

14 November 2017

FONTERRA PARTNERS WITH GOVERNMENT ON ROADMAP TO LOW EMISSIONS FUTURE

Fonterra has joined the Ministry for the Environment to develop a roadmap to a low emissions future. The partnership is an example of how the private and public sectors can work together to accelerate New Zealand's transition to a low carbon economy.

Fonterra's Chief Operating Officer Robert Spurway says the roadmap identifies actions to reduce emissions, improve energy efficiency, and reduce costs.

"This is an exciting and ambitious partnership, which will have a material impact on climate emissions."

"We are committed to helping New Zealand achieve its Paris Climate Agreement commitments. That's why we've set new targets to reduce both our on-site and on-farm emissions. We've set a target of net zero emissions for our global operations by 2050, with a 30% reduction by 2030 from a 2015 baseline," says Mr Spurway.

The target will be achieved by making changes at Fonterra's manufacturing sites and adopting new technologies.

"We are improving our energy use efficiency, as well as adopting lower emission energy sources. This includes the introduction of biofuel into our tanker fleet and we have made a commitment to have 100 electric vehicles within our light vehicle fleet by 2019. We are also exploring low emission energy supply options for our sites, such as electricity and wood biomass. We will only use coal as a last resort, with a target of no new coal boilers installed from 2030."

Fonterra also has an ambition to develop and commercialise mitigation technologies that have a positive impact on global emissions by 2050.

"New Zealand is one of the world's most emissions efficient dairy producers. We will make the most of this position by investing in breakthrough technologies such as methane vaccines and inhibitors, low-emission feeds, and genetics that produce low-emissions animals, and then sharing them with the world," say Mr Spurway.

Abbie Reynolds, Executive Director of the Sustainable Business Council, says it's important not to underestimate the significance of this step by Fonterra.

"Reducing agricultural emissions will be one of the biggest challenges of the transition to a low emissions economy in New Zealand. Net zero emissions by 2050 is an ambitious and challenging target. It shows strong leadership, and will be welcomed by many New Zealand businesses."

Mr Spurway says transitioning New Zealand to a low emissions economy is a significant challenge and collaboration and a coordinated response will be key.

"We are committed to a low emissions New Zealand and will continue to work with Government, industry partners, and our farmers to find new ways to reduce New Zealand's emissions," Mr Spurway concluded.

View Fonterra and Ministry for the Environment's roadmap to a low emissions future here.

ENDS



Caption: Fonterra announces new targets for reducing on-farm and on-site emissions

For further information contact:

Philippa Norman Media Relations Manager Phone: +64 27 582 0492

24-hour media line Phone: +64 21 507 072

About Fonterra

<u>We're</u> a global dairy nutrition company owned by <u>10,500 farmers and their families</u>. We've built our expertise on the legacy of the thousands of farmers who've made New Zealand a world leader in dairy. With a can-do attitude and a collaborative spirit, we're a world leading dairy exporter. Our 22,000 people share the goodness of dairy nutrition with the world through our innovative <u>consumer</u>, <u>foodservice</u> and <u>ingredient solutions</u> brands, and our farming and processing operations across four continents.

If you no longer wish to receive media releases from Fonterra, please click here to opt out.