



SANFORD

ANNUAL GENERAL MEETING

13 DECEMBER 2017

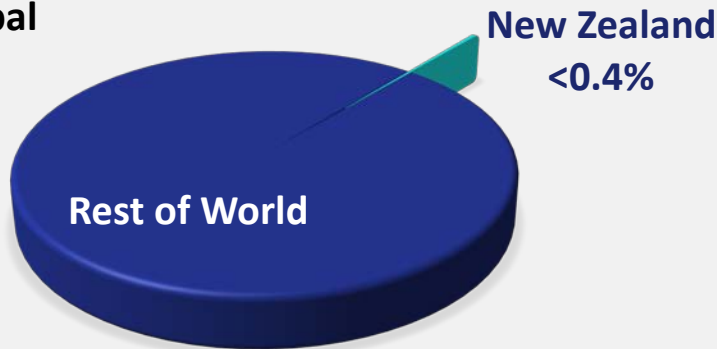


BEAUTIFUL
- NEW ZEALAND -
SEAFOOD

SANFORD GROUP

- Listed since 1904
- Seafood (Wild catch, Aquaculture)
- Unique access to a scarce and highly regulated resource
- 1700+ employees
- Increasing focus on creating **more value for every kilogram of raw material we produce**
- **Diversified end market exposure** – over 700 customers in 77 countries

Total Global
Seafood
Supply



Source: FAO 2016



49

vessels



211

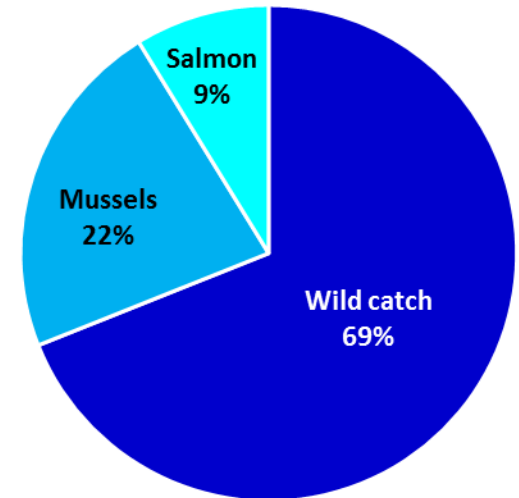
aquaculture farms



8

processing sites

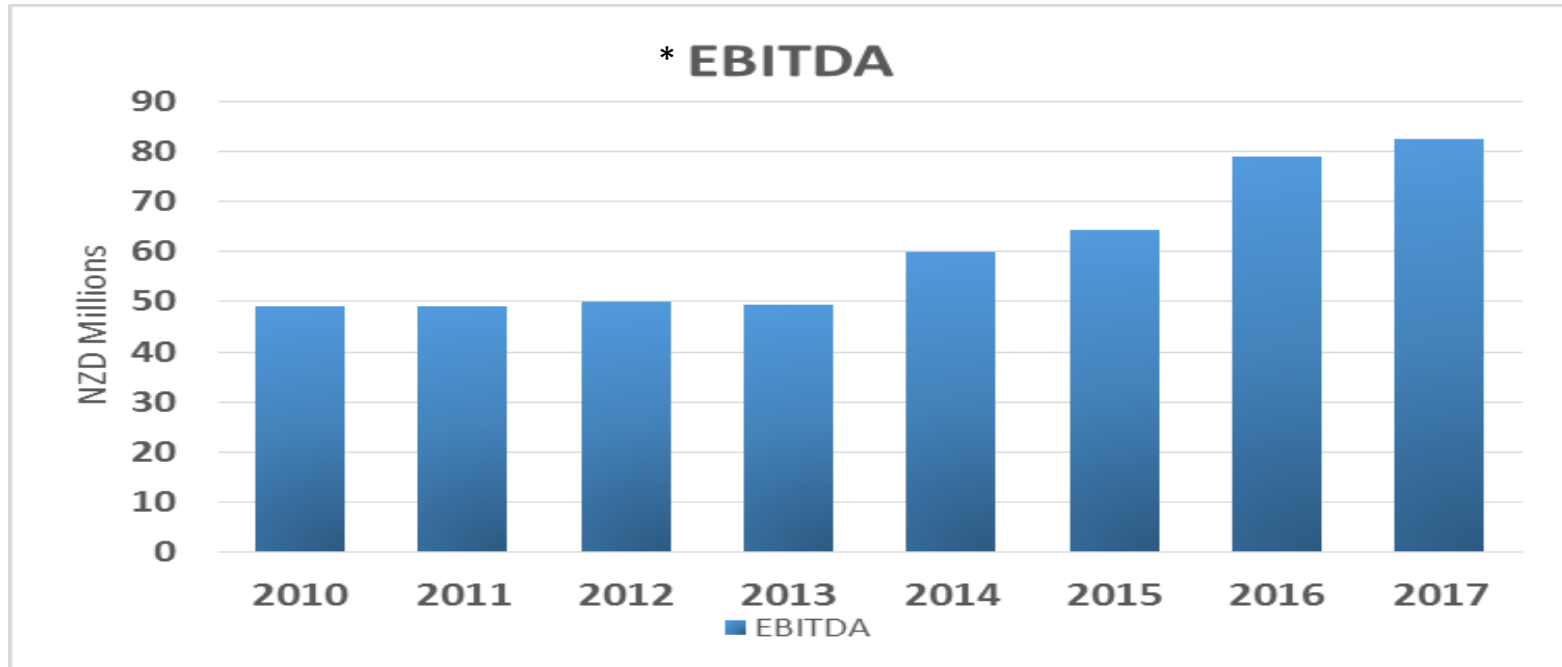
Revenue by Division FY17



Over **125,000 tonnes** of
caught or farmed product
annually



STRONG YEAR ON YEAR GROWTH AS A RESULT OF FOCUS ON VALUE CREATION



- New Structure
- New Exec Team
- Divest Tuna Bus
- Closure CHCH Factory
- Invest in Supply Chain

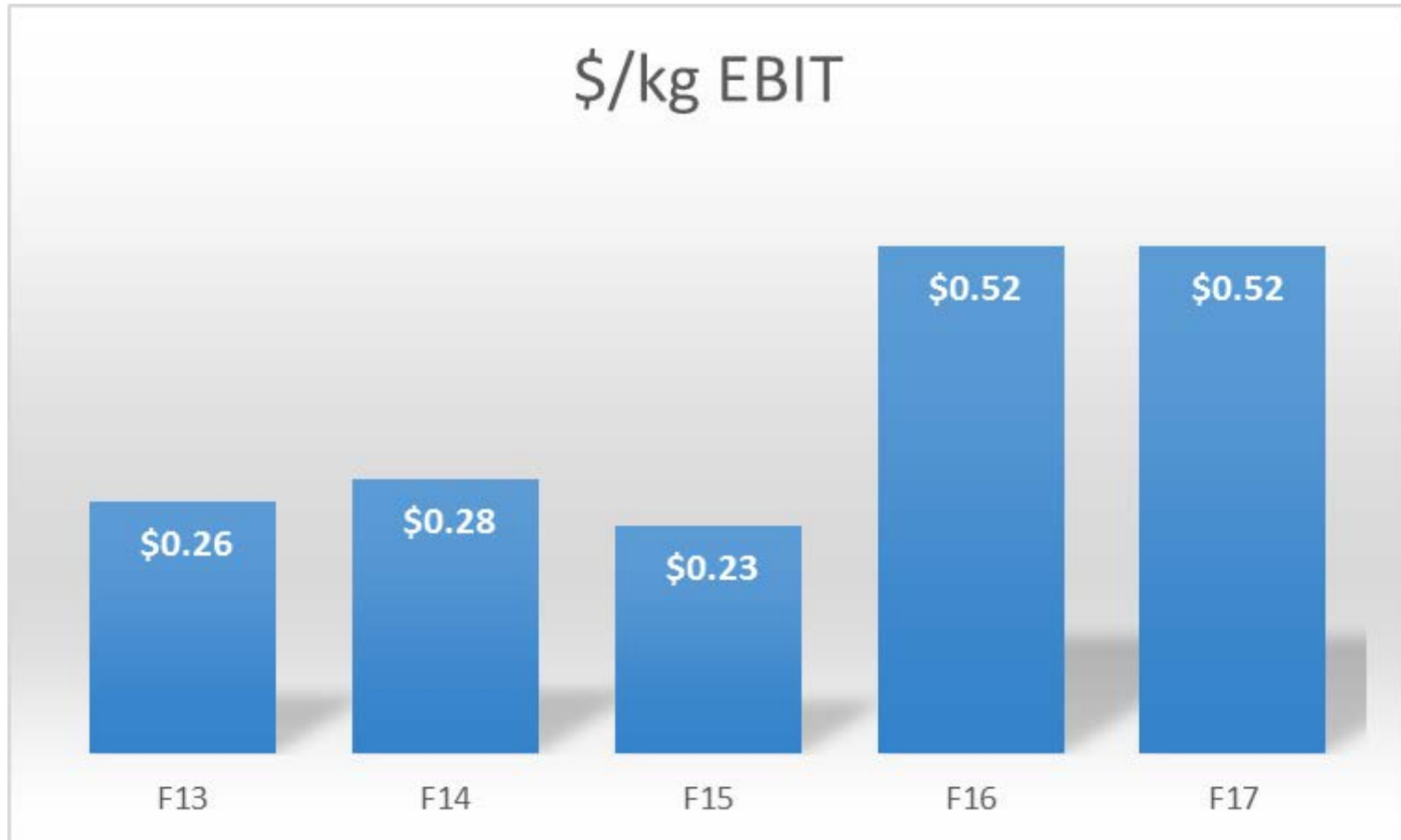
- New Focus on Fresh
- Invest in Sales and Marketing

- Focus on brands and channel and innovation

* Reported EBITDA (to be read in conjunction with the Annual Reports)



...AND YET ONLY ABOUT \$0.52 EBIT* PER KG, WITH TREMENDOUS UPSIDE POTENTIAL



*Earnings Before Interest and Tax

FY 17: A MIXED BAG OF EXPERIENCES

Challenges

- > Kaikoura earthquake
- > *Bonamia ostreae* virus
- > Vessel surveys
- > San Granit commissioning
- > Hoki catch season

Successes

- > Record mussel production in Marlborough
- > Successful Ross Sea toothfish season
- > Good pricing for toothfish, salmon, scampi
- > First full scale harvest from SPAT_{NZ} hatchery produced seed
- > Acquisition of Enzaq
- > Launch of Big Glory Bay brand



San Granit, Timaru

IMPROVING PREDICTABILITY



The first hatchery for
Greenshell mussels opened in
Nelson in April 2015

Harvested the first
batch of seeded
mussels in May 2017

Enables selective
breeding and
predictive supply of
spat



SPAT_{NZ}, Nelson

NEW ZEALAND
INNOVATION
AWARDS* 2017

WINNER
INNOVATION IN AGRIBUSINESS
& ENVIRONMENT

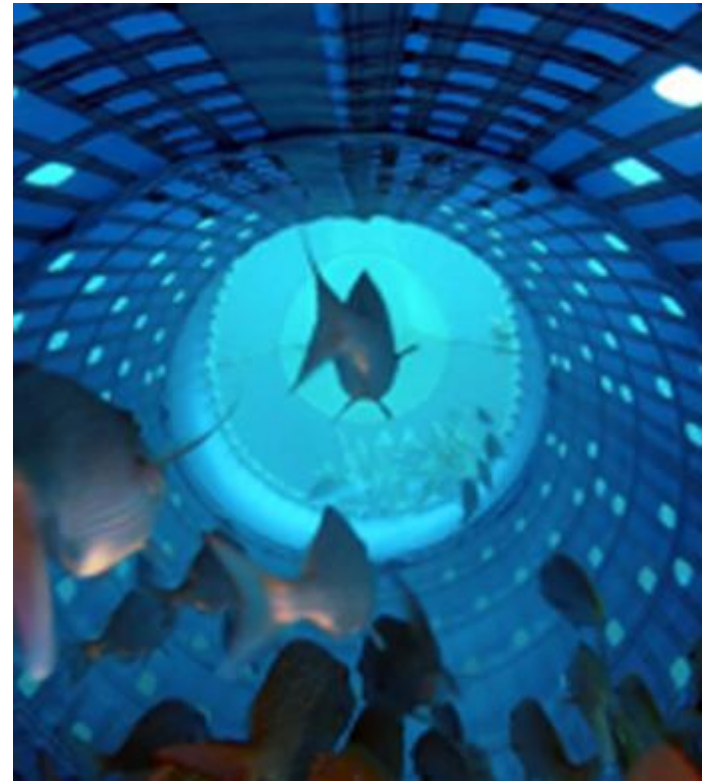


PRECISION SEAFOOD HARVESTING: CHANGING THE WAY THE WORLD FISHES

PGP between 3 fishing companies and Plant & Food Research

Ongoing trials within the inshore and offshore sectors

Encouraging results indicating significant flesh quality and environmental benefits



— ADDING VALUE TO OUR NATURAL RESOURCES



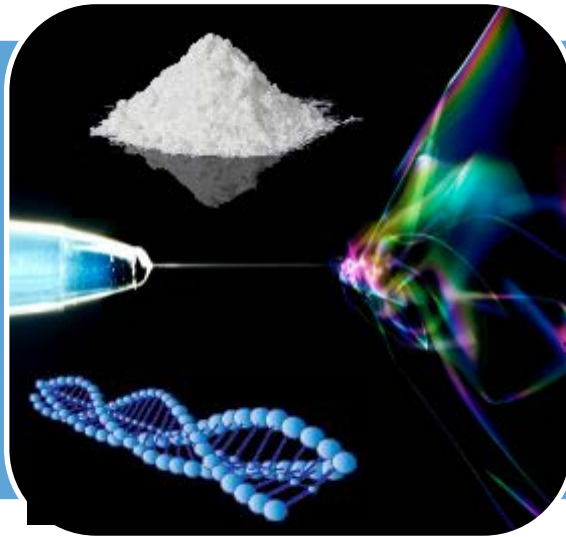
ENZAQ, Blenheim



ENZAQ produces premium Greenshell mussel powder as a nutraceutical ingredient since 1995



MORE THAN JUST FISH: COLLAGEN FROM HOKI SKIN





BIG GLORY BAY

OCEAN-FARMED SEAFOOD

STEWART ISLAND / NEW ZEALAND

Nurtured in glorious isolation

Big Glory Bay Reel

AUCKLAND FISH MARKET REDEVELOPMENT



FISH FILLET RETAIL SPACE – ARTIST’S IMPRESSION



WHOLE FISH RETAIL SPACE – ARTIST’S IMPRESSION



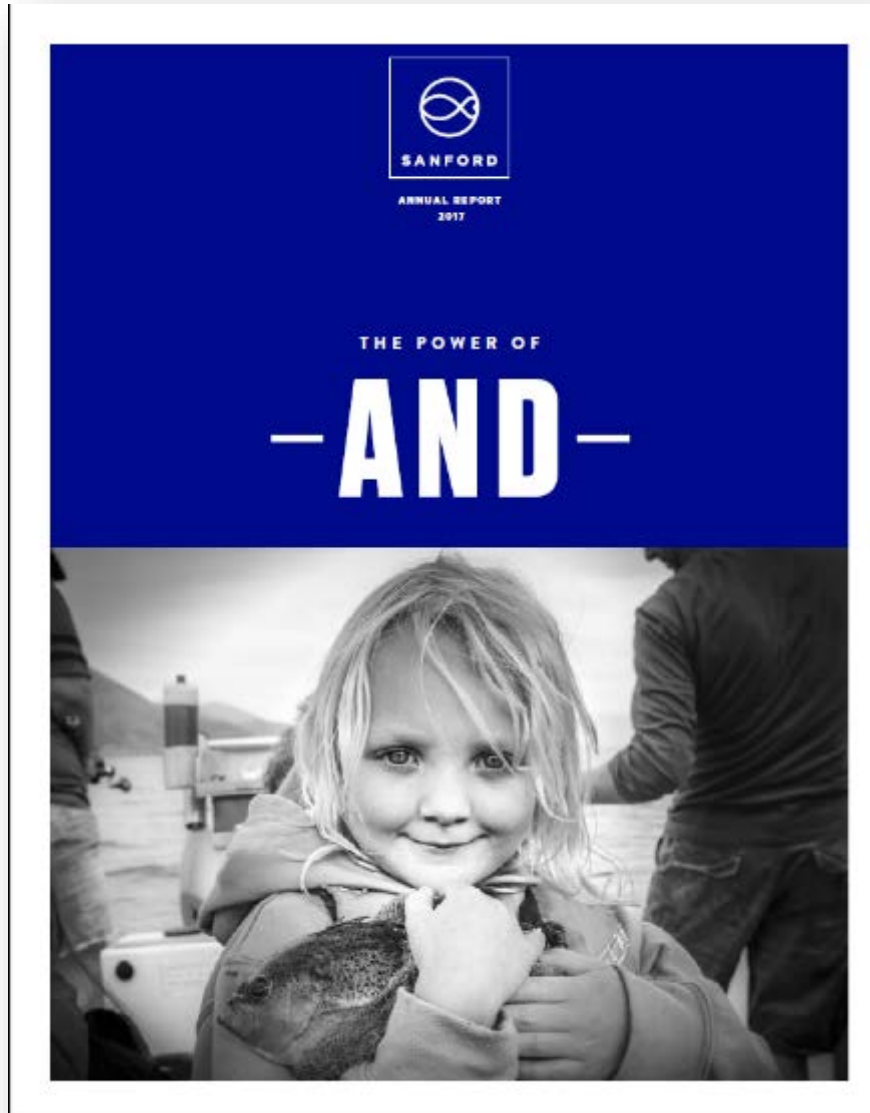
UPDATED BRANDING – INCORPORATING SANFORD

Marketing

Sanford Stamp
Draft



BUILDING TRUST THROUGH TRANSPARENCY



Integrated Reporting



OUR BUSINESS EXCELLENCE FRAMEWORK WITH SUSTAINABILITY AS A CORNERSTONE

6 PERFORMANCE OUTCOMES



Building a sustainable seafood business

We will deliver sustainable, profitable and socially beneficial outcomes through our sector leadership and role in creating a more innovative and sustainable business, and effective risk management strategies.



Enabling zero harm and great prospects for our people

We will maximise the prospects of our people by making 'Zero Harm' a key priority, offering meaningful opportunities for continual learning and development, and living our values to ensure we become an employer of choice.



Leading the way to healthy foods

We will lead the way in driving sustainable performance across our value chain, and positioning our brand as the industry partner and supplier of choice.



Ensuring healthy oceans

We will lead by example in healthy ocean management, so that future generations can enjoy and benefit from our biologically diverse, safe, healthy and dynamic oceans.



Supporting enduring communities and partnerships

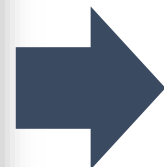
Our leadership in creating employment and skills opportunities, coupled with our understanding of the needs of our communities and partners ensure we deliver a significant and positive contribution everywhere we work.



Protecting and enhancing environments

We will work with our people, customers and suppliers to lead the way in maximising resource utilisation, minimising our footprint and protecting the environment wherever we operate.

POTENTIAL CLIMATE CHANGE IMPACTS ON OUR OPERATIONS



Source: Ministry for the Environment, Climate Change Impacts, June 2017

OUR CARBON FOOTPRINT

*If we are to offset our annual carbon emissions, we would need to plant up to **473,966¹** native trees*

¹ Based on 6.6 trees per tonne of carbon produced, but rates of sequestration (ability to lock up carbon and mitigate emissions) vary depending on plant age



t CO₂-e

71,813

*..... it would take between **598²** and **7,183³** ha of native forest to sequester (mitigate) our total annual emissions*

² Based on 20 year old native forest

³ Based on 1 year old native forest

Offsetting emissions is one option, but a multi-pronged approach is needed to realise net zero by 2025.

POLYBIN REPLACEMENT PROGRAMME



Polystyrene bins are non-recyclable and end up in landfill

Every year Sanford uses 290,000 Polystyrene bins for fresh seafood

21,910
POLYSTYRENE BINS
REPLACED WITH
RECYCLABLE
CARDBOARD BOXES

In 2017 we removed 7.5% from our supply chain



100%

Aim to get to 100% by end of 2018

DOING THE RIGHT THING: MAUI DOLPHIN INITIATIVE



- > 2nd rarest dolphin in the world
- > Only found on the west coast North Island
- > Sanford-Moana Protection Plan
- > Ban on coastal set netting in area
- > Research into “Dolphin safe” trawling



DOLPHIN RESCUE, MARCH 2017



[Dolphins saved from purse seiner fishing net off Tauranga coast](#)

Stuff.co.nz 28/03/2017

A Tauranga fishing boat skipper who was forced to release an estimated 30 tonnes of jack mackerel to save six dolphins caught in his net is ...

Bravo! Well done Sanfords!

You are a credit to New Zealand. If only other fishing companies were as intelligent and humane.

I shall definitely be buying more of your excellent product in the future.

I'll buy Sanford! Brand your products so we know.

USA

It's extremely heartening to hear about the actions of the skipper in releasing dolphins and catch, as well as the support of the company for his actions.

In the future, I will be purchasing my seafood from Sanford in particular.



SANFORD

PEOPLE FOCUS



SANFORD

NEW ZEALAND (SEAFOOD) HAS SOME AMAZING POINTS OF DIFFERENTIATION

New Zealand's Exclusive Economic Zone
(the 4th largest in the world)

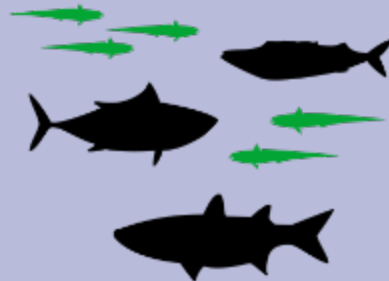
No overlap with another country's EEZ



130 COMMERCIALY CAUGHT
FISH SPECIES

Of the 130 species that are fished,
100 are in the Quota Management
System (QMS).

Source: Ministry for Primary Industries, 2014
www.mpi.govt.nz

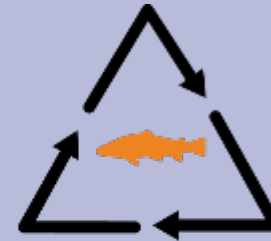


1ST

**FOR THE MANAGEMENT OF
SUSTAINABLE FISHERIES**

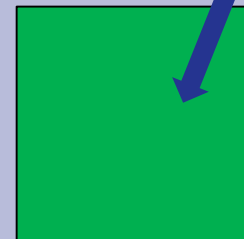
New Zealand's seafood industry has
been ranked the most sustainably
managed fishery in the world, twice.

Source: Worm et al 2009 and Alder et al 2009



97% of landed fish
are from **sustainable
stock.**

Source: Ministry of Primary Industries, 2016



New Zealand's
Land Mass



SANFORD



SANFORD

**BEAUTIFUL
- NEW ZEALAND -
SEAFOOD**

