



Our Newsletter for September 2023

Tēnā anō koutou ngā Kaipupuri Hea o te kaporeihana me ō koutou nei whānau.

Tēnei mātou e tuku mihi ki a rātou mā kua wheturangitia, kua hoki atu ki te kāinga tuturu mō tatou te tangata. Moe mai koutou i raro i te korowai tapu ō Ihoa. Tātou ngā kanohi ora, tēnā anō tātou katoa.

Hika, hasn't time flown! It has been a while since our last newsletter, and there has been plenty going on. Let us first acknowledge those who have passed since our AGM. To those whanau, our prayers and thoughts are with you. From our 2022 AGM and Estate tour to Now, there have been many activities within the Incorporation and our Communities.

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Early season lambs, the first for 2023!

2022 Estate Tour

Parengarenga A Forest: *We visited the area where our team are harvesting the 2nd rotation of our mature trees.*

Parengarenga Station: *Our Farm Manager showed us the Tiawakangari (Steamer's Point) development.*

Te Kao Forest: *Our newly acquired forest was blessed by Maringinoa Wood at Kahutai, pictured below.*



2022 AGM

Our 2022 AGM went well and was well received. Gosh!!! On the day, we were able to have our AGM proper, Fishfarm Shareholders' Special Meeting, team discussion of our Takutai Moana Claim, and the sun was still high when we finished. Don't you just love it when a plan for the day comes together successfully, regardless of the droopy eyes and frazzled brains 😊.

Committee of Management roles

At the Committee of Management (CoM) meeting following the AGM, the CoM agreed:

- That Chad be Chairman for 2023.
- To have two (2) Vice Chairs; Huia Cooper and Pereniki Conrad (aka Niki Boy) – for probably the first time in the history of the Incorporation.
- That the remaining Committee of Management members will continue to oversee their current portfolios
- That the seconded advisors be retained
- That the tour of our Estate will be held every two years, with the next tour planned for 2024.

Forestry Update

We are quietly proud to have managed our way to this point, where we now own 100% of our forest on our own land on both coasts, and that we have developed our own forestry team to manage the forests ourselves. We have come a long way from our grandparents' time, when the land was originally leased out for forestry purposes for 99 years (Parengarenga A forest) and 75 years (Te Kao forest)..! Through the hard and smart work of previous Committees/trustees over the years, those terms were reduced, the forests gradually handed over, and we bought back the Te Kao forest. Now we have a major investment in the forestry industry.

Conditions are tough in the forestry market at the moment, with demand having dropped well off from previous levels. The General Manager and forestry management team are working hard to strengthen our relationships and supply contracts with key customers (including Mt Pokaka and Waipapa Pine), to keep the business ticking over until conditions start to pick up again. On the operations front, our forestry workers are also working hard to progress and improve our harvesting, thinning and planting performance.



Minister and shareholder Ema Kaipo-Dunn blessing our new forestry machinery.

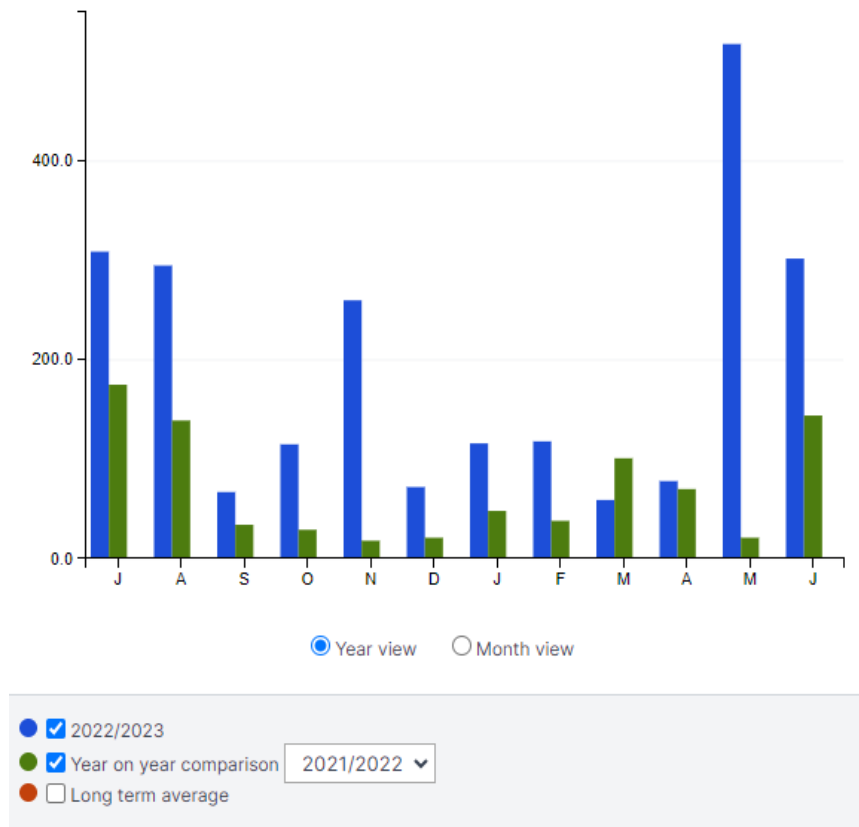
Mt Pokaka Timber Products site visit

We were privileged to hold our first Committee Meeting at Mt Pokaka Timber Products (Kerikeri), one of our key customers that we supply logs to. We were shown around the establishment, saw our logs being unloaded and what the end product would look like. We learned about the diverse utilisation of our logs. It was impressive to see how well-organised the site and factory was, the clean and tidy logs/timber storage area, and how happy and knowledgeable the staff were about their business.

Farming Update

Much of this year has been particularly wet, with May having been the wettest month of the year at that time. The rainfall for May was phenomenal, recording 518mm (370% more than normal) and plenty of thunderstorms. In July, we had 147mm of rain however we had the most sunshine in a long time, which helped with lambing.

Rainfall totals		
2022/2023	2021/2022	Long term
2309 mm	838 mm	mm



Because some areas were too waterlogged, and we run the risk of too much leaching of applied nutrients, we will be applying fertilizer once the soils dry out this Spring. The good news is that the grass continued to grow well.

Animal Production Performance

We have achieved or overachieved with the Key Performance Indicators set for animal production performance for the 2022/2023 Year except for our stretch target lambing % that we had set by more than 5% per annum. We achieved a lambing percentage of 119%, and our calving percentage achieved 93%.

The increased kilograms per hectare in animal weight that we have achieved in the bull finishing cells is a reflection of improved grazing management and subdivision from development, leading to increased carrying capacity and more efficient production.

Staff Training

The shepherds are carrying on with the Ag ITO study and other staff have completed first-aid refresher courses. Some of our staff have recently completed a course that enables them to become approved handlers for Agri-chemical use.

Our Team

Our Farm Manager, Julian Peters, has been talking to other farmers throughout the country, and they have shared that labour remains difficult to source so from our perspective it is good to have a great team with low turnover and some keen younger staff coming through to take on the challenges farming brings.



Our new Tigercat 87E harvester with a Waratah HTH624C Processing Head.



Siebert Ropiha in the yards with the home-bred bulls well-finished at Steamer Point.



Ewe lambs in for drenching in March 2023.



Barbeque lunch prepared by the Forestry team after a big month's work in August 2023.

Takutai Moana

We have made some headway in coming together with our local entities that have common interests and Takutai Moana applications. Parengarenga Incorporation, Te Rūnanga Nui o Te Aupōuri, and the Maunganui Bluff Trustees have agreed to come together and find ways to link our separate applications (for Marine Coastal Customary Title) for the collective benefit of the people of Te Aupōuri. We are close to finalising a three-way memorandum of understanding to formally confirm our joint intent. We will then work together to strengthen and join up/link our approach, our evidence and our applications, to improve our chances of success. This is really great news. Coming together, under the umbrella of our Te Aupōuri people, to formulate an agreement and approach that will benefit Shareholders, Beneficiaries and our Iwi. So, Whānau, watch this space!



Access

Our Admin staff have been working diligently to ensure Haukainga and Whānau still get to either beach or harbour unimpeded, to exercise our customary rights without hindering the daily Forestry operations and ensuring our assets are protected. Working together with the Rūnanga, the access rules have been revised and we've shifted to one key for both coasts.

Te Pua Reserve

There is a marine weed that could invade our harbour if we do not take some action called Caulerpa. At this time, Te Pua Reserve will remain closed, so look out for updates on our Facebook page.

Excerpt from MPI's website: "*...Exotic Caulerpa can spread rapidly, forming vast, dense beds or meadows. They compete with other species, including our own native Caulerpa, for space and upset the balance of local ecosystems. This presents a risk to recreational, cultural and commercial marine activities....*"

Staff Service Achievements

The Committee of Management acknowledge the service achievements reached by some of our staff. On our Farm, Roy Garea has been with us for 10 years, Simon Abraham for 17 years, Ian Smith for 20 years, and Lewis Brown for 27 years. Gillian Harper, in our Administration Team, has been with us for 12 years.

Moving to Starlink Connectivity and our Website

This year, with the help of the Te Ringa Hapai Whenua Fund and the supportive team at Te Puni Kokori, we were given the opportunity to be a Pilot Study for the Soft Infrastructure Fund and we leapt at the opportunity. It went so well, that we have recently applied for further funding that will allow us to shift to Starlink satellite connections for our internet access, including a mobile Starlink connection that will operate in our forest, and that part of the reason is to ensure there is resilience and outside contact for the community of Te Kao should we be hit with massive storms or cyclones that disrupts the power and connections with the outside world. We wanted to do this as part of our contribution/role with the local Community Emergency planning. Exciting news: by the end of September this year, we will have a new website. www.parengarenga.co.nz.

Gathering information on Our History

We need your help, please. We have written historical documentation about us at our office however we would like to have more photos and any other about our history. Much of our photographic history is not held at this office and we would like to know if photos that you have could be shared with us, to include in our history. Any information, any photos, and your knowledge of our history would be gratefully received and acknowledged.

If you have any information that you could share with us, please contact us by email at info@parengarenga.co.nz or call us at our office on 09 409 7831. Ngā mihi.



Planting marram grass to stabilise the sand.



Paua Station woolshed.



Monty Irvine winning a six-man planter in 1975.



2023 AGM

This year our AGM will be held on Saturday 25th November 2023 at Potahi Marae in Te Kao, starting at 9.00am. We hope to see you there.



Community: Our Kura celebrating Matariki at Potahi Marae.

2023 Strategic Plan Review and Reaffirmation of Priorities

Parengarenga Incorporation is a Māori organisation. We are committed to growing our people and communities through operating a world-class, sustainable enterprise. We manage physical assets that create an economic return on investment for our shareholders. Our operations provide environmental and social benefits for the people of Te Hiku. As kaitiaki mote whenua, we seek to create intergenerational wealth and prosperity by nurturing and enhancing the value of our whenua, awa, and ngahere.

Te Wawata / Our Vision: Growing our people and communities, shaping the Te Hiku future by operating a world-class, sustainable enterprise of the land and the sea.

Te Aronga / Our Mission: By 2030, we will deliver \$1m every year to our shareholder community.

Te Take / Our aim: To manage a diversified and sustainable portfolio of commercial investments that leverages our physical assets.

Te Taiao / Our Environmental objective: We strive to be a land-based enterprise that is respected for fulfilling its kaitiaki responsibilities. We implement sustainable land management practices. We will bring back the bird song. This will be done by establishing practices that combine modern technology, tikanga and advanced research to secure a vibrant taiao.

Nga Tikanga / Our values:

Whakapono Me Te Tika / Integrity, honesty, trust:

We believe in an open, respectful and honest approach to achieve trust in all that we do.

Kaitiakitanga Wairua / Guardianship, spirituality:

We protect our whenua with cultural values and practices.

Manaakitanga / Respect, generosity & care for others:

We respect and care for everyone and give equal opportunity within our workplace.

Rangatiratanga / Leadership, teamwork, growth:

We work with our leaders to build a strong team to produce business growth within our community.

Over the next 3 years, we will focus on making a strong impact in a focused range of activities that are aligned with our strategic intent to deliver:

- Sustainable annual revenue streams
- Shareholder returns
- Community prosperity
- Growth in asset value

Our activities will be focused around three strategic pou:

- Maximise existing revenue streams: We will employ best farming and forestry practices to maximise yields and financial return, while preserving and enhancing the integrity of our land for future generations.
- Create new revenue streams: We will invest in opportunities to develop and commercialise products and/or services where we enjoy competitive advantage.
- Drive organizational excellence & performance: We will invest in our people and capability to provide us with the mindset and skillset to implement our strategy.

Our 3 Year Priorities

Farm	Develop a sound understanding of the Incorporation's needs and requirements of, and the priorities for, the farm business.	Develop and implement a clear, long-term plan to invest in future sustainable growth for the farm business, to maximise yields and financial returns.	Develop and implement a comprehensive plan of best practice adoption and continuous improvement.
Forest	Develop and implement a comprehensive plan of best practice adoption and continuous improvement.	Implement a programme of staff development and mentoring to ensure that a credible succession plan is in place for every key role in the business.	Investigate and, if approved, pursue a strategic partnership to maximise yields and financial returns in the downstream activities of the Forestry Business, including but not restricted to milling and haulage operations.
Emergency Planning	Develop comprehensive and detailed plans for Emergency Response, for both assistance to the community and protection of the Incorporation, so that all employees know exactly what to do for each specific type of emergency.		
Biochar	Complete a business case for biochar and if positive, move to production within 3 years.		
Horticulture	Complete water and soil investigations and if positive, move to water supply infrastructure within 3 years.		

Our Annual Priorities

	2023	2024	2025
Farm	<ul style="list-style-type: none"> • Develop an annual farm business plan template that includes performance benchmarking, environmental requirements as well as staffing and training plans. • Refine and improve on-farm KPI monitoring and reporting. 	<ul style="list-style-type: none"> • Develop a 3-year farm business plan that focuses on sustainable growth and maximising yields and the investment outlays that are necessary to achieve this. 	<ul style="list-style-type: none"> • Develop and refine monitoring and reporting systems to ensure that targets and progress associated with year 1 and year 2 plans are being achieved. • Ensure that the monitoring outcomes are communicated concisely and effectively to senior management, staff, the Farm Committee and the Committee of Management on a monthly basis.
Forest	<ul style="list-style-type: none"> • Develop best practice standards for measurement. • Develop a succession plan for all senior forest staff. • Investigate milling and haulage vertical integration opportunities and assess viability, including thorough due diligence. 	<ul style="list-style-type: none"> • Develop best practice measurement models and commence performance analysis. • Implement on-site and/or tertiary training to provide for up-skilling of identified staff. • Proceed to contractual arrangements for any proposed joint venture partnership (downstream activities). 	<ul style="list-style-type: none"> • Identify best practice performance shortfalls and action plans to improve. • Assess the performance of succession planning candidates and adjust the succession plan as necessary. • Finalise an implementation plan for (if any) a joint venture partnership.
Emergency Planning	<ul style="list-style-type: none"> • Ensure that the mechanisms and plans are in place for full participation by PINC in any community emergency response. • Ensure that PINC has a business continuity plan (emergency response) and budgets for the provision of identified shortfalls. 	<ul style="list-style-type: none"> • The business continuity plan is communicated to and fully understood by all staff and CoM. • A prevention programme for community response is developed. 	<ul style="list-style-type: none"> • Annual testing of business continuity contingency plans takes place.

Biochar	<ul style="list-style-type: none"> • Develop a business case and business model for capital investment in biochar, based on carbon sequestration benefits only. • If positive, secure an investment funding agreement with Shell or an alternative funding institution and; • Order capital equipment and build physical infrastructure. • Apply for additional research funding from NZAGRC (NZ Agricultural Greenhouse Gas Research Centre). 	<ul style="list-style-type: none"> • Install equipment and commence biochar production. • Commence new research (if funding has been approved) focussing on field (pasture) research and animal trials (animal health and methane emissions). • Optimise production/operations and feedstock collection efficiencies. 	<ul style="list-style-type: none"> • Utilize production and feedstock collection operations learnings to assess the viability of expansion. • Continue field research and animal trials and utilize the findings to commence marketing research for the biochar product. • Develop a marketing and distribution plan for biochar. • Investigate the business case for building additional biochar capacity utilizing pulp wood as a feedstock.
Horticulture	<ul style="list-style-type: none"> • Commission an exploratory bore within the basalt dome in the area of the proposed horticultural development. • Commission soil testing for the proposed horticulture sites. • If needed, commission an expert wetland ecologist to confirm the appropriateness of the preferred reservoir site. If positive: • Commission geotechnical investigations to determine the suitability of the ground for construction. • commission the design of the reservoir and the lodging of resource consents. 	<ul style="list-style-type: none"> • Resource consents approved. • Reservoir build completed. • Decide which crop(s) we are most interested in pursuing and conduct more detailed market analysis, and a comprehensive business plan for the staged development of the orchard and water supply. 	<ul style="list-style-type: none"> • Commence implementation of the business plan for the staged development of the orchard and water supply.

Our 3-YEAR TARGETS

	2023	2024	2025
Farm	<ul style="list-style-type: none"> • \$4.46m revenue • \$548k net profit • Business plan KPI targets are met 	<ul style="list-style-type: none"> • \$5m revenue • \$720k net profit • Business plan KPI targets are met 	<ul style="list-style-type: none"> • \$5.5m revenue • \$800k net profit • Business plan KPI targets are met
Forest	<ul style="list-style-type: none"> • \$10.5m revenue • \$233k net profit • Benchmarking KPI targets are met • FSC certification attained 	<ul style="list-style-type: none"> • \$11.3m revenue • \$494k net profit • Benchmarking KPI targets are met • Annual FSC audit passed 	<ul style="list-style-type: none"> • \$11.9m revenue • \$825k net profit • Benchmarking KPI targets are met • Annual FSC audit passed
Biochar	Complete a business case for biochar and make an investment decision.	Install the production system.	Evaluate performance and develop a business case for expansion.
Horticulture	Complete water and soil investigations.	<ul style="list-style-type: none"> • Gain resource consents and develop water supply infrastructure. 	Implement the business plan for the staged development of horticulture and water supply.
• People, values, processes and technology	<ul style="list-style-type: none"> • Implement a shared IT solutions platform. • Develop a business continuity plan. • All annual performance plans to include a values component. • All annual performance plans to include a personal development plan component. 	<ul style="list-style-type: none"> • The staff survey shows that overall responses are at least as good as the previous survey. • The staff survey shows that staff and managers operate within PINC value expectations. 	<ul style="list-style-type: none"> • PINC values are firmly entrenched in operational and personal behaviours.
Environment	<ul style="list-style-type: none"> • Farm Environmental Plan expanded to include revitalisation of nature element. • Forest Environmental plan developed that includes revitalisation of nature element. 	Environmental monitoring systems are in place and being used to manage the taiao.	The birdsong is coming back.....

“THE TEAM”

PARENGARENGA INCORPORATION SHAREHOLDERS and WHANAU TRUSTS



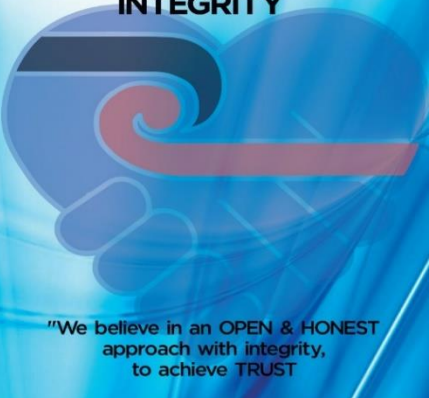
Committee of Management	
Chair	Chad Paraone
Vice	Huia Cooper and Pereniki (Niki) Conrad
Members	Clayton (George) Wiki Joyce Munns Ngainanga (Naina) Kapa Jack (Bam) Ratu
General Manager	Barry Bouton



ADMINISTRATION	FARM	FORESTRY
<p>Team Gillian Harper and Nik Karena.</p> <p>Finance Audit and Risk Committee Sam Johnson, Chad Paraone, Clayton Wiki, and Barry Bouton.</p>	<p>Manager Julian Peters.</p> <p>Staff Ian Smith, Simon Abraham, Joshua Nathan, Lewis Brown, Milton Leef, Jack Casey, Siebert Ropiha, Shannon Wiki, Steve Larsen, Leona Waenga, Roy Garea, and Murray Larsen.</p> <p>Advisory Team Niki Conrad (Chair), Terry Walters, John Woodward, Gerald White, and Barry Bouton.</p>	<p>Operations Manager Dan Henderson senior.</p> <p>Staff Tutangiora Nathan, Clifford Ujdur, Henare Hobson, Chappie Brown, Dan Henderson junior, Paewai Ihaka, Joseph Maaka, Shadow Brown, Quinton Nathan, Ezekiel Sio, Robert Brown, Dylan Anderson, Taikaha Harris, Tyrone Murrell, Hemi Conrad, Levi Howearth, and Mike Wikitera.</p> <p>Advisory team Joyce Munns (Chair), Jack Ratu, Clayton Wiki, Hugh Ford, Grant Rowe, and Barry Bouton.</p>

WHAKAPONO ME TE TIKA

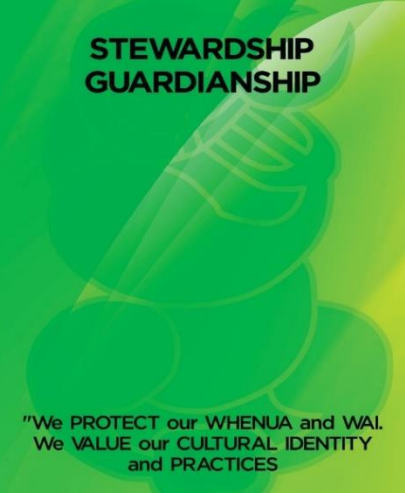
**HONESTY
TRUSTWORTHY
INTEGRITY**



"We believe in an OPEN & HONEST approach with integrity, to achieve TRUST"

KAITIAKITANGA

**STEWARDSHIP
GUARDIANSHIP**



"We PROTECT our WHENUA and WAI. We VALUE our CULTURAL IDENTITY and PRACTICES"

MANAAKITANGA

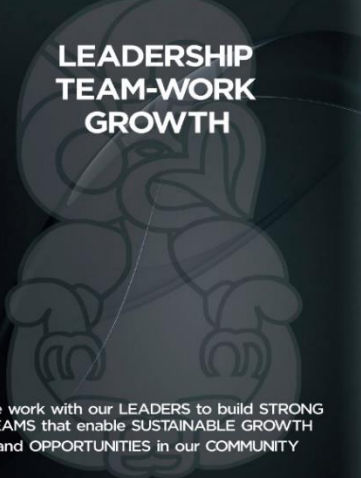
**RESPECT
GENEROSITY
RECIPROCITY
KINDNESS
AROHA KI TETAHI**



"We RESPECT and CARE for EVERYONE in our WORK and WORKPLACES"

RANGATIRATANGA

**LEADERSHIP
TEAM-WORK
GROWTH**




"We work with our LEADERS to build STRONG TEAMS that enable SUSTAINABLE GROWTH and OPPORTUNITIES in our COMMUNITY"

OUR SHARED VALUES

WHAKAPONO ME TE TIKA

**HONESTY
TRUSTWORTHY
INTEGRITY**



'We believe in an OPEN & HONEST approach with Integrity, to achieve TRUST'

To uphold this, we will:

- Do the right thing
- Be transparent
- Be honest
- Be reliable
- Be fair
- Be consistent
- Put things right

KAITIAKITANGA

**STEWARDSHIP
GUARDIANSHIP**



"We PROTECT our WHENUA and WAI. We VALUE our CULTURAL IDENTITY and PRACTICES"

To uphold this, we will:

- Protect & enhance our natural environments
- Protect our taonga and sites of significance
- Care for our people & community
- Support and be guided by our culture
- Nurture our Tikanga, Whakapapa And Spirituality

MANAAKITANGA

**RESPECT GENEROSITY
RECIPROCITY KINDNESS
AROHA KI TETAHI**




"We RESPECT and CARE for EVERYONE in our WORK and WORKPLACES"

To uphold this, we will:

- Care for the mana & wellbeing of our people, our guests & our community
- Be respectful
- Act with humility
- Act with compassion
- Cultivate healthy relationships
- Offer equal opportunity
- Prioritise Health and Safety

RANGATIRATANGA

**LEADERSHIP
TEAM-WORK
GROWTH**



'We work with our LEADERS to build STRONG TEAMS that enable SUSTAINABLE GROWTH and OPPORTUNITIES in our COMMUNITY'

To uphold this, we will:

- Lead by example
- Grow our people & develop our teams
- Foster skills and knowledge
- Communicate well
- Value the input of all
- Recognise achievements
- Strive for best practice & excellence
- Be responsible for self, team & community