

**MINUTES OF THE HORTICULTURE NEW ZEALAND INC
16TH ANNUAL GENERAL MEETING
MYSTERY CREEK, HAMILTON
ON FRIDAY 6 AUGUST 2021 AT 7.30AM.**

Present: Barry O'Neil President/Chair
Bernadine Guilleux Vice-President
Bruce Campbell
Hugh Ritchie
Jamie Mountier Future Director
Kate Truffitt
Kathryn de Bruin
Mike Smith
Tony Howey
A list of registered attendees is attached

In Attendance: Nadine Tunley CEO
Mike Chapman CEO in 2020
Kerry Norman Board Secretary
John Milford Chair of Independent Director
Remuneration Committee

1 WELCOME FROM PRESIDENT AND APOLOGIES

Horticulture New Zealand (HortNZ) President and Chair, Barry O'Neil, welcomed members, life members, guests and staff to the 16th AGM of Horticulture New Zealand Inc.

Apologies were noted.

Aaron Davies	Malcolm Pook
Adrianus Cornelis and Sharron Rae	Marilou Castaneda
Ruiterman	Mark Wilgar
Alexander Talbot & JC Munro	Marshall Woodward
Allan Dawson	Michael J Russell
Andrew Fenton	Michael Ngan
Antony Leach	Murray Denyer, HortNZ Director
AR and CA Benn	Murray and Vicki Stevens
Birchwood Packhouse Limited	Oliver Rowling, Moana Orchard
Bruce and Jennifer Vanstone	Peter Ross Jerram
CJ and CJ Frost Partnership	Peter Landon-Lane
D&J Hayes	Phil Kempthorne
David Bates	Richard Palmer, Willisbrook
David Eder	RK Boxall
David Watts	Sharen Ashley
Douglas and Suzanne Bassett	SM and K Taylor
Frans de Jong, Southern Belle	Stephen Darling
Orchard	Steve Law
Graeme and Karen Pickford	T Steenhuisen
Horrie Burgess	Tony Ivceovich
Kevin Vile	Vailima Orchard Limited
Leon Van Eyndhoven	Wai-West Horticulture Limited
Lynda Hawes	

2 VOTING AND PROXIES

The HortNZ Chief Executive advised that 37 proxies had been received (both directed and undirected). Three members abstained from voting on the Minutes, two members abstained from voting on the Chairs report, and were allocated to:

The Chair	34
Leon Stallard	1
Julian Raine	2

Those members holding proxies were present.

3 OBITUARIES

A moment of silence was observed in remembrance of:

- Antony (Tony) Marks
- Dr Kihī Ngatai (QSM)
- John Wilton
- Peter G Inglis
- Ron Gall
- Steve Wrattan
- Thomas Newman.

4 MINUTES OF 15TH AGM

There were no amendments to the minutes.

RESOLVED (BERNADINE GUILLEUX / JULIAN RAINE)

“THAT the minutes of the 15th AGM of Horticulture New Zealand, held on 25 September 2020 via Zoom be taken as read and confirmed as a true and correct record of that meeting.”

The motion was carried.

5 PRESIDENT & CEO'S REPORT

The President referred members to the President's and CEO's reports from the Annual Report. A copy of the slides for the President and Chief Executive are available on request. The President highlighted the following key points:

- It had been an extraordinary year with Covid-19 and Government's agenda particularly climate change, fresh water and labour.
- The President commended the staff of HortNZ for their work.
- He acknowledged the collective work of the primary industry organisations that produced the Horticulture Post-Covid Recovery Strategy and their work on labour. No other primary sector had the support from Government on issues, like labour, that Horticulture had experienced.
- Finally, he thanked Directors for their support and recognised the significant efforts and contribution made by Directors of the board.

Mike Chapman spoke to the Chief Executive report for the year ended 31 March 2021. He noted:

- Collaboration in the sector had been achieved, with Covid being an accelerator for that. This was a credit to the whole sector.
- The work on labour was an exemplary example of industry collaboration. There were fortnightly meetings with the Minister for Immigration and those meetings and work with Officials had in part led to the recent announcement that additional RSE workers were approved to enter to New Zealand.
- Leanne Stewart, the Deputy Chief Executive in 2020 was acknowledge for her work on the HortNZ business Plan. The business plan and KPIs (provided with the AGM papers) will help focus the work of HortNZ in the 2021 / 2022 financial year.
- He acknowledged the shared work across the sector to put in place a network of Career Progression Managers. In their first full year the network placed over 4,000 people in permanent positions.

Questions raised from the floor were:

- A member asked if the submissions had made a difference and if the quality of the submissions could be quantified.

Mike Chapman replied that this is subjective and not measured but felt they had generally been effective. He used the submissions on fresh water and protection of elite soils as an example of this.

RESOLVED (BARRY O'NEIL / HUGH MOORE)

"THAT the President's & CEO's Report for the financial year ending 31 March 2021, as published in the Annual Report, be taken as read and adopted."

6 FINANCIAL STATEMENTS

Mike Chapman as Chief Executive of the 2020 Financial Year, presented the audited Financial Statements for the year ended 31 March 2021 and explained the variances. These slides were made available on request.

On the reserves fund, he noted this was needed to support growers for at least a year if for any reason HortNZ had to continue without levy income and the fund levels were a result of careful budgetary management over the last six years.

RESOLVED (TONY HOWEY / GARY BENNETTS)

"THAT the audited financial statements for the year ended 31 March 2021 be adopted."

7 LEVY RATE

There was no change proposed for the 2021 / 2022 levy.

RESOLVED (MIKE SMITH / LEON STALLARD)

"THAT the 2022 year levy rate for the purposes of the Commodity Levies (Vegetables and Fruit) Order 2019 remain and be set for

domestic sales at 0.14% of the price received at the first point of sale, for export sales remain and be set at 0.14% of the price received after the deduction of all offshore costs and for processed sales remain and be set at 0.14% of the notional process value.”

8 DIRECTOR REMUNERATION

As there was no change to the Directors remuneration being proposed there was no motion put forward. John Milford as Chair of the Independent director’s remuneration committee spoke to members. His presentation slides are available on request.

An independent review of director remuneration was completed by the Institute of Directors (IoD). John Milford said the report indicated the current rate of remuneration was fair given the current environment. For the future he highlighted the following things:

1. The director's fees were in the medium to low range provided by IoD.
2. Incremental increases for the future are recommended.
3. With independent directors on the Board it was important to recognise for the right skill sets.

Members asked if the Board had considered reimbursement of the fees forgone by the Board, given the positive financial position of HortNZ. The Chair advised the reduction was taken by the Board at a time when growers were affected by Covid-19. Concerns remained about the 2021/2022 financial year and the impact of Covid-19, shipping disruption and labour issues. The Board had not considered and will not claim those fees in retrospect.

Andre de Bruin noted a conflict of interest and asked for clarification on whether the reduction was for a set period and if director remuneration had returned to the set amount. The Chair confirmed the Director Fees were reduced for a period of six months and had returned to the reported levels.

The HortNZ Chair recognised the work of the Committee members John Milford, Dacey Balle and John Bourke. He acknowledged John Bourke for his time as Chair of the Committee and his wise counsel. John Bourke is standing down from the committee this year. Members were invited to put forward nominations for the vacancy left by John Bourke.

9 2021/2022 BUDGET

Mike Chapman presented the 2021/2022 Budget which had been provided to members.

HortNZ was forecasting income of \$6,806,100 and expenditure of \$6,785,467.

Overall HortNZ was estimating a gain of \$20,633.

A member raised that service income is not shown on the budget. Service income is the overheads charged to product groups situated within HortNZ.

Mike Chapman advised that the service income matched the costs and that there is no profit made.

RESOLVED (KATHRYN DE BRUIN / PAUL OLSEN)

“That the Budget for the year ending 31 March 2022 be endorsed.”

10 APPOINTMENT OF AUDITOR

There were no comments about the appointment of the auditor. BDO had been auditors for four years with a further two years to go

RESOLVED (KATE TRUFITT / LESLEY WILSON)

“That BDO Wellington Incorporated, be appointed auditors for the year ended 31 March 2022.”

11 GENERAL BUSINESS

Nadine Tunley, HortNZ Chief Executive spoke to the AGM. She highlighted the following:

- There is much going on in the industry and for HortNZ as an organisation. Collaboration remained key. She will be looking to provide more transparency and arrangements with product groups.
- She wants to continue a collaborative approach across the industry.
- Fit for a Better World has been embraced & implemented by Government, as a guiding document therefore we need to work with it.
- Covid saw the establishment of the Post-Covid Recovery Strategy. Our job is to take those documents and find the commonality between them and go back to Government. The vehicle for this will be the Plant Strategy.
- Strategy Structure Resource. She will be building on the improvements already made with a focus on Strategy, Structure then Resource.

12 RESULTS OF 2021 DIRECTOR ELECTIONS

The President congratulated Bernadine Guilleux who was re-elected to the Horticulture New Zealand Board of Directors, and Brydon Nisbet who was elected by growers. Brydon was the Board's Associate Director in 2020.

13 OUTGOING DIRECTORS

The Chair acknowledged Mike Smith who was retiring as Director. Mike Smith will continue representing HortNZ until his term ends on the AgRecovery Board.

The Chair also acknowledge Mike Chapman who retired as Chief Executive in June 2021 and welcomed Nadine Tunley.

14 CLOSING

The Chair thanked members for their attendance.

The meeting was closed at 8.29am.

Read, approved as a true and correct record

This day of 2022

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List of Attendees (In addition to those listed in the minutes)

Lesley Wilson
Desmond Wilson
John Bourke
Julian Raine
Brydon Nisbet
Leon Stallard
Richard Pentreath
Jo Pentreath
Warwick Simpson
Brendan Herries
Kate Hellstrom
Andrea Crawford
Roger Brownlie
Caroline Hill
James Barnett
Tim Altham
Stuart Davis
Mike Arnold
Garry Yee
Linda Flegg
Owen Symmans
Simon Cook
Sam Rainey
Bharat Jivan
Kiran Hari
Jessie Murphy

John Murphy
Lizzy Wicken
Mick Ahern
Antony Rackich
Paul Olsen
Ken Rogers
Antony Heywood
Pierre Gargiulo
S Vogrincic
Andre de Bruin
Sarah de Bruin
Alan Pollard
Andrew Bristol
Emily Pope
J Everest
Anna Rathe
Bobby Hall
Abhishek Chatley
Roupena Kovati
Marcelo Mieres
Ailsa Robertson
Dorothy Moore
Hugh Moore
Colin Bond
Mark Mayston