



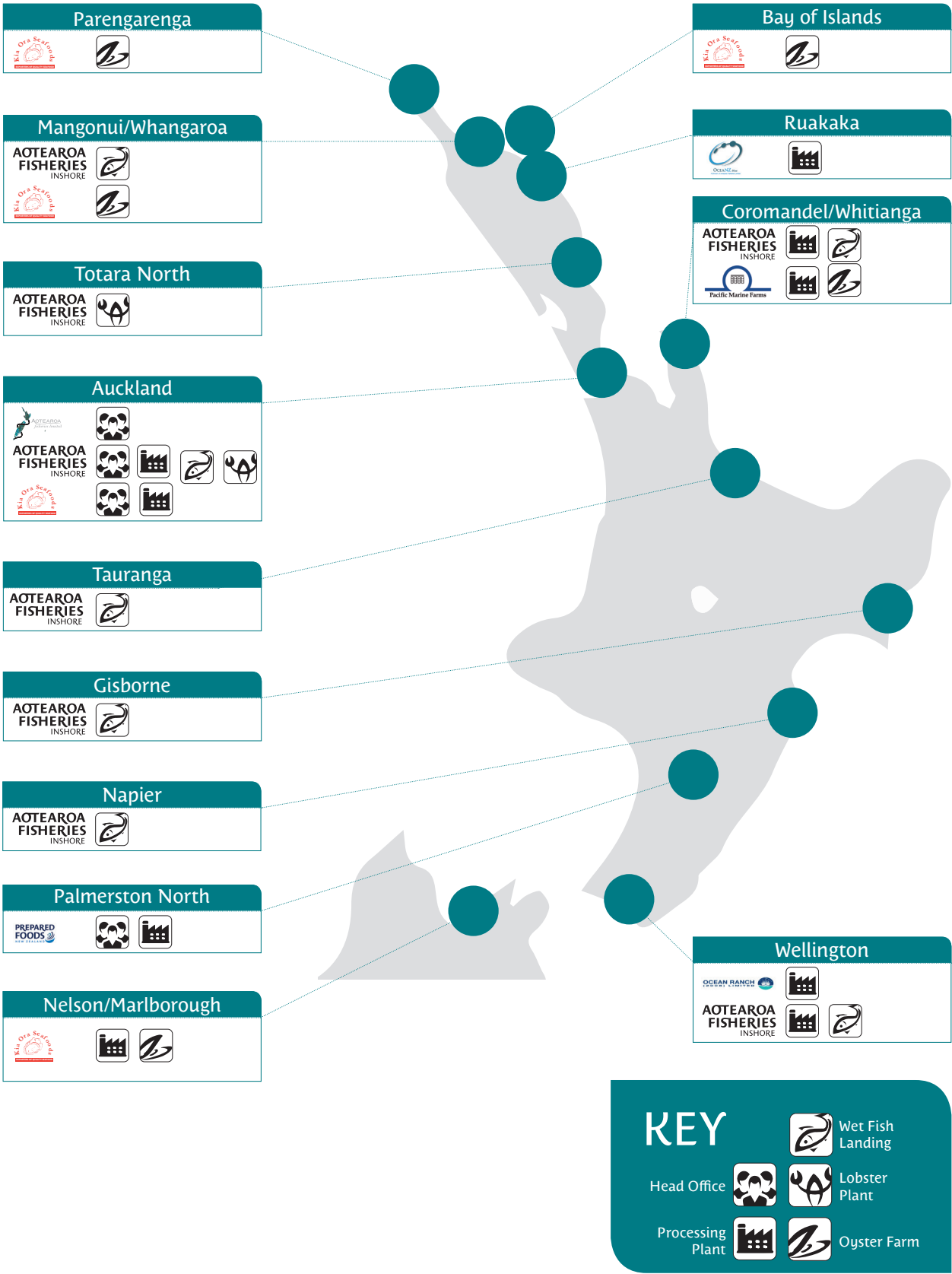
AOTEAROA
fisheries limited



OUR SUSTAINABILITY JOURNEY

Tō tātou tāroinga toitū oranga
Sustainability Strategy

MAP OF OUR OPERATIONS



Aotearoa Fisheries is an important part of the inter-generational Māori Fisheries settlement.

The nature of the Settlement means that Māori will always be involved in fisheries therefore; activities and investments have a long-term perspective that is respectful of fisheries and the ecosystems they are part of.

We recognise that improved future benefits will be delivered to Iwi through increasing value rather than volume, given finite marine ecosystems.

Social sustainability is a key element to our success.

400
Employees

\$152
million
revenue
(2013)

Largest Māori
owned fisheries
company

2nd largest
seafood
company
(in terms of quota
volume and value)

Our corporate structure



Our Company Vision

To be the key investment vehicle of choice for Iwi in the fishing industry, to maximise the value of Māori fisheries assets and to ensure that we are a strong seafood business delivering growth in shareholder wealth to Iwi.

This was developed in the context of whakapapa (where we are from), kaitiakitanga (custodians for future generations), manaakitanga (looking after people our way) and whakatipuranga (prosperity for future generations).

Our core purpose:

1. Stewardship of the Māori fisheries assets entrusted to Aotearoa Fisheries
 - a. Value of the settlement must endure
 - b. Protect the inheritance from commercial risks
2. Aotearoa Fisheries is the focal point for the realisation of Iwi leadership of the New Zealand seafood sector by providing:
 - a. Transformational leadership
 - b. Capitalising on the value of seafood assets invested in Iwi through the settlement
 - c. Providing active and passive opportunities for Iwi for investment and growth with Aotearoa Fisheries
 - d. Expanding Iwi investment and participation from the asset through to the full value chain from quota ownership to customer.

AOTEAROA FISHERIES ARE THE CUSTODIANS & STEWARDS WITH CONVICTION TO UPHOLD THE TIKANGA:

KAITIAKITANGA
CUSTODIANS FOR OUR FUTURE GENERATIONS

MANAAKITANGA
LOOKING AFTER PEOPLE OUR WAY

WHAKAPAPA
OUR GENEALOGY - WHERE WE'RE FROM

WHAKATIPURANGA
PROSPERITY FOR FUTURE GENERATIONS

This journey looks at how we intend to meet market and societal permission to operate challenges by being a leader in providing sustainably produced seafood.

Our sustainability journey applies to our entire Company and will be a journey that evolves and continually improves over time. There are already many things that we do every day that contribute to our journey and much that we can do, to be even better. This is a journey that includes every one of us and one we can proudly call our own.

Why undertake this journey

We want to ensure we give customers and shareholders confidence that our seafood products come from responsible, environmentally safe and sustainably managed seafood production systems. Deeply embedded in our tikanga is our responsibility to respect and care for the sacred domain of Tangaroa for future generations. Something we call kaitiakitanga.

It is impossible to ignore increasing international consumer demand around food safety and for food sourced from sustainable, environmentally responsible suppliers. We're tasked with ensuring that consumers know the seafood they are buying has come from New Zealand, that our waters are clean and the seafood they are buying is safe to eat. Major supermarket chains are also adopting sustainability and environmentally friendly product sourcing policies to drive change deep into supply chains and producers.

In addition, the middle class demographic is increasing and this demographic have the ability to pay more. Discerning consumers expect high end supermarkets and food outlets, to give effect to their ethics and be their conscience in ensuring what they eat comes from sustainable, socially just and environmentally efficient producers.

Finally we undertake this journey to ensure we maintain our social license to operate. Our ability to farm and harvest seafood is up against increasing pressure.

Collaboration

With our people and boats aging and increasingly young people not seeing a future in fishing we have to change. Whilst historically we have competed with other seafood companies we recognise that no single company can turn the situation around and with some issues industry must move towards cooperative and collaborative models to address them. That's why we're investing in the industry, building partnerships within the community, participating in industry and government working groups and improving our own operations.

Because it's
the right thing
to do
for future
generations

Customers
Ensure we give customers and shareholders confidence that our seafood products come from responsible, environmentally safe and sustainably managed seafood production systems.

License to operate
Maintain our social license to operate

Collaboration
Move towards cooperative and collaborative models to address industry issues

Demand
Increasing consumer demand around food safety



OUR SUSTAINABILITY JOURNEY

Tō tātou tāroinga toitū oranga



Our journey encompasses every part of our business both internally and externally. To help understand and categorise our journey, we've divided our projects into the following segments:



OUR PEOPLE

To Tatau Iwi

- Our tikanga
- Our staff – ensure our staff are engaged and pathways created for learning and development
- Sustainability is a leading agenda item for the AFL board and executive team
- Support well-aligned community initiatives wherever possible
- Engage Iwi and stakeholder communities and others such as expert advisers to ensure the maximum support
- Provide and promote a safe working environment



OUR HARVEST

Ta Tatau Hauhakenga

- Production of high quality, sustainably caught seafood
- Providers of a healthy, nutritious source of protein
- Our fishers operate safely, free from harm or injury
- Seafood production systems are managed in collaboration with other users of the aquatic environment
- Reduction of by-catch and harmful interactions with protected species and other elements of the marine environment and at a minimum, full compliance with legal frameworks



OUR OPERATIONS

Tā Mātau Kawenga

- Selection of vendors who subscribe to and can verify sustainable practices within their own organisation/s
- Locally sourced products are used wherever it is possible and practical
- Fulfil the membership principles of the Sustainable Business Council



OUR MARKETS

To Tatau Makete

- Measurement and reporting of waste, water and energy
- Improvement programmes are in place to minimise resource use including investment in necessary new infrastructure.
- Continuous education provided to staff around best practice



OUR PROCUREMENT

Tā Tātau Hokonga

- Raise consumer and customer awareness for our sustainability journey
- Provide traceable, sustainable seafood
- Excellence to be maintained throughout the channel to market to ensure sustainably fished, responsibly processed product is delivered to customers in optimum condition for their enjoyment.

To become a global leader in sustainable fisheries management and development, demonstrating to all stakeholders including our customers, iwi shareholders, the general public and the government excellence in managing the resource entrusted to our care and strengthening it for future generations.

Six guiding principles

To steer our sustainability waka, Aotearoa Fisheries has adopted six guiding principles:

- Long term, profitable development of high quality product.
- Products are sourced from healthy, well-managed¹³ wild capture and aquaculture production systems.
- Wild capture fisheries and aquaculture must maintain and where necessary restore the biological diversity of ecosystems and our people. They are after all inextricably linked. Just as fish and seabirds are a part of biodiversity, as are people as we rely on these ecosystems.
- Production and processing of seafood from all sources will, as a minimum, comply with all relevant laws and regulations, including best practice labour standards and environmental management.
- Seafood production systems should be managed in collaboration with other responsible users of the marine environment.
- Excellence will be maintained throughout the channel to market to ensure sustainably fished, responsibly processed product is delivered to customers in optimum condition for their enjoyment.

Our sustainability objectives

To steer the waka steadily on this course, Aotearoa Fisheries will:

- be a leader in an indigenous, integrated, sustainable seafood business.
- engage iwi, staff, our stakeholder communities and others, such as expert advisers to ensure the maximum uptake and support for this tikanga.
- develop metrics to manage our journey, self-assess and continuously improve.
- be accountable by communicating our journey, simply to start with, and in an increasingly sophisticated manner through developing best practice corporate reporting that integrates sustainability and business financial reporting.

¹³ Well-managed means production must be at levels that can be shown, using the best information available, to maintain target populations and resources indefinitely.

OUR SUSTAINABILITY VISION

JUST SOME OF OUR PROJECTS



OUR PEOPLE

To Tatau Iwi



Hikoi ki te Ora, our wellness programme was launched in May 2014 across the Aotearoa Fisheries business. There has been significant focus on the safety aspects of the term 'Health and Safety', however the focus for health has been ad-hoc.

This programme aims to tie initiatives together under a programme that is delivered collectively for real benefits.

Hikoi ki te Ora is a comprehensive health programme that is focused on the **promotion and maintenance of good health**, rather than the correction of poor health, that through education encourages proper diets, exercise, stress management and illness prevention.

Free Health Checks were offered to all employees. The top level results of these outlined where our 'work on' areas were and we were able to develop a 12 month calendar of activities that includes information for sugar awareness, healthy lunch boxes and team based challenges to encourage activity and exercise.



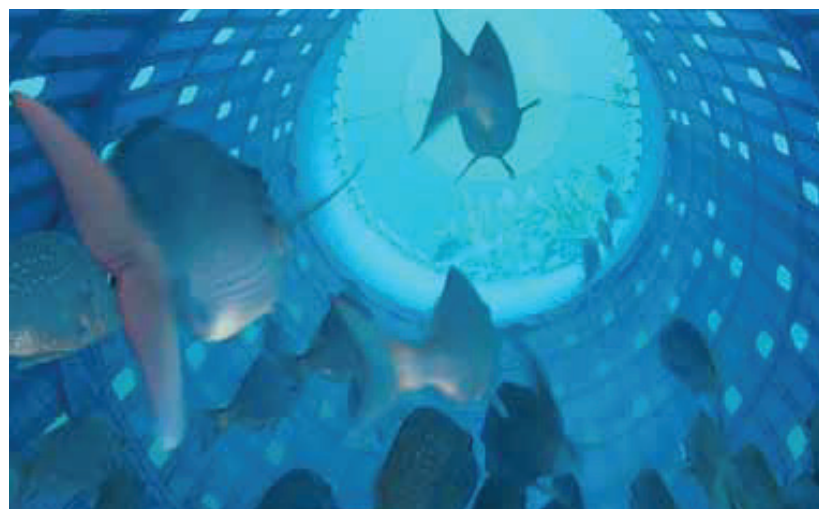
OUR HARVEST

Ta Tatau Hauhakenga

Precision Seafood Harvesting

This ground breaking project is a partnership with Sealord, Sanford and government that involves researching trawl technology. This revolutionary fishing technology does away with trawl nets to allow fish to be landed on boats alive and in perfect condition, while safely releasing undersized fish and bycatch.

The technology has been internationally recognised for its potential to change the way the world fishes. In 2014 Precision Seafood Harvesting was awarded the People Choice Award at the KiwiNet Awards where Plant and Food Research's Alistair Jerett also won the Researcher Entrepreneur Award.



OUR PROCUREMENT

Ta Tatau Hokonga

Procurement Policy Development

We will develop a policy that defines our Group requirements for appointing new suppliers. This will encompass the business desires for consumables to be sourced locally wherever possible and provide evidence of their own sustainability commitment.

This policy will be included with all tender templates that exist within the Group.



OUR MARKETS

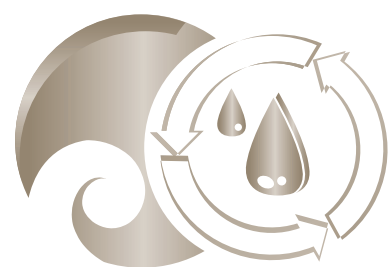
Tō Tātau Makete

Fish Tale

FishTale is computer software that takes catch effort data and translates it into useful information. It enables us to respond proactively to the growing demands of consumers to trace catch back to the source and to manage fish stocks sustainability.

One application of FishTale is a traceability application that, using a mobile site allows consumers to see where their fish was caught and by whom. This gives consumers peace of mind about the origins of their seafood.

Another application is a fisheries management tool that allows data to be easily analysed enabling us to make better informed decisions for the purposes of government submissions and sustainability rounds on a range of issues, including environmental concerns around bycatch, the introduction of spatial closures for biodiversity protection, catch balancing, and the demand for food security and traceability.



OUR OPERATIONS

Tā Mātau Kawenga

Waste Management & Minimisation Plan

We're developing a template for a Waste Management and Minimisation Plan that can be rolled out to all other divisions.

This begins with an audit of all waste that is generated and implementing a plan that will minimise our waste and seek streams for recycle wherever possible.

This process is assisted by Global Action Plan Oceania who will assist with an implementation plan.





www.afl.maori.nz