OSPRI

Annual Report

2025–2026



Annual Report 2025–2026

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 of 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.

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Chair's Report



Tony Cleland
Chair

FY2026 has been a year of building on the reset undertaken in 2025 – strengthening governance, rebuilding confidence, and making the decisions needed to position OSPRI for the next phase of delivery.

Strategic direction and future positioning

This has been the first full year of OSPRI's 2025–2028 Strategic Plan. The strategy sets out OSPRI's purpose – to deliver excellence in disease management and traceability in partnership to strengthen and protect New Zealand's livestock industries – and its vision of farmers succeeding through exceptional biosecurity and traceability. It also recognises that OSPRI's future depends on excellent stakeholder relationships, fit-for-purpose technology and data management, capable people, and a continued focus on value for investment.

The Board's task this year has been to turn that strategic direction into sharper choices, recognising that OSPRI is carrying a significant change programme across traceability, technology, data, and stakeholder engagement. The establishment and embedding of the enterprise Portfolio Management Office was an important part of being deliberate about asking what must be prioritised, how it should be sequenced, and where the organisation's capacity is best used.

Effective oversight of strategic risk remained an important focus for the Board. Through the Audit and Risk Committee directors regularly reviewed OSPRI's strategic risk profile against agreed risk appetite and used independent assurance to strengthen our oversight of the key risks to delivery of our strategy.

Shareholders, funders and stakeholder input

OSPRI cannot deliver its purpose without constructive relationships with its shareholders and MPI (OSPRI's funders), farmers and wider stakeholders. This year the Board has put considerable effort into rebuilding and strengthening those relationships.

Shareholder & MPI Group

The Shareholder & MPI Group has been an important forum for frank discussion on funding, programme alignment, NAIT replacement, operational delivery and the practical value farmers need to see.

Farmer input

The Stakeholder Forum and OSPRI farmer committees are important channels for stakeholder input and challenge.

The farmer committees provide local perspectives and act as "eyes and ears" in the community, while the 12 Committee Chairs are members of the Stakeholder Forum, adding farmer perspectives to six-monthly meetings with the Board.

The Board values this input. It helps directors understand how decisions land with farmers and rural professionals, and it tests whether our communications are clear enough.

The Board and management will continue to improve transparency and connection with these groups.

NAIT strategy and replacement system

This year, significant work took place with our funders to agree the NAIT Scheme Strategy, and to develop and approve the NAIT Triennial Business Case, which is the blueprint for delivering the NAIT Scheme Strategy over the next three years. The Board also approved the NAIT Replacement System Business Case and agreed the funding to deliver the NAIT system rebuild, a key part of the Triennial Business Case.

This is not simply a technology decision. It is a decision about the future of New Zealand's livestock traceability system, the value farmers and industry need from NAIT, and the governance disciplines required to deliver a major system replacement without repeating past mistakes.

TB Plan review and disease management direction

The TB Plan review has been a major piece of work for OSPRI, its funders and wider stakeholders. The Board's role has been to support a robust process, understand the implications of the review, and ensure management is prepared for the transition to the revised direction. The changed TB Plan target requires clear communication to farmers about the shift in focus toward source control, strong technical assurance, and continuing engagement with affected communities.

The Board has been clear that changes to testing, surveillance or vector control must be explained carefully, particularly where farmers may otherwise see a reduction in testing as a reduction in confidence or commitment. Our disease management programmes continue to be supported by expert independent scientific advice, helping ensure decisions are grounded in robust evidence.

We recognise the impact that ongoing TB infection in Central North Island is having on farmers and their communities. OSPRI is committed to removing infection from the area and will continue to explore all options available to deliver the control needed to achieve that.

TB cash at year end is set aside to contribute to the outbreak fund ($2m), the depopulation fund ($0.75m) and to save for VectorNet technology replacement.

Technology and data

Technology and data remained a major focus for the Board. In FY2025 we strengthened technology governance following the earlier MyOSPRI lessons. In FY2026, that governance moved into a more mature phase. The Technology and Data Committee's broad mandate is important as OSPRI's future value increasingly depends on trusted data, modern systems, effective cybersecurity, and the ability to turn information into better disease management and traceability outcomes.

Organisational capability and resilience

The organisation went through significant internal change during FY2026. The redesign was undertaken to better align structure, accountability, capability and cost with OSPRI's strategic direction and future funding environment. The final structure reduced duplication, created new roles in priority areas, retained key specialist capability where needed, and moved the organisation into an embedding and stabilisation phase from May 2026.

This was not easy change. The Board's role has been to ensure the process was values-based, well-governed, and attentive to capability risk. It has also been important that the organisation does not confuse becoming leaner with simply doing less. OSPRI will be disciplined about priorities, clear about accountabilities, and honest about capacity.

Governance and Board effectiveness

During the year, the Board commissioned an independent governance effectiveness review to support continuous improvement. The review confirmed the Board has a constructive and engaged culture, while also reinforcing the need to keep lifting our focus from operational detail to strategic stewardship, particularly as OSPRI moves further into a technology, data and future-capability phase.

We have taken that challenge seriously. The Board has continued to refine the way it receives information, uses its committees, and maintains clear lines between governance and management.

Looking ahead

The Board's focus in FY2026 has been on setting direction, testing the quality of advice, making investment and funding decisions, overseeing risk, and ensuring the organisation has the capability, systems and discipline to deliver.

The year ahead will require continued discipline. The NAIT replacement system must be governed tightly through build and implementation. The revised TB programme direction must be communicated clearly and delivered with strong technical assurance. The *M. bovis* programme must remain focused on achieving eradication. The organisation's new structure must be embedded, and its portfolio of work must remain aligned to capacity and strategic value.

The Board has made significant decisions, strengthened governance settings, and built more constructive relationships with shareholders, funders and stakeholders. There is still work ahead, but the foundations are in place.

I thank my fellow directors for their commitment and challenge, Sam McIvor and the Executive Leadership Team for their leadership through a demanding year, and OSPRI's people for continuing to deliver important work for New Zealand's livestock industries.

I also thank our shareholders, MPI, the Stakeholder Forum, OSPRI farmer committees and the many farmers and rural professionals who continue to contribute their time and views and to challenge us.

The Board's focus remains clear: to provide careful stewardship, make sound strategic decisions, and ensure OSPRI is positioned to deliver exceptional biosecurity and traceability for the future.

Chief Executive Officer's Report



Sam McIvor
Chief Executive Officer

At the end of FY2026, I am proud of the progress OSPRI has made, although acknowledging that we did not meet every target we set ourselves. This was a year of delivery, transition and reset:

- delivering core disease management and traceability programmes
- bringing in and embedding in-house TB testing
- completing the NAIT replacement procurement phase
- implementing organisational change
- improving how we listen to farmers, funders, shareholders and stakeholders.

The most important test for OSPRI is whether we are strengthening New Zealand's livestock biosecurity and traceability system in practical ways. In FY2026, we made real gains. We also learned where our planning, sequencing, communication and execution need to be sharper. That balance is important: OSPRI's work is complex, long term and highly operational, and our credibility depends on being transparent about both achievement and shortfall.

NAIT and traceability

The NAIT Replacement System progressed from planning and procurement into delivery readiness. Commercial negotiations with the preferred build partner Rush Digital were concluded, contracts executed, and the project has moved into design and discovery, with the change management workstream in progress.

The NAIT Triennial Business Case was completed with funders and approved by the Board, with levy increases to fund the strategy consulted on and agreed. These are important milestones after the reset of the previous technology programme, and they demonstrate stronger discipline around procurement, assurance, funding and sequencing. An important part of this process was independent quality assurance. It consistently showed that OSPRI has carried out a robust process.

The Support Centre continued to perform strongly, receiving excellent caller satisfaction rates, although not maintaining its wait-time targets.

TBfree programme

The TBfree programme delivered several important milestones during the year.

- The first full year of OSPRI-delivered TB testing has shown the value of bringing this critical function under our operational control, allowing the transition to criteria-based testing. Farmer feedback on the testing experience was positive, although we have work to do to improve their understanding of testing obligations and how the surveillance programme is designed.
- The Proof of Freedom process saw large gains this year. Vector Risk Area status was revoked for 51 Vector Control Zones, covering more than 1 million hectares. We now have 4.8 million hectares of Vector Risk Area remaining, ahead of the target for 30 June 2026.
- Funders completed the TB Plan review, which confirmed that TB eradication remains achievable, while shifting the programme toward landscape-scale vector control of highly infected possum populations, particularly in the Central North Island and Central Otago. The review found that the cost benefit analysis for the programme is 9.6 to 1 – almost $10 of value from every dollar spent.

We did not meet our infected herd target, with 19 TB infected herds nationally at 30 June 2026, against the programme target of eight. This result is disappointing, but it supports the conclusion of the TB Plan review: livestock infections will continue while TB persists in wildlife reservoirs, and our operational focus must be on removing infection from the wildlife source population while maintaining very low herd infection prevalence. It also reinforces the importance of good NAIT records which are critical for rapid tracing of related movements once infected animals are detected.

M. bovis programme

The *M. bovis* programme continued to perform strongly. At 30 June 2026 there were zero active confirmed properties. It has now been close to three years since *M. bovis* was last confirmed in New Zealand, and the programme is in the final Confidence of Absence phase.

The Scenario Tree Model predicts the programme will achieve the required 95% confidence threshold in 2027, assuming expected surveillance continues and no infection is detected. This remains well ahead of the expected ten-year eradication timeframe.

Stakeholders, farmers and trust

A major step in FY2026 was establishing OSPRI's first enterprise-wide customer and stakeholder survey. We issued seven bespoke digital surveys in June 2026, which provide a baseline for measuring customer confidence, understanding, engagement and readiness for change. Of note was that 1200 farmers participated in the survey.

The results show strengths and clear improvement areas.

- Principal stakeholders were 78% confident OSPRI is heading in the right direction, and rated stakeholder engagement as a strength, but NAIT remained the greatest improvement opportunity.
- Farmers reported strong awareness of OSPRI programmes, particularly NAIT and TBfree, and 70–82% satisfaction with programme information.
- Farmers also saw OSPRI's programmes as important for New Zealand, with 91–97% agreement across programmes, but only 63–75% considered OSPRI effective over the last 12 months.

The survey results have informed the Customer and Engagement Strategy 2026-2028 and give us clear direction: keep improving delivery, explain decisions more clearly, involve farmers and partners in targeted ways, and build confidence that investment in OSPRI is delivering value.

OSPRI-wide performance

People

FY2026 was also a year of organisational change. A redesign of OSPRI's structure was driven by changes in the *M. bovis* programme, ensuring synergies are improved across programmes, improved delivery consistency across regions, reduced duplication, financial savings, and consolidation of customer and farmer-facing functions. The structure was reduced by 30 roles, with total annual cost savings of $3.2m, and includes a smaller leadership team. These changes were necessary but also placed temporary pressure on our people and on some work programmes.

Employee engagement improved despite that change load. The June 2026 engagement score was 71%, compared with an initial June 2025 score of 58%. During the year we also incorporated OSPRI's values into our GROW process and implemented an HR Information System for goals and performance conversations, with a 99% use rate of eligible permanent employees.

Health and safety

Health, safety and wellbeing remained a priority. OSPRI met its safety indicator target of ≤9, passed its ISO45001 audit with a score of 100%, achieved 93% engagement with our health and safety culture, and maintained high positive results in surveys of our new TB testing team.

Support foundations

We also strengthened delivery foundations. Portfolio and project management disciplines were implemented, with a positive audit review report.

In the technology space, in addition to the detailed requirements specifications developed for the NAIT replacement system procurement process, we contracted a new managed service provider, and continued security strengthening and data governance work. Data, cybersecurity and delivery of our technology roadmap remain key priorities into the next year.

Looking ahead to FY2027

The FY2027 Annual Operating Plan describes 2027 as a pivotal year, with a clear focus on execution, discipline and value for shareholders, funders and farmers; continuation of core disease eradication and traceability programmes; progression of the NAIT replacement build; and constrained organisational and technology capacity requiring disciplined sequencing and prioritisation.

My priorities for FY2027 are clear:

- Deliver the NAIT replacement build with discipline, including schedule, budget, change management, stakeholder engagement, data migration and third-party integration planning.
- Maintain momentum toward *M. bovis* Confidence of Absence, support decisions on post-eradication surveillance, and ensure programme close-out is well planned, well evidenced and well communicated.
- Implement the updated TB National Operational Plan and deliver eradication activity to agreed KPIs, with particular focus on keystone vector operations and maintaining infected herd period prevalence within the revised objective. Additionally, we need to improve communication with farmers to ensure they understand the TB surveillance programme.
- Lift traceability performance, especially lifetime traceability, and compliance framework delivery.
- Continue to strengthen technology and data maturity, including completion of roadmap work, data governance implementation, and responsible AI governance.
- Embed the organisational redesign and maintain delivery discipline, with portfolio governance, clear prioritisation and a realistic change load for our people.
- Continue building trust, using the customer and stakeholder survey baseline to guide practical engagement, clearer communications and better feedback loops.

I want to thank the OSPRI Board for their focus, challenges and support to management, OSPRI's people for their professionalism through a demanding year, and our farmers, shareholders, funders, committees, Stakeholder Forum, Māori partners, industry partners and MPI colleagues for their continued engagement.

FY2026 has strengthened our foundations. FY2027 will see ongoing disciplined delivery, active communication and engagement, and continuing to build collective industry endeavour and partnerships that allow OSPRI to maximise its impact for the livestock sector and New Zealand.

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 is 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 strategy is available at www.ospri.co.nz/about-us.

Our Board of Directors (at 30 June 2026)



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



Susan Huria ONZM
Committees:
People and Culture (Chair)



Nikki Davies-Colley
Committees:
Audit and Risk



Michael James
Committees:
Audit and Risk (Chair to July 2025 meeting), Technology and Data



Mark Todd
Committees:
Audit and Risk (Chair from July 2025 meeting), Technology and Data



Alex Guilleux
Committees:
Audit and Risk, Technology and Data



Hugh Martyn
Committees:
Technology and Data (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 (note the new NPMP will align the livestock and possum TB freedom dates to 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 processor or export, for the purposes of managing animal health, disease outbreaks, food safety and biosecurity risks, market assurance and farm 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 2026)



Sam McIvor
Chief Executive Officer



Simon Andrew
Deputy Chief Executive, Strategy & Programmes



Angela Leong
Chief Corporate Services Officer / Chief Financial Officer



Danny Templeman
Chief Operating Officer



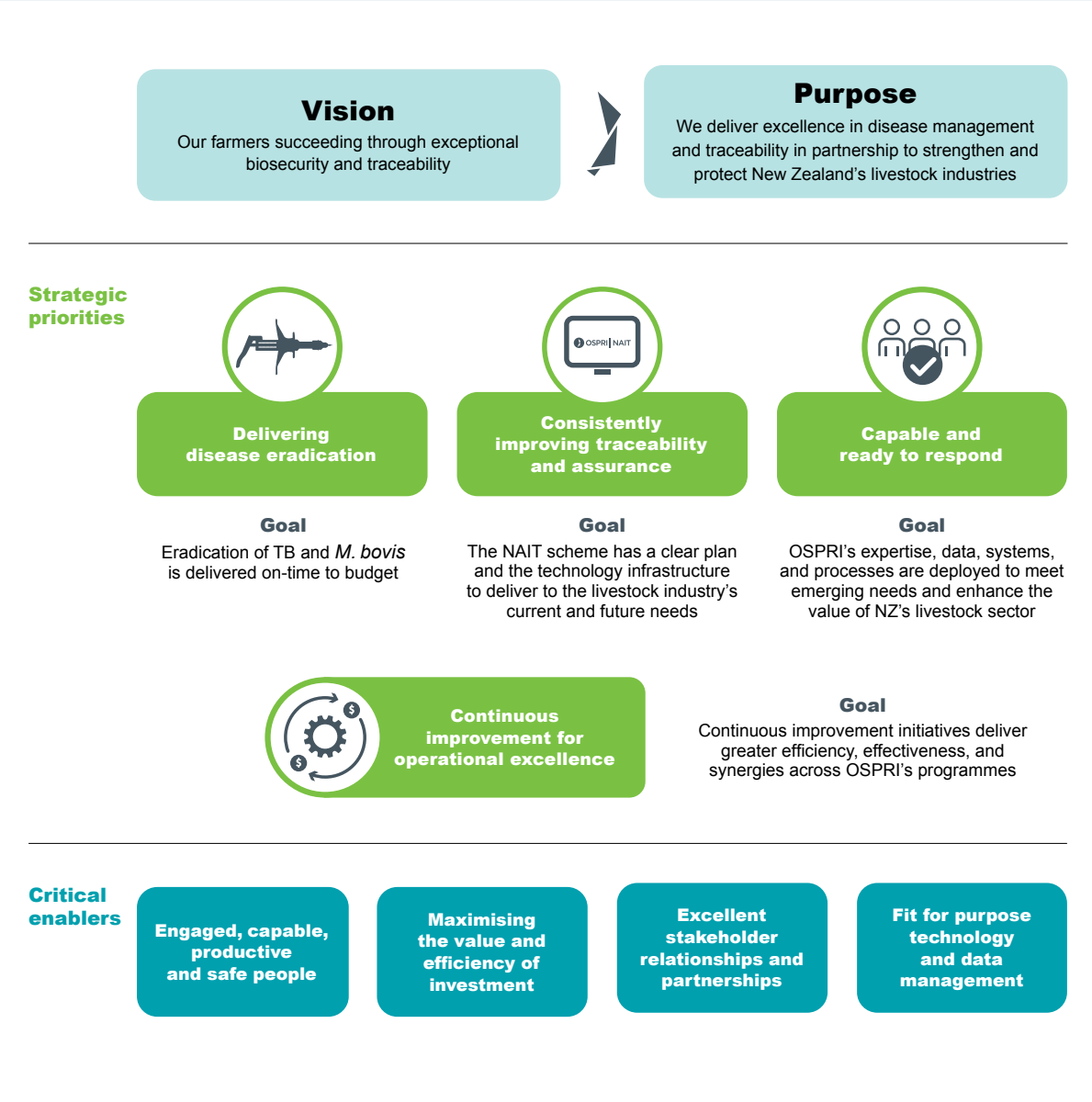
Colin Philp
Chief Transformation Officer

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

Strategic Plan 2025–2028

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 2025–2026

TBfree

1.39 million
animals tested for TB during FY2026





95%
(average) farmer satisfaction with TB testing programme



1 million+
hectares removed from Vector Risk Area status during FY2026

Stakeholder engagement



78% stakeholder confidence
that OSPRI is heading in the right direction

Health, Safety and Wellbeing



93% favourable
Health & Safety culture result

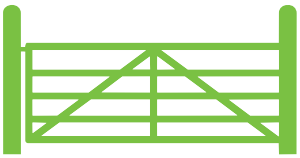


ISO45001 audit passed with
100% score

M. bovis

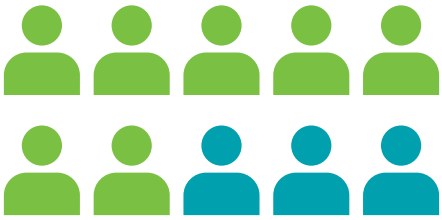
90.1% Confidence of Absence
achieved at 7 September 2025

0 Active Confirmed Properties
at 30 June 2026



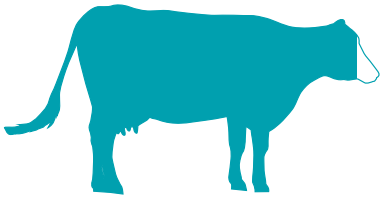
21,338 farms tested

People



71% employee engagement score
(up from 58% in FY2025)

Traceability



94.4%
of animals registered before first movement



NAIT replacement system
contract signed



90.5%
customer satisfaction from Support Centre users

58.6%
lifetime traceability, up from 55.7% last year



Objective

1

Disease eradication programmes on track

Our focus

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

30 June 2026 targets	
1.2 million hectares of vector operations delivered to specification.	**ACHIEVED** 1.79 million hectares of vector operations delivered in FY26.
Eight TB infected herds by 30 June 2026[1].	**NOT ACHIEVED** 19 TB infected herds nationally at 30 June 2026. The TB Plan review recognised that livestock infections will continue while infection remains in wildlife reservoirs, and that maintaining low herd infection prevalence is a more appropriate measure until TB is removed from wildlife.
Implement TB testing in-house as BAU by 31 December 2025; deliver TB testing within budget of $8.94m and farmer satisfaction with testing programme at 90%.	**ACHIEVED** TB testing is fully delivered in-house and was under budget by $1.9m. The results of the 2026 farmer survey indicate that frontline delivery is a significant strength for the TBfree programme, with an average 95% satisfaction with the testing programme.
5.9 million residual hectares of Vector Risk Area at 30 June 2026.	**ACHIEVED** 4.8 million hectares of Vector Risk Area remain nationally; 51 Vector Control Zones, covering more than 1 million hectares, had Vector Risk Area status revoked this year.
Disease (TB and *M. bovis*) research milestones delivered in-full and on-time.	**ACHIEVED** A new research strategic pathway was implemented in line with the recommendations from the TB Plan Review and an annual research cycle. This will address research questions that will support the delivery of programmes over the next three plus years.
Complete TB plan review with stakeholder support and Board sign off of plan and budget.	**ACHIEVED** The TB plan review was completed, consulted on, and approved by the OSPRI Board and Government.
***M. bovis* National Pest Management Plan implemented through National Operational Plan.**	**ACHIEVED** There are zero active confirmed *M. bovis* cases; the Programme is in the Confidence of Absence phase. Bulk Tank Milk screening and National Beef Cattle Surveillance continued with annual surveillance volumes meeting programme targets.

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

1 The target of eight is from the 2025-2028 Strategic Plan.

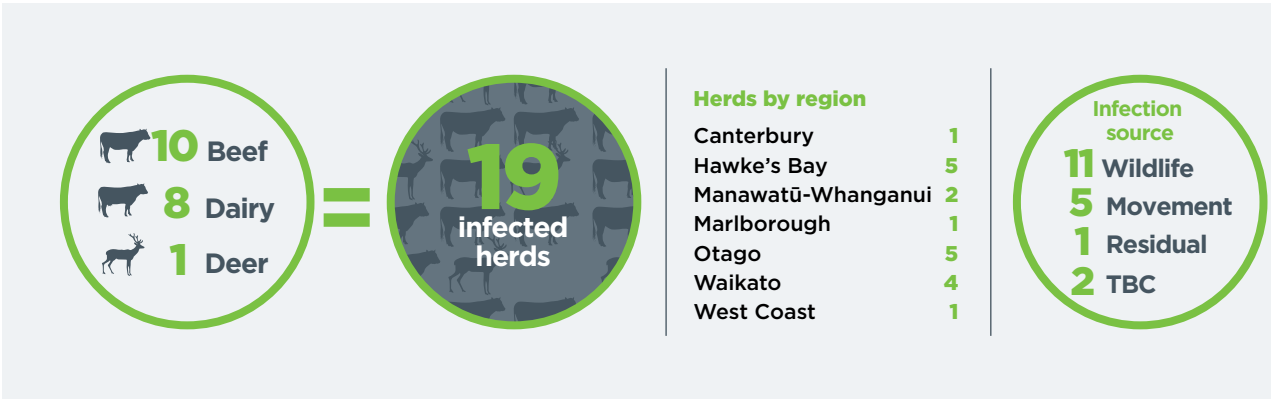
Hit herd number and vector free area targets (TBfree programme)

TB infected herds at 30 June 2026

The 30 June 2026 total of 19 TB infected herds (18 cattle, 1 deer) exceeded the programme's target of eight infected herds for the year and the 15 TB infected herds at the end of FY2025.

The TB Plan Review concluded that herd infections will continue while TB remains in wildlife reservoirs and that maintaining low levels of herd infection is a more meaningful measure of progress until wildlife infection is eliminated. The review therefore shifted the programme's focus from achieving a specific herd count to maintaining low herd prevalence while progressing toward TB freedom in both wildlife and livestock by 2040, and national eradication by 2055.

Figure 4: National TB infected herds, 30 June 2026



Proof of freedom

The National Pest Management Plan's second primary objective milestone is to achieve TB freedom in possums by 30 June 2040.

Progress toward this milestone is tracked through the reduction of Vector Risk Area hectares. As areas achieve the required proof-of-freedom threshold and are reclassified to Vector Free Area, the national Vector Risk Area footprint decreases.

Proof-of-freedom progress was a major FY2026 achievement.

Independent review supported the revocation of Vector Risk Area status for 51 Vector Control Zones, covering more than 1 million hectares.

The volume cleared this year is approximately a tenth of the total extent of Vector Risk Area in 2011 when the eradication strategy was originally adopted and means we are now over 50% of the way towards eradication of disease in wildlife.

The national Vector Risk Area footprint has reduced to 4.8 million hectares at 30 June 2026 and brought the cumulative area revoked since July 2011 to approximately 5.6 million hectares.

Vector control

The 2025/26 National Vector Operations Programme delivered $27.89 million of vector operations work to remove the wildlife vector for bovine TB – the possum. This was conducted over 1.79 million hectares. Work includes ground and aerial control operations, wildlife surveillance and monitoring.

In the North Island, aerial operations occurred in the Southern Tararua Ranges (in partnership with the Department of Conservation's Project Kākā) and East Taupō, with pre-feed operations undertaken in the Waikoau area (near Napier). South Island aerial operations were carried out in Marlborough's Molesworth region and in the West Coast's Upper Wanganui area.

The programme concluded with approximately 90% of planned activities completed due to operational rework requirements following monitoring results from some ground control operations and timing constraints affecting a small number of aerial operations. Delivery of large-scale vector control programmes also requires ongoing management of operational access and stakeholder engagement across priority areas.

The remaining activities have been carried forward into the 2026/27 programme including completion of Waikoau.

Figure 5: Vector operations spend and % in FY2026 by island

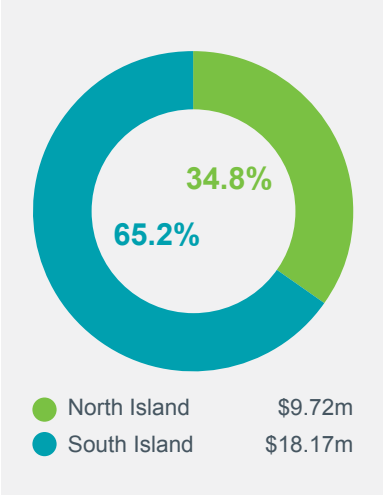
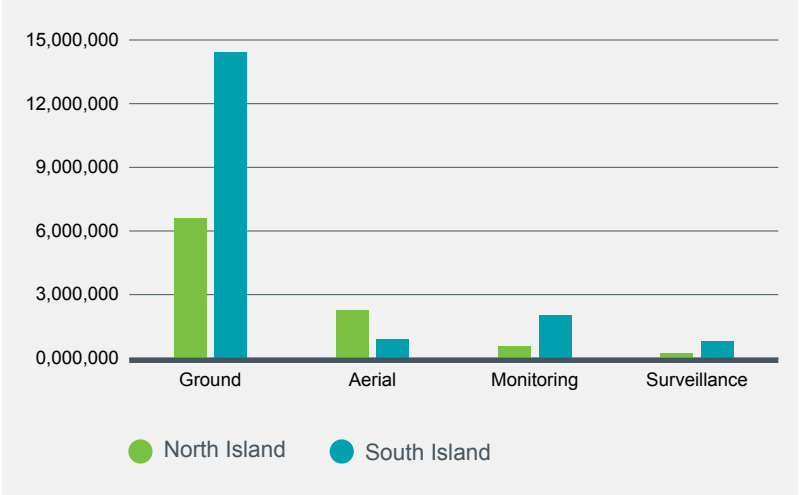


Figure 6: Vector operations spend in FY2026 by island and type



Focus regions

The TBfree programme identifies and manages areas where there is an elevated risk of infected possums spreading disease into nearby livestock. In these areas, intensive possum control and pre-movement testing requirements help protect farms and prevent the spread of disease via livestock movements. During FY2026, key focus areas have been Central North Island and Central Otago.

Central North Island

East Taupō remained a key response area. Five farms in this area were cleared of infection during the year, with no infected herds as of 30 June 2026. Two aerial operations were completed in February and April 2026.

In Hawke's Bay, a Movement Control Area[2], two herds were cleared of infection this year. At year end, there were five infected herds, all associated with infected wildlife. Waikoau aerial operations began in June 2026.

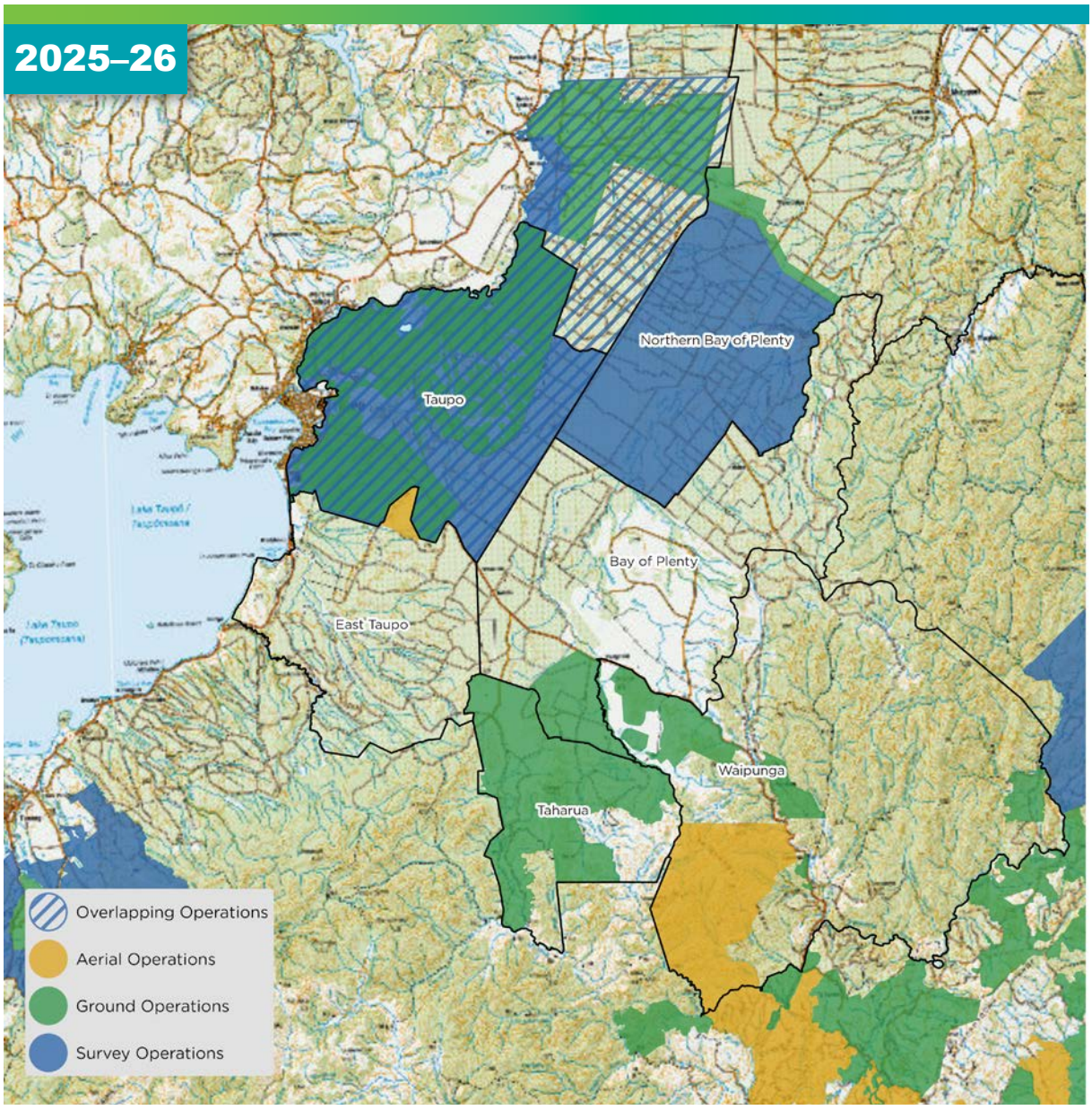
Central Otago

A new Movement Control Area, covering Tarras, Lindis Valley, the top end of Ida Valley and the upper Manuherekia Valley, was introduced on 1 October 2025.

At year end there were four infected herds within the Otago Movement Control Area, all associated with infected wildlife. A fifth infected herd, in a surveillance area, is movement related. There have been no new herd breakdowns in this region due to wildlife during FY2026, and three herds were cleared of infection this year.

2 Being in a movement control area means all cattle and deer over three months old must be TB tested within 60 days of being moved. Only animals going directly to slaughter do not require a test.

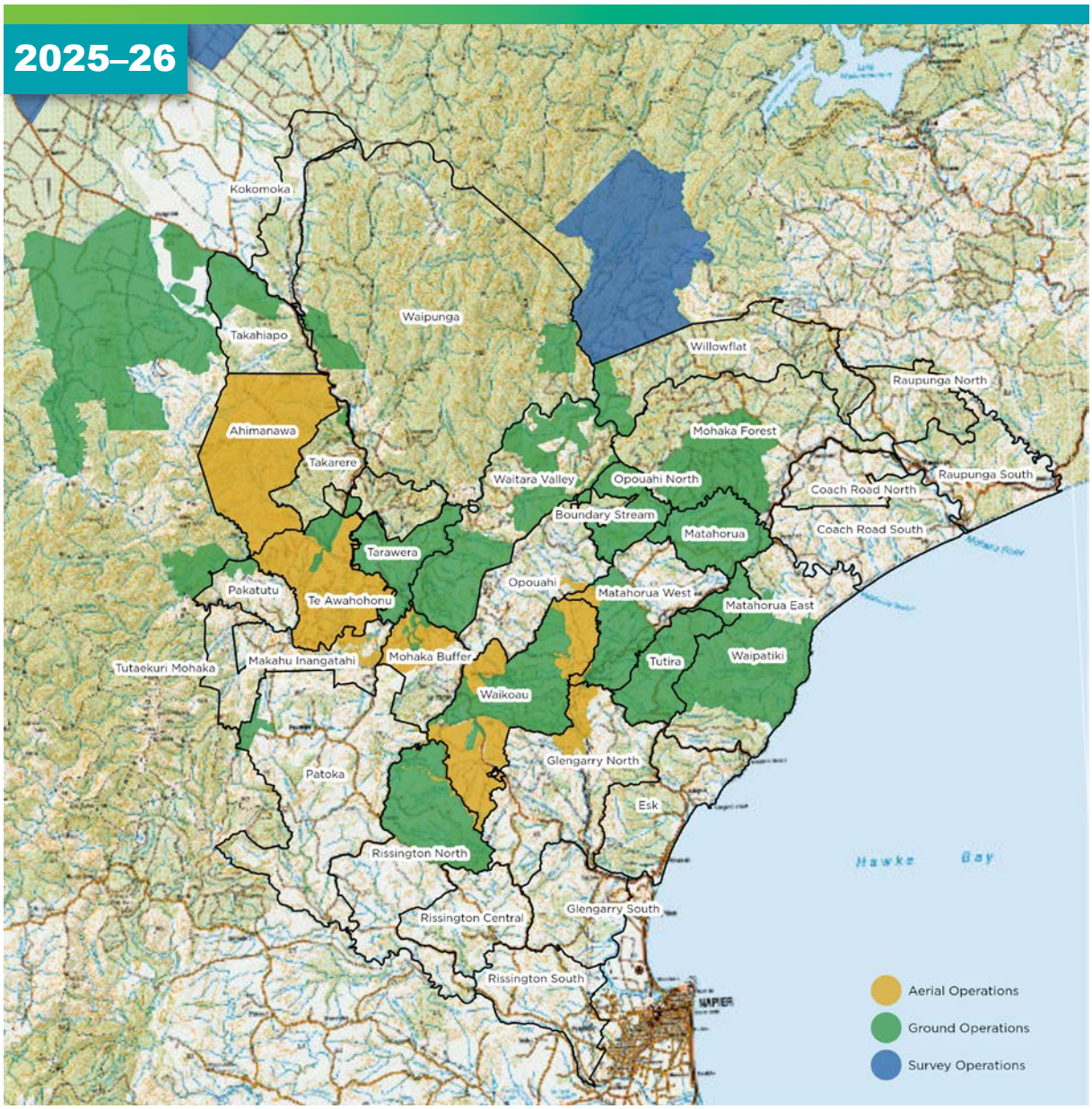
Work in Central North Island during FY2026



Map 1: Work in Central North Island during FY2026

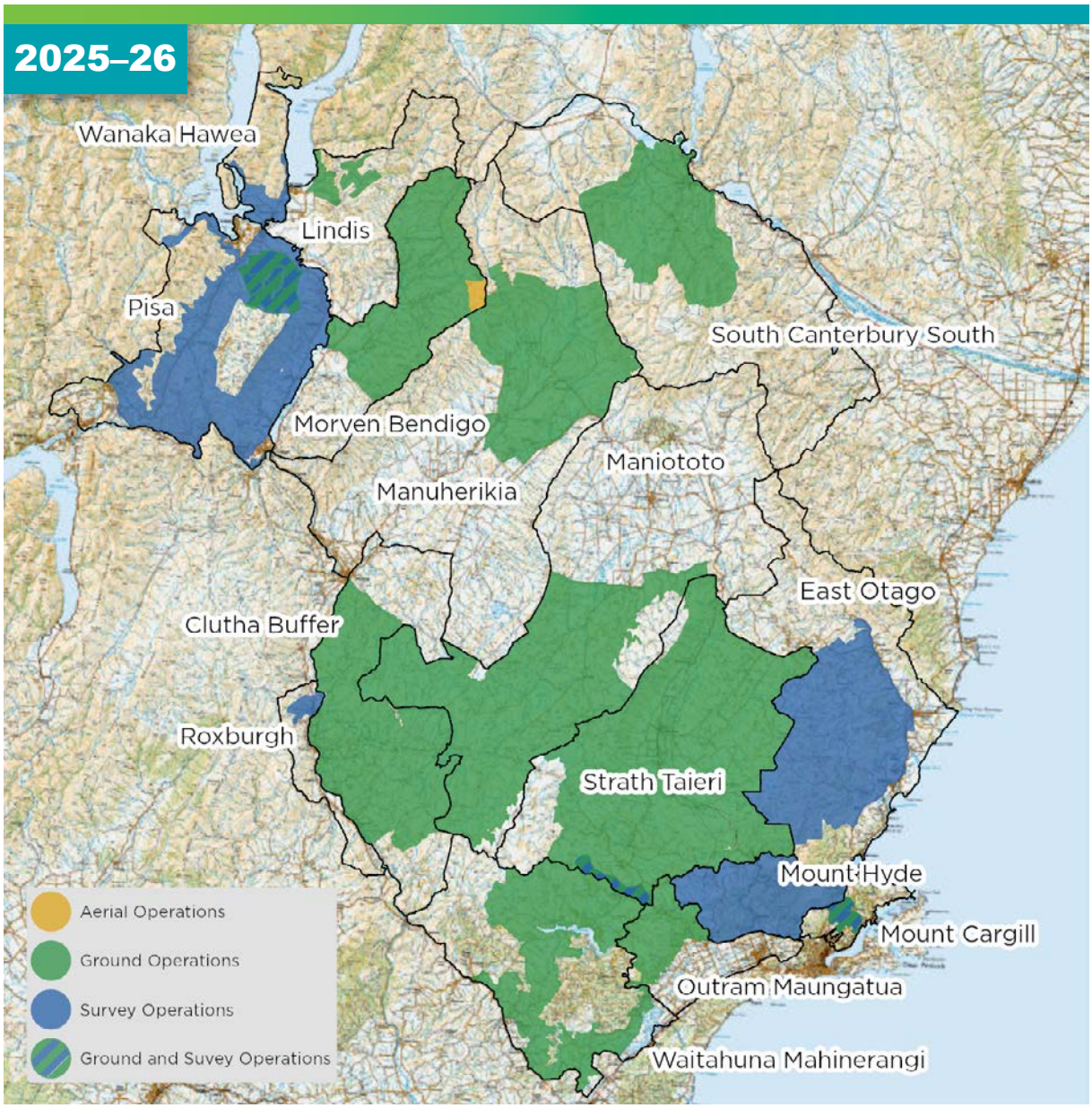
Survey operations are surveys of possums to determine whether TB remains in an area following possum control.

Work in Hawke's Bay during FY2026



Map 2: Work in Hawke's Bay during FY2026

Operations in Otago region during FY2026



Map 3: Operations in Otago region during FY2026

Stakeholder engagement and communications

Partnerships with landowners, iwi, hapū, and other stakeholders remain critical to TBfree delivery. Engagement has focused on our keystone operations across the Central North Island area, with activity including:

- ongoing kōrero with iwi representatives
- progression of one Memorandum of Understanding towards formal consideration
- developing two additional Memoranda of Understanding.

Progressing these agreements represents a significant step towards strengthening enduring relationships that support both operational delivery and long-term TB freedom objectives.

Research and innovation

During FY2026, we engaged the Bioeconomy Science Institute as our primary research provider for a new suite of practical TB projects to support eradication.

Projects this year include:

- Scenario Tree Modelling work
- Enferplex bulk tank milk trial – this found that the bulk-tank milk test is not well suited to our current TB surveillance system
- Spatial Possum Model
- thermal imaging drone pilot in Central Otago – while drones may provide a tool for possum density assessment, the study identified limitations such as thermal washout, deep gully detection, timing constraints, and scalability, and further trials will be necessary to determine if it can be adopted operationally
- environmental DNA for landscape-scale evidence of TB absence
- feral deer TB risk
- alternatives to standard aerial 1080
- surveillance strategies for rebounding possum populations
- possum density and TB risk in tussock grasslands
- confidence of disease freedom in hard-to-reach possum populations
- modelling for TB eradication from New Zealand.



TB testing and surveillance

FY2026 was the first full year of OSPRI-delivered in-house TB testing.

Across the full year, 1,391,088 animals were tested across 5,558 farm visits.

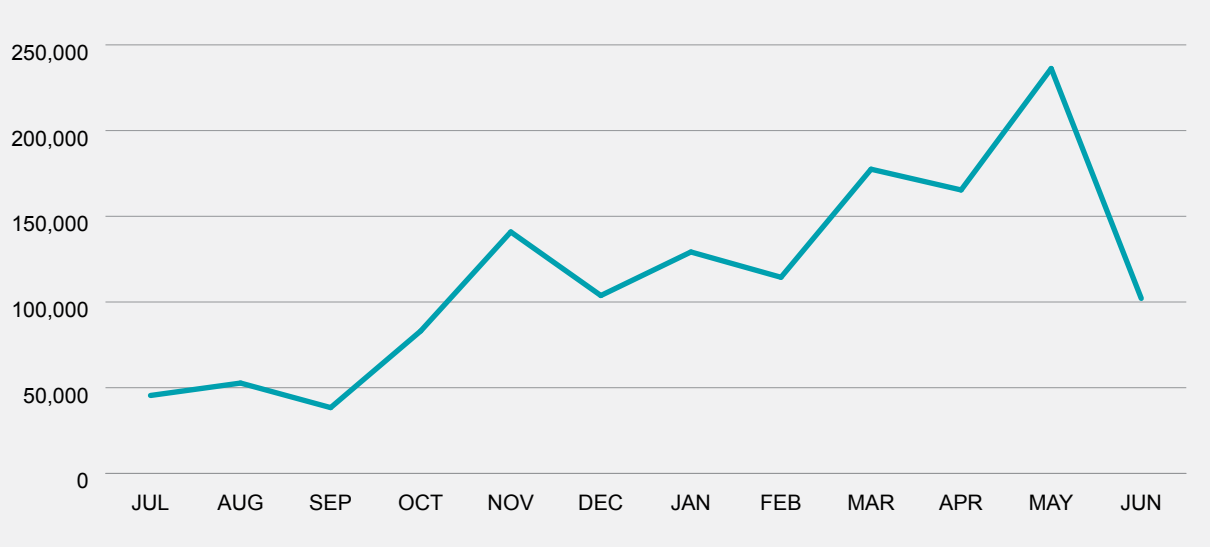


Figure 7: Routine on-farm tests completed during FY2026

Pre-movement testing performance remained strong throughout the year. At 30 June 2026, 759 pre-movement tests had been completed, covering more than 71,368 animals, and 98% of these tests were completed within 30 days of request.

Since bringing TB testing in-house, we've also changed the way we conduct TB testing in surveillance areas, both to improve the cost effectiveness of the TBfree programme and to reduce the time and administration for farmers in areas of low infection risk.

Instead of testing on a routine basis, TB testing selection is now focused on risk factors such as:

- a higher frequency of animal movements on and off farm
- movement of animals from higher-risk areas or herds
- the accuracy of NAIT records
- herd infection history.

The slaughter surveillance programme continues – every animal that goes to slaughter is assessed for the presence of TB lesions.

Disease Control Area changes

New Zealand is divided into four Disease Control Area types, with different TB testing frequencies and movement control measures, depending on the risk of TB being transferred from infected wildlife to cattle and deer.

In March 2026, several Movement Control Areas were reduced in size or removed altogether:

- Movement Control Areas in the greater Wellington region, Karamea region and the Taramakau / Upper Ahaura region were removed
- Movement Control Areas affecting Marlborough and West Coast's Mikonui – Tōtara Rivers were reduced.

These changes removed the requirement to undertake pre-movement testing for approximately 360 herds. Additionally, reductions in Special Testing Areas resulted in approximately 220 herds seeing reduced TB testing frequency.

As noted earlier (Central Otago focus region), a new Movement Control Area, covering Tarras, Lindis Valley, the top end of Ida Valley and the upper Manuherekia Valley, was introduced on 1 October 2025.

The Disease Control Area changes reflect the significant progress made in reducing TB risk in regions that were once among New Zealand's most heavily infected areas.

Farmer survey on TB testing

TB testing was one of the strongest performing areas measured in our 2026 Customer and Engagement farmer survey. The results suggest that while farmers generally support the TBfree programme and have very positive experiences with TB testing, there is an opportunity to improve understanding of how testing requirements are determined.

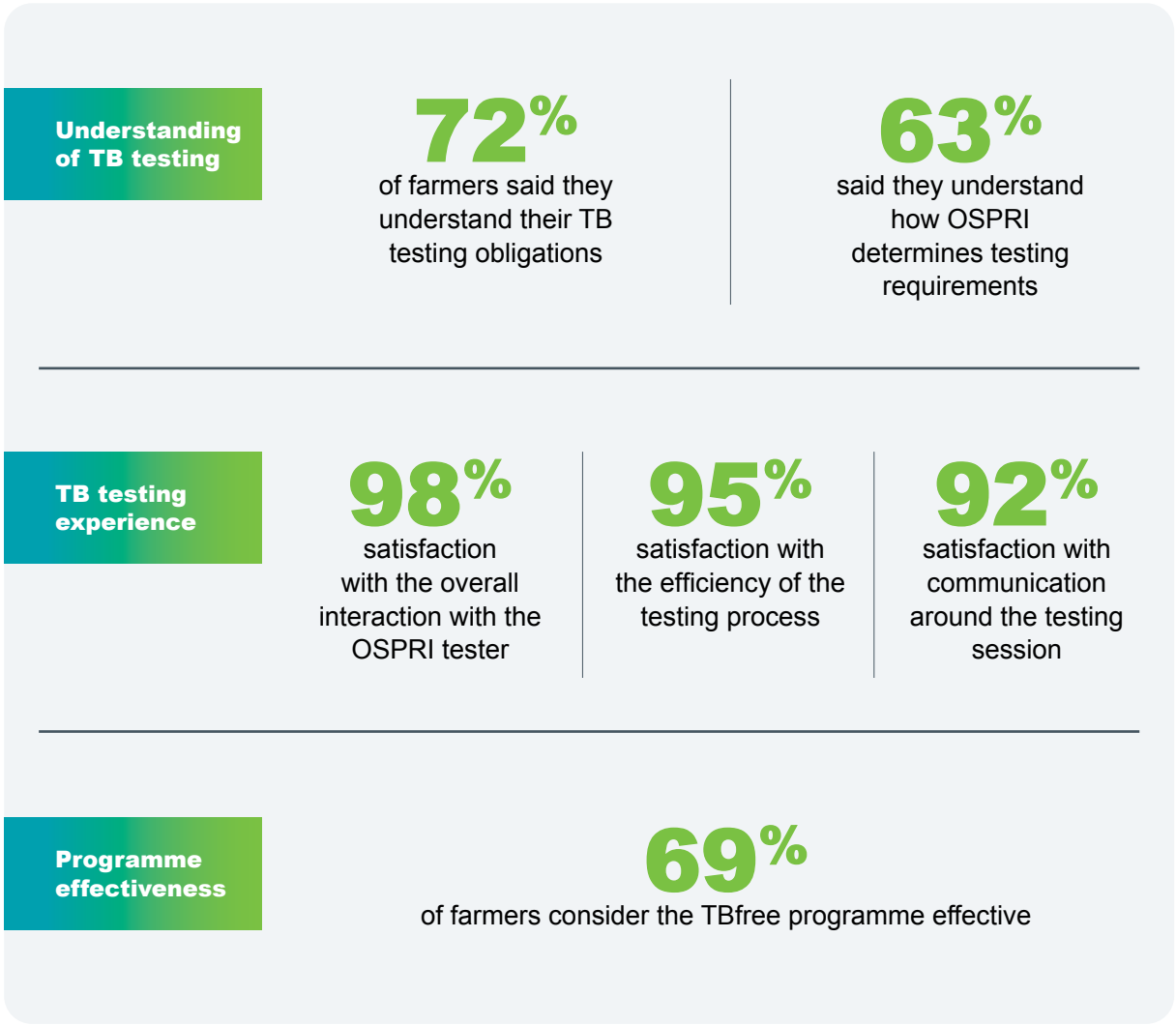


Figure 8: Farmer survey results, TB testing

Complete and implement the TB plan review

The TB Plan Review, carried out every ten years, provided an opportunity to look closely at the progress made under the programme, what had changed since milestones were set a decade ago, and what is now needed to achieve long-term TB freedom.

The review was conducted over nine months by a governance group of funder representatives, and an observer from the Department of Conservation, with an independent chair, Helen Anderson, and secretarial support from OSPRI.

Consultation on the outcomes of the review took place in September – October 2025 with 15 public meetings nationwide plus webinars hosted by industry organisations. 100 submissions were received, analysed and incorporated into the recommendations for the Minister of Biosecurity.

The updated TB National Pest Management Plan Order in Council is expected to be implemented in FY2027.

The review concluded that while the long-term objective of eradicating TB from New Zealand by 2055 remains achievable and there has been strong progress to date in reducing TB risk, livestock infections will continue to occur while TB persists in wildlife.

By acknowledging the threat infected wildlife will continue to present, the plan will target TB freedom in both possums and livestock by 2040, and complete eradication from New Zealand by 2055.

The review also recognised that maintaining annual period prevalence of TB infected herds of ≤ 0.05% is a more appropriate measure until TB is removed from wildlife. This equates to approximately 30–40 infected herds per annum.

Following the approval of the review's findings by Government, we have developed a 12-year plan to clear the remaining Vector Risk Area hectares.



M. bovis National Pest Management Plan on track

The *M. bovis* Programme remained at zero Confirmed Properties at 30 June 2026.

It has been close to three years since *M. bovis* was last confirmed in New Zealand. When the 2025 spring Bulk Tank Milk surveillance ended with no detection of *M. bovis*, the Programme entered its final phase, the Confidence of Absence phase, after seven years of farmer and industry effort.

0
infected properties
at 30 June 2026

282
infected properties
cleared of *M. bovis* over the life of the Programme

Background Surveillance and investigations

Bulk Tank Milk Surveillance, monthly testing of a milk sample from every milk supplier, increasing to fortnightly between July and September, continued. This testing captures on average 10,200 dairy farms annually and represents more than 4.5 million dairy cattle.

National Beef Cattle Surveillance provides surveillance across the beef and drystock sectors. The combination of slaughter and on-farm sampling is skewed toward Canterbury, Otago and Southland, being the regions with the greatest infection history.

All background surveillance detect results during the year were investigated and resolved, with no evidence of *M. bovis* infection identified.



Confidence of Absence

This year, the Programme successfully completed spring 2025 surveillance without finding infection, a significant milestone towards eradication. It meant the Programme has met the requirements to move from the Provisional Absence phase to the Confidence of Absence phase.

This final phase relies on sustained background surveillance, through Bulk Tank Milk screening and National Beef Cattle Surveillance, to build statistical confidence that *M. bovis* is no longer present in New Zealand. The Programme is on track to meet the 95% confidence threshold.

Assurance, research, and readiness

The Programme completed its case review project in FY2026, a comprehensive retrospective assessment of historic infected properties using enhanced programme knowledge, advanced tracing tools, and targeted follow-up investigations. As part of this work, 359 farms underwent additional investigation, with all returning negative results. This provides strong assurance that no residual network-related infection remains.

To support surveillance assurance, the Programme routinely analyses NAIT movement activity and record accuracy to identify businesses that may be at elevated risk of contracting or spreading *M. bovis*. During FY2026, no farms were classified as High-Risk Businesses, reflecting the very low prevalence of *M. bovis* in New Zealand. However, 90 businesses were identified and assessed through desktop reviews. This work informed surveillance planning, supported outbreak readiness, and helped ensure appropriate national surveillance coverage.

The Programme's research programme delivered several important initiatives:

- The Network Analysis project delivered five reports, developing tools to identify properties at greater risk of receiving or spreading infectious disease.
- The Meat Processing Plant Surveillance analysis project was also completed, confirming that this surveillance stream continues to perform strongly and provides broad coverage through the collection of samples each year from new, unique NAIT numbers.
- The Imported Semen Traceability project was completed during the year, delivering an operational policy describing how cattle semen traceability data could be used to enhance surveillance activities and case investigations for *M. bovis*, and traceability guidelines for imported semen and embryos from cattle, deer, sheep, and goats. Both outputs supported the development of a semen traceability standard operating procedure.

The Programme is progressing a series of scientific publications that present evidence supporting New Zealand's eradication claim, with publication expected in a special edition of the New Zealand Veterinary Journal in 2027.





Objective

2

Continuous improvement of traceability

Our focus

- NAIT hits targets for data improvement and farmer satisfaction
- National Operating Plan agreed with funders and implemented to plan
- Procurement process completed and vendor selected for NAIT replacement
- New NAIT build on track against schedule
- Triennial business plan and budget agreed

30 June 2026 targets	
Data volume and accuracy of lifetime traceability increases from 56% to 65%.	**NOT ACHIEVED** Lifetime traceability of animals slaughtered at meat processors at the end of FY2026 was 58.6%, up from 55.7% at the end of the previous financial year. At slaughter 71% of animals had a date of birth in NAIT, 84.1% had a birth location, 84.9% had no broken chains (no breaks in the animal's movement history), and 99.5% were "alive" in the system. Lead indicators: the % of animals registered before first movement improved this year; there was a slight decrease in the % of movements recorded within 48 hours, however, note that several extensions of reporting timeframes were made during the year due to weather events.
Farmer satisfaction with OSPRI support is ≥ 85%.	**ACHIEVED** The Support Centre achieved 90.8% customer satisfaction at year end.
Updated National Operating Plan ready to be implemented 1 July 2026.	**NOT ACHIEVED** The NAIT Triennial Business Case was approved in June. Delivery of the NOP is delayed to align with delivery of the funders' agreement.
NAIT system replacement scope and budget supported by Board and funders.	**ACHIEVED** Triennial Business Case and associated funding for NAIT replacement agreed with funders. Commercial negotiations completed with the preferred build partner; contracts executed in June 2026; and the project is ready to move into design and discovery in early FY2027.

Ready to build the NAIT Replacement System

FY2026 was a significant year for the NAIT Replacement System

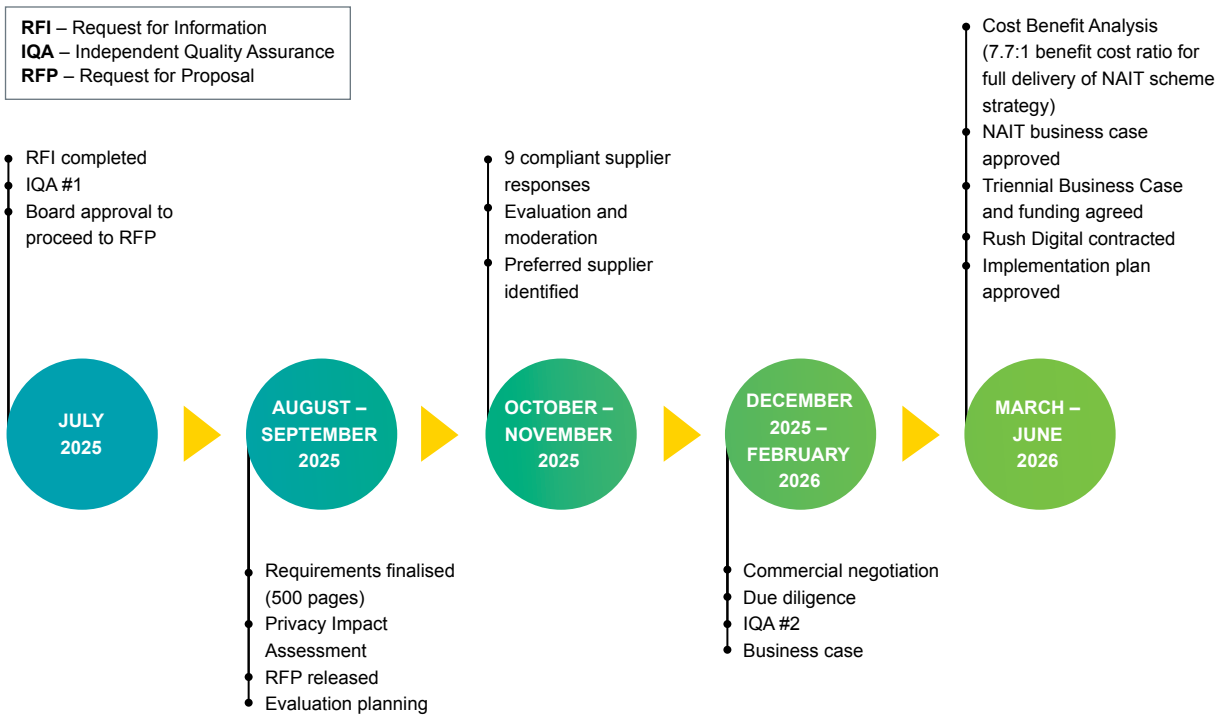


Figure 9: Progress on the NAIT replacement in FY2026



Completing the Triennial Business Case and funding strategy

The NAIT Triennial Business Case, agreed with funders during FY2026, provides the programme and funding pathway for the next three-year delivery period, in the context of a six-year direction of travel for the NAIT Scheme.

The first three years of the NAIT Scheme Strategy 2025-2031 will be focused on the NAIT Replacement System, a modern and secure technology platform, and foundational improvements to accreditation, integration and stakeholder engagement.

We expect to deliver foundational benefits such as improved user experience, more timely and complete data entry, operational efficiencies, reduced administrative burden, and early improvements in compliance and data quality.

The Cost Benefit Analysis for full delivery of the NAIT Scheme Strategy found that it delivered a strong positive economic return over a 20-year horizon. The benefit-cost ratio estimates approximately $7.70 of benefits would be generated for every $1 invested.

Most of the value arises from improved data quality and traceability, which flow through to:

- reduced biosecurity and exotic disease response costs
- more efficient management of endemic diseases (including bovine TB)
- protection of high-value export market access
- efficiency gains across the livestock value chain through a better information system and reduced compliance burden.

Levy consultation to support the Scheme Strategy began in June 2026. The proposed increases have subsequently been approved by the NAIT Board.



OSPRI | NAIT

Vision

Farmer and livestock industry value is protected and enhanced through an effective and efficient traceability scheme.

Strategic Priorities

Unlocking Greater Value

Goal

Greater value for farmers and the livestock industry is realised from lifetime traceability, through improved biosecurity, food safety, market assurance, and animal productivity.

Key Activities

- Development of a NAIT Data User Strategy to unlock more value for industry participants, including farmers.
- Fit-for-purpose accreditation programme.
- Improving the quality and format of data and information and delivery mechanism provided to key customers.

Scheme Simplicity

Goal

An easy-to-use integrated NAIT Information System underpins an efficient and effective NAIT Scheme.

Key Activities

- Successful replacement of NAIT Information System.
- Update NAIT Scheme policies and practices to reduce the effort required.
- Enhanced self-service capability through delivery of a knowledge hub.

Partnering for Success

Goal

Everyone works together to drive the success of the NAIT Scheme.

Key Activities

- A collective industry strategy to increase NAIT Scheme performance.
- Implementation of best practice compliance.

Best-Available Technologies for Lifetime Identification

Goal

NAIT animals are uniquely identified and traced with the best-available technologies to enable lifetime traceability.

Key Activities

- Fit for purpose device/tag approval monitoring and reporting processes.
- An innovation programme identifies new technologies and devices/tags for potential use.
- The issue of tag loss will be investigated.

Figure 10: NAIT Scheme Strategy 2025-2031

NAIT compliance performance

Lifetime traceability

Lifetime traceability indicates whether NAIT data can follow an animal from birth to slaughter.

Figure 11: Lifetime traceability comprises four criteria

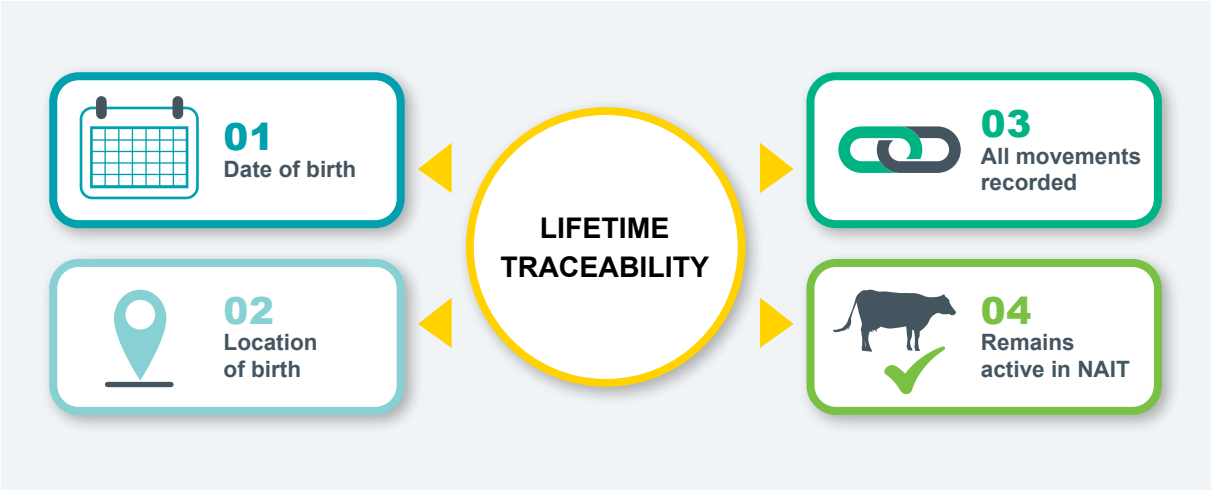
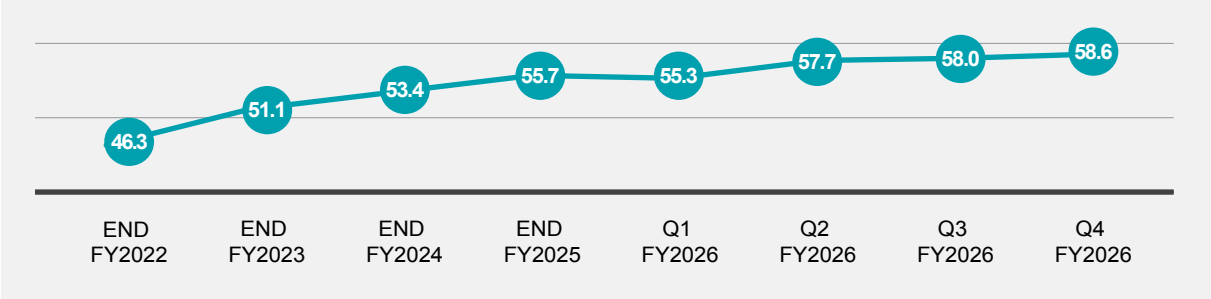
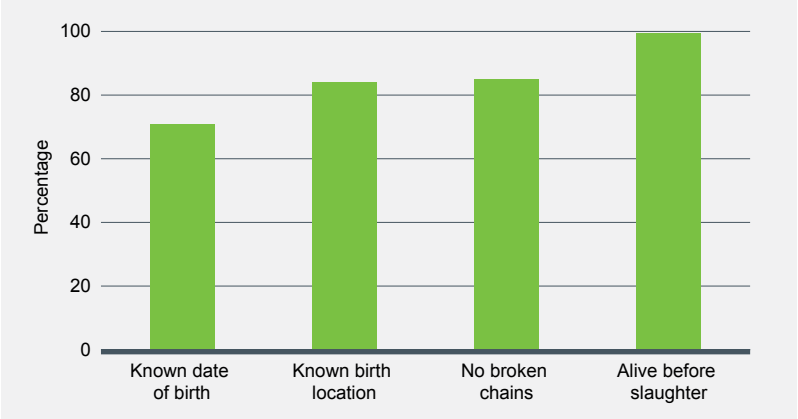


Figure 12: Lifetime traceability % of animals slaughtered at meat processors at 30 June 2026 increased to 58.6%, compared with 55.7% at the end of FY2025



Note, this metric is a lag indicator; improvements from current education and data-quality campaigns will only be seen once animals born during the campaign period are processed.

Figure 13: Proportion of animals meeting each lifetime traceability requirement



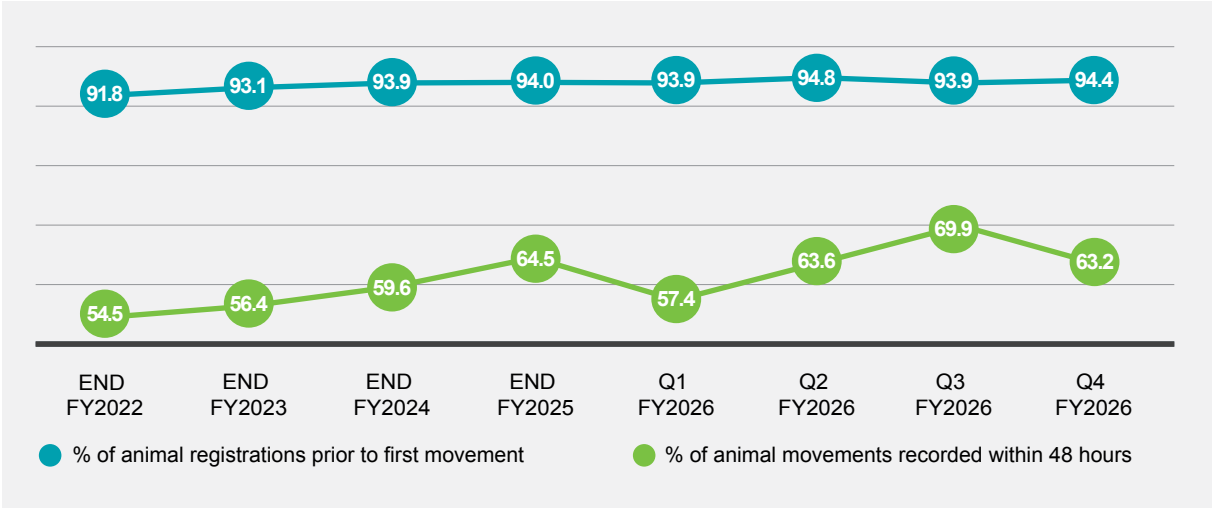
Traceability compliance scale

The traceability compliance scale shows progress in two core indicators: registering animals before their first off-farm movement and recording animal movements within 48 hours. Note these numbers are dynamic as movements can be recorded retrospectively, which can reduce the percentage over time as late movements are entered.

At the end of FY2026, 94.4% of animals were registered before first movement, 0.4% improvement from 30 June 2025. In FY2026, 63.2% of movements were recorded within 48 hours, down 1.3 percentage points from 64.5% at the end of FY2025. The following reporting time extensions were gazetted this year, due to adverse weather events where states of emergency were declared:

- **October 2025**, Canterbury, Marlborough, Clutha, Southland, Wellington, Wairarapa
- **February 2026**, all locations with a declared state of emergency or red weather warning
- **April 2026**, Whanganui, Ōhura, Wellington
- **April 2026**, Cyclone Vaianu – Northland, Whakatāne, Waikato, Ōpōtiki

Figure 14: Percent of animals registered before movement and % of movements recorded within 48 hours



Partner farmer and stakeholders to improve NAIT performance

OSPRI's support for farmers, livestock managers, saleyards, meat processors, information providers and other participants to meet their NAIT obligations includes education and guidance through the Support Centre, the OSPRI website, communications channels, regional engagement, and Technical Reference Groups.

Moving Day campaign

In the lead up to Moving Day, our campaign encouraged farmers to use self-service tools, online forms and step-by-step guides for common NAIT tasks such as creating movements, registering animals, ordering tags, changing a PICA and registering a herd.

Birth Date campaign

This educational initiative encourages New Zealand farmers to record the accurate month and year of birth when registering livestock in the NAIT system, being one of the simplest ways to strengthen lifetime traceability.



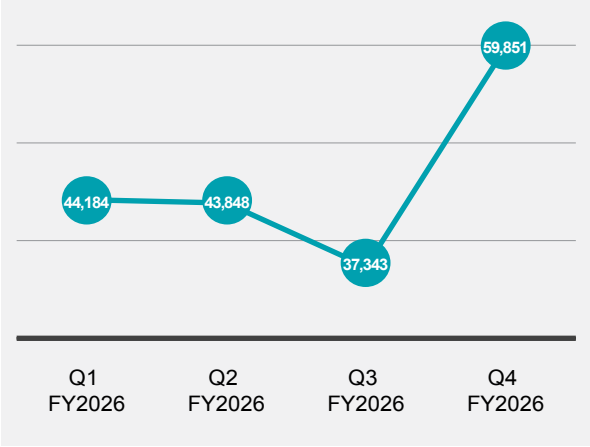
Support Centre, website and OSPRI News

The Support Centre and digital channels are important parts of the NAIT support model.

OSPRI website

A range of NAIT educational tools, including videos and guides are available on the OSPRI website.

Figure 15: OSPRI website unique visits during FY2026



OSPRI news

The average open rate for OSPRI news, our monthly email to approximately 85,000 farmers was 39.2%.

OSPRI News continued to support practical farmer engagement and self-service. Content regularly promotes online guides and forms for common NAIT and TBfree tasks, including creating movements, registering animals, ordering tags and submitting PICA change or herd registration requests.

Support Centre

Survey responses show farmers value the assistance the Support Centre team provides. The satisfaction scores are consistently over 80%, with the industry standard being between 70-85%.

The Support Centre's work in FY2026

48,639
calls answered during the year

28,838
external emails received during the year

57%
of emails processed within 48 hours
(average over the year)

4 minutes
8 seconds average wait time
(target 3 minutes)

90.8%
average customer satisfaction score during the year
(industry standard 70–85%)

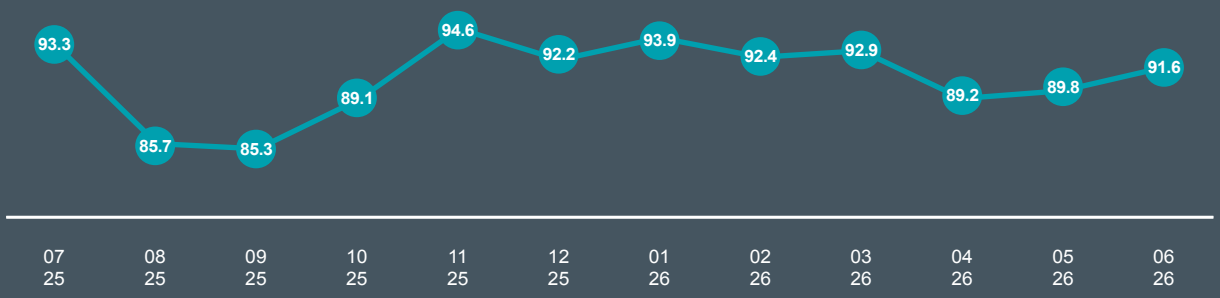


Figure 16: Support Centre customer satisfaction score (%) in FY2026

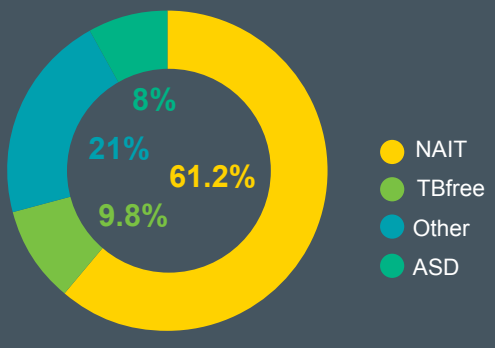


Figure 17: % by programme of phone calls to the Support Centre

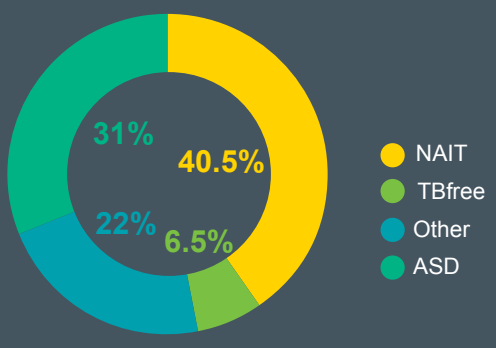


Figure 18: % by programme of emails received by the Support Centre

Targeted interventions and compliance activity

The following work progressed in FY2026:

- targeted work to improve NAIT data quality and clarify high-risk accounts
- the inactive PICA campaign pilot
- Customer Relationship Management case functionality was introduced and improved the visibility of engagement outcomes, providing better information for education, escalation, and compliance planning
- restoration of land parcel information for NAIT locations affected by the LINZ update
- the joint OSPRI and MPI compliance monitoring and enforcement workplan continued to be delivered, with failure-to-register and broken-chain animal reports provided to MPI compliance.

The broader OSPRI / MPI compliance strategy refresh is at the draft framework stage and will be completed in FY2027.

Using traceability data to strengthen disease-response readiness

MPI and OSPRI conducted a disease response readiness exercise in September 2025 that showed NAIT data can significantly accelerate disease tracing, with large volumes of animal movements traced in hours rather than days. The exercise reinforced the importance of improving NAIT data accuracy, completeness, declaration timeliness and tagging practices.

Refreshing accreditation and device standards

Refreshed accreditation programme

The refreshed NAIT Accreditation Programme is focused on supporting third-party integration with the NAIT Replacement System. The rewritten accreditation standards were published in May 2026 and commence on 1 July 2026.

The programme includes an evidence-based application or renewal process, ongoing monitoring through the wider NAIT compliance monitoring programme, and a four-year accreditation term.

The rewritten NAIT accreditation standards reduce costs by removing mandatory pre-accreditation audits and replacing them with an evidence-based assessment process supported by ongoing compliance monitoring, lowering barriers to entry while maintaining assurance and programme integrity.

A third-party software standard will be developed alongside the NAIT Replacement System.



Changes to the NAIT Device Standard

Changes made to the NAIT Device Standard this year included expanding the range of approved NAIT devices to include one-piece tags and removing an unused visual format.



Objective

3

Capable and ready to respond

Our focus

- eASD is on a secure, flexible platform
- OSPRI is adequately funded to deliver the eASD service and stakeholders are satisfied with its value for money
- Sheep traceability business case completed by industry with valued input from OSPRI

30 June 2026 targets	
Change of eASD platform achieves cost savings, increased security and functionality and stakeholder satisfaction.	**NOT ACHIEVED** We developed an in-house proposal to re-platform eASD but did not achieve delivery in FY2026 due to constrained people resource and the need to prioritise and focus on the NAIT replacement procurement and ongoing security work.
OSPRI delivers eASD system at break-even cost.	**NOT ACHIEVED** Funding of the eASD system has not been confirmed. An industry working group is yet to conclude its work.
Sheep traceability business case approved for implementation and with stakeholder satisfaction with OSPRI's input.	**NOT ACHIEVED** The business case, to be delivered by an industry working group, was not concluded by the end of the financial year. MPI consulted in early 2026 on options to strengthen sheep and pig traceability to support rapid disease response, particularly for Foot and Mouth Disease. The consultation considered retaining the current ASD system, mandating electronic ASDs, or bringing sheep and pigs into the NAIT scheme at a mob level. OSPRI's submission supported the NAIT-based mob traceability option as the most effective long-term solution. Stakeholder satisfaction in relation to this matter has not been measured.

While eASD work was not completed in FY2026, we have strengthened the foundations that make OSPRI ready to respond: clear governance; disciplined project delivery; practical emergency and crisis procedures; and improving reliability of technology, trust in data, and traceability systems that support fast, accurate disease response.

Objective

4

Continuous improvement for operational excellence

Our focus

Continuous improvement for operational excellence underpins OSPRI's ability to deliver disease eradication, improve traceability and assurance, and remain capable and ready to respond.

The 2025–2028 Strategic Plan identifies the critical enablers for this priority as:

- people
- financial management
- project management
- funder/stakeholder/farmer relationships
- technology and data infrastructure
- research and innovation.

The goal is for continuous improvement initiatives to deliver greater efficiency, effectiveness, and synergies across OSPRI's programmes.

During FY2026, OSPRI strengthened the operating foundations needed for future delivery.

This included:

- embedding new performance and engagement processes
- progressing the People Strategy
- improving health, safety and wellbeing systems
- establishing stronger portfolio and project disciplines
- reducing overhead cost through organisational redesign
- advancing technology and data foundations
- establishing customer and stakeholder survey baselines.



People, culture and capability

30 June 2026 targets	
100% use of performance system.	**SUBSTANTIALLY ACHIEVED** At year end, 99% of people eligible for the GROW programme (permanent employees) had goals in BambooHR (our HR Information System). BambooHR was implemented in November 2025 with positive feedback.
Engagement score improves to achieve Culture Amp benchmark.	**ACHIEVED** Engagement score improved to 71% in May 2026 from 58% in June 2025.
Staff performance ratings improvement.	**SUBSTANTIALLY ACHIEVED** Ratings for FY2026 were similar to the FY2025 results with a higher number of people achieving all their job requirements, although noting that we changed from a 5-point to a 4-point rating scale this year.
Safety indicator ≤ 9.	**ACHIEVED** The FY2026 safety indicator score is 9. Strong performance was recorded across safety culture, engagement, training completion, and critical risk leadership.
External audit reports that the health and safety plan for TB testing is being delivered.	**ACHIEVED** An independent audit of the TB testing health and safety plan reported it was well delivered. Additionally, we conducted 3- and 9-month health and safety climate surveys of the TB testing team. The most recent survey recorded 79% positive rating of the TB testing health and safety plan.
Update People Strategy.	**ACHIEVED (post year-end)** This was in progress at year end and has now been delivered.

FY2026 was a year of transition and reset for OSPRI's people systems.

The organisation welcomed the TB testing team on 1 July 2025, which increased the number of farmer-facing people within the organisation. Conversely, the need to achieve savings for the NAIT rebuild, and the likelihood the *M. bovis* programme will be concluded earlier than planned, required a redesign to align structure, capability and accountability with future delivery needs.

Engagement survey

OSPRI's people engagement programme showed improvement after the FY2025 baseline.

71%
engagement
↑ **11% from 2025**[3]

87%
participation rate

80%
of participants provided comments

Actions completed since the FY2025 survey (May 2025) included:

- the 2025 OSPRI Conference
- feedback and coaching workshops
- launch of OSPRI values and values awards
- establishment of the Enterprise Leader Forum (Tiers 2, 3 and invited Tier 4 people leaders)
- establishment of the Enterprise Portfolio Management Office and project governance
- implementation of BambooHR, our central platform for people processes, used to record goals and performance conversations, and it supported the first leader-led remuneration cycle
- working groups on collaboration, communication, teamwork and ownership
- updated People Strategy.



3 When compared on the same question set.

Health, Safety and Wellbeing

OSPRI maintained a strong health, safety and wellbeing culture through FY2026 while continuing to mature its critical risk approach. The FY26 safety indicator score finished at 9, meeting the KPI target.

Health and Safety achievements

- ISO 45001 audit passed with 100%, with exceptional safety culture and engagement noted
- TB Testing Health and Safety Model delivered
- Critical Risk Programme delivered
- Health and safety recorded the highest score in the May 2026 people engagement survey, at 93% favourable across health and safety questions
- TB Testing H&S survey improved from 70% to 79% favourable

Health, Safety and Wellbeing scorecard

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



Figure 19: OSPRI's health, safety and wellbeing integrated scorecard at 30 June 2026

	CATEGORY	ASSESSMENT CRITERIA (Low 1, Med 2, High 3)	ASSESSMENT	SCORE
Safety Culture and Engagement	**% positive engagement** Collected through employee feedback or Culture Amp pulse survey data	L Over 80% M 60%-79% H Under 60%	The annual June 2026 survey had a result of **93%** (+5) favourable across H&S questions, indicating H&S culture is very strong.	1
	Safety Conversations as a % of target (quarterly target of 35, annual target of 140)	L Over 75% M 50%-75% H Under 50%	L **94.3%** 28 completed in Q4, 132 completed for the year.	1
Wellbeing and Workload	**Outstanding annual leave balances** (% of employees in excess of 20 days – entitled leave only)	L up to 5% M 5%-10% H >10%	M **6.6%** Annual leave balances continue to be actively managed, with leaders working directly with employees who have high leave balances to support leave planning and utilisation.	2
Operational Safety Performance	**Training completion rate** Required training and certifications complete on time (Total # of employees trained – total # training required)	L >90% M 75%-90% H <75%	L **96.76%** First Aid and Warden training achieved 100% completion for Q4, with strong completion rates across all remaining training programmes. A small number of outstanding participants were booked for training, including the newly introduced Drive to Survive driver training.	1
	Post-training feedback indicating ≥85% relevance and learning satisfaction	L >85% M 60%-84% H <60%	L **90%** result in most recent TB Testing safety climate survey: 'I feel sufficiently trained and equipped to manage the critical risks associated with TB Testing'.	1
System effectiveness	**Corrective Actions** (Overdue #)	L Under 10 M 10-19 H >19	M **18 actions outstanding**: Health checks, and emergency drills are overdue with agreed time extensions in place to be completed once offices are settled following the change process.	2
Critical Risk Leadership	**Critical Risk Leadership** % CCC target (field or office-based, includes deep dives)	L 95-100% M 75-95% H <75%	Critical risk deep dive schedule on track.	1
	Aggregated score			9

Within normal operating condition. **Aggregated score 7–10** (Target is 9)

A temporary deviation from normal operating condition. **Aggregated score 11–13**

Outside expected operating condition requiring people leader intervention. **Aggregated score greater than 13**

Maximising value and efficiency of investment

30 June 2026 targets	
Reduce indirect and overhead expenses compared with FY2025.	**ACHIEVED** Organisational headcount reduced by 30. Technology cost optimisation also contributed through reduced cloud infrastructure spend, optimisation of software licensing across the business, and active management of consumption.
Independent audit rates OSPRI project / portfolio management as effective.	**ACHIEVED** The audit found that the Portfolio Management Office had made good progress in implementing frameworks aligned with good practice, providing a solid foundation for consistent project delivery, portfolio oversight and decision-making.

Portfolio and project management

A major focus during FY2026 was the creation and implementation of an enterprise-wide portfolio management capability, important given the current change agenda includes multiple connected projects.

Key achievements this year included:

- Approval of a portfolio governance structure, project definition, portfolio and project management framework, and associated guidance.
- Introduction of standardised project reporting, portfolio dashboards, governance processes and decision registers. This provides OSPRI with a clear enterprise view of work in train, project health, resource demand and strategic alignment, supporting better prioritisation and more disciplined delivery.
- Development of a prioritisation methodology and scoring model to support budget setting and investment decisions.

The governance structure includes Project Steering Groups, established as the primary governance forums for individual projects, while the Portfolio Governance body provides strategic portfolio oversight, prioritisation, investment governance, and management of cross-project risks and dependencies. Regular dashboard reporting on the portfolio and in-depth analysis of project issues is provided to the OSPRI leadership team and Board.



Stakeholder, farmer, funder and partner engagement

30 June 2026 targets	
Shareholders' and funders', farmer committees' and Forum members' satisfaction at 80% or above.	**SUBSTANTIALLY ACHIEVED** Average of programme delivery stakeholders' satisfaction across three programmes is 71.7%: TBfree 80%, MBfree 79% and NAIT 56%.
Stakeholder / farmer survey shows satisfaction is ≥ 80%.	**SUBSTANTIALLY ACHIEVED** Annual farmer survey found the baseline satisfaction with OSPRI programme information was 76.7%: NAIT 82%, TBfree 78% and MBfree 70%.
80% of Māori engaging with OSPRI have high trust in OSPRI.	**ACHIEVED** 9 of the 11 Māori stakeholders surveyed (82%) reported strongly positive relationships with OSPRI, including genuineness, respect and responsiveness.

In FY2026 OSPRI established its first enterprise-wide baseline[4] for tracking customer and stakeholder perceptions over time, issuing seven bespoke digital surveys.

We received responses from just over 1,200 farmers, 66 principal stakeholders, 13 saleyards (more than 20% of the industry), 13 meat processors, 11 Māori stakeholders, seven laboratories and 26 veterinarians involved in supporting the *M. bovis* programme. The results have been used to develop our new Customer and Engagement Strategy 2026-2028.

The stakeholder survey confirmed strong support for OSPRI's purpose and strategic direction, while also highlighting opportunities to further strengthen stakeholder confidence and satisfaction. Stakeholders indicated they want greater visibility of programme performance and progress, clearer evidence of the value delivered through levy and government investment, stronger feedback mechanisms, and increased transparency around challenges, decisions and future priorities. Feedback also highlighted opportunities to improve understanding of the TB surveillance programme, and the role surveillance activities play in maintaining confidence in New Zealand's progress towards TB freedom. While confidence in TBfree and the *Mycoplasma bovis* programme remained positive, stakeholders identified NAIT as the area with the greatest opportunity for improvement, particularly in relation to usability, reliability, data quality and communication about future enhancements.

In response, OSPRI's Customer and Engagement Strategy 2026-2028 will focus on building trust, confidence and understanding through more consistent reporting of programme outcomes, greater transparency around performance and decision-making, and demonstrating how stakeholder feedback influences organisational priorities. The strategy includes targeted initiatives to improve understanding of the TB surveillance programme, strengthen customer and stakeholder relationships, support data quality and traceability outcomes, and prepare customers and stakeholders for significant programme and system changes, including the NAIT Replacement Programme.



4 Reported satisfaction and confidence figures include neutral responses within the positive result.

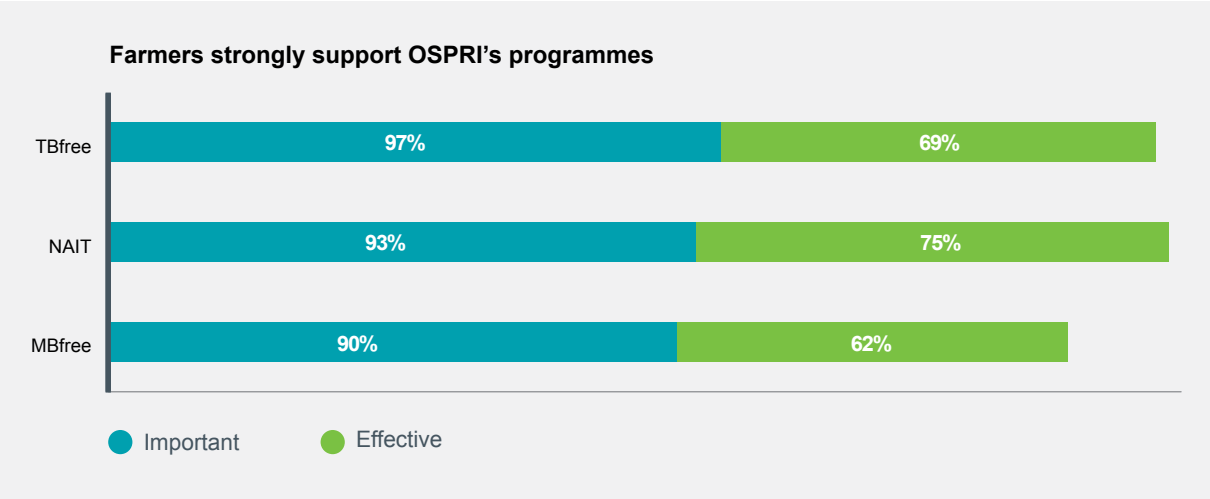
Farmer results

The farmer survey shows strong awareness of OSPRI programmes and near-universal agreement that maintaining strong disease management and traceability programmes is important for New Zealand.

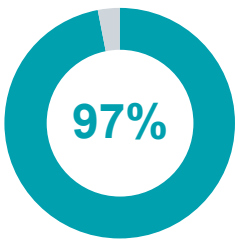
Farmers rated their direct TB testing experience particularly highly, while the results also identified opportunities to improve understanding of how testing requirements are determined and to strengthen the perceived effectiveness of programme delivery.

OSPRI News, farm publications, other farmers and the OSPRI website were the leading sources of programme information and for farmers using rural professionals as an information source, stock agents and veterinarians were most consulted.

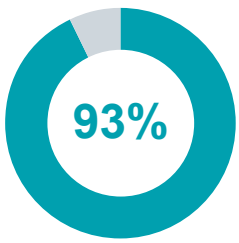
Figure 20: Farmer voice – 2026 stakeholder survey



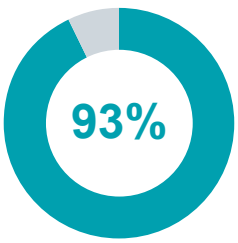
TB testing experience: The frontline TB testing experience is very strong[5]. The opportunity is to explain more clearly why and how testing requirements are set.



tester interaction



testing efficiency



communication

Understanding opportunity

72%
understand their obligations

64%
understand how testing requirements are decided

5 These answers were from those farmers surveyed who had undergone TB testing during the previous 12 months.

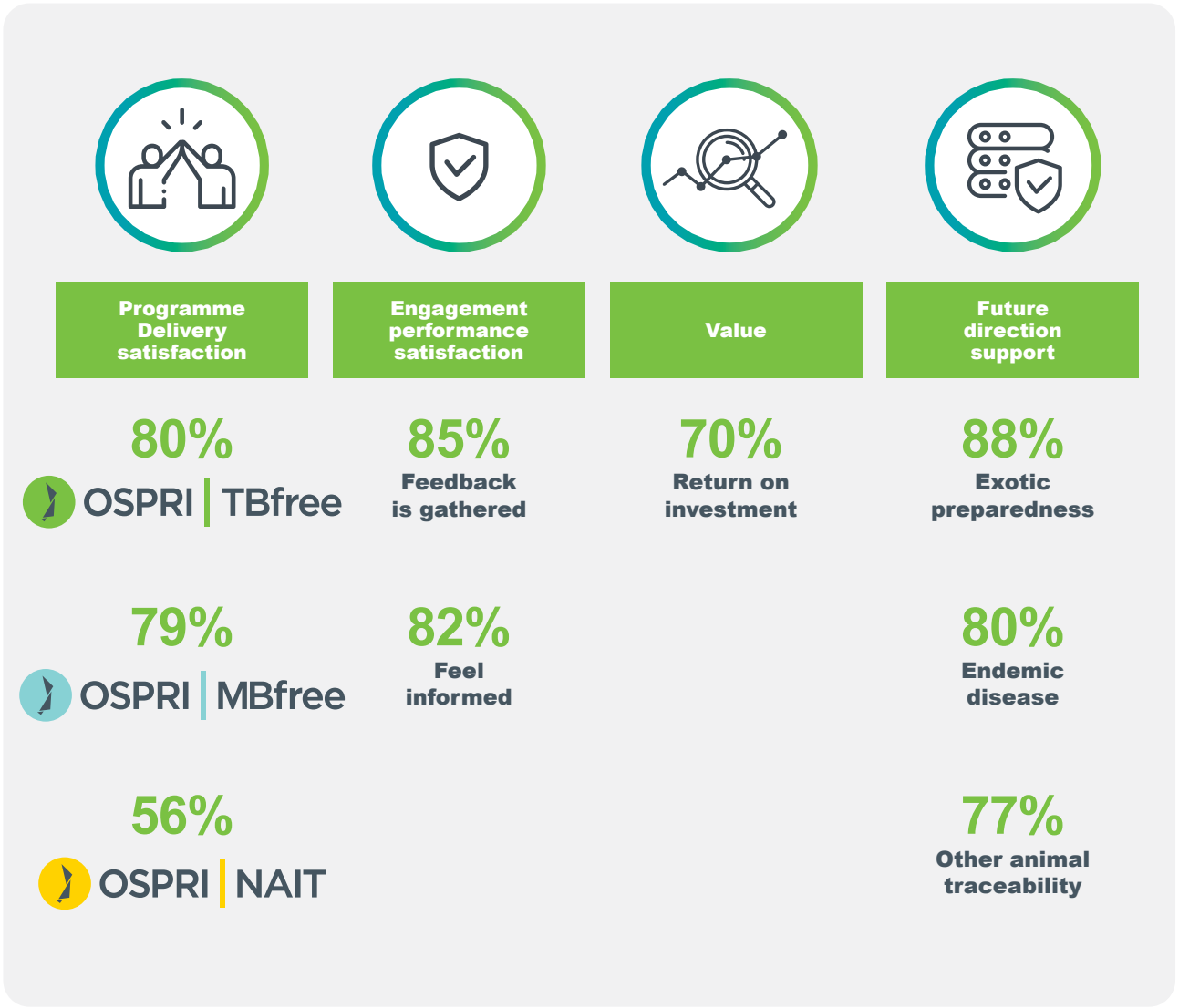
Stakeholder results

Stakeholder results show 78% confidence that OSPRI is heading in the right direction.

Stakeholders reported positive perceptions of OSPRI's communication and engagement practices, with more than four in five respondents agreeing that OSPRI gathers stakeholder feedback and keeps stakeholders informed. Satisfaction with programme delivery was strongest for TBfree and MBfree with NAIT remaining the greatest improvement opportunity.

Stakeholders also expressed strong support for OSPRI playing a broader role in New Zealand's biosecurity system, particularly in exotic disease preparedness and endemic disease management.

Figure 21: Stakeholder confidence – 2026 stakeholder survey



Technology and data

30 June 2026 targets	
Service Level Agreements developed including service uptime, return to service time.	**ACHIEVED** New managed services provider contracted; contract scope includes security.
Technology roadmap and budget approved by Board and delivered to plan.	**NOT ACHIEVED** Technology roadmap is in progress but not complete by year end. Working with Technology and Data Committee and senior leadership to finalise by end of quarter 2 FY2027.
Independent audit rates OSPRI's data strategy as fit for purpose.	**ACHIEVED** Significant work delivered to implement fit for purpose data strategy.
AI Strategy approved and implemented.	**NOT ACHIEVED** AI Strategy is in progress but is not complete by year end. Working with Technology and Data Committee to finalise in first quarter of FY2027. All staff have access to Copilot tool through our M365 solution. Pilot in place trialing licensed version.

FY2026 capability work

Technology and data capability foundations progressed in FY2026 were:

- Modernisation of managed services with the successful transition to a new provider
- Strengthening of cybersecurity through
  - new managed services provider
  - managed detection and response capability
  - expanded monitoring, threat detection, threat hunting and incident response capability
  - ongoing remediation of cloud security
  - enhanced Board risk oversight through the Technology and Data Committee.
- Data governance
- AI and digital capability through Copilot access, AI awareness and adoption activities, progress with AI Strategy.

Embedding and improvements of portfolio and project management capability enabled technology delivery. The NAIT replacement system project is a major transformation programme with input from all areas of the technology team.

Data governance

Data is the lifeblood of OSPRI; timely, high-quality, trustworthy data enables evidence-based decision-making, future-focused analytics, effective management of disease programmes and support for livestock industries.

During FY2026, OSPRI established an enterprise data governance framework to strengthen data quality, accountability and decision-making. The framework introduces executive oversight through a Data Governance Council, tactical coordination through a Data Working Group, and business-led stewardship of key data domains.

Three-tier governance model established

The operating model has three layers:

LEVEL 1



Data Governance Council (DGC)

- Executive governance and strategic oversight
- Owns data strategy, investment priorities and major risk decisions
- Includes ELT, Head of Data and Information Products, and delegated data owners
- Reports to the Board through governance channels including the Technology and Data Committee and Audit and Risk Committee

LEVEL 2



Data Working Group (DWG)

- Tactical coordination layer
- Prioritises data initiatives and issues
- Maintains the Data Issues Register
- Escalates material matters to DGC or Portfolio Governance body

LEVEL 3



Data Stewards

- Data ownership is explicit
- Business-based subject matter experts responsible for defined data domains:
  - NAIT
  - Disease management
  - Vector and planning
  - Health, safety and wellbeing and risk
  - Customer engagement
- Accountable for data quality, integrity, compliance and stewardship within their domains

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 during FY2026 were:

- 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

For the purposes of our TBfree surveillance programme, New Zealand is divided into Disease Control Areas, each having their own frequency requirements for livestock TB testing.

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

The other method used to detect TB in livestock is identifying lesions suspicious of TB as part of routine carcass inspection at slaughter.

Pest management overview

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.

Recent progress of the TBfree programme

Infected herd period prevalence

The annual TB infected herd period prevalence (for cattle and deer combined) at 30 June 2026 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.

Figure 22: Number of TB infected cattle and deer herds at 30 June 2026

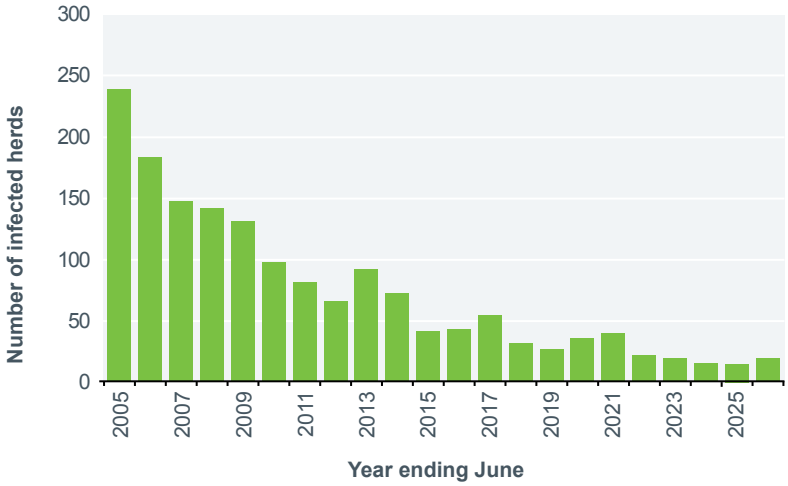


Figure 23: Annual TB infected herd prevalence (cattle and deer)

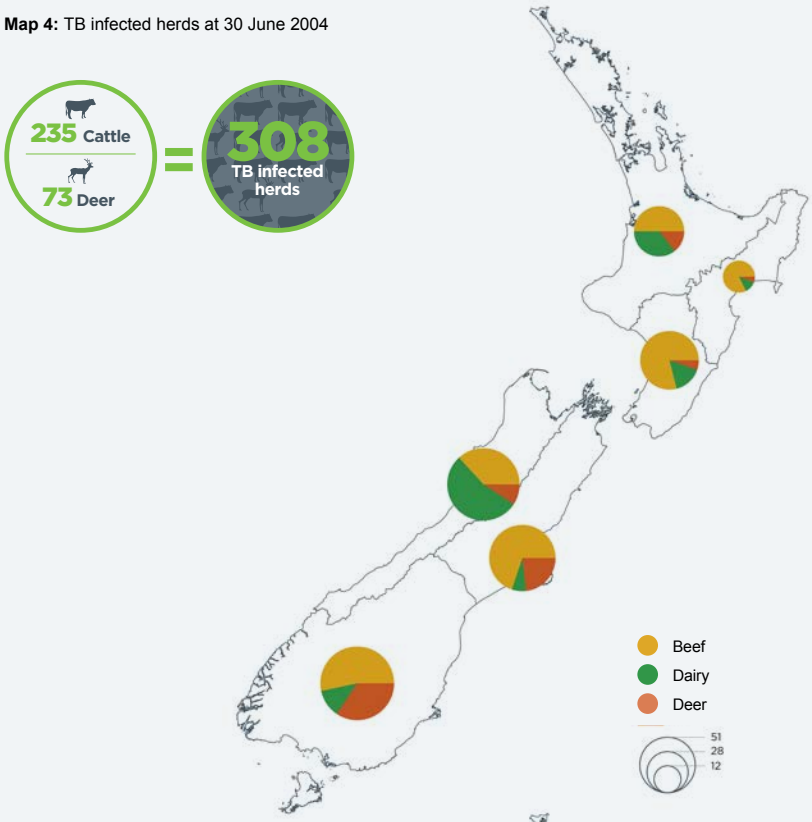


Figure 24: Disease metrics over three different time periods for cattle and deer herds located in Vector Free Areas (VFA) and Vector Risk Areas (VRA)

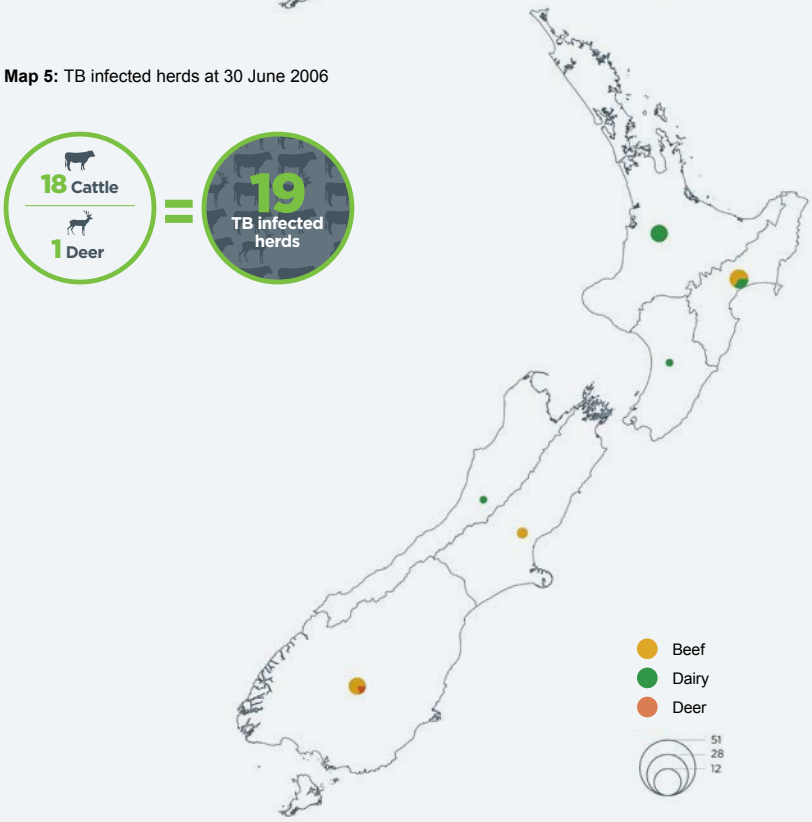
Vector area status	Infected herd period prevalence per cent			Herd breakdown rate per 1000 herds			Infected herd clearance per cent		
Period	**1992/93**	**2002/03**	**2025/26**	**1992/93**	**2002/03**	**2025/26**	**1992/93**	**2002/03**	**2025/26**
VFA	1.3%	0.15%	0.01%	6.8	0.73	0.08	68%	83%	13%
VRA	14.9%	3.8%	0.41%	50.3	13.21	1.43	32%	59%	40%
Total	**3.6%**	**0.91%**	**0.04%**	**13.4**	**3.3**	**0.17**	**42%**	**61%**	**28%**

Infected herd numbers have reduced over time

Map 4: TB infected herds at 30 June 2004



Map 5: TB infected herds at 30 June 2006



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.

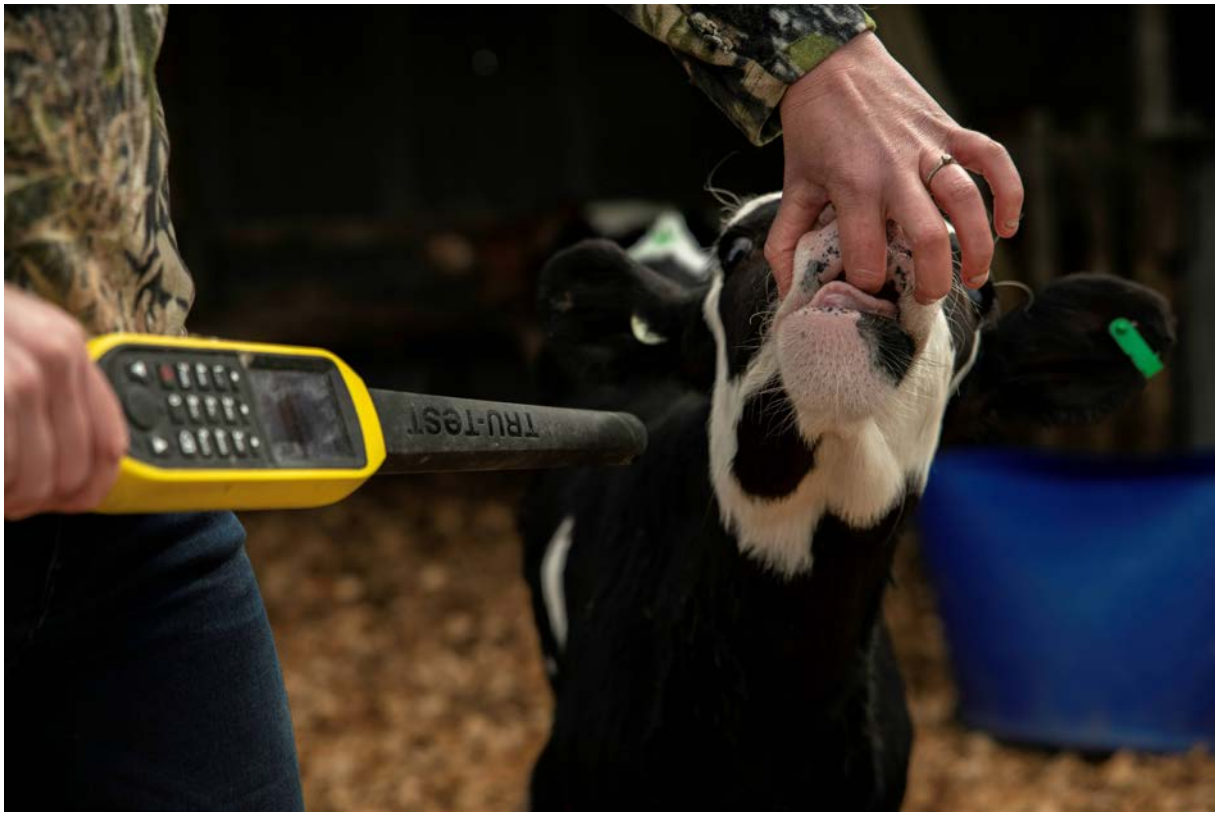
Our response to a diagnosis of TB

If TB is diagnosed, a Restricted Place Notice under section 130 of the Biosecurity Act 1993 is placed on the location where the infected herd resides. 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

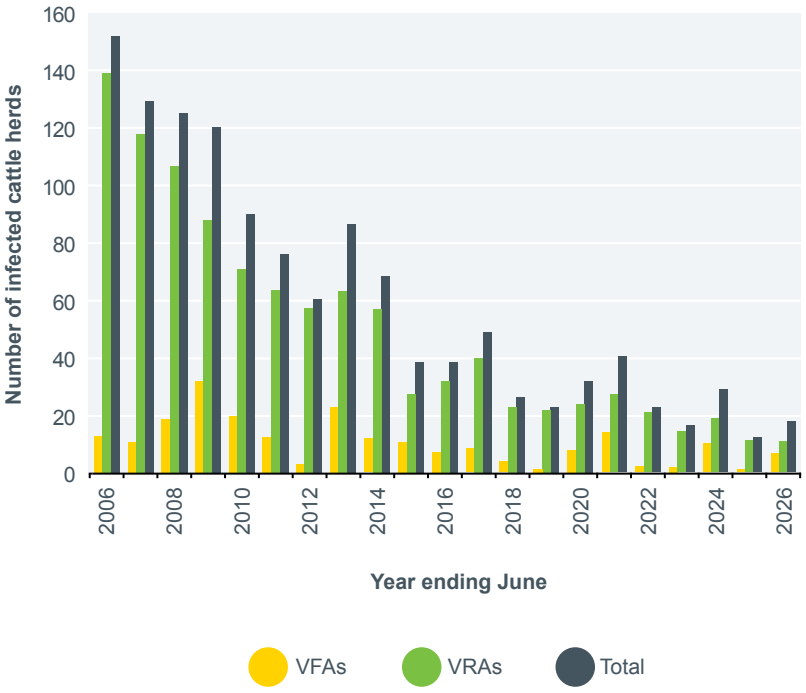
At 30 June 2026, there were 18 TB infected cattle herds nationally (0.024% of total cattle herds), an increase of six herds compared with 30 June 2025, when there were 12 TB infected cattle herds.

Of the 18 TB infected cattle herds at 30 June 2026:

- **55.5%** (10) were beef long term grazing, meat production or beef breeding herds; **44.4%** (8) were dairy production herds
- **27.8%** were herds in the Hawke's Bay response area (5)
- **61%** were in the North Island (last year 42%); **39%** were in the South Island (last year 58%)

Figure 25 shows the change in TB infected cattle herd numbers since June 2006 by vector area status (VFA – Vector Free Area; VRA – Vector Risk Area). At the end of FY2026, there were 7 infected cattle herds in VFA and 11 in VRA.

Figure 25: Number of TB infected cattle herds at 30 June 2026





The cattle herd breakdown rate per 1,000 herds (new infected herds divided by total herds x 1,000) for 2025–2026 was 0.17, and the cattle herd clearance rate was 28%. These rates compare with a herd breakdown rate of 0.17 per 1,000 herds, and a clearance rate of 46% in 2024-2025.

During the year there were 25 existing and newly infected status herds, four less than in 2024–2025. In total, 18 cattle had confirmed TB test results during 2025-2026. This compares with a total of 31 tuberculous animals in the 2024–2025 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 26.

Figure 26: Sources of TB infection for cattle herds in the 12 months to 30 June 2026

	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			5			1
Newly infected herds in VRA					6	1
Existing infected herds	2			1	9	
All infected cattle herds	**2**		**5**	**1**	**15**	**2**

Cattle testing and reactors

Cattle testing data is summarised in Figure 27, which compares the number of TB tests carried out on cattle and the number of reactors to tests, for five years from 2021/22–2025/26.

In the year to 30 June 2026, approximately 1.3 million cattle were tested using the intradermal caudal fold tuberculin test (primary skin test). This is approximately 127,000 more than the number of cattle tested in the previous year.

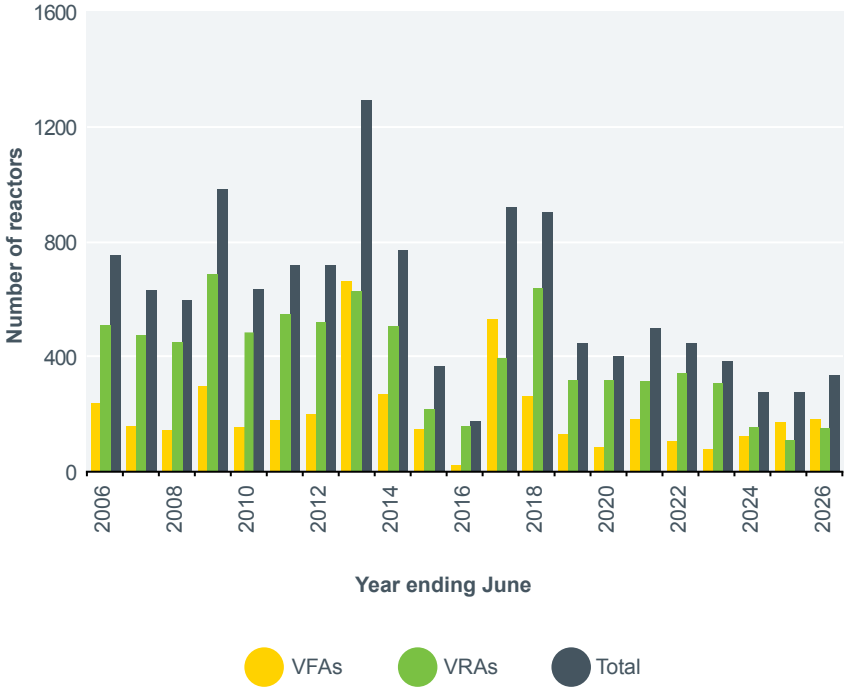
Serial ancillary (blood) tests were carried out on 2,063 cattle which had a positive reaction to the primary skin test. In addition, ancillary parallel gamma interferon blood tests were performed on 15,294 cattle that tested negative to the primary skin test for TB.

Figure 27: Cattle TB test results for 2021-2022 to 2025-2026

Cattle testing	2021/22	2022/23	2023/24	2024/25	2025/26
Primary tuberculin tests on cattle	2,158,569	2,051,263	1,660,970	1,126,095	1,253,480
Primary test-positive cattle ancillary serial tested	3,402	2,875	1,968	1,686	2,063
Ancillary parallel tests on cattle	12,104	8,725	7,143	7,890	15,294
Total cattle reactors slaughtered	450	367	275	279	300
Total positive TB cattle reactors	73	83	34	31	18

Figure 28 shows the trend in cattle reactors from 2005-2006 to 2025-2026 by area status (VRA – Vector Risk Area; VFA – Vector Free Area).

Figure 28: Trend in cattle reactors



Tuberculous cattle

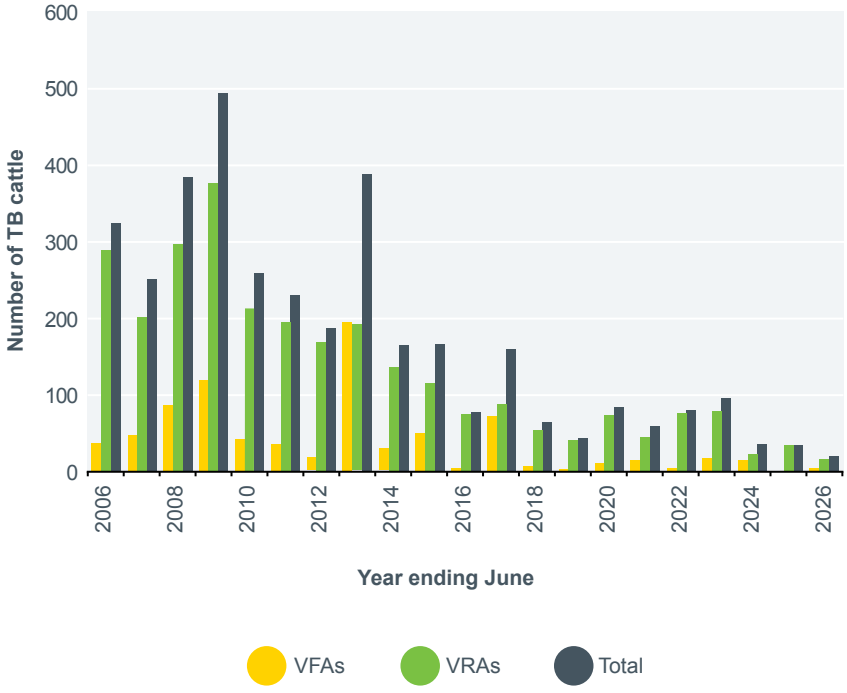
The number of tuberculous (confirmed infected with TB) cattle includes the total number of cattle (both TB test reactors and cattle found during routine slaughter) with gross TB-like lesions or otherwise identified as infected following Polymerase Chain Reaction assay or culture of *Mycobacterium bovis*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

During 2025–2026, 15 (5%) of the 300 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 three cattle during routine slaughter (0.12 per 100,000 cattle slaughtered, based on 2.5 million cattle slaughtered in 2025–2026).

Figure 29 illustrates the long-term trend for TB found in cattle from 2005–2006 to 2025–2026 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 29: Number of tuberculous cattle

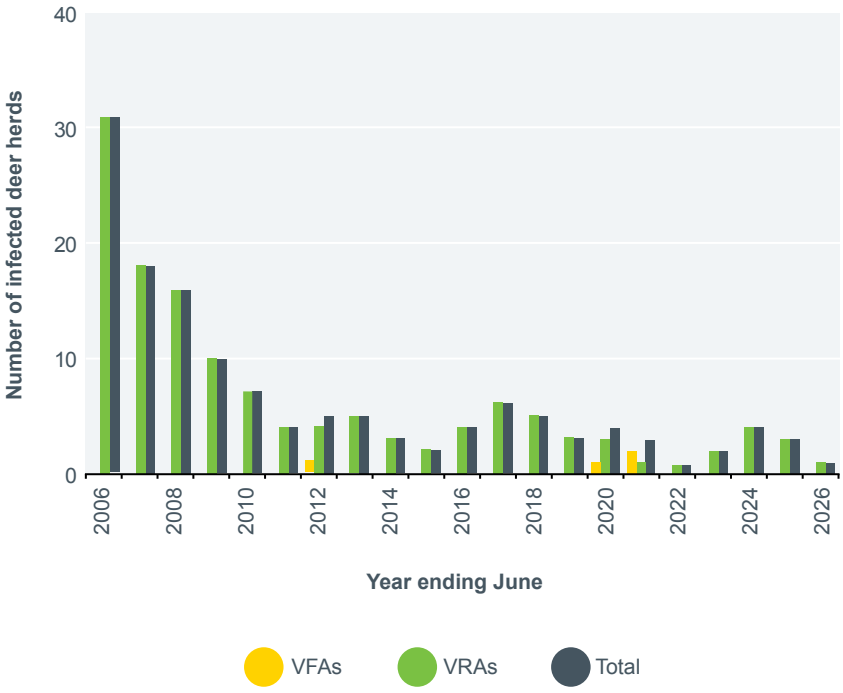


TB infected deer herds

At 30 June 2026, there was one TB infected deer herd (0.05% of total deer herds), two less than the number of TB infected herds at 30 June 2025 (three). Figure 30 shows the change in the number of infected deer herds between June 2006 and June 2026 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 2025-2026 was 0, and the deer herd clearance rate was 67%. During the year there were three existing and newly TB infected status deer herds, the same as the 2024–2025 year.

Figure 30: Number of TB infected deer herds at 30 June 2026



Deer testing and reactors

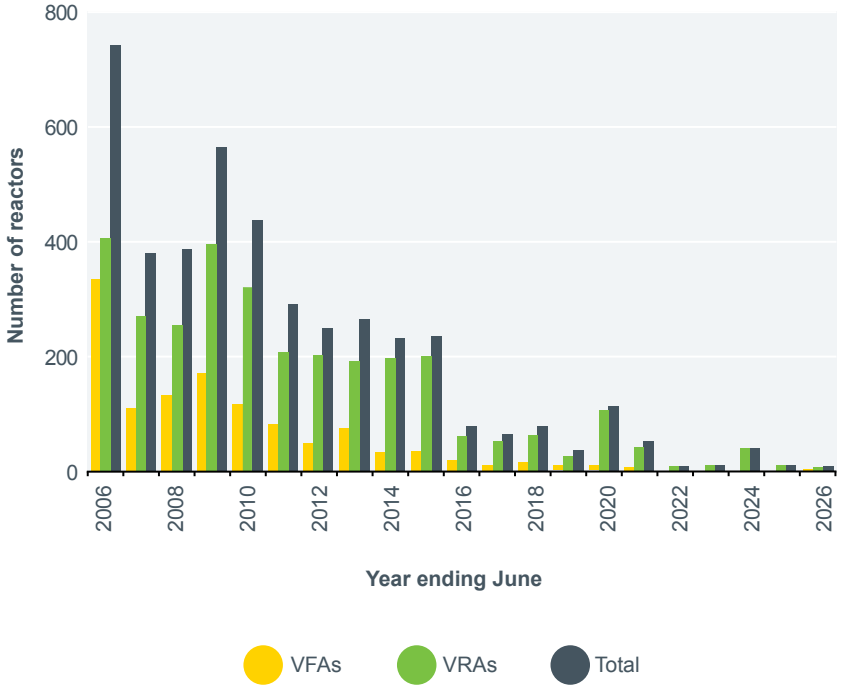
Deer testing data is summarised in Figure 31, which compares the number of TB tests performed and the number of reactors to tests for five years from 2021/22–2025/26. In the year to 30 June 2026, 67,489 primary mid- cervical intradermal tuberculin tests (skin tests) were performed on deer compared to 81,046 in the previous year. Serial ancillary (blood) tests were carried out on 162 deer positive to the primary skin test compared with 217 ancillary serial tests performed on deer in 2024-2025. As a result of these tests, nine deer were declared as reactors and were slaughtered. On slaughter, 0 animals with TB lesions were found.

Figure 31: Deer TB test results for 2021-2022 to 2025-2026

Deer testing	2021/22	2022/23	2023/24	2024/25	2025/26
Primary tuberculin tests on deer	137,550	110,895	100,027	81,046	67,489
Primary test-positive deer ancillary serial tested	459	333	199	217	162
Ancillary parallel test-positive deer	0	0	0	0	0
Total deer reactors slaughtered	10	11	39	9	9
Total positive TB deer reactors	0	4	23	0	0

Figure 32 shows the trend in deer reactors from 2005–2006 to 2025–2026 by area status (VRA – Vector Risk Area; VFA – Vector Free Area). Six of the nine reactors during the year were in VRA.

Figure 32: Number of deer reactors



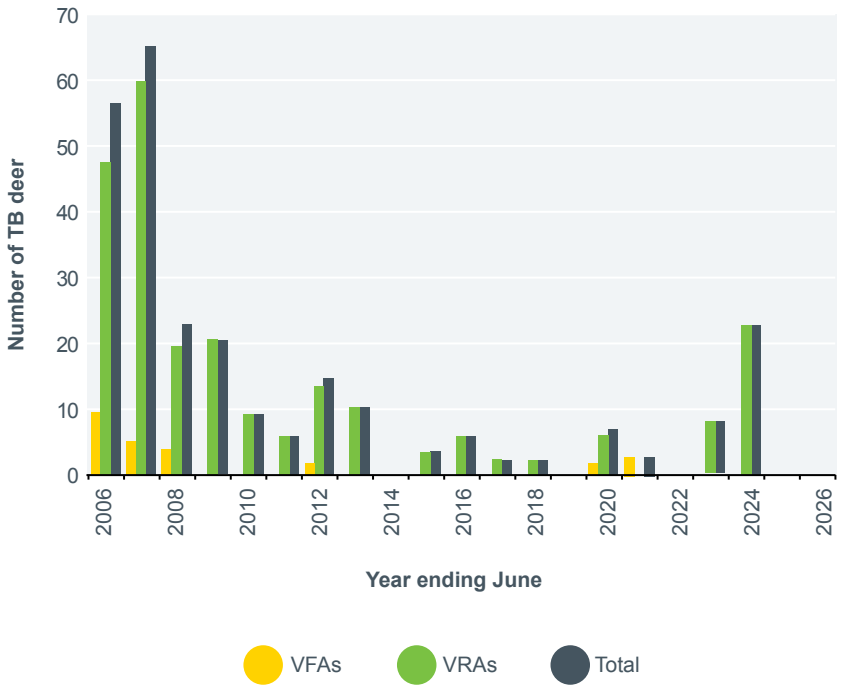
Tuberculous deer

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 2025–2026, there were no new deer confirmed to be infected. Figure 33 shows the trend in the number of tuberculous deer between 2005–2006 to 2025–2026 by area status (VRA – Vector Risk Area; VFA – Vector Free Area).

Figure 33: 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

Movement Control Area implemented

OSPRI implemented movement controls across the Tarras, Lindis Valley, Upper Manuherikia Valley and upper Ida Valley area in central Otago from 1 October 2025. The change was driven by sustained elevated herd prevalence and two movement-related TB breakdowns linked to infected cattle from the area. The area covered was approximately 188,200 hectares and affected up to 110 herds.

Movement Control Area revocations and reductions

On 1 March 2026 we revoked the following MCA:

- *Southern North Island MCA (Tararua / Remutaka Ranges)* – very few infected herds resulting in low period prevalence and aerials planned to add assurance
- *Karamea MCA* – low period prevalence for five years; Department of Conservation Battle for the Birds aerial programme conducted and continuing in the adjacent area
- *Taramakau MCA* – low period prevalence for five years.

Additionally, we reduced the following MCA:

- *Canterbury / Marlborough MCA* – period prevalence in portion of the MCA near mid Awatere-Kekerengu has been low for eight years
- *Mikonui (northern Hari Hari) MCA* – period prevalence low for ten years.

The accumulated impact of the above changes is expected to result in 368 herds no longer requiring to complete pre-movement tests.

Reductions in Special Testing Areas

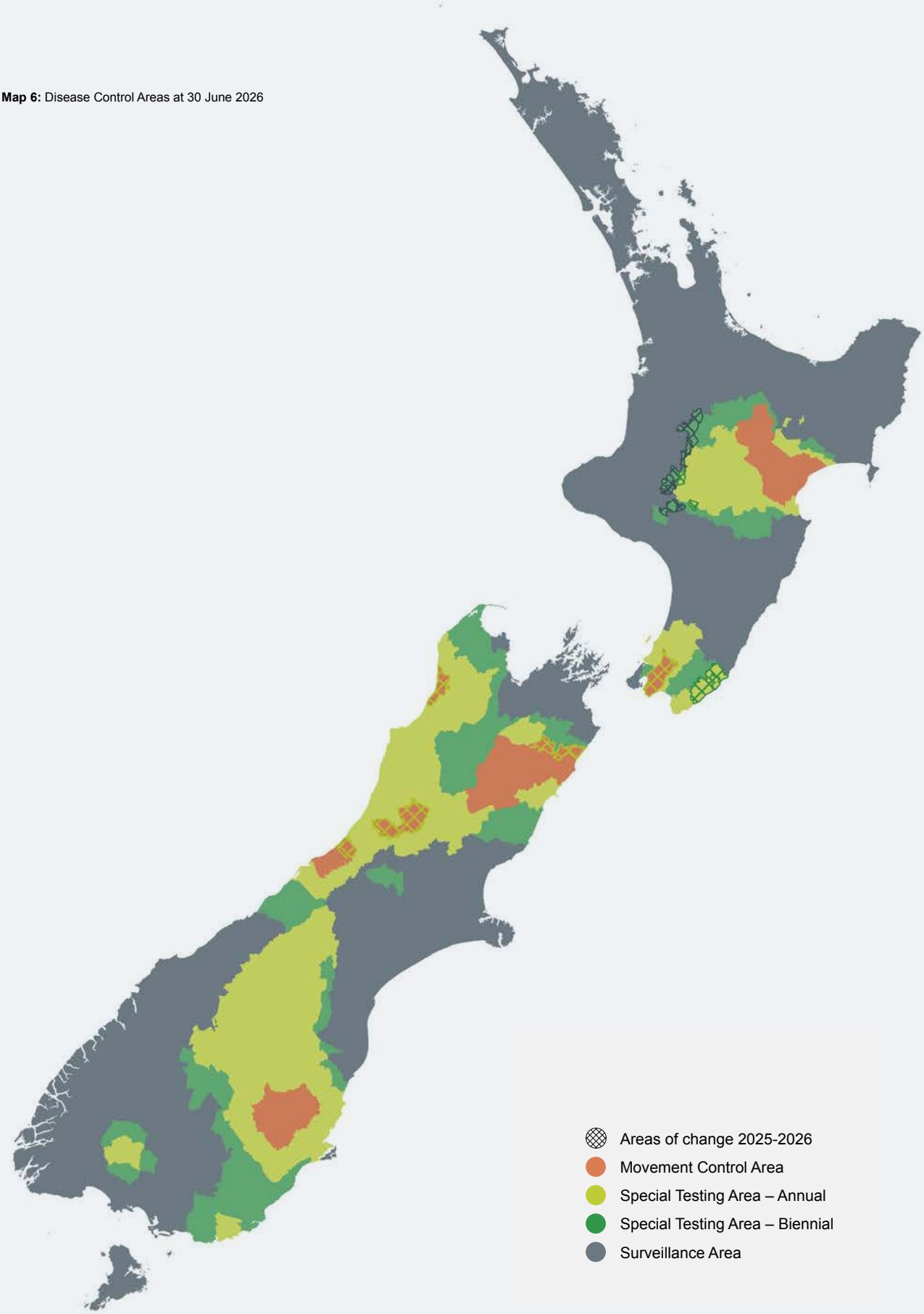
We also made changes to reduce the frequency of testing and age categories for stock to test in the North Island areas surrounding Tongariro National Park and Southeast Wairarapa. The combined impact of these changes predicts testing reductions affecting 223 herds.

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 34. The Disease Control Areas Map 6 shows which testing regime an area is under at 30 June 2026 and the changes that were made this year.

Figure 34: 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 2026	1,220	10,980	65,579	64	77,844
Cattle and deer infected herds during 2025-2026	17	5	6		28

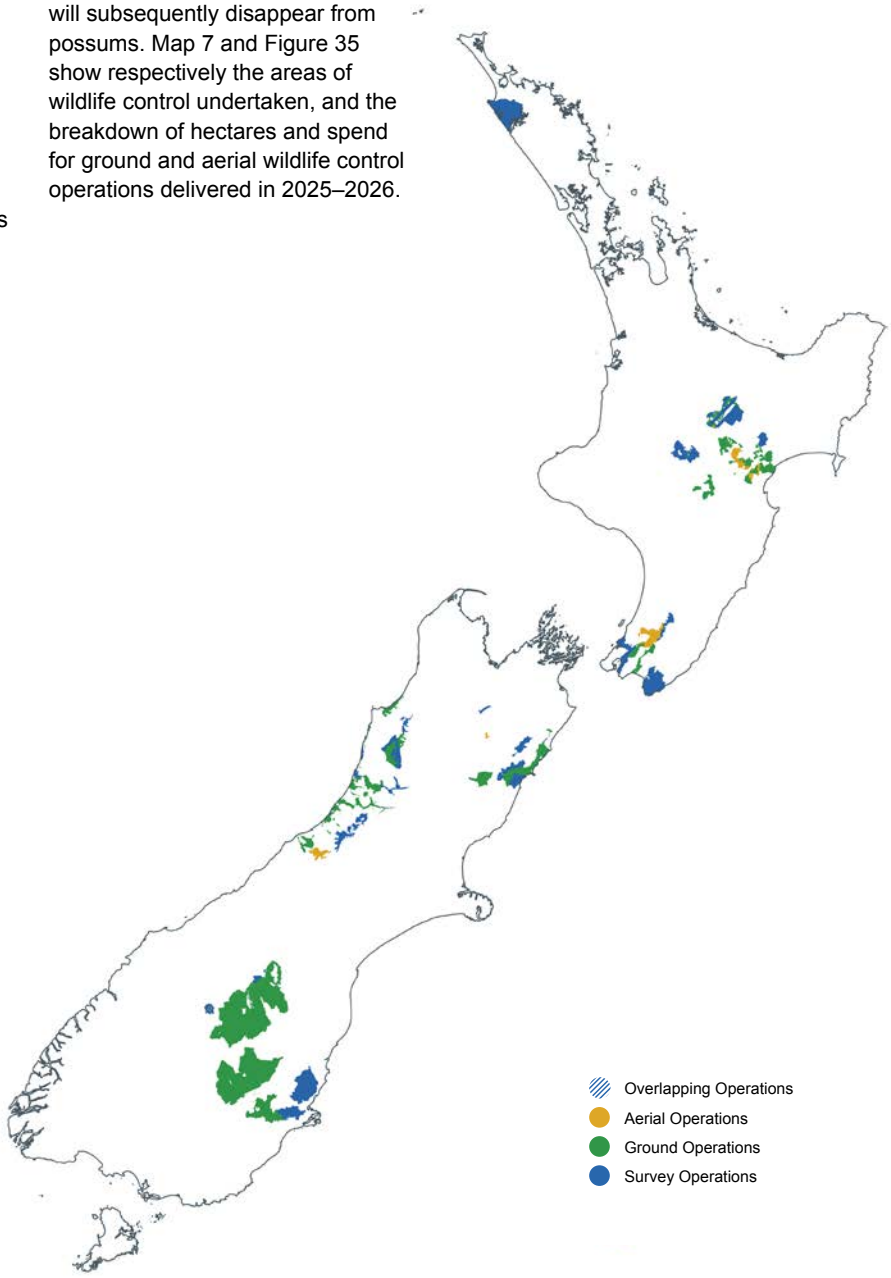
Map 6: Disease Control Areas at 30 June 2026



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 from possums. Map 7 and Figure 35 show respectively the areas of wildlife control undertaken, and the breakdown of hectares and spend for ground and aerial wildlife control operations delivered in 2025–2026.



Map 7: Map of 2025-2026 wildlife control

Figure 35: Breakdown of national ground and aerial control operations by area and spend

	Total hectares	Spend
Ground Operations	1,555,240	$21,058,959 **76%**
Surveillance[6]		$ 1,060,448 **4%**
Monitoring[7]	165,294	$ 2,594,908 **9%**
Aerial Operations	73,104	$3,176,618 **11%**
Total	**1,793,638**	**$27,890,933**

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 2025–2026 and the number and percentage that were TB positive are shown in Figure 36.



Figure 36: Number of wild animals in 2025-2026 sampled by species, and the number and percentage found to be infected with *Mycobacterium bovis*

	Possums	Wild pigs	Wild deer	Ferrets	Cat
Number sampled	995	721	0	120	2
Number and (%) with TB	0 0%	1 0.14%	0 0%	0 0%	0 0%

6 Surveillance hectares are included within the operations hectares reported.

7 Monitoring spend includes independent information, trigger monitors and performance monitors. Monitoring hectares only includes independent information and trigger monitors; the hectares for performance monitors are included within the operations hectares reported.

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 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 2025–2026, the Chief Executive of TBfree New Zealand Limited approved the revocation of Vector Risk Area status for 51 Vector Control Zones totaling approximately 1,063,427 hectares. This consisted of reductions of 174,651 hectares in the North Island (13 Vector Control Zones) and 888,776 hectares in the South Island (38 Vector Control Zones).

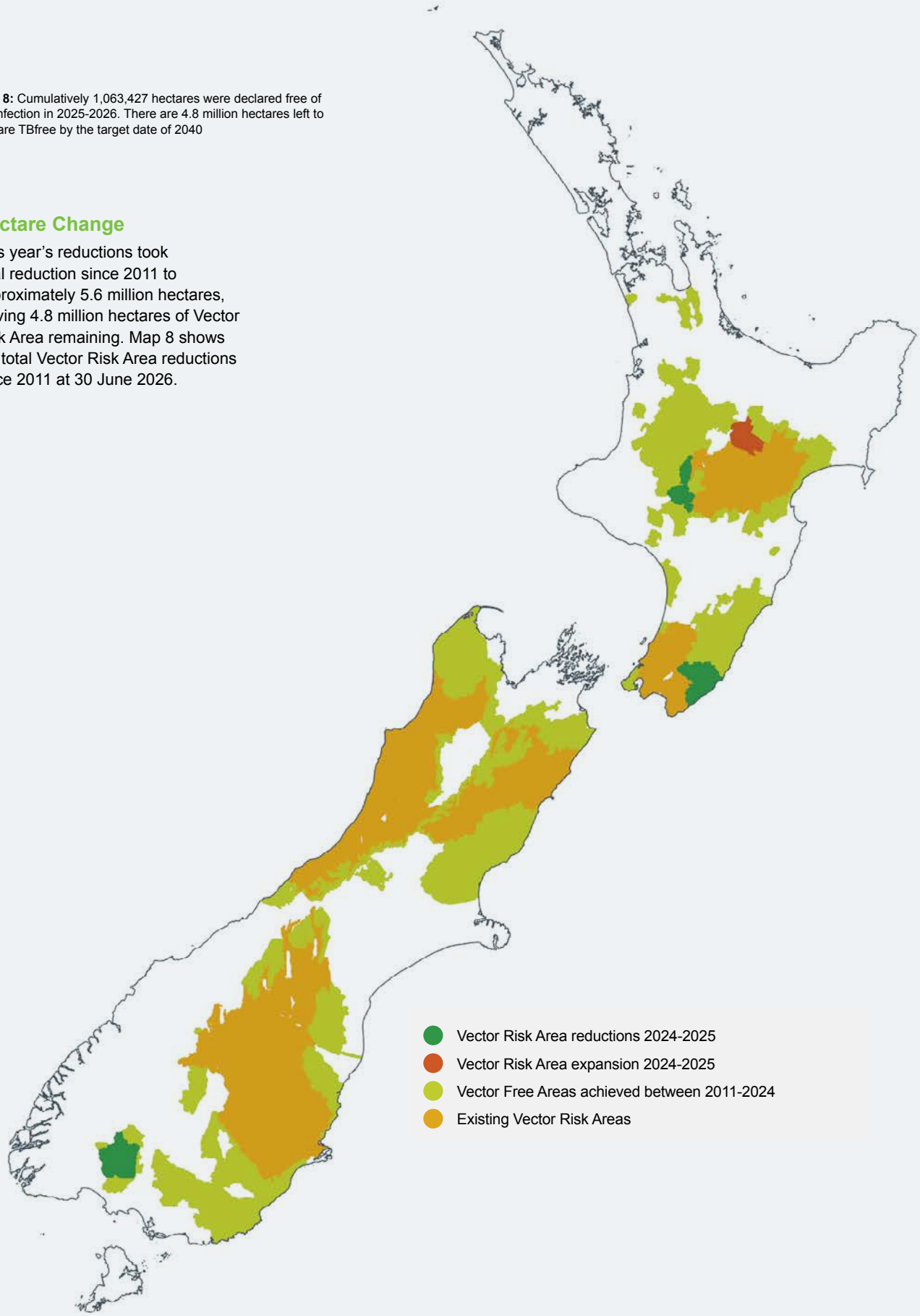
Figure 37: Cancellation of Vector Risk Area status from 51 Vector Control Zones (hectares are rounded)

VCZ	Area ha
Norwest Tongariro Region – Mangatepopo, Turangi (North)	19,423
Central North Island Region – Makirikiri	2,627
Wairarapa Region – Haurangi Crown, Holdsworth Carterton (Carrington), Kahutara Pirinoa, Martinborough, Mt Bruce to Waipoua (Kiriwhakapapa), South East Wairarapa Stage 2, South East Wairarapa Stage 3	127,650
Wellington Region – Moonshine, Pukerua Bay, Wellington Buffer	24,951
North Island total	**174,651**
Coastal Karamea-Mokihinui	122,325
Tasman-Wangapeka	172,957
South Canterbury High Country	232,042
South Canterbury Core	205,502
Wanaka-Hawea	23,871
Pisa	97,353
East Otago	28,133
Roxburgh	6,595
South Island total	**888,776**
New Zealand revocation total	**1,063,427**

Map 8: Cumulatively 1,063,427 hectares were declared free of TB infection in 2025-2026. There are 4.8 million hectares left to declare TBfree by the target date of 2040

Hectare Change

This year's reductions took total reduction since 2011 to approximately 5.6 million hectares, leaving 4.8 million hectares of Vector Risk Area remaining. Map 8 shows the total Vector Risk Area reductions since 2011 at 30 June 2026.



Delivery of the *Mycoplasma bovis* Programme

M. bovis Free New Zealand Limited (MBFree), 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%. We anticipate this will occur during FY2027.

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 are set out in the *M. bovis* National Operational Plan.



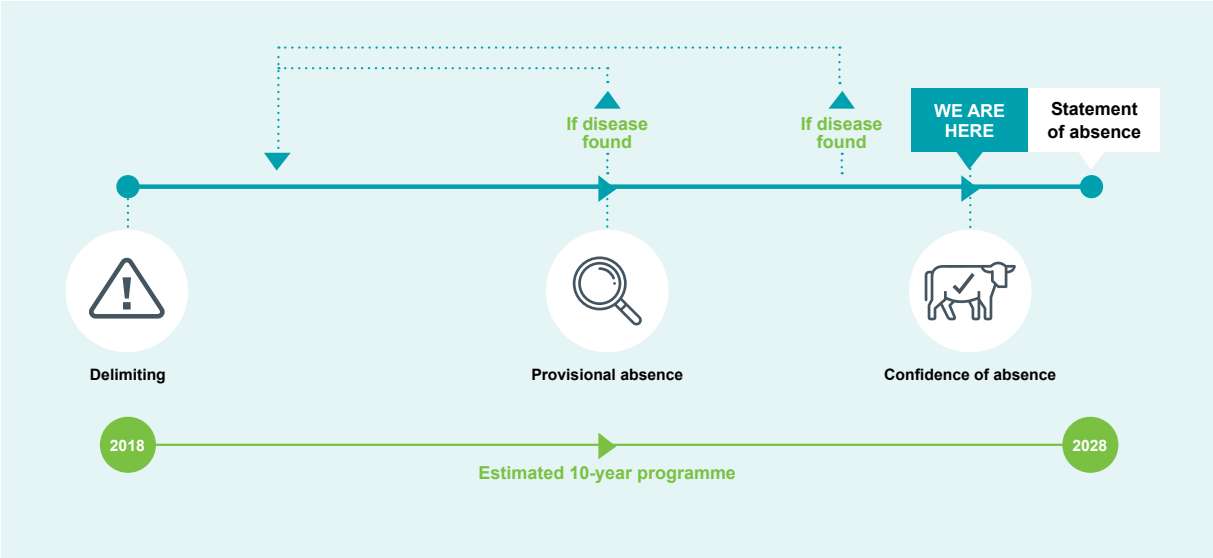
Disease management approach

Three phases of the *M. bovis* Programme

The *M. bovis* Programme started in 2018 and was expected to finish in 2028, but this is likely to happen sooner. There are three phases to the *M. bovis* Programme

1. **Delimiting**: identify and remove infected cattle and follow up events that could have spread 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**: background surveillance continues until the Programme achieves a very high level of confidence that *M. bovis* is eradicated. This phase was expected to run for two years. The Confidence of Absence phase ends with a statement of absence that *M. bovis* has been eradicated from New Zealand.

Figure 38: 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 the disease.

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 dairy herds. Regular screening is conducted year-round with increased frequency in July, August, and September. This captures on average 10,200 individual dairy farms each round (excluding dry-off) which represents over four and a half million dairy cattle.

Figure 39: Bulk tank milk sample numbers 1 July 2025 – 30 June 2026

Surveillance stream	Measure	1 July 2025 – 30 June 2026
Bulk Tank Milk (BTM)	Farms screened	10,372
	Samples collected	131,393
	Detects[8]	42
	Detects that required sampling	35
	Detects that tested negative	35

Map 9: Location of bulk tank milk detects FY2026



8 **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 drystock cattle sectors. As the Programme progresses through the final phase of the eradication, ongoing surveillance of these sectors will support efforts to demonstrate that *M. bovis* has been eradicated. Sampling is more intensive in regions with the greatest history of infection.

During FY2026, the NBCS comprised three surveillance streams:

- **Pre-Arrival Sampling[9]:** cattle destined for specific feedlot supply were 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 FY2026

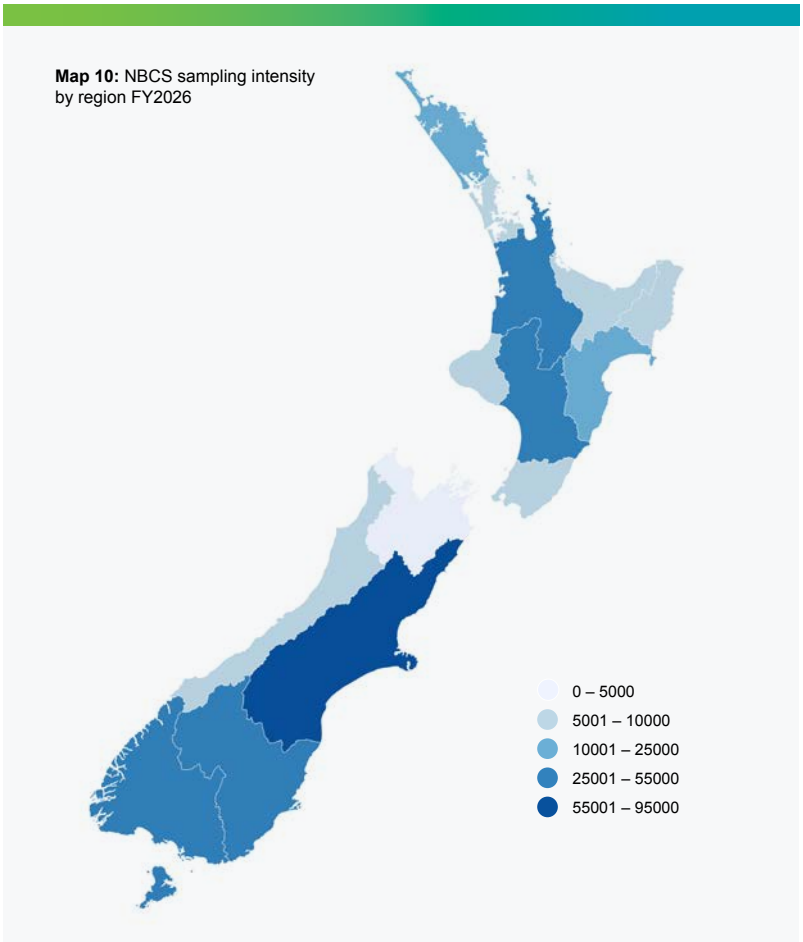


Figure 40: Beef surveillance numbers 1 July 2025 – 30 June 2026

Surveillance stream	Measure	1 July 2025 – 30 June 2026
Pre-arrival Sampling	Farms screened	58
	Valid samples collected	10,355
	Detects	1
	Detects that tested negative	1
On-farm Beef and Drystock Surveillance (BBS)	Farms screened	747
	Valid samples collected	65,858
	Detects	2
	Detects that tested negative	2
Meat Processing Plant Surveillance (MPPS)	Farms screened	10,477
	Valid samples collected	255,295[10]
	Detects	13
	Detects that tested negative	11[10]

9 The Pre-Arrival Sampling stream ceased in November 2025 following revocation of the legal direction requiring this sampling, as the Programme transitioned to the Confidence of Absence phase.

10 Follow-up investigation for two FY2026 MPPS detect results are ongoing. While sampling of both farms has been negative to-date, investigations are considered ongoing until all cattle of interest have been tested. Both properties are completing sampling as cattle are sent to slaughter, so we are awaiting the last remaining cattle to reach target weights.

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 FY2026



Figure 41: Report cases 1 July 2025 – 30 June 2026

Surveillance stream	Measure	1 July 2025 – 30 June 2026
Report case	Report cases	17
	Report cases that tested negative	17

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

Number of confirmed properties

Figure 42: 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 2026

No change from 2025

282

Total number of Confirmed Properties

No change from 2025

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 43: 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

Type	Target	Average	% within KPI	Met / Not met
High-risk detects[11]	NODs served within 10 business days	1.5	100%	Met
Low risk detects	Sampling tasked within 15 business days	5.8	92%	Met
Report cases	Initial contact made within 1 business day	0.5	94%	Met
	Test result received within 13 business days	6.7	100%	Met
Compensation	Claims within CE DFA processed by OSPRI within 5 business days of receiving MPI recommendation	2.0	100%	Met

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

Figure 44: The time that farms are under the active management of MBfree

Type	Target	Average	% within KPI	Met / Not met
BTM detects	90% under NOD for ≤21 days	9.7	96%	Met
Beef detects	90% under NOD for ≤60 days	Nil to report		n/a
Trace NODs	80% under NOD for ≤60 days	Nil to report		n/a
	90% under NOD for ≤90 days			n/a

11 When the Programme moved into the Confidence of Absence phase, the routine application of movement control Notices of Direction (NODs) for BTM detect properties ceased, as background surveillance detect results are no longer automatically considered to represent a high risk of infection.

Surveillance and Confidence of Absence (CoA)

Figure 45: The level of surveillance and associated Confidence of Absence from *M. bovis*

		2025/26 FY		
Type	**Target (samples / year)**	**Samples**	**Farms**	**Met / Not met**
BTM	140,000	131,393	10,372	Met[12]
Pre-arrival sampling	35,000 – 40,000 (for 2 years from critical date)	10,355	58	Met[13]
BBS	Minimum 15,000 – 30,000	65,858	747	Met
MPPS	195,000 – 243,000	255,295	10,477	Met
CoA	87% by 30 June 2026 93% by 30 June 2027 95% by 30 June 2028	7 September 2025 90.1%		Met

The Confidence of Absence (CoA) estimate is produced by the Scenario Tree Model (STM). It indicates whether we are on the right trajectory towards the 95% target. Official runs of the STM occur annually, at the end of each surveillance year based on the critical date (i.e. 7 September each year). The official confidence of absence level at 7 September 2025, two full years since the critical date, was 90.1%, exceeding the 87% target.

Level of Compliance

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

Compensation

MBfree processed its first compensation claim under the NPMP during FY2026. The claim related to cattle slaughtered under section 121 following inconclusive test results. This provided an opportunity to test the newly established claim assessment and recommendation process between MPI and MBfree. The claim was processed efficiently, with MPI's Compensation team delivering high-quality assessment. OSPRI met its performance target by processing the claim within five business days of receiving MPI's recommendation.

Traceability

There is no active *M. bovis* infection being traced. See pages 28–29 for traceability compliance statistics.

Level of awareness

The first MBfree awareness survey was conducted in August 2025 with participation from 1,001 farmers, 76 veterinarians and 6 laboratories. The purpose of the 2025 survey was to establish a baseline measure of stakeholder awareness of obligations under the NPMP. The second MBfree awareness survey was incorporated into the annual OSPRI stakeholder engagement survey in June 2026. This survey had responses from 1,212 farmers, 26 veterinarians and 7 laboratories.

The survey provides useful insights into stakeholder awareness and will inform MBfree communications and engagement plans. Results should be considered in the context of changes to survey methodology and respondent composition between years and given there has been no infection since 2023.

Figure 46: MBfree awareness survey results

Stakeholder	Measure	2025	2026	Variance
Laboratories	Level of understanding of testing responsibilities	100%	100%	0%
Veterinarians	Level of awareness of reporting obligations if *M. bovis* is suspected	79%	92%	13%
Farmers	Level of knowledge of the *M. bovis* Programme	73%	73%	0%

12 Annual BTM sampling volume is out of MBfree's control as this is dependent on the number of dairies and seasonal milk supply. MBfree have procedures in place to ensure all dairies supplying within the collection window have a sample collected and tested.

13 Pre-Arrival Sampling concluded on 10 November 2025 and contributed a total of 82,953 samples since the critical date, meeting the target set out in the NOP and surveillance plan.

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.

OSPRI directors are appointed and may be removed by ordinary resolution 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, makes recommendations to the shareholders regarding the appointment of directors, having regard to the 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.

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

There were no director changes in any of the parent or subsidiary companies during FY2026.

Associate Director

The OSPRI Associate Director Programme provides a development opportunity for individuals interested in becoming directors to attend and participate in Board meetings of OSPRI New Zealand Limited and its subsidiaries, to build their governance skills.

Jordi Hoult was appointed to the Board Associate role for a period of 18 months from October 2025 until April 2027.

Board observer

Kelvan Smith represents the Ministry for Primary Industries and has been an observer for the full year, 1 July 2025 to 30 June 2026.

Board Committees

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

Audit and Risk Committee

The Audit and Risk Committee assists the Board in discharging responsibilities relating to financial reporting, risk management and regulatory conformance. Its responsibilities include liaising with internal and external auditors, reviewing annual audit plans, reviewing annual financial statements, reviewing accounting policies and internal controls, overseeing statutory compliance, reviewing related-party transactions, reviewing auditor appointment and fees, reviewing auditor independence, supervising special investigations, and reviewing whistleblowing matters.

People and Culture Committee

The People and Culture Committee assists the Board with matters relating to people, culture, remuneration, employment practices, leadership capability and succession. The Committee also has oversight and monitoring of the organisation's people and culture strategy and manages the OSPRI Associate Director Programme.

Technology and Data Committee

The purpose of the Technology and Data Committee, with a refreshed terms of reference approved in May 2026, is to provide oversight and guidance to the Board in relation to OSPRI's technology assets, data capabilities and assets, technology strategies and investments, work programmes and change projects.

The Committee's responsibilities include reviewing and providing guidance across the technology and data portfolio, ensuring governance and oversight arrangements are in place for technology and data activities, reviewing technology and data strategies and roadmaps, monitoring selected programmes and projects, advising on significant technology/data risks including cyber security, considering major funding requests before Board submission, supporting the Chief Transformation Officer and relevant employees, and coordinating with other Board Committees, especially the Audit and Risk Committee.

Board and Committee meetings

The Board met ten times during the 2025-2026 financial year, both in person and online. The following tables show attendance at Board meetings and Committee meetings during the year ended 30 June 2026.

Director	Board meetings	Audit and Risk Committee meetings	People and Culture Committee meetings	Technology and Data Committee meetings
Tony Cleland (Chair of the Board)	10	4	3	2
Michael James[14]	10	4		10
Nikki Davies-Colley	10	4		
Susan Huria (Chair of the People and Culture Committee)	10	3	4	
Hugh Martyn (Chair of the Technology and Data Committee)	10	3		11
Louise Cullen	10	1	4	
Mark Todd (Chair of the Audit and Risk Committee)[15]	8	3		9
Alex Guilleux	8	4		7

Observer and Associate Director	Board meetings	Audit and Risk Committee	People and Culture Committee	Technology and Data Committee
Kelvan Smith	10			
Jordi Hoult	6	2	2	4

Members of the Audit and Risk Committee during the year were Michael James (Chair for the July 2025 meeting), Nikki Davies-Colley, Mark Todd (Chair after the July 2025 meeting), Alex Guilleux.

Members of the People and Culture Committee during the year were Susan Huria (Chair), Louise Cullen, Tony Cleland.

Members of the Technology and Data Committee during the year were Hugh Martyn (Chair), Michael James, Alex Guilleux, Mark Todd.

The Chair of the Board is an ex-officio member of all committees of the Board.

14 Chair of the Audit and Risk Committee for the July 2025 meeting.

15 Chair of the Audit and Risk Committee from the July 2025 meeting.

Remuneration report

Directors' remuneration

Directors' fees

These fees have been applied for the year from 1 July 2025 to 30 June 2026; the amount of the directors' fees pool was set by shareholder resolution at the 2024 Annual Meeting.

Position	2025/26	2024/25
Chair	$78,000	$78,000
Director	$43,000	$43,000
Committee Chair	$6,000	$6,000
NAIT Information System 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 2025-2026 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 Information System Panel (set up under the National Animal Identification and Tracing (Information System Access Panel) Regulations 2012).

Director	Position	2025/26 Fees	2024/25 Fees
Tony Cleland	Board Chair	$78,000	$33,948
Michael James	Director Chair of the Audit and Risk Committee (July 2025)	$44,500	$49,000
Nikki Davies-Colley	Director Member of the NAIT Information System Panel	$49,000	$49,000
Susan Huria	Director Chair of the People and Culture Committee	$49,000	$43,000
Hugh Martyn	Director Chair of the Technology and Data Committee	$49,000	$32,667
Louise Cullen	Director Member of the NAIT Information System Panel (from 1 March 2026)	$44,500	$26,039
Mark Todd	Director Chair of the Audit and Risk Committee (after July 2025)	$47,000	$28,667
Alex Guilleux	Director	$43,000	$28,667
Total		**$404,000**	**$385,711**

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.

Employee remuneration

The table below shows the number of OSPRI employees who received remuneration and other contracted benefits (including redundancy or termination payments) during 2025-2026 of at least $100,000.

The remuneration figures analysed include all monetary payments actually paid during the course of 2025-2026 whether in respect of 2025-2026 or other periods.

Remuneration band	# employees 2025/26	# employees 2024/25
$100,000 – $109,999	13	12
$110,000 – $119,999	20	22
$120,000 – $129,999	16	7
$130,000 – $139,999	10	5
$140,000 – $149,999	9	7
$150,000 – $159,999	6	0
$160,000 – $169,999	6	6
$170,000 – $179,999	2	4
$180,000 – $189,999	3	4
$190,000 – $199,999	5	0
$200,000 – $209,999	3	1
$210,000 – $219,999	2	0

Remuneration band	# employees 2025/26	# employees 2024/25
$220,000 – $229,999	2	4
$230,000 – $239,999	2	0
$240,000 – $249,999	1	2
$250,000 – $259,999	1	0
$270,000 – $279,999	0	1
$280,000 – $289,999	1	0
$300,000 – $309,999	1	1
$320,000 – $329,999	1	0
$380,000 – $389,000[16]	0	1
$450,000 – $459,999	1	0
Total	**105**	**77**

Auditor's remuneration

BDO was appointed auditor of the OSPRI Group for 2025-2026 at the Annual Meeting held on 21 November 2025. The following costs for audit fees were incurred by OSPRI New Zealand and its subsidiaries during the 2025-2026 and 2024-2025 years.

Year	For audit work	For other work
2025/26	$99,550	0
2024/25	$85,750	0

16 One staff member identified as missing from this band in 24/25 figures.

Statutory disclosures

Disclosures of interests by directors

The following are particulars of general disclosures of interest by directors holding office as at 30 June 2026, 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 and associated entities	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 and associated entities	Director/Shareholder
Southern Sky Kiwi 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	
Burnt Hill Storage Limited	Director
City Care Limited	Consultant
Coastguard Sumner Management Committee	Chair
Decipher Group	Advisor
M. bovis Free New Zealand Limited	Director
National Animal Identification and Tracing (NAIT) Limited	Director
Nelmac Limited	Chair
North Canterbury Land Holdings Limited	Director
Richmond Group Limited	Director/Shareholder
TBfree New Zealand Limited	Director
Waimakariri Irrigation Limited and associated entities	Chair
WD Boyes and Sons Limited	Advisor

Dr L E Cullen	
Balachraggan Farms Limited	Director/Shareholder
Capra Farming Limited	Director/Shareholder
Cookson Trust Farms Limited	Director/Shareholder
M. bovis Free New Zealand Limited	Director
Ministry for Primary Industries Primary Growth Sector Fund Independent Advisory Panel	Member
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
J Ballantyne and Co Limited	Director (Chair Designate)
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
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
TBfree New Zealand Limited	Director

N P Davies-Colley	
Kensington Hospital Limited and associated entities	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
Institute of Directors Nominations Committee	Member
M. bovis Free New Zealand Limited	Director
Ministry for Primary Industries Māori Agribusiness	Consultant (governance)
National Animal Identification and Tracing (NAIT) Limited	Director
Susan Huria Associates (2003) Limited	Director/Shareholder
TBfree New Zealand Limited	Director
Te Waka o Hāto Petera Wāwāhi Ara	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.

Stakeholder Forum

The Stakeholder Forum continued to provide a structured channel for stakeholder input into the operation of OSPRI and its subsidiaries' programmes.

Members comprise 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 also attend Stakeholder Forum meetings.

The Board meets with stakeholders every six months for the purpose of receiving input from stakeholders on the operation of OSPRI and subsidiaries' programmes.

Consolidated Statement of Service Performance

For the year ended 30 June 2026

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[17]. 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 2026.

Outputs	Measures	2026 Outcome	2025 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 2026**: 8	19	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.	1,063,427	249,615
Total hectares of planned vector operations completed.[18]	The total land area in hectares of completed vector operations during the financial year. Vector operations include ground and aerial operations, surveillance and monitoring. **Target for the year ended 30 June 2026:** 1,200,000	1,793,638	2,354,538
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 2026:** 0.2%	0.04%	0.04%

17 Revised strategic outcomes after approval of new National Pest Management Plan, yet to be ratified, will likely reflect: Eradication of TB from cattle, deer and possums by 2040.

18 During the year ended 30 June 2026, TBfree introduced a new service performance measure **Total hectares of planned vector operations completed** to replace old measures **Completion of planned vector operations contracts in the financial year on time**, and **Completion of planned vector operations contracts in the financial year within budget** as it provides a more useful and accurate reflection of vector operational activity. To ensure comparability, prior period comparative figures have been calculated and presented on the same basis.

Outputs	Measures	2026 Outcome	2025 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 timeframe 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.	94.4%	94.0%
Percentage of animal movements recorded within 48 hours.	This measure shows timeliness of all movements recorded within the timeframe. 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.	63.2%	64.5%
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 30 June. **Target for 30 June 2026**: 0	0	0
Total number of farms tested.	The number of farms tested during surveillance testing during the year.	21,338	21,562
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 end 30 June 2026**: 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 2026**: 3 minutes	4 mins 8 secs	2 mins 16 secs

Consolidated Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2026

	2026 $000	2025 (Restated) $000
Revenue		
Revenue from non-exchange transactions	96,870	82,746
Revenue from exchange transactions	1,028	8,457
Total revenue	**97,898**	**91,203**
Expenditure		
Animal identification and tracing operations	3,293	2,829
Corporate services	11,251	9,084
Disease management and testing	26,987	25,927
Information technology	9,914	9,945
Pest control and management	31,477	29,291
Research	799	810
Support centre	2,279	2,156
Total expenditure	**86,000**	**80,042**
Surplus before financing costs	**11,898**	**11,161**
Interest income	794	768
Surplus for the year	**12,692**	**11,929**
Total comprehensive revenue and expense for the year	**12,692**	**11,929**

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 2026

	Accumulated revenue and expense $000	Total equity $000
Opening equity as at 1 July 2025	26,713	26,713
Total comprehensive revenue and expense for the year	12,692	12,692
Equity as at 30 June 2026	**39,405**	**39,405**
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**

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 2026

	2026 $000	2025 $000
Assets		
Current assets		
Cash and cash equivalents	36,846	34,913
Term deposits	8,000	–
Receivables and other current assets	5,596	4,554
Inventories	778	943
Total current assets	**51,220**	**40,410**
Non-current assets		
Property, plant and equipment	331	352
Intangible assets	4,041	5,108
Total non-current assets	**4,372**	**5,460**
Total assets	**55,592**	**45,870**
Liabilities		
Current liabilities		
Trade payables and other liabilities	10,114	10,104
Revenue in advance	5,154	7,602
Employee benefits liability	919	1,451
Total current liabilities	**16,187**	**19,157**
Total liabilities	**16,187**	**19,157**
Equity		
Capital	–	–
Accumulated revenue and expense	39,405	26,713
Total equity	**39,405**	**26,713**
Total equity and liabilities	**55,592**	**45,870**

Approval by the Directors

The financial statements were authorised on behalf of the Board of Directors on 23 September 2026.



A D Cleland
Chair of the Board



M A Todd
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 2026

	2026 $000	2025 $000
Cash flows from operating activities		
Cash receipts from operations	94,679	91,108
Cash paid to employees, suppliers and other operations	(85,505)	(76,451)
Net GST received/(paid)	185	(317)
Net cash flows from operating activities	**9,359**	**14,340**
Cash flows from investing activities		
Interest income	814	638
Term deposits placed	(8,000)	–
Purchase of property, plant and equipment	(240)	(111)
Net cash (used in)/from investing activities	**(7,426)**	**527**
Net increase in cash and cash equivalents	**1,933**	**14,867**
Opening cash and cash equivalents	34,913	20,046
Closing cash and cash equivalents	**36,846**	**34,913**
Net increase in cash and cash equivalents	**1,933**	**14,867**

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 2026

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 23 September 2026. The audit opinion expressed in respect of those consolidated financial statements was unqualified.

The 2025 comparative information included in these summary consolidated financial statements has been restated to reclassify $6.4 million from exchange revenue to non-exchange revenue. This restatement has no impact on total revenue, surplus, net assets, equity, or net cash flows previously reported.

The Group's *M. bovis* Programme is expected to conclude during the 2027 financial year, resulting in a significant reduction in *M. bovis* activities. The Directors have concluded that this does not create a material uncertainty regarding the Group's ability to continue as a going concern.

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

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

(c) Functional and presentation currency

The summary consolidated financial statements are presented in New Zealand dollars, which is the functional and reporting currency of the company. All values are rounded to the nearest thousand dollars unless indicated otherwise.

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 Functional area 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 2026

	OSPRI $000	TBfree $000	NAIT $000	*M. bovis* $000	Group $000
Operating revenue	1,028	59,169	12,157	25,544	97,898
Operating expenditure	1,028	51,405	11,231	22,336	86,000
Net operating surplus for the year	**–**	**7,764**	**926**	**3,208**	**11,898**
Interest income	–	391	62	341	794
Total comprehensive revenue and expense for the year	**–**	**8,155**	**988**	**3,549**	**12,692**

Statement of Financial Position as at 30 June 2026

	OSPRI $000	TBfree $000	NAIT $000	*M. bovis* $000	Intra-Group $000	Group $000
Total assets	4,318	32,633	7,728	14,140	(3,227)	**55,592**
Total liabilities	2,406	9,319	1,249	6,440	(3,227)	**16,187**
Total equity	**1,912**	**23,314**	**6,479**	**7,700**	**–**	**39,405**

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/(deficit) 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**

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**

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.

Executive leadership team remuneration

Total remuneration paid to the Executive Leadership Team was $2.5m (2025: $2.3m). The Executive Leadership Team comprised 7 full-time equivalent personnel (2025: 8).

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

	2026 $000	2025 $000
Revenue from non-exchange transactions	25,107	21,960
Operating expenditure	1,612	2,275
Receivables from non-exchange transactions	1,555	1,687
Payables	247	183

Note 6 Operating leases

The Group has entered into operating leases for offices and motor vehicles. Office leases generally include rights of renewal and market rent reviews. Lease commitments are based on contractual rentals in effect at reporting date. Future lease commitments at year end in respect of these leases are:

	2026 $000	2025 $000
Due within one year	1,833	1,377
Due between one and two years	1,046	789
Due between two and five years	467	147
Total operating lease payments	**3,346**	**2,313**

Note 7 Commitments

Pest management control commitments

At 30 June 2026, TBfree had contracted pest management control operations with an estimated outstanding cost of $2.3m at reporting date (2025: $0.2 m).

Capital Commitments

At 30 June 2026, the Group had capital commitments of $8.2m (2025: nil) relating to the development of the NAIT Replacement System.

BDO Wellington Audit Limited

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 2026.

The summary consolidated general purpose financial report comprises of the summary consolidated financial statements on pages 80 to 86, and the summary consolidated statement of service performance on pages 78 to 79. The complete set of Summary consolidated financial statements comprise the consolidated statement of financial position as at 30 June 2026, 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 23 September 2026.

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
23 September 2026



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