	5.85%	7.89%	9.95%	11.30%	12.66%
	February	1.69%	4.42%	7.21%	9.72%	12.28%	13.85%	15.44%
	March	1.90%	3.53%	5.16%	6.87%	8.60%	9.73%	10.87%

Example: Pat resigns in December, after the rates for November have been declared. Pat's savings are invested in the Balanced Fund, so the declared interest rate applied to Pat's benefit will be 10.26%.

Manager's statement

The Trustee, as manager of the Scheme, states that:

- All contributions required to be made to the Scheme in accordance with the terms of the Scheme's Trust Deed have been made.
- All benefits required to be paid from the Scheme in accordance with the terms of the Scheme's Trust Deed have been paid.
- The market value of the Scheme's property at 31 March 2026 equalled or exceeded the total value of benefits that would have been payable had all members of the Scheme ceased to be members at that date and had provision been made for the continued payment of all benefits being paid to members and other beneficiaries as at 31 March 2026.

On behalf of the Trustee:

Tim McGuinness

Tim McGuinness
18 June 2026

Locked complying fund section

The following sentences relate only to the Locked section. At 31 March 2026, the market value of the assets subject to the complying fund rules totalled $36,110,912 relating to 936 members. The value of withdrawals subject to complying fund rules made during the year totalled $2,748,447.

Fonterra Tanker, Waimakariri Gorge Bridge

5. Changes to persons involved in the scheme

Trustee directors

The directors of the Trustee as at 31 March 2026 were:

Bruce Kerr
(Licensed Independent Trustee)

Esraa El Shall

Mark Apiata-Wade

Patrice Wynen

Rochelle Price

Susan Pinny

Tim McGuinness
(Chairman)

Further information about the Trustee is available from the Scheme website www.dairysuper.co.nz.

Trustee director changes

There were no Trustee director changes during the year ended 31 March 2026.

Subsequent to the year end, the following director changes took place:

- Susan Pinny resigned effective 30 April 2026.
- Bruce Kerr's resignation is effective 30 June 2026.
- Kate Shirley was appointed on 15 May 2026.

Who else is involved?

There were changes to the Scheme's service providers during the year. Nikko Asset Management New Zealand Limited officially changed its name to Amova Asset Management New Zealand Limited in September 2025. Alvarium (NZ) Wealth Management Holdings Ltd (Alvarium), parent company of Alvarium Wealth and Pathfinder Asset Management, effectively acquired Salt Funds Management Limited (Salt) on 28 August 2025.

There were no other changes to the Scheme's service providers during the year. These providers are:

Title	Name	Role
› Administration manager	Mercer (N.Z.) Limited	› Looks after the day-to-day running of the Scheme
› Actuary	Mercer (N.Z.) Limited	› Advises the Trustee about the Scheme's funding position
› Investment consultant	Mercer (N.Z.) Limited	› Provides investment advice and recommendations
› Scheme Secretary	Mercer (N.Z.) Limited	› Supports and assists the Trustee directors
› Securities registrar	Mercer (N.Z.) Limited	› The holder of the Scheme's member register
Auditor	KPMG	Audits the Scheme's financial statements
Custodian	Dairy Industry Superannuation Scheme Trustee Limited	Holds the assets of the Scheme
Insurer	AIA New Zealand Limited	Insures the insured portion of the death and permanent incapacity benefits
Underlying fund managers	› Harbour Asset Management Limited › Mercer (N.Z.) Limited › Amova Asset Management New Zealand Limited › Russell Investment Group Limited › Salt Funds Management Limited	Responsible for investing the Scheme's assets in accordance with the Statement of Investment Policy and Objectives adopted by the Trustee

Details of the changes to the directors of the Trustee are set out above. There have been no changes to the key personnel of the Trustee.

6. How to find further information

You can find further information relating to the Scheme, including financial statements, annual reports, annual fund updates, the Scheme's Trust Deed and Statement of Investment Policy and Objectives in the offer register and the scheme register at www.disclose-register.companiesoffice.govt.nz (search 'Dairy Industry Superannuation Scheme').

A copy of the information on the offer register and scheme register is available on request from the Registrar of Financial Service Providers at www.fsp-register.companiesoffice.govt.nz.

The above information is also available free of charge on our website at www.dairysuper.co.nz or by contacting the Scheme Secretary, whose contact details are set out below.

7. Contact details and complaints

If you have any questions about the Scheme, this annual report, or require a free copy of the Scheme's audited financial statements or Statement of Investment Policy and Objectives, please call our Helpline on 0800 355 900 during normal business hours or contact the Trustee through the Scheme Secretary. The Secretary is also the Complaints Officer and the Privacy Officer for the Scheme.

Philippa Kalasih - Scheme Secretary

Phone: (04) 819 2600
Email: philippa.kalasih@mercer.com

Write to us:

Scheme Secretary
Dairy Industry Superannuation Scheme
C/- Mercer (N.Z.) Limited
Level 2, 20 Customhouse Quay
PO Box 2897, Wellington 6011

You can also contact the Securities Registrar (Mercer (N.Z.) Limited) at the same address and telephone number.

How to complain

You can lodge a complaint with the Trustee through the Scheme Secretary. For more details, please refer to our Member Complaints Guide, available under the *Documents* tab at www.dairysuper.co.nz - go to *Policies and procedures*.

The Scheme is a member of an approved dispute resolution scheme operated by Financial Services Complaints Ltd (FSCL) – A Financial Ombudsman Service.

If you have complained to the Trustee and you have reached the end of our internal complaints process without your complaint being resolved to your satisfaction, FSCL may be able to consider your complaint.

To contact FSCL:

Call: 0800 347 257 during normal business hours
Email: complaints@fscl.org.nz
Write to: Financial Services Complaints Limited, PO Box 5967, Level 4, 101 Lambton Quay, Wellington 6140

FSCL will not charge a fee to investigate or resolve a complaint.

Full details of how to access the FSCL scheme can be obtained on their website at www.fscl.org.nz.

Privacy Statement

Personal information about you may be collected, held and used by the Trustee and by Mercer (as Administration Manager) for the purposes of administering your Scheme membership and any benefits payable under the Scheme. Your personal information may also be shared with - and held and used by - your employer, the Scheme's professional advisers and other service providers, Inland Revenue, the Financial Markets Authority or any other person or entity as necessary for those purposes.

You can find more information on this in the Scheme's Privacy Statement, available under the *Documents* tab at www.dairysuper.co.nz (go to *Policies and procedures*). The document may be changed at any time. When changes are made, the new version will be posted on the Scheme's website and will take effect immediately. Your continued participation in the Scheme after any update constitutes your acceptance of the updated Privacy Statement.

Got questions?

www.dairysuper.co.nz

0800 355 900

dairy industry
superannuation scheme