AHUWHENUA TROPHY

Excellence in Māori Horticulture Award 2020

Field Day Handbook

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RANGAHAU AHUMĀRA KAI

The Ahuwhenua Trophy

Contents

From the Minister for Māori Development

Te toto o te tangata, he kai;
te oranga o te tangata, he whenua.

The blood of a person is from food;
the sustenance of a person is from the land.

This year marks 87 years since the inception of the prestigious Ahuwhenua Trophy. This is a competition which traditionally focusses on Māori excellence in the beef, sheep and dairy sectors however for the first time in the history of the awards we now recognise Māori excellence in the horticulture industry.

Ngā rawa a Haumietiketike or horticulture is intrinsic in our stories, traditions and practices dating back to intimate knowledge of the kūmara and taro. We are a people who tirelessly dedicate time and attention to cultivation, to ensure the wellbeing of our whānau. Whether it be planting a backyard māra kai or maintaining a marae garden, the traditional practices of our tūpuna remain embedded in the whānau DNA. Then there are successful horticultural enterprises like those managed by this year's Ahuwhenua Trophy finalists.

A high calibre of skill and expertise is needed to thrive in Māori horticulture. Ngāi Tukairangi Trust (Tauranga), Otama Marere (Te Puke) and Te Kaha 15B Hineora Orchard (Te Kaha) represent an ever-growing industry for Māori to aspire to excellence in.

The value of the horticultural sector is increasing quickly with development in high-value crops. The horticulture industry now brings more than $3.5 billion per year to New Zealand, while wine returns an additional $1.5 billion per year.

We know that one percent of Māori owned land is used for horticulture and that Māori enterprises and business make up around five percent of the total horticulture sector. It is an area of growth, especially for Māori.

This year we also introduced the Young Māori Grower Award, a dedicated competition for young, emerging Māori horticulturalists that recognises the efforts of those excelling in the horticulture sector and are role models for future generations.

As Minister responsible for Māori Development, it is my role to ensure our whānau are included in economic opportunities which create sustainable social outcomes and advance our people. Competitions like the Ahuwhenua Trophy are important to showcase whānau-led models in the agricultural and horticultural sector.

Introducing horticulture into the Ahuwhenua Trophy competition is an opportunity to extend the leadership impact our whānau continue to make across the primary sector. This year's finalists have worked hard, are dedicated to excellence in their field and are a testament to thriving whānau.

If this is the standard we are following, then we can be optimistic about our future in this sector.

Pai mārire

Hon Nanaia Mahuta
Minister for Māori Development

From the Minister of Agriculture

Tēnā koutou

Nāku te rourou, nāu te rourou, ka ora ai te iwi

With your food basket and mine, the people will flourish

The Ahuwhenua Trophy captures and recognises the excellence achieved in Māori farming in Aotearoa. It is both one of the highlights and humbling experiences I am involved in as the Minister of Agriculture. Coming from a farming background I have personal experience in the farming sector and acknowledge the amount of hard work and commitment that is involved in this industry.

This year is significant for the Ahuwhenua Trophy Awards as it is the first year the competition is recognising excellence in horticulture. In support of this competition, I am proud to announce that the Ministry for Primary Industries (MPI) is now a Platinum sponsor.

I am sure Tā Apirana Ngata and Lord Bledisloe, who established the competition back in 1933, would be suitably impressed to see how far Māori farming and growing has progressed and developed in Aotearoa, and how over the past eight years it is becoming an increasingly significant contributor to the horticulture industry.

In my view, one of the greatest strengths of Māori agribusiness is mātauranga Māori – taking a long-term, intergenerational view of investment based on strong cultural foundations. This view aligns with the Government's Productive and Sustainable Land Use Package and what export markets are increasingly signalling demand for.

Government continues to be a strong supporter of Māori agribusiness and has several initiatives in place to encourage Māori to further embrace the vision of Tā Apirana Ngata and Lord Bledisloe.

Part of MPI's strategic vision is that *"New Zealand will be the world's most sustainable provider of high-value food and primary products"*. This strategy prioritises working with Māori by supporting farmers and growers to adopt more sustainable land use practices, in particular delivering new Māori-focused extension services and increasing access by Māori land owners to development funding, and targeted advice and information.

The finalists this year are an exemplary example of Māori horticulturalists and what the future of horticulture in Aotearoa can look forward to.

It is my privilege to acknowledge the achievements by each participant to date, and in particular I would like to congratulate this year's finalists.

Ngā mihi mahana, nō reira

Tēnā koutou tēnā koutou tēnā koutou katoa

Hon Damien O'Connor
Minister of Agriculture

From the Chairman

Moving into a new era.

Tena ko te toa mahi kai e kore e paheke.

This is a very special year in the history of the Ahuwhenua Trophy competition because for the first time, Māori who are engaged in horticultural businesses, are eligible to compete for this prestigious trophy.

Māori have had a long history in horticulture which dates back to pre-European settlement and today it is pleasing to see the presence of Māori in horticulture with kiwifruit, apples, avocados and berries as important crops.

Kiwifruit is New Zealand's largest horticultural export, with Zespri's revenue standing at over $3.1 billion last year. Māori currently make up around 10 percent of volume in the industry.

Horticulture provides a phenomenal opportunity for us. It is a big employer of our people and has the potential to employ many, many more. It generates strong yields. It brings money and jobs into our communities and makes a real difference to the lives of whānau and hapū.

Horticulture is the sector/industry of the future. Its growth is significant and if Zespri predictions are accurate, that industry alone will be earning $4.5 billion in sales by 2025.

Each year the Ahuwhenua Trophy Award brings to the attention of all New Zealanders our stories, which showcase innovation, good strategic planning, excellent governance management and a commitment to sustainability and hard work. This year we have three finalists who epitomise all those qualities and more.

When Sir Apirana Ngata and Lord Bledisloe created the Ahuwhenua competition it was based on the goal of encouraging and inspiring Māori to lift their sights and to improve their enterprises. Initially it did focus on dairying and sheep and beef and these were separated out into their own awards. I am sure, they would be delighted to see their vision being built on and enhanced to include horticulture.

I wish all the finalists well in this competition and in the future. May they uphold the proud tradition and legacy of this unique competition and enhance the prestige of the Ahuwhenua alumni of finalists and winners.

Kingi Smiler

Chairman of the Ahuwhenua Trophy Management Committee

Te Puni Kōkiri
MINISTRY OF MĀORI DEVELOPMENT

Thriving whenua, thriving whānau

Te Puni Kōkiri supports excellence in Māori horticulture.

History of the Ahuwhenua Trophy

It is now 87 years since the Ahuwhenua Trophy was inaugurated by the visionary Māori leader Sir Apirana Ngata and the Governor General at the time Lord Bledisloe. What is quite remarkable is that this competition remains as relevant and as prestigious now as it was almost a century ago.

While the values and vision of Sir Apirana and Lord Bledisloe have remained unchanged, the way the competition is run has moved with the times – especially since its re-launch of the competition in 2003.

The Ahuwhenua Trophy competition was introduced to encourage skill and proficiency in Māori farming. Sir Apirana Ngata realised the importance of retaining and improving what remained of Māori land was critical. He led the renaissance of Māori land development which had been decimated during the colonisation of New Zealand by forced sales and lack of opportunity and access to development capital.

The inaugural 1933 competition was open to individual dairy farmers in the Waiariki Land district and was won by William Swinton from Raukokore, Bay of Plenty. The following year the competition was extended to include entrants from North and South Auckland, Gisborne, Whanganui and Wellington.

In 1936 the cup was won by Henry Dewes, a sheep farmer from Tikitiki. The Trophy was displayed in the Waiapu Farmers store which two weeks later caught fire and destroyed the cup. It was replaced with a new cup in 1938 but six years later that trophy was lost during a rail trip from Rotorua to Wellington. It was eventually found in 1946 in a Frankton store after being mislaid with someone's personal belongings at the railway station.

The inappropriateness of comparing dairy with sheep and beef farms became increasingly evident and in 1954 the competition was divided into two separate awards, each with their own trophy. Once again, Lord Bledisloe, a man with farming interests donated the companion cup.

The competition continued up until the 1980s, but interest started to wane and the last of the original competitions was held in 1990. It was Gina Rudland and Wayne Walden who along with Meat New Zealand chairman John Acland re-launched the awards in 2003. The awards took into account the changing face of Māori farming and the increasing importance of Māori Incorporations and Trusts in the agribusiness sector.

In 2005, the Ahuwhenua Management Committee decided on a new structure for the competition with sheep and beef and dairy competitions being run in alternate years. This year will see another milestone in the history of the competition when a trophy for Horticulture will be contested. This move recognises the contribution that Māori make to the success of the horticultural sector.

This decision is in keeping with the vision of Sir Apirana Ngata and Lord Bledisloe who inaugurated the competition to encourage Māori to excel in the primary sector. Māori have always been successful horticulturalists and today they are significant contributors to the export earnings of the sector.

The Ahuwhenua Trophy competition Trustees are the Minister for Māori Development, the Minister of Agriculture and the Chief Executive of Te Puni Kōkiri. They delegate their authority to the Ahuwhenua Trophy Management Committee to manage and supervise the competition. The current Chairman, Kingi Smiler, has held that position since 2007.

The first bi-annual dairy competition held in 2006 was won by the Parininihi ki Waitotara (PKW) Incorporation's Farm 12 in Taranaki under the chairmanship of Spencer Carr and Secretary Peter Charleton. Previous Chairmen of PKW Edward Tamati and Charles Bailey were dual winners of the Trophy as individual farmers in 1965 and 1971, 1970 and 1976 respectively.

An award for young Māori farmers was introduced in 2012 and successive winners have demonstrated that young Māori have the leadership and management skills to take Māori agribusiness forward in the 21st century. Māori success is centered around the need to provide for future generations and so this competition is about 'future proofing' Māori businesses.

Today the Ahuwhenua Trophy remains the pre-eminent accolade to win in Māori farming and is recognised as the most prestigious and comprehensively judged award in New Zealand. The entrants, finalists and eventual winners all share and live the enduring values, goals and vision of Sir Apirana Ngata and the competitive spirit of Lord Bledisloe.

A special book, 'Ahuwhenua – Celebrating 80 years of Māori Farming' was launched by the then Minister of Māori Affairs, Hon Dr Pita Sharples in 2013. It was written by the eminent historian Dr Danny Keenan and traces the history of the Award and gives a brilliant insight into the development of Māori farming over 80 years. This book shows just how much Māori farming has developed over the years and how the Ahuwhenua Trophy has established a strong platform for the future growth.


TE TUMU PAEROA
Proud to be supporting Māori excellence in horticulture.
Ko tā Te Tumu Paeroa he tautoko i ngā mahi ahuwhenua e whai kiko ai tā mātou whakatauki, he iwi tauawhi mātou i ngā whenua Māori mō nāianei, mō ngā uri whakaheke hoki.

Te Kaha 15B Hineora Orchard

95 Copenhagen Road, Te Kaha, Bay of Plenty

Field Day: Thursday 26th March 2020

Te Kaha 15B Hineora Orchard

FIELD DAY PROGRAMME*

9:30	Pōwhiri at Te Kaha Marae, 6746 State Highway 35, Te Kaha
10:00	Morning tea
10:30	Welcome and Programme Introduction Presentation: History, Governance, Strategy and Business Planning
11:00	Site Tour Stop 1: Te Kaha Gold Spraying Shed Kaitiakitanga / Sustainability / Environment / Health and Safety / Customer Focus Stop 2: Te Heriko Nursery Innovation / Human Resources / Community
1:00	Presentation at Te Kaha Marae: Financial Performance / Benchmarking
1:25	Judges' comments
1:35	Award Ceremony and Prize Giving
2:00	Hākari

* *Times are approximate*

IMPORTANT NOTES FOR FIELD DAY ATTENDEES

The owners of the property wish to point out to all visitors to their property that a number of potential hazards exist in the course of travelling over the property in vehicles, and in moving around the facilities. While the owners have taken all reasonable care in making your visit to the property as safe as possible, including preparation of a health and safety plan for the day, they clearly point out that you enter the property at your own risk. The owners will accept no responsibility for any accident or injury to any person or property that takes place while you are visiting.

Te Kaha 15B Hineora Orchard

Directory

Tribal affiliation: Te Whānau-a-Apanui

Number of owners: 214

TRUSTEES

Norman Carter, *Chair / Responsible Trustee*

Akura Brown, *Responsible Trustee*

Taiawhio Waititi, *Responsible Trustee*

John Lawson, *Responsible Trustee*

ADVISOR

Alan Connolly, *Trust Advisor / Accountant*

Orchard Description

Located within the temperate microclimate of the Te Kaha township in the Eastern Bay of Plenty, Te Kaha 15B is a Māori freehold land block. We are situated in the tribal rohe of Te Whānau-a-Apanui and are more specifically associated with the Te Whānau a Te Ehutu hapū.

Our whenua comprises an area of 11.783 hectares, on which we have built a four bedroom home; run a kiwifruit joint venture operation; partner in the local kiwifruit spray company; invest in the local, Māori owned, grower's capital investment company and support the development of the local community through a grower's education charity.

Our primary operation is an 8.13 hectare kiwifruit orchard, producing just over 133,000 trays of G3 SunGold kiwifruit annually. We also own and manage, a 3 hectare holiday park, providing seasonal accommodation for workers and our owners.

Today we have 214 beneficial owners in our whenua who, as tenants in common collectively hold 30.75 shares. We trace our descent from one of four main whānau groups, the Apiata whānau, the Te Pirini whānau, the Tuhiwai whānau and the Te Keepa whānau.

Recognising the value of a collective approach, we are one of a group of six orchard partnerships on Māori land within our rohe. Over the past 20 years, we have worked together to develop and grow our economic assets to enable us to give back, not only to our owners, but also to our community.

Te Kaha 15B Hineora Orchard

What Impressed the Judges

GOVERNANCE AND STRATEGY

Strong self-belief and excellent governance skills apparent. The Board are clearly a passionate and well-respected leadership team. Very well engaged accountancy support.

A clear focus on shareholders and engaging with them to encourage them back to the Trust and the land. There were innovative ideas to attract whānau back to what is quite an isolated environment and clear success demonstrated in this regard.

The Trust has not been afraid to broaden their investments with the use of a Trust collective to initiate and develop initiatives that benefit the wider community. Innovative approach to securing investment for land and business development without putting land ownership at risk, which has now built up an economic base to support community development. Showcased were the development of the Te Kaha Gold spraying business and the Te Heriko Nursery, creating diversity of plant opportunities and jobs locally.

SOCIAL / COMMUNITY / NGĀ TIKANGA MĀORI

Strong evidence of training and education opportunities available for shareholders and whānau. Employees are put through Hort Levels 2 – 4 and the Trust is actively working on ways to improve the employment opportunities and security of income for whānau. The Trust have created over 100 jobs, papakāinga housing, education and training.

Real community focus is evident. The Trust provides a range of educational, social and cultural grants for its shareholders and family. The Trust has purchased a former holiday park which is being used to house RSE workers for the Te Kaha orchard community and provides a place for shareholders and whānau to return to the Te Kaha region and reconnect with the land.

Investing back into the community by working with the local school with the aspiration of developing a Horticulture Centre of Excellence.

Evidence of creating strong impact on the local Te Kaha community. Supporting development of wifi, water supply and petrol station.

COMMITMENT TO SUSTAINABILITY AND THE ENVIRONMENT

Concern and focus apparent on the health of the soil. Using organic fertiliser and compost to encourage microorganisms and retain soil moisture, while also building soil structure. Capacity developed for future water supply from bore of 9,000L per hour to meet future needs.

Improvements to Karirangi Holiday Park have sustainability front of mind, with the desire to install solar power, optimising water use and water treatment.

Te Kaha 15B Hineora Orchard

KAITIAKITANGA

Care for environment evident. The above-mentioned focus on the health of the soil apparent and the new nursery to produce native plants for riparian plantings. The current work being undertaken to source a sustainable water supply for the community to use to further the productivity of the land in a sustainable way is a great initiative.

FINANCIAL AND BENCHMARKING

Attention to detail on finances and improving financial position by both management team and trustees as the JVs end their tenure and the orchard returns to 100% Trust ownership. The financial driver is based around maximising economic return, to allow the trustees to distribute opportunities, employment and therefore wealth back to the community.

The Trust has not been afraid to broaden their investments with the use of a Trust collective to initiate and develop initiatives that benefit the wider community as current orchard land is at capacity. Innovative approach to securing investment for land and business development without putting land ownership at risk, which has now built up an economic base to support community development. Showcased were the development of the Te Kaha Gold spraying business and the Te Heriko Nursery, creating diversity of plant opportunities and jobs locally.

Strong orchard gate returns per ha from kiwifruit investments. Orchard OGR for YE2019 was $154k/ha which gives a very strong return on equity of 18%.

CUSTOMER FOCUS

Strong focus on customers through Zespri and TAP, GAP programmes and standards.

Acknowledge that shareholders are also a customer and their feedback indicates whether the Trust is on track from their perspective.

HUMAN RESOURCE AND HEALTH AND SAFETY

Strong attention to health and safety evidence in briefing from both trustees and staff. Good signage and use of systems and processes was noted throughout the orchard.

The direct employees of the Trust were all enthusiastic, passionate and engaged in the business success. By smoothing income for employees (annualising income) so that they can continue to pay bills and manage through the highs and lows of seasonal work availability, ensures good social responsibility and staff retention.

INNOVATION

The Trust was an early adopter of G3 variety and have shown an innovative approach to investment by involving pākeha investors in the initial land development without risking loss of land.

The Trust as shown a high level of innovation to their approach in securing labour for their ventures and opportunities of employment for their whānau. The development of Te Heriko Nursery is creating a diversity of plant opportunities. As is the building of the Te Kaha Gold Sprayers business, fulfilling an industry need while creating jobs locally. To develop their young, there are plans underway to develop a kiwifruit growing Centre of Excellence at the local school to grow local skills and provide not only education opportunities in horticulture and associated industries, but income back to the school for further advancement of the students.

The Trust has shown innovative approach to its people through smoothing income for employees so that they can continue to manage their income through highs and lows of seasonal work availability, ensuring good social responsibility and staff retention.

Te Kaha 15B Hineora Orchard

History

Our whenua has its origins in the original Te Kaha Papakāinga block, which was divided amongst various whānau by the Native Land Court on 9 June 1915, to form the current Te Kaha 15 block.

Prior to the creation of our Trust in 1970, the whenua was largely occupied by different whānau who farmed the block maintaining a subsistence living growing a range of fruit and vegetables for the local community. A citrus orchard was later established, however, given the small land area, this did not provide a sustainable economic return for its owners.

By 1998, our trustees recognised that, like other land trusts in the area, we were asset rich, but lacked enough capital to develop our whenua. Fortunately, at the same time, a group of Eastern Bay of Plenty orchardists were seeking opportunities for development of the (then) new Gold variety of kiwifruit, and, working with the Māori Trustee, were prepared to enter into 50/50 joint ventures partnerships with land trusts, effectively providing capital investment to the value of the land contributed for development by land owners.

Joining the original Te Kaha Gold (TKG) joint venture orchards in 1999, we became the last of six Māori land blocks to enter into an innovative joint venture development with investors who provided capital to develop each orchard, to the equivalent value of the land. Decisions in the partnership where made, and profits shared, on an equal 50/50 basis, with the investors joining the partnership for a period of 20 years.

Becoming profitable in the fifth year of development, our partnership was originally intended to end in 2021. However, with the advent of an industry wide PSA vine disease, which devastated large parts of the kiwifruit industry, facilitating the need to convert our crop over to a more resistant cultivar, we agreed to extend our joint venture partnership thereby enabling a further capital investment to weather the PSA storm.

Returning to profitability within a five-year window of that decision, our orchard operation, consisting of 8.13 hectares of G3 SunGold kiwifruit, is now due to be returned to 100% ownership by the Trust in 2023.

Throughout this partnership, local cool-storage company Opotiki Packing and Coolstorage Ltd (OPAC), have worked alongside us to not only develop and manage our on-orchard operations, but also on local initiatives to increase employment, provide training and to build the capability of the wider Te Kaha community in which our orchard operates.

We have been influential in the establishment of the Te Whānau-a-Apanui Fruitgrowers Inc, a charitable community education outreach group. Responsible for upskilling up to 60 local workers to a Level 4 Horticulture qualification and supporting others to build to Diploma level courses. Many of these successful graduates have now gone on to be employed locally with OPAC either in on-orchard operations in our wider rohe, or in the packhouse in Opotiki.

Recognising the collective value of Māori orchards across our rohe, more recently we have also worked to invest in a limited liability partnership company, supported by the surrounding Māori orchards, to provide further capital investment in commercial operations both in, and outside the Te Whānau-a-Apanui rohe.

Te Kaha 15B Hineora Orchard

Supported by an initial feasibility study funded by Te Puni Kōkiri, one of our early developments has been a local nursery operation, Te Heriko, to trial the growth of kiwifruit rootstock, shelter belts and manuka seedlings. The nursery now satisfies an increasing demand across the Bay of Plenty as orchards across the region are developed.

In preparing for a future in which we and other trusts take over 100% of orchard operations, we have, in partnership with the TKG orchards, formed a subsidiary spray company Te Kaha Gold Sprayers. Based on our whenua, the company employs and upskills locals to work on OPAC managed orchards in our rohe. The recent success of this company is highlighted by the significant investment from the TKG orchards which has enabled the company to extend its operations across the Te Kaha and Omaio areas.

We are a small operation, but alongside the other TKG orchards, have worked to build a platform of development, community investment and growth. We believe in building the collective assets of our community, to better serve that community. Our vision is to realise the opportunities of all developments across our rohe, and to develop our whenua to its full potential.

Te Kaha 15B Hineora Orchard

Governance and Strategy

OUR VISION

Our vision statement is reflected in the following whakataukī, which aims to guide our thinking, our mahi and direct our focus towards the opportunities that the future presents for our Trust and our whānau:

Huri ō kanohi ki te pae tawhiti, kei reira ngā moemoeā ā ō tātou whānau – Turn your face to the horizon, where the dreams and aspirations of your whānau reside.

We consider that the key to the success of Te Kaha 15B is whānau. It is our connection to each other that drives our mahi, to do the best for our beneficiaries and their whānau, to provide a legacy of success both economically, environmentally, culturally and socially.

OUR MISSION

Through this whakataukī, our mission is to provide a wide range of opportunities for our beneficiaries, their whānau, tamariki and mokopuna. We want our whenua to provide a positive contribution in our community and the wider rohe, and to provide a platform to enable our beneficiaries to live comfortably in that community, creating a place in which their whānau are able to stay and live in the future.

OUR STRATEGIC PLAN

- We are approachable
- We are trusted
- We have integrity
- We communicate openly and value input from others
- We acknowledge that all voices should be heard
- We strive to provide benefit for our whānau and our community.

Over the course of our operation, we have been working towards the day where we have full autonomy and control of our kiwifruit orchard. As we move closer to this 2023 date, we have been working to build a succession plan for our trustees, greater diversify our investment portfolio, and to realise our mission to support our whānau and our community.

Te Kaha 15B Hineora Orchard

OUR 3–5 YEAR GOALS

Orchard Operation

To invest enough capital to enable the Trust to crystallise the orchard operation through the purchase of our joint venture partners 50% stake in the orchard in 2023.

Through sound management, our orchard operation is already providing significant returns per annum, which has allowed us to build capital across a range of investment portfolios and enables us to realise our 2023 goal of full ownership.

Governance and Management

Finalise the review of our current terms of Trust and implement changes to our structure to enable greater transparency, owner input, financial reporting, governance responsibility and succession planning.

We hold bi-annual general meetings with owners, in accordance with our terms of Trust.

Our last general meeting of owners was in 2018, at which time the trustees initiated a governance review. We have proposed a major overhaul of terms to introduce:

- An associate trustee programme – whānau nominated by beneficiaries to work with the trustees as part of a succession management plan, to build the capability of potential new trustees. Whānau who can learn the business of the Trust, without having the burden of responsibility of the Trust;
- Trustee rotation with equivalent associate trustee rotation over time;
- Revamping beneficial engagement by owners – to encourage more electronic engagement and dissemination of information;
- Greater governance, management, financial and strategic accountability through clearer reporting requirements; and
- A performance-based fee structure for trustees tied to the financial and cultural performance of the Trust (which is only payable upon approval by beneficiaries).

These proposals were received favourably by our beneficiaries, with agreement to consult as widely as possible with whānau who could not make our normal meetings – and to report back.

Following consultation, our final governance recommendations will be reported to the next general meeting later this year for final approval.

Financial Investment

Continue to grow, maximise and diversify existing financial investments. Seek out opportunities for capital growth, provide financial security for the Trust balanced against supporting our whānau through financial support mechanisms.

With all available land taken up for development in Te Kaha, our Trust made the strategic decision to acquire land for papakāinga development for beneficiaries.

To meet this goal, we recently purchased a 3 hectare holiday park within a short driving distance of Te Kaha. Whilst in the short term, the park provides key accommodation services for seasonal workers (on our orchards), the long term for the park is to support the return of our beneficiaries and their whānau, and provide long term, affordable accommodation at home.

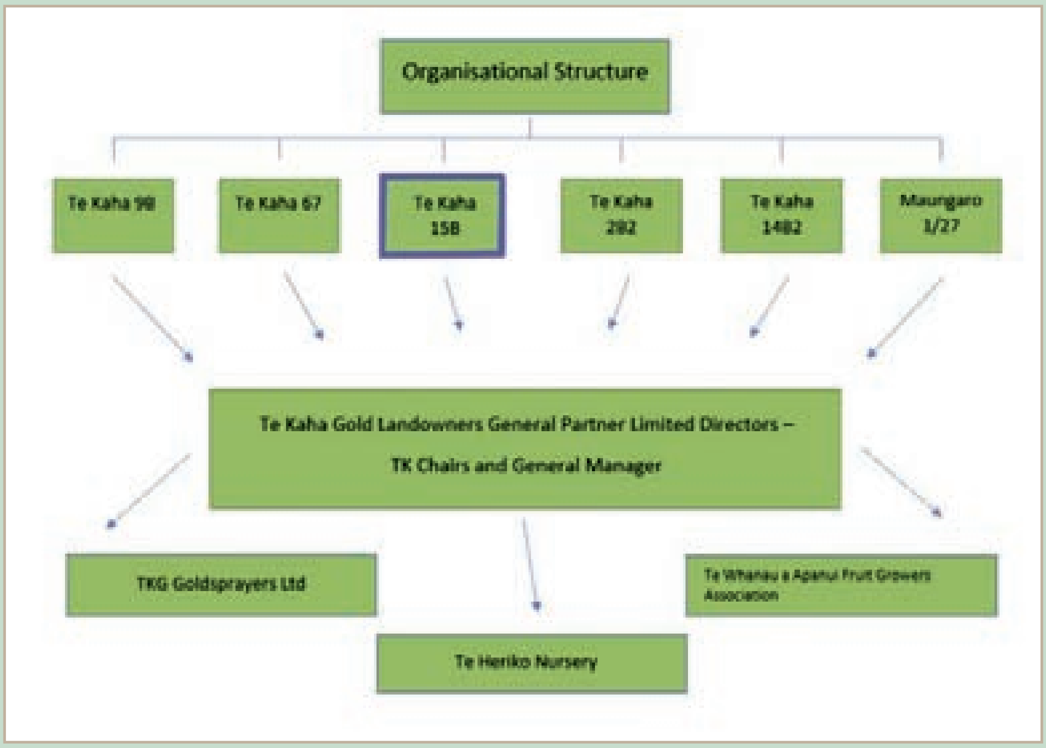
In addition, we are working with the BNZ to restructure our finances to take greater advantage of interest rates, to ensure a reduction of debt across our assets, but to also work with the bank on future opportunities for investment.

Te Kaha 15B Hineora Orchard

One such investment is the development for further kiwifruit orchards on Māori land within our rohe, funded in part through the Provincial Growth Fund (PGF). This achieves our goal of investing in local, community focused opportunities whilst at the same time, building a return into the future.

Finally, building on the collective strength of Māori orchards in our rohe, our primary capital investment structure is through our Limited Liability Partnership (LLP). This LLP described in the diagram, harnesses the power of our collective and provides prudent governance for investments at all levels.

We appoint a director to the LLP and make annual payments to sub-investments managed by the LLP, such as the nursery operation at Te Heriko and the upcoming next round of orchards supported by the PGF.



Supporting Whānau

Understand and support the reasonable aspirations of our beneficiaries and their whānau.

We aim to provide for the use management and alienation of the land to best advantage of the beneficial owners and to ensure the retention of the land for the present Māori beneficial owners and their successors.

We are reviewing our existing grants programme to ensure we are making provision for any special needs of the owners as a family group, to represent the beneficial owners on all matters relating to the land and to the use any facilities associated.

Our approach to dividends and grants is to ensure we are at least making a significant dividend payment every five years, with a grants programme in the intervening four year period to support our beneficiaries.

We adopted this approach, in consultation with our beneficiaries and whānau, to ensure we had sufficient capital on-hand to buy out our partners in 2023, following which we would review all payments.

As part of our governance review, we also considered feedback about our dividend and grants policy, the findings from which will be presented at our next general meeting later this year.

Te Kaha 15B Hineora Orchard

OUR METHODOLOGY

As a small, agile operation, we are able to meet quarterly to review our progress and actions, and we reassess annual targets to ensure we are still heading in the right direction.

Our trustees have strong relationships and work in an environment of free-flowing communication between all internal and external members of our Trust, to ensure these strategic goals are successful.

When considering our strategic plan, our SWOT analysis has been as follows:

Strengths	Weaknesses	Opportunities	Threats
• Indigenous (people of the land) • Governance • Financially stable • TKG Group LLP • Hapū relationship • Orchard Management • Partners in TKG Goldsprayers, Te Heriko Nursery, TKG LLP PGF • Grow educational capacity of locals through Te Whānau-a-Apanui Fruitgrowers Inc and Toi Ohomai	• PSA • Concentrated efforts and resources in one area • Not enough able-bodied workers in community • Reject fruit • Distance from pack house	• Investment properties • Spray company • Water company • Lease of shed • Convert house block into a commercial venture • Grow investment portfolio • The story "Sister Community" Te Kaha / Japan • Develop a Māori brand for kiwifruit • Work with NZ Māori Kiwifruit Growers • Assist to help with the development of small cottage industries	• PSA • Brown marmorated stink bug • Distributions • Regional and local body regulations and compliance costs

GOVERNANCE

Te Kaha 15B is an Ahu Whenua Trust, constituted originally as a standard '438 Trust' under the Māori Affairs Act 1953 and becoming an Ahu Whenua Trust with the passing of Te Ture Whenua Māori Act in July 1993.

Our trustees hold office from general meeting to general meeting and may stand down or seek re-election by the beneficial owners of the whenua. Their terms are generally staggered to ensure continuity.

Our current trustees have each served for over ten years. Given this strong and enduring whānau relationship, all decisions of the Trust are made by consensus. We also retain the services of Arrow Accountants Ltd of Whakatāne.

Arrow provide administrative, secretarial, financial and advisory services to the Trust. They have a long history in the kiwifruit industry, in particular in the Eastern Bay of Plenty.

Where necessary, we seek external specialist advice.

Te Kaha 15B Hineora Orchard

TRUSTEES

Norman Carter – *Chairperson / Responsible Trustee*

Norman has has over 50 years of governance and business experience, having worked in both the private and public sectors. Recently retiring from his Senior Advisor role with Te Puni Kōkiri, the Ministry of Māori Development, he has also worked in the Tertiary Education Commission, the Ministry of Social Development, the New Zealand Employment Service and Air New Zealand.

He has a particular interest in the development and support of trade training schemes in communities, and he is a trustee and board member on a number of community-based Trusts and companies.

Norman was appointed as a trustee in 2009.

Akura Brown

Akura has been an OPAC manager for the past five years. Her Primary role is to recruit and deliver quality pastoral care for Recognised Seasonal Employer (RSE) workers from Tonga, Samoa and Malaysia as they work in the OPAC orchards, packhouse and cool stores during the kiwifruit harvest seasons.

Akura brings to OPAC and Te Kaha 15B Trust the knowledge, skill and expertise of her 30+ years' service to the Ministry of Education as a teacher, lecturer, professional development facilitator and manager.

She has supported and represented numerous whānau and community groups in rural and isolated areas and been a trustee on other Māori land Trusts and Incorporations.

Appointed in 2004, Akura is our longest serving trustee.

John Lawson

John ran his own technical installation business for many years and is now involved in the installation of hi-tech fibre optic cables throughout the Waiariki district, for Electrical Connection LTD.

John was appointed as a trustee in 2006.

Taiawhio Waititi

Taiawhio is a career public servant, having worked in the public sector for over 15 years, and is the current Chief Registrar of Māori Land Court and Māori Appellate Court. In addition to his current role, in his time at the Ministry of Justice, Taiawhio has held various Advisor and Senior Advisor roles, most recently supporting work in the Rangatahi and Therapeutic Court spaces.

A former Kaiwhakarite in Te Puni Kōkiri, Taiawhio was based in the Whakatāne office, and worked to build Māori potential in the Eastern Bay of Plenty community. Prior to his role in Te Puni Kōkiri, he worked as a lecturer in the Computer and Information Science department at Te Whare Wānanga ō Awanuiārangi.

Taiawhio holds degree in Computer Science a postgraduate diploma in Information Science, as well as a Masters of Indigenous Studies, all from the University of Otago.

Taiawhio replaced his father Hirini Waititi as a trustee in 2006.

Te Kaha 15B Hineora Orchard

Social, Community and Ngā Tikanga Māori

GOALS

We are our community, our whānau whakapapa to the rohe in which our whenua is located, and through that whakapapa we are connected not only to the other orchard operations in the area, but when we succeed our community succeeds with us.

We are working toward, or have already provided:

- *Opportunities for whānau to return home*

  Through the purchase of the Karirangi Holiday Park – our long-term vision being to provide short or long term accommodation for our beneficiaries and whānau.

- *The payment of a living wage on our orchards*

  We have been working with OPAC, across all the Māori owned orchards in our rohe, to implement a scaled increase in wages and incrementally increase wages above minimum rates to achieve living wages within a three-year timeframe.

- *Local education opportunities to support our orchards*

  Through the development of Horticulture programmes in our local schools. This includes the establishment of a 2 hectare fully organic orchard at our expense, to teach local school students (through a unit standards programme) as well as providing an income for the school.

  This will be the first orchard/school collaboration in New Zealand. Development of the curriculum is currently underway, targeting specific pathways into the kiwifruit industry, i.e. horticulture, accounting, law, climate change, tourism and environment.

- *Community education opportunities, to increase the skills of our workforce and whānau working in our orchards*

  We are working with Te Whānau-a-Apanui Fruitgrowers Inc and Toi Ohomai Polytechnic, to support the ongoing training of our orchard workers, to build their experience and capability, whilst at the same time achieving a Horticulture qualification at levels two through to five.

  As well as an ongoing annual contribution, we also support students by subsidising transport, compensating lost wages and payment of course fees.

- *To maintain a close business relationship with the other six trusts within the Te Kaha Gold Landowners group to build Te Kaha and our community.*

  We hold quarterly meetings with Māori orchardists in our rohe, and work collectively to ensure development projects boost the economic, social, cultural and environment profile of our community

- *Supporting local community and cultural activities*

  We support our local kapa haka groups through grants, to assist with their pathway to regional and national competitions. In addition, we also support local students on a cultural exchange to Italy to walk in the footsteps of men from the Māori Battalion.

- *Grants*

  We set aside up to $10,000 per annum for education, social, health, sporting and kaumātua grants to our beneficiaries and their whānau. We intend to increase this, once we take over full operation of our orchard.

Te Kaha 15B Hineora Orchard

Financial Analysis and Key Performance Indicators

Key Performance Indicators (KPIs)	2016-17	2017-18	2018-19	2019 Zespri Model*
Canopy Area (Ha)	8.1	8.1	8.1	
Yield (kg per Ha)	53,093	57,901	67,897	42,170
Orchard Income per Ha (= OGR/ha)	$85,218	$135,437	$154,540	$102,001
Revenue per Ha (=Total Revenue/ha)	$85,245	$135,441	$154,543	$102,001
Cost per Ha	$47,346	$52,870	$54,629	$31,487
Gross Profit per Ha	$47,730	$89,872	$107,190	$63,101
EBITDA per Ha	$42,640	$84,931	$102,029	
Profit per Ha	$14,542	$40,661	$51,049	
Distributions - Social Capital	$5,000	$10,697	$8,242	
Social Capital Index (Social Capital/Profit)	2%	2%	1%	
Land Value (Land, Buildings and Equipment)	$860,488	$1,573,147	$1,625,767	
Total Assets	$1,948,891	$3,031,624	$3,426,897	
Total Liabilities	$419,330	$1,080,144	$1,129,313	
Total Equity	$1,529,561	$1,951,480	$2,297,584	
Return on Land Value	36%	43%	50%	
Return on Assets (Profit/Assets)	6%	11%	12%	
Return on Equity (Profit/Equity)	8%	17%	18%	
Equity Ratio (Equity/Assets)	78%	64%	67%	
Equity Growth (% Change Opening to Closing)	14.8%	27.6%	17.7%	

Chart and table information has kindly been compiled by AgFirst

OGR:

- *The orchard is 100% Gold 3, resulting in Te Kaha 15B having consistently very high OGR.*
- *Te Kaha 15B OGR has increased by 81% over the past three growing seasons. This OGR increase is primarily driven by a 26% increase in yield over the same timeframe.*
- *Largely due to high yields and high proportion of Gold 3, Te Kaha 15B has an OGR approximately 51% higher than the Zespri Model.*

Social Capital Index:

- *Te Kaha 15B's Social Capital index is lower than the other finalists for two reasons:*
  - *The Te Kaha 15B trustees decided to purchase the local holiday park (Karirangi) for $750K. The reason for this purchase was that all the whenua is being utilised for kiwifruit which has left the land owners no place to come back to when they wanted to come home. The trustees decided this would be the best action to allow the shareholders a place to stay (which may end up as a papakāinga) when they return to the coast.*
  - *To purchase back the orchard after crystallisation.*
- *Te Kaha 15B would have a 3-year Social Capital Index of 38% if the purchase of Karirangi was included the Social Capital Index calculations.*

Equity:

- *Te Kaha 15B has increased its equity by approximately 20% over from 2016-17 to 2018-19. The increase in equity is largely driven by increased land values.*

Te Kaha 15B Hineora Orchard

** **Zespri Model:***

- *A Zespri benchmarking model was created because the top-performing entrants are kiwifruit growers.*
- *The Zespri benchmarking model is based on production and financial information obtained from Zespri International Limited*
- *Zespri OGR: Zespri reported that the Te Puke kiwifruit crop is approximately 53.37% Hayward and 46.61% Gold. For each given year, AgFirst has taken the OGR for Hayward and Gold and scaled it based on the variety breakdown.*
- *Zespri Costs per hectare: AgFirst has taken the cost per hectare for Hayward and Gold and scaled it based on the variety breakdown in the Zespri OGR (above).*
- *Zespri Model costs only include Direct Orchard Costs, Orchard Working Expenses and Orchard Overheads and do not include administrative costs, interest, trustee fees, general repairs and maintenance, depreciation etc. Therefore, a Gross Profit per Hectare KPI was developed so that kiwifruit growers could be directly compared to the Zespri Model.*
- *Zespri does not record Asset, Liability or Equity data on individual growers, therefore, AgFirst was unable to calculate profitability ratios for the Zespri benchmarking model*

Finalists Comparison – 3 Year Average

Key Performance Indicators (KPIs)	Te Kaha 15B Hineora Orchard	Otama Marere	Ngāi Tukairangi Trust
Canopy Area (Ha)	8.1	17.3	91.9
Yield (kg per Ha)	59,631	45,772	49,913
Orchard Income per Ha (= OGR/ha)	$125,065	$53,858	$127,160
Revenue per Ha (=Total Revenue/ha)	$125,076	$77,464	$130,054
Cost per Ha	$51,615	$41,741	$84,392
Gross Profit per Ha	$81,597	$42,947	$78,316
EBITDA per Ha	$76,533	$37,607	$58,762
Profit per Ha	$35,417	$35,723	$45,662
Distributions - Social Capital	$7,980	$126,915	$759,991
Social Capital Index (Social Capital/Profit)	1%	25%	24%
Land Value (Land, Buildings and Equipment)	$1,353,134	$5,146,928	$71,344,704
Total Assets	$2,802,471	$10,867,081	$114,460,718
Total Liabilities	$876,262	$465,585	$33,234,122
Total Equity	$1,926,208	$10,401,496	$81,226,596
Return on Land Value	43%	12%	6%
Return on Assets (Profit/Assets)	10%	6%	3%
Return on Equity (Profit/Equity)	14%	6%	5%
Equity Ratio (Equity/Assets)	70%	96%	70%
Equity Growth (% Change Opening to Closing)	20%	12%	32%

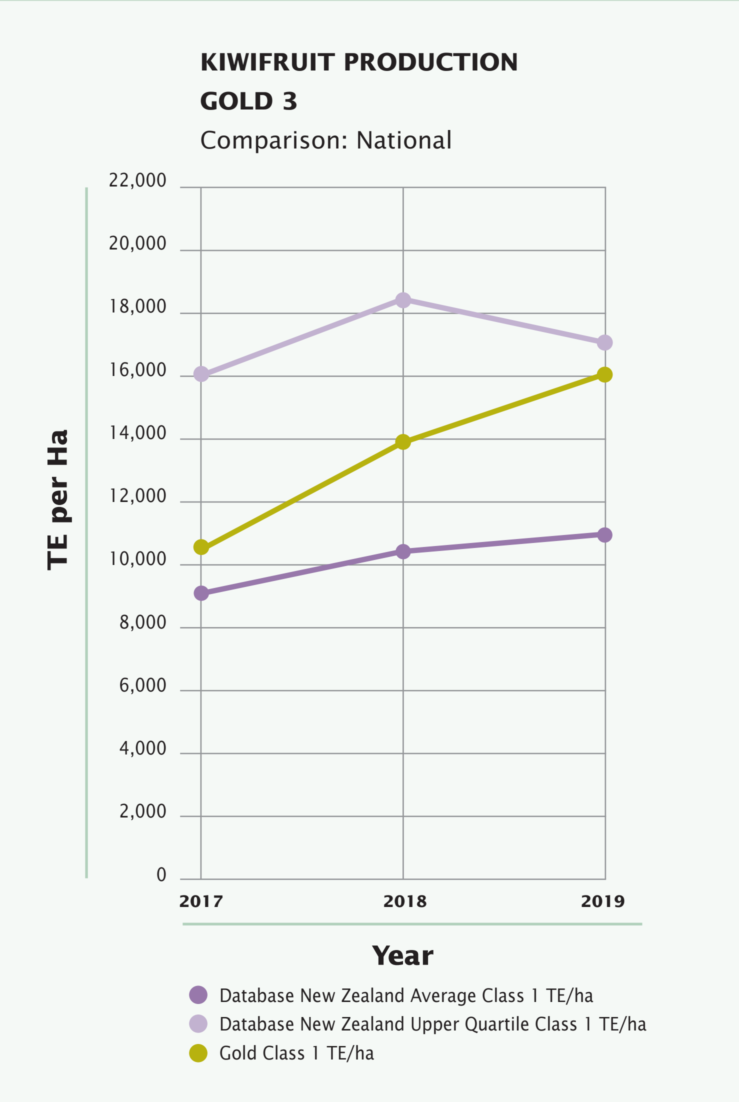
AGFIRST *Chart and table information has kindly been compiled by AgFirst*

Te Kaha 15B Hineora Orchard

AgFirst Kiwifruit Productivity Analysis + Variety Mix

The following graphs show the Kiwifruit Class 1 yield per ha over the 3 years of study (2017-2019).

The average and upper quartile are the current AgFirst OrchardNet™ dataset. The average and UG will not be the NZ kiwifruit total data but is useful as a reference.



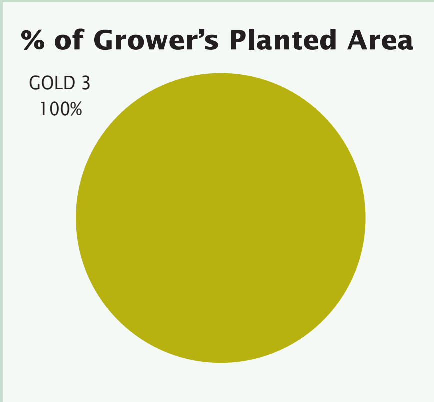


Chart and table information has kindly been compiled by AgFirst

Te Kaha 15B Hineora Orchard

Business Management

GOALS

Crystallisation

- Meeting our commitments under the joint venture agreement to pay out our partners and take over 100% of our orchard operation in 2023.

Debt management

- Complete refinancing arrangements with BNZ to reduce interest on existing debts and take greater advantage of structured credit facilities to maximise further investment opportunities.
- Provincial Growth Fund (PGF) investment in Eastern Bay of Plenty
- Working through our LLP to invest in, and provide a vehicle through which, the PGF can invest in additional kiwifruit and irrigations opportunities within our rohe.

Diversification

- Increasing the diversification of our investments and asset base. We hold a modest investment portfolio, which is supplementing our income by 20% per annum.
- Further prudent investment will be required to maintain and grow this contribution.

KEY PERFORMANCE INDICATORS

For the Trust

- Budgets are prepared for capital and operational spend. This helps keep the cashflow requirements within the business in control and investments are managed in a systematic manner.
- Any variance is managed by re-allocation to other areas that require a bigger spend. One trustee manages the strategic budget spend and allocates spending as per the strategic plan.
- All payments are made via a monthly payment schedule compiled by the accounting company and must be signed off electronically by two signatories.
- Ensure we have made provision to address the crystallisation payment to our joint venture partners and set aside ample budget to carry the orchard through the following growing season.
- A share portfolio has been developed with Craigs Investment Partners to manage our crystallisation money is available when the orchard is crystallised back to us managing 100%.

For the Orchard

- Cashflow is managed by regular updates from the joint venture partners and OPAC and the budgeted spend on all growing and orchard costs.
- Kiwifruit growing decisions are made based on the per square metre rate of flowers required to achieve the crop loads required (usually around 60 buds per m2).
- Thinning requirements are based around crop loading – the aim is to achieve approximately 16,000 to 20,000 trays per hectare.
- Technical decisions to pick are based around the taste requirements.
- Picking is driven by Zespri clearance requirements.
- We target one third of the orchard for kiwistart based on the performance of the maturity areas each year.
- OPAC technical teams assist with the maturity area decisions.
- We trial the use of reflective mats to enhance the taste of the fruit and maturity.

Te Kaha 15B Hineora Orchard

Criteria for new investments

Our overarching criteria for all potential investments are to consider how they will contribute to the long-term sustainability of our whenua, our beneficiaries and their whānau.

With this in mind, as we move to consider investments, our decisions will take into account one or more of the following criteria:

- Consolidation our landholding at Karirangi Holiday Park
- Upholding our commitment to any LLP ventures and future developments
- Upholding our commitment to investment in the local community
- Improving shareholding in both Zespri and OPAC.

STRATEGIES

- To engage in dialogue with preferred packhouse to address crystallisation commitments, and to achieve the best advantage for our orchard going forward into 100% ownership.
- Solar energy installation at Karirangi Holiday Park: 50% in 2020 and 50% in 2021.
- Meet resource consent requirements to increase capacity and land use and to improve the capacity of the existing septic and wastewater system to meet increased demand.
- Orchard budgets are managed through the joint venture partnership – submitted annually and monitoring monthly with quarterly reviews.
- Non-orchard related costs are managed by the Trust. An annual budget is set by trustees to meet business and strategic plans which is monitored on the same monthly and quarterly basis. In addition, allocation is set aside for unforeseen circumstances.

Te Kaha 15B Hineora Orchard

Commitment to Sustainability and the Environment

Managing and enhancing soil health is a key part of our environmental sustainability approach.

Our orchard was the first in our rohe to move to an organic fertiliser (Totalfert) supplemented with extra compost, to encourage micro-organisms which help retain moisture and build the quality of our soil to be high.

Regular soil tests are undertaken to ensure the correct mix of essential minerals and fertiliser are available to ensure organic growth production.

This has proved its worth for our orchard, by strengthening the growth or our plants and there has been a demonstrable reduction in PSA since its introduction.

We have also introduced worm vermiculture and Daltons compostable pellets over the last five years.

Having healthy soil is essential for not only orchard productivity but also environmental sustainability and demonstrating excellent social license to the consumer.

Three times per year, we undertake soil testing analysis to determine which nutrients need to be applied.

Recommendations are prepared by qualified expert consultants based on the results of the soil test. This guarantees that nutrients are not being irresponsibly applied and are only applied if the soil test indicates they are needed.

Other cultural controls are put in place to maintain soil health such as restricting heavy vehicle use to prevent soil compaction, and mulching any prunings and fruit which recycles nutrients to the soil and prevents soil compaction.

Commitment to nutrient management is also demonstrated through our adoption of Zespri's Nutrient Management Policy and development of a soil management plan. The policy and plan outline commitments and best practice to be followed.

Kiwigreen monitoring is also undertaken annually which restricts the use of agrichemicals under a certain threshold for each pest type.

We have also recently contracted Aquatronic Solutions to survey our block to determine the best place to sink a new bore for additional water. They have an 86% success rate worldwide and use the latest technology to obtain the best result. After drilling 72 test holes they have recommended a site which will allow us to potentially access to 9,000 litres an hour or 1.5M litres a year for our orchard.

All relevant best practices are implemented by the orchard manager OPAC and the Te Kaha Gold Sprayers, both of which follow all Health and Safety Guidelines and good industry practice.

KiwiGreen is undertaken on our orchard in mid-January for key pests scale and leafroller by OPAC, a registered Pest Monitoring Centre. However prior to monitoring, prevention and avoidance is the optimal tool for reducing pest and disease to minimise agrichemical use. Best practice such as cleaning and sanitising equipment between plants, using pest free propagation material, and removing host plants and sources of pests are all ways to reduce pest levels thereby reducing the need to apply agrichemicals. Vines are also continually observed throughout the year by an experienced orchard manager for any pests and disease that may cause issues.

Good Agricultural Practice is critical to all growers that supply Zespri and is assessed annually against a checklist ensuring all best practice guidelines are adhered to.

A few of these standards include practices such as using a contractor with annually calibrated sprayers.

Te Kaha 15B Hineora Orchard

For example, scale like to winter in large crowns and old wood; having a calibrated sprayer ensures that the agrichemicals that are applied are going to get maximum coverage to lessen pest levels.

All records of agrichemicals and fertilisers application are kept in Zespri Spray Diary to track use. Other best practice guidelines when spraying is also adhered to such as spraying in ideal weather conditions (wind causes spray drift), using air induction nozzles when spraying particularly hazardous sprays like Hi-Cane.

We manage monitoring and target achievement through our quarterly joint venture meetings with OPAC and through monthly updates from our accounting firm, Arrow Accountants.

Implementing the core principles of IPM, prevention and avoidance, observation and monitoring, and using biological, cultural and mechanical and physical controls are all techniques to reduce the use of fertiliser and chemical sprays.

Our orchard is always looking to adopt the use of new biological products such as Aureo Gold for PSA control over other harsher sprays. The use of biopesticides is favoured where possible and efficient to do so.

Other methods include keeping an open canopy to improve airflow and spray interception, removing infected or diseased plants, mulching weeds and prunings, removing host plants. All chemical sprays are adopted from the Zespri crop protection standard.

We are looking at improvements in wastewater and septic distribution at Karirangi Holiday Park where we also have recycling bins, which are cleared regularly by the Manager and taken to the recycle centre in Te Kaha.

Organic waste is minimal on orchard through practices such as mulching, as opposed to burning. Recycling schemes such as AgRecovery is used where empty agrichemical containers are taken to be responsibly recycled. On our orchard contractors comply with GAP standards.

All waste from orchard workers is taken off orchard for proper waste recycle disposal as per local government requirement and standards.

Te Kaha 15B Hineora Orchard

Kaitiakitanga

ENVIRONMENTAL GOALS

In addition to the already described management of our orchard, we will also work through our LLP, to develop an organic kiwifruit orchard at the Te Kaha Secondary School and look to a long-term transition to organics as part of the wider Te Kaha Gold Sprayers strategic direction.

Environmental plans are in place for both our nursery operation and in the LLP which is outlined in subsequent sections.

KEY PERFORMANCE INDICATORS

We are developing an environmental plan to minimise waste by utilising ecological systems for septic and greywater for any new developments at Karirangi Holiday Park.

We are using the organic fertiliser in Te Kaha 15B to ensure it will be successful at the kura.

Greenhouse gas emissions are reduced through using equipment that is regularly serviced and maintained, e.g. utes and tractors.

Other practises such as eliminating burning of plant material through mulching prunings and fruit reduce the impact.

The plant itself uptakes carbon dioxide and produces oxygen having a positive impact on greenhouse emission.

The soil also plays an important role in storing carbon dioxide. Studies show soils can store 2.4 tonnes of C02 per hectare/ year more than the greenhouse gasses produced on orchard overall having a positive impact on the environment.

STRATEGIES

A key strategy is to commit funding to the LLP to implement the building of 30 hectares of new orchards in Te Kaha as part of the 100 hectares of new orchard development over the next three years.

Hapū approval has been sought and granted for a water take and development of a new scheme. Consents for water use has been approved by the Opotiki District Council and Regional Council to develop the first 30 hectares. An Information Memorandum has been developed to attract investors.

We believe that a healthy orchard can withstand PSA much easier and naturally resist disease which is why we have placed such an importance on our organic fertiliser.

By using the Totalfert organic blend for the last three years we have improved our production overall by between 4,000 to 5,000 trays per hectare.

PRIMARY ENVIRONMENTAL CONCERNS

- PSA.
- Weather conditions of orchards can be deemed unsafe to access and loading pads.
- The threat of the brown marmorated stink bug is real and particularly ugly.
- Hi-Cane spray is a community concern, but we believe there is a lot of misinformation out there. Our spraying company manager is key to explaining this and educating our local community.
- The Hi-Cane spray dissipates after a few hours and is then rendered harmless. For those within proximity who feel they may be affected, we offer a night's accommodation at a local hotel or motel at our cost.

Te Kaha 15B Hineora Orchard

Customer Focus

Our primary orchard customer is Zespri, who market and export our kiwifruit around the world.

As part of their supply chain, alongside other orchards, we place a huge importance on meeting their standards and criteria for our fruit. Consequently, we work closely with Zespri's consumer demands and trends, which in turn affects our customer direction.

We are focused on meeting our customer's needs and supplying them with the detail they require around our orchard operation to give them confidence in the fruit we produce for market. We consider that our organic soil approach meets a wider range of demand from Zespri consumers, due to the global change towards more environmentally aware brands. It is more appealing for customers to see that we are using the organic fertiliser with none of the chemicals that majority of orchards use. This gives a more focused approach to the consumer as well as an advantage over competitors.

Human Resource and Health & Safety

As a land Trust with a small orchard operation (compared to our larger competitors), we don't employ any staff directly. Rather, we employ staff through our orchard manager OPAC, through our subsidiary spray company Te Kaha Gold Sprayers, and through the LLP which manages our Nursery.

We consider that success in people management is about:

- Providing continuous labour for our people and a remuneration strategy to match; and
- Developing our workforce to enable them to grow into leaders and technicians.

To achieve this success, we have been investigating the implementation of a tiered introduction of the living wage to be paid to our orchard workers.

The greatest hurdle faced by our workers is the continuity of work over the kiwifruit season. It may be factually correct that workers can earn up to $25 per hour while picking or pruning, however, if you only pick for two hours due to weather, or have no work for three weeks, then it is not a sustainable daily wage.

We have estimated that the living wage for the Te Kaha region is approximately $19.50 to $22 per hour, due to the remoteness of the area and difficulty to get staff as the cost of living on the coast is so high.

We have implemented a pilot for the living income at the TKG Nursery which has worked particularly well. This pilot is based on annualised hours at $2 above the minimum wage with guaranteed hours per week paid.

This initiative is planned to be rolled out to Te Kaha Gold Sprayers in March / April. Success is the living standards of our working whānau improving.

STRATEGIES

Recruitment and succession

When recruiting, we prioritise mahi for our whānau and our community.

We work with other Māori orchards and community groups on strategies to attract whānau and we provide pathways into horticulture for our mokopuna through the local schools.

A relevant remuneration and contractual approach for our workers

We are working to introduce an annualised work contract for our orchard workers, the framework for which is:

- A consistent, living wage across the year, rather than work at a seasonal rate based on a seasonal calendar
- An ability to bank hours during high work seasonal periods, to balance our low work non-seasonal periods
- Any additional hours worked above the required hours could be claimed at years end.

Te Kaha 15B Hineora Orchard

A focus on worker experience and retention

We encourage a culture of continuous improvement – we encourage feedback and have built a robust and constructive feedback environment. We use this as a vehicle to reinforce positive mindsets and behaviours to support and achieve our performance goals and results.

We are a drug free operation, but we also acknowledge that drugs are an epidemic across our rohe, we have put in place a drug free initiative and policy that has been or is being implemented with the assistance of OPAC, it supports workers who may fail a drugs test by providing additional training and support.

Filling current and future capability requirements

We are planning a due diligence review of our technical and change leadership capability alongside our orchard managers at OPAC.

We are working in partnership with our local kura and businesses, as we want to develop current talent as well as identify and grow potential leaders with a view to execute our Trust goals and community aspirations.

The focus is on leadership skills which would be rooted in tikanga, values and guiding principles, such as whakawhanaungatanga, kaitiakitanga and manaakitanga.

HEALTH AND SAFETY PLANS AND IMPLEMENTATION

Planned

We are currently planning:

- An audit of our current H&S systems and processes
- An update of our H&S strategy
- Tie in employee responsibility into leadership skills uplift so that they are responsible for their own actions.

Current

We have a 23 page health and safety manual detailing the rules, staff induction processes, training and hazard identification procedures.

There is also a book for visitors to sign in whenever they are on site to monitor any incidents that may occur.

In the office there is a whiteboard purely for all health and safety matters. This is where anyone can record the description of an incident/accident/near miss, suggested or required action, name of person reporting, date reported, and action taken.

We also have a health and safety sign at the entrance of the orchard where there are several policies that are required to complete before entering.

This always includes safety glasses to be worn, fire exits, meeting points and the hazards located within the orchard.

ADVICE AND SUPPORT

We have a strong affiliation with Arrow Accountants who provide advice and assistance to Te Kaha 15B and other related corporations.

Arrow Accountants are involved in the allocation and implementation of the Provincial Growth Fund and work closely alongside us with funding opportunities. They have been of remarkable assistance in managing the administration and financials of our Trust and also provided their expert advice on future investments.

This is only possible through the constant, free-flowing communication between the Trust and Arrow during and between meetings.

Te Kaha 15B Hineora Orchard

Innovation

We consider the application of Totalfert organic fertiliser, worm vermiculture and Daltons pelletised compost to be a remarkably innovative step for our orchard.

The installation of reflective matting in at least two bays is also a step we took to promote even fruit ripening in the bays that weren't producing as well as expected.

Our entrepreneurial strategies include being involved with the implementation of the living wage within Te Kaha Gold Sprayers and Te Heriko Nursery. This has been successful for our whānau.

We also purchased the Karirangi Holiday Park and installed three new cabins to help house our whānau and RSE workers. A mezzanine floor was built inside the packhouse that is now rented to OPAC, which provides us with additional income.

We also have one sixth contribution to Te Kaha Gold Sprayers and Te Heriko Nursery with the purchase of a share portfolio to fund the crystallisation repayments.

Infrastructure

The map below show hazards, the number of canopy blocks, shelters, drains, fenced areas, supplement storage shed, staff building, toilets and the maintenance storage area.

The tracks are in very good condition apart from some being unsafe to drive when wet.

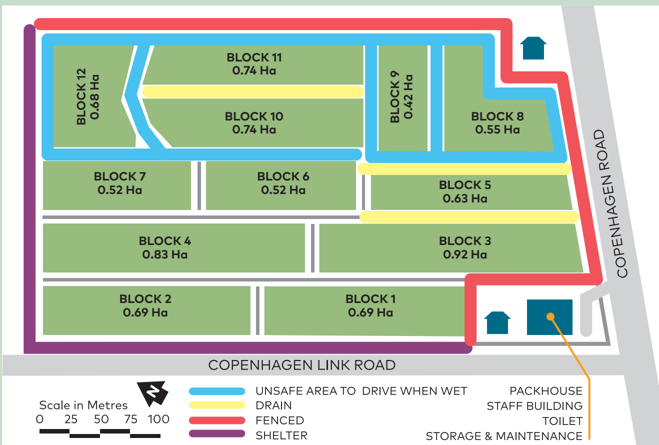
Regarding water supply, the bore water is yet to be tested and the rainwater runs off from roof which has dust and dirt. However, there is a water tanker truck that supplies good quality water from the town supply. A possible separate raw water feed has been discussed with hapū and Opotiki District Council.

The shelter for blocks is ongoing to prevent wind damage and we will be installing another toilet at the orchard this year. Best practice is that generally infrastructure should be placed on ridgelines. General principles for other infrastructure build in the area will be followed regarding Geotech.

Only a third of the block has irrigation and a plan is being tabled at the next meeting to install the remainder of the block with irrigation.

We want to uplift and improve the wellbeing of our hapū, whānau and community and have set up and operate the Te Kaha Irrigation Scheme Ltd accordingly.

This involves the shareholders of Kaiaio hapū, EBoP/ Whānau-Apanui Rūnanga and the land owners. We need to outline an extraction point, likely intake system and road access to pump units. Discussions will also be made about the main route and type and road access for construction and maintenance activities.



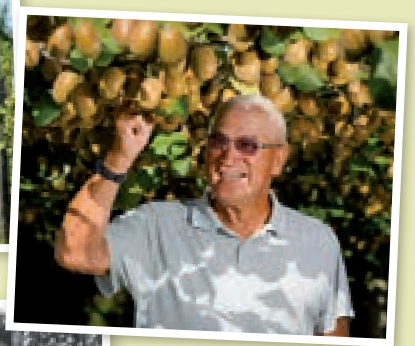
Te Kaha 15B Hineora Orchard

Map

Otama Marere

178 State Highway 33, Paengaroa, Te Puke

Field Day: Thursday 2nd April 2020



Otama Marere

FIELD DAY PROGRAMME*

9:40	Pōwhiri at Paengaroa North A5 Block, 178 State Highway 33, Paengaroa, Te Puke
10:10	Morning tea
10:40	Welcome and Programme Introduction Presentation: History, Governance, Strategy and Business Planning
11:10	Site Tour Stop 1: Organic Block Kaitiakitanga / Sustainability / Environment / Health and Safety / Customer Focus Stop 2: Avocados Innovation / Human Resources / Community
1:00	Presentation at marquee: Financial Performance / Benchmarking
1:20	Judges' comments
1:35	Award Ceremony and Prize Giving
2:00	Hākari

* *Times are approximate*

IMPORTANT NOTES FOR FIELD DAY ATTENDEES

The owners of the property wish to point out to all visitors to their property that a number of potential hazards exist in the course of travelling over the property in vehicles, and in moving around the facilities. While the owners have taken all reasonable care in making your visit to the property as safe as possible, including preparation of a health and safety plan for the day, they clearly point out that you enter the property at your own risk. The owners will accept no responsibility for any accident or injury to any person or property that takes place while you are visiting.

Otama Marere

Directory

Tribal affiliation: Rangiwaho, Ngāti Whakaue, Te Arawa

Number of owners: 588

ADVISOR

Rhys Rushton, *Seeka Limited Client Manager*

STAFF

Mana Gregory, *Leading Orchard Hand*

Lynn Tapsell, *Orchard Hand*

Brett Shirky, *Orchard Hand*

Mohi Te Purei, *Orchard Hand*

Frances Rangiawha, *Orchard Hand*

Tumatuaenga Ratana, *Orchard Hand*

Joe Te Purei, *Orchard Hand*

Steve Nigro, *Orchard Hand*

Aneta Muir, *Orchard Hand*

Orchard Description

Otama Marere Orchard is located on Paengaroa North A5 Block in Paengaroa, near the Bay of Plenty town of Te Puke.

The Trust has a total land area of 45.0144 hectares. The orchard is made up of 11.87 hectares of Hayward Green kiwifruit, 2.21 hectares of SunGold G3 and 7.08 hectares of SunGold G3. In addition to kiwifruit, the Trust has planted 950 Gem avocados spanning four separate blocks, a total of 2.1 hectares.

Approximately 70% of the property is flat to easy rolling country spanning the Kaituna River. The balance consists of moderately steeper hills and steep faces connecting lower terraces down to the river. There is a gully running through the orchard which has historically been planted in forestry. Lower, wetter parts of the block have been planted into wetlands.

There is excellent road access through the middle of the property. The soil type is typically allophanic strongly influenced by clay minerals and areas of volcanic soil.

The orchard is run by Homman Tapsell, an owner in the block and there are four to ten fulltime employees at any one time. Seeka Limited is the post-harvest operator and provides support through employment and operational activities.

Otama Marere

What Impressed the Judges

GOVERNANCE AND STRATEGY

A strong governance team that really understands the business. There appears to be a clear focus on succession planning with younger trustees and diversity of thought being brought into the governance team. With this, the Trust has changed their strategic focus to stay relevant with the growing environmental expectations of the shareholders.

Recent change to Trust brand with innovative approach to logo, image and signage throughout the orchard property helps to promote the Trust story to stakeholders and the wider community.

The team has very well engaged administrative and orchard support. The strategic plan is well documented and the action-plan well co-ordinated with measurable objectives.

SOCIAL / COMMUNITY / NGĀ TIKANGA MĀORI

The Trust offers grants that support a range of social and cultural activities as well as education. The goal to constantly improve the financial performance allows the Trust to offer a higher return back to shareholders and further develop its people.

The recent re-brand of the Trust and development of orchard signage and other initiatives assist to raise community awareness of Trust activity.

Strong focus on employees with paying a living wage to orchard staff, ensuring retention of good employees and employing whānau on orchard as much as possible.

COMMITMENT TO SUSTAINABILITY AND THE ENVIRONMENT

Strong environmental and sustainability focus. The orchard is moving into organics with demonstrated success in terms of approaches and yields.

Diversification away from straight reliance on kiwifruit, with an investment into Gem avocados whilst keeping a balance of Green and Gold within the kiwifruit plantings. Avoiding monoculture and spreading risk within the business.

The two areas of wetlands being actively restored in conjunction with the local regional council and intended future planting of natives showed consideration beyond just bottom line with desire to restore these areas to their previous natural state. This tied in with their story of the history of the land, the pā site on the neighbouring property and early ancestral use of the land.

Otama Marere

KAITIAKITANGA

Excellent investment on enhancing wetland areas of the property with 7,600 native species planted, to enhance the natural ecosystem. Also, the proposed planting of the old forestry block into native kauri and manuka species. Both these activities will enhance water quality and soil management.

A great historical account, with the history of the land, the wetlands and the neighbouring pā site woven together in the Otama Marere story. Keeping an eye on the pā site, appreciating it is on a neighbouring property and encouraging preservation of this site.

FINANCIAL AND BENCHMARKING

The Trust has partnered with Seeka for kiwifruit growing and avocado development and actively benchmarks against other growers. The plan to move into a more holistic financial analysis encompassing the entire operation rather than solely the orchard will allow for greater monitoring of performance and the development of KPIs going forward.

There is a willingness to take calculated financial risks to expand the business portfolio into investments other than immediate orchard (i.e. investments into pastoral farming and investment portfolio held with Craigs Investment Partners).

There was a clear attention to detail on finances and improving financial position by both management team and trustees. The orchard performance has improved over recent years with the conversion to G3 maturing and will continue to do so as the organic blocks come into production.

Good OGR/ha achieved for YE2019 of $77k/ha which is in line with its current mix of Hayward and producing G3. This would be expected to improve as G3 matures. This gives an acceptable return on equity of 8%. The Trust has distributed back to shareholders in distributions and grants an average of 25% of profit in the past three years.

CUSTOMER FOCUS

The Trust has hosted several dignitaries and media to view the orchard and showcase Māori growers. With a trustee on the Executive Committee for Māori Kiwifruit Growers Board, there is a desire to connect the Māori growing story back to the customer.

Participation in Zepsri grower tours to offshore markets further helps to understand the Zespri customer.

The Trust also acknowledges that stakeholders are their customer and their feedback indicate whether the Trust is on track from their perspective.

HUMAN RESOURCE AND HEALTH AND SAFETY

Strong focus on employees with paying a living wage to orchard staff, ensuring retention of good employees and employing whānau on orchard as much as possible.

A strong health and safety culture was evident and latest technologies adopted in this space, with QR Scanning of employees in and out of orchard. All employees are inducted onto the orchard with dedicated supervisors on site at all times. Good signage throughout the orchard and obvious use of systems and processes.

INNOVATION

The Trust realises the importance of innovation, progressively moving the orchard to organic production and diversification through the planting of Gem avocado. The new trustees introduced with a variety of viewpoints and perspectives and bought in a diversity of skills that will continue to drive the Trust forward.

There is a demonstrated innovative approach to the brand, logo and image is a great way to present your identity and grow the connection back to the land for the shareholders.

Otama Marere

History

Ko Kaituna te awa
Ko Otama Marere to whenua
Ko Ngāti Rangiwaho te hapū

"Our connection to Otama Marere is due to our whakapapa to Rangiiwaho. These are the lands of Rangiiwaho".

Otama Marere was used as a papakāinga where our tūpuna lived permanently, but also as a resting point for its people moving between Rotorua and Maketu. Being situated on the banks of the Kaituna, Otama Marere had direct access to Tapuika and Maketu. Traditionally our tūpuna were one with their environment. Each season had its own tikanga for harvesting certain birds, plants and fisheries. These tikanga ensured there was always an abundance of food to sustain the hapū and also provided extra for trade. Our tūpuna lived a very diverse lifestyle, never depending on one food source, but rather a wide variety of food. In maintaining the balance of the environment at Otama Marere, the land was protected and nurtured, guaranteeing the health and prosperity of the hapū.

The origins and significance of the name Otama Marere came from the pā site that was occupied by Rangiiwaho and his whānau. Otama Marere became a stop or overnight stay for travellers from the coast who would canoe up the Kaituna River to Otama Marere. A short distance further up the river from Otama Marere was walking tracks inland to the many places of hapū kin. The pā site itself is on a neighbouring property but the ownership of the land can be traced back to Otama Marere. At that time, the wetland around the pā was abundant in tuna and other vegetables, with the land where the orchard now is located was being used for growing watercress, kumara, kamokamo and other vegetables. In order to acknowledge those who have come before and nourish the whenua, the Trust has now re-developed a wetland which has seen 7,600 native plants established to bring this area back to life. Birdlife have been attracted to this feature, along with the occasional eel.

For many years the land was occupied by Te Puke Golf Club with a 60 year lease at 2 shillings and 6 pence an acre. The land reverted back to the Trust in the 1980s and initially, sweet corn and Nashi pears were grown. After the company in Waiuku processing corn failed, the trustees looked for alternate options and secured Māori Affairs funding to commence a kiwifruit development. The original development was in conjunction with Māori Affairs and the Labour Department under the pre-employment programme. The gang carrying out the development work was all women – a unique situation with the ladies banging in the posts, nailing the pergolas and laying out the wire.

In 1990, the Trust debt had risen to around 1.4 million dollars with Māori Affairs. After negotiations with the government, this debt was able to be reduced and the Trust debt was paid off. Huia Tapsell, an owner in Otama Marere, was the Orchard Manager at the time and the orchard moved to a lease arrangement and profit share with Seeka Limited.

Otama Marere continue to partner with Seeka Limited today and have the benefit of Homman Tapsell managing the orchard. There are anywhere from four to ten owners or whānau employed on the orchard, with further opportunities available upon request.

Today, the orchard is known as a leader in Māori kiwifruit and the organic SunGold kiwifruit arena, with companies such as Zespri seeking to bring overseas visitors to the orchard. The orchard hosts both growers and visitors year round and has been an invaluable education resource for other Māori growers, with the Trust providing education and information to fellow growers and the public alike.

The trustees are continuing to look at options to build on Trust's diverse portfolio with the addition of a kauri and manuka plantation in 2020. An environmental plan will also be completed to ensure that the whenua and Kaituna River is protected and nourished into the future.

As protectors of the whenua and kaitiaki of Otama Marere, the trustees strive to provide a diverse range of enterprises in order to sustain and revitalise the whenua and in turn, revitalise our people. By planting harvestable crops, protecting and enhancing our wetland and diversifying our assets, we will be helping to ensure our base grows and provides greater benefits to our ever growing hapū.

Otama Marere

Governance and Strategy

VISION

Ko ta maatau tirohanga he whakatipu i nga rawa o te Kaitiaki hei whakarato i te pumau me te whai hua mo o tatou iwi me te whenua.

Our vision is to grow the Trust assets to provide a sustainable and fruitful future for our people and the land.

MISSION

Ka ora te whenua ka ora te hapū

Healthy and vibrant land ensures a healthy and vibrant hapū.

VALUES

Kaitiakitanga: guarding our taonga and commitment as guardians

Mohiotanga: sharing of knowledge and innovation

Wairua: a sense of wellbeing and connection to the whenua

Rangatiratanga: commitment to prudent leadership

Kotahitanga: oneness, unity and collectivity

Whanaungatanga: a sense of belonging and trusted relationships.

STRATEGIC PLAN

In honouring its mission and achieving its vision, the Otama Marere trustees are building a successfully diversified and sustainable business which acknowledges the past and provides growth for the future. There is a strong focus on the duty to manage Otama Marere not just for our generation but for those who follow us.

The purpose of the strategic plan is to develop objectives and goals for the medium to longer term that fit with the Trust's vision and mission. In order to achieve this, the trustees have identified the following key principles:

- The need to collaborate and build key relationships
- The importance of nourishing and developing the whenua
- The desire to return and connect the whānau to the whenua
- Being open to new investments and opportunities
- Provide proactive and united leadership
- Observe tikanga Māori.

Otama Marere

The trustees have developed a set of objectives which align with these key principles and tikanga Māori values above. The Trust are determined to build a diversified entity with a strong focus on nourishing the whenua at Otama Marere.

From the objectives, the trustees have established a five-year action plan which sets goals such as:

- Preparation and implementation of an environmental plan having regard to not only the orchard, but also the Kaituna River
- Enhanced KPI monitoring for the Trust as an overall entity and build on orchard KPIs and benchmarking
- Full use reports completed on whenua to identify any further opportunities
- Review of diversity on orchard to ensure adequate diversification
- Review of the Trust structure
- Working with a professional investment advisor to identify external investment options and investment plan
- Further enhancement of the Otama Marere brand, e.g. development of a logo into all aspects of business
- Continued education and training for trustees
- Benchmarking and forecasting expanding past orchard activities
- Reconnecting owners to Otama Marere.

The Trust's strategic plan has been developed into an annual plan. This annual plan ensures that the trustees continue to actively work on the strategic plan. The trustees review the annual plan at least bi-monthly. The strategic plan is reviewed at least six monthly.

Success is measured by the completion of the annual plan objectives, which in turn, sees the strategic plan objectives being completed.

Annual owners' meetings are held to receive feedback from the owners, and this is used as a non-financial measurement of success. At each trustee meeting, an orchard report is presented, which includes financial measurements of success through forecasting and benchmarking for the orchard, with non-financial measures also being reported, such as status of the orchard and fruit quality.

Measuring the success of the strategic plan is an important tool which keeps the trustees on track to achieve their goals.

Otama Marere

SWOT ANALYSIS

Strengths	Weaknesses (potential)	Opportunities	Threats (potential)
• Key relationships with industry stakeholders • Exceptional orchard management • Active and committed trustees • Strong and diversified asset base • The Trust is debt free and has strong and frequent financial reporting • The trustees have the owners confidence and support • There is ongoing consideration to succession, e.g. a diverse age group of trustees.	• Growing shareholder base – potential for fragmented shares or failure to succeed shares • Some disengaged owners and an aging engaged owner base • Geographic spread of owners – more difficult to involve and engage with • Uncertain environmental changes – climate risk • Susceptibility to Biological incursions, such as PSA.	• Consider further diversification of whenua • Raise the profile of the Trust through increased networking and community involvement • Availability of increased trustee training • Potential to connect the owners to the whenua through whenua based activities • Opportunities for on whenua and off whenua investment.	• Non-effective communication with beneficiaries • Changes in the economy – market risk • Imprudent investments – if processes are not followed or risk is not managed • Costs – everything costs money; spend to make, but spend wisely • Land based investments – large exposure to kiwifruit and dairy industry • Biological incursions • Climate risk.

GOVERNANCE

Otama Marere holds an annual owners meeting. The trustees seek the owners mandate on all large scale decisions and actively manage the Trust to ensure ongoing support of the owners. Support from the owners has been achieved by:

- Holding annual owners meeting to communicate with owners and provide transparency in regard to Trust business and operations
- Additional annual communication through an annual newsletter, Facebook, website and access to trustees
- Formal notified resolution processes at owners meetings
- Annual reporting, including provisions of financials and an annual owners booklet which is available to all owners, whether they attend the annual meeting or not
- An owners meeting orchard tour for owners is held on an annual basis
- Thoughtful and intentional diversification of assets to maximise benefits to owners and protect owners interests
- Robust due diligence on investments and ongoing investment reviews
- Establishment of a successful orchard operation
- Consideration of the whenua and the owner's connection to the whenua when looking at options for the orchard.

Otama Marere

The owners have determined the process for selecting the Governance team. The owners have agreed to have a rotation period of three years for Advisory Trustees and this is in the process of being ratified by the Māori Land Court. At the conclusion of the three year period, two trustees must stand down or offer themselves for re-election. All new trustees must submit a CV prior to the owners meeting and the owners are provided with the credentials of the Trustee standing for election. Consideration is given by the trustees to trustee succession through notification to potential suitable applicants at election time.

The Governance Board for Otama Marere meet at least bi-monthly and are diverse across age and gender, with an excellent range of skills including:

- Homman Tapsell – horticultural expertise and excellence in orchard management, particularly organics and an active member on the executive committee of NZ Māori Kiwifruit Growers Incorporated.
- Aubrey Wilkinson – financial management, health and safety and the current Union president for Rail and Maritime.
- Petera Tapsell – business management, local governance expertise, tikanga Māori and the current Workforce Development and Cultural Officer for the Western Bay of Plenty District Council.
- Jade Chalmers – ethics, Masters of Education in sustainability education and previous work experience in the kiwifruit industry.
- Diane Berghan – communications and programme manager for the Tauranga Moana Biosecurity Capital, focused on protecting our region and industries from pests and diseases. She has also previously worked for MPI (food safety) and NZ Trade and Enterprise (food sector).
- Gemma Mills for New Zealand Guardian Trust Company Limited – legal, financial, Trust management.

While the trustees have a large range of skills between themselves, they also have advisors that are called when the need arises. For example, their accountant, financial advisor and soil specialists. The trustees also acknowledge the need for the continuing need to upskill and the strategic plan provides for ongoing trustee training. Training for 2020 and 2021 will involve the attendance of horticulture field days, onsite orchard education and training on the changes to legislation, including general Trust laws and obligations as trustees.

Otama Marere

Social, Community and Ngā Tikanga Māori

Otama Marere strives to participate in social, community and ngā tikanga Māori aspects as part of its overall strategic plan and also the tikanga Māori kaupapa which is entrenched in everyday Trust business.

In the wider community, the Trust has donated to a local marae and supports the local community through the preference of local employment and engagement of local contractors. Owners (and whānau) are given the opportunity to work on the orchard and Seeka Limited also offers a horticulture cadetship for owners. The staff at Otama Marere are supported through the payment of a higher living wage and are given the opportunity to upskill where appropriate.

From an educational standpoint in the community, the orchard is regularly attended by other growers and overseas visitors, who are looking to view orchard operations, enter into organic conversion or generally seek knowledge. In 2019, the Trust featured on Te Karere and in the April 2019 Kiwifruit Journal. The Trust has also featured in Japanese magazines after a delegation of Japanese businessmen visited Otama Marere. Companies such as Zespri, have used the orchard for overseas visitors.

Trustees are encouraged to participate in community and industry initiatives with the Trust being a member of the Federation of Māori Authorities and Homman Tapsell being a representative on the Executive Committee for the Māori Kiwifruit Growers Board. Homman attended the Māori Kiwifruit Growers Tour in Europe in 2019 and an organic convention in the USA in 2018.

The social and community participation is aligned with the Trust's support of owners which seeks to:

- Increase education and skills through the provision of education grants of up to $3,000 per annum for owners and their descendants (approx. $56,000 per annum distributed)
- Encourage higher education through the award of the Huia Tapsell Post-Graduate Education Scholarship
- Encourage participation in top-tier sporting and cultural activities through the award of the Warwick Tapsell sporting and cultural grants
- Support those who have come before through the payment of kaumātua grants to those over 60 years
- Provide support for whānau at times of need through tangihana grants
- Support owners with annual sustainable dividends
- Support to owners for the protection of sites of significance including the adjacent neighbouring urupa site.

Success stories from the education grants and Huia Tapsell scholarships are shared with owners at the annual general meeting. Both Diane Berghan and Jade Chalmers, current trustees, have benefited from the Trusts education grants and now seek to give back to the Trust with the skills they have acquired.

The Trust has two events planned for 2020 in order to reconnect owners to the whenua and build on the principles of Wairua and Whanaungatanga. Otama Marere will be holding a Raranga wānanga at the Otama Marere wetlands in the first half of 2020 and will also hold a whānau day for owners in the second half of 2020. The whānau day will build on the history of the whenua through story and activities for the younger generations. It is important for Otama Marere to respect the Trust history when looking to the future. An example of this is the planting of the Otama Marere wetland which is strongly connected with the first descendants to use Otama Marere, Rangiiwaho and his whānau, and is a direct acknowledgement of their connection to the whenua. The Trust is also planting a kauri and manuka plantation in 2020 with a view to this being an opportunity for owners, local hapū and wider whānau to use this wood for carving.

Otama Marere

Financial Analysis and Key Performance Indicators

Key Performance Indicators (KPIs)	2016-17	2017-18	2018-19	2019 Zespri Model*
Canopy Area (Ha)	16.9	17.4	17.6	
Yield (kg per Ha)	34,232	49,177	53,907	42,170
Orchard Income per Ha (= OGR/ha)	$26,232	$57,811	$77,532	$102,001
Revenue per Ha (=Total Revenue/ha)	$33,896	$84,557	$113,938	$102,001
Cost per Ha	$18,540	$45,245	$61,438	$31,487
Gross Profit per Ha	$21,888	$47,618	$59,334	$63,101
EBITDA per Ha	$17,471	$41,145	$54,206	
Profit per Ha	$15,355	$39,312	$52,501	
Distributions - Social Capital	$108,200	$128,000	$144,545	
Social Capital Index (Social Capital/Profit)	42%	19%	16%	
Land Value (Land, Buildings and Equipment)	$5,169,810	$5,139,050	$5,131,925	
Total Assets	$9,384,400	$11,048,642	$12,168,202	
Total Liabilities	$284,650	$742,414	$369,692	
Total Equity	$9,099,750	$10,306,228	$11,798,510	
Return on Land Value	5%	13%	18%	
Return on Assets (Profit/Assets)	3%	6%	8%	
Return on Equity (Profit/Equity)	3%	7%	8%	
Equity Ratio (Equity/Assets)	97%	93%	97%	
Equity Growth (% Change Opening to Closing)	9.7%	13.3%	14.5%	

Chart and table information has kindly been compiled by AgFirst

OGR:

- *The business' OGR has increased 196% from 2016-17 to 2018-19. This is largely due to a 60% yield increase over the same timeframe.*
- *Otama Marere has a 25% lower OGR than the Zepsri Model, however, this is due to the orchard being predominately planted in Hayward. It should be noted that Otama Marere Orchard performance is consistently higher than the industry average for both Hayward and Gold 3 kiwifruit varieties.*

Social Capital Index:

- *Otama Marere consistently has a high Social Capital Index, meaning they have more distributions (e.g. grants, scholarships, etc) as a proportion of profit.*
- *Otama Marere's Social Capital index was 20% from 2016-17 to 2018-19.*

Equity:

- *Otama Marere has the highest Equity Ratio in the group of contestants, averaging 96% from 2016-17 to 2018-19.*
- *Otama Marere's high Equity Ratio is due to the fact that Otama Marere does not have any actual liabilities. There were some accounting liabilities or bills to be paid recorded as at 30 June but Otama has no loans, etc.*
- *The Equity Ratio shows how much of the company's assets are funded by equity shares. The higher the ratio result, the less debt a company has used to pay for its assets, that is, the closer a firm's ratio result is to 100%, the more assets it has financed with equity instead of taking on debt.*

Otama Marere

***Zespri Model:**
- *A Zespri benchmarking model was created because the top-performing entrants are kiwifruit growers.*
- *The Zespri benchmarking model is based on production and financial information obtained from Zespri International Limited*
- *Zespri OGR: Zespri reported that the Te Puke kiwifruit crop is approximately 53.37% Hayward and 46.61% Gold. For each given year, AgFirst has taken the OGR for Hayward and Gold and scaled it based on the variety breakdown.*
- *Zespri Costs per hectare: AgFirst has taken the cost per hectare for Hayward and Gold and scaled it based on the variety breakdown in the Zespri OGR (above).*
- *Zespri Model costs only include Direct Orchard Costs, Orchard Working Expenses and Orchard Overheads and do not include administrative costs, interest, trustee fees, general repairs and maintenance, depreciation etc. Therefore, a Gross Profit per Hectare KPI was developed so that kiwifruit growers could be directly compared to the Zespri Model.*
- *Zespri does not record Asset, Liability or Equity data on individual growers, therefore, AgFirst was unable to calculate profitability ratios for the Zespri benchmarking model*

Finalists Comparison – 3 Year Average

Key Performance Indicators (KPIs)	Te Kaha 15B Hineora Orchard	Otama Marere	Ngāi Tukairangi Trust
Canopy Area (Ha)	8.1	17.3	91.9
Yield (kg per ha)	59,631	45,772	49,913
Orchard Income per Ha (= OGR/ha)	$125,065	$53,858	$127,160
Revenue per Ha (=Total Revenue/ha)	$125,076	$77,464	$130,054
Cost per Ha	$51,615	$41,741	$84,392
Gross Profit per Ha	$81,597	$42,947	$78,316
EBITDA per Ha	$76,533	$37,607	$58,762
Profit per Ha	$35,417	$35,723	$45,662
Distributions - Social Capital	$7,980	$126,915	$759,991
Social Capital Index (Social Capital/Profit)	1%	25%	24%
Land Value (Land, Buildings and Equipment)	$1,353,134	$5,146,928	$71,344,704
Total Assets	$2,802,471	$10,867,081	$114,460,718
Total Liabilities	$876,262	$465,585	$33,234,122
Total Equity	$1,926,208	$10,401,496	$81,226,596
Return on Land Value	43%	12%	6%
Return on Assets (Profit/Assets)	10%	6%	3%
Return on Equity (Profit/Equity)	14%	6%	5%
Equity Ratio (Equity/Assets)	70%	96%	70%
Equity Growth (% Change Opening to Closing)	20%	12%	32%

Chart and table information has kindly been compiled by AgFirst

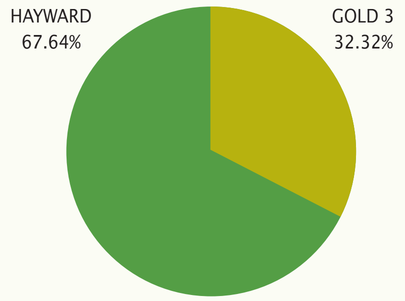
Otama Marere

AgFirst Kiwifruit Productivity Analysis + Variety Mix

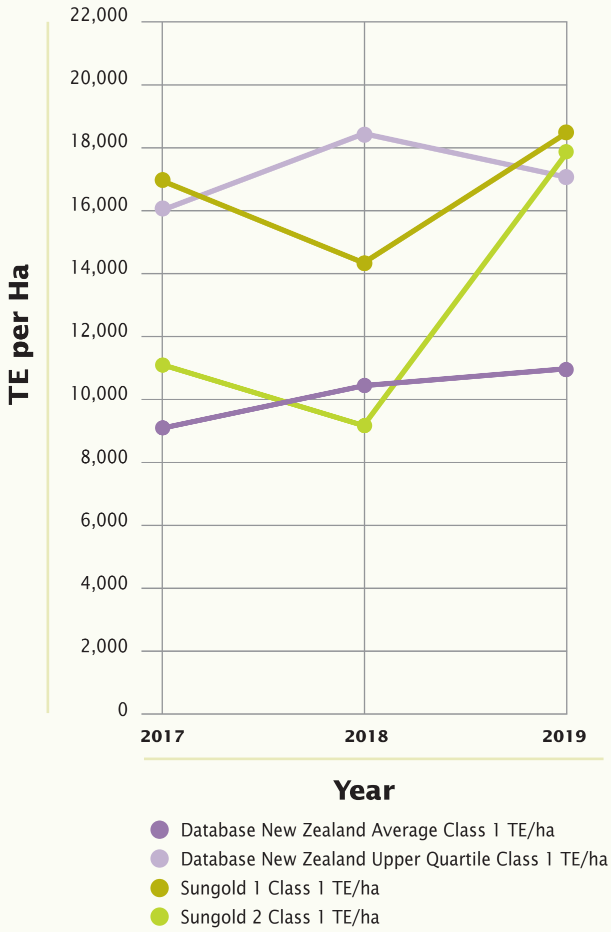
The following graphs show the Kiwifruit Class 1 yield per ha over the 3 years of study (2017-2019).

The average and upper quartile are the current AgFirst OrchardNet™ dataset. The average and UG will not be the NZ kiwifruit total data but is useful as a reference.

% of Grower's Planted Area



KIWIFRUIT PRODUCTION
GOLD 3
Comparison: National



KIWIFRUIT PRODUCTION
GREEN HAYWARD
Comparison: National

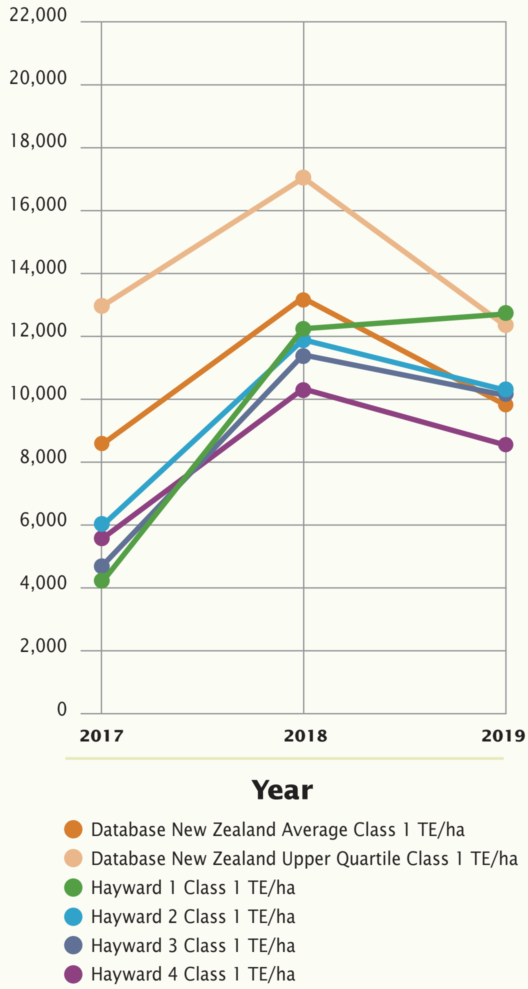


Chart and table information has kindly been compiled by AgFirst

Otama Marere

Business Management

GOALS

Business growth goals:

- Consistent orchard income through best orchard practice
- Diversification of assets for protection of future income and assets
- Looking for new opportunities to grow and diversify the Trust
- Development of relationships with key stakeholders
- Future proofing orchard, with a particular focus on water allocation and the continued investment in infrastructure where required
- Prudent capital expenditure
- Regular monitoring, budgeting and forecasting
- Otama Marere brand enhancement
- Environmental benchmarking and plan to be in place before 2021
- Targeting existing orchard KPIs to ensure best performance
- Reviewing investments against Investment objectives and investment plan
- Incorporation of tikanga Māori and ensuring that future business decisions follow tikanga Māori principles which are in place.

KEY PERFORMANCE INDICATORS

Otama Marere's overall business goal is to produce a diverse and commercially beneficial orchard. We use the operational budgets as well as an Incentive matrix to measure the orchards performance.

For instance, the budget for the producing organic SunGold at Otama Marere is based on 38,000 total trays. Therefore, if production should dip below this figure, the orchard has underperformed.

The incentive matrix is based on the OGR of the variety. Basically, the more money the variety returns the higher the incentive fee. This is to incentivise us to provide the best return possible.

CRITERIA FOR NEW INVESTMENTS

Investment opportunities are initially reviewed by the trustees to ensure that the opportunities fit with the Trust objectives and kaupapa. After an initial review of the investment opportunity and general review of the investment requirements, a further review is undertaken by the trustees.

To assist with this, the trustees have completed a Statement Objective Policy Objective which provides benchmarks for any investment. If the investment meets the criteria and initial review, robust feasibility would be completed by expert advisors. Owners mandate is required for any large scale investment.

Otama Marere

STRATEGIES

In order to achieve its business goals, the Trust will continue to align its strategic plan, key principles, Statement of Policy Objective Plan, orchard plan, financial and reporting systems. The environmental plan and investment plan will be added as completed. Key strategies to focus on include:

- Increasing fruit production where possible
- Reducing fruit loss on orchard through best practice
- Future proofing for water allocation
- Reviewing diversification of kiwifruit in line with any new biosecurity risks
- Review of pest management and environmental factors
- Completion of new forestry block
- Appropriate external investment
- Balancing business requirements with need to connect owners back to the whenua.

The Trusts strategies to optimise resources include:

- Continuing with best orchard practice
- Using innovation and technology where available
- Maximising fruit production
- Maintaining a healthy workplace
- Mitigating biosecurity risks
- Monitoring kiwifruit to get optimal results
- Achieving maximum profit from early start and organic premium
- Optimal budgeting, benchmarking and forecasting for the orchard and the Trust.

The Trust works with Seeka Limited who assists with the implementation of forecasting and benchmarking for the orchard. Timelines of payments, harvest, pack and time, actual and forecast details are also provided to Otama Marere. From these, the Trust is able to plan accordingly for Trust and orchard expenses.

The Trust works closely with its accountant on implementation of financial matters. Careful financial management is undertaken by the Governance team and the Trust finances are reviewed by the trustees at each trustee meeting. A monthly report is presented by the Trust's accountants and this is presented to the trustees at each meeting. The trustees accountants are currently working on a financial management plan and budget for the next financial year.

Otama Marere

Commitment to Sustainability and the Environment

Any fertiliser applied on the Otama Marere orchard must be in response to a need determined by a soil test analysis. These tests are performed either during harvest of the fruit or immediately after. At least 20 core samples are taken from a depth of 150mm, following the same path in each block as previous years. These samples are then sent to Hill Laboratories. The results are returned for fertiliser recommendations, then on to Otama Marere's consultant for his approval, so as to manage the sediment and nutrient levels on their land. The focus is on the limiting nutrient, having regard to the recommendations received from expert advisors after the soil testing is complete and having regard to the health of the orchard.

Water use is determined by measuring the water availability in the soil using Potentiometers. These are placed on flat ground under the kiwifruit canopy and assists the manager in determining the frequency of irrigation.

Integrated Pest Management for Otama Marere commences at a time of 90% fruit-set. When any pests are detected a spray programme is sent with the various spray product recommendations, this includes: chemical/water rates/speed when spraying.

Otama Marere has an all year pest spray programme to control infestations of the many pests that could affect the fruit however stay within the boundaries to prevent harm to neighbours and over contaminating the soils.

Otama Marere works with Bio Grow to ensure that the 7.08 hectares of organic SunGold on the property meet organic standards. The orchard has an organic management plan in place which is followed by the orchard team. Organic audits are also completed to ensure compliance with organic regulations.

Otama Marere is also compliant with Zespri's KiwiGreen programme. Critical features of the KiwiGreen programme include:

- The value of already having basic scientific information available to be implemented with industry when a specific issue or problem arises
- Synergy from collaboration between scientists and industry personnel in transferring technology
- A coordinated and singularly managed industry that was capable of making a unified commitment
- Reduction of 'hard' sprays and hence improved environmental and health benefits
- Retention of market access initially in Europe and later in many other markets
- Increased food safety
- Heightened consumer acceptability of product
- A world first in speed and comprehensiveness of introducing a new and significantly different management system to an entire industry.

MONITORING

Kiwifruit monitoring in all blocks is conducted by establishing monitoring bays and collection of data such as:

- Winter bud counts
- Flower counts
- Fruit counts
- Managers estimates.

These are all entered into an electronic tablet providing estimates of production numbers throughout each phase of each monitor count.

Otama Marere

ACHIEVING TARGETS

At the end of the harvest, final packout results for the orchard with all cultivars will be sent to Otama. These results include:

- Number of export trays packed
- Size of the fruit
- Taste level of the fruit
- Percentage of reject fruit
- The estimate of tray numbers verses the actual and previous year's results.

Otama Marere's location is ideal for its orchard to qualify for early start picking and exporting providing incentive payments above the normal tray prices.

MANAGEMENT PRACTICES/TOOLS

Otama Marere employs a large range of management practices and tools to ensure that the orchard is successful, including:

- Plant health
- Spray programmes
- Vine and fruit management
- Soil management
- Trained staff
- Tool and orchard hygiene
- Compliant contractors.

Otama Marere's manager attends field days throughout the year to continue to be educated and also discuss ideas fellow growers. The Trust also works closely along key industry players such as Zespri and Seeka Limited to keep up-to-date with new industry initiatives or management skills. An orchard report is presented at each trustee meeting which details movements in the kiwifruit industry.

Reducing fruit waste is an integral aspect of Otama Marere's business – for both environmental and cost reasons. In 2019, Otama Marere had no fruit loss from picked fruit and minimal fruit loss on orchard. Best practice orchard procedures assist in minimising fruit loss.

As are all kiwifruit orchards, Otama Marere's kiwifruit is marketed, sold and branded by Zespri. The packaging used by Zespri is 100% recyclable and printed using water-based ink. In 2013, Zespri launched the first fresh produce compostable fruit label for use on the organic kiwifruit category (degradable paper or polylactic acid = a material based on sugars of vegetable origin).

In order to cut down on the chemicals being used on the whenua, in 2018, the orchard diversified into organic SunGold kiwifruit. The impact of this has been a reduction in harsh chemicals on a whole section of the Otama Marere orchard, the area which is closest to the Kaituna River and Otama Marere wetland.

Otama Marere

Kaitiakitanga

The trustees and owners in Otama Marere are only the custodians on the land for the present. The whenua must be protected for generations to come. This means that there needs to be a focus on environmental sustainability and the trustees are mindful of this when making decisions and future plans.

While a full environmental plan is due to be completed in 2020, the immediate environmental goals can be identified:

- Identification of adverse environmental factors
- A reduction of chemicals and inorganic fertilisers where possible
- Compliance with organic procedures and policies on the organics blocks and surrounds
- Best practice irrigation
- Soil management – adequate nutrients and promoting healthy soil biology
- Completion and preservation of the Otama Marere wetland
- Completion of the kauri and manuka block
- Identification of retired or unused areas for further native planting.

KEY PERFORMANCE INDICATORS

With an environmental plan to be completed in 2020, the trustees identify some short-term KPIs as follows:

- Waterways fencing requirements met
- Further planting and fencing completed in the wetland
- Kauri and manuka plantation planting completed in 2020
- A plan in place by 2021 for the planting of further natives in retired or unusable areas
- Organic kiwifruit meeting or exceeding industry standard after full production is in place
- Continued positive soil test results
- Owners and descendants to be educated on importance of wetlands through wānanga and whānau day.

STRATEGIES

In order to achieve environmental goals, Otama Marere has implemented two main environmentally driven projects on the orchard.

The first is the planting of the Otama Marere wetland. In association with the Eastern Bay of Plenty Regional Council and the Ngā Whenua Rāhui fund, the Trust is in the process of establishing wetland areas on the whenua. To date, the Trust has planted 7,600 native plants. The development of the wetland will enhance and protect an ecosystem for generations to come.

The second development was the conversion and further establishment of Otama Marere's organic SunGold programme. Otama Marere is one of the first Māori owned orchards to embrace organic SunGold. To establish this, 3.48 hectares of the existing Gold kiwifruit was converted to organic. A further new development of 3.06 hectares, means a total of 7.08 hectares to Otama Marere's Organic Gold Programme.

Otama Marere

The Trust's key strategies for 2020 include:

- Completion and implementation of the Environmental Plan which will provide further environmental direction for the Trust
- Keep up-to-date on orchard and horticulture sustainability
- Continue to monitor industry research into other organic brands through engagement of industry contacts
- Look at further ways to make the orchard more environmentally friendly by developing sustainable practices where appropriate
- Continued planting of the wetland area
- Completion of the manuka and kauri block.

Horticulture is primarily involved in the intense use of resources, such as land and water. With the development of horticulture comes the use of fertilisers and pesticides which can negatively impact on the whenua if not managed accordingly. The trustees in Otama Marere are developing plans to ensure that the land continues to be nourished for generations to come and this is done through regeneration of native wetlands, planting of manuka and kauri plantations and the establishment of the organic block next to the waterways and wetland to negate the exposure of toxic chemicals.

The origins and significance of the name Otama Marere come from the pā site that was occupied by Rangiiwaho and his whānau. This pā site is not located on Otama Marere but is instead on an adjacent neighbouring property which is used by the owner as a quarry. The trustees are supporting owners in their discussions and enquiries with the owner into how best to deal with this situation. The area consists of a prominent hill which is located on an oxbow of the Kaituna River.

Customer Focus

While the kiwifruit grown on Otama Marere is exclusively sold through Zespri, Otama Marere has still considered customer demand when looking at planting on the orchard. Sustainability has been a big factor within the industry for some time and from this, the trustees looked to the organic market when acquiring further kiwifruit.

Otama Marere also actively supports Zespri by participating in and hosting Zespri Grower tours to both domestic and overseas visitors. This assists the Trust in further understanding the Zespri customer base. Orchard staff have attended Zespri run field days, with one attending an overseas Organics summit.

The Trust has hosted several dignitaries and media to view and show case the orchard, particularly in its role as a Māori grower. Homman Tapsell sits on the Executive Committee for the Māori Kiwifruit Growers Board. There is a desire from the Trust to connect the Māori growers' story back to the customer.

Otama Marere

Human Resource and Health & Safety

MANAGERS, STAFF

Otama Marere seeks to provide a safe workplace in which the individuals working for the Trust feel appreciated and valued. The Trust sees the orchard staff as being one of their most important factors in the success of their business.

Otama Marere is managed by Homman Tapsell, an owner in the block. There are 4 – 10 owners or whānau employed on the block at any one time. The remaining casual staff are sourced through Seeka Limited.

The orchard is managed to a high standard and the staff contribute to this by working to a high standard. With casual employees and contractors, the orchard staff attempt to source contract crews who have reputations for providing the best results on orchard.

STRATEGIES

The retention of capable and experienced staff is important. The key characteristics looked for in staff are attitude, ability to work in a team and a passion for the industry. Potential employees with skills and capability are preferred but opportunities are given to those who have been willing to learn or who may have a passion for the industry. With permanent staff, Homman Tapsell is on hand to ensure that the appropriate staff are employed to work on Otama Marere.

Each employee is inducted prior to beginning work on the orchard so they are well trained and know what to expect. There are regular meetings and staff are encouraged to openly communicate with management about any issues they may have. Permanent employees have employment agreements, defined job descriptions and reviews are completed. Training needs are assessed by management based on roles and expectations. Industry professionals are engaged where additional support is required to advise on individual developments.

The staff working at Otama Marere are paid a higher living wage to reward them for their hard work and high standard of work. This is also an effort by the orchard to attract and retain the best staff for the orchard. Homman organises end of year staff functions to show appreciation to the staff for their efforts on the orchard.

There are opportunities for staff to upskill and for orchard hands wanting to gain more qualifications to apply for a cadetship. Regular field days are held which can be attended by permanent staff.

The trustees regularly discuss succession options amongst themselves, and with Seeka Limited, options for management for the orchard in the event that Homman was to retire. This is a matter which has been discussed by the trustees at some length and there are options in place should this occur.

Otama Marere considers health and safety to be extremely important in its day-to-day practice. There are several key health and safety aspects for the trustees and employees alike.

Orchard employees are inducted through the Seeka Limited induction process and receive appropriate health and safety training before going on to the orchard. There are 1 – 2 supervisors on the Otama Marere orchard at any time. These supervisors have First Aid Training. All Seeka Limited managers have a copy of the health and safety compliance procedures for the orchard and have been fully inducted. There is continued training to identify hazards and notify staff of any hazards.

Otama Marere

Employees have avenues to report health and safety issues to management, including regular meetings. Employees are encouraged to report any safety concerns they have and actively report hazards which they may see on the orchard.

Otama Marere has several safety signs erected around the orchard to notify of hazards and operate a safety board at the entrance to the orchard for those entering. Seeka Limited employees and contractors can use the QR scanning code on their phone which uploads the hazards to a telephone application on their mobile phone. For those who do not have access to the QR code, a hazard board identifies orchard hazards and operates an orchard registration schedule. No person who is not inducted is allowed on the orchard without being supervised by a manager or Seeka Limited manager.

Seeka Limited contractors coming on to the site are inducted through Seeka Limited and receive the Seeka Limited contractor's book. They are required to register their attendance at the orchard upon arrival.

Health and safety measures are audited at least annually and there is an ongoing to commitment to monitoring health and safety by the Orchard Manager and the trustees of Otama Marere.

On occasion there is work completed on Otama Marere which is not orchard related and is work which is undertaken by the Trust. For example, the installation of a heat pump at the orchard house. On these occasions, the Trust instructs New Zealand Guardian Trust Company Limited to complete a Contractor Induction process, which involves a review of the contractors health and safety policy and qualification to complete works. These contractors are supervised by an Orchard Manager when on site.

To encapsulate all of the above documents, the trustees have a Health and Safety Compliance document which attaches copies of all key health and safety documents for the trustees. Each trustee has a copy of all health and safety documents.

ADVICE AND SUPPORT

Agri/Horticultural professionals

When the Trust or Orchard Manager identify a need for professional or expert advice or assistance, the trustees seek out options and then meet with advisors.

For Otama Marere, the key advisors and partners include bankers, accountants, legal advisors, service providers, financial advisors, environmental advisors, horticultural advisors/services and forestry/planting advisors. These advisors are utilised to provide knowledge and to support the decisions made by the trustee, which in turn provides confidence to the owners.

Otama Marere

Innovation

Otama Marere recognises the need to innovate in a changing society. In 2018, the Trust became interested in the prospect of developing an organic kiwifruit block. Market reports showed that consumers, particularly those overseas, were looking for more organic products. Otama Marere noted the opportunity to respond to this. The Trust completed feasibility and Homman Tapsell attended an organics summit in the United States. After discussing further, confirming that the development aligned with the Trust, Otama Marere chose to listen to the ever expanding market and developed 3.48 hectares of the existing Gold kiwifruit into organic SunGold kiwifruit. A further development of 3.06 hectares now brings the total organic development to 7.08 hectares.

In addition to the Hayward, Gold and organic SunGold kiwifruit on the block, the Trust has also recently introduced Gem avocados, to further diversify the block. With the changing environment, it is important for the Trust to innovate and diversify income for the future.

The Trust has recognised a need to develop its own brand and this has now been done through the development of a logo and imaging for the Trust. The logo is a holistic design which incorporates the Trust's values and represents the meeting point where our tipuna and whānau once lived. The main concept of the branding and logo was developed from Otama's whakapapa. The core shape is bidirectional encompassing the feeling of coming together like our tipuna meeting on the whenua at Otama Marere. Further, the spiral motion is synonymous with Māori cosmology and represented in our whakairo, and the creation story. Our wairua is represented by the two hands coming together, nurturing the whenua. The logo was designed by James Kururangi-Tapsell, a descendant of Otama Marere and a previous education grant recipient.

As part of its strategic plan, the trustees are actively looking for external investment opportunities to innovate and diversify the Trust asset base further. The Trust has considered partnerships with other trusted entities and has plans to meet with entities offering current investment opportunities.

Infrastructure

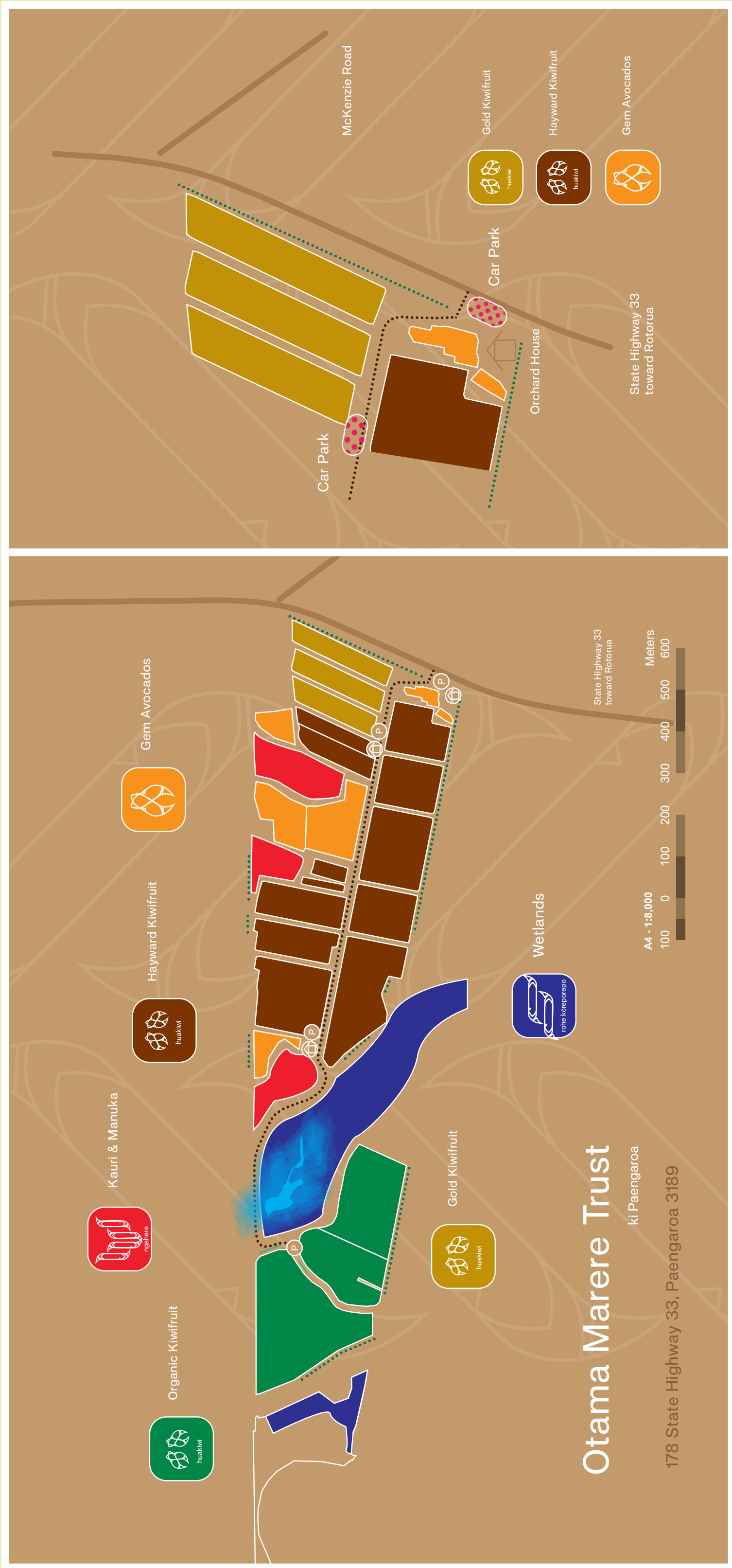
Otama Marere recognises the importance of ongoing investment in both the whenua and infrastructure where appropriate. Over the past few years, the Trust has completed the following:

- Orchard road upgrade to surface for safety improvements
- Enlarging loadout areas and resurfacing for machinery stability and better working conditions
- Replacement of pergola structure for the kiwifruit plants from wooden to aluminium, to avoid contamination of the treated wood and also for longevity
- Replacement of stringing poles from wood to aluminium for longevity and also to avoid contamination
- Orchard signage for health and safety and orchard information such as, types of cultivars planted in various areas, emergency contacts, assembly areas in case of emergencies, historical information of the Trust, warning for types of sprays being applied
- Frost protection windmills to avoid fruit and plant damage
- Plant cages for protection against wind and frost damage
- Removal of radiata pines plantation to be replaced with native species such as kauri and manuka commencing in April 2020
- Development of wetlands to improve the ecosystem, encourage bird life to the area, develop wānanga for younger generation to learn the art of weaving
- Converted land and conventional kiwifruit growing areas to organic growing to make the land healthy and vibrant.

Otama Marere

Maps

OTAMA MARERE ORCHARD, PAENGAROA

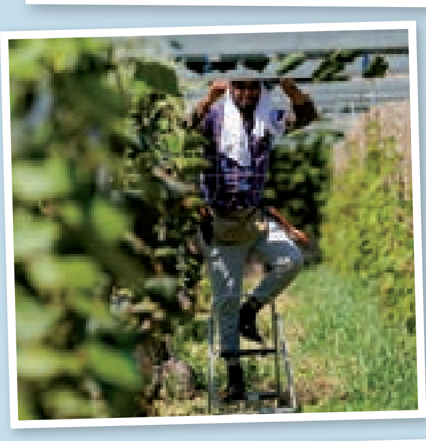


Otama Marere

Ngāi Tukairangi Trust

19 Puwhariki Road, Matapihi, Tauranga

Field Day: Thursday 9th April 2020



Ngāi Tukairangi Trust

FIELD DAY PROGRAMME*

9:30	Pōwhiri at Hungahungatoroa Marae, 24 Hungahungatoroa Rd, Matapihi
10:00	Morning tea at Whakahinga
10:30	Welcome and Programme Introduction Presentation: History, Governance, Strategy and Business Planning
11:00	Site Tour Stop 1: Orchard Kaitiakitanga / Sustainability / Customer Focus / Innovation Stop 2: RSE Accommodation Social / Community / Ngā Tikanga Māori / Human Resource / Health and Safety
12:45	Presentation at marquee: Financial Performance / Benchmarking
1:00	Judges' comments
1:15	Award Ceremony and Prize Giving
1:45	Hākari

* *Times are approximate*

IMPORTANT NOTES FOR FIELD DAY ATTENDEES

The owners of the property wish to point out to all visitors to their property that a number of potential hazards exist in the course of travelling over the property in vehicles, and in moving around the facilities. While the owners have taken all reasonable care in making your visit to the property as safe as possible, including preparation of a health and safety plan for the day, they clearly point out that you enter the property at your own risk. The owners will accept no responsibility for any accident or injury to any person or property that takes place while you are visiting.

Ngāi Tukairangi Trust

Directory

Tribal affiliation: **Ngāi Tukairangi (hapū), Ngāi Te Rangi (iwi)**

Number of owners: **2,016**

TRUSTEES

Peter Ratahi Cross, *Chairperson*

Riri Ellis, *Vice Chairperson*

Neil Te Kani, *Trustee*

Ngawa Hall, *Trustee*

Joshua Gear, *Trustee*

Helen Te Kani, *Trustee*

James Lambert, *Trustee*

STAFF

Colin Jenkins, *General Manager*

Andrew Wood, *Regional Orchard Manager, Bay of Plenty*

Richard Pentreath, *Regional Orchard Manager, Hawke's Bay*

Reina Dickson, *Trust Secretary/Office Manager*

Phoebe Riddell, *HR & HS Leader*

Mandy Ngatai, *Administration Support*

Orchard Description

Ngāi Tukairangi Trust has kiwifruit orchard operations in two geographical locations. The Matapihi based operation is predominantly on the Matapihi peninsula, a small Māori community between Tauranga and Mt Maunganui in the Western Bay of Plenty and includes the small Te Puke orchard.

The Matapihi based operation has a total planted area of 57 hectares, of which 36.1 hectares is in producing G3 Gold kiwifruit, 12.7 hectares in Green Hayward, 6.9 hectares in non-producing G3 and a small trial variety kiwifruit. At 20m above sea-level, the orchard is on flat land with very good volcanic soils. The orchard has excellent road access, with the local kura, marae, papakainga and Tauranga harbour all close by.

In 2017, the Trust purchased a large kiwifruit orchard operation in Hawke's Bay which saw the operations double as a result. The Heretaunga orchard operation has 60 hectares of G3 Gold kiwifruit, all under cloth. The orchards are about 70m above sea-level, on flat land and more difficult alluvial soils. It is entirely dedicated to growing and producing the G3 Gold variety kiwifruit.

Ngāi Tukairangi Trust

What Impressed the Judges

GOVERNANCE AND STRATEGY

A passionate and engaged Board with a strong focus on the future, and all trustee's across the vision, strategy and goals. There was evident attention to detail by both the management team and the trustees on the dollars and overall business performance. There was also the use of sub-committees and delegation and sign off processes in place to facilitate rapid decision making where required, which seems appropriate for a business of this scale.

The Trust has produced a very strong financial performance and has approached investment a little differently with calculated risk taken to significantly expand their business portfolio through the puchase of the Hawke's Bay kiwifruit orchards.

There is a clear aim to be seen as an exemplar to other Māori growers. The Trust is the largest Māori grower of kiwifruit with 95ha of Gold and 18ha of Green and across the business heading to an impressive $150M valuation.

SOCIAL / COMMUNITY / NGĀ TIKANGA MĀORI

The Trust has a very strong scholarship, internship and grant system supporting the community with all trustees having been past recipients of the scholarship programme. There is a clear intent to promote and encourage initiatives that address cultural, social as well as technical aspects.

Internships and cadetships are developing skills useful to the business and community and growing a permanent employee base increases self-sustainability.

The building of a substantial and well laid out RSE and horticultural employee accommodation block is intended to assist with keeping labour available throughout the season. The RSE programme is an extension of the Trust's social policy: trustees are looking to engage the local Fijian community and work with a village to improve the village in its entirety, rather than selective individuals / employees.

COMMITMENT TO SUSTAINABILITY AND THE ENVIRONMENT

The Trust has a clear awareness of the natural environment and taking steps to protect and enhance it. The plan to move to organic production in the Hawke's Bay orchards is a good example of this. Consideration of organic production options around the main orchard and how this could be successful, due to high residential land use adjacent to the orchards.

There was evidence of careful use of water and nutrients and initiatives that are consistent with GAP, e.g. irrigation management; event rather than calendar spraying; looking for softer alternative chemicals, e.g. Hi-Cane replacement.

KAITIAKITANGA

The Trust demonstrated a real sense of community. An awareness of the environment around the orchards permeates activities with the eco–warrior initiative a great example of this: caring for the environment whilst helping to develop rangatahi.

Consideration for the environment, managing surrounding marine and terrestrial ecosystems and an ongoing consideration of the conflict between monoculture (horticultural cropping) and protecting the environment was demonstrated.

Ngāi Tukairangi Trust

FINANCIAL AND BENCHMARKING

The Trust has produced a very strong financial performance and has grown to be a large-scale producer. They aspire to be an industry leader with respect to OGR and routinely achieve this amongst Seeka affiliated growers.

The Trust grew substantially after taking a calculated financial risk to expand the business portfolio (with the purchase of the orchards in the Hawke's Bay) and de-risk the business in other ways (broaden portfolio beyond kiwifruit particularly through Tukairangi Investments Ltd).

Orchard performance is strong with Green yields above industry average and Gold having previously been also.

Good OGR/ha achieved for YE2019 of $157k/ha which gives an acceptable return on equity of 8%. The Trust has distributed back to shareholders in distributions and grants an average of 24% of profit in the past three years.

CUSTOMER FOCUS

Strong focus on customers through Zespri and TAP, GAP programmes and standards. Through the strong relationship with Seeka, the Trust is reaching out to customers to tell the story of Māori horticulture. The proximity to Zespri's main office allows international teams to visit the Matapihi operation.

The Trust looks to the shareholders and hapū and hold annual AGM to sense check that initiatives being taken resonate with them.

HUMAN RESOURCE AND HEALTH AND SAFETY

The build of a substantial RSE and horticultural worker accommodation complex is a clear initiative to resolve labour issues of contractor quality and brings this resource in-orchard. Supervision of orchard staff is a key focus with supervisors on the ground constantly monitoring with a view to continual improvement.

There was good evidence of adherence to H&S in orchard – good signage and use of systems and processes.

INNOVATION

The Trust was an early adopter of G3 variety which has allowed early-mover advantage and significant financial growth. They have consistently achieved high yields and quality through management systems and focus on premiums from early start. Interest in moving into Red and G11, with the same philosophy of looking for early adopter advantage.

There is currently consideration also to organic conversion, with a view of sourcing the blocks likely to be most successful to go organic on first and use a staggered approach. This not only has an advantage from an environmental perspective, but also community with growing intolerance of spray use near residential areas.

Part of the orchard ten year plan is to diversify into other horticultural crops in addition to kiwifruit – avocado, apple, berries. This reduces industry risk and diversifies portfolio.

Ngāi Tukairangi Trust

History

Ko Mauao te maunga
Ko Tauranga te moana
Ko Ngāi Tukairanga te hapū
Ko Ngāi Te Rangi te iwi

Ngāi Tukairangi Trust is very large kiwifruit operation with its main orchard located at Matapihi Peninsular, Mount Maunganui, just a few kilometres from the centre of Tauranga city. Their land was originally used for dairy farming, but 40 years ago a number of whānau members who operated dairy farms feared the land would become incorporated into urban development and decided to amalgamate the blocks, and adopt a single strategy and so the Ngāi Tukairangi No 2 Orchard Trust came into being. In the late 1980s, right at the start of the major kiwifruit boom leading, the trustees at that time, planted their blocks into kiwifruit. Since then, the Trust has been active participants in all aspects of the industry.

In 2009, the Trust purchased a smaller orchard in Te Puke and shortly after, in 2010, the Trust was caught up in the PSA crisis. Unlike, some growers who waited to see what might happen, they immediately grafted to the new G3 SunGold variety which performs better than the old Hort16a towards PSA. By acting early, the Trust became one of the first orchards to be producing SunGold and gained a commercial advantage.

In 2017, when the Trust purchased the Hastings' orchards, they used their experience in the industry to make changes which saw production almost double within a year. Today, the Trust has expanded into being one, if not that largest single Māori kiwifruit grower in the country. Near on 120 hectares of land is now planted in kiwifruit including 60 hectares in Hastings which is a fully covered. The Trust produces about 1.7 million trays of mainly Gold kiwifruit across its operations. They are confident of reaching the 2 million tray milestone; and aim to produce even more in the future.

Innovation has been a hallmark of the Trust and they see themselves as very focused on the future and the demands of consumers. With that in mind they are considering strategies to convert some of their operation to organic kiwifruit.

Ngāi Tukairangi Trust has 2,016 beneficial owners. They have made a point of encouraging whānau involvement and employ about 56 staff and as part of their commitment to sustainability. They have a substantial grants programme focused on education. Over the years they have supported several thousand of their hapū in this way, awarding grants to young people to gain PhDs, masters and undergraduate degrees. They have also supported people to gain other skills-based qualifications such as truck driving, sports endeavours and cultural activities. They say, the Trust can't pay large dividends to all shareholders, but they can support them through their grants process, and also create other pathways of success for their shareholders and descendants.

The Trust has been through good and bad times with the kiwifruit industry but through good governance and management, and an unrelenting commitment to the legacy started, driven and lead by their whānau leaders in the past, they have developed a reputation as not only being a leading Māori kiwifruit operator, but also being a leader in the industry on the whole.

Ngāi Tukairangi Trust

Governance and Strategy

VISION

Manaakitia ngā tāonga tuku iho. Whāia ngā wawata, kia tu rangatira ngā tāngata.

Strong culture – strong business – strong people.

MISSION STATEMENT

To be a leading Māori business, to protect the whenua and maximise returns to shareholders.

VALUES AND GUIDING PRINCIPLES

- Manaakitia ngā tāonga
- Whanaungatanga
- Ngāi Tukairangi, Ngāi Te Rangi, Tauranga Moana
- Rangatiratanga
- Dignity, respect and humility
- Kotahitanga and partnerships
- Full accountability
- Sharing our wealth
- Entrepreneurial spirit

These concepts are important as the shareholders' value collective success, people before profit, caring for the environment and the importance of Matapihi as ancestral land.

THE TRUST HAS THREE MAIN GOALS

GOAL 1: Ngā tāonga tuku iho

To preserve, maintain, protect and enrich Ngāi Tukairangi taonga, marae, whenua and whānau.

At its core Ngāi Tukairangi Trust wants to ensure that those treasures passed down from ancestors are preserved and maintained.

GOAL 2: Ngā wawatā

To establish an economic platform that creates business opportunities and financial wellbeing.

Ngāi Tukairangi Trust is a successful business operation. It aims to improve its current operations and grow its business interests to create wealth.

GOAL 3: Kia tū rangatira ngā tāngata

Our people are one of the key reasons Ngāi Tukairangi Trust exists. The Trust was established by our forebears and leaders who have since passed on and it is critical that the people involved in the Trust today are able to hand on the Trust in a better position to future generations.

These goals are achieved through:

- An annual review of the strategic plan by the trustees
- An annual review of the annual business plan
- Project status reviews at bi-monthly trustee meetings
- Assigning a champion for strategic projects
- Strategic projects incorporated and budgeted in each annual plan
- Budgets, project plans and reporting for strategic project
- Shareholder support and communication
- Engaging external expertise (where required).

Ngāi Tukairangi Trust

The strategic plan is formally reviewed by the trustees between November through to March each year. All amendments and additions to the strategic plan are updated and ratified by the Trust in June. The selected strategic projects for the upcoming year will be incorporated into the annual plan and budgets. The annual plan and budgets will be ratified by the trustees in June.

SWOT ANALYSIS

Strengths	Weaknesses	Opportunities	Threats
• Trusted kaitiaki of hapū whenua • Responsibility back to hapū and wider community • Strong mandate from shareholders • Established leaders in the kiwifruit industry • Strong reputation for business acumen • Known innovators • Strong relationships amongst industry locally and internationally	• Labour shortage • Semi-skilled work force • Kiwifruit only • Contractor reliance	• Innovation in orchard technology • New varieties • Increased yields and productivity • Diversification • Organic conversion • Further upskilling staff • Direct employment (RSEs, locals)	• Water shortage • Labour shortage • Biosecurity threat • Market restrictions • Climate change

GOVERNANCE

We strictly adhere to the Trust Order regarding shareholder mandate and governance team selection of trustees. However, beyond that, we are guided by governance pillars promoted by the Federation of Māori Authorities and the Institute of Directors.

Each year our shareholders are given the opportunity to vote on who they want to represent them and progress their interests in the Trust. The governance team currently allows for seven trustees, with two trustees retiring by rotation annually. When a trustee retires, they are allowed to make themselves available for nomination again. The voting process takes place at the annual general meeting, where nominees are encouraged to speak to whānau members and pitch for their support.

Once the shareholders appoint their governance team, Trust meetings are held regularly throughout the year. In the past, the majority of the governance team have lived locally in Matapihi. The trustees aim to have a diverse skillset in the governance team, including skills such as legal, business, cultural and industry expertise.

The first trustees appointed to the Trust, following the formal amalgamation of the blocks were Turirangi Te Kani, Mahaki Ellis, Toa Faulkner, Lincoln Smith, Wiparera Te Kani, Matiu Dickson and Pokai Waiari. Most of these trustees have passed on now; and one has resigned.

The trustees adopt a continuous training model for our trustees who are now all members in the Institute of Directors. We attend governance training programmes as well as industry related events, such as the annual Momentum conference.

Ngāi Tukairangi Trust

Social, Community and Ngā Tikanga Māori

Our overarching goal regarding our social commitments, our community and tikanga Māori is summarised in this kōrero:

Ngā tāonga tuku iho – to preserve, maintain, protect and enrich Ngāi Tukairangi tāonga, marae, whenua and whānau.

At its core, we want to ensure that those tāonga passed down from ancestors are preserved and maintained. We aim to:

- Recognise and support the efforts of community marae/groups/organisations in their endeavours
- Recognise and support efforts of whānau in their educational endeavours
- Recognise and support efforts of whānau in their cultural or sporting endeavours
- Be an industry leader and support other Māori horticultural businesses.

The Trust emerged from pressures associated with impending urbanisation upon the Matapihi peninsular in the late 1970s. A clear goal of our shareholders was to ensure that we retained our land and developed it for our own needs. We are now in a financial position to offer assistance to our community through our sports, cultural, education, kaumātua, health and community grants. The allocation of funds for grants is reviewed annually at each AGM.

We have whakapapa connection to three marae in our community – Hungahungatoroa, Whareroa and Waikari. Our koroua that established the Trust believed that our commitment to our work here at the Trust was to be emulated and expanded on at the marae as well. We continue to uphold their legacy to support and uplift our whānau.

We are active in supporting and contributing to the development of te reo me ōna tikanga in our community. During the past five years, we have supported our three local marae in helping with key maintenance and repairs to futureproof their buildings. Last year, we supported five kura from Tauranga Moana who competed at the national Te Mana Kuratahi haka competition with financial grants – many of these tamariki were Ngāi Tukairangi whānau. Our community and cultural grants last year totalled $35,000.

We also believe in developing and encouraging our whānau in their educational and sporting endeavours. We have helped our young people reach their dreams of being entrepreneurs, doctors, builders and even national sporting champions. Last year we supported our whānau with educational funds worth $55,000 and a further $20,000 available for summer internships at our Trust offices.

In helping our kuia and koroua, we understand they play a pivotal role in our whānau. We have kaumatua grants available for our whānau who need assistance with their medical bills, getting new glasses or even new hearing aids. Last year we allocated $15,000 to this special fund.

We believe we can assist our people throughout all stages of their lives – from when they are a young tamaiti at kohanga reo, through their development as young adults, parenthood and eventually as kuia and koroua.

At a leadership level, we were one of the first Māori land blocks amalgamated for kiwifruit production. In December 1981 the first kiwifruit nursery was established, and the first kiwifruit vines planted in 1982. We are now nearly 40 years old and maintain that we are an industry leader – kua para i te huarahi hei oranga mō tātou katoa. We are currently the largest Māori shareholder in Zespri and the biggest shareholder in Te Awanui Huka Pak. This has allowed us to not only be at the leading edge of innovation and business; it has been a key driver in enabling us to gain knowledge that we have shared with other Māori horticulture businesses for decades.

Ngāi Tukairangi Trust

Financial Analysis and Key Performance Indicators

Key Performance Indicators (KPIs)	2016-17	2017-18	2018-19	2019 Zespri Model*
Canopy Area (Ha)	49.3	113.1	113.4	
Yield (kg per Ha)	58,292	40,516	50,931	42,170
Orchard Income per Ha (= OGR/ha)	$127,209	$98,900	$155,371	$102,001
Revenue per Ha (=Total Revenue/ha)	$131,560	$100,575	$158,026	$102,001
Cost per Ha	$82,618	$80,836	$89,721	$31,487
Gross Profit per Ha	$82,534	$50,908	$101,507	$63,101
EBITDA per Ha	$68,561	$28,966	$78,757	
Profit per Ha	$48,942	$19,739	$68,305	
Distributions - Social Capital	$611,535	$780,427	$888,010	
Social Capital Index (Social Capital/Profit)	25%	35%	11%	
Land Value (Land, Buildings and Equipment)	$57,327,128	$78,332,479	$78,374,506	
Total Assets	$85,608,964	$126,197,375	$131,575,815	
Total Liabilities	$34,513,937	$34,339,913	$30,848,516	
Total Equity	$51,095,027	$91,857,463	$100,727,298	
Return on Land Value	4%	3%	10%	
Return on Assets (Profit/Assets)	3%	2%	6%	
Return on Equity (Profit/Equity)	5%	2%	8%	
Equity Ratio (Equity/Assets)	60%	73%	77%	
Equity Growth (% Change Opening to Closing)	7.1%	79.8%	9.7%	

Chart and table information has kindly been compiled by AgFirst

OGR:

- *The business' OGR has increased 22% from 2016-17 to 2018-19. This is largely due to purchase of the Heretaunga Orchard which is planted in Gold 3.*
- *The orchard business has a very high OGR due to high yields/TEs per hectare.*
- *OGR is expected to continue to grow as Ngāi Tukairangi focuses on continuing to improve yields per hectare at the Heretaunga Orchard.*

Social Capital Index:

- *Ngāi Tukairangi has the highest Social Capital Index of all the contestants, meaning they have more distributions (e.g. grants, scholarships, etc) as a proportion of profit than the other entrants. On average, Ngāi Tukairangi distributed 24% of their profits over the last 3 years, approximately 36% more than the group average over the same timeframe.*

Equity:

- *In February 2017, Ngāi Tukairangi purchased one of the largest Gold kiwifruit orchards in New Zealand. The $40 million purchase was the largest purchase for a kiwifruit orchard in this country. This purchase increased the organisation's equity by 80%.*

Ngāi Tukairangi Trust

** **Zespri Model:***

- *A Zespri benchmarking model was created because the top-performing entrants are kiwifruit growers.*
- *The Zespri benchmarking model is based on production and financial information obtained from Zespri International Limited*
- *Zespri OGR: Zespri reported that the Te Puke kiwifruit crop is approximately 53.37% Hayward and 46.61% Gold. For each given year, AgFirst has taken the OGR for Hayward and Gold and scaled it based on the variety breakdown.*
- *Zespri Costs per hectare: AgFirst has taken the cost per hectare for Hayward and Gold and scaled it based on the variety breakdown in the Zespri OGR (above).*
- *Zespri Model costs only include Direct Orchard Costs, Orchard Working Expenses and Orchard Overheads and do not include administrative costs, interest, trustee fees, general repairs and maintenance, depreciation etc. Therefore, a Gross Profit per Hectare KPI was developed so that kiwifruit growers could be directly compared to the Zespri Model.*
- *Zespri does not record Asset, Liability or Equity data on individual growers, therefore, AgFirst was unable to calculate profitability ratios for the Zespri benchmarking model*

Finalists Comparison – 3 Year Average

Key Performance Indicators (KPIs)	Te Kaha 15B Hineora Orchard	Otama Marere	Ngāi Tukairangi Trust
Canopy Area (Ha)	8.1	17.3	91.9
Yield (kg per Ha)	59,631	45,772	49,913
Orchard Income per Ha (= OGR/ha)	$125,065	$53,858	$127,160
Revenue per Ha (=Total Revenue/ha)	$125,076	$77,464	$130,054
Cost per Ha	$51,615	$41,741	$84,392
Gross Profit per Ha	$81,597	$42,947	$78,316
EBITDA per Ha	$76,533	$37,607	$58,762
Profit per Ha	$35,417	$35,723	$45,662
Distributions - Social Capital	$7,980	$126,915	$759,991
Social Capital Index (Social Capital/Profit)	1%	25%	24%
Land Value (Land, Buildings and Equipment)	$1,353,134	$5,146,928	$71,344,704
Total Assets	$2,802,471	$10,867,081	$114,460,718
Total Liabilities	$876,262	$465,585	$33,234,122
Total Equity	$1,926,208	$10,401,496	$81,226,596
Return on Land Value	43%	12%	6%
Return on Assets (Profit/Assets)	10%	6%	3%
Return on Equity (Profit/Equity)	14%	6%	5%
Equity Ratio (Equity/Assets)	70%	96%	70%
Equity Growth (% Change Opening to Closing)	20%	12%	32%

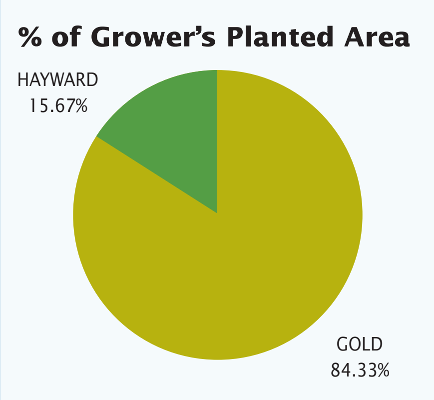
Chart and table information has kindly been compiled by AgFirst

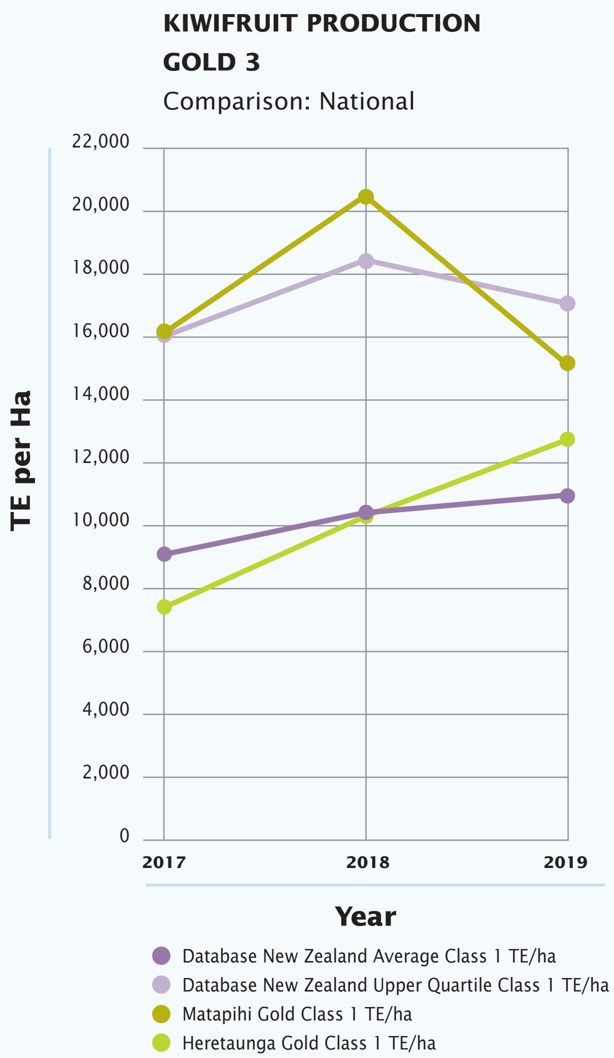
Ngāi Tukairangi Trust

AgFirst Kiwifruit Productivity Analysis + Variety Mix

The following graphs show the Kiwifruit Class 1 yield per ha over the 3 years of study (2017-2019).

The average and upper quartile are the current AgFirst OrchardNet™ dataset. The average and UG will not be the NZ kiwifruit total data but is useful as a reference.





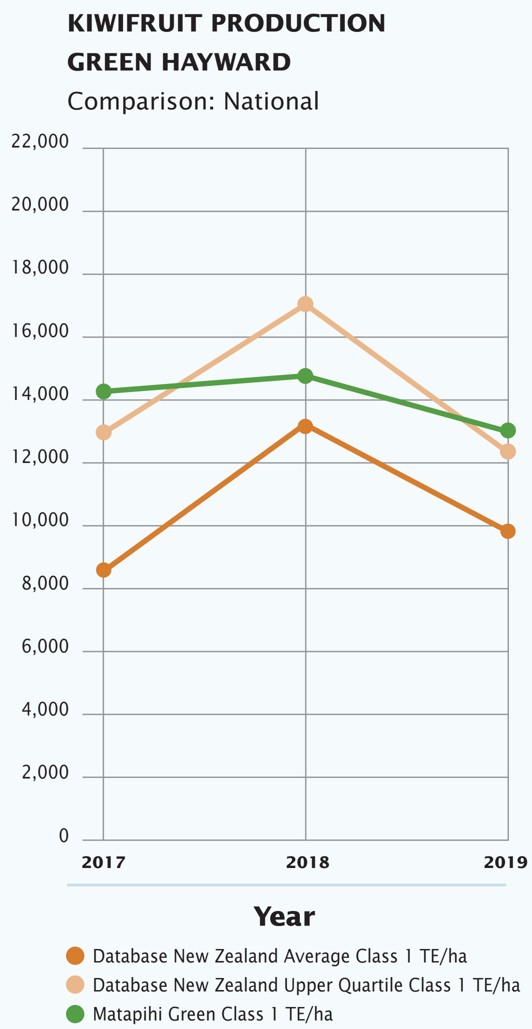


Chart and table information has kindly been compiled by AgFirst

Ngāi Tukairangi Trust

Business Management

GOALS

Our current business growth goals are driven by the following targets. By the end of 2020 we aim to achieve:

- Total assets valued at $160M
- Net assets valued at $100M
- Net profit $5.0M
- 70% of assets in orchard operations and land
- 30% of assets in cash, commercial property and equities
- Industry leader in kiwifruit by way of returns
- Regional leader for Tauranga Moana Trusts
- Diversifying our Trust, by establishing two entities owning multiple assets.

KEY PERFORMANCE INDICATORS

- Performance achievements within the top ten orchards in the country
- Horticulture productivity targets (e.g. Orchard Gate Returns)
- Meeting and adhering to budget
- Meeting asset diversification targets
- Shareholder support for targets at each AGM
- Response to environmental impacts
- Continuous improvement in sustainability
- Our focus on continuous improvement
- Global GAP – certificate to export
- Being the best employer
- Strict adherence to health and safety practices.

Ngāi Tukairangi Trust

CRITERIA FOR NEW INVESTMENTS

The Trust strategy toward investment remains threefold, that is to maximise the performance of our horticultural assets; to diversify our asset base and increase our exposure away from kiwifruit and kiwifruit activities, investing more in property shares and new business opportunities; and to seek out opportunities outside of the Bay of Plenty and globally.

STRATEGIES

Key focus areas include:

- Achieving excellence on our orchards
- Growing diversified investment portfolios
- Extending value chain opportunities in the Bay of Plenty and abroad
- Step change in our governance and management capability and capacity.

The key strategies being implemented include:

- Reducing industry risks by expanding production within Trust owned orchards, e.g. removing shelter belts
- Excelling in our acquisition of new high-performance assets and property, equity and other higher interest earning opportunities
- Exploring opportunities to partner and or directly invest in areas outside of Tauranga, e.g. have brought orchards in Heretaunga
- Providing professional development opportunities for trustees to ensure they are adopting best practice modelling of governance policies, practice and behaviour
- Fine tuning our strategy to ensure we have more senior management capability in the future across our various divisions.

BUDGET

The budget is currently developed, monitored and implemented by the Orchard Manager and the finance committee on behalf of the Trust. The following conventions are adopted:

- An annual budget is approved at the May trustee meeting
- We adopt an early forecast model established by Seeka Ltd to establish our revenue stream for our annual budget. It assists with comparative analysis across the industry
- Budget expenditure is based on our previous year's performance and adjusted to include any increased expenditure, development and fixed asset acquisitions
- Monthly budget versus actual costs reports are discussed monthly at our finance committee
- Monthly budget verses actual costs and full budget comparisons are reported at the full trustee meetings
- Our industry revenue stream is updated and integrated in October with the release of the October Zespri Forecast
- Regional managers receive monthly budget updates and constantly monitor expenditure forecasts.

Ngāi Tukairangi Trust

Commitment to Sustainability and the Environment

Our trustees understand our roles as kaitiaki of our own whenua and people. There is a deep sense of commitment to protecting our taiāo for our tamariki mokopuna. There are a number of policies and practices that we used on the orchard to ensure this happens:

- Annual soil and leaf testing tests are undertaken
- AgFirst designed irrigation system is monitored using Ricardo software
- Sprinkler system monitoring in Hawke's Bay using Harvest software
- KiwiGreen pest monitoring which minimises chemical use and allows the use of softer sprays options
- Strict adherence to the Zespri spray programme and best practices
- Use of air induction nozzles to reduce spray drift
- Annual calibration of all spray equipment
- Application of compost to Trust's orchard
- Thorough machinery and maintenance scheduling regularly performed
- Adhering to resource consents
- Adhering to orchard vision
- Adhering to goals and values
- Comprehensive health and safety systems regularly adhered to
- Cultural monitors and hapū environmental representatives are included in key discussions on the orchards.

We ensure that Zespri's industry best-practises are followed across all of our orchard operations. Zespri run a Good Agricultural Practice (GAP) programme which is certified to the GLOBAL GAP standard. The Zespri GAP oversees the systems and standards inside the orchard gate. GAP certification proves we have met these standards.

This programme includes assessing orchard management systems and the activities that are undertaken on orchards. We consistently meet these standards and this season have a 100% pass rate.

Our orchard staff are leaders in the kiwifruit industry. Our Orchard Manager, Colin Jenkins and his whānau, have lived and worked on our whenua for over 35 years. His commitment to the community and the Trust has been unwavering – evident in the continual success our Trust has experienced over the years. Colin heads a vastly experienced management team with close to 90 years combined experience in the kiwifruit sector.

Andrew Wood (Regional Manager BOP) and Richard Pentreath (Regional Manager Hawke's Bay) report directly to Colin. The two Regional Managers oversee the management of 25 permanent staff and 120 casual staff across the two regions. Colin and his team of managers are guided by the Zespri GAP system and have ongoing managerial professional development.

In terms of reaching their targets orchard staff use a number of methods to measure their success including:

- Achieving results in the top 25% of orchard gate returns across industry (Matapihi)
- Improving yields annually against pre-set benchmarks (Heretaunga)
- Kiwistart – getting fruit into the markets harvesting early is critical to ensure an even and consistent supply of fruit for Zespri. Growers earn a premium for supplying fruit early to the markets
- Annual and on-going performance reviews
- Retention of permanent workforce
- High return rate of seasonal workers
- Building solid relationships with Ministry of Business, Innovation and Employment to futureproof against worker shortages (RSE programme)
- Meet and exceed Zespri GAP standards.

We are committed to recycling as much of our by-product as possible. Some examples of these include:

- Prunings are mulched back into the orchard
- Mulched shelter trees were used on the Huntly bypass
- Recycled spray containers go to AgRecovery
- Kiwifruit trunks from cutovers used for firewood
- Metal, glass and plastic all recycled.

Ngāi Tukairangi Trust

Kaitiakitanga

GOALS

As kaitiaki of our whenua is, our goal is to have as minimal impact on the whenua as is possible. We want to ensure that we are a sustainable business that can remain productive and profitable for our tamariki mokopuna.

- Our taiāo remains as healthy as possible.
- Our orchard is bountiful, and we are maximising fruit production without having a harmful effect on our taiāo.

KEY PERFORMANCE INDICATORS

The key performance indicators that we measure kaitiakitanga upon include:

- Our whānau and local community are supportive of our environmental practices
- Our hapū kaitiaki are advised of and included in key matters
- Work with hapū and whānau neighbours in regards in future resource consents, particularly with water use
- Meeting all consent requirements
- Meeting Zespri GAP environmental policies
- Providing scope for our future generations to learn about the environment e.g. eco warriors.

STRATEGIES

We are continuing to implement practices consistent with great environmental practices. At an operational level, our Trust works alongside Zespri to ensure industry best-practices are adhered to according to their GAP programme. In our role as kaitiaki of our whenua, we strive to go over and above those standards.

Inside the orchard gate, our Trust is a strong advocate of water preservation. We have eight water bores and two ponds for water use across the orchards. We have a computerised irrigation system which monitors our water levels to ensure we are consistently adhering to consent levels. We understand our role as kaitiaki of our whenua, and particularly of our wai Māori here in Matapihi. We have monitored bore levels of our neighbouring properties against our bore levels to ensure there is no adverse effect to our whānau.

Ngāi Tukairangi Trust

Most of our Matapihi orchards whenua is currently being used to grow and produce kiwifruit. There are very small pockets of whenua that are unusable for growing, particularly around the Otuawahia block. The whenua here is in parts steep and running adjacent to the marshland. We are currently preparing it to grow native trees in the coming year.

At a community level, we have the eco-warriors programme which is a kaupapa that we have been running for the past three years. We employ a group of young people for two weeks to help recycle rubbish and landfill not just from the orchard, but from the wider community. Most of these young people are from the local kura, are born and raised in Matapihi and speak te reo Māori. Our goal is to teach them that they are the kaitiaki of their whenua.

At a trustee level, we are members of the Institute of Directors, the Federation of Māori Authorities and now recently, the Māori Kiwifruit Growers Incorporation. Our trustees have supported, and led through the Te Awanui Huka Pak Ltd network, the Māori Growers Association for decades where these matters have been raised and strategised. Climate change, and water preservation are constant agenda items at these forums.

Looking to the future, we understand our Trust will constantly hold a leadership role in this industry as Māori. In Heretaunga, we plan to convert six hectares of the orchard into organic production. This is our commitment to minimising the chemicals that are used across our industry and in our neighbouring communities. We see organic production as a key customer focus; and will look to do more of this conversion in the future.

'Toitū te whenua, whatungarongaro te tangata'.

PRIMARY ENVIRONMENTAL CONCERNS

The primary environmental concerns for our communities include:

- *Spray application, timing and chemical composition.* We adhere to a strict industry spray programme to allay these concerns.
- *Water use preservation.* We continue to monitor our water usage and those of our neighbours.
- *Organic compost odour.* We endeavour to keep the smell at bay by dampening down the area when applying. It is an ongoing process we are trying to rectify.
- *Soil condition.* We constantly monitor our soils for chemical residues.

CULTURAL SITES

Ngāi Tukairangi hapū occupied expansive areas in Tauranga which over decades has dwindled due to colonial acquisition following the Māori land wars, public works takings and ongoing urban sprawl. Matapihi, through the land granting process was reserved for the people of Ngāi Tukairangi and our whanaunga, Ngāti Tapu.

Matapihi has always been considered as having special natural characteristics which should be preserved, maintained and enhanced. It has been referred to as 'the jewel in the crown' due to the green landscape and the productive activities of its inhabitants. These are some of the reasons why hapū leaders have retained the rural character of the peninsular and its surrounds. In addition, Matapihi has retained ownership of most of the peninsular, which has meant the area is predominantly Māori populated.

Our Trust was formed from the amalgamation of a number of Māori owned land blocks based in Matapihi in 1980, including: Puwhariki 2, Te Ngāio 2, Tumatanui 3B2, Tumatanui 3A, Oruamatua 2A2B, Oruamatua 2B2, Otuawahia 1 and Otuawahia 3B. This act in and an of itself, was a self-preservation strategy to preserve our cultural footprint.

In regards to protected areas, we have one specific area in our orchards that is a waahi tapu - he pā tuwatawata o mua. This is protected and acknowledged by appropriate fencing around the area. But, the Matapihi peninsular has several pā sites nearby, which require us to think carefully about access and use of land as a result.

We maintain that all whenua here in Matapihi is significant historically and culturally to our people and understand that our role as kaitiaki is to care and protect the whenua for future generations.

Ngāi Tukairangi Trust

Customer Focus

We are confident that we are completely attuned to meeting the needs of customers through our supply and marketing relationships with Zespri and Seeka Ltd. We have maintained and grown our business through commitment to delivering the best for our people, and the best product to our customers. We currently adhere to industry standards outlined in the GAP policy by Zespri and Seeka. This policy maintains standards not only the final kiwifruit product, but the process in getting fruit to market.

Over the last thirty years, our previous trustees have led export delegations as part of the Te Awanui Huka Pak family of Trusts. In the past ten years, trustees and senior staff members have travelled overseas to countries including Japan, China, Malaysia, Taiwan, Singapore, Italy, United Arab Emirates, South America, Belgium and North America to build and maintain relationships with local businesses there. This has ensured we understand our customer and consumer trends intimately so we can respond accordingly. However, under the Kiwifruit Export Regulations 1999, Zespri is the sole authorised exporter of New Zealand grown kiwifruit to all markets except Australia. We understand that working alongside Zespri guarantees us access to as many as 56 markets worldwide.

We understand that our fruit stands out – the Bay of Plenty has some of the best conditions for growing kiwifruit in the world. However, given our high production costs to get our fruit to market (freight rates) we know we have to understand our customer more so than any other exporter. The value of our brand comes from a combination of our growers, and our value chain showing fruit from its source here in Matapihi, and Heretaunga, right through to market. Customers are growing more aware of the traceability – or the whakapapa – of their fruit.

As we look to the future, we understand that Zespri expects its annual sales to Japan to increase by about 25 per cent over the next five years. This signals the continued demand for the fruit in the Asian market and we are confident we can deliver the best possible product – from Matapihi and Heretaunga to the world.

Ngāi Tukairangi Trust

Human Resource and Health & Safety

MANAGERS AND STAFF GOALS

Our Trust is continuously working to create a place where talented people want to work.

In a highly competitive industry, where labour shortages have been declared for the last two years, success for us means providing employment opportunities for our whānau and being a preferred employer. We achieve this by:

- Attracting a high calibre of candidates
- Developing a skilled, experienced and motivated team through ongoing training
- Providing more employment opportunities to whānau/shareholders by increasing the number of people we employ directly and reducing our reliance on contractors
- Encouraging whānau/shareholders to follow a career in horticulture by providing cadetships
- Actively managing staff performance by conducting regular performance reviews, setting clear goals and monitoring their achievement
- Maintaining a positive team culture by practicing our core values of kotahitanga and whanaungatanga
- Providing a safe working environment with no serious accidents, injuries or fatalities
- Achieving orchard gate returns in the top 25% of the industry, or above.

STRATEGIES

To achieve our goals and increase our team performance we have implemented the following strategies:

- Firm recruitment – it is paramount to the success of our business that we select the right people, we will not bend where candidates are not of the calibre we are looking for. Our process includes screening, interview, aptitude testing and a reference check followed by a final interview, before a selection is made.
- Clear expectations – it is also key that employees know what is expected of them.

This is done in a number of ways:

- Job descriptions – employees understand the requirements of their role.
- Induction/training – employees understand the tasks they're responsible for on a day to day basis.
- Performance reviews – employees receive feedback on their performance and are also given the opportunity to provide feedback; during the performance reviews the manager will also discuss areas for improvement, additional training needed, or professional development opportunities and set goals/objectives for the employee to achieve over the next year.
- Training – is essential to the safe operation of our business and we provide training in the following areas: forklift, side by side, tractor, chainsaw, grow safe, approved handlers, first aid, heavy vehicles.

Ngāi Tukairangi Trust

Beyond meeting our essential training requirements, we look at how we can further develop our people to create a highly skilled team, for example our cadetship programme, whereby our cadets will complete the National Certificate in Horticulture Level 2, 3 and 4. In the future, we will progress beyond these initial starter qualifications for those interested in pursuing supervisory or management roles.

We also host an all staff training day in Taupō which focuses on motivation, team building and innovation. Recently, our senior management team have also undertaken a series of leadership workshops to realign themselves with the direction of the business, enhance their people management skills so that this direction can be achieved.

HEALTH AND SAFETY PLANS AND IMPLEMENTATION

We have a strict Health and Safety Plan that encompasses all orchard hazards and risks, as well as how we mitigate these. Putting this plan into action is something we do every day, updating our hazard board and signage based on what is happening on the orchard.

Health and safety is a top priority at every staff meeting where any new hazards and/or risks are identified. Health and safety meetings are also held once a month, with managers and employee representatives from each orchard. If incidents have occurred these are raised at the monthly health and safety meeting, investigated and an action plan is put in place as to how the risk can be eliminated or minimised in future.

ADVICE AND SUPPORT

Ngāi Tukairangi trustees undertake the selection of the professional advisory team including accountants, lawyers and advisors. The Orchard Manager undertakes selection of orchard team, horticultural specialists and consultants.

We assess prospective employees on their experience, reputation, relevancy and results and commitment to upholding the values of the Trust.

Our Orchard Manager, Colin Jenkins has been with us for over 35 years, our Financial Advisor, James Stewart for over 25 years. We believe we provide a great working environment that encourages success and career progression.

Ngāi Tukairangi Trust

Innovation

As industry leaders, Ngāi Tukairangi Trust has been at the forefront of innovative thinking and technologies with these activities:

Village to hapū exchange

Set up under the Recognised Seasonal Employer (RSE) scheme, we have partnered with a Fijian village to assist with the development of infrastructure, in exchange for seasonal labour. We have invested over $1M dollars into building onsite accommodation for these seasonal workers. Providing accommodation for seasonal workers will give us a significant advantage in attracting people to the region. We are now an approved RSE after stringent audits by Ministry of Business, Innovation and Employment, and Immigration New Zealand.

Water use

We are aware of the current issues around water usage – particularly from a Māori perspective. Our operations use some of the latest software programmes in water management.

Kiwifruit trials

We have been recognised by Zespri as a pre-commercial trialist. To date we have trialled numerous Red, Green, Gold, and male varieties.

Technical trials

We are constantly working with industry partners to host various trials. These have included trials relating to bee activity, Hi-Cane alternatives, crop loading, thrip control, girdling, root pruning and improved kiwifruit species crop estimation to name a few.

Apps (technology transfer)

We monitor the development of applicable apps to enhance our business. Currently we utilise apps relating to crop estimation, health and safety, wage timesheets, crop inventory, visitor access, management planning, water management, and environmental conditions.

Wind break

Overhead and undervine shelter has been extensively used throughout the orchard to protect the vines and improve orchard growing conditions.

Reflective cloth

This product is widely used throughout the orchard to maximise UV light which results in increased dry matter and fruit size.

Organic conversion

We have embarked on a programme of organic conversion starting with our Heretaunga operation. This programme is under constant evaluation and further conversion is likely.

Male blocks

Three areas of the orchard have been grafted to male vines only. This provides our orchards with a quality pollen supply on an annual basis.

New technology development: Tile drain cleaner

We have invested $30,000 to develop a prototype tile drain cleaner for our Heretaunga operation to assist with soil drainage.

Ngāi Tukairangi Trust

Infrastructure

We have built up an impressive orchard operation during its 35 or more years. The Matapihi and Heretaunga orchards include:

- Trust offices, board room and smoko rooms
- Extensive workshops and sheds for equipment storage and repair and maintenance (Matapihi and Heretaunga)
- Kaimahi village accommodation for seasonal staff
- Seven residential properties for permanent staff and local tenants where occupation allows
- Eleven water bores, water bores and storage ponds with computerised irrigation systems. This allows us to accurately monitor and manage our water use (Matapihi and Heretaunga)
- Natural and artificial shelter – a balance of both, for pest reduction and best use
- New technology orchard equipment; atomizer spray machinery with efficiency setting capabilities
- Metalled tracks with areas of tarseal
- Subsurface drainage installations.

In regards to future development, the limitations on both orchards include:

- Overhead power lines (Matapihi)
- Water availability (Heretaunga)
- Limited skilled workforce (Matapihi and Heretaunga)
- Growing residential population (Matapihi)
- A need to be continually building environmental awareness (Matapihi and Heretaunga).

Ngāi Tukairangi Trust

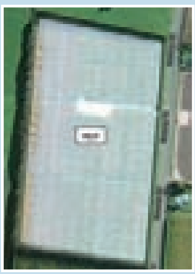
Maps

MATAPIHI ORCHARD

HERETAUNGA ORCHARDS

Red Gate and Number 2 Orchards:
16.7 Ha + 8.5 Ha

Swamp Road Orchard:
7.04 Ha



Number 1 Orchard:
5.8 Ha

Puketapu Orchard:
22.1 Ha

About the Competition

Aims

- To recognise excellence in Māori farming and horticulture.
- To encourage participation and ensure its sustainability.
- To use the Award to showcase achievements in the Māori farming and horticultural sectors, in particular successful approaches to governance, financing, management and the recognition of ngā tikanga Māori.
- To utilise the Award to highlight excellence in the Māori farming and horticultural sectors to all New Zealanders.
- To acknowledge the contribution the Māori farming and horticultural sectors currently make to the New Zealand economy and highlight areas for future growth.

Benefits to the Entrants

By entering the Awards, participants will gain:

- Recognition for excellence in the horticultural industry and the wider New Zealand agricultural industry.
- Judges' expert advice and guidance to improve their horticultural operations.
- Access to a network of progressive and like-minded individuals and organisations involved in the horticultural industry.
- Exposure to practices and approaches of other Māori horticulturalists.
- Significant enhancement to the productivity and profitability of their horticultural operations.
- Recognition of the major role Māori horticulturalists have in the New Zealand economy.

Awards

All finalists receive cash and prizes of up to $30,000. The winner will receive a further cash and prize pool of up to $70,000.

Judging

Judging will be based on:

A. The efficiency with which the property is run relative to its potential.

B. Financial results.

C. The effectiveness of the growers' governance procedures and initiatives. But will also take account of:

- The adoption of innovative systems and reinvestment in the business
- The pursuit of sustainable management strategies including the up-skilling of all personnel
- Keeping up to date with new growing methods and ways to monitor performance
- The level of recognition given to kaitiakitanga and ngā tikanga Māori in the operation of the enterprise.

Considerations

A number of new measures have been introduced to assess the performance of orchard and vegetable gardens, and other businesses. These include:

Triple Bottom Line Reporting which focuses a business on its economic value, added or lost, as well as environmental and social value. Entrants are encouraged to outline their efforts in these areas to the judges during their visits.

Cost of Production Analysis – calculating the cost of production per unit of output. This encourages the setting of goals for improved performance and allows comparisons to be made between different types of horticultural businesses.

Innovation – is the orchard or vegetable garden looking at innovative technology, processes, tools or practices or embracing new technologies that result in real financial improvements.

The judges will also look for best practice in relation to people management and career development.

In considering this the judges will utilise as a guideline the following weighting:

CRITERIA	PERCENT	FACTORS TO BE TAKEN INTO ACCOUNT
Governance and Strategy	15%	• Demonstrate active leadership of the organisation • Articulate the vision and strategy • Show evidence of the implementation and results from the strategy • Demonstrate professional development for Management, Trustees and/or Directors, succession planning and internships • What are the tangible returns and benefits to shareholders?
Social / Community / Ngā Tikanga Māori	10%	• Articulate the contribution to, and participation in, communities of interest to the organisation; support for whānau, local hapū, iwi, marae, and wider local community • Governance or management team's ability to include tikanga Māori in aspects of the business • Demonstrate the management and governance team's awareness of opportunities to connect with the wider industry and beyond to share knowledge, partner for impact, develop strategy, built networks and access financial or other tangible support
		MANAGEMENT AND PERFORMANCE
Commitment to Sustainability and the Environment	20%	• Demonstrate active soil conservation, measurement of soil health, management of sediment, nutrient management and avoidance of leaching, monitoring and minimisation of water use, the use of integrated pest management and management of agrichemicals • Display the organisations commitment to relevant industry best-practice, e.g. Apple Futures, KiwiGreen or equivalent • Show that best environmental practise is being followed in all aspects of the operation, give examples and show active measurement • Is there any adoption of alternative compounds and /or techniques to save the use of artificial fertilisers or chemical sprays? • What is being done to reduce the impact of GHG on the atmosphere? • Show how the organisation is actively eliminating waste, reusing and /or recycling resources
Kaitiakitanga	15%	• What steps are being taken to understand the wellbeing of your natural resources including flora and fauna • What practices are in place either to restore or preserve the mauri of natural resources • If there are cultural or historical sites of significance on the whenua how are they preserved • How are new developments managed so as not to adversely impact on resources
Financial and Benchmarking	15%	• Clearly show understanding of the organisations Financials - Budgeting, Variance Reports and KPls in place to measure financial performance • What non-financial benchmarks are used and why? • Consistency over time – show over the last 3-5 years • Wealth creation for asset base growth: Leveraging Asset Base, Internal Capital Investment • Orchard Gate Return per ha. • Net profit per ha.
Customer Focus	10%	• Demonstrate that the produce grown meets or exceeds the customer's expectations including product standards, growing systems, traceability and processes • Show that consumer demands are measured and satisfied • Display how customer and consumer trends are monitored. How is this information used?
Human Resource and Health and Safety	10%	• How do employment policies and practices support dignity of work and understanding of social wealth creation via the enterprise? • Show employment contracts with job descriptions and evidence of regular reviews • Evidence of training pathways for staff, that are relevant to their roles and responsibilities • Show an active and positive H&S culture that highlights good staff engagement • Demonstrate 'Employer of Choice' going above and beyond other employers to attract and retain staff
Innovation	5%	• Show the pathways that are in place to innovate • Demonstrate how innovation was accessed and where appropriate how was it adopted? • How is knowledge and tech transfer applied to the organisation?
TOTAL	100%	

AHUWHENUA
TROPHY

Finalists, whānau and supporters celebrate the 2019 Ahuwhenua Trophy Awards Dinner for Sheep & Beef Farmers in Gisborne

2020 Awards Dinner

Friday 22nd May

Trustpower Baypark Stadium, Tauranga

For further details email ahuwhenuacompetition@tetumupaeroa.co.nz

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SPONSORSHIP SUPPORT HAS ALSO BEEN PROVIDED BY TOHU WINE, AGFIRST CONSULTANTS NZ AND BLUE WING HONDA.

About the Judges

The Ahuwhenua Trophy judges play a vital role in the success of the competition. All are very experienced people who are able to accurately assess each farm/orchard/garden and provide valuable feedback to those in governance roles and those who are involved in the day to day management of the farms/orchard/garden.

The competition has two judging panels. The first-round judges have the task of selecting up to three finalists – in effect the short list. At this point the finalist judges become involved and they have the task of selecting the eventual winner. They attend the field days at each of the farms/orchard/garden and the running of these days is a part of the competition criteria. The Ahuwhenua Trophy Management Committee greatly appreciates the support of those sponsors who have made top class agribusiness experts available to judge the event.

Finalist Judges

Julian Raine – Chief Judge

Julian has been involved in the agricultural and horticultural industries for over 35 years. He is currently a Director and shareholder of Raine Farms, Wai-West Horticulture Ltd, Cold Storage Nelson Ltd, NZ Dairy Desserts Co Ltd, Wairua Hops and Boysenberries NZ Ltd. He is a past director of a wide range of boards including Cawthron Institute, Landcare Research, Sirtrack, Ngatahi Horticulture, Hinetai Hops Ltd, NZ Hops Ltd and Nelson Milk Ltd.

Julian was awarded a Nuffield scholarship in 1997 where he spent most of that year studying and travelling. On his return he was instrumental in developing new growing systems for apples in NZ. In 2001 the Tasman District Council announced Julian was the winner of the primary producers sector in their annual environmental awards.

Between 2007 and 2009 Julian chaired the Apple Futures project. This projected enabled the NZ apple industry to develop world leading techniques to change how apples are grown in NZ. It is now the standard for New Zealand production and is internationally recognised.

Julian led Nuffield NZ as Chair from 2012 to 2016. Julian was the President of Horticulture NZ representing New Zealand's' 5000 fruit and vegetable growers.

Julian has been involved with a number of community groups and is currently the co-chair of the Nelson Climate Forum. This group is looking at how the region can do their bit in reducing the carbon footprint and greenhouse gases.

David Proudfoot

David re- joined the BNZ as an Agribusiness Manager in 2009 managing a group of agribusiness clients covering the Tauranga /Te Puke area. His client portfolio is predominately kiwifruit orchardists and he has also been involved with a large number of Greenfield kiwifruit developments. Prior to 2009 David was employed in the waterfront industry. During his time on the waterfront David managed a number of contracts that involved the export shipping of kiwifruit, squash and dairy products.

David is married to Carmel who is a teacher aide working with special needs children. They have two adult children and live on their Arguta (Kiwiberry) orchard in Te Puna which they manage themselves.

Any spare time is used to participate in sporting activities such as fishing, biking and walking.

About the Judges

Ian Scott

Ko Bimberi tōku maunga.
Ko Murrumbidgee tōku awa.
Ko Burley Griffin tōku roto.
Ko QANTAS rāua ko Te Tiriti ōku waka.
Ko tauiwi tōku iwi.
Ko Scott rāua ko Wallace ōku hapū.
Ko Te Whenua o Moemoā ahau ki Canberra ki te takiwa o te iwi o Ngunnawal.
Ko Te Whenua o Moemoeā tōku turangawaewae. Engari, e noho ana au ki Te Pataka o Rakaihautū ki Koukourarata.
He kaimahi au ki Te Rangahau Āhumara Kai ki te rōpu Te Raranga Āhumara.
Ko Ian Scott tōku ingoa.

Ian has been a practicing scientist for more than 30 years. He has been working in horticultural science since joining Crop & Food Research in 2004 and continued to do so following the inception of Plant & Food Research in 2008. Ian has led a range of research programmes as well as science teams responsible for delivering on a range of research topics about pests and diseases of annual crops. During this time Ian was a science advisor to both the predecessors of Fresh Vegetables NZ and Potatoes NZ. Since 2012, Ian has been heavily involved in engagement with Māori in a role where he liaises between whānau and P&FR scientists with a view to meeting the research needs of mana whenua to realise their aspirations. He moved to the P&FR Māori engagement team on a fulltime basis in 2015.

Rachel Jones

Rachel (Te Arawa, Ngāti Kahungunu) is the Waikato-Waiariki Regional Manager for Te Puni Kōkiri. She has over 25 years governance and tactical experience working with whānau land and farming business trusts, providing strategic direction and advice on how to develop their aspirations. Rachel is primarily interested in building the economic capacity and capability of the Māori primary sector as it is a major source of production supplying both the domestic and international markets and is a key source of Māori economic performance in Aotearoa. The legacy of Māori horticulture is a kaupapa she is fond of and would like to see it preserved for future generations.

First Round Judges

Sarah Luff – Lead Judge

Sarah Luff is an Agribusiness Partner for BNZ, working across the Western Bay of Plenty. Based in Tauranga for the past 12 years, Sarah has a predominately horticultural portfolio with the majority of her clients involved in the kiwifruit industry.

Sarah was brought up on a dairy farm in Reporoa and went on to complete a Bachelor of Applied Science degree in Agribusiness and a Rural Valuation diploma at Massey University, before travelling overseas, then joining the BNZ. She lives on a 20ha grazing block south of Tauranga which she runs with her husband and young family.

Tony Schischka

Tony Schischka is a Senior Policy Analyst at the Ministry for Primary Industries, based at the Ruakura Campus in Hamilton. He has a Bachelor of Management Studies majoring in economics and strategic management and is the immediate past-president of the New Zealand Agricultural & Resource Economics Society. Tony has a range of experience including leading kiwifruit farm monitoring and export forecasting, development of sector and water policy, emergency management at national and local levels, and more recently supported the secretariat of the Interim Climate Change Committee.

Dr Bruce Campbell

Bruce is a company director and consultant. He holds board positions as Director of Horticulture New Zealand (Inc.), Director of the New Zealand Winegrowers Research Centre Limited (trading as Bragato Research Institute) and is Chair of the Northland Horticulture Careers Progression Governance Group. Bruce is experienced in strategies for innovation and was previously Chief Operating Officer at Plant & Food Research. He has a particular interest in building partnerships with Māori and accelerating innovation, education and talent development. Bruce has a Doctor of Philosophy (PhD) in ecology from The University of Sheffield. He is a recipient of the 2017 Prime Minister's Science Prize, 2017 Horticulture New Zealand Industry Service Award and 2016 Royal Society of New Zealand Thomson Medal for outstanding leadership of agricultural and horticultural science.

Cath Kingston

Cath is currently the Operations Manager for the New Cultivar Innovation Portfolio at Plant & Food Research and has a focus on building and maintaining connections within the organisation and with commercial partners and collaborators. As Operations Manager, she works with both science and business teams to resource and advance ideas and projects. With formal training in horticulture (a horticultural science degree from Massey University), she has worked with many key horticultural industries in New Zealand throughout her career, which has predominantly been with Plant & Food Research and its predecessor organisations. She has seconded to Summerfruit New Zealand as their research manager, spent more than six years as client relationship manager for Zespri, and worked with the berryfruit, winegrape, pipfruit and ornamentals industries. Besides horticulture, she has worked in Government science funding agency Foundation for Research, Science & Technology (now MBIE). She is also a Council Member of the Hawke's Bay Medical Research Foundation and Chair of its Scientific Committee.

Abe Seymour – Competition Kaumātua

Abe Seymour affiliates to Ngāti Tūwharetoa, Ngāti Raukawa, Ngāti Kahungunu and Atihaunui a Pāpārangi and is currently a Strategic Relations Adviser providing advice to a number of organisations including the Primary ITO. He is a shareholder in a number of trusts in and around the Central North Island and from time to time provides advice in those areas. He has also sat on a number of boards and directorships for Māori and is heavily involved and a strong advocate in training programmes for young Māori who are likely to be tomorrow's leaders. He is also involved in tertiary programmes, programme design and delivery to a number of organisations including the Waiariki Polytechnic.

AHUWHENUA TROPHY

EXCELLENCE IN MĀORI HORTICULTURE AWARD

2020

AHUWHENUA TROPHY

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Te Puni Kōkiri
MINISTRY OF MĀORI DEVELOPMENT

Te Puni Kōkiri and the Ahuwhenua Trust are united in celebrating Māori excellence. Te Puni Kōkiri is proud to be the Platinum Sponsor of this prestigious award. The competition exemplifies Māori achievement in land based industries where a legacy of hard work, fortitude and innovation is demonstrated. Te Puni Kōkiri stands beside those responding to the wero, who are creating jobs, engaging young people and developing new ways of succeeding. We are proud to support their commitment and drive towards sustainable prosperity for the economy, the whenua and the people.

Ministry for Primary Industries
Manatū Ahu Matua

The Ministry for Primary Industries is a proud Platinum sponsor of the Ahuwhenua Trophy, which showcases and celebrates excellence in Māori horticulture. Māori agribusiness and horticulture are growing contributors to New Zealand's economy, and we are committed to partnering with Māori to unlock the potential in New Zealand's regions. We congratulate all entrants for their continued and relentless commitment towards achieving the aspirations of their people and shareholders, and their outstanding accomplishments in horticulture.

GOLD SPONSORS

TE TUMU PAEROA

Te Tumu Paeroa is an independent, professional trustee organisation which protects and grows the land and assets for over 85,000 Māori landowners. We manage 2,000 trusts, companies and joint ventures across 100,000 hectares of Māori land. We support excellence in Māori agribusiness and horticulture and mobilising Māori land to create this generation's legacy.

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Be good with money

BNZ is proud to continue our long history in supporting Ahuwhenua Trophy and are excited about the introduction of the Ahuwhenua Trophy Excellence in Māori Horticulture Award. In evolving our support across the whenua sector we are excited to have commenced our Natural Capital Programme recognising the Kaitiaki aspirations of our community and enhancing our Māori specialist support.

Horticulture™ New Zealand

Horticulture New Zealand represents the interests of more than 5000 fruit and vegetable growers. We provide a unifying vision and raise horticulture's profile, by promoting its contribution to the economy, and health and wellbeing. We promote our growers' right to grow by addressing issues that have a direct impact on them.

Plant & Food RESEARCH
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Plant & Food Research delivers science to create the world's most sustainable food production systems. We believe that by working together we can create a smart green future, delivering economic, environmental and social prosperity for New Zealand's horticulture and agrifood sectors. We are proud to support the Ahuwhenua Trophy, celebrating excellence in Māori horticulture.

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