



Environmental, social and governance  
ESG Report 2021

# SEEKA SUSTAINABILITY REPORT

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Sustainability focuses on meeting present needs without compromising the ability of future generations to meet their needs. Seeka's ambition is to measure and incrementally improve our environmental and social performance and the associated governance processes and to demonstrate that we are meeting our corporate responsibilities as a sustainable company.

Environmental sustainability lies at the heart of Seeka's brand attribute Growing Futures; Seeka is focused on continually improving operations to deliver healthy produce, use less resources, care for the environment, and deliver better outcomes to stakeholders.

Social responsibility lies at the heart of Seeka's brand attribute Founded on Relationships; Seeka wants to be the employer and service provider of choice and values its connections to the communities with whom it works. It cares for the welfare of its growers, clients, employees, investors and the communities in which it operates.

The sustainability committee is tasked with providing strategic guidance and feedback to the Board and management on Seeka's sustainability framework, establishment of targets, measurement, and performance monitoring. Comprised of three directors, Seeka's sustainability committee is a forum that works with management to assess the potential impacts and opportunities of a changing climate.

### Governance

Seeka's strategic direction is based on the sustainable production and supply of healthy produce to consumers.

Governance is specifically covered as a section in Seeka's 2021 annual report.

### Environmental report

Seeka's aim is to be an industry leader, transparently reporting on our environmental impact and the opportunities and risks associated with climate change.

Seeka's Agile Sustainability Team (SAST) is representative of all of Seeka's businesses connecting people from across the company. They work to integrate sustainability into every aspect of our business, including delivering projects intended to reduce Seeka's environmental footprint.

Climate change is an active risk, impacting the yield, quality and marketability of the produce Seeka grows and handles. By disclosing climate-related risks, stakeholders can see how Seeka is flexing business activities and operations to mitigate environmental risks and embrace new opportunities.

Seeka is committed to advancing regenerative horticulture practices. Seeka's research and development team are conducting environmental trials to better understand the impact to our environment of inputs such as sprays, fertilisers and irrigation. These trials build knowledge that leads to more sustainable on orchard practices that are shared with our growers.

Seeka has analysed all business operations to identify and understand the production inputs, how they flow through the business, and the waste outputs that impact the environment. Seeka is working to transition to a circular model whereby waste is circulated back into operations, thereby reducing its environmental impact.



#### Watch video

See Seeka's video on reducing our carbon footprint.

## Risk and opportunity analysis

The Ministry for the Environment studied how climate change may impact New Zealand. Based on its report, Seeka expects our orcharding regions will be impacted by higher temperatures, changing moisture levels, changing weather patterns and rising sea levels.

### Transition risks

Risks and opportunities	Impact	Response
New national or international policies that restrict chemical inputs used for pest management and maintaining crop yields.	Higher R&D costs to find alternative growing methods.	Active involvement in, or monitoring of, industry associations, including New Zealand Kiwifruit Growers Incorporated (NZKGI), Kiwifruit Vine Health (KVH), Industry Supply Group (ISG), and Industry Advisory Council (IAC).  Build closer relationships with regional councils and Government agencies and regulators.  Invested in a worm farm pilot project to test circular waste recycling within our orcharding business.  Transition to a low input orchard management system, while achieving consistent yields.
Introduction of carbon costing or a carbon tax that charges for carbon usage.	Higher costs to offset carbon emissions.	Measure the carbon footprint to understand and reduce the carbon impact.  Transition to lower Global Warming Potential (GWP) cool store gases.  Invest in lower carbon emission projects, see Carbon Reduction Initiatives.  Hedge against rising energy bills by investing in renewable energy technologies.
Introduction of orchard water restrictions, with water vital for crop growth over the summer period.	Unable to irrigate to grow an optimum crop.	Actively engage in orchard water management.  Work with councils to understand impacts on waterways.  Ensure new developments can access water and have on-site storage.  Improve soil health to increase water retention.

### Physical risks

Risks and opportunities	Impact	Response
Yield reduction or plant damage from flooding, hail, drought, storms, fire, or a sub-optimal growing climate (temperature, sunshine, drought, winter chill).	Lower yields and unprofitable orchards.	Geographical spread of orchards.  Invest in crop protection measures (e.g. frost protection, irrigation, shelter).  Access to reliable weather and frost forecasts (extended and long range).  Favour developments with reliable water supply and free drainage.
Orchard loss from rising sea levels.	Increase in non-viable orchards.	Orchard reporting by altitude.  Minimum altitude for all new orchard developments.
Introduction of new pests and diseases.	Reduced yields or unsalable crops.	Geographic separation of orchards.  Genetic and variety diversification.  Orchard hygiene programme.  Independent pest monitoring programme.  Spray and pest control programme.  Bio-security controls on disease and disease vectors.  Introducing beneficial insects and plants to combat pests and disease.
Water availability and quality concerns.	Water unavailable or unsuitable for irrigation.	Actively engage in orchard water management.  Invest in efficient irrigation technologies.  Develop wetlands and support native wildlife sanctuaries.  Monitor waterways and encourage orchard environmental plans.  Capture rainwater from facility roofs to reduce regional water demand.
Elevated soil CO <sub>2</sub> levels alter fruit sugar and nutrient levels.	Crops have a different quality profile.	Understand how soil carbon levels impact fruit nutrient levels.  Establish orchard management practices that best capture fruit quality.

## Opportunities

Risks and opportunities	Impact	Response
Increased demand for Seeka produce as a healthy eating option with a low carbon impact.	Increased product demand and new markets.	Ensure Seeka is an industry leader in carbon reporting. Report Seeka's carbon footprint to stakeholders and commit to targets.
Green financing for low-carbon developments.	Better funding at lower interest rates.	Engage with bankers on green funding and green bonds. Investigate low-carbon investments.
Higher soil CO <sub>2</sub> levels improve water use efficiency.	Plants require less water to produce a crop.	Understand soil carbon levels and water usage. Establish orchard management practices that best capture carbon in the soil.

## Seeka's 2022 environmental work programme

### Scenario analysis – understanding how a changing climate impacts fruit production

Scenario analysis is underway to gauge how higher temperatures, varying water availability and rising sea levels may impact New Zealand orchard production. By understanding how a changing climate may impact crop yields and quality, Seeka can prepare its operations to provide an efficient, sustainable service to Seeka's growers and a reliable product supply to consumers.

### Carbon footprint – measuring and setting targets

Seeka is committed to understanding and lowering its carbon footprint to support Government targets under the Paris Agreement intended to limit global temperature increases to 1.5°C above preindustrial levels.

Seeka has established a baseline by calculating 2019 greenhouse gas emissions using *ISO 14064-1: 2018 Greenhouse Gases and the Greenhouse Gas Protocol*, see [ghgprotocol.org](http://ghgprotocol.org), with the calculations independently verified by Toitu Envirocare. Toitu Envirocare has also been engaged to verify Seeka's 2020 and 2021 years. Seeka will then set 'point in time' carbon-reduction targets.

The 2020 and 2021 results will be reported in Seeka's sustainability report once verified.

## 2019 base year greenhouse gas results

Category	Source	Tonnes CO <sub>2</sub> e
1	Direct energy use	5,193
2	Indirect energy use	3,634
3	Transport	4,867
4	Indirect product use	2,906
	<b>Total emissions</b>	<b>16,600</b>

2019 data has been independently verified and revised since the June 2021 Interim Report.

## 2019 CO<sub>2</sub>e key performance indicators

Indicator	Measure	Tonnes CO <sub>2</sub> e
Time Seeka invests to grow, handle and sell fruit	Per permanent fulltime equivalent	38
Volume of fruit Seeka handles along its supply chain	Per 100,000 trays handled	48
Revenues from Seeka's orchard-to-consumer service	Per \$1,000,000 of revenue	70

## Sustainability projects 2021 and 2022

As we work to measure our emissions, Seeka has already embarked on a series of carbon-reduction initiatives.



### Hybrid vehicle fleet

Seeka is exploring hybrid electric vehicles (HEV), plug-in hybrid electric vehicles (PHEV) and battery electric vehicles (BEV). Seeka has introduced hybrid options and is actively encouraging their selection to reduce the number of conventional ICE fleet vehicles.

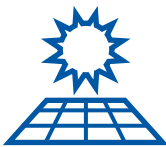
2022 goal is to increase the proportion of hybrid EV vehicles in Seeka's fleet



### Worm farm

In full production, Seeka's continuous-flow worm farm is expected to divert 50 tonnes of packhouse organic waste from landfill. It will produce quality vermicompost, delivering a regenerative, fully circular approach to orchard production.

2022 goal is to continue to increase throughput and trial alternative waste streams



### Solar energy

The solar panels at Seeka 360 head office have generated 120 MWh of energy since 2018, which is approximately one third of the building's energy demand. They also feed batteries providing energy security in the event of an outage. In 2021 Seeka installed a 238 kWh solar system at its Northland Kerikeri post harvest facility.

2022 goal is to evaluate and install solar systems on more of our post harvest facilities



### LED lighting and sensors

Seeka is rolling out more than one million kWh of savings by converting existing lighting to LED with sensors. It is estimated this will reduce Seeka's carbon emissions by 167 tonnes, equivalent to the emissions from 239 houses.

2022 goal is to continue the roll out of LED lighting and sensors



### Waste audits

Seeka has developed a waste audit programme to identify, measure and report the volume and type of waste produced by our operating business units. Waste reduction plans are being developed at a business unit level. The first waste audit was undertaken at head office and a waste reduction plan is currently under development.

2022 goal is to complete and monitor the head office waste reduction plan and scope orchard and post harvest operations



### Regenerative horticulture

Seeka is researching practical ways to incorporate regenerative horticulture practices. This includes cover crops, new mowing and spraying protocols that allow orchards to naturally retain higher carbon and water levels.

2022 goal is to continue investigating regenerative horticulture options and share findings with our grower community



### Refrigerants

With fugitive emissions from refrigeration units identified as a significant contributor to Seeka's emissions footprint, Seeka has aligned with the government's efforts to reduce ozone-depleting gases by only installing new systems that run on naturally-occurring refrigerant gases with no global warming potential. Existing refrigerant gasses are being assessed and will be phased out.



### Packaging and waste

Seeka is committed to moving the fresh produce industry towards a circular economy using low-impact packaging innovation, and is working with packaging experts to introduce new technology and materials to its logistics processes.

## Social report

Seeka's responsibility to support healthy communities is central to what we do. With "Select Excellence", Seeka strives to continually improve our performance for our stakeholders and to deliver an excellent service that supports healthy communities.

Initiative	Description	Achievements
Seeka cadet programme	The Seeka cadet programme supports the development of skills, growth and understanding within orchards and provides a full overview of the industry over a 3-year period.	Supported 13 new cadets into the workforce in 2021. Seeka's 2021 cadets successfully gained horticulture level 3 certificates, with 7 fast tracked through Toi Ohomai Level 4. Seeka's cadet programme has a clear progression towards leadership, and many cadets are achieving their goals and moving into supervisory roles.
Kiwi Crush	Seeka's DNFC facility produces the Kiwi Crush product which has a functional benefit for the health of older community members and oncology patients who suffer from bowel issues post treatment. Kiwi Crush products are also supplied to DHB inpatient facilities to assist those admitted to acute hospital care.	Supplying residential care units, oncology units, and all main DHBs. Consistent orders with positive feedback from clinicians and patients. Reducing pill burden through reduction of laxatives, whilst providing a source of hydration, vitamins, and fibre. Beneficial for those on high dose opioids, mental health medication and maternity patients post birth.
Kiwi Crushies	Supply of Kiwi Crushies through school catering services as a low-sugar option as part of healthy eating in schools.	Supplied a low-sugar ice block option to comply with healthy eating guidelines for school children. Low in sugar and free of additives, preservatives, and artificial colours.
SeekaFresh food donations	Donate nutritious food from our wholesale market and distribution business SeekaFresh to charitable organisations and food banks to help feed those in need.	Assisted the community during Covid-19 lockdowns by supplying produce to BBM (Butterbean) and the Fiji Girmit Foundation for distribution. Donations to two Camp Quality events, and continuous support in messaging of healthy eating through 5+ a day social media and giveaways.
Food to schools donations	Donate nutritious healthy food to children and families in need whenever possible from Seeka's post-harvest facilities.	Donated fruit to schools, foodbanks and local charities.
Employee assistance programme (EAP)	Seeka subscribes to EAP Services who provide a free professional and confidential support line to staff in need of assistance.  This service extends to various issues our people or their families may face at home or at work.	In 2021, the EAP service was available to all Seeka staff.
Health insurance	All permanent staff are provided with medical insurance as a component of their remuneration package.	Proudly provided health, life and trauma insurance to 656 full-time employees in 2021 through AIA New Zealand. Discounted health insurance rates are extended to family members.
Sponsorship of community and sporting groups	Seeka supports our people and communities by: <ol style="list-style-type: none"> <li>1. Building skills and capabilities of young people</li> <li>2. Community events, clubs, and services</li> <li>3. Health and nutrition</li> <li>4. Looking after our environment and driving sustainable practices</li> <li>5. Developing and supporting the fresh produce industry</li> </ol>	Provided \$307,527 in donations in 2021, see page 6 for the full list of organisations and events.
GRASP commitment to worker health, safety and welfare	GLOBALG.A.P.	Seeka is focused on sustainable land management that supports long-term employment and wealth creation in our rural communities, and has formally implemented the GLOBALG.A.P. GRASP module with its extended social standards for worker health, safety and welfare.

Initiative	Description	Achievements
Producers and suppliers of healthy fresh fruit and vegetables	Seeka produces and supplies nutritious fruit and vegetables which are high in vitamins, antioxidants, minerals and fibre to help support the healthy lifestyles of New Zealanders and our global customers.	Seeka's New Zealand product lines include kiwifruit, kiwiberry and Hass avocados, with the new Gem avocado variety in development. In Australia, Seeka is that country's largest producer of Hayward kiwifruit and nashi, and produces a range of pears, apricots, dates and plums.
Collaborative partnership with whānau	Māori are a major grower of kiwifruit, and Seeka recognises the important relationship our Māori growers have with the land, and it strives to support their role as kaitiaki.	Seeka fosters healthy communities and provides economic opportunities to many Māori entities. Seeka is investing in long term orchard development on Māori land, with over 70 hectares in development.
Local employment initiatives in collaboration with MSD, MPI, Te Arawa and Ngāti Hine	Seeka is engaged in a joint training initiative with the Ministry of Social Development, the Ministry of Primary Industries, Te Arawa and Ngāti Hine.  This training initiative comes with an offer of full time employment. Training is focused on developing fundamental skills required to fill current openings in the horticulture industry.	In 2021, Seeka trained 20 people preparing them for kiwifruit work. Eight secured jobs immediately and 12 are planning to start work in the packhouse in 2022.  Seeka provides a range of incentives alongside Government agencies to get people into work.  Seeka's training initiatives are proving successful at getting people out of unemployment and back into the workforce.
Pastoral care for RSEs	Seeka employs 6 specialist pastoral carers to ensure that there are no cultural barriers to maintaining RSE health and wellbeing during their stay in New Zealand.	In 2021, Seeka's pastoral carers supported 781 RSEs.
Supporting RSEs and their families	We highly value our RSE workers who join us each year from the Pacific and Malaysia. Many RSEs return year after year and have become an integral part of the Seeka family.	In 2021, Seeka employed RSEs from Kiribati, Malaysia, Solomon Islands, Samoa, Tonga and Vanuatu.

## Sponsored organisations and events 2021

Auckland Rescue Helicopter Trust	Made in Te Puke Trust	Te Aranui Youth Trust
Autism NZ	Matakana Island Fishing Competition	Te Hiringa Business
Blue Rovers Junior Football Club	Matakana Island Sport Club	Te Kaha Community Transport
BOP Presidents Group	Mike Young Motorsport	Te Kaha Group - Education Sponsorship
BOP Rugby Union	Motu Trails Trust	Te Puke A&P Society
BOP Symphonia	Mount Bridge Club	Te Puke Bridge Club
BOP Youth 7s	Mount Maunganui College	Te Puke Golf Club
Daffodil Day	Multi Sport Ōpōtiki	Te Puke High School
Eastern BOP Cricket Club	Multicultural Tauranga	Te Puke Intermediate
Eastern Districts Rugby and Sports	NZ Poppy Appeal	Te Puke Memorial Pools
Emirates Team New Zealand	Omanu Golf Club	Te Puke Play Centre
EPIC Te Puke	Omokoroa Golf Club	Te Puke Primary School
Fairview Charity Golf Tournament - Abbeyfield	Ōpōtiki Bowling Club	Te Puke Small Bore Rifle Club
Far North Science Fair	Ōpōtiki Surf Life Saving Club	Te Puke Sports
Fresh Produce Safety Centre	Otamarakau School	Te Puke Tennis Club
Funded research for hepatitis B in Vanuatu	Pacific Fashion Fusion	Te Puke Tigers League Club
Gisborne Tairāwhiti Rugby League	Paengaroa School	Te Puna 8Ball Club
Hannah Wells athlete	Pongakawa School	Te Ranga School
Hiranga Limited	Rangataua Sports & Cultural Club	Vanuatu Health Fund
Houhora Bowling Club	Rotary Te Puke - Cycleway	Waihou Bay Sports Fishing Club
Katch Katikati	Rotorua Tai Mitchell Rugby Team	Waihi Lions
Katikati Croquet club	Fresh Produce Safety Centre - Australia	Western Bay Cricket Association
Katikati Fun Fest Charitable Trust	Multi Sports Ōpōtiki	Western Bay Emergency Services
Katikati Primary School	Queenstown Ice Hockey	Western Bay Museum
Kerikeri High School	Tauranga Airsoft Club	Whakatane Roller Derby
Kerikeri Netball Centre	Tauranga Cricket Invitational	Whangamata Golf Club
Kerikeri Rugby Club	Tauranga Volunteer Coastguard	
Lions Club of Katikati	Tauranga Women's Refuge	