



Making the levy your best investment

The work in progress



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Dairy farmers are successful because they share their wins and lessons, setting up each generation to be better than the last. Through the DairyNZ milksolids levy, resources are pooled to ensure we protect what we have, and deliver a positive future for New Zealand dairy farming.

Independent economic analysis shows that since 2020:

- \$341m of levy revenue is estimated to have created nearly \$3bn of value
- Equates to 26 cents per kgMS per year
- A more than 7X return on investment

A vision for NZ dairy

Dairy is a thriving industry passed down from one generation to the next.

It's a vibrant and rewarding industry that we are proud to be a part of.

Our regions embrace dairying and the people who make it happen, recognising that dairying does the economic heavy lifting and plays a lead role in feeding our nation, while contributing to global food security.

Dairy farmers share innovation and best-practice methodologies freely to increase production while ensuring nobody is unwillingly left behind.

We shouldn't take this for granted as this doesn't happen in many other countries.

Our highly productive herds stand out for exceptional genetics, herd health and wellbeing, and New Zealand now leads the world in responsible dairy production.

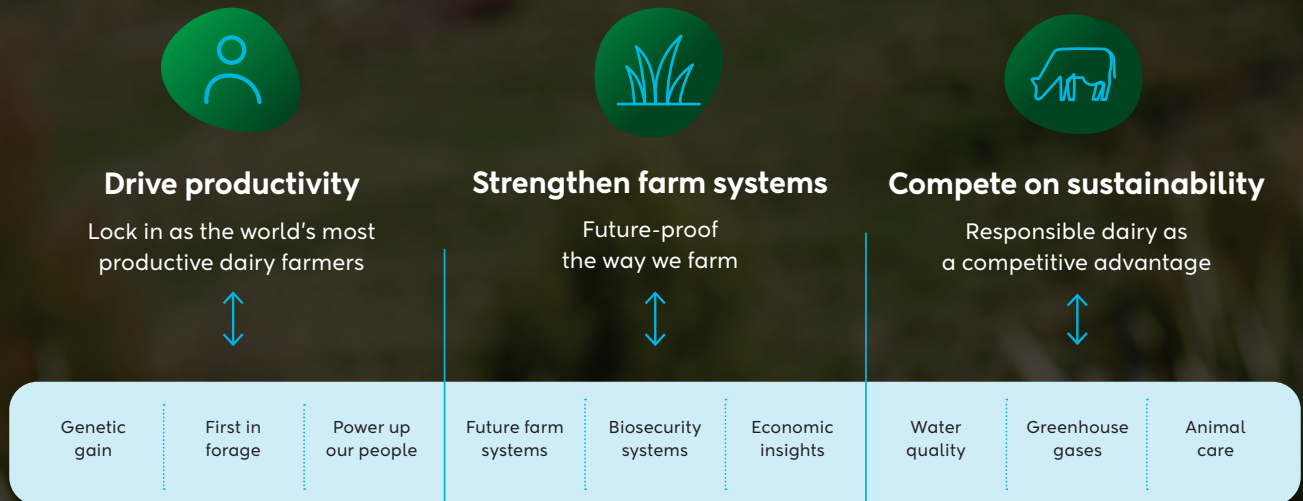
Our wider industry attracts talented young people to a sector that cares for its people, animals and the environment to produce the world's highest quality dairy.

It's a sector where responsible growth is possible because we tread more lightly in the environment and understand the carrying capacities of different regions.

Together, we support a thriving dairy sector that is intergenerational, where our care for land, people, animals and community is world class and where we are kaitiaki – guardians of our land and our sector for future generations.

There is always more work to do.

Our strategy – focusing on what matters to farmers



Doing it for dairy

DairyNZ works alongside farmers to deliver a positive future for New Zealand dairy farming.

We apply our strong engine of dairy science to help provide farmers with tools and resources that drive productivity, strengthen farming systems and compete on sustainability.

We push for sensible, science-based regulations that balance economic, social and environmental outcomes within our communities. We use science and data to bring balance, facts and workable solutions to public understanding to protect social licence for the sector.

Our farmers' money is invested wisely to prepare the sector for the opportunities and challenges of tomorrow while ensuring we keep pace with the world's most competitive dairy farmers today.

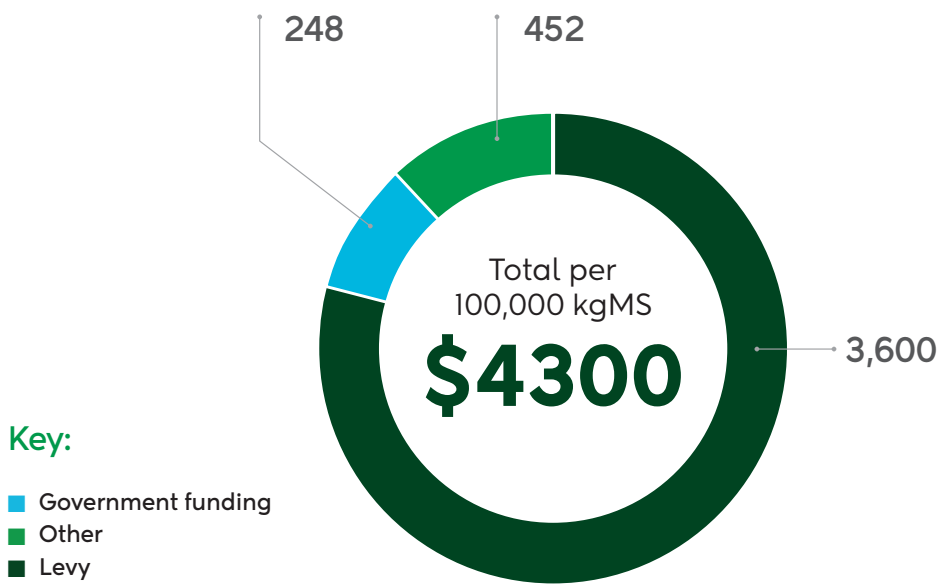
Partnerships and collaborations are central to the way we work. While nobody can match the strength of our farm systems science, we know that by working with others we can accelerate and expand our positive impact and influence to benefit more farmers, faster.



Where the levy is invested on your behalf

Funding (income):
Expressed as dollars per 100,000 kgMS

2024/25



- Key:
- Government funding
 - Other
 - Levy

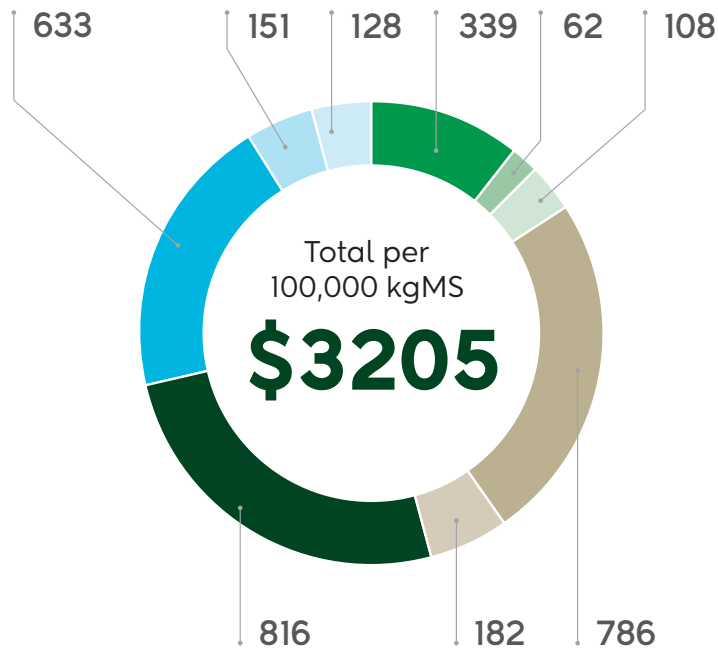
Key:
Programmes and examples of work included:

- | | |
|--|---|
| ■ Genetic gain
National Breeding Objective, Dairy Industry Good Animal Database, animal evaluation | ■ Economic insights
DairyBase, economic insights, reporting |
| ■ First in forage
Forage Value Index, Resilient Pastures programme | ■ Biosecurity systems
TBfree, FMD readiness, system strengthening |
| ■ Power up our people
Extended lactation, wearables, partner sponsorships | ■ Water quality
LowN, plantain, catchment & freshwater programmes |
| ■ Future farm systems
Regional research, extension activities, partner delivery | ■ Animal care
Wintering, dry cow therapy, heat stress |
| | ■ Greenhouse gases
Trial work with partners e.g. emissions |

Levy expenditure across strategic programmes

77% of total expenditure

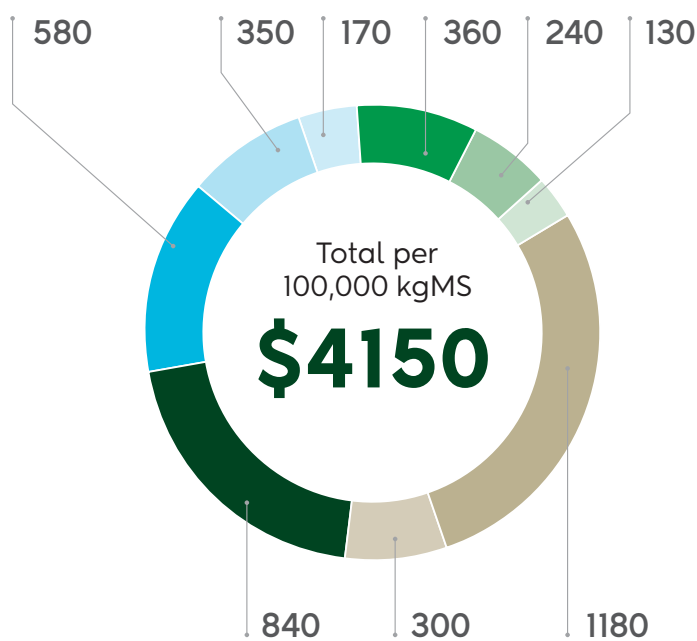
2025



Levy expenditure across strategic programmes

Forecast

2026



* Excludes operational costs and overheads

Making progress



Drive productivity

- OneBW
- Resilient pastures
- Extended lactation

For example, research on genetic gain

- Trials show genetic gain make up **50%** of annual on-farm gains.
- Top quarter of animals in each herd makes **50kg more** milksolids than the bottom quarter – extra **\$317 per cow**, per year.
- Top 10% of dairy herds of Breeding Worth (BW) make **extra \$12,600** in annual profit.
- The race is on to keep up with pace of global improvement.



Strengthen farm systems

- Maximising on-farm data
- DairyBase partnerships
- Biosecurity Act advocacy

For example, looking into emissions and profitability

- A dairy sector first – combined data from **8000 farms** to correlate physical farm performance measures and profitability.
- It helped distinguish **high-profit farms** with **lower emissions** intensity and what the opportunities are for farmers.



Compete on sustainability

- Dairy Beef opportunities
- Ecosystem health research
- Greenhouse gas research

For example, getting beyond one-size-fits-all

- Four-year collaboration with Ireland – we have a shared interest in pastoral competitiveness.
- Currently a standard rate of **21.6g** per kilogram of dry matter is used for all feed eaten by the dairy cow in methane accounting systems.
- The reality is that emissions vary by feed type and time.
- Identifying lower emission variables and making sure methane accounting is **fair and robust**.

Over the
past season...

40%

increase in use of
DairyNZ resources.

Most
used tools:

1. Bull search
2. RAS list
3. Workplace 360

Doing it differently

We've heard you, and we're working on it.

Greater engagement, communication and extension services

- We brought back regional farmer-led discussion groups, and delivered 132 events to more than 3000 farmers last year, bringing our scientists out on farm.
- Our new events lifted average attendance by 78%.

Clearer picture on where the levy is invested and return on investment

- Independent ROI review shows \$341m of levy revenue generated an estimated \$2.98bn of value since 2020 - a 7X return on investment.

Further efficiencies and commercial rigour across DairyNZ

We maintained the focus of our science and research sharply on productivity, farm systems and sustainability. This helped to reduce costs, with DairyNZ returning to a surplus after two years of deficits.

More say in shaping research and science priorities

- 1000 farmers are involved in our research, from design through to trials and evaluation.

More translation of science into practical on-farm solutions

- 35 scientists and experts presented at our events, to bring the science and research direct to you.

More coordination and partnerships to avoid sector duplication

- While nobody can replicate the strength of our farm systems science, we know that by working with others we can accelerate and expand our positive influence to benefit more farmers, faster.
- We have around 45 research partners, and are focused on more events with partners including Fonterra, Dairy Women's Network, Rural Support Trust and LIC.
- Our subsidiary, Dairy Training Ltd doubled courses this year.

What to watch

We are working hard to deliver for farmers by:

- Pursuing OneBW for farmers to have one trusted reliable metric to drive productivity.
- Solving non-replacement dairy calves to help us compete on sustainability.
- Harnessing the power of data partnerships to strengthen farm systems.
- Launching DaiSY, our AI-powered website tool, to help you uncover what you need from our extensive, trusted library.
- Acting on feedback to drive greater farmer adoption of solutions.
- Taking the opportunity to grow our sector responsibly, which is important for our sector and the country.

**Thank you,
From the team at DairyNZ**

Dairy sector facts

Herds and cows

(in 2024/25)

10,370

Total number of herds.

Milk production

21bn

Litres of milk processed by New Zealand dairy companies in 2024/25.

Export value

(Year to 30 June 2025)

\$27bn

Dairy is our largest export earner, generating around \$27 billion, which is one-quarter of the value of all New Zealand exports.

Employment

55,000

Number of people the dairy sector directly employs.

Environment

84%

Percentage of dairy farmers who have an industry farm environment plan in 2024.

451

Average herd size.

1.94bn

Kilograms of milksolids produced by dairy farmers in 2024/25.

4.68m

Number of milking cows.

1.7m

Total effective hectares of dairy land in New Zealand.

Top 5 markets for New Zealand dairy exports

(Year to 31 March 2025)

95%

of our products are exported to around 130 countries. An estimated 90 million people annually could consume 2.5 serves of NZ dairy per day.

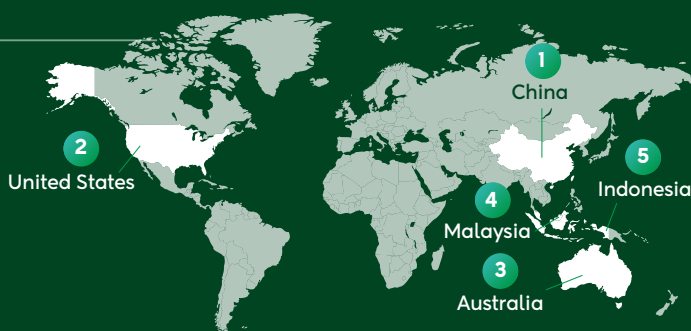
Sources:

New Zealand Dairy Statistics 2024/25

Dairy's Economic Contribution to New Zealand Report August 2023

MPI Situation and Outlook for Primary Industries June 2025

NZX New Zealand Milk Production Report



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