

Salmon Tales

Winter
2020



New Zealand
King Salmon

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changed our company

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WELCOME

Welcome to the first edition of Salmon Tales, our refreshed New Zealand King Salmon newsletter and your place to gain an insight into creating the ultimate salmon experience.

Each quarter we will be pulling together news and updates from around the business so you can keep up to date with what is going on. You'll learn what has been happening behind the scenes and get to know some of the people who put their heart and soul into producing our unique King salmon right here in the Top of the South.

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We hope you enjoy this new format. If you have pictures you would like to share, suggestions for content, general feedback or you'd like to subscribe please email us at salmonales@kingsalmon.co.nz

DID YOU KNOW?



550
EMPLOYEES

We are a diverse and multicultural company with team members in New Zealand and around the globe

TOTAL SALES



43%
New Zealand

57%
Export

SNIPPETS



RUAKAKA BARGE

Our refurbished barge at Ruakaka is now in its final position. The 3-bedroom barge has a new Scale AQ feed system installed, a first for NZKS, and the new approach to feeding began in June.



DROP FOR YOUTH

Earlier this year our Sustainability and Stakeholder Manager Paul McIntyre and Seawater Services Manager Damian Cotton took a leap of faith and jumped out of a plane as part of the Drop For Youth campaign led by the Graeme Dingle Foundation. An impressive \$8,750 was raised to help the young people of Marlborough achieve their potential through 'Kiwi Can', an energy-packed primary school programme aimed at 5-12 year olds which teaches integrity and respect, helps build resilience and delivers fun-filled learning.



HARRY THE HERON

We had a special guest visit our Te Pangu farm in April, Harry the white heron. Harry has stopped by for the last couple of years and with only 150-200 white heron in New Zealand, this is a very rare and special sight.



STORY

COVID-19: HOW IT IS CHANGING OUR COMPANY

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Like many other companies, we only had 48 hours to prepare for Alert Level 4. Fortunately, our teams in the factory already wear PPE gear so there was just an additional piece added, but the social distancing meant a major change in the set up of the operation. Our teams on the farms also began to wear PPE gear, while 120 team members started working from home.

The company's IT department did an incredible job in making the move from work to home seamless with up to 120 sites online for the daily morning meeting.

Our focus was on the safety of all the teams and being able to supply King salmon to our customers.

The impact on our supply chain was immediate with a huge reduction in the number of cargo flights and restaurants shutting their doors around the world. For a company that had a 75% food service/25% retail split, the impact was significant.

Just a couple of weeks earlier we were visited by Ministers Phil Twyford and Damien O'Connor as Covid-19 had gripped China. They were told about the importance of having diversified markets.

As CEO Grant Rosewarne says: "We export to 20 countries – it's always good to have a lot of irons in the fire and if one splutters, another one can take it up."

Mr Twyford said King Salmon offered "an interesting case study" of a New Zealand company with diversified markets and a premium product showing agility to respond to an economic shock like Covid-19. "I think other industries can take note from that," he said.

As the impact on our supply chain increased, we worked with Government to increase cargo flights to markets around the world. In early May the Government announced it would spend about \$6 million a week to help boost air freight capacity coming into and out of the country.

The Government and NZTE officials listened to the challenges for exporters sending high value perishable goods overseas. With the cancellation of the majority of passenger air routes out of New Zealand, a key challenge for us has been access to air freight to send our salmon to our main markets in North America and Japan. The Government has worked tirelessly with industry to find a solution to support Kiwi producers to maintain their export businesses.

The wage subsidy for our team has allowed us to protect jobs during this difficult period and our sales are beginning to recover, albeit off a reduced base, as we reorientate the company more towards retail as foodservice recovers. With foodservice channels in various states of recovery around the world, a 6 to 18 month period of lower foodservice sales is anticipated, with positive new revenue streams secured or under development in retail, food delivery and e-commerce channels.

There are many positive measures we are putting in place, despite the challenges we face during the Covid-19 crisis. Grant says he's extremely proud of the NZKS team for the work they have done as an essential business throughout the Level 4 lockdown.

"Our flexibility, and global reach and recognition has provided a positive response to the global market challenges."

MARK'S NEW ZEALAND KING SALMON STORY

After 35 years of hard work, dedication and loyalty, the Father of New Zealand Salmon Aquaculture, Mark Gillard, has decided to take a step back from the industry he helped to grow.

It was 1985 when Mark joined New Zealand King Salmon as an Aquaculture Manager, a role which involved designing and building farm pens and hatcheries. With qualifications in Sociology and Botany and a background in eel farming, Mark was working on a salmon project in Balclutha when New Zealand King Salmon tapped him on the shoulder with an offer he couldn't refuse. From there Mark high-tailed it to the Marlborough Sounds to work on what was at the time, a pilot-scale salmon farm.

Since then, New Zealand King Salmon has grown into the world's largest producer of Chinook salmon, and Mark Gillard has been an influential figure throughout its development. "It's impressive what's been achieved," Mark says. "Changes in technologies especially, we've come a long way."

A wealth of experience

Mark has worked in almost all areas of the company and is responsible for the construction of some of New Zealand King Salmon's early farms including Waihinau and Forsyth. "It was all very hands-on in the early days," says Mark.

More recently, Mark's work has been mainly corporate focused, including maintaining relationships with stakeholders, iwi and local and central government, as well as being the driving force behind the implementation of New Zealand King Salmon's open ocean project Blue Endeavour. "I'm always learning here, and I'm constantly challenged, there's always something going on," he laughs. "I like that though; challenges unite people and I'm still smiling against the odds."



However, Mark isn't leaving New Zealand King Salmon entirely, and plans on visiting every so often as a contracted advisor. And when he's not advising, you will either find Mark boating, diving, fishing, spending time with his family, or working on his 30-hectare sheep and beef farm in Kohatu, Wakefield. "Keeping busy is the secret to staying sane," he laughs.

Many happy memories

Mark's highlights with New Zealand King Salmon include the hands-on work he did in the early days, as well as the friends he has made along the way. "The people I get to work with is what has kept me here all these years. Watching friends, my team members, develop and grow has been a real highlight." Mark says he enjoys advising and helping people and is looking forward to focusing on this in the future. "I go to NMIT occasionally to speak with the students, I really enjoy doing things like that." Mark says he's always had a passion for the water. "One Christmas I got a fishing rod as a present. I was maybe 4 years old? I disappeared that afternoon and no one knew where I had gone. I was found a little while later down at the wharf alone, fishing. I gave everyone a heart attack, I still get stick for it now," he laughs.

Mark says he's proud of what the company has achieved and to have been a part of its development since day one. "I remember people saying you'll never be able to farm salmon in the Marlborough Sounds and it was like well, watch us show you."



300 JOBS BOOST IF BLUE ENDEAVOUR GETS APPROVED

The Government launched its Aquaculture Strategy in 2019 which had the goal of the industry being worth \$3 billion by 2035. Currently, the industry is worth \$623 million.

As part of the strategy, Open Ocean Aquaculture is highlighted as one of the sustainable pathways to reaching that goal. Our Blue Endeavour application to farm 7kms north of Cape Lambert in the Cook Strait fits in with the strategy.

A hearing for the application will be held later in the year as reports are being finalised on the proposed site which will produce 4000t per 18-month cycle on two farms.

Seaworks and Robertson Environmental have been commissioned to assess the seabed inside and outside of the proposed site for horse mussels. Once all the reports and modelling have been completed there will be consultations with submitters who opposed the application, including the Department of Conservation and Environmental Defence Society.

The company has also made a submission on the Covid-19 Recovery (fast-track consenting) Bill and will consider whether to take that option or remain with the current RMA process.

The Blue Endeavour application is a \$35 million project which will provide over 300 jobs, a much-needed boost to the economy in these post-Covid times.

Submissions closed in December and were overwhelmingly positive, with the opposition focused on the need for more research, which is currently underway.

By farming only a tiny proportion of New Zealand's 400 million hectares of open ocean space, we can unlock significant benefits for green jobs, for our economy and for New Zealand's natural environment.

Our changing climate and the need for low-carbon, high-nutrition food are truly global issues and the company sees aquaculture as a force for good in addressing these challenges. We are investing in what we think will be the future of sustainable food production.

Prior to the application, NZKS consulted a wide range of groups, including iwi, fishing companies, the Department of Conservation, Forest and Bird, the Environmental Defence Society and local community groups.

Some parties agreed to meet and those experts have been working together for some time to develop management plans and monitoring and modelling scenarios.

There are a wide range of management plans which have been developed on birds, marine mammals and sharks, fish, navigation and safety management, monitoring and management of biosecurity.

In terms of pen structures for the farms we are working closely with manufacturers to refine the structures to be placed on the Blue Endeavour location. They have taken data from Metocean and NIWA and our own data and used sophisticated software to model potential pen scenarios.

We are in the unique position where we expect demand for our King salmon to continue to grow across both New Zealand and overseas markets. Through our Blue Endeavour project we are taking steps to increase supply in the short, medium and long-term.

We'll miss her smile, her laugh and her desire to always be better

Bonnie Rogers, aged 34 was an HR Advisor who tragically died in an accident in March while on holiday in the North Island with her partner Dan.

You know when someone walks into a room and they light it up with just a simple, cheeky smile. Well, that was Bonnie.

However, that disarming smile hid a steely determination. She was driven to succeed both at work and in her personal life. She was highly competitive, whether it be on the netball court, or starring as 'Bonnie Lomu' in the company's touch team.

Bonnie made an impact across the company, at the head office in Beatty Street where she was

based, to dealing with team members on the farms in the Sounds and the factory in Nelson.

She spoke proudly of her family and her many goals, which included plans to buy more property.

HR Manager Maree Cleal said, "Bonnie may have only been with us for a relatively short time but she made an impact across the company and had the ability to relate to everyone she dealt with."

Her colleague Cam Johnston said, "in the conversations I had with Bonnie, what I perceived as competition came from the fact that she just wanted to be better each day."

All who knew her would agree with Cam when he said: "I'll miss her smile, her laugh and her desire to always be better."



Bonnie with her partner, Dan

King Shag numbers increasing in Marlborough



Recent report shows highest number of birds in the Sounds since 2015.

Earlier this year NZKS commissioned an aerial survey to review the King Shag population in Marlborough. We were thrilled to see the results showing the highest number of King Shags living in the Sounds since 2015 with an increase from 633 birds in 2018 to a remarkable 815 in 2020.

"This is a great result and something we should all be very pleased with", said advisor Mark Gillard who helped work on the project. "The recommendation is that we continue with annual aerial surveys. It is important we understand what drives potential changes in population to ensure the sustained survival of this species."

The New Zealand King Shag is one of the rarest seabirds in the world and is found only in the Marlborough Sounds. Low numbers and a very small distribution area are a continuous concern for the survival of this nationally endangered species.

We are members of the Marine Farming Association King Shag working group, an initiative involving local industry, council and iwi, along with MPI, DoC, community, ornithologists and others to learn more about this unique species and how we can better protect it.

"We are keeping a close eye on these unique birds and certainly hope that numbers continue to increase in years to come."



LYDIA MANOUIHI

PROCESSING SENIOR LEAD

It's 8pm. Dinner has been eaten and the evidence cleaned and put away. Some are snuggled up on the couch watching the latest Bachelor episode, others are already sound asleep - the day is coming to an end.

But for Lydia Manouihi, 8pm marks the start of an 8-hour shift at New Zealand King Salmon's processing facility on Bullen Street, Nelson. It is here where she will work until the early hours of the morning and arrive home just in time to see her kids off to school.

Flexibility to focus on the family

Lydia has been with NZKS since 2010, working a variety of roles on both the night and the day shifts. In early December 2019, Lydia swapped to nights again so she could spend more time with her four children.

"They're not old enough to drive themselves to school yet, so night shift means I'm still able to drive them in the morning and pick them up in the afternoon."

"I love having dinner with them before I head off to the factory - it's for them that I work the hours I do."

Lydia is a Senior Lead in the processing facility; a role which involves supervising product on the processing line, instructing and guiding night shift staff, and monitoring quality control.

The role was a promotion for Lydia, which she was offered once she made the switch from days to nights.

"It was a surprise," she laughed, "but a privilege. I only changed shifts for the sake of my family, so I wasn't expecting to be offered a higher position. I appreciate that the company thinks of me in that way."

As much as she enjoys her new role, Lydia says she still misses her time as a day worker.

"The team was a lot bigger - almost 60 people. Night shift is only 11. It's still busy but it's definitely quieter. The things we do for our loved ones," she laughs.

Opportunities to grow with the team

After completing 10 years of service in March, Lydia says she has many career highlights and good memories to be grateful for.

"The people that I get to work with are a highlight, and learning. I'm always learning. I love gaining new skills and I'll give anything a go."

"NZKS have always allowed me to work the hours that suited my family. My husband is a fisherman, and when he'd go out to sea, I was able to start late and work shifts that suited school hours. I did that for 7 years on the day shift. This is what's kept me here."

Outside of work, Lydia enjoys playing sports and spending time with her family.

"I love playing rugby and volleyball, reading, doing things with the kids, camping. I enjoy being busy."

Lydia says she wants to stay working for NZKS for as long as she can.

"I've loved my time here. It's made me want to move forward and grow with the company, and I look forward to doing just that."

Covid-19 salmon donations to frontline workers

Frontline healthcare workers across the Top of the South were given salmon to take home during the Covid-19 lockdown.

King salmon portions were delivered to over 500 essential workers at Nelson Hospital and Wairau Hospital in Blenheim, health workers on the Covid-19 testing stations in Blenheim and Nelson, St John staff in Blenheim and Nelson and Nelson Tasman Hospice staff.

Each delivery box carried a simple message: 'Thank you for being an essential worker in our community. From the team at NZKS'. The feedback was heart-warming from the workers who showed their appreciation on our Facebook page and via email.



Graeme Aldridge of NZKS delivers salmon to Allanah Burgess from Te Atiawa Iwi at Waikawa Marae

I am a District Nurse in Blenheim who would just like to say a huge thank you for your kind thought during lockdown to send us a gift of salmon. Fillets were cooked to perfection and shared with my family within our bubble for my birthday dinner. It was delicious, in fact yummy, what a treat. Your generosity was much appreciated.

What a wonderful surprise to receive your beautiful salmon. I can't wait to cook it tonight. A truly generous gesture.



District Nurses in Blenheim during the Covid-19 lockdown

I just wanted to say a personal huge thank you to you and King Salmon for your incredibly generous donation of salmon to the CBAC staff. There is no doubt it has been a very challenging time to be working and to have your appreciation shown in this way really does make a difference to us. Thank you so, so much.

I want to say a massive thank you on behalf of the Nelson/Tasman NMDHB for the amazingly generous gesture with the donation of the salmon. The team were blown away.



Ōra King salmon donations during April and May fed over 18,000 unemployed hospitality staff and front line workers across Australia and the United States.

These initiatives were driven by our Ōra King Marketing team and relevant Territory Managers and the response from our foodservice partners has been incredible.