OSPRI

Annual Report

2024–2025

Annual Report 2024–2025

OSPRI New Zealand Limited was established on 1 July 2013. It currently manages the National Animal Identification and Tracing (NAIT), TBfree and *M. bovis* programmes.

This is the Annual Report for OSPRI New Zealand Limited and its wholly owned subsidiaries National Animal Identification and Tracing (NAIT) Limited, TBfree New Zealand Limited, and *M. bovis* Free New Zealand Limited.

The TBfree New Zealand Limited Annual Report provides a review and report on the Operational Plan for the National Bovine Tuberculosis Pest Management Plan, as required under section 100B(1)(b) and section 100B(2)(a) of the Biosecurity Act 1993.

The *M. bovis* Free New Zealand Limited Annual Report provides a review and report on the Operational Plan for the National *Mycoplasma bovis* Pest Management Plan, as required under section 100B(1)(b) and section 100B(2)(a) of the Biosecurity Act 1993.

The National Animal Identification and Tracing (NAIT) Limited Annual Report provides a review and report on how the NAIT organisation is addressing the Government's expectations of it, the performance of its functions and duties, and its financial statements, as required under sections 10A(1)-(2) and 63 of the National Animal Identification and Tracing Act 2012.

OSPRI | NAIT | TBfree | MBfree

OSPRI New Zealand Limited's shareholders and funders:

DairyNZ

beef+lamb new zealand

Deer Industry New Zealand

Ministry for Primary Industries
Manatū Ahu Matua

OSPRI New Zealand Limited's Stakeholder Forum consists of representatives from:

Beef+Lamb New Zealand

Dairy Companies Association of New Zealand

DairyNZ

Deer Industry New Zealand

Department of Conservation

Federated Farmers Dairy

Federated Farmers Meat and Wool

Local Government New Zealand

Meat Industry Association New Zealand

Ministry for Primary Industries

New Zealand Deer Farmers Association

New Zealand Stock and Station Agents Association

Predator Free 2050

Road Transport Forum

The 12 Chairs of OSPRI's farmer Committees are also members.

Contents

Chair's report

Tony Cleland
Chair

This has been a year of reset for the organisation, particularly from a technology and finance point of view. It has also been a year of opportunities, with TB testing coming in-house and discussion with funders and stakeholders on the future direction of the OSPRI Group.

Together, we agreed our new company strategy, participated in the independent TB Plan review, and developed the new NAIT strategy.

In the disease management area, the TBfree programme is dealing with infection outbreaks in Otago, Hawke's Bay and the east Taupō region. The *M. bovis* programme remains at zero confirmed properties and has seamlessly transitioned to working under a National Pest Management Plan.

Sam McIvor joined OSPRI in August 2024 as the new Chief Executive Officer, overseeing a challenging work programme. Shareholders refreshed the Board with the appointment of five new directors in November 2024, one being myself. The Board thanks Fenton Wilson for taking the role of interim Chair until March this year to provide continuity while the new Board bedded in.

Technology

OSPRI's information technology has been and remains a key focus for the Board. We have applied the learnings of the 2024 independent review into the MyOSPRI programme, implementing a strengthened governance structure – including a Board technology-focused subcommittee and management steering committee to ensure accountability – and providing increased reporting to our funder agencies.

The Technology Committee oversaw delivery of the external and internal reviews that led to the decision to stop work on MyOSPRI. Subsequently, it has been closely connected with the planning and delivery of the project to replace the NAIT information system. It also monitors all other projects to upgrade and improve our technology functions.

Many foundation steps were missing from the earlier programme. We have prioritised the time necessary to get these in place and plan a phased approach that will deliver an improved NAIT system for farmers. Directors are very committed to governing the NAIT replacement project through to implementation without repeating past mistakes. At the end of FY2025, we have reported to funders that we are well into the procurement phase.

End of year result

In last year's annual report, OSPRI reported a $16.6 million write-off due to the discarded technology project. OSPRI has improved its finances and ends the year with $26.7 million reserves, up from $14.8 million last year.

M. bovis

The *M. bovis* programme remains at zero herds. With surveillance through bulk tank milk testing and the national beef cattle surveillance programme meeting targets, we are on track to declare confidence of absence of this disease.

TB testing

With our external provider advising they would cease providing TB testing services to OSPRI, the Board made the decision to bring this function in-house. Directors are pleased with the delivery of this project, particularly the solid health and safety plan. Our team of experienced testers brings OSPRI closer to farmers and ensures more flexibility and agility to make required changes.

TBfree vector operations

We are on track against the TBfree National Operational Plan targets for the reduction of Vector Risk Area hectares – where TB is thought to be present in possums. 341,736 hectares were declared free in four regions during FY2025. An increase in the east Taupō region meant a net 249,615 hectares cleared this year.

Future direction

The Board thanks our funders, the Stakeholder Forum, OSPRI farmer Committees and many other stakeholders who fed into the work to agree OSPRI's new 2025-2028 Strategic Plan.

Additionally, funders have led the work of the TB review Plan Governance Group to set the future direction of the TBfree programme. Stakeholders have also worked closely with the NAIT programme to finalise its new three-year strategy.

Understanding that we must produce key deliverables in FY2026 – starting the build of the NAIT replacement system, agreeing the NAIT scheme triennial business case and funders' agreement, achieving TBfree and *M. bovis* programme targets – the Board is pleased we have started discussing the future role of OSPRI in New Zealand's biosecurity system.

The Board and management are working hard to improve our connection and transparency to all stakeholder groups, and we look forward to this ongoing engagement in the upcoming year.

Chief Executive's report

Sam McIvor
Chief Executive Officer

At the end of my first year at OSPRI, I am pleased by the progress made but acknowledge there is still a lot in front of us.

We have worked hard in the past year to focus on prioritised spending for impact, delivering our core programmes and rebuilding the balance sheet. Highlights include:

TBfree programme

- The successful transition of TB testing from AsureQuality to OSPRI (from 1 July 2025), which not only delivers savings but increased flexibility.
- An overall reduction of almost 250,000 hectares of Vector Risk Area through the Proof of Freedom process – ahead of target.
- The independent TB Plan review has endorsed OSPRI's methodology and technical approach to eradication and will provide clarity on the track to eradication of the disease.
- However, it has been disappointing to have more TB infection in Hawke's Bay, and we know we need to close out the risk from wildlife in the area. Locating and controlling infection in the Otago region is also a focus for our planning and operations teams.

M. bovis programme

- Development of the National Operational Plan under the National Pest Management Plan (in place from 1 January 2025), and the successful launch of new initiatives in the NOP – raw milk tracing and high-risk businesses.
- Continued zero infected herds and meeting the targets for the ongoing surveillance programme, as well as improved timelines for dealing with bulk tank milk detects.

NAIT programme

- Implementing the recommendations of the independent review into MYOSPRI including better project management discipline.
- Following the decision to restart the NAIT replacement work:
  - confirmation with funders of the product vision for the solution
  - development of enterprise architecture principles, a foundational document

    - substantial engagement across all of industry to develop requirements for the new NAIT system and documenting current state NAIT to underpin the Request for Information process and successful transition to the Request for Proposal stage.
- Partnering MPI and shareholders to complete the new NAIT Strategy and National Operations Plan.

OSPRI-wide

- An uplift in transparency, engagement and reporting to MPI and shareholders.
- Increased farmer and Board engagement in the new Stakeholder Forum, and Board and leadership team attendance at OSPRI regional farmer Committee meetings.
- Completion and launch of the OSPRI Strategic Plan 2025-2028 including OSPRI's values.
- An improved financial position.
- Rebuilding the technology team to enable delivery of the new approach to the NAIT replacement.
- Research into drone technology and bulk tank milk testing, both of which could deliver savings to the TBfree programme.
- Completion of an employee engagement survey.
- Reset of the Support Centre to deliver ongoing improvements to service delivery.
- Modification of the eASD to give effect to MPI changes relating to new veterinary medicine regulations introduced by the European Union.
- Ongoing technology work including security stabilisation, procurement of an HRIS system, commencement of work to select a new managed services provider, commencement of work with funders on the future of eASD.
- An uplift in health and safety monitoring and reporting including independent endorsement of health and safety TB testing preparedness.

There is important work ahead in FY2026 in all programme and business support areas.

As we implement the OSPRI strategy; progress the NAIT system replacement; implement the NAIT strategy and National Operations Plan, and complete the Triennial Business Case; complete spring testing for *M. bovis* ; confirm the TB Plan; and ratify the data and technology strategies, we will have most of the building blocks in place for the next three years.

About OSPRI

OSPRI New Zealand Limited (OSPRI) is funded by levies from farmers via its shareholders – DairyNZ, Beef+Lamb New Zealand, Deer Industry New Zealand – and Government investment, made through the Ministry for Primary Industries.

OSPRI's vision and purpose

OSPRI's vision, captured in our 2025-2028 strategy is "our farmers succeeding through exceptional biosecurity and traceability". Our purpose is to deliver excellence in disease management and traceability in partnership to strengthen and protect New Zealand's livestock industries. The new strategy is available at www.ospri.co.nz/about-us.

Our Board of Directors (at 30 June 2025)

Tony Cleland (Chair)
Committees:
Audit and Risk, People and Culture, Technology

Susan Huria ONZM
Committees:
People and Culture (Chair)

Nikki Davies-Colley
Committees:
Audit and Risk

Michael James
Committees:
Audit and Risk (Chair), Technology

Mark Todd
Committees:
Audit and Risk, Technology

Alex Guilleux
Committees:
Audit and Risk, Technology

Hugh Martyn
Committees:
Technology (Chair)

Dr Louise Cullen
Committees:
People and Culture

For full bios of our Board members visit: www.ospri.co.nz/about-us/our-people/board-of-directors/

OSPRI is responsible for three national programmes

OSPRI | TBfree

The goal of the TBfree programme under the current National Pest Management Plan is biological eradication of bovine tuberculosis (TB) from New Zealand by 2055, with milestone targets of livestock TB freedom by 2026 and possum TB freedom by 2040.

OSPRI | NAIT

NAIT is New Zealand's national animal identification programme. It records where animals are in the supply chain, from farm to meat processing, for the purposes of managing animal health, disease outbreaks, food safety, market assurance and animal productivity. The programme applies to farmed cattle and deer.

OSPRI | MBfree

From 1 November 2023, we delivered the day-to-day operational and disease control functions of the *M. bovis* programme, and from 1 January 2025, we are the management agency for the National *Mycoplasma bovis* Pest Management Plan. The objective of the plan is to reduce the adverse effects of *Mycoplasma bovis* on economic well-being by eradicating it from New Zealand by 30 June 2028.

Our Leadership Team (at 30 June 2025)

Sam McIvor
Chief Executive Officer

Simon Andrew
General Manager, Disease Control Planning and Integration

Mary Cording
General Manager, People Safety and Culture

Clifton King
Head of Traceability

Angela Leong
Chief Operating Officer / Chief Financial Officer

Danny Templeman
General Manager, Service Delivery (South Island)

Helen Thoday
General Manager, Service Delivery (North Island)

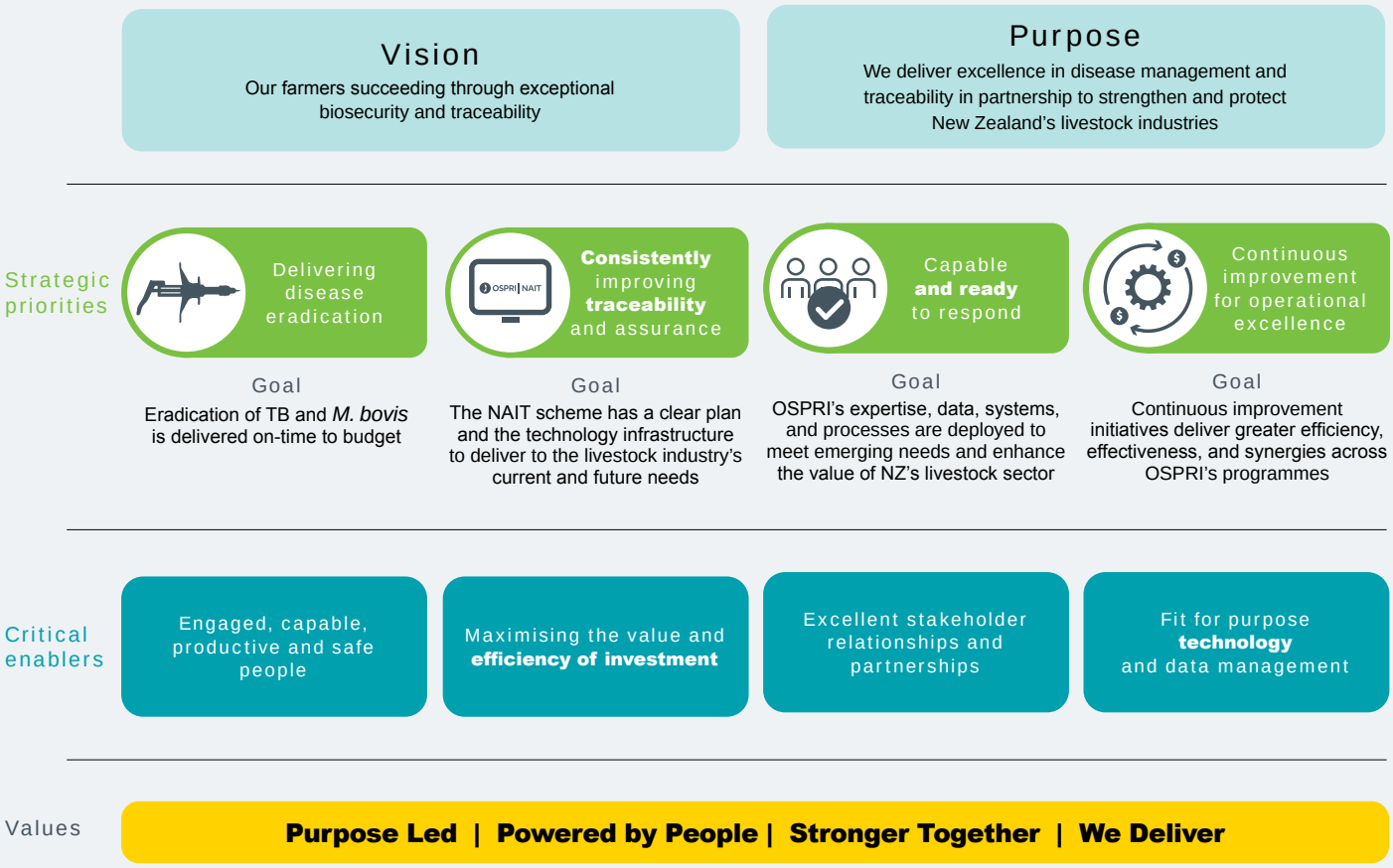
Colin Philp
Acting Chief Information Officer

For full bios of our Leadership Team members visit: www.ospri.co.nz/about-us/our-people/executive-leadership-team

Strategic Plan 2025–2028

During FY2025, OSPRI worked with funders, a range of stakeholders and internal reference groups to develop a new Strategic Plan for the next three years.
See the full plan at OSPRI-Strategic-Plan-2025-2028.pdf

Figure 1: OSPRI's Strategy 2025-2028 (on a page summary)



Our Values

Figure 2: OSPRI's values

Purpose Led

The work we do is critical for our livestock industries and New Zealand. Grounded in science, guided by evidence, we think critically, act with intent and strive for excellence.

Powered **by People**

We hire great people and back them to do exceptional work. We keep our teams safe and well, creating the conditions for everyone to succeed — in the field, on farm, or in the office.

Stronger **Together**

We work as One OSPRI — across our teams, industry, and partners. We build trust through collaboration and achieve more by working together.

We Deliver

We're focused on delivering impact – We think ahead, adapt quickly, and learn as we go. We plan, stay ready for change, and prepare confidently for tomorrow's challenges and opportunities.

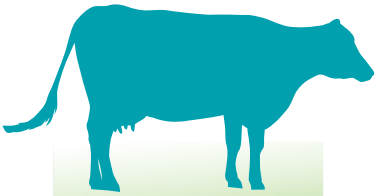
Key highlights of our year

Figure 3: Key highlights for 2024–2025

TBfree

46

positions filled for TB testing in-house



15

TB infected herds – equal lowest year-end TB infected herd number

9.6:1

Cost Benefit Analysis of the TBfree programme

249,615

hectares declared free of TB

NAIT

Traceability indicative compliance scale

78.8%

139

NAIT drop in sessions run

RFI complete

for new NAIT system

NAIT

strategy agreed

M. bovis

Successful
transition to NPMP

0
active confirmed properties
at 30 June 2025

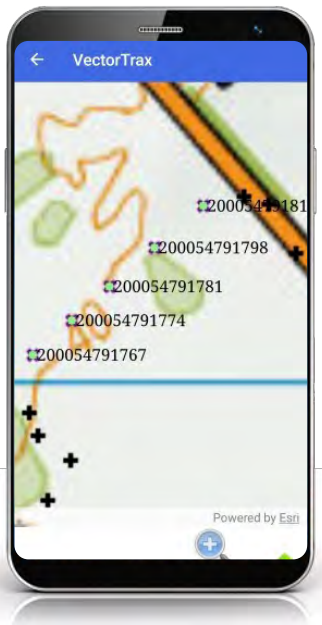
Surveillance targets met

Support functions

Health & **Safety plan for TB testing**

70%
Stakeholder satisfaction with engagement

New **VectorTrax** app



92.6%
average customer satisfaction score for Support Centre

Our objectives

With a need for greater focus on technology workstreams following the review of the Information Systems Strategic Plan in the first half of 2024, we reviewed our objectives for the second half of FY2025. The FY2025 programme delivery section of this document reports against these objectives and focus areas.

Figure 4: OSPRI's 2025 objectives

Our objectives	Our focus
 Disease eradication programmes on track	• Hit herd number and vector free area targets. • Complete the TB Plan review. • *M. bovis* National Pest Management Plan on track. • Successfully implement in-house TB testing.
 Continuous improvement of **traceability**	• Partner farmers and stakeholders to improve NAIT performance. • Our procurement process for a partner to build the NAIT information system replacement is on track. • Complete 3-year traceability and NAIT funding strategy.
 Deliver greater **efficiency and** value for our funders	• Reduce the cost of doing business and increase efficiency of spends. • Implement project and portfolio management system. • Grow stakeholder engagement and partnerships. • Deliver new strategic plan.
 Future proof **technology capability**	• Secure existing technology infrastructure. • Build technology roadmap. • Build team to facilitate desired future state for OSPRI technology. • Complete data strategy. • Integration of processes, people and technology.
 Engaged, productive and safe people	• Review and improve performance and development programme. • Implement engagement measurement and improvement programme. • Maintain our strong culture of health, safety and wellbeing in the workplace. • Establish OSPRI's values.

FY2025 programme delivery

Objective

1

Disease eradication programmes on track

Our focus

- Hit herd number and vector free area targets
- Successfully implement in-house TB testing
- Complete the TB Plan review
- *M. bovis* National Pest Management Plan on track

30 June 2025 targets	
Reduce the number of TB infected status cattle or deer herds to 12[1].	**NOT ACHIEVED** At 30 June 2025 there were 15 TB infected herds nationally. This is the same number as 30 June 2024, equalling the lowest year end infected herd number.
Reduce the TB Vector Risk Area to less than 6.25 million hectares.	**ACHIEVED** At 30 June 2025 the total TB Vector Risk Area remaining in New Zealand is 5.9 million hectares.
Implement the National Operational Plan for the *M. bovis* Programme under the National Pest Management Plan.	**ACHIEVED** The NPMP came into effect on 1 January 2025 and the *M. bovis* NOP was developed by March 2025 and subsequently accepted and published.

Details for the TBfree and *M. bovis* programmes are reported in the disease statistics section.

1 The target of 12 is from the FY2025 Annual Operating Plan. The target used in the Consolidated Statement of Service Performance is from the infected herd numbers projected in 2016, which did not account for the Hawke's Bay or Hari Hari outbreaks.

Hit herd number and vector free area targets (TBfree programme)

TB infected herds at 30 June 2025

The 30 June 2025 total of 15 TB infected herds equals the number at the end of last year.

Figure 5: National TB infected herds, 30 June 2025

Focus regions

In last year's annual report, we provided information about our operations in the east Taupō, West Coast (Hari Hari) and Hawke's Bay regions. During the year to 30 June 2025, the Central North Island has remained a focus, and we are responding to increasing TB infection in the Otago region. There'll be increased and ongoing operations in the Otago region as this is the last significant area of wildlife infection in the South Island as we move towards island eradication.

East Taupō

The number of TB infected herds in the Central North Island reached five at one time during FY2025. At 30 June 2025 there was one TB infected herd in that region following a concentrated disease management and vector operations response, and the movement of one infected herd, under permit, to the Bay of Plenty region.

Investigation has confirmed the disease pathway in Central North Island is through contact with infected possums and we continue to carry out vector operations here.

Hari Hari (West Coast)

After returning to zero TB infected herds at the end of FY2024, a new infected herd has been identified at Hari Hari.

Hawke's Bay

Like the West Coast, Hawke's Bay achieved zero TB infected herds (in March 2025), but during autumn testing we found additional infection. Vector control operations in that area are ongoing.

Otago

The number of TB infected herds has increased during FY2025, resulting in more control operations in the region.

Vector Free Area hectares at 30 June 2025

This year we delivered $26.8 million of vector operations work to remove the wildlife vector for bovine TB – the possum. Operations work includes ground trapping and aerial drops, surveillance, and monitoring.

Vector operations spend was $3.2 million lower than FY2024. We didn't spend $2 million earmarked for improvements to VectorNet, our suite of operations technology solutions, due to the prioritisation of the NAIT information system replacement project.

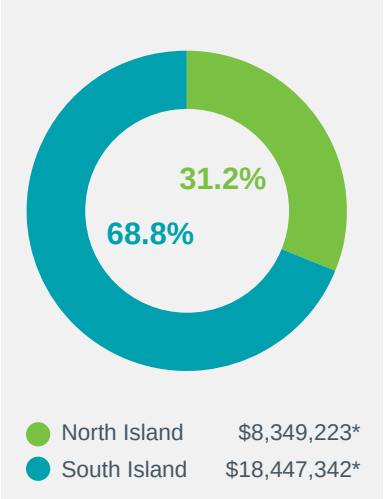
Some North Island work was unable to proceed before the end of the financial year but was delivered in early FY2026.

The TBfree programme continued to clear Vector Risk Area (where local wildlife populations have been or remain infected with TB). This year 341,736 hectares of land had a status change from Vector Risk Area to Vector Free Area. However, there was an increase of 92,121 hectares in the Vector Risk Area surrounding the east Taupō cluster of herd infections.

The overall reduction in Vector Risk Area in the year to 30 June 2025 was 249,615 hectares. With that reduction, there are now 5.9 million hectares of Vector Risk Area remaining in New Zealand. Since July 2011, a cumulative total of approximately 4.6 million hectares has been declared Vector Free Area. We are ahead of target for VFA.

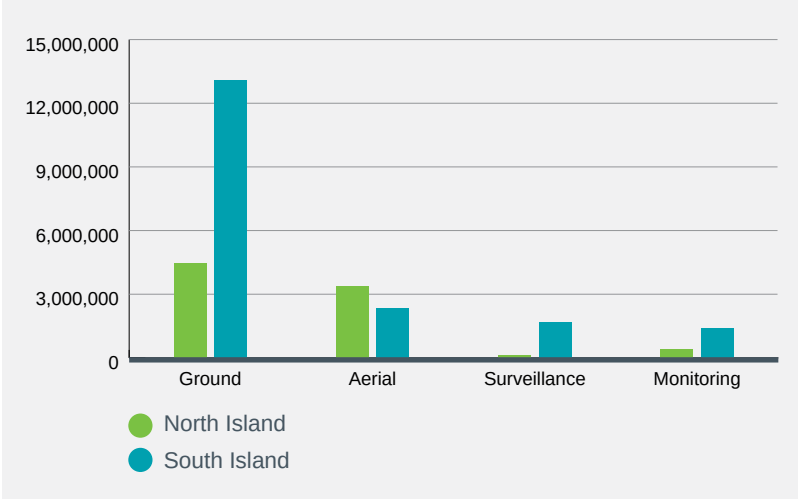
See the statistics section for more detail of our vector control work and newly declared Vector Free Areas.

Figure 6: Vector operations spend and % in FY2025 by island

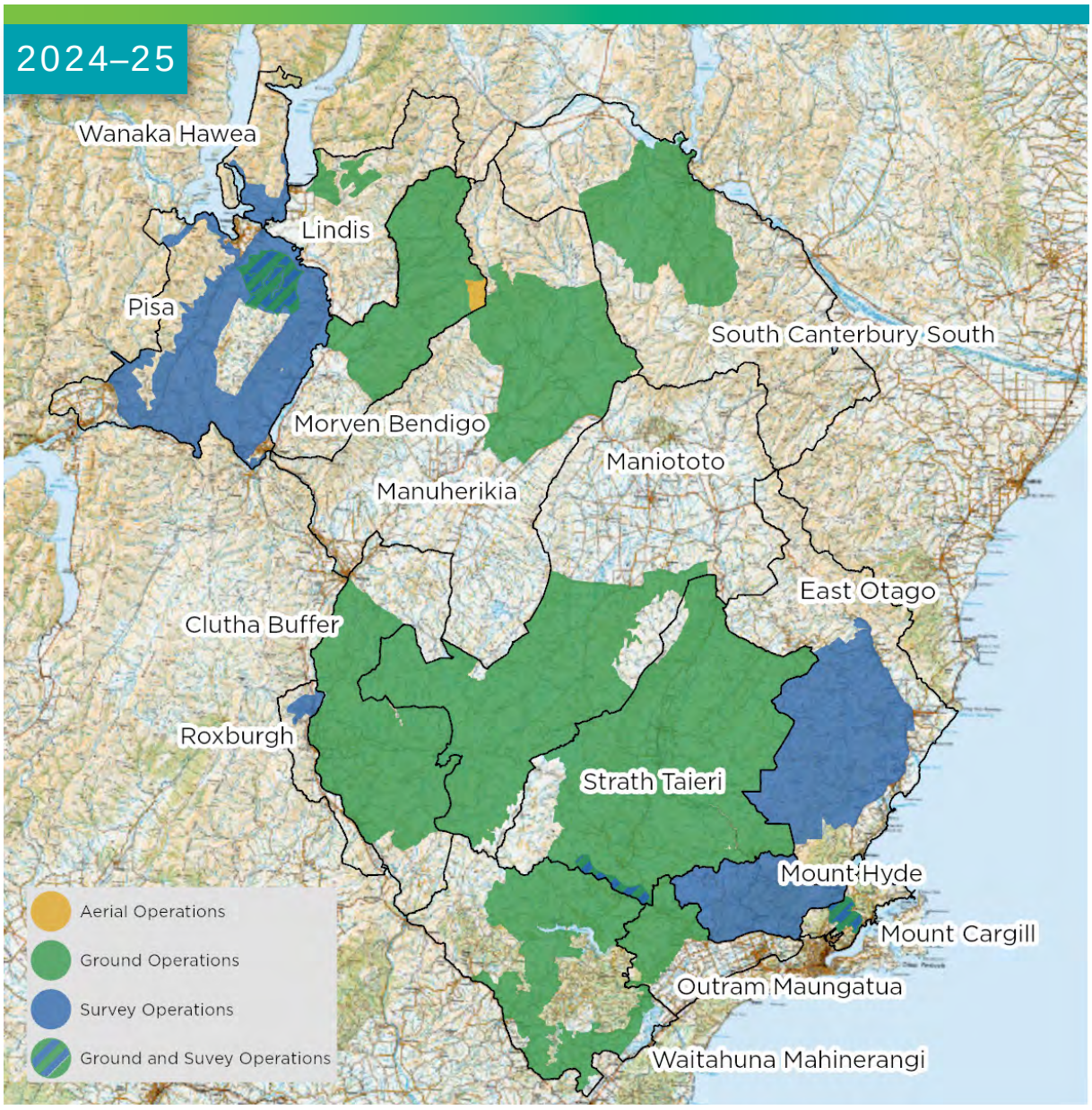


**Operations spend (ground, aerial, surveillance, monitoring)*

Figure 7: Vector operations spend in FY2025 by island and type



Work in Otago during FY2025

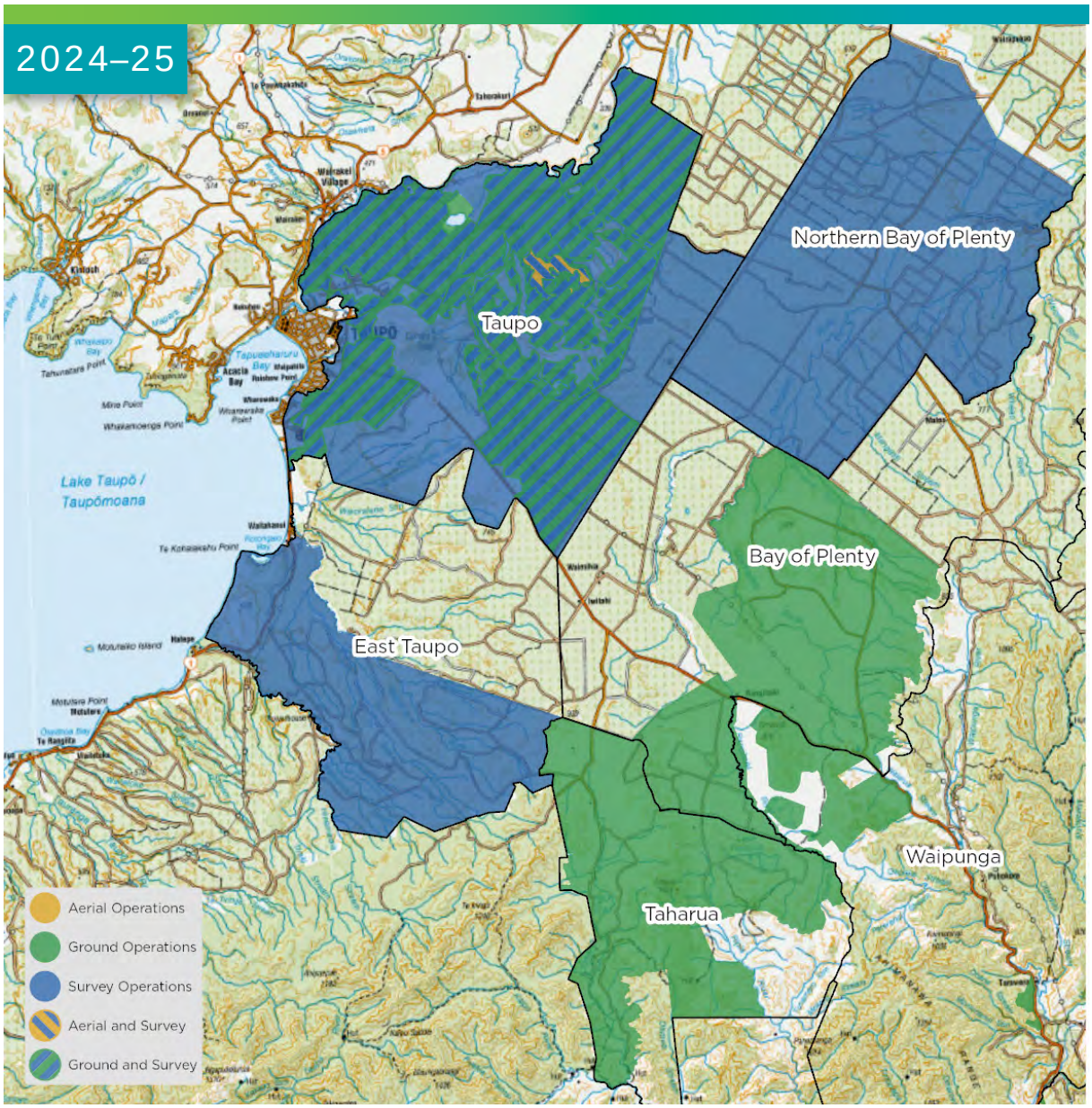


Map 1: Operations in Otago region during FY2025

Operations type	Spend	Hectares
Ground	$8,168,066	614,441
Aerial	$228,311	1,837
Surveillance	$690,339	240,782
Monitoring	$628,520	Monitoring in areas before and after ground and aerial operations

Figure 8: Spend and hectares of operations in Otago region

Work in Central North Island during FY2025



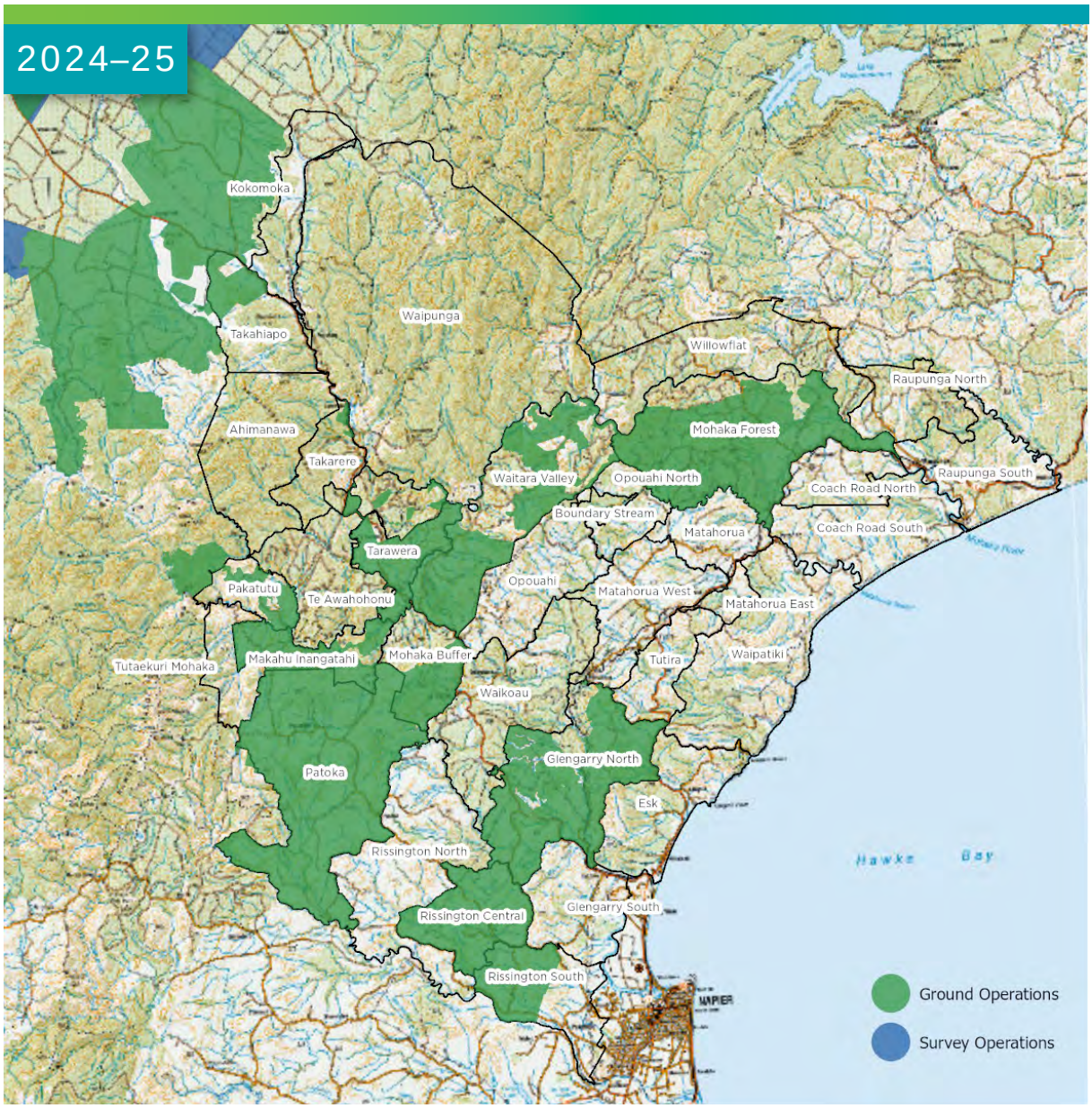
Map 2: Operations in east Taupō during FY2025

From 1 February 2025, we expanded the central North Island Movement Control Area to include the area east of Lake Taupō.

Operations type	Spend	Hectares
Ground	$4,146,046	159,842
Aerial	$1,682,682	2,289
Surveillance	$31,765	88,118
Monitoring	$395,894	Monitoring in areas before and after ground and aerial operations

Figure 9: Spend and hectares of operations in Waikato, Bay of Plenty, and Hawke's Bay

Work in Hawke's Bay during FY2025



Map 3: Operations in Hawke's Bay during FY2025

Operations work in Hawke's Bay totalled $4.96 million during the year, compared with $5.19 million in FY2024.

Successfully implement in-house TB testing

TB testing surveillance

On-farm TB testing is a critical part of the TBfree programme. The screening test is a small dose of tuberculin injected into the skin; if an animal has been exposed to TB, there will be localised swelling at the injection site. We undertake:

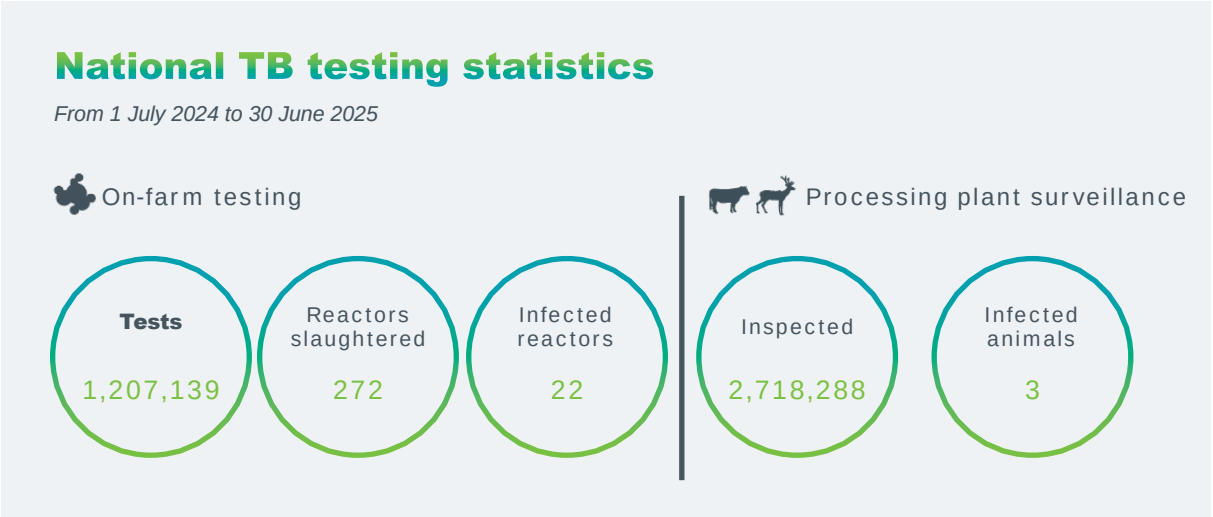
- routine surveillance tests in areas where there is a risk of infection from possums
- targeted tests such as pre-movement tests, infected herd management tests and optional pre-movement tests for breeding bulls
- surveillance testing as part of the proof of freedom process.

TB testing costs in the FY2025 year totalled $7.5 million. We are moving to more targeted, criteria-based testing. A reduction of testing in low-risk areas resulted in testing costs being $4.5 million lower than budgeted for the year.

We also carry out surveillance for TB infection at processing plants.

See the programme statistics section for more information.

Figure 10: TB surveillance numbers, on-farm and at processing plants, year to 30 June 2025

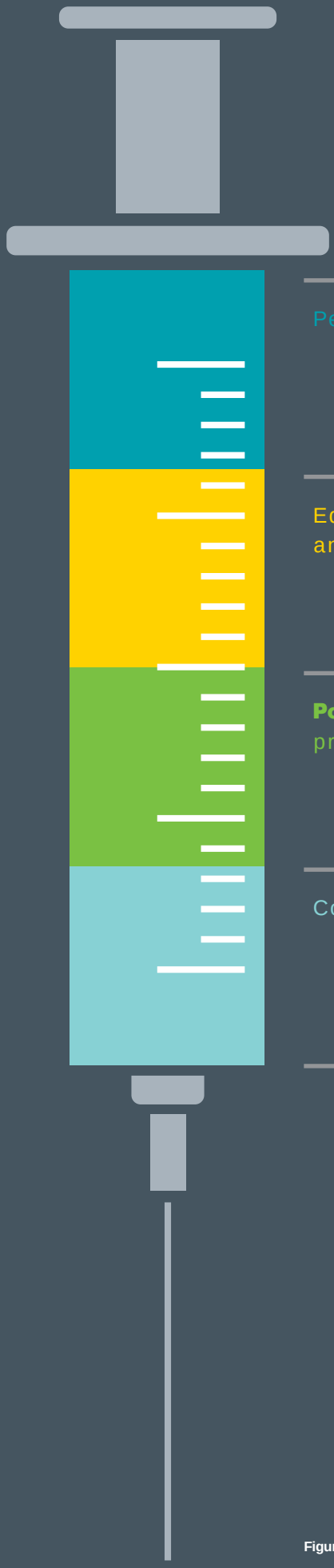


Bringing TB testing inhouse

Following a decision by OSPRI's testing contractor, AsureQuality, to discontinue TB testing services, the Board approved plans to bring on-farm TB testing in-house. After an eight-month transition period, OSPRI began testing in early July.

There are clear benefits to delivering TB testing ourselves:

- It brings OSPRI closer to farmers, allowing us to be more agile and responsive to testing needs.
- Improved cost efficiencies for the TBfree programme.
- Improved flexibility to make changes to the programme as needed.



People

- Recruitment of 46 roles – management, coordinators, team leaders, field technicians
- Induction plan and delivery, training for new technicians, accreditation, 30-day support plan
- Change management and communications plan

Equipment and logistics

- Provision of vehicles, technology hardware, uniforms
- Modifications to OSPRI's Operational Management Solution (disease management software) (this work is still in progress, with roll out to coordinators and managers in July and to technicians in August)

Policy and process

- Health and safety plan developed, independently audited prior to commencing testing
- Communication to farmers and technicians of OSPRI's on-farm health and safety expectations
- Standard Operating Procedures updated or developed

Commercial

- Service variation with AsureQuality to deliver testing to 30 June 2025
- Contracts with AsureQuality for ongoing availability of training academy, and provision and storage of tuberculin
- Engagement of fleet provider, courier, satellite communications provider

Figure 11: The work to transition TB testing to OSPRI

Complete the TB Plan review

A 10-yearly independent review of the TB pest management plan is required by legislation.

During FY2025, OSPRI provided technical and secretariat support to the TB Review Plan Governance Group (PGG) and the Review Advisory Group (RAG).

PGG members	RAG members
Independent chair, Dr Helen Anderson	Independent chair, Dr Stu Hutchings
Chief Executives of OSPRI shareholders • DairyNZ • Beef+Lamb NZ • Deer Industry NZ	Policy advisor representatives from OSPRI shareholders • DairyNZ • Beef+Lamb NZ • Deer Industry NZ
Chief Veterinary Officer, MPI	Ministry for Primary Industries representative
Deputy Director-General Biodiversity Heritage and Visitors, Department of Conservation (observer)	Department of Conservation representative
OSPRI Chief Executive (observer)	OSPRI's Chief Advisor, Disease Management

The PGG commissioned a range of research and analysis during the review process, including a cost benefit analysis. It also reviewed recommendations from the RAG on a range of options for the future of the TB programme including alternatives to eradication:

- No control was not considered to be tenable as it would result in out-of-control herd infection.
- Containment – a focus on protecting herds only – would require some form of control forever.

The PGG decided New Zealand needs to continue to aim for eradication. It examined various operational approaches to achieve this target, modelling the timeframes for reaching freedom in possums and herds and the costs involved for each option.

The review's proposed approach is:

- Prioritising eliminating TB in the remaining hot spots of highly-infected possum populations as soon as possible, using the most cost-effective tools in large 'landscape-scale' operations
- Updating the TB Plan milestones to achieve TB freedom in both herds and possums by 2040
- Using targeted, criteria-based, on-farm TB testing

The proposed approach has a significantly better cost-benefit ratio than the other options, that is, for every $1 spent using this option, the benefit value is nearly $9.60.

With the PGG's review complete, consultation is in progress to seek farmer feedback on the proposal. After analysis of submissions, the final proposal is expected to go to the Minister for Biosecurity in December 2025, with the new plan to be in place for 1 July 2026.

M. bovis National Pest Management Plan on track

Zero active confirmed properties at 30 June 2025

0
properties
at 30 June 2025

282
properties
cleared of *M. bovis* since the start of the infection

New Zealand currently has zero confirmed cases of *Mycoplasma bovis (M. bovis)*. It has been over 18 months since the last infected farm was cleared.

Farmers have played a critical role in reaching this milestone. The support of the livestock industry, meat and dairy processors, testing labs, and vets also continues to play a key part in the ongoing success of the eradication effort allowing a confidence of absence claim to be made.

Several years of surveillance and zero confirmed infection are needed to provide confidence that *M. bovis* is absent from the national cattle herd on New Zealand farms.

We continue to follow up risk from former infected farms (Delimiting) and are moving through the provisional absence phase, with all surveillance targets being met. We expect to enter the last phase of the eradication (Confidence of Absence) as planned after completing spring 2025 bulk tank milk screening.

M. bovis National Pest Management Plan Implementation

1 July 2024 – 31 December 2024	In the first six months of FY2025, OSPRI delivered the day-to-day operational and disease control functions for the *M. bovis* Programme on behalf of the Ministry for Primary Industries, under a Government Industry Agreement between MPI, DairyNZ and Beef+Lamb New Zealand.
1 January 2025 – 30 June 2025	The programme successfully transitioned to a National Pest Management Plan on 1 January 2025, giving OSPRI full responsibility for its delivery. Since the transition we have finalised, and received Ministerial acceptance of, the National Operational Plan for the *M. bovis* Programme. The National Pest Management Plan introduced new obligations, including: • record keeping requirements to track the movement and receipt of raw milk for cattle feed • identification of potential high-risk business to guide surveillance decisions • commercial laboratory reporting of non-programme *M. bovis* test results. We have completed the work to implement these new obligations and raise awareness of them within industry. Key performance indicators in the National Pest Management Plan are all being met.

See the statistics section for more detail on the *M. bovis* Programme.

Objective

2

Continuous improvement **of traceability**

Our focus

- Partner farmers and stakeholders to improve NAIT performance
- Our procurement process for a partner to build the NAIT information system replacement is on track
- Complete 3-year traceability and NAIT funding strategy

30 June 2025 targets	
Deliver MyOSPRI.	**NOT ACHIEVED** In September 2024, the Board made the difficult decision to stop work on MyOSPRI[2] and approved the restart of work to replace the NAIT information system. Progress of the replacement project is on track, with the next step being release of a Request for Proposal, following which a vendor will be selected and contracted to carry out the rebuild.
Increase compliance with NAIT obligations to above 80%, as measured on the Traceability Compliance Scale.	**NOT ACHIEVED** At 30 June 2025 compliance with NAIT obligations was 78.8%.

2 An independent review of MyOSPRI found that while the project delivered in some areas such as user interface and design, there were significant gaps across programme controls, architecture and programme governance and management.

A review of the MyOSPRI system architecture found it to be overly complex, not fit for purpose, and would be very costly to maintain. A decision was made to stop the MyOSPRI programme and prioritise the replacement of the NAIT system. As a result, last year we reported a significant impairment of $16.6m on the value of the MyOSPRI asset.

NAIT compliance performance

Traceability compliance scale

The traceability indicative compliance scale was 79% at 30 June 2025, compared with 76.9% at 30 June 2024.

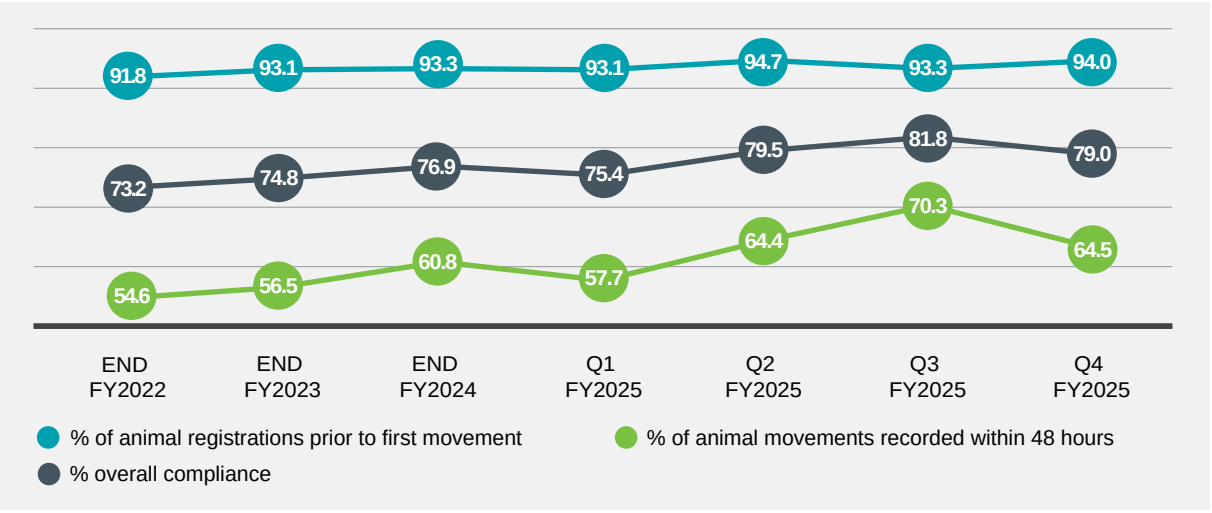
The aggregate compliance measure shows the overall compliance with the NAIT scheme. It averages scores from:

- animals registered before their first off-farm movement
- animal movements recorded within 48 hours.

This measurement is dynamic as data can be loaded into the NAIT system retrospectively (e.g., a movement can be recorded today with a movement date of 3 months ago).

As more movements are recorded outside of the 48-hour timeframe, the aggregate figure will decrease slowly over time. Note: NAIT compliance statistics are not an indicator of data accuracy.

Figure 12: Traceability compliance scale % also showing % of registrations prior to first movement and % of movements **recorded within 48 hours**



Lifetime traceability

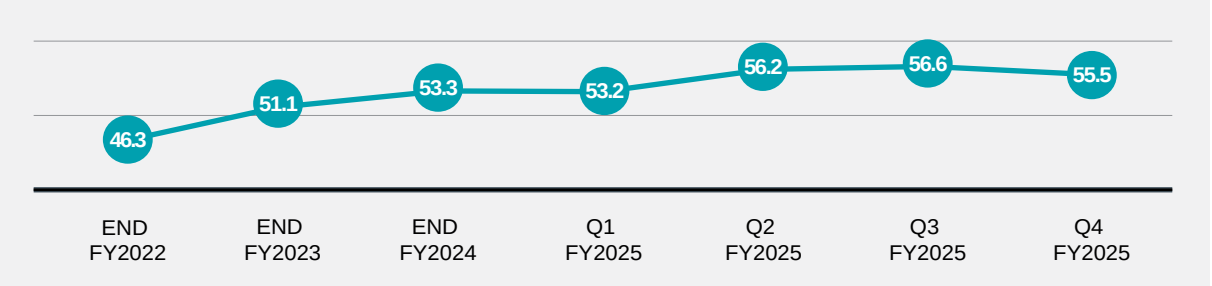
In FY2025, we started measuring lifetime traceability. This metric shows the lifetime traceability of all animals slaughtered at meat processors recorded within NAIT. It considers four key criteria:

- date of birth of animal is known
- birth location of animal is known
- no breaks in the animal's movement history
- animal was "alive" prior to slaughter.

Lifetime traceability of animals slaughtered in the year to 30 June 2025 increased by 2.2% on the previous year.

The criterium that has the highest missing percentage is date of birth, and a communications campaign is underway to remind farmers to enter the first day of the birth month if they don't know the actual birth date.

Figure 13: Lifetime traceability %



Partner farmer and stakeholders to improve NAIT performance

Farmer education and assistance

OSPRI is responsible for education and assistance, the first levels of the VADE model (Voluntary-Assisted-Directed-Enforcement) used by OSPRI and MPI to implement the NAIT scheme.

Education occurs through communications campaigns, regional workshops and training, event attendance, online education modules and downloadable documents on the OSPRI website. We provide assistance to farmers by telephone and email support through the Support Centre and regional drop-in sessions. OSPRI farmer Committees are also a key source of information.

Moving Day plan for 2025

Moving Day is the busiest time of the year for livestock movements. It is an annual event on or around 1 June when dairy farmers, sharemilkers, and their families transition to new farms and begin the new dairy season. This can result in poor NAIT compliance, as farmers contend with all the demands of moving.

In 2025 we started our Moving Day campaign early and added the following initiatives.

- Book a 15-minute session with a Support Centre person, at a time that suits, and they'll give you a call to get your NAIT account sorted. Available from Tuesday 1 April.
- Moving Day guide and checklist available on the OSPRI website.
- Extended Support Centre hours leading up to Moving Day, 7am to 6pm.

The campaign used social channels, radio, print and bulk email.

The early communication and change in hours helped to reduce reactive contact and manage call and email volumes. Thanks to the many farmers who took the time to inform themselves about their obligations and complete them online.

Events in FY2025

OSPRI has a network of regionally based people who provide local support options to PICAs needing information or assistance.

In FY2025 we held or attended:

139

Drop-in sessions

across the country with a total of 624 attendees, giving tailored, one-to-one assistance, including tidying NAIT movements, discussing best tagging practices, creating new herd numbers

124

Agricultural events

Joint events with industry partners, such as field days (national and regional), regional A&P shows, saleyard sessions

88

Regional workshops

and education sessions

36

Farmer Committee meetings

throughout New Zealand

Jessie Waite and Phil Dawson

Dr Melissa Anderson and Jenna McCabe

OSPRI's website educational tools

Figure 14: Top NAIT videos by views during FY2025

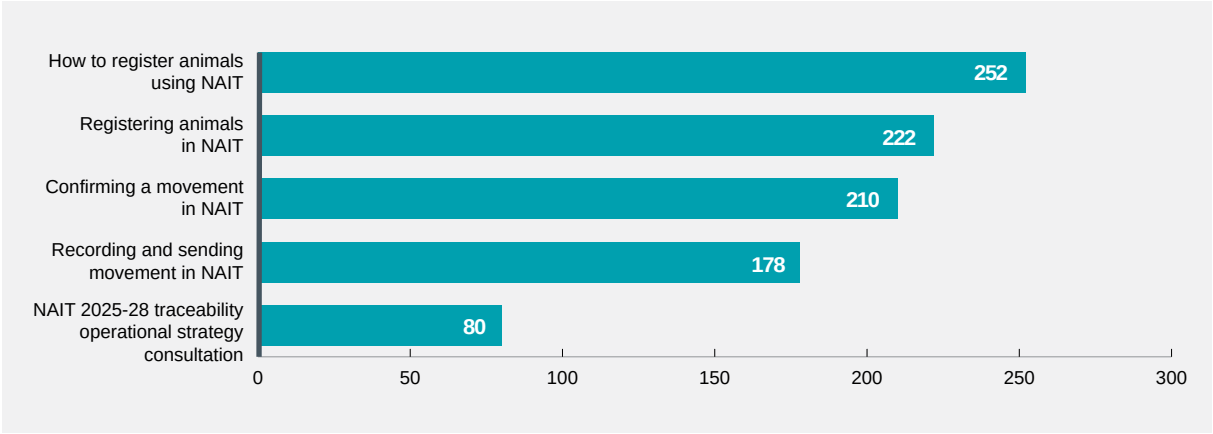
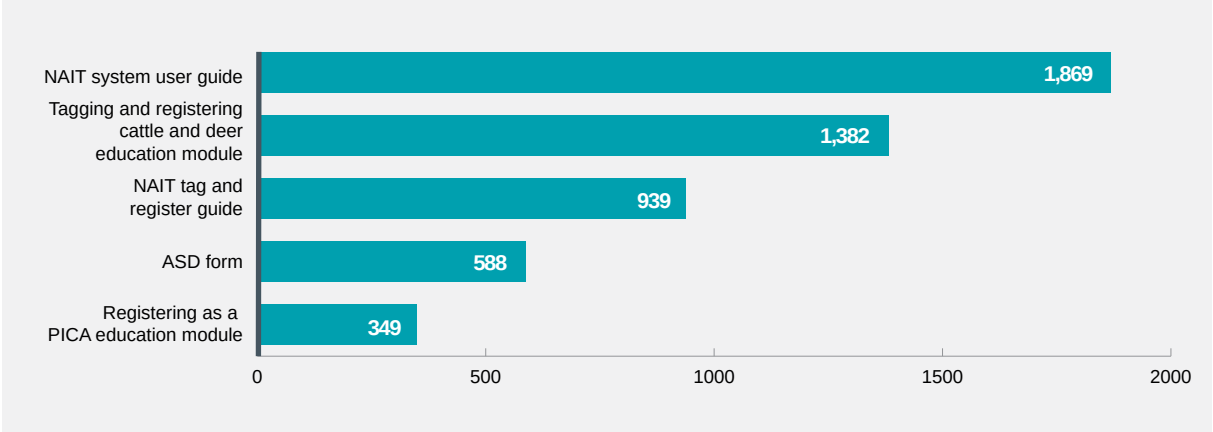


Figure 15: Top NAIT document downloads



Additionally, the following consultation documents were downloaded.

- NAIT device standards registration (2188 downloads)
- Proposed NAIT device standard (2007 downloads)
- NAIT Traceability Operational Strategy consultation (594 downloads)

NAIT Standards consultation

Consultation with the industry about NAIT ear tags, and their design closed in mid-June. We received 151 submissions from a broad cross-section of industry with feedback indicating strong support for the introduction of one-piece tags and highlighting some concern with the performance of existing devices.

Subsequently, the NAIT Board approved a number of changes to the Standard – including the use of NAIT approved one-piece RFID tags. The amendments are in effect on 8 August. We hope new design possibilities may lead to savings for farmers and improved tag retention in animals.

The Support Centre's work in FY2024

46,627
calls answered during the year

14,147
outbound calls made

27,520
external emails received during the year

75%
of emails processed within 48 hours
(average over the year)

2 minutes
16 seconds average wait time
(target 3 minutes)

92.6%
average customer satisfaction score during the year
(industry standard 70–85%)

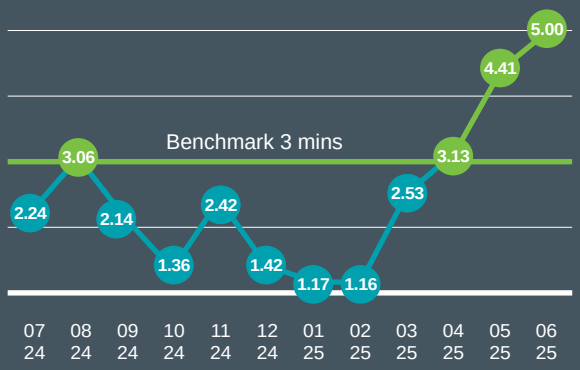


Figure 16: Support Centre average wait time (minutes) during FY2025

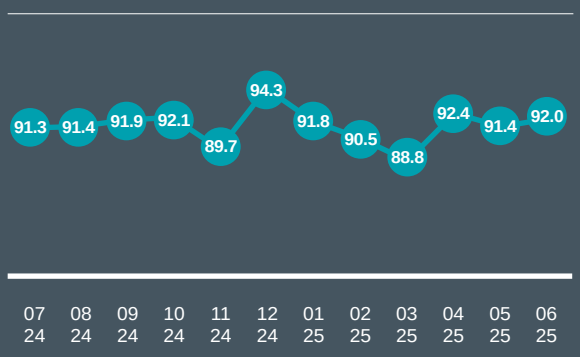


Figure 17: Support Centre customer satisfaction score (%) in FY2025

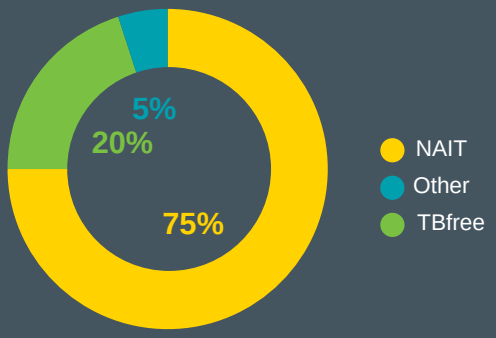


Figure 18: % by programme of phone calls to the Support Centre

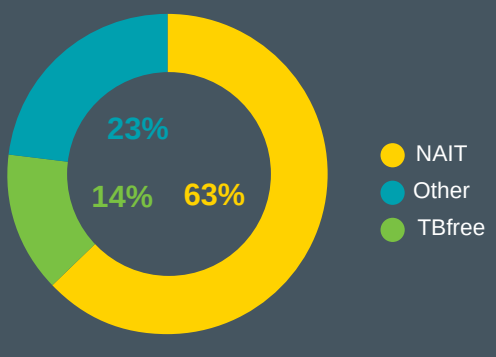


Figure 19: % by programme of emails received by the Support Centre

Build the NAIT information system replacement

In the last annual report, we reported the decision to stop work on MyOSPRI, resulting in a $16.6m asset write-down, and to restart work to replace the NAIT information system.

The NAIT replacement system is guided by a clear vision: Easy, accurate animal tracing through modern, digital services. To achieve this, we're focusing on five key objectives.

- **Customer-Centric User Experience:** Designing with farmers' needs at the forefront.
- **More Effective and Efficient Traceability:** Improving the core function of animal tracing.
- **Seamless Partner Integration:** Making it easier for industry partners to connect their systems and develop innovative industry applications.
- **Extensible and Scalable Architecture:** Building a system that can grow and adapt. For example, to trace additional types of animals.
- **Optimised Support Capability:** Enabling better assistance when needed.

Work in FY2025

We have taken the time to get the fundamentals in place:

- implementing strong governance – a new technology subcommittee of the Board, an independent technical advisor to the Board, a new project steering committee, improved project management disciplines, independent quality assurance during each phase, increased reporting to funders
- defining the vision, benefits and measures for the replacement NAIT with funders
- planning a phased approach to reduce risk and ensure we understand the requirements thoroughly before we start building.

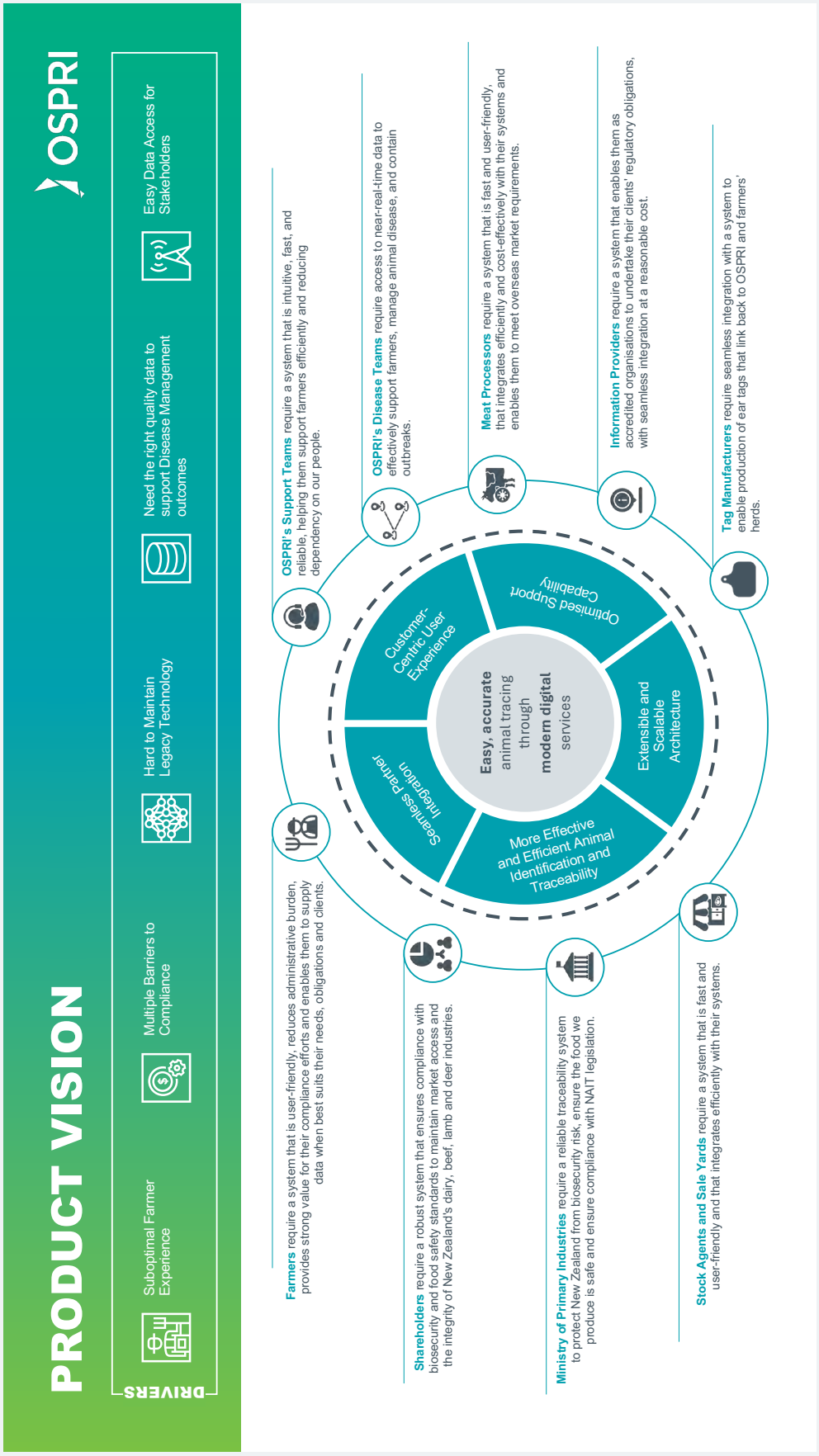
NAIT replacement phases

Phase A confirmed we needed to rebuild rather than patch the existing system. Phase B ensures we have detailed requirements and architecture before selecting a technology partner. Phase C ensures we choose the right partner through a thorough procurement process. In Phase D the system is built and rolled out in stages.

We are sharing regular updates with our funders and stakeholders to keep them informed of progress.

Figure 20: Phases and key tasks of the NAIT information system replacement project

Figure 21: The replacement NAIT system has a clear vision supported by five key objectives



3-year traceability and NAIT funding strategy

During FY2025 we have:

- completed public consultation on the NAIT scheme – 316 submissions received and analysed to feed into the new NAIT scheme strategy
- developed, with funders and stakeholders, the new NAIT scheme strategy – this will form the strategic case section of the Triennial Business Case
- commenced development of the Triennial Business Case, which will describe how funding during 2025-2026 – 2027-2028 will be invested in the NAIT scheme
- agreed with funders the 2025-2026 NAIT National Operations Plan
- started development of the FY2026-2027 and FY2027-2028 work programmes, ready for prioritisation and funding discussions.

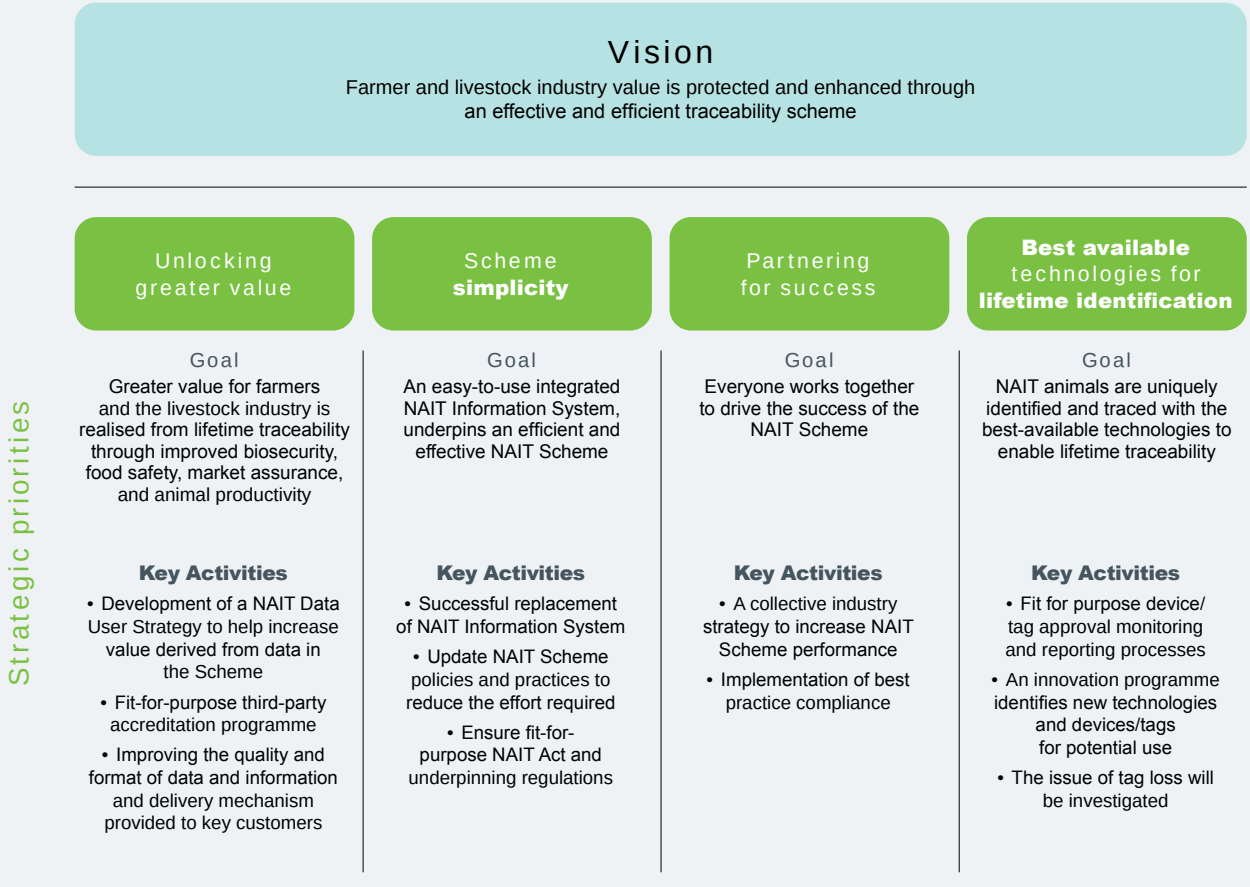


Figure 22: NAIT scheme strategy agreed with funders

Objective

3

Deliver greater efficiency and value for our funders

Our focus

- Deliver new strategic plan
- Reduce the cost of doing business and increase efficiency of spends
- Implement project and portfolio management system
- Grow stakeholder engagement and partnerships

30 June 2025 targets	
Achieve a stakeholder satisfaction score of 80% (80% of surveyed stakeholders express satisfaction with OSPRI's level of engagement as measured through a stakeholder survey in June 2025).	**NOT ACHIEVED** 70% of responses to an online survey rated OSPRI as 6 or higher on a satisfaction scale of 1 (not very satisfied) to 10 (very satisfied) in relation to OSPRI's engagement with its stakeholders.
Work with shareholders and funders to develop a new Strategic Plan.	**ACHIEVED** The 2025-2028 OSPRI Strategic Plan was developed with funders and stakeholders and approved by the Board in May 2025.

New Strategic Plan

OSPRI's capability strengths (people, technology, networks, partnerships, systems, and data) make the organisation a critical part of New Zealand's biosecurity framework.

Our new strategic plan sets a path for the group's success, with the next three years expected to be a time of significant change and challenge for OSPRI and the programmes it manages.

We worked with our people, shareholders, funders and a wide range of stakeholders to develop the new strategy, ensuring that it encompasses an accurate reflection of current state and OSPRI's desired future.

Our plan's four strategic priorities are:

Strategic Priority 1	Strategic Priority 2	Strategic Priority 3	Strategic Priority 4
			
Delivering disease eradication	**Consistently** improving **traceability and** assurance	Capable **and ready to** respond	Continuous improvement for operational excellence

The strategy identifies four critical enablers to help OSPRI address these priorities, which are to:

- operate with engaged and capable people
- maximise the value of investment
- maintain and develop excellent stakeholder partnerships
- ensure our technology and data management is fit for purpose.

As part of the strategy development, we also updated OSPRI values

Delivering efficiency and value

We have embarked on a programme to identify cost savings in the technology space including our platform costs and managed services contract. Savings across our leased space are also in progress.

Research and development

Through our R&D programme objectives we seek to develop and implement new tools and processes for cost-effective:

- possum control
- disease surveillance (wildlife and livestock)
- eradication methodology
- efficient and accurate traceability
- disease diagnostics.

New research strategy in FY2025

Principles

- Use research to explore opportunities and provide sound scientific justification for maintaining or making changes to methods and processes to achieve our specific objectives as a management agency.
- Valuable research will provide more efficient, effective, supported, and potentially better accepted implementation of our respective programmes.
- Outcomes may also provide wider value to other organisations or programmes operating in the biosecurity and biodiversity spaces; Department of Conservation, Predator Free 2050, regional councils, community landowner groups, iwi, farmers or farm representative groups.

Priorities

- Current challenges and issues that pose a high risk to OSPRI's programmes.
- Opportunities that could deliver direct value to OSPRI's programmes.
- Opportunities that could deliver immediate or near-term efficiencies for the programmes.

Themes

- For TBfree
  - Support and scientific rigour for improvements to the Proof of Freedom process.
  - Investigate landscape-scale ground control tools, techniques and approaches for extensive and difficult access and cover terrain.
  - Disease and population monitoring at a large scale in difficult to access areas and expansive open country.
  - Cost-effective alternatives to aerial 1080 that deliver comparable results (other toxins, genetic based control methods).
  - Alternative diagnostic opportunities.
- For *M. bovis*
  - Network analysis (identifying highly connected farms as well as surveillance coverage) – valuable to all OSPRI programmes.
  - Imported semen usage and traceability (to assist tracing of any new incursions of *Mycoplasma bovis*, or other vertically transmitted diseases, and potentially for targeting future surveillance).

Current Research Projects

Figure 23: Current research projects

Project name	Description	Completion date	Programme
Oxford Nanopore Technology Assessment	Further development of Oxford Nanopore Technology (ONT) methods for timely diagnosis and sequencing *Mycobacterium bovis*.	Research complete – outcomes to be assessed by OSPRI Research Advisory Group (RAG)	
Scenario tree model (STM) for Risk-Based Testing (RBT)	A model is being created to help inform policy decisions regarding livestock diagnostics and frequency of testing. Providing the basis for ongoing refinement of our risk-based testing (RBT) policy. Additionally, the tool could later be used to provide confidence New Zealand is free of bovine TB in livestock.	30 December 2025	
Calibrating remote lures and cameras	To trial new technology aimed at improving the accuracy and cost effectiveness of possum density monitoring utilising AI enabled cameras transmitting data across remote IoT networks. Due to challenges in remote connectivity and performance of devices, this project transitioned to utilise the existing infrastructure to determine the home range (sigma) and detection probability (G0) of possums using trail cameras detection.	Research complete – outcomes to be assessed by RAG	
Recoding the Spatial Possum-TB Model (SPM)	This project aims to modernise the computer coding and enhance the user interface. Additional functionality will be added to allow more granular simulations of control, using OSPRI's actual control data, and increase simulation speeds. This project will help inform our disease managers about the likelihood of disease eradication in the final POF stage.	30 June 2025 – Model has been delivered and with OSPRI to test. Additional work being undertaken on improving the estimates of possum populations throughout New Zealand	
Granuloma[3] Study	A granuloma study to understand why NZ has such a large number of granulomas and identify what they are is proposed. A multiplex tool, developed by Thermo Fisher, plus PCR can identify 5 different diseases, including TB and will be used to progress the study. The study has support from MPI.	Data analysis complete – paper to be published and outcomes to be assessed by RAG	
Enferplex Bulk Tank Milk (BTM)	This project is to trial a new diagnostic test (Enferplex) for bovine TB that utilises bulk tank milk (BTM) samples. If the test proves to be successful in the NZ context, then it has the potential to significantly reduce the number of dairy herds required to complete on-farm testing in low risk-areas of NZ.	30 December 2025	

3 A lesion that forms in response to infection with bacteria.

Key

OSPRI | TBfree OSPRI | NAIT OSPRI | MBfree

Project name	Description	Completion date	Programme
Network analysis	Creation of a “graph-theory” model of herd movement data to inform sampling priorities.	TBC – project is at RFP stage	
High-intensity possum density assessments using thermal imaging drones	A pilot study in Central Otago to test an innovative solution using thermal imaging drones to undertake possum density assessment in parallel with our BAU methods for undertaking possum population modelling.	TBC – project is at RFP stage	
Usage profile and potential traceability of imported bovine semen	As imported semen was the most likely introduction pathway for *Mycoplasma bovis* into NZ, understanding how it is used and by whom can assist with targeted surveillance and developing tracing capability should this be required for rapid response to an incursion. This is a component of the Post Eradication surveillance Plan research priority for *Mycoplasma bovis*.	TBC	

Key

OSPRI | TBfree OSPRI | NAIT OSPRI | MBfree

Implement project and **portfolio management system**

Following the findings of the technology review completed in the first half of 2024, we have:

- improved project governance
- implemented new Board committee focused on technology
- stood up new steering committee
- greater discipline around project sponsorship, project management and reporting standards
- recruited a PMO Manager.

Trial to screen milk for TB

Johnes, BVD, *Mycoplasma bovis* can all be detected in milk. So how about TB?

The dairy sector has seen advances in disease management, as well as the benefits to the farm team and the cows, by testing through milk – rather than testing the cow.

Now a trial to find out if it is possible to accurately detect bovine TB infection in bulk tank milk is underway. Known as the Enferplex test, it's been developed to screen for TB in milk in Ireland.

If successful, the TBfree programme's herd surveillance strategy can be improved with national coverage of all of the dairy cows every year. The BTM screening tool could also narrow down the on-farm testing to where the disease risk is shown through the results of the milk test. The trial will provide the data needed to confirm if the test is effective in New Zealand conditions and could reduce the need for the skin test on dairy farms.

BTM samples are being collected and tested from every dairy herd in New Zealand. Any positive 'detects' (similar to the skin test positive result) will be followed up with on-farm testing and, as it is a trial, another group of dairy farms with negative results will also have follow up on-farm TB tests.

Just like the skin test, it is possible that when screening herds for TB, individual animals can present 'as if' infected – for a variety of reasons. So, we do expect a proportion of false positives (there is no disease) to be cleared up through further standard (skin and blood) TB testing at the farm.

It's an exciting project that could have a major impact on TB testing in years to come, and we look forward to sharing the findings.

Stakeholder engagement and partnerships

OSPRI farmer committees

On the road with Sam: Visiting OSPRI committees

Our CE Sam McIvor has been busy this year attending as many meetings as he could get to during each round of OSPRI committee meetings.

These groups of farmers and rural professionals collectively play an important role in supporting OSPRI's reach and provide a range of perspectives as we consider our activities and direction.

Sam values the members taking time out from the farm and enjoys their passion for the sector and interest in our work.

"It has been great to meet the people, some with long-lived experience in our programmes. They are hugely knowledgeable, with a deep understanding of the issues, their communities, and are absolutely committed to OSPRI's success."

Our committees first took the form of Regional Animal Health Committees (RAHCs) in the mid-1990s, working with rural communities to tackle large numbers of TB-infected herds. While the number of infected herds has decreased significantly over the years, the committees have remained in place, widening their support to OSPRI's other programmes.

"I see the committees being very valuable as a sounding board, providing eyes and ears in the community", says Sam.

"They are a conduit for information both from and to farmers and other stakeholders and provide a real on-the-ground understanding of both the risks and opportunities that OSPRI's programmes face at a regional level".

OSPRI has 12 committees across the country, from the Upper North Island to Southland. The Chairs of each committee are also members of OSPRI's Stakeholder Forum, adding more farmer perspectives in six-monthly meetings with the Board.

Stakeholder Forum

This new body, put in place through changes made in October 2024 to the OSPRI Constitution, is an extended version of the previous Stakeholders' Council. The twelve Chairs of the OSPRI farmer Committees are new members, with Katrina Simpson, Chair of the West Coast OSPRI Committee, taking on the role of Forum Chair in 2025.

Board directors, who also attend regional Committee meetings, see this body as another way of keeping in touch with the thinking of our key stakeholders on the progress of our programmes. With two meetings per year prescribed in the constitution, the meeting in March 2025 was a chance for the Forum and Board to workshop and discuss:

- The draft Strategic Plan
- The NAIT scheme strategy vision, purpose and benefits
- 2025 priorities
- NAIT information system replacement
- In-house TB testing transition
- TB Plan review.

"I see the committees being very valuable as a sounding board, providing eyes and ears in the community."

Partnerships

The OSPRI partnership approach was established in 2022 when several pest control operations critical to the TBfree programme's success were unable to proceed. The original model took large geographical areas and contracted the delivery of the pest control to one external contractor. When Māori Trust land blocks within the area were opposed to external contractors or toxin pest control it created gaps in control, and we needed to work with landowners to develop a solution that benefited both parties.

The partnership model saw early success and a result of our regular connection with Māori landowners was a supplier diversity strategy. Four Māori owned businesses have been on-boarded to deliver ground-based pest control and wildlife surveys in blocks that have previously had no control in them. These contracts are filling in gaps in control which is essential for the TBfree strategy.

Much of the core of the Central North Island has not yet been scheduled for control but work to deliver partnerships with the internal blocks is happening now to provide confidence in the delivery of the control when it is scheduled in the eradication plan.

Ngāti Pahauwera MOU

Recently OSPRI signed a new Memorandum of Understanding (MOU) with Ngāti Pahauwera in the interests of both TB eradication and biodiversity. Since 2016, this long-standing partnership has enabled the Ngāti Pahauwera Development Trust to deliver pest control in Mohaka Forest on our behalf.

The MOU is a great example of working together for mutual benefit. While OSPRI's goal is removal of TB in wildlife, by reducing possums (the wildlife spreader of TB), iwi works to protect the forest, and native taonga. Trust CEO Robin Hape talks with pride about the increase in bird song over the last decade.

Objective

4

Future proof **technology capability**

Our focus

- Secure existing technology infrastructure – stabilisation of technology stack complete
- Build technology roadmap – work in progress; enterprise architecture principles approved, enterprise data strategy in progress
- Build team to facilitate desired future state for OSPRI technology – complete December 2024
- Complete data strategy – developed; work in progress to respond to external audit recommendations
- Integration of processes, people and technology – including update of eASD, technology for TB testing team, new mobile app for vector operations, satellite services, new HR technology support

Technology work in FY2025

Figure 24: The technology solutions team work programme during FY2025

Objective

5

Engaged, productive and safe people

Our focus

- Establish OSPRI's values
- Implement engagement measurement and improvement programme
- Review and improve performance and development programme
- Maintain our strong culture of health, safety and wellbeing in the workplace

30 June 2025 targets

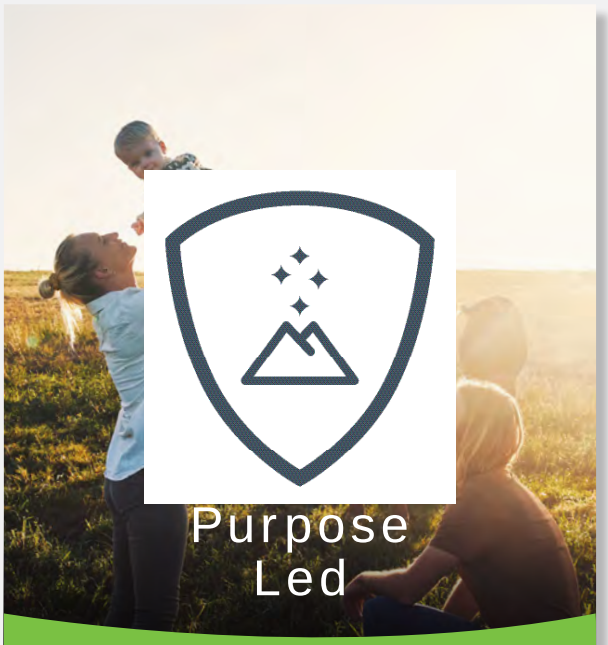
OSPRI has over 70% of people in the Growth contributor quadrants of our Talent Matrix.	**NOT ACHIEVED** 48% The Growth contributor quadrants include categories where performers increase the potential of moving an organisation forward. We have a high % of valued specialists who do not come within the Growth definition. They are however recognised as high performers, and their specialist capability is important for an organisation such as OSPRI. We also had a high % of new to role during FY25, many of whom are likely to progress to Growth quadrants after their initial six months.
Maintain OSPRI's internal aggregated Health, Safety and Wellbeing score of 9.	**ACHIEVED** The aggregated score remained at 9 at the end of Q4.

OSPRI's values

To develop our values, we held workshops with 40 people across the business to identify the things that make OSPRI special and took the feedback to the Executive Leadership Team who agreed the final set.

After a soft launch at the end of FY2025, we now need to embed and live the values, so they are successful and become core to OSPRI. Our values will be owned by all of OSPRI, with each business area developing their own plan to integrate OSPRI values into how their work is delivered and how the team culture is experienced.

Values will first be introduced to people through our recruitment processes and job descriptions, induction and O(rientation)-week, Grow@OSPRI (objective setting and performance discussions), learning and development, and policies and processes.



Purpose Led

The work we do is critical for our livestock industries and New Zealand. Grounded in science, guided by evidence, we think critically, act with intent and strive for excellence.

Powered by People

We hire great people and back them to do exceptional work. We keep our teams safe and well, creating the conditions for everyone to succeed — in the field, on farm, or in the office.

Stronger Together

We work as One OSPRI — across our teams, industry, and partners. We build trust through collaboration and achieve more by working together.

We Deliver

We're focused on delivering impact – We think ahead, adapt quickly, and learn as we go. We plan, stay ready for change, and prepare confidently for tomorrow's challenges and opportunities.

Figure 25: OSPRI values, developed in FY2025

People and Culture's work in FY25

Recruitment

- All roles recruited in-house (with the exception of 8 specialist roles sourced through recruitment agencies).
- A total of 46 roles recruited for the transition of the TB testing programme to OSPRI on 1 July 2025 (29 permanent roles and 17 seasonal fixed term roles). Recruitment redesign to enhance how we attract and onboard new hires at OSPRI – mapped and reviewed all touchpoints of the candidate experience from their initial application to their first day at OSPRI with the aim of improving the overall experience.

HR Information **System**

- Leading the project to select an HRIS provider – requirements for RFP process, response evaluation, selection and contracting.
- Start of implementation with launch expected in October 2025.

Grow programme update

- New Grow framework and template is being designed based on feedback (Grow is OSPRI's performance management programme).

Learning and Development

- Facilitation of Clifton Strengths sessions with multiple teams.
- 2024 Kahikatea cohort concluded their six-month programme in October 2024 with their presentation to the Executive Leadership Team.
- Remodel of our online learning system, ELMO.
- Two O-weeks have been held, our two-day induction programme for new starters.

Engagement **survey**

- Selection of survey provider and work leading to go live of engagement survey in May 2025.
- 92% participation rate with a 58% engagement rating.
- Reporting back to business on survey results.
- Analysis of feedback and action development.

Structure

- Assistance with two consultations – Support Centre and Technology solutions team – including associated recruitment.

OSPRI people in 2025

These numbers are at 30 June 2025, before the majority of TB testing technicians joined on 1 July 2025. The numbers also reflect the 2024 Board decision to use an external supplier for development of the NAIT information system replacement, and the subsequent restructure of the Technology Solutions team.

158.7 **full time equivalents** ↑ LY 139.8	**161** **permanent employees** ↑ LY 143	**4** **average years of tenure** ↑ LY 3.5 years
3 **fixed term employees** ↓ LY 6	**14** **contractors** ↓ LY 37	**8%** **attrition rate for permanent (full time and part time) employees only**

Figure 26: OSPRI people by type and comparison to June 2024

Health, Safety and Wellbeing

Health and safety trends

OSPRI is committed to ensuring we have health, safety and wellbeing systems in place that manage risk, and keep our people and contractors safe.

The Board receives monthly reports on lead and lag indicators including incident trends. In FY2025, our serious incident and all injuries (all types including first aid and lost time injuries) numbers were low. The incident line includes close calls and postponement of work, and its higher number indicates a commitment to reporting.

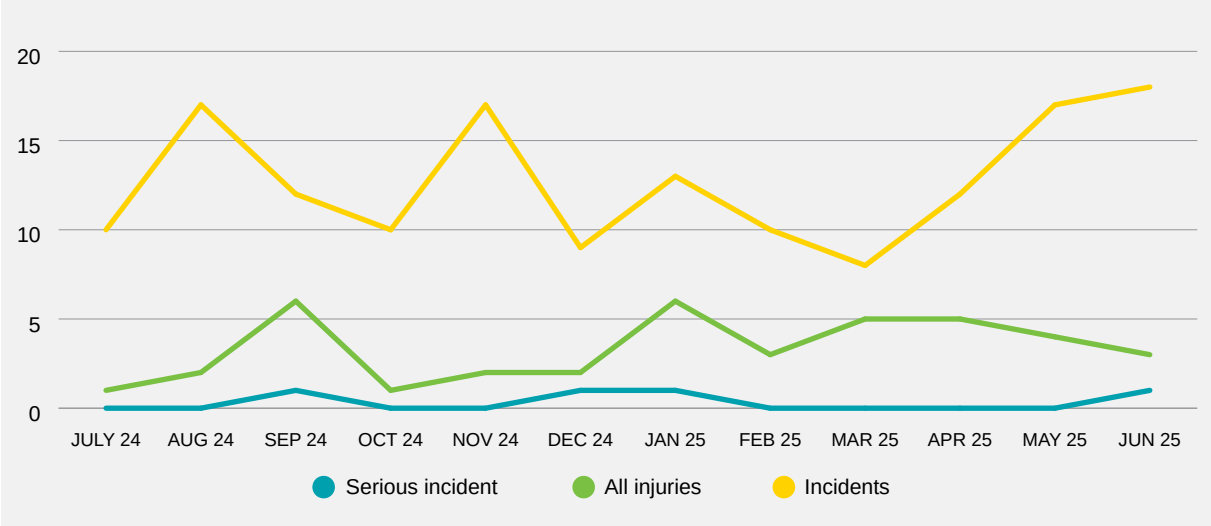


Figure 27: Incident trends during FY2025

Health and safety for TB testing

A major piece of work in FY25 was the development and implementation of the health and safety plan for TB testing. This included:

- consultation with AsureQuality technicians on testing procedures, on-farm visits, risk assessments and feedback throughout its development
- risk assessment of standard operating procedures for testing and identification of controls
- development of safety plans for testing cattle and deer and associated procedures and forms
- development of induction and training material and delivery of tools, equipment, and resources for safe working practices
- input to decisions on vehicles and safety features, out of office equipment, personal protective equipment, on-farm safety recording, accreditation and training, and standard operating procedures
- communications to new OSPRI people and farmers on requirements for safe farm facilities.

Prior to commencing testing in July, the plan has been independently evaluated through the Audit and Risk Committee's internal assurance programme, to obtain assurance of OSPRI's readiness to identify, control and oversee health and safety risks related to on-farm TB testing.

The review commended OSPRI's use of a transformational change model, noting the eight-month project included health and safety considerations throughout.

Recommendations include building on the positive transition to ensure safety culture is sustained, and a focus on driving, which is one of the highest risks for technicians, given they work alone and may have early starts, long hours and travel long distance, all of which are factors that can lead to fatigue.

Health, Safety and Wellbeing scorecard

At 30 June 2025 OSPRI's aggregated health, safety and wellbeing score was 9.

This scorecard is an internal measure of seven objectives including lead indicators, compliance performance targets and wellbeing measures.

The aggregated score indicates:

- strong safety culture through regular safety conversations and leadership tours
- a low number of employees with over 20 days of leave indicating a healthy work-life balance
- investigations are generally completed promptly by both OSPRI and contractors
- field checks are consistently executed by contractors, reflecting strong operational discipline.

CATEGORY	ASSESSMENT CRITERIA	ASSESSMENT	SCORE
Management safety conversations / observations as a % of target	L over 75% M between 50-75% H under 50%	L 82% of target	1
Outstanding annual leave balances (% of people in excess of 20 days)	L up to 5% of people with leave over 20 days M between 5-10% over 20 days H greater than 10% over 20 days	L 3.7%	1
Regrettable turnover Total number of employee resignations where leaver is identified by Talent Matrix Growth quadrants (Top Talent, High Impact Professional, Rising Star) divided by average number of employees	L under 6% M between 6-12% H over 12%	L 0.5%	1
Training completed Total number of employees trained divided by total amount of training required	L greater than 75% M between 50-75% H under 50%	M 59%	2
Number of overdue investigations	L under 5 M between 6-15 H greater than 15	L 5 outstanding	1
Number of overdue actions	L under 10 M between 10-19 H greater than 19	M 19 outstanding	2
% of overdue field audits	L less than 20% M between 21-50% H between 51-89%	L all regions under 20%	1
Aggregated score (target is 9)			**9**

Figure 28: OSPRI's health, safety and wellbeing integrated score card at 30 June 2025

Detailed disease management statistics for the TBfree and *M. bovis* programmes

Delivery of the TBfree programme

TBfree New Zealand Limited, a wholly owned subsidiary of OSPRI NZ Limited, is the management agency for the National Pest Management Plan for Bovine Tuberculosis (*Mycobacterium bovis*) pursuant to section 100 of the Biosecurity Act 1993 and clause 6 of the Biosecurity (National Bovine Tuberculosis Pest Management Plan) Order 1998.

The objectives of the TBfree programme are:

- Eradication of bovine TB from New Zealand by 2055 with milestone objectives of:
  - TB freedom in cattle and deer by 2026
  - TB freedom in possums by 2040
- Containment of disease in cattle and deer to a national infected herd period prevalence of no more than 0.2% until such time as bovine TB is eradicated.

Components of the TBfree programme

To meet the objectives of the TBfree programme OSPRI delivers an integrated range of services:

- livestock disease management, which includes TB testing and diagnostics, disease surveillance through carcass inspection at slaughter premises, case management, and controls on livestock movement
- wildlife pest management operations through a possum control programme in Vector Risk Areas and wildlife surveillance to determine the presence of TB in possums or other wildlife
- an annual review of areas across New Zealand where there is a risk of transmission of TB from wildlife vectors to obtain an estimate of the probability that the possum population is free of TB
- a research and development programme to support the control and eradication of TB in wildlife and livestock
- support for farmers while eradicating within-herd infection
- local farmer-led committees which communicate the TBfree programme, activities, and operations to farmers
- a range of further communications and extension activity to farmers, stakeholders, and other affected parties.

How we find TB in livestock

Under the TBfree programme, New Zealand is divided into Disease Control Areas, each having their own frequency requirements for livestock TB testing – see the later section for more detail. The other method used to detect TB in livestock is identifying lesions suspicious of TB as part of routine carcass inspection at slaughter.

An overview of pest operations management

New Zealand is divided into Vector Risk Areas, where local wildlife populations have been or remain infected with TB, and Vector Free Areas, where TB freedom has been achieved or the disease was never suspected to be present.

The plan objective is to eradicate TB from all wild animal populations on land within Vector Risk Areas, and to ensure the continued absence of TB in wildlife in all areas.

Infected herd period prevalence

The annual TB infected herd period prevalence (for cattle and deer combined) at 30 June 2025 was 0.04%.

Period prevalence is derived from the total number of TB infected herds at the start of the year, plus new infected herds identified during the year, divided by the total herds in the country, expressed as a percentage. The annual period prevalence has been less than 0.2% for the last ten financial years; annual period prevalence is one of the standards that the World Organisation for Animal Health requires for official TB freedom.

Recent progress of the TBfree programme

Figure 29: Number of TB infected cattle and deer herds at 30 June

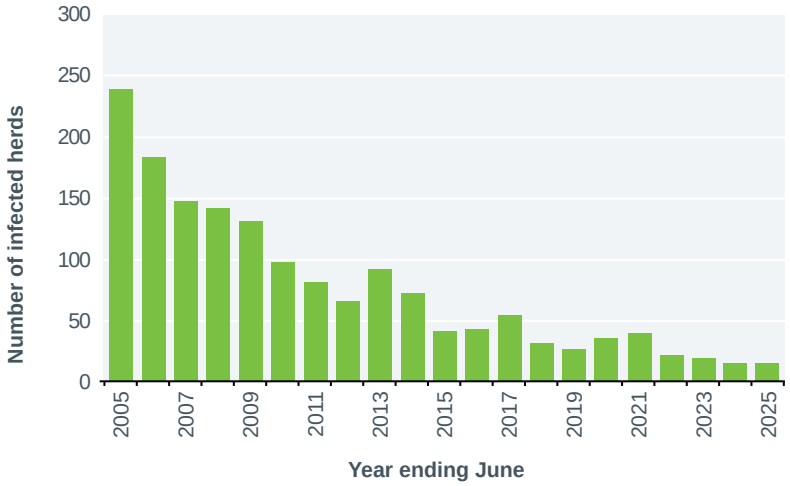


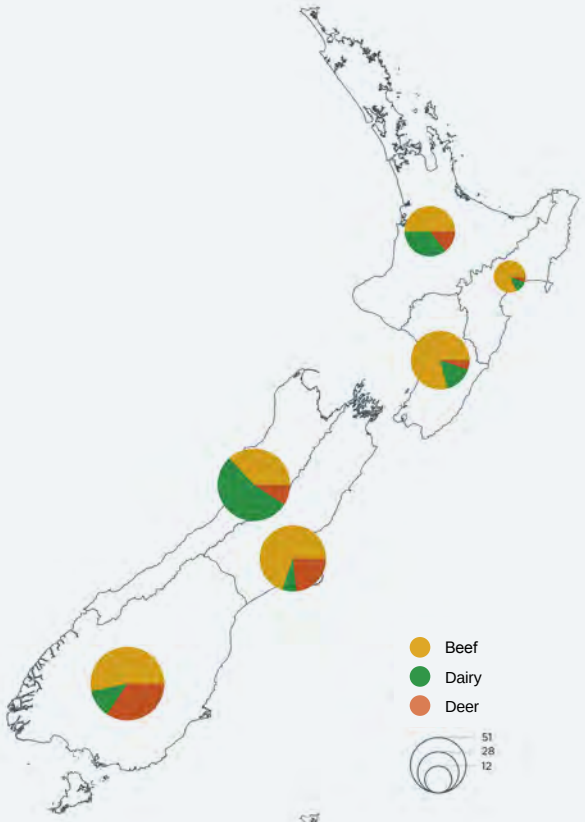
Figure 30: Annual TB infected herd prevalence (cattle and deer)

Figure 31: Disease metrics over three different time periods for cattle and deer herds located in Vector Free Areas (VFA) and Vector Risk Areas (VRA)

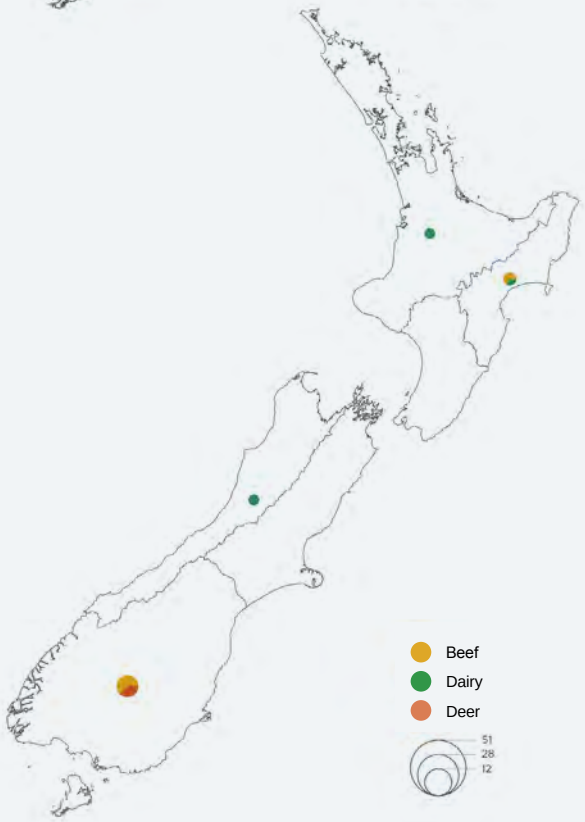
Vector area status	Infected herd period prevalence per cent			Herd breakdown rate per 1000 herds			Infected herd clearance per cent		
Period	**1992/93**	**2002/03**	**2024/25**	**1992/93**	**2002/03**	**2024/25**	**1992/93**	**2002/03**	**2024/25**
VFA	1.3%	0.15%	0.01%	6.8	0.73	0.03	68%	83%	75%
VRA	14.9%	3.8%	0.48%	50.3	13.21	2.19	32%	59%	42%
Total	**3.6%**	**0.91%**	**0.04%**	**13.4**	**3.3**	**0.17**	**42%**	**61%**	**46%**

Infected herd numbers have reduced over time

Map 4: Infected herds 2004



Map 5: Infected herds 2025



Livestock disease management

An effective livestock disease management programme is a key part of OSPRI's TB control and eradication effort and includes:

- disease surveillance through routine on-farm TB testing and post-mortem inspection of cattle and deer at slaughter
- TB diagnosis through approved laboratory testing
- effective case management of infected herds
- restricting the movement of at-risk livestock either at area or herd level.

Our response to a diagnosis of TB

If TB is diagnosed, a Restricted Place Notice under section 130 of the Biosecurity Act 1993 is placed on the herd. This restricts any movement of stock from the herd (except to slaughter) without a permit, limiting any spread of the disease.

The infected herd is case managed by an OSPRI team. The case management process involves tracing any livestock movements into and out of the herd prior to diagnosis. Any livestock identified as having moved out of the herd will be TB tested in their destination herd.

OSPRI uses both livestock movement information and DNA analysis of the TB organism to help determine whether TB has been introduced by livestock movement, or by contact with wildlife, or was potentially residual within the herd.

An important aspect of case management is working with the farmer to understand the cause of the disease and supporting the farmer to manage their herd through to TB freedom as quickly as possible. A herd cannot be declared free of TB until it has had at least two clear whole herd tests at a minimum of six months apart.

A key part of OSPRI's TB Plan is the restriction of livestock movement from infected herds and from designated Movement Control Areas where the TB risk from wildlife is considered high.

TB infected cattle herds

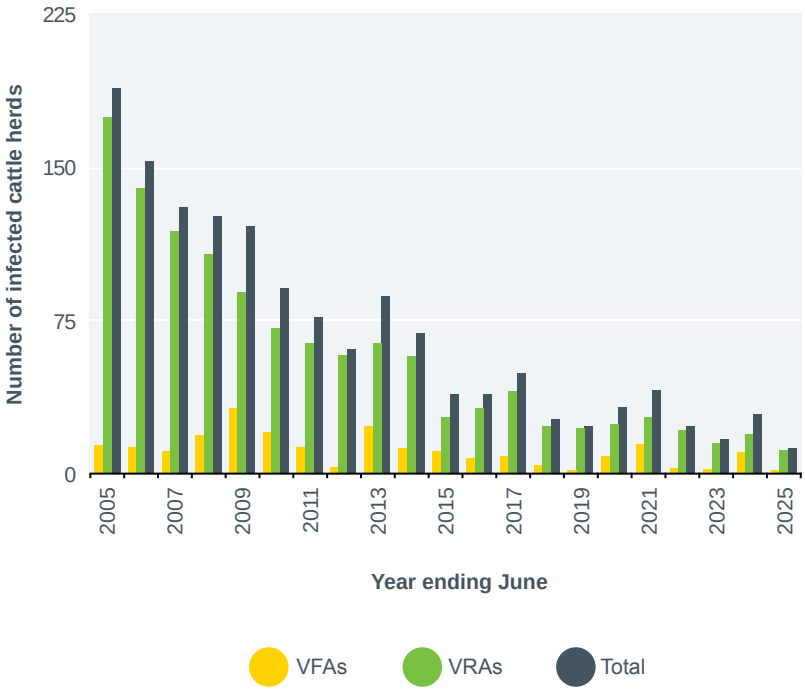
At 30 June 2025 there were 12 TB infected cattle herds (0.016% of total cattle herds), the same number of TB infected herds as at 30 June 2024 (12).

Of the 12 TB infected cattle herds at 30 June 2025:

- 58% (7) were beef long term grazing, meat production or beef breeding herds; 42% (5) were dairy production herds
- 25% were herds in the Hawke's Bay response area (3)
- 42% were in the North Island (last year 75%); 58% were in the South Island (last year 25%).

Figure 32 shows the change in TB infected cattle herd numbers since June 2004 by vector area status (VFA – Vector Free Area; VRA – Vector Risk Area). At the end of FY2025, there was one infected cattle herd in VFA and eleven in VRA.

Figure 32: Number of TB infected cattle herds at 30 June 2025



The cattle herd breakdown rate per 1,000 herds (new infected herds divided by total herds x 1,000) for 2024–2025 was 0.17, and the cattle herd clearance rate was 46%. These rates compare with a herd breakdown rate of 0.16 per 1,000 herds, and a clearance rate of 59% in 2023-2024.

During the year there were 29 existing and newly infected status herds, 4 less than in 2023–2024. In total, 31 cattle had confirmed TB test results during 2024-2025. This compares with a total of 34 tuberculous animals in the 2023–2024 year.

The sources of TB infection for existing and newly TB infected cattle herds this year are summarised by area status (VRA – Vector Risk Area; VFA – Vector Free Area) in Figure 33.

Figure 33: Sources of TB infection for cattle herds in the 12 months to 30 June 2024

	Cattle introduced from known infected herds	Contact with a neighbouring herd	Cattle introduced from clear herds	Residual herd infection	Contact with infected wild animal	Source yet to be determined
Newly infected herds in VFA	1		1			
Newly infected herds in VRA	2				2	8
Existing infected herds			2	1	12	
All infected cattle herds	**3**		**3**	**1**	**14**	**8**

Cattle testing and reactors

Cattle testing data is summarised in Figure 34, which compares the number of TB tests carried out on cattle and the number of reactors to tests, for five years from 2020–2025.

In the year to 30 June 2025, approximately 1.1 million cattle were tested using the intradermal caudal-fold tuberculin test (primary skin test). This is approximately 535,000 less than the number of cattle tested in the previous year.

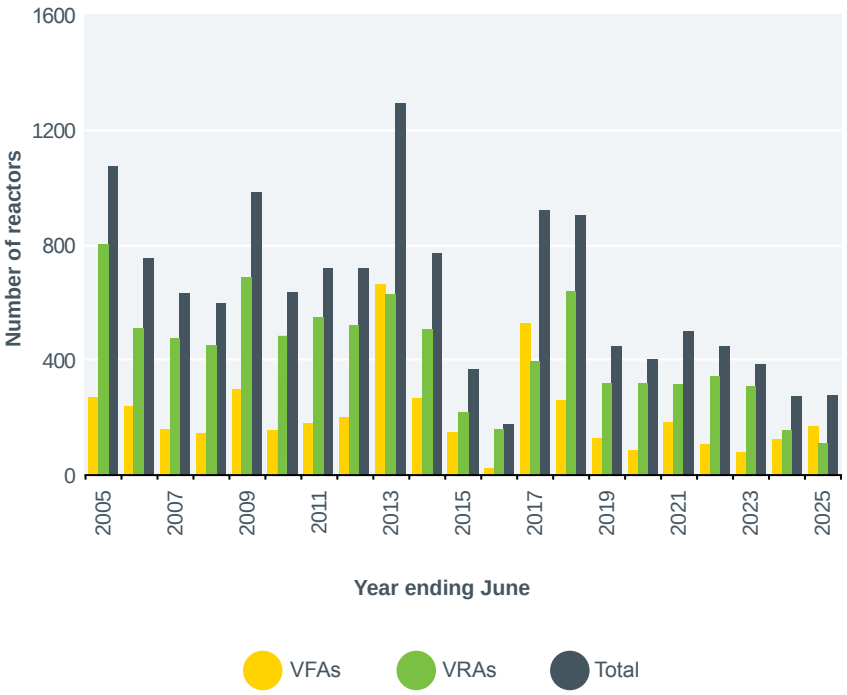
Serial ancillary (blood) tests were carried out on 1,686 cattle which had a positive reaction to the primary skin test. In addition, ancillary parallel gamma interferon blood tests were performed on 7,890 cattle that tested negative to the primary skin test for TB.

Figure 34: Cattle TB test results for 2020-2021 to 2024-2025

Cattle testing	2020/21	2021/22	2022/23	2023/24	2024/25
Primary tuberculin tests on cattle	2,736,154	2,158,569	2,051,263	1,660,970	1,126,095
Primary test-positive cattle ancillary serial tested	3,536	3,402	2,875	1,968	1,686
Ancillary parallel tests on cattle	12,452	12,104	8,725	7,143	7,890
Total cattle reactors slaughtered	506	450	367	275	279
Total positive TB cattle reactors	62	73	83	34	31

Changes in Disease Control Areas each year change test requirements to target the surveillance programme where the most disease risk resides.

Figure 35 shows the trend in cattle reactors from 2004–2005 to 2024–2025 by area status (VRA – Vector Risk Area; VFA – Vector Free Area)



Tuberculous cattle

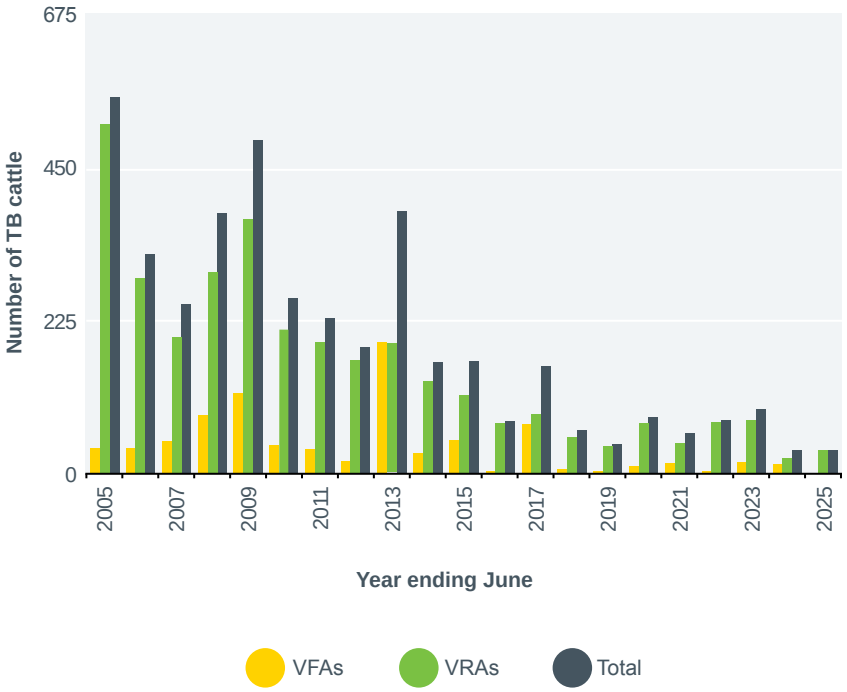
The number of tuberculous (confirmed infected with TB) cattle includes the total number of cattle (both TB test reactors and cattle found during routine slaughter) with gross TB-like lesions or otherwise identified as infected following Polymerase Chain Reaction assay or culture of *Mycobacterium bovis* from tissues.

During 2024–2025, 27 (9.7%) of the 279 reactors slaughtered showed visible TB lesions or had lesions sampled that were confirmed as being infected with *Mycobacterium bovis*.

Bovine tuberculosis was also identified in four cattle during routine slaughter (0.15 per 100,000 cattle slaughtered, based on 2.7 million cattle slaughtered in 2024–2025).

Figure 36 illustrates the long-term trend for TB found in cattle from 2004–2005 to 2024–2025 by area status (VRA – Vector Risk Area; VFA – Vector Free Area) and shows the overall decline in the number of TB cattle, despite variable spikes in 2008–2009, 2012–2013, and 2017-2018.

Figure 36: Number of tuberculous cattle

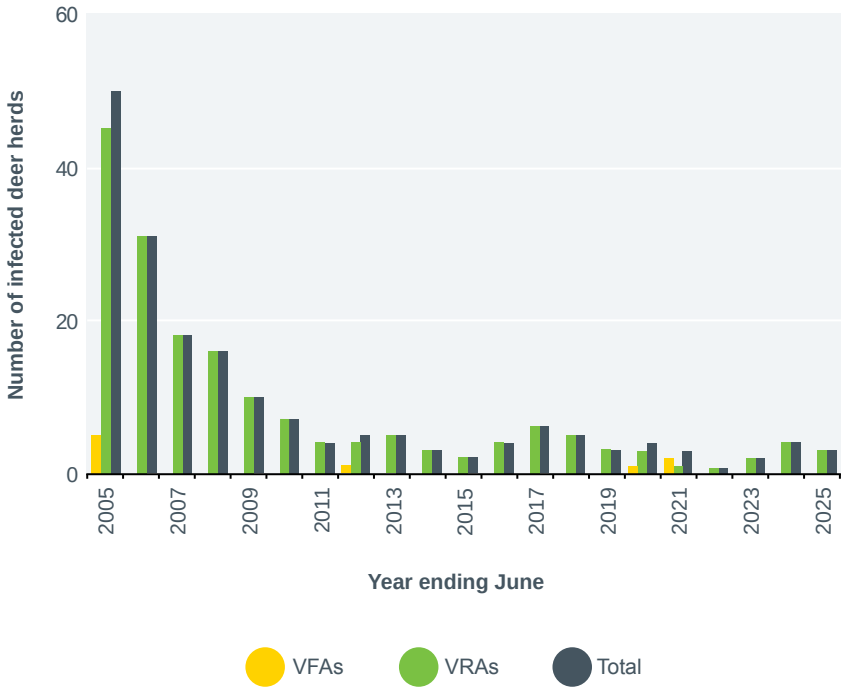


TB infected deer herds

At 30 June 2025, there were three TB infected deer herds (0.16% of total deer herds), the same number of TB infected herds at 30 June 2024 (three). Figure 37 shows the change in the number of infected deer herds between June 2005 and June 2025 by area status (VRA – Vector Risk Area; VFA – Vector Free Area).

The deer herd breakdown rate per 1,000 herds (new infected herds divided by total herds x 1,000) for 2024-2024 was 0, and the deer herd clearance rate was 0%. During the year there were three existing and newly TB infected status deer herds, one less than the 2023–2024 year.

Figure 37: Number of infected deer herds at 30 June 2024



Deer testing and reactors

Deer testing data is summarised in Figure 38, which compares the number of TB tests performed and the number of reactors to tests for five years from 2020–2025. In the year to 30 June 2025, 81,046 primary mid- cervical intradermal tuberculin tests (skin tests) were performed on deer compared to 100,027 in the previous year.

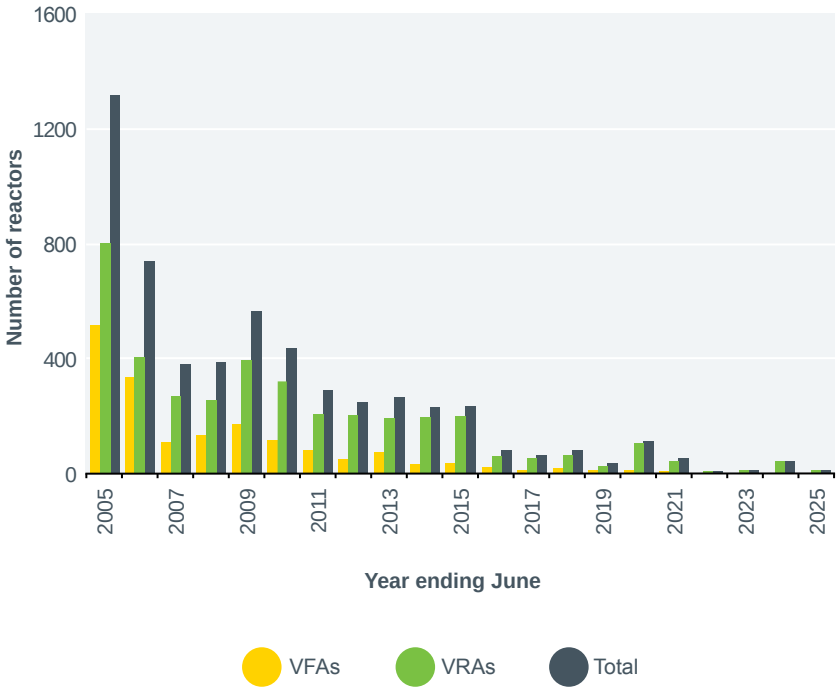
Serial ancillary (blood) tests were carried out on 217 deer positive to the primary skin test compared with 199 ancillary parallel tests performed on deer in 2023–2024. As a result of these tests 9 deer were declared as reactors and were slaughtered. On slaughter, 0 animals with TB lesions were found.

Figure 38: Deer TB test results for 2020-2021 to 2024-2025

Deer testing	2020/21	2021/22	2022/23	2023/24	2024/25
Primary tuberculin tests on deer	146,666	137,550	110,895	100,027	81,046
Primary test-positive deer ancillary serial tested	1,005	459	333	199	217
Ancillary parallel test-positive deer	0	0	0	0	0
Total deer reactors slaughtered	56	10	11	39	9
Total positive TB deer reactors	2	0	4	23	0

Figure 39 shows the trend in deer reactors from 2004–2005 to 2024–2025 by area status (VRA – Vector Risk Area; VFA – Vector Free Area). Nine reactors during the year were all in VRA.

Figure 39: Number of deer reactors



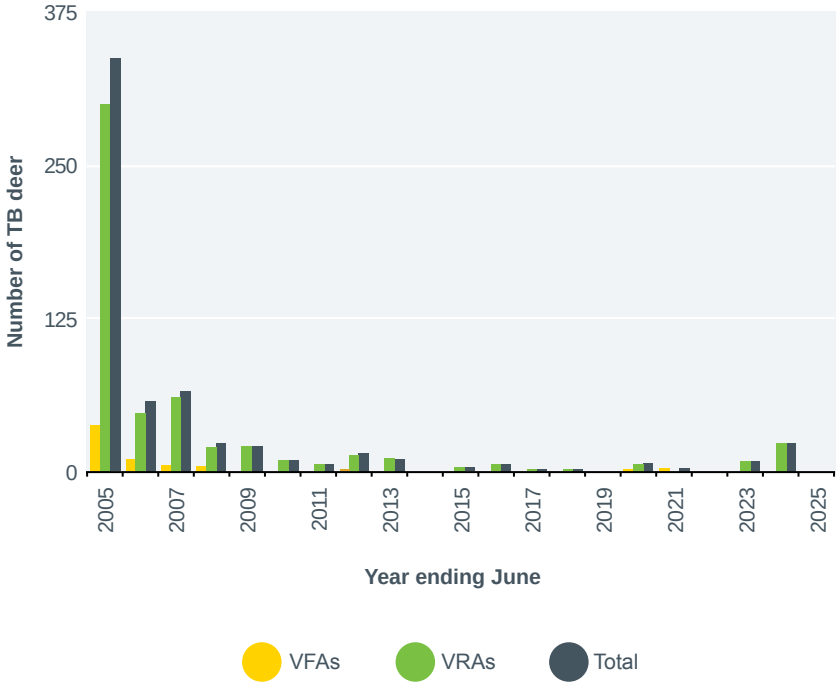
Tuberculous deer

The number of tuberculous deer includes the total number of deer (including reactors and deer found during routine slaughter) with gross TB-like lesions or otherwise identified as infected following Polymerase Chain Reaction assay or culture of *Mycobacterium bovis* from tissues.

Bovine tuberculosis was not identified in any deer during routine slaughter.

During 2024–2025, there were no new deer confirmed to be infected. Figure 40 shows the trend in the number of tuberculous deer between 2004–2005 to 2024–2025 by area status (VRA – Vector Risk Area; VFA – Vector Free Area).

Figure 40: Number of tuberculous deer



TB surveillance and monitoring programme

For the TB surveillance programme, areas of New Zealand are categorised into Disease Control Areas, with different types of TB testing regimes based on the risk of infection.

- Movement Control Areas (MCA) are implemented to minimise the risk of TB spread through the uncontrolled movement of infected livestock from areas considered at greatest risk of vector-related infection. All cattle or deer over three months of age that move from, or within, an MCA must have been negative to a pre-movement test within 60 days prior to being moved.
- Special Testing Areas (STA) and Surveillance Areas are defined geographical areas where the frequency of cattle and deer testing is determined by the area's risk, or the need to obtain surveillance data for Proof of Freedom purposes.

As TB is progressively reduced or eradicated in each area, the definition and boundary of each Disease Control Area is reviewed, and testing requirements are amended in accordance with the residual disease risk.

Disease Control Area changes

On 1 February 2025 we expanded the Central North Island Movement Control Area in the east Taupō area by 165,000 hectares, resulting in approximately 200 herds being required to complete pre-movement testing and the age of animals required to be tested decreasing to three months of age. It is expected that the MCA change will result in an additional 75,000 tests being required in this area.

We also made changes to the frequency of testing and age categories for stock to test in the North Island. Areas to the west of Lake Taupō and Mount Ruapehu, plus areas in the central Wairarapa changed from annual testing to biennial. Large areas of the Waikato, Taranaki, Manawatu-Whanganui changed from biennial to surveillance testing. The combined impact of these changes predicts testing reductions will affect approximately 3,000 herds with a reduction of approximately 275,000 tests annually in the affected areas.

In recent years there have been substantial DCA changes in the South Island and it was considered that no changes were appropriate in 2025.

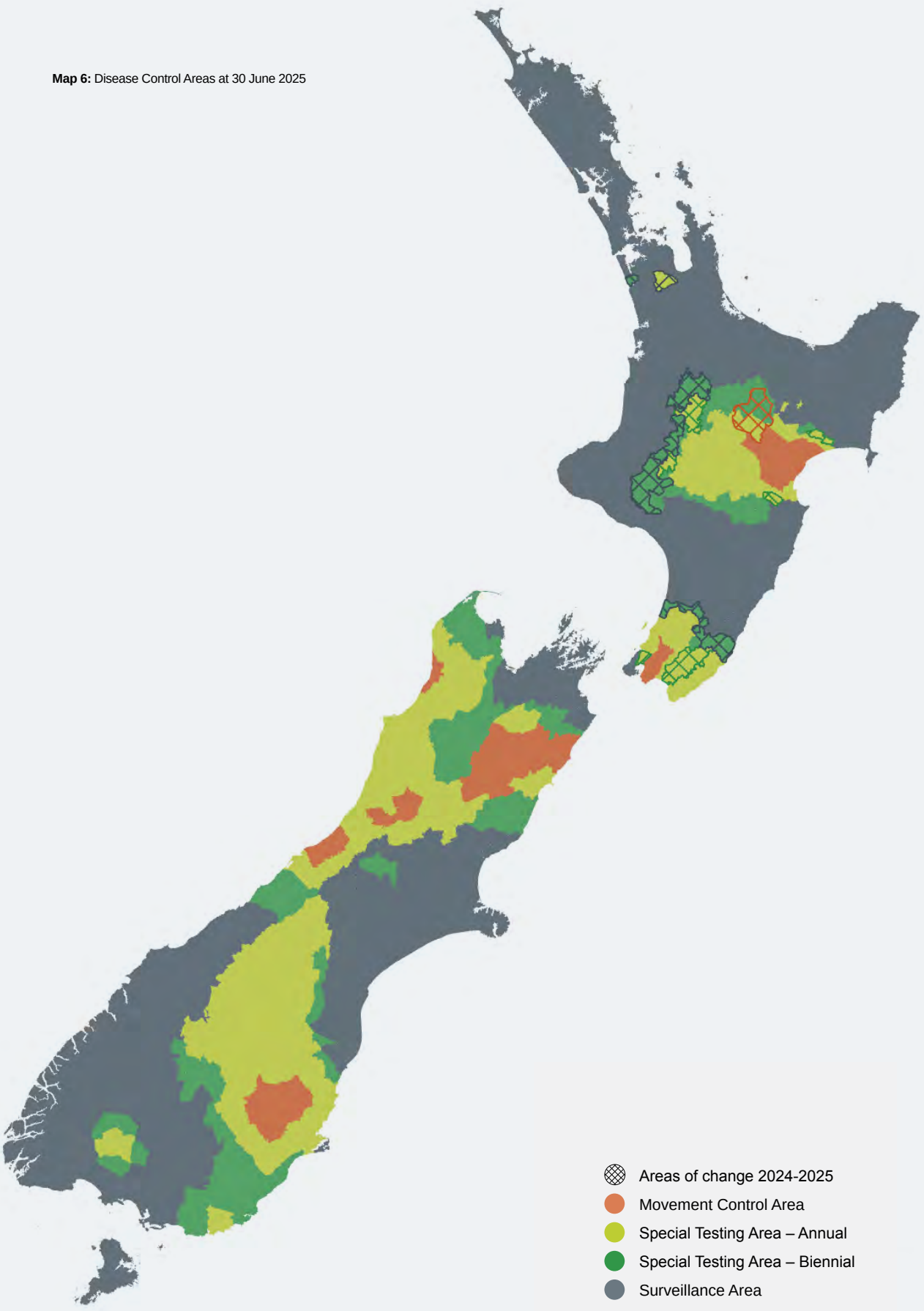
The numbers of cattle and deer herds and infected herds by Disease Control Area type (MCA – Movement Control Area, STA – Special Testing Area) is provided in Figure 41.

The Disease Control Areas Map 6 shows which testing regime an area is under at 30 June 2025 and the changes that were made this year.

Figure 41: Total cattle and deer herds and infected herds by Disease Control Area type

	MCAs	STAs (annual and biennial)	Surveillance Areas	Unidentified	New Zealand
Total herds at June 2025	1,391	10,379	56,587	8,018	76,375
Cattle and deer infected herds during 2024–2025	17	7	3	1	28

Map 6: Disease Control Areas at 30 June 2025



Wildlife disease management

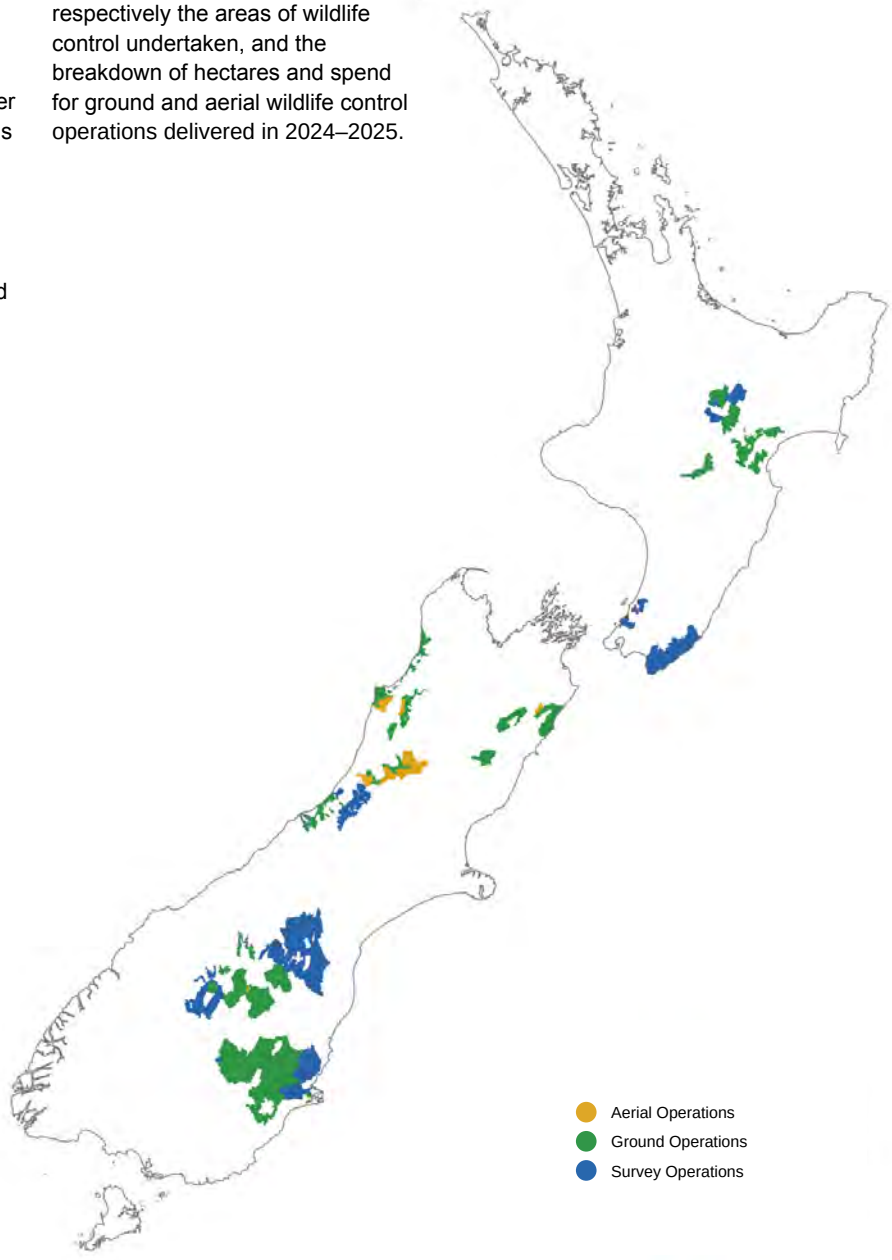
Contact with TB-infected wildlife – mostly possums – is the main cause of livestock TB in New Zealand. Possum control, along with surveys for TB in other wildlife species, is the largest component of the TBfree programme.

Possum control operations are designed to reduce possum population densities to prevent further transmission of TB between possums and from possums to livestock.

Eradication of TB is achieved by reducing the possum density to a very low and even level (about one possum per 10 hectares) for a period of at least five years.

This low density means the disease is unable to be maintained within possum populations and will subsequently disappear both from possums and eventually other wildlife.

Map 7 and Figure 42 show respectively the areas of wildlife control undertaken, and the breakdown of hectares and spend for ground and aerial wildlife control operations delivered in 2024–2025.



Map 7: Map of 2024-2025 wildlife control

Figure 42: Breakdown of national ground and aerial control operations by area and spend

	Total hectares	Spend
Ground Operations	975,479	$17,536,424 **65%**
Surveillance	954,368	$ 1,780,677 **7%**
Monitoring	1,078,559	$ 1,799,841 **7%**
Aerial Operations	179,728	$ 5,679,622 **21%**
Total	**2,317,478**	**$26,796,564**

Wildlife surveys

An important aspect of the TBfree programme is surveying wildlife to detect whether TB is still present following a period of sustained possum control. This involves trapping or culling possums and other sentinel species, such as pigs and ferrets, followed by post-mortem examination and analysis. The results are used to help determine whether freedom from TB within designated areas has been achieved, or if further control work is needed. We expect to find few – if any – TB-infected possums or other wildlife in these surveys, as significant possum control effort has already been undertaken.

Wild animals sampled in 2024–2025 and the number and percentage that were TB positive are shown in Figure 43.

Figure 43: Number of wild animals in 2024/25 sampled by species, and the number and percentage found to be infected with *Mycobacterium bovis*

	Possums	Wild pigs	Wild deer	Ferrets
Number sampled	1,106	817	1	1,869
Number and (%) with TB	0 **0%**	4 **0.49%**	0 **(0%)**	0 **(0%)**

Reduction of Vector Risk Areas

Meeting the TB Plan's objectives requires the progressive reduction in size of Vector Risk Areas – where TB is thought to be present in possums and other wildlife – and the prevention of wildlife TB becoming established in Vector Free Areas.

Process for Vector Risk Area reduction

For an area to have its Vector Risk Area status revoked, an expert, independent review panel must agree that the evidence indicates a 95% probability of freedom from TB in the possum population. This decision is mainly based on:

- qualitative data on the area's TB history, the effectiveness of possum control and the results of wildlife surveys
- quantitative data that includes the outputs from a Spatial Possum Model and Bayesian-based software (Proof of Freedom utility) that indicates there is 95% probability that TB has been eradicated from the possum population
- risk assessment that evaluates the risks and potential costs of making a wrong decision.

This year's Vector Risk Area reductions

In 2024–2025, the Chief Executive of TBfree New Zealand Limited approved the revocation of Vector Risk Area status for 36 Vector Control Zones totalling approximately 341,736 hectares. This consisted of reductions of 210,243 hectares in the North Island (nineteen Vector Control Zones) and 131,493 hectares in the South Island (seventeen Vector Control Zones).

This year, there was an increase of 92,121 hectares in Vector Risk Area surrounding infected herds in the east Taupō region. The net reduction in Vector Risk Area was 249,615 hectares.

Figure 44: Cancellation of Vector Risk Area status from 36 Vector Control Zones and increase in east Taupō Vector Risk Area

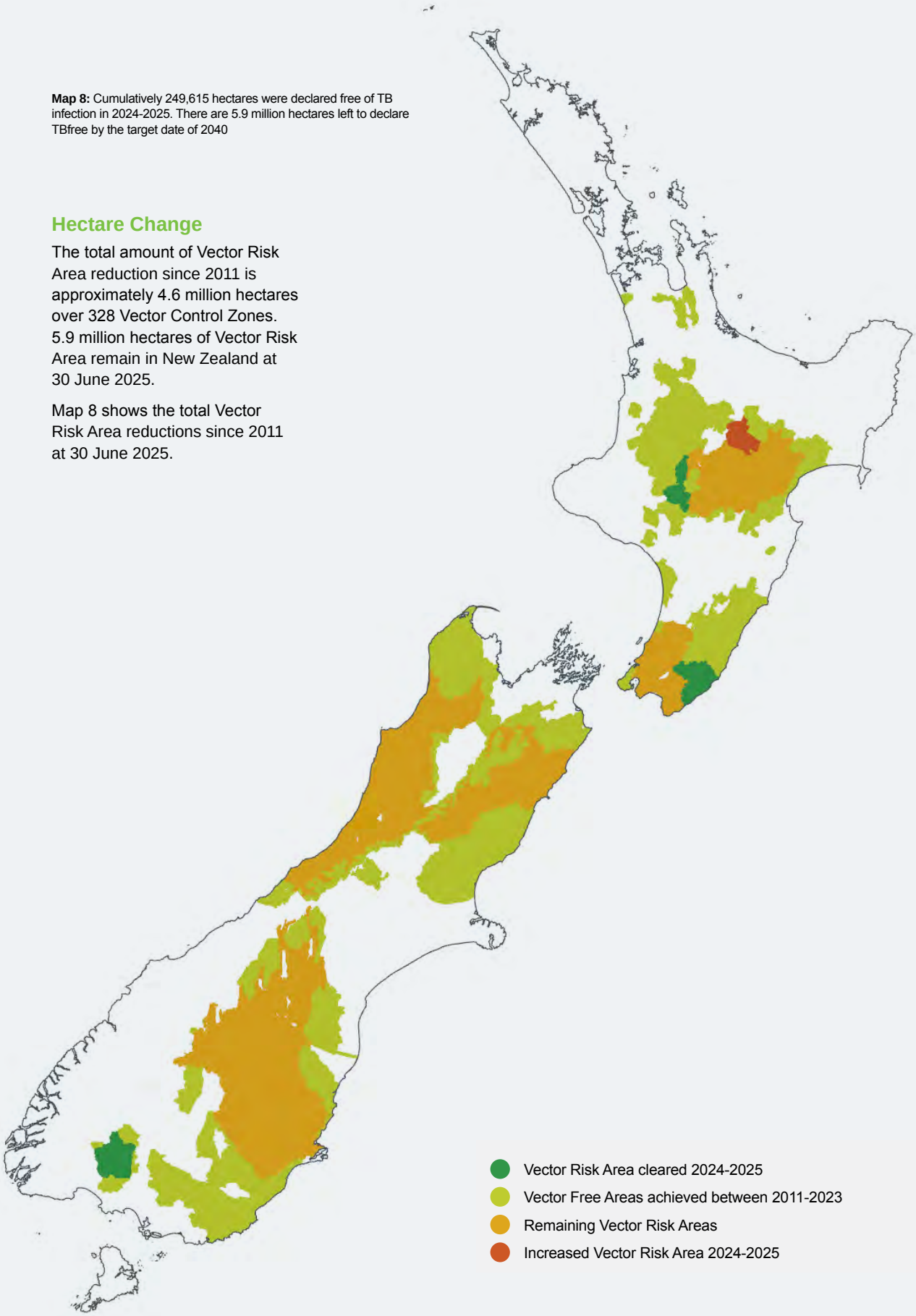
VCZ	Area ha
Western Tongariro Region Mangatepopo DOC, Raurimu Taurewa, Tongariro	20,698
Western Ruapehu Region Horopito, Kariori-Ohakune, National Park South, Ohakune (including the township), Orautoha, Orautoha North, Ruapehu South (AS1), Ruapehu West, West Ohakune	57,500
Wairarapa Region Greytown Flats, Ponatahi Longbush, Southeast Wairarapa Stage One, Taueru Maungaraki Buffer, Taueru Maungaraki Extension, Te Wharau Buffer, Te Wharau Core	132,045
Western Southland Region Blackmount, Brunel Peak, Dunrobin, Gladstone Peak, Gowan Hill, Letham, Mangapiri, Mount Linton, Night Caps, Opio, Sharpridge, Telford, Twinlaw, Wairaki, Wairio, Wether Hills, Woodlaw	131,493
Subtotal of revocations approved	**341,736**
East Taupō increase	**(92,121)**
New Zealand Revocation Total	**249,615**

Map 8: Cumulatively 249,615 hectares were declared free of TB infection in 2024-2025. There are 5.9 million hectares left to declare TBfree by the target date of 2040

Hectare Change

The total amount of Vector Risk Area reduction since 2011 is approximately 4.6 million hectares over 328 Vector Control Zones. 5.9 million hectares of Vector Risk Area remain in New Zealand at 30 June 2025.

Map 8 shows the total Vector Risk Area reductions since 2011 at 30 June 2025.

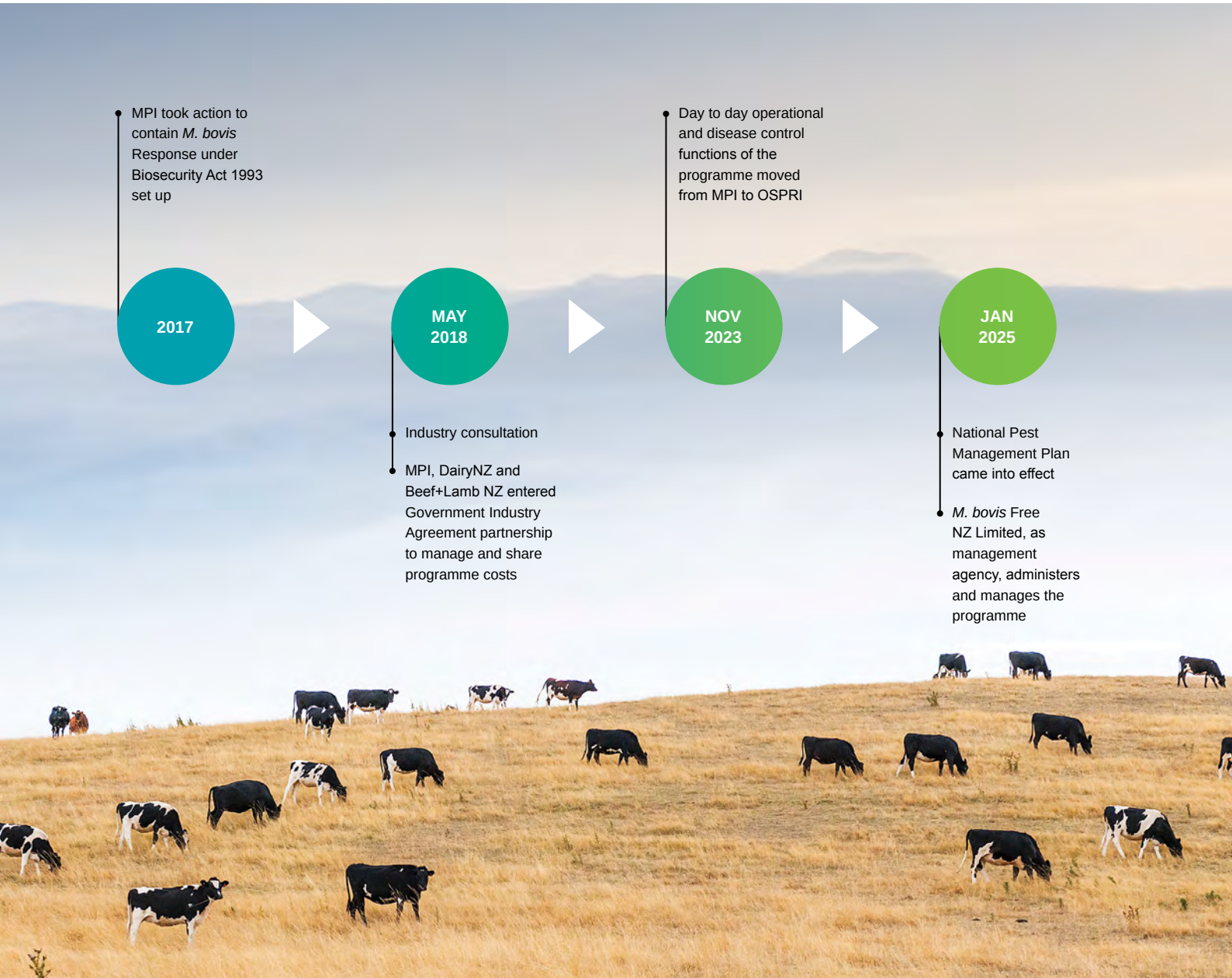


Mycoplasma bovis (*M. bovis*) Programme

The information provided in this section includes data for the July to December 2024 period when the programme was being delivered under the Government Industry Agreement together with data for the January to June 2025 period when we were delivering the programme under a National Pest Management Plan.

We remain at zero confirmed cases. It has been over 18 months since *M. bovis* was last confirmed in New Zealand.

Figure 45: Timeline of the *M. bovis* response



Delivery of the *Mycoplasma bovis (M. bovis)* Programme

M. bovis Free New Zealand Limited, a wholly owned subsidiary of OSPRI NZ Limited, is the management agency for the National Pest Management Plan for *Mycoplasma bovis* pursuant to section 100 of the Biosecurity Act 1993 and clause 5 of the Biosecurity (National *Mycoplasma Bovis* Pest Management Plan) Order 2024.

Objective of the *M. bovis* National Pest Management Plan (NPMP)

The principal objective of the NPMP is to reduce the adverse effects of *M. bovis* on economic well-being by eradicating it from New Zealand by 30 June 2028.

The intermediate outcome of the NPMP is to eradicate *M. bovis* in the population of cattle in New Zealand by 30 June 2028.

M. bovis is to be treated as having been eradicated from the population of cattle in New Zealand when it is assessed by the management agency as being present in no more than 0.01% of the population of cattle on cattle farms in New Zealand to a confidence level of at least 95%.

Measures to achieve the NPMP objective

The overarching approach is delivered through the following (summarised) measures. Detailed measures are set out in Schedule 1, Clause 10 of the NPMP.

- Carrying out surveillance, sampling, and testing for *M. bovis*.
- Controlling movement of cattle and of any things that are risk goods for *M. bovis*.
- Collecting information to enable tracing of the movement of cattle and of any things that are risk goods for *M. bovis*.
- Tracing those movements.
- Depopulating cattle management groups that are infected with *M. bovis*.
- Managing populations of feral cattle in locations associated with a high level of infection.
- Cleaning and disinfecting any place (or part of a place), or anything at a place, at which cattle infected, or suspected of being infected with *M. bovis* were kept before they were destroyed.
- Growing awareness and adoption of *M. bovis* risk management practices, through education, engagement, and collaboration.
- Developing and implementing applied research and development programmes.

Operational policies to guide and support the delivery of these measures, if needed, are set out in the *M. bovis* National Operational Plan.

New programme requirements under the NPMP

Raw milk tracing

- Farmers and transporters that receive/move raw milk for cattle feed must maintain traceability records.
- Transporter collects dairy supplier information.
- Receiver must only accept delivery of milk if supplier details provided and hold these records for four years.
- Record keeping template available online but any form acceptable

High risk business

- Low-to-zero prevalence = low scale implementation.
- Data analysis to identify businesses with attributes that indicate they are at elevated risk of contracting or spreading infection.
- Run analysis every 6–12 months.
- Findings guide surveillance plans.
- Scalable to respond to changing disease context.

Non-Programme laboratory testing

- Laboratories performing *M. bovis* testing outside of the Programme have OSPRI's approval to continue to do so, provided:
  - Positive results are reported ASAP.
  - Negative results are reported routinely (quarterly).
- Negative data reviewed and stored by MBfree.

Figure 46: New requirements for the *M. bovis* Programme under the NPMP

Disease management approach

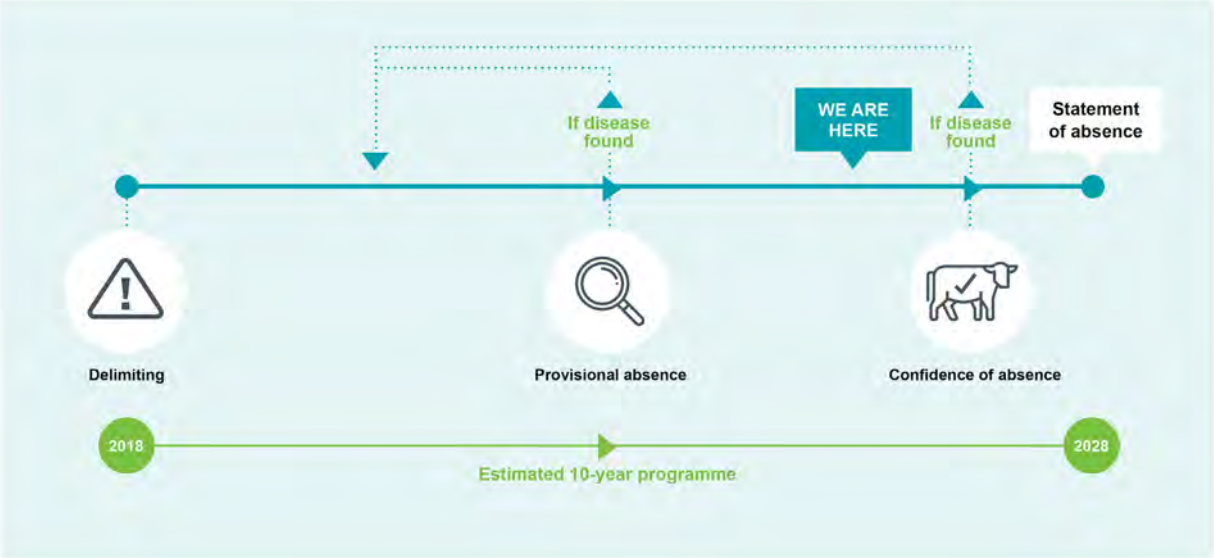
Three phases of the *M. bovis* Programme

The *M. bovis* Programme started in 2018 and is expected to finish in 2028.

There are three phases to the *M. bovis* Programme.

1. **Delimiting** — identify and remove cases of infection.
2. **Provisional absence** — focus on monitoring the cattle population through background surveillance. Two consecutive clear spring and two consecutive clear autumn calving periods are required to move out of the provisional absence phase.
3. **Confidence of absence** — in this phase, background surveillance continues until we achieve a very high level of confidence that *M. bovis* is eradicated. This phase is expected to run for two years. The confidence of absence phase ends with a statement of absence and *M. bovis* is then considered exotic.

Figure 47: Phases of disease eradication for *M. bovis* in New Zealand



Finding *M. bovis* – background surveillance programme

Background surveillance aims to screen the national cattle population for any remaining infection and to provide evidence that *M. bovis* has been eradicated. It takes a very large number of samples, collected from many farms, over multiple years, to build up a high level of confidence that we have successfully eradicated.

Bulk tank milk screening

The routine screening of bulk tank milk samples for indications of *M. bovis* infection provides an opportunity for the programme to identify infected dairies. Regular screening is conducted year-round with increased frequency in July, August, and September. This captures around 10,200 individual dairy farms each round (excluding dry-off) which represents over four and a half million dairy cattle.

During the year we implemented a revised response to detect results on the West Coast at dry-off. In previous years, we have observed a higher-than-average number of detect results for West Coast dairies between April and May. As we have a good understanding of test performance during this period on the West Coast, we implemented a change where only detect results at a higher threshold from April to June triggered on-farm sampling. We are confident that this change achieves the right balance between maintaining the ability to detect infection and reducing impact on farmers on the West Coast during this time.

Figure 48: Bulk tank milk sample numbers 1 July 2024 – 30 June 2025

Surveillance stream	Measure	1 July 2024 – 30 June 2025
Bulk Tank Milk (BTM)	Farms screened	10,439
	Samples collected	131,662
	Detects[4]	123
	Detects that required sampling	110
	Detects that tested negative	110

Map 9: Location of bulk tank milk detects FY2025

4 Detect definition: a test result exceeding a pre-defined threshold that requires epidemiological assessment for further investigation. Further investigation may include on-farm sampling of cattle.

National Beef Cattle Surveillance (NBCS)

The NBCS surveys the beef and dry stock cattle sectors. As the Programme moves into the final phases of the eradication, ongoing surveillance of these sectors will support future efforts to demonstrate that *M. bovis* has been eradicated. Sampling is more intense in regions with the greatest history of infection. The NBCS comprises three streams:

- pre-arrival sampling – cattle destined for specific feedlot supply are sampled on-farm
- on-farm beef and drystock surveillance (BBS) – eligible cattle are voluntarily sampled on-farm, usually during routine farm activities such as pregnancy scanning
- meat processing plant surveillance (MPPS) – eligible cattle are sampled during routine slaughter at selected meat processing plants nationwide.

Map 10: NBCS sampling intensity by region FY2025

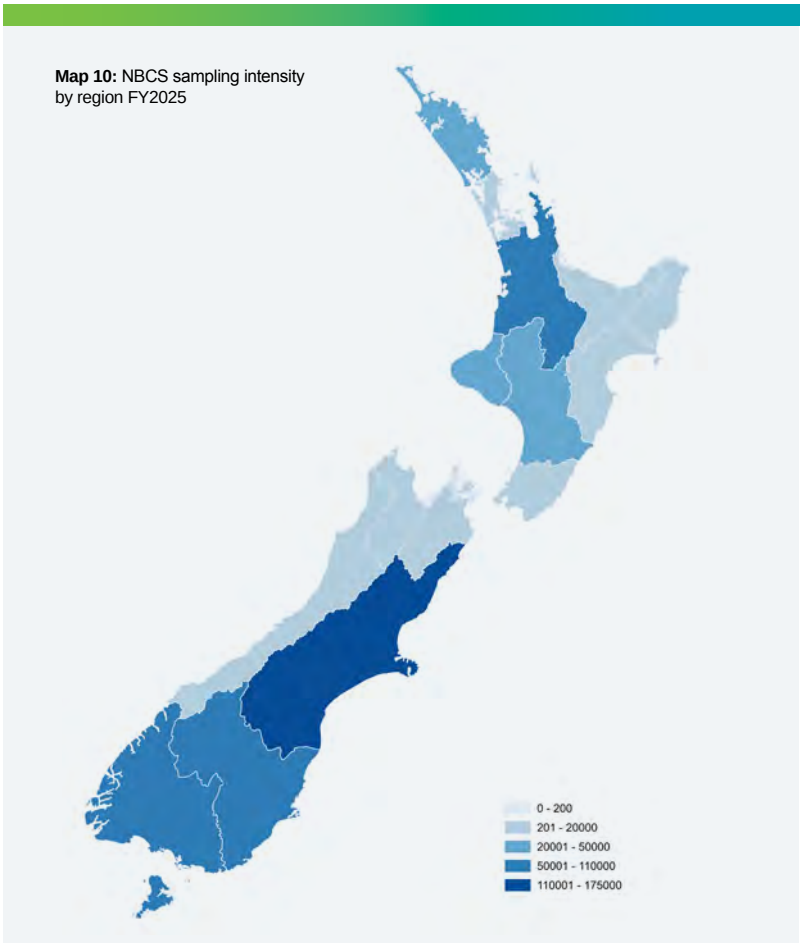


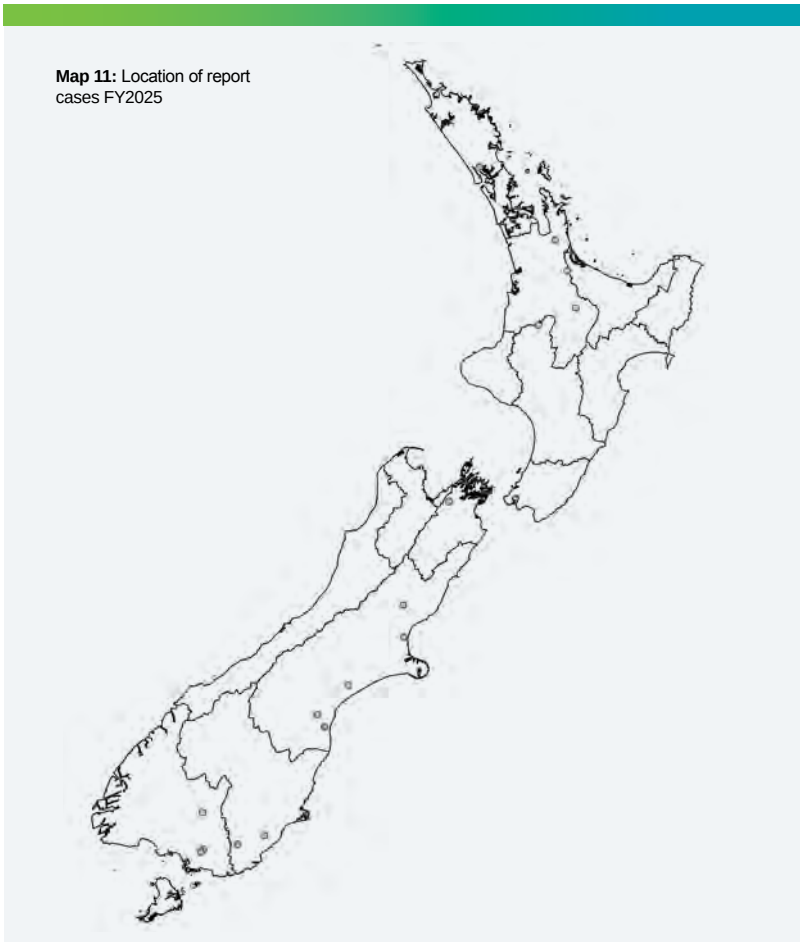
Figure 49: Beef surveillance numbers 1 July 2024 – 30 June 2025

Surveillance stream	Measure	1 July 2024 – 30 June 2025
Pre-arrival sampling	Farms screened	163
	Valid samples collected	34,195
	Detects	0
	Detects that tested negative	0
On-farm beef and drystock cattle surveillance (BBS)	Farms screened	673
	Valid samples collected	60,075
	Detects	0
	Detects that tested negative	0
Meat processing plant surveillance (MPPS)	Farms screened	10,588
	Valid samples collected	229,771[5]
	Detects	4
	Detects that tested negative	4

5 From November 2024, the annual target for MPPS increased from 120,000 to 240,000 samples. The supplier has successfully increased sampling volumes and targets are being met with expected seasonal variations.

Report case surveillance

Report case surveillance is a passive monitoring system that enables veterinarians, farmers, laboratories, and members of the public to report suspected cases of *M. bovis* in cattle. These reports are based on observed clinical signs and / or positive results from commercial laboratory tests. The Programme evaluates each submitted case and initiates follow-up investigations when deemed necessary.



Map 11: Location of report cases FY2025

Figure 50: Report cases 1 July 2024 – 30 June 2025

Surveillance stream	Measure	1 July 2024 – 30 June 2025
Report case	Report cases and regions	16
	Report cases that tested negative	16

Programme performance against KPIs in the *M. bovis* NOP

Number of confirmed properties

Figure 51: Number of farming properties and other locations in which cattle are confirmed to have been infected with *M. bovis*

0

Number of confirmed properties at 30 June 2025

No change from 2024

282

Total number of confirmed properties

No change from 2024

Programme responsiveness

The Programme aims to minimise impact on farmers by rapidly working through testing on detect farms and removing restrictions as quickly as possible.

Figure 52: How rapidly MBfree identifies events that have increased the risk that cattle at a place are infected with M. bovis and (where appropriate) launches investigations (since NPMP: Jan-Jun)

Type	Target	Average	% within KPI
High-risk detects	NODs served within 10 business days	1.75	100%
Low risk detects	Sampling tasked within 15 business days	6.3	100%
Report cases	Initial contact made within 1 business day	Max. 1 day	100%
	Test result received within 13 business days	6.5	100%

Time under Movement Control NOD (as a measure of active management)

Figure 53: The time that farms are under the active management of MBFree (since NPMP: Jan-Jun)

Type	Target	Average	% within KPI
BTM detects	90% under NOD for ≤21 days	7.4	100%
Beef detects	90% under NOD for ≤60 days	Nil to report	
Trace NODs	80% under NOD for ≤60 days	Nil to report	
	90% under NOD for ≤90 days		

Surveillance and Confidence of Absence (CoA)

Figure 54: The level of surveillance and associated Confidence of Absence from *M. bovis*

		2024/25 FY	
Type	**Target (samples/year)**	**Samples**	**Farms[6]**
BTM	140,000	131,652	10,439
Pre-feedlot arrival sampling	35,000 – 40,000 (for 2 years from critical date)	34,195	163
BBS	Minimum 15,000 – 30,000	60,075	673
MPPS	195,000 – 243,000	229,771	10,588
CoA	72% by 30 June 2025 87% by 30 June 2026 93% by 30 June 2027 95% by 30 June 2028	30 June 2025 89%	

This is a preliminary Confidence of Absence (CoA) estimate produced by the Scenario Tree Model (STM). It indicates whether we are on the right trajectory towards the 95% target. Surveillance data quality checks are in progress to ensure the STM does not overestimate CoA.

The reported CoA estimation currently exceeds the Programme KPI as we started gathering CoA data nine months earlier than expected. It is not the goal of the Programme to reach 95% CoA as fast as possible as there is a risk that infection remains if eradication efforts end too early. Cattle become available to background surveillance streams when they enter dairy herds, are slaughtered or can be sampled on-farm. Background surveillance must continue for long enough to capture the spread of *M. bovis* from any farm/s that could have been infected but unknown to the Programme at the time of the last known transmission event.

To minimise the risk of declaring eradication too early, our surveillance targets were set at a moderate level to attain 95% CoA over multiple years.

Level of compliance

There are no specific breaches of compliance with NPMP rules to report.

Compensation

No compensation claims have been made under the NPMP at this time.

Traceability

There is no active *M. bovis* infection being traced. See page 25 for traceability compliance statistics.

Level of awareness

The first awareness surveys are now live. MBfree aims to establish a baseline of awareness to be included in future reporting. *M. bovis* communications and engagement efforts during the year have included press, social media, newsletter and website communications and regional engagement at farmer events on the new requirements for raw milk tracing.

6 Under the Consolidated Statement of Service Performance (pages 89-90), the reported total of 21,562 farms reflects the number of unique farms tested across all surveillance streams. Some farms may be tested under multiple streams so - where possible - duplicated farm IDs (based on sampling location, NAIT number, or dairy supply number) are removed as part of the Statement of Service Performance calculation.

Governance and Summary Consolidated Financial Report

Governance

The OSPRI Board of Directors is responsible for, and committed to, maintaining the highest standards of corporate governance, ensuring transparency and accountability to shareholders and stakeholders.

Nomination and appointment of directors

Procedures for the appointment and removal of directors of OSPRI New Zealand Limited and its subsidiary companies, TBfree New Zealand Limited, National Animal Identification and Tracing (NAIT) Limited, and *M. bovis* Free New Zealand Limited are governed by the constitutions of each company.

The constitution of OSPRI New Zealand Limited was changed by shareholder special resolution on 16 October 2024; this included some changes to the provisions relating to the appointment of directors.

OSPRI directors shall be appointed and may be removed by ordinary resolution (clause 47) of shareholders (a resolution approved by a simple majority of the votes cast). The Director Assessment Panel, which comprises one representative of each shareholder, one representative of MPI, the chair of the Board and such independent members (if any) as determined by the shareholders from time to time (clause 49.1), makes recommendations to the shareholders regarding the appointment of directors having regard to matters listed in the constitution.

The maximum term for which a director may be appointed to the OSPRI Board is three years. A director is eligible for reappointment after the expiry of his or her term of appointment but cannot hold office for a continuous period of more than nine years unless the shareholders agree in writing that exceptional circumstances warrant a longer continuous period (clause 48).

OSPRI New Zealand Limited, as sole shareholder, appoints directors to the boards of each of the three subsidiaries.

OSPRI NZ Limited director changes during the year

18 October 2024	• Paul Reynolds, Board Chair, resigned from the OSPRI Board.
21 October 2024	• Shareholder written ordinary resolution appointing Mark Todd and Alex Guilleux as directors of OSPRI from 1 November 2024.
25 October 2024	• Shareholder written ordinary resolution appointing Hugh Martyn as a director of OSPRI from 1 November 2024 and stipulating that the maximum number of directors be increased to 8.
22 November 2024	• James Parsons retired from the OSPRI Board. • Shareholder written ordinary resolution reappointing Fenton Wilson as a director of OSPRI from 22 November 2024 until 31 March 2025 and stipulating that the maximum number of directors be increased to 9 for the period up to 31 March 2025, then revert back to 8. Shareholders confirmed that there were exceptional circumstances warranting a director holding office for a continuous period longer than nine years. • At the OSPRI Annual Meeting on 22 November 2024, shareholders appointed Louise Cullen and Tony Cleland as directors of OSPRI. • Shareholder written special resolution appointing Fenton Wilson as Chair of OSPRI from 22 November 2024 to 31 March 2025.
21 March 2025	• Fenton Wilson stepped down as Chair of the OSPRI Board. • Tony Cleland became Chair of the OSPRI Board for a period of three years pursuant a written special resolution of shareholders dated 24 February 2025.
31 March 2025	• Fenton Wilson retired from the OSPRI Board.

Subsidiary Directors

By written ordinary resolutions dated 1 November 2024, OSPRI NZ Limited appointed Mark Todd, Alex Guilleux and Hugh Martyn as directors of the three subsidiary companies and increased the maximum number of directors of each subsidiary to eight.

By written ordinary resolutions dated 22 November 2024, OSPRI NZ Limited appointed Louise Cullen and Tony Cleland as directors of the three subsidiary companies, and reappointed Fenton Wilson as a director of the three subsidiary companies from 22 November 2024 until 31 March 2025, and increased the maximum number of directors of each subsidiary to nine until 31 March 2025 after which it would revert to eight.

Associate Director

Lisa Kearins was appointed under the OSPRI Associate Director programme in April 2023 until November 2024. The Associate Director programme aims to develop future directors by providing an opportunity for individuals interested in becoming directors to attend and participate in the board meetings of OSPRI New Zealand Limited and its subsidiaries, to build their governance skills.

Board Observers

- Kelvan Smith represents the Ministry for Primary Industries and has been an observer for the full year, 1 July 2024 – 30 June 2025.
- Hugh Martyn represented shareholders, attending Board meetings and chairing the Technology (formerly ISSP) Committee until 31 October 2024, after which he attended Board and Committee meetings, including chairing the Technology Committee, as a director.
- Mark Todd and Alex Guilleux attended meetings of the Board's Technology (formerly ISSP) Committee from 23 August 2024 to 31 October 2024 as observers representing shareholders, after which they attended Board and Committee meetings as directors.

Board Committees

The Board has established the following committees to examine proposals and make recommendations.

Audit and Risk Committee

The Audit and Risk Committee's responsibilities include the following:

- review of external and internal auditors; liaison with auditors; review of the annual audit plans and auditors' letters of engagement or terms of reference as relevant; review of audit findings and monitoring of actions
- review of half-yearly and annual financial statements
- review of accounting policies, the adequacy of the internal control structure and associated organisational policies, providing advice to the Board and recommending and monitoring any remedial action plan in respect of any significant non-compliance with policies
- review and monitoring of legislative and statutory compliance processes
- supervision of any special investigations requested by the Board
- oversight of the risk management system for the company
- review of all whistle blowing matters raised and escalating these to the full Board.

People and Culture Committee

The objectives and role of the People and Culture Committee are to assist the Board to fulfil its responsibilities in relation to setting and reviewing policies and standards for employees relating to remuneration and employment practices of OSPRI and its subsidiaries. The Committee also has oversight and monitoring of the organisation's culture strategy and manages the OSPRI Associate Director Programme.

Technology Committee (known as the ISSP Committee until 8 November 2024)

The Board set up the Technology Committee in May 2024 with the initial purpose of being the steering committee for delivery of the independent review report to the Board on the technology programme and delivery of the replacement NAIT system. With the review report having been delivered in mid-2024, the Technology Committee now provides oversight of and guidance to the Board with regards to:

- delivery of the NAIT information system replacement
- OSPRI's technology capability, platforms, systems and related infrastructure with the aim of ensuring technology activities align with OSPRI's strategy.

Board and Committee meetings

The Board met eleven times during the 2024-2025 financial year, both in person and online. The following tables show attendance at all Board meetings and Committee meetings during the year ended 30 June 2025.

Director	Board meetings	A&R Committee meetings	P&C Committee meetings	Technology Committee meetings
Paul Reynolds (Chair of the Board)[7]	3	2	1	1
Fenton Wilson (Chair of the People and Culture Committee)[8] (Chair of the Board)[9]	8	2	1	
James Parsons[10]	5	3	1	8
Michael James (Chair of the Audit and Risk Committee)	11	4		14
Nicole Davies-Colley	10	4		
Susan Huria	10	2	3	8
Hugh Martyn[11] (Chair of the Technology Committee)	11[12]	1		14[13]
Mark Todd[14]	7	1		9[15]
Alex Guilleux[16]	5	2		8[17]
Dr Louise Cullen[18]	6		2	
Tony Cleland[19] (Chair of the Board)[20]	6	1	2	1

7 Resigned from the Board on 18 October 2024.
8 To 22 November 2024.
9 From 24 October 2024 to 21 March 2025.
10 Director until 22 November 2024.
11 Appointed 1 November 2024.
12 Four as shareholder observer, seven as director.
13 Seven as shareholder observer / independent Chair of the ISSP / Technology Committee, seven as director / Chair.
14 Appointed 1 November 2024.
15 Two as shareholder observer, seven as director.
16 Appointed 1 November 2024.
17 Two as shareholder observer, six as director.
18 Appointed 22 November 2024.
19 Appointed 22 November 2024.
20 From 21 March 2025.

Observer and Associate Director	Board meetings	A&R Committee meetings	P&C Committee meetings	Technology Committee meetings
Kelvan Smith	11			
Lisa Kearins[21]	5			

Members of the Audit and Risk Committee during the year were Michael James (Chair), James Parsons (to 22 November 2024), Nikki Davies-Colley, Paul Reynolds (to 18 October 2024), Mark Todd (from 1 January 2025), Alex Guilleux (from 1 January 2025).

Members of the People and Culture Committee during the year were Fenton Wilson (Chair to 24 October 2024), James Parsons (to 22 November 2024), Susan Huria (Chair from 24 October 2024), Louise Cullen (from 1 January 2025), Tony Cleland (from 1 January 2025).

Members of the Technology Committee (called ISSP Committee until 8 November 2024) during the year were Hugh Martyn (as independent Chair to 31 October 2024, then as director Chair from 1 November 2024), Susan Huria (to 18 December 2024), James Parsons (to 22 November 2024), Michael James, Mark Todd (attended as a shareholder observer between 23 August-31 October 2024 and as director from 1 November 2025), Alex Guilleux (attended as a shareholder observer between 23 August-31 October 2024 and as director from 1 November 2025).

The chair of the Board is an ex-officio member of all Committees of the Board.

21 Associate Director until 22 November 2024.

Remuneration report

Directors' remuneration

Directors' fees

These fees have been applied for the year from 1 July 2024 to 30 June 2025; the amount of the directors' fees pool was set by shareholder resolution at the 2024 Annual Meeting.

Position	2024/25	2023/24
Chair	$78,000	$78,000
Director	$43,000	$43,000
Committee Chair	$6,000	$6,000
NAIT Data Access Panel member	$6,000	$6,000

Remuneration details of directors

Details of the total remuneration and the value of other benefits received by each OSPRI director for the 2024-2025 financial year are as follows. Directors' fees exclude GST where appropriate. In addition, Board members are entitled to be reimbursed for costs directly associated with carrying out their duties, including travel costs. Some Board members were remunerated as members of the NAIT Data Access Panel (set up under the National Animal Identification and Tracing (Information System Access Panel) Regulations 2012).

Director	Position	2024/25 Fees	2023/24 Fees
B Harris	Board Chair (to 17 November 2023)	Nil	$29,683
P Reynolds	Board Chair (to 18 October 2024)	$23,636	$64,680
F Wilson	Director (to 31 March 2025) Chair of the People and Culture Committee (to 24 October 2024) Member of the NAIT Data Access Panel (to 22 November 2024) Chair (from 18 October 2024 to 21 March 2025)	$51,759	$55,000
J Parsons	Director (to 22 November 2024) Member of the NAIT Data Access Panel (full year)	$19,328	$49,000
N Davies-Colley	Director Member of the NAIT Data Access Panel	$49,000	$49,000
S Huria	Director Chair of the People and Culture Committee (from 24 October 2024)	$43,000	$43,000
M James	Director Chair of the Audit and Risk Committee	$49,000	$49,000

Remuneration details of directors continued

Director	Position	2024/25 Fees	2023/24 Fees
H Martyn	Director (from 1 November 2024) Chair of the Technology (formerly ISSP) Committee	$32,667	Nil
M Todd	Director (from 1 November 2024)	$28,667	Nil
A Guilleux	Director (from 1 November 2024)	$28,667	Nil
A Cleland	Director (from 22 November 2024) Board Chair (from 21 March 2025)	$33,948	Nil
L Cullen	Director (from 22 November 2024)	$26,039	Nil
Total		**$385,711**	**$339,364**

Payment details for Board observer

Payments made to the Board observer representing shareholders for the 2024-2025 financial year are as follows, excluding GST. The table below covers the period 1 July 2024 to 31 October 2024, following which Mr Martyn was appointed a director of OSPRI New Zealand Limited and payments to him after that date are captured in the director remuneration table above. In addition, the shareholders' representative was reimbursed for travel costs.

The Board observer representing MPI, and the Associate Director are not paid by OSPRI. The Associate Director's travel expenses and a contribution towards a training course are paid by OSPRI.

Observer	Position	2024/25 Fees	2023/24 Fees
H Martyn	Observer representing shareholders Chair of the Technology (formerly ISSP) Committee	$16,333	$12,250

Employee remuneration

The table below shows the number of OSPRI employees who received remuneration and other contracted benefits (including redundancy or termination payments) during 2024-2025 of at least $100,000.

The remuneration figures analysed include all monetary payments actually paid during the course of 2024-2025 whether in respect of 2024-2025 or other periods.

Remuneration bands	# employees 2024/25	# employees 2023/24
$100,000 – $109,999	12	14
$110,000 – $119,999	22	11
$120,000 – $129,999	7	5
$130,000 – $139,999	5	5
$140,000 – $149,999	7	1
$150,000 – $159,999	0	6
$160,000 – $169,999	6	3
$170,000 – $179,999	4	6
$180,000 – $189,999	4	1
$200,000 – $209,999	1	2

Remuneration bands	# employees 2024/25	# employees 2023/24
$210,000 – $219,999	0	3
$220,000 – $229,999	4	1
$240,000 – $249,999	2	0
$260,000 – $269,999	0	1
$270,000 – $279,999	1	1
$280,000 – $289,999	0	1
$300,000 – $309,999	1	0
$580,000 – $589,999	0	1
Total	76	62

Auditor’s remuneration

BDO was appointed auditor of the OSPRI Group for 2024-2025 at the Annual Meeting held on 22 November 2024. The following costs for audit fees were incurred by OSPRI New Zealand and its subsidiaries during the 2024-2025 and 2023-2024 years.

Year	For audit work	For other work
2024/25	$85,750	0
2023/24	$81,032[22]	0

22 In the FY2024 annual report, audit fees for that year were recorded as $74,000; the final amount paid was higher.

Statutory disclosures

Disclosures of interests by directors

The following are particulars of general disclosures of interest by directors holding office as at 30 June 2025, pursuant to section 140(2) of the Companies Act 1993. Each such director will be regarded as interested in all transactions between OSPRI and the disclosed entity. “Associated entities” refers to non-operating and related subsidiaries.

A D Cleland	
AccountingPod Limited	Shareholder
Balfour Dairies 2022 Limited	Director/Shareholder
Carrick Land Company Limited	Director/Shareholder
Carrick Winery 2021 Limited	Director/Shareholder
Cleland Dairies Limited	Director/Shareholder
Cleland Support Block Limited	Director/Shareholder
Farmright Limited and associated entities	Director
Five Rivers Dairies Limited	Director
Five Rivers Family Trust	Trustee
Hamilton Burn Holdings Limited	Director/Shareholder
M. bovis Free New Zealand Limited	Chair
Mount Bee Dairies Limited	Director
National Animal Identification and Tracing (NAIT) Limited	Chair
North South Farms Limited	Director
Owaka Dairies Limited	Director
Riversdale Dairies Limited	Director
Southern Sky Dairies Limited	Director/Shareholder
TBfree New Zealand Limited	Chair
Ten K Dairies Limited	Director
Te Wae Wae Dairies Limited	Director/Shareholder
Tussock Creek Dairies Limited	Director
Zespri Limited	Director/Remuneration Committee member

A P L Guilleux	
Alex G Consulting Limited	Director/Shareholder
Beef + Lamb New Zealand Limited	Director/Chair Audit and Risk Committee
Corporate Value Associates (New Zealand) Limited	Director
Kahungunu Asset Holding Company Limited	Director
Meat and Wool Trust Limited	Director
M. bovis Free New Zealand Limited	Director
National Animal Identification and Tracing (NAIT) Limited	Director
NZ Meat Board	Director
TBfree New Zealand Limited	Director

H L Martyn	
City Care Limited	Consultant
Coastguard Sumner Management Committee	Chair
Nelmac Limited	Chair
North Canterbury Land Holdings Limited	Director
Richmond Group Limited	Director/Shareholder
Waimakariri Irrigation Limited	Chair
WD Boyes and Sons Limited	Advisor

L E Cullen	
Acorn Goats Limited	Director
AgResearch Limited	Director
Balachraggan Farms Limited	Director/Shareholder
Capra Farming Limited	Director/Shareholder
Cookson Trust Farms Limited	Director/Shareholder
M. bovis Free New Zealand Limited	Director
National Animal Identification and Tracing (NAIT) Limited	Director
TBfree New Zealand Limited	Director
The Tatua Co-operative Dairy Company Limited	Director

M A Todd	
DairyNZ Inc	Director/Chair Audit and Risk Committee
Mark T Consulting Limited	Director/Shareholder
M. bovis Free New Zealand Limited	Director
McKenzie and Willis Limited	Director
National Animal Identification and Tracing (NAIT) Limited	Director
NZ Lotteries Commission	Chair
SDH GP Limited	Director
TBfree New Zealand Limited	Director

M B James	
Aotearoa Clinical Trials Trust	Trustee
M. bovis Free New Zealand Limited	Director
National Animal Identification and Tracing (NAIT) Limited	Director
Naylor Love Enterprises Limited and associated entities	Director
TBfree New Zealand Limited	Director

N P Davies-Colley	
Kensington Hospital Limited	Chair
M. bovis Free New Zealand Limited	Director
National Animal Identification and Tracing (NAIT) Limited	Director
Ngarakau Family Trustee Limited	Director/Shareholder
TBfree New Zealand Limited	Director
The Tree People Limited	Shareholder
Tiaki Plantations Company	Chair

S M Huria	
Accessible Properties New Zealand Limited and associated entities	Director
Leaderbrand Holdings Limited and associated entities	Chair
M. bovis Free New Zealand Limited	Director
National Animal Identification and Tracing (NAIT) Limited	Director
Rawa Hohepa Limited	Director/Shareholder
Royal College of General Practitioners	Director
Susan Huria Associates (2003) Limited	Director/Shareholder
TBfree New Zealand Limited	Director
Trust Investments Management Limited	Director
Veterinary Enterprises Group Limited	Shareholder

Indemnity and insurance

In accordance with section 162 of the Companies Act 1993 and the constitution of the company, OSPRI has continued to indemnify and insure its directors and officers, including directors of subsidiary and associated companies, against potential liability or costs incurred in any proceeding, excluding actions for gross negligence, criminal liability, breach of fiduciary duty or breach of directors' duties.

Subsidiary company directors

Currently all companies of the Group share all directors in common. Directors' fees are paid by OSPRI, and directors' costs are allocated across the Group.

Subsidiaries

OSPRI has the following subsidiaries:

Name	Holding	Principal Activity	Charity #
M. bovis Free New Zealand Limited	**100%**	Implementation of the surveillance programme for *Mycoplasma bovis*	**CC61116**
National Animal Identification and Tracing (NAIT) Limited	**100%**	Implementing and maintaining the animal identification and tracing scheme	**CC47735**
TBfree New Zealand Limited	**100%**	Implementation of the National Pest Management Plan for Bovine Tuberculosis	**CC49248**

None of the subsidiaries is equity accounted as they are charitable entities. OSPRI will neither receive any future tangible financial benefit from any subsidiary nor will OSPRI be entitled to any distributions on winding up.

Stakeholders' Council and Stakeholder Forum

Prior to the amendments to the constitution of OSPRI New Zealand Limited, adopted by shareholder special resolution on 16 October 2024, OSPRI had a Stakeholders' Council with an independent Chair. That body was replaced by a Stakeholder Forum.

The Chair of the Stakeholders' Council, James Buwalda, was paid a fee of $22,000 during the 2024-2025 financial year and reimbursed for travel expenses.

The members of the Stakeholder Forum are the stakeholder organisations listed in the constitution:

- Dairy Companies Association of New Zealand
- Department of Conservation
- Federated Farmers – Dairy and Meat and Wool divisions
- Local Government New Zealand
- Meat Industry Association of New Zealand
- Ministry for Primary Industries
- New Zealand Deer Farmers' Association
- Predator Free 2050
- Road Transport Forum

and the Chairs of OSPRI's regional farmer committees. Shareholder representatives are also able to attend Stakeholder Forum meetings.

The Board is to meet with stakeholders every six months for the purpose of receiving input from the stakeholders on the operation of OSPRI and subsidiaries' programmes. Terms of Reference for the Stakeholder Forum have been developed collaboratively by the Board and representatives of the stakeholders.

Consolidated Statement of Service Performance

For the year ended 30 June 2025

The following is a description of OSPRI New Zealand Limited's ('OSPRI') strategic outcomes: TBfree New Zealand Limited's ('TBfree') overall outcome is to continually reduce and ultimately eradicate bovine tuberculosis (TB) from cattle and deer by 2026, possums by 2040 and biological eradication of TB by 2055. National Animal Identification and Tracing (NAIT) Limited ('NAIT') is committed to ensuring all cattle and deer are recorded and traced effectively throughout their lives. M. bovis Free New Zealand Limited's ('*M. bovis*') overall outcome is to eradicate Mycoplasma bovis from New Zealand. Operational work centres on surveillance of the national herd through continued milk and abattoir testing, ready to manage properties if cattle are infected and supporting affected farmers.

This report has been prepared in accordance with Public Benefit Entity Financial Reporting Standard 48 (PBE FRS 48) Service Performance Reporting. The Board of OSPRI believes that the statements contained in this report accurately reflect the overall performance of OSPRI for the year ended 30 June 2025.

Outputs	Measures	2025 Outcome	2024 Outcome
The number of bovine TB infected status cattle or deer herds.	The infected herd status is recorded in OSPRI Operational Management System (OOMS) and stored in OSPRI databases. It is accessed via a Power BI tool and reports directly out of OOMS. Numbers were recorded at 30 June. Target as at 30 June 2025: 4	15	15
The total net hectares of TB Vector Risk Area declared free of bovine TB in each financial year.	Number of net hectares (within +/- 5%) where eradication has been achieved and reclassified from a vector-risk area (areas where wildlife has been or remains infected with TB) to a vector-free area. This is an annual assessment by an independent panel and confirms whether we have proved, to 95% probability, the eradication of TB infection from vector-risk areas.	249,615	200,526
Completion of planned vector operations contracts in the financial year on time.	Percentage of vector operation projects completed during the year on time.	74%	69%
Completion of planned vector operations contracts in the financial year within budget.	Percentage of vector operation projects completed during the year within budget.	85%	85%
Annual infected herd period prevalence.	Annual period prevalence of TB infection in deer and cattle herds as a percentage of herds. Period prevalence is calculated by the total number of infected herds in a given period divided by non-infected herds (non-infected herds at the beginning of the financial year, plus non-infected herds at the end of the financial year, divided by two). The calculation inputs are from OOMS. Target for year ended 30 June 2025: 0.2%	0.04%	0.04%

Consolidated Statement of Service Performance (continued)

Outputs	Measures	2025 Outcome	2024 Outcome
Percentage of NAIT animals that are registered in the NAIT system prior to their first off-farm movement.	This measure shows where an animal was registered in the NAIT system prior to being recorded in an animal movement. Persons in Charge of Animals (PICAs) are obligated to ensure all animals are correctly tagged and registered within 180 days of birth or their first off-farm movement, whichever comes first. This measure takes all animals that were registered in the NAIT system within the time frame and determines if they were registered correctly or if they were registered by the recording of an off-farm movement, and therefore failed to be registered correctly.	94.0%	93.3%[23]
Percentage of animal movements recorded within 48 hours.	This measure shows timeliness of all movements recorded within the time frame. PICAs are obligated to record all animal movements on and off their NAIT location within 48 hours (starting from the end of the day that the movement took place). As more movements are recorded retrospectively, the percentage of compliant movements will decrease over time.	64.5%	60.8%[23]
The number of active Mycoplasma bovis confirmed properties in New Zealand.	The active confirmed properties are recorded in the Tiaki database system used by the programme. Number recorded at 30th June. Target as at 30 June 2025: 0	0	0
Total number of farms tested.	The number of farms tested during surveillance testing during the year.	21,562	15,030
The percentage of farms not infected with Mycoplasma bovis that had a detect.	The percentage of farms not infected with Mycoplasma bovis across total farms found with a detect. This is measured by farms tested in the year that have in that same year recorded an elevated result during background surveillance testing. Target for year ended 30 June 2025: 100%	100%	100%
Average wait time for Support Centre to answer calls.	Average wait time is the total length of time before the call is answered or abandoned over the course of the year in minutes and seconds. Target for year ended 30 June 2025: 3 minutes	2 mins 16 secs	5 mins 10 secs

23 The 2024 Outcome reported in the Statement of Service Performance for the year ended 30 June 2024 has been amended to 93.3% (95.4% reported last year) and 60.8% (63.2% reported last year). This change is because of an error found in how this metric was calculated: forced registrations were incorrectly compared to all registered animals, instead of just those with their first off-farm movement. This therefore caused an overstatement of the 2024 outcomes.

Consolidated Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2025

	2025 $000	2024 $000
Revenue		
Revenue from non-exchange transactions	76,356	71,004
Revenue from exchange transactions	14,847	15,670
Total revenue	**91,203**	**86,674**
Expenditure		
Animal identification and tracing operations	2,829	3,393
Corporate services	9,084	12,274
Disease management and testing	25,927	22,727
Information technology	9,945	25,173
Pest control and management	29,291	34,047
Research	810	643
Support centre	2,156	2,068
Total expenditure	**80,042**	**100,325**
Surplus/(deficit) before financing costs	**11,161**	**(13,651)**
Interest income	768	385
Surplus/(deficit) for the year	**11,929**	**(13,266)**
Total comprehensive revenue and expense for the year	**11,929**	**(13,266)**

These are summary consolidated Group financial statements. A copy of the full consolidated financial statements is available from our website www.ospri.co.nz. The accompanying notes are an integral part of these financial statements.

Consolidated Statement **of Changes in Equity**

For the year ended 30 June 2025

	Accumulated revenue and expense $000	Total equity $000
Opening equity as at 1 July 2024	14,784	14,784
Total comprehensive revenue and expense for the year	11,929	11,929
Equity as at 30 June 2025	**26,713**	**26,713**
Opening equity as at 1 July 2023	28,050	28,050
Total comprehensive revenue and expense for the year	(13,266)	(13,266)
Equity as at 30 June 2024	**14,784**	**14,784**

These are summary consolidated Group financial statements. A copy of the full consolidated financial statements is available from our website www.ospri.co.nz. The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2025

	2025 $000	2024 $000
Assets		
Current Assets		
Cash and cash equivalents	34,913	20,046
Receivables and other current assets	4,554	4,511
Inventories	943	1,735
Total current assets	**40,410**	**26,292**
Non-current Assets		
Property, plant and equipment	352	476
Intangible assets	5,108	6,172
Total non-current assets	**5,460**	**6,648**
Total assets	**45,870**	**32,940**
Liabilities		
Current Liabilities		
Trade payables and other liabilities	10,104	9,065
Revenue in advance	7,602	7,844
Employee benefits liability	1,451	1,247
Total current liabilities	**19,157**	**18,156**
Total liabilities	**19,157**	**18,156**
Equity		
Capital	–	–
Accumulated revenue and expense	26,713	14,784
Total equity	**26,713**	**14,784**
Total equity and liabilities	**45,870**	**32,940**

Approval by the Directors

The financial statements were authorised on behalf of the Board of Directors on 18 September 2025.

A D Cleland
Chair of the Board

N P Davies-Colley
Director

These are summary consolidated Group financial statements. A copy of the full consolidated financial statements is available from our website www.ospri.co.nz. The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2025

	2025 $000	2024 $000
Cash flows from operating activities		
Cash receipts from operations	91,108	95,125
Cash paid to employees, suppliers and other operations	(76,451)	(81,240)
Net GST (paid)/received	(317)	473
Net cash flows from operating activities	**14,340**	**14,358**
Cash flows from investing activities		
Interest income	638	386
Purchase of property, plant and equipment	(111)	(143)
Purchase of intangible assets	–	(5,347)
Net cash flows from/(used in) investing activities	**527**	**(5,104)**
Net increase in cash and cash equivalents	**14,867**	**9,254**
Opening cash and cash equivalents	20,046	10,792
Closing cash and cash equivalents	**34,913**	**20,046**
Net increase in cash and cash equivalents	**14,867**	**9,254**

These are summary consolidated Group financial statements. A copy of the full consolidated financial statements is available from our website www.ospri.co.nz. The accompanying notes are an integral part of these financial statements.

Notes to the Summary Consolidated Financial Statements

For the year ended 30 June 2025

Note 1 Basis of preparation – Summary statements

The summary consolidated financial statements have been prepared in accordance with PBE FRS 43:Summary Financial Statements.

Note 2 Basis of preparation – Full statements

(a) Statement of compliance

The summary consolidated financial report does not contain all the disclosures required by the full financial statements under Public Benefit Entity ('PBE') standards and cannot be expected to provide as complete understanding as provided by the full financial report, which has been prepared in accordance with NZ GAAP and complies with Tier 1 Public Benefit Entity (PBE) accounting standards (Not-For-Profit or 'NFP').

The specific disclosures included in the summary consolidated financial statements have been extracted from the audited consolidated financial statements dated 18 September 2025. The audit opinion expressed in respect of those consolidated financial statements was unqualified.

(b) Changes due to the initial application of new, revised and amended PBE standards

There have been no changes to PBE standards that require application in these financial statements.

Note 3 Consolidated Financial Report

The full consolidated Group financial statements and the annual report are available on our website www.ospri.co.nz

Note 4 Segment information

The Group is organised into and reports to the directors on the basis of four functional areas: OSPRI, TBfree, NAIT and *M. bovis.* Expenses incurred by OSPRI on behalf of its subsidiaries are allocated across the three other functional areas on a proportional basis.

Statement of Comprehensive Revenue and Expense for the year ended 30 June 2025

	OSPRI $000	TBfree $000	NAIT $000	*M. bovis* $000	Group $000
Operating revenue	–	57,338	12,272	21,593	91,203
Operating expenditure	–	49,510	10,943	19,589	80,042
Net operating surplus for the year	**–**	**7,828**	**1,329**	**2,004**	**11,161**
Interest income	–	381	75	312	768
Total comprehensive revenue and expense for the year	**–**	**8,209**	**1,404**	**2,316**	**11,929**

Note 4 Segment information continued...

Statement of Financial Position as at 30 June 2025

	OSPRI $000	TBfree $000	NAIT $000	*M. bovis* $000	Intra-Group $000	Group $000
Total assets	4,686	23,511	6,827	14,618	(3,772)	**45,870**
Total liabilities	2,773	8,353	1,336	10,467	(3,772)	**19,157**
Total equity	**1,913**	**15,158**	**5,491**	**4,151**	**–**	**26,713**

Statement of Comprehensive Revenue and Expense for the year ended 30 June 2024

	OSPRI $000	TBfree $000	NAIT $000	*M. bovis* $000	Group $000
Operating revenue	1,831	59,063	11,941	13,839	86,674
Operating expenditure	1,792	66,446	19,983	12,104	100,325
Net operating surplus/(deficit) for the year	**39**	**(7,383)**	**(8,042)**	**1,735**	**(13,651)**
Interest income	–	222	63	100	385
Total comprehensive revenue and expense for the year	**39**	**(7,161)**	**(7,979)**	**1,835**	**(13,266)**

Statement of Financial Position as at 30 June 2024

	OSPRI $000	TBfree $000	NAIT $000	*M. bovis* $000	Intra-Group $000	Group $000
Total assets	4,098	15,285	5,989	10,769	(3,201)	32,940
Total liabilities	2,185	8,336	1,902	8,934	(3,201)	18,156
Total equity	**1,913**	**6,949**	**4,087**	**1,835**	**–**	**14,784**

Note 5 Related parties

The Group has related party relationships with its shareholders and key management personnel. Transactions include programme funding, service delivery, and directors' remuneration.

The Group had the following total related party revenue, expenditure, receivables, and payables at balance date:

	2025 $000	2024 $000
Revenue from non-exchange transactions	21,960	15,613
Operating expenditure	1,273	2,046
Receivables from non-exchange transactions	1,498	1,528
Payables	36	343

Note 6 Operating leases

The Group has entered into non-cancellable operating leases for offices and motor vehicles. The lease commitments are based on current rentals. Future lease commitments at year end in respect of these non-cancellable leases are:

	2025 $000	2024 $000
Due within one year	1,377	1,527
Due between one and two years	789	923
Due between two and five years	147	419
Total non-cancellable operating lease payments	**2,313**	**2,869**

Note 7 Subsequent events

TBfree has taken over on-farm TB testing from 1 July 2025 following AsureQuality's ('AQ') decision not to renew its contract ending 28 February 2025. After the transition period where AQ continued services until 30 June 2025, TBfree brought testing inhouse and have employed seasonal or permanent Field Technicians.

There were no other significant events after reporting date that would have a material impact on the financial statements of the Group.

BDO Wellington Audit Limited

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF OSPRI NEW ZEALAND LIMITED

Opinion

The summary consolidated general purpose financial report was derived from the consolidated general purpose financial report of OSPRI New Zealand Limited ("the Company") and its controlled entities (together, "the Group") for the year ended 30 June 2025.

The summary consolidated general purpose financial report comprises of the summary consolidated financial statements on pages 89 to 95, and the summary consolidated statement of service performance on pages 87 to 88. The complete set of Summary consolidated financial statements comprise the consolidated statement of financial position as at 30 June 2025, the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying summary consolidated general purpose financial report is consistent, in all material respects, with the audited consolidated general purpose financial report, in accordance with PBE FRS-43: *Summary Financial Statements* issued by the New Zealand Accounting Standards Board.

Summary Consolidated General Purpose Financial Report

The summary consolidated general purpose financial report does not contain all the disclosures required by Public Benefit Entity Standards ("PBE Standards"). Reading the summary consolidated general purpose financial report and the auditor's report thereon, therefore, is not a substitute for reading the audited Consolidated General Purpose Financial Report and the auditor's report thereon. The summary consolidated general purpose financial report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the consolidated general purpose financial report.

The Audited Consolidated General Purpose Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated general purpose financial report in our report dated 19 September 2025.

Directors' Responsibility for the Summary Consolidated General Purpose Financial Report

The Directors are responsible on behalf of the Company for the preparation of the summary consolidated general purpose financial report in accordance with PBE FRS-43: *Summary Financial Statements*.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated general purpose financial report is consistent, in all material respects, with the audited consolidated general purpose financial report based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), Engagements to Report on Summary Financial Statements.

Other than in our capacity as auditor we have no relationship with, or interests in, the Company or any of its controlled entities.

Who we Report to

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Wellington Audit Limited

BDO WELLINGTON AUDIT LIMITED
Wellington
New Zealand
19 September 2025