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UNAUTHORISED G3



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THE COMMUNITY



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AHEAD – MARCH



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THE FIELD

FEBRUARY FORECAST FOR GROWER RETURNS

In a recent update to growers and shareholders, Zespri Chairman Bruce Cameron reported on the February forecast for the 2020/21 season.

The updated forecast reflects continued positive momentum, with all Orchard Gate Returns on a per tray basis up on the previous forecast and exceeding 2019/20 season levels. On a per hectare basis, all categories bar Zespri Organic Green have also reached historical high returns. These results reflect an especially strong finish to our European season, with our fruit quality also holding up well. We are also continuing to see strong demand for our non-New Zealand supply fruit.

The total fruit and service payment, across all pools and excluding the loyalty premium, is forecast at \$2.18 billion. The Zespri Board also approved a net profit after tax range for the year ended 31 March 2021 of \$275 million to \$280 million, which includes licence release income. The 2020/21 dividend per share range is \$1.26 to \$1.28.

Zespri margin 2021/22 financial year

As indicated in the December 2020 issue of *Kiwiflier*, and based on the latest February forecast, the Zespri fruit return margin percentage under the terms of the Enduring Funding Agreement is considered highly likely to reduce by 0.25 percent to 7.00 percent for the 2021/22 financial year.

Pools (Fruit Categories)	2020/21 February forecast (Per Tray)	2020/21 November forecast (Per Tray)	2020/21 February forecast (Per Ha)	2020/21 November forecast (Per Ha)
Zespri Green	\$7.27	\$7.11	\$74,263	\$72,611
Zespri Organic Green	\$10.31	\$9.95	\$65,074	\$62,801
Zespri SunGold Kiwifruit	\$12.26	\$12.05	\$175,002	\$172,083
Zespri Organic SunGold Kiwifruit	\$14.99	\$14.58	\$154,789	\$150,499
Zespri Green14	\$9.84	\$9.71	\$55,210	\$54,465

2021 LICENCE RELEASE: APPLICATIONS OPEN 26 MARCH

As communicated in December 2020, the Zespri Board has confirmed the continuation of the Zespri Licence Release programme for 2021. Zespri will allocate a further 700 hectares of conventional Zespri SunGold Kiwifruit licence, 50 hectares of Zespri Organic SunGold Kiwifruit licence and 350 hectares of Zespri Red licence.

The continuation of the Zespri Red licence release is based on the current expected 15 million tray market demand in Asia for Red19. Zespri plans to license 1,500 hectares from 2020 to 2023. All future licence releases are subject to the availability of quality budwood and the normal annual review process that is carried out at the end of each selling season.

On 25 February 2021 an updated version of the *Zespri Red19 New Variety Information Guide* (2021 Red19 NVIG) was made available on Canopy. This guide includes updated information for growers regarding what we have learnt from the 2020 harvest and storage season.

To protect the security of Zespri information, grower access to the latest Red19 NVIG is via Canopy only, and we are unable to email growers a PDF copy. External parties interested in bidding for Red19 licence and wanting to access technical information on growing Red19 are to register for access by contacting the Grower Support Services team. Upon meeting security requirements, a secure link will be provided, with access details monitored by Zespri. We appreciate and thank you for your understanding as we take these steps in order to protect our intangible assets, and our growers' investment in Zespri Kiwifruit.

An update on unauthorised G3 plantings in China will be communicated to growers prior to the licence application window opening on 26 March 2021.

Zespri Red budwood

As of 2 February 2021, the KVH Board approved the change in status for Whangārei from 'Containment' to 'Recovery'. This means that those Psa-V-positive orchards in the region can now receive plant material from outside the district. Those with a Psa-V-negative result will not be able to obtain budwood for this variety.

There is currently no certified Psa-V-free source of Red19 budwood, with all vines of Red19 located in Psa-V-positive regions. Red19 budwood is sourced from the cleanest sources (trial orchards) possible.

In accordance with KVH budwood movement protocols, there is still an exclusion of areas in the Far North and the South Island (Containment areas), or for any orchard that has not had a Psa-V-positive result. These exclusion areas and orchards cannot currently (as of 2 February 2021) obtain budwood for this variety. This may change in the future, which would then allow the above currently excluded areas the opportunity to grow Red19.

Refer to Canopy for more information, and the Zespri Red LAOR (once it is published on 15 March 2021) for detail on the risks and caveats regarding the provision of budwood.

If Bidders are uncertain on eligibility to receive Red19 budwood onto orchard, please contact KVH: 0800 665 825 or info@kvh.org.nz.

Visit the KVH website for updates to budwood movement protocols.

SUMMARY OF LICENCE RULES

The licence rules are largely the same as in 2020 under a Closed Tender Bid process for all pools.

Zespri Red

- 350 hectares will be released in total
- Minimum bid area of 0.50 ha per bid
- Maximum bid area of 15 ha per bidder (the maximum bid area for Red19 has increased from 5 ha to 15 ha per legal entity, in recognition of the increased available area from 150 ha in 2020, to 350 ha in 2021.)
- Every successful bid is valid and cannot be withdrawn based on price or success/failure of any other bid
- 2-year grafting window
- Royalty rate of 3%



Zespri SunGold Kiwifruit

- 700 hectares will be released in total
- No minimum bid area
- Maximum bid area of 30 ha (per bidder)
- Every successful bid is valid and cannot be withdrawn based on price or success/failure of any other bid
- 2-year grafting window
- Royalty rate of 3%



Zespri SunGold Organic Kiwifruit

- 50 hectares will be released in total
- Minimum bid area of 1 ha per bid (unless Zespri SunGold Organic Kiwifruit licence is already on your property)
- Maximum bid area of 10 ha per bidder
- Every successful bid is valid and cannot be withdrawn based on price or success/failure of any other bid
- Must be for new developments only (no Hayward cutover)
- 2-year grafting window
- Royalty rate of 3%



ONLINE LICENCE APPLICATION PROCESS AND TIMELINE

There are two ways to apply for a licence online:

1. Complete an application form by downloading Appendix 1 of the LAOR from Canopy
2. Complete an online application form via the Industry Portal (available from 26 March to 7 April).

To access the Industry Portal, log on to Canopy and click 'Industry Portal'. Under the Industry Portal, click on the 'Online Licence' tab. Your KPIN and legal entity details can be selected to pre-populate on the form. A copy of the application will then be emailed to you for you to print, view and finalise your bidding details.

All completed forms need to be submitted to Cooney Lees Morgan by scanning and emailing the forms to the email addresses listed at the bottom of the form, in sufficient time for it to be received at Cooney Lees Morgan prior to 5pm on 7 April. Bidders are asked to send a separate email for each application if they are submitting multiple bids. In the email subject line, Bidders will need to state how many bids are being sent e.g., Bid #1 of 5.

This year, you are required to send your application to a specific email address based on the tender you are applying for:

- zespri-red@clmlaw.co.nz
- zespri-gold@clmlaw.co.nz
- zespri-organic@clmlaw.co.nz

Easy to follow instructions for using your smartphone as a scanner can be found on Canopy. If you are unable to scan and email your documents, you must make prior arrangements with Cooney Lees Morgan for postal or courier delivery. During the application window, Cooney Lees Morgan's offices at Level 3, 247 Cameron Road, Tauranga will also be providing a free service for witnessing and scanning bids (COVID-19 Alert Level restrictions permitting). Your post-harvest operator may also be able to provide this service.

For assistance, or questions relating to licence applications, contact Zespri Grower Support Services on 0800 155 355, or email new.cultivars@zespri.com.

Note: The dates in the licence release timeline are indicative and may be subject to change at Zespri's sole discretion.

15 March	Licence Application Overview and Rules for all releases published on Canopy
26 March	Application process opens (email applications to the email address relevant to the tender you are applying for)
7 April	Closing date for Bids (5.00pm)
21 April	Preliminary Revenue Range announced
28 April	Pre-validation and collation of all Bids completed by Cooney Lees Morgan
29 April	Evaluation Panel makes decisions regarding allocation of licences and successful bidders notified by email as soon as possible thereafter (estimated 3 May onwards)
6 May	Deposit monies due for payment by EFT for successful Bidders (at least three days' advance notice will be given). This date is dependent on the date of notification to bidders.
25 May onwards	Licence packs distributed to successful Bidders
20 July	Deadline for paying settlement monies and meeting all other settlement requirements

CHINA UNAUTHORISED G3

Zespri's intention is to undertake a Producer Vote seeking grower support for a limited procurement trial of Chinese-grown G3 kiwifruit, as a key part of our strategy to manage the risks associated with unauthorised plantings in China. We are continuing to work closely with KNZ on the regulatory process, with timelines for the Producer Vote to be advised once confirmed.

China is an incredibly important market for Zespri. It is one of our largest sales markets, returns our highest OGR, and is a critical part of our future.

Through the last 20 years, we've focused on building an outstanding brand, trusted partnerships, strong relationships and we are recognised as a business that does things the right way. Our investment in relationships has also helped us to overcome a number of challenges. And every time we have faced adversity in China the answer has been to engage more, not less.

We're generating record returns, have become the first New Zealand company to be granted Key Trademark Protection Status in China by the Shanghai Intellectual Property Bureau, established ourselves as a trusted partner of the government on nutrition education initiatives and have also become Importer of Record.

None of that can be taken for granted and we must continue to adapt as China does. We will consider that history, our investment in the brand and our relationships along with our market position as we navigate our next challenge – the unauthorised G3 plantings.

THE PLANTINGS

At the end of 2020, the amount of unauthorised G3 hectares planted in China – predominantly in the Sichuan Province – had increased to approximately 4,000 hectares. With the latest grafting window only recently concluded, we expect this number to have increased, and we will provide a further update ahead of this year's New Zealand licence release.

Left unchecked, the scale of the plantings in China could become even more significant. Based on a range of modelling scenarios, in the next five years, Chinese growers could be producing anywhere between 30-90 million trays of class 1 equivalent fruit depending on local performance, the economics for local growers, the emergence of local brands, and the level of co-ordination and investment in the supply chain. To date, the evidence suggests that the local industry surrounding G3 is maturing rapidly.

The concern for New Zealand growers is around how China G3 volumes impact pricing and the value we derive in the medium-to-long term. While our ZGS season will undoubtedly be challenged as it competes head-to-head with local G3, the timing of the Chinese harvest means that approximately 30 percent of New Zealand-grown fruit is still in the market when local fruit becomes available.

While there will always be demand for New Zealand fruit, the reality is that if supply of local fruit of variable quality and competing local brands continues, it will be difficult to maintain consistent quality and value to meet the expectations of our consumers.

Over the past 12 months, we have worked to understand what our options are and the associated risks, and have undertaken regular and ongoing engagement with KNZ. Working with a broad and deeply experienced team of Chinese advisors – including our China Advisory Board which has been bolstered by the addition of former New Zealand Prime Minister Sir John Key – Zespri has put together a strategy looking at a range of legal/regulatory challenges, political engagement and commercial options, with the latter meaning a focus on protecting our channels and shoring up our existing partnerships.

What has been evident is that the current efforts on their own will not be enough to curb the spread of the unauthorised plantings and the impact on our brand and market position. If the plantings are left to grow unchecked it is clear that impact will grow larger over time, as the supply of local fruit and the competition presented by local brands increases and puts pressure on our quality to value for consumers.

Zespri is therefore proposing that the industry investigate a commercial solution which will help us influence the spread of plantings, hold our shelf-space and supply channels, and position Zespri as the quality kiwifruit offering in China across the full 12-month season.

THE PROPOSED COMMERCIAL TRIAL IN CHINA

Zespri believes a commercial trial, and developing partnerships, will allow us to start influencing the spread of unauthorised G3 plantings as well as protect our sales channels. It will also allow us to continue to investigate whether or not we can partner with local growers to hold our shelf space, our supply channels and our position as the quality kiwifruit offering across the full 12-month season.

This is an essential part of protecting value in China. If we are unable to offer our customers year-round supply, the space may be filled by variable-quality, lower-value alternatives which will set a new quality to value expectation in the market.

ZESPRI COMMERCIAL TRIAL FRAMEWORK



Up to 3-year trial with annual review



Evaluate orchard performance: yield, size, dry matter %, pest and disease



Evaluate if, how and when we can get Zespri quality fruit to the shelf – growing local



Test whether it meets consumer expectations



Explore whether there is a viable economic model for all parties

CHINA MARKET SNAPSHOT

China has been an important driver of strong returns for New Zealand growers. Sales revenue has more than doubled in the last five years, and there remains significant room for further growth.

2019/2020 sales

7.7 million
TE Zespri
Green Kiwifruit

20.6 million
TE Zespri
SunGold Kiwifruit

2.5 million
TE ZGS

Total revenue
\$736 million



Unauthorised G3 in China.

A commercial strategy is also motivated by what we have learned during our 20 years in China and what our advisors have continued to stress — that the answer to tackling issues in China is to engage more, not less. All of the evidence shows that this presents the best option for us in China, in this case with regards to having an impact on the further spread of unauthorised plantings and protecting the shelf space and value we have worked hard to earn with Chinese customers and consumers.

The Chinese Government is placing more and more emphasis on the development of the rural sector, and increasingly on the evolution of IP rights and the value of PVRs.

As our discussions have progressed both in Beijing and at the provincial level, the Chinese have expressed strong support for co-operating with Zespri as a means by which to demonstrate the value that PVR control can bring. A commercial trial is viewed as Zespri taking a pragmatic approach to a complicated and sensitive issue and they can see the value of working with us.

If successful, a commercial strategy offers four potential wins:

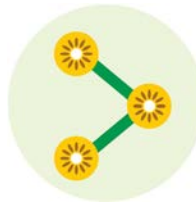
1. The potential to hold shelf space and value 12 months of the year through a partnership with Chinese growers.
2. Partnering with the best growers to deliver high-quality fruit year-round, rather than competing against them.
3. Providing a platform of engagement with central and provincial government from which to more effectively enforce our PVRs and to work on strengthening PVR protection in the longer term.
4. Mitigating the spread of the unauthorised plantings through building strong local partnerships and industry and political support.

STRATEGIC IMPERATIVES

Mitigating the risk of further spread through starting — already we're seeing investors hold off.



Showing intent and building relationship with key players — these relationships will be critical.



Testing the level of government and industry support — we need to know if they will support us.



A seat at the table — helping ensure we can participate in discussions on strengthening PVR protections.



HOW WOULD A COMMERCIAL TRIAL WORK?

An initial focus will be establishing whether there is the potential for a quality crop and supply chain which can deliver fruit to our standards and form the basis of a commercially viable business.

To be effective, it is likely that a trial would need to extend over a three-year period. This will allow sufficient time to test the performance of Chinese orchards, the ability to scale, the engagement of our partners, and importantly, the perception of the Chinese consumer to the potential of a Chinese-grown Zespri SunGold Kiwifruit in the counter season.

The trial will also give us an indication into whether such a partnership will help us limit the spread. Already anecdotal feedback from on the ground in China is that our efforts have slowed the investment in new plantings from the bigger commercial players as they wait to see how the trial progresses with the Sichuan State Owned Enterprise (SOE), the province's largest agricultural investment platform.

Each year, the trial would be subject to an objective annual assessment and approval process based on annual trial results.

In its first year, the trial would:

- Evaluate orchard performance and allow us to test whether fruit meets our standards
- Test the effectiveness of the supply chain

- See if Chinese G3 meets the expectations of our consumers and any impact localised production might have on the Zespri brand
- Assess the grower and supply chain economics
- Gauge the intent and conviction of Chinese stakeholders to assist in mitigating the future spread of G3

Over the coming months, Zespri will be looking to seek the industry's support and regulatory approval through a Producer Vote to progress a commercial procurement trial for the 2021/22 season.

This trial would be limited to the procurement of up to 200,000 TE of Class 1 equivalent fruit, sourced off approximately 50 hectares of existing Chinese G3 orchards. To help facilitate the trial and work with the local growers, Zespri will look to partner with the Sichuan SOE.

At the end of each trial year, we will report back to the industry and based on progress and results, make a recommendation as to whether or not we continue the trial in subsequent years. We will continue to work with Kiwifruit New Zealand during this process.

If at the end of the trial period we think that commercialisation of Chinese-grown G3 has merit, then we will discuss with industry how a commercial business model may work and seek grower support through another Producer Vote. The whole way through we will continue to engage and to make the data we gather during the trial available to help you make an informed decision.

KEY FEATURES OF A 2021 TRIAL



Up to 200,000 TE



Approx. 50ha in total



Agreement with Sichuan SOE



Fruit procured at orchard gate, monitored through supply chain



Sold through Direct Key Accounts



Marketing to test retail and consumer response

RISKS OF DOING THE TRIAL

Clearly there are some risks involved. In business there always is. What's important is whether those risks can be appropriately managed and whether they are in proportion to what is trying to be achieved. In this case, both the issue and the opportunity are significant and we are confident in the mitigations we would have in place.

KNZ cited the following three key areas where they believed that a potential commercial trial posed 'more than a low risk' to New Zealand producer interests. Zespri recognises these risks, and is confident we can successfully mitigate and manage them.

Risks of a trial	Zespri's proposed mitigations
Brand reputation and customer perception — food safety and quality	<ul style="list-style-type: none"> • Established Zespri pre- and post-harvest protocols • 100% residue testing • Contained sales channels through dedicated DKAs • Managed consumer engagement through Kantar
Transfer of on-orchard and post-harvest expertise	<ul style="list-style-type: none"> • Trial aligned to current pre-commercial processes • Zespri staff to manage and retain all trial data and technical specifications • Restricted and limited access to technical materials
Relationship with Government Stakeholders	<ul style="list-style-type: none"> • Open and transparent dialogue around trial parameters and regulatory process • Regular engagement at Provincial and Central government • Broad programme of engagement — government level Kiwifruit Dialogue platform

RISKS OF NOT UNDERTAKING A TRIAL

It is important the risks identified by KNZ are considered in the context of what we're trying to achieve and the consequences of not acting to protect our market position.

The reality is our plant variety was taken and planted, and has rapidly spread. The continued spread will affect our ability to maintain the value generated by Gold3. We see this time and again in horticulture when varieties are overplanted, markets are oversupplied and value is lost.

The potential risks we face include:

- Unconstrained growth of unauthorised plantings
- An oversupply of Gold3 fruit in market, including in our sales channels
- Price suppression due to oversupply
- Loss of opportunity to engage local Chinese consumers for all 12 months of the year.

In our discussions with the Chinese industry and Government, they understand this and one of the reasons they are focused on strengthening PVR protections is because they also want to protect their own growers from boom and bust cycles and create long term value.

In business, there is always risk. What's important is whether those risks can be appropriately managed and whether they are in proportion to what we're trying to achieve. In this case both the issue and the opportunity are significant.

We consider the trial the best option to explore our future commercial model and we will put in place mitigation measures to reduce the risks as much as possible.

NEXT STEPS

This proposal will be subject to a Producer Vote in the middle of this year, where Zespri will ask Producers to vote on whether or not they support the proposal.

Further information on this process will continue to be made available. In the meantime, Zespri welcomes grower feedback — please get in touch with your Grower Liaison Manager or contact Grower Support Services on 0800 155 355.

COVID-19: PREPARE FOR PROTOCOL CHANGE

As we get closer to harvest, the industry needs to ensure we are prepared for a change in COVID-19 protocols.

This might be required due to a change in regional or national COVID-19 Alert Levels in New Zealand in response to a community outbreak, or to respond to market access or customer requirements. There are ongoing

international discussions about the protocols required to ensure food safety and market access. These may result in changes, but those decisions are yet to be made. There are orchard protocols in place for operating at Alert Levels 2, 3 and 4 which outline how orchard activities should take place (available on NZKGI's COVID-19 webpage).

While masks are not currently required in our orchard protocols, requirements are subject to change and we should be prepared to respond. We know from the recent change in alert levels in Auckland that changes can occur very quickly and the industry needs to be prepared to respond in a matter of hours. Both post-harvest and orchard operations should be reviewing protocols and ensuring that they are

able to implement enhanced protocols quickly including the requirement to wear masks, ensure social distancing and monitor worker temperatures. Standard requirements around hygiene, contact tracing, sanitation and health checks should be in place at all levels, and a stock of PPE available to allow immediate implementation should alert levels rise.

MATURITY CLEARANCE SYSTEM UPDATE

As described in the January 2021 issue of *Kiwiflier*, the Maturity Clearance System (MCS) is the Zespri-created system to manage sampling and harvest clearance for residues and maturity clearance.

Following completion of the risk assessment and any required contingency plans, our MCS went live on Monday 1 March, with **taste payments to apply this season.**

New functionality continues to be added in the system with maturity area creation, KPIN and maturity area validation, residue requests and information downloads released in February.

We're also pleased to welcome Stu Taylor as our new MCS Manager, to oversee the work of the MCS Support Team.

Functions	Available
Orchard Information	✓
Site Requirements	✓
Hazards	✓
Maps	✓
Primary Contact Info	✓
Packhouse Contact Info	✓
Blocks	✓
Maturity Areas	✓
KPIN and Maturity Area Validation	✓
Sample Request	✓
Sample Results	✓

Grower training has kicked off online and in person at Zespri (COVID-19 Alert Levels permitting), and dedicated Post-harvest training sessions were undertaken during the first two weeks of February. There was great attendance in person and online, with good questions and feedback from those involved. See below for further sessions online and in-person.

Training dates

Grower sessions:

Online Thursday 15 April, 2:00pm-4:30pm

In-person at Zespri

Friday 9 April, 1:00pm-3:30pm

Growers and primary orchard contacts:

Register for a training session here: <https://zesprievents.eventsair.com/maturity-clearance-workshops/mcs/Site/Register>

To register for a training session, go to the MCS Training Schedule page on the Canopy. Growers can find more information on the Maturity Clearance System page on Canopy and the MCS site.

HOW DO I ACCESS THE MCS?

- Access MCS directly here: <https://mcs.zespri.com>
- Or, through Canopy here: <https://canopy.zespri.com/EN/grow/maturity-harvest/Pages/Maturity-Clearance-System.aspx>

**Note: Your Canopy login and password is required to access MCS, which does not automatically sign you in. If you need a Canopy login, contact Grower Support Services at 0800 155 355.*

GOT QUESTIONS?

Check out the MCS FAQs on Canopy for answers to all your questions on the new MCS: <https://canopy.zespri.com/EN/grow/maturity-harvest/Pages/MCS-FAQs.aspx>



ZESPRI APPOINTS NICK KIRTON AS EXECUTIVE OFFICER FOR NORTHERN HEMISPHERE SUPPLY

Zespri is pleased to announce that Nick Kirton has been appointed to the role of Executive Officer for Northern Hemisphere Supply, effective from 1 March 2021. The role is based in Bologna, Italy.

Zespri Chief Global Supply Officer Alastair Hulbert, says there were a number of talented candidates in the process from across the fruit and FMCG industries, and it's great to have been able to make an internal appointment to this role, following an international executive search through Korn Ferry.

"Mr Kirton brings a strategic vision for the future growth of Zespri Global Supply, underpinned by his understanding of Zespri's Northern Hemisphere Supply and his strong business and commercial acumen. He's an excellent communicator, who skillfully builds relationships with stakeholders," says Mr Hulbert.

Mr Kirton joined Zespri in 2014 as External Relations Manager based in Mount Maunganui. In 2018, he was appointed to the role of Programme Director – China Supply where he was responsible for overseeing

supply chain trials in China to assess whether Zespri could source kiwifruit from China as part of its 12-month supply strategy. In 2019, he was appointed to the role of Asia Regional Manager – International Production, where he currently manages supply operations in Korea and Japan. Prior to Zespri, Mr Kirton worked for the New Zealand Government, where he was involved in the negotiation of international trade agreements and held the role of Private Secretary (Economic Development).

Zespri thanks Damian Young for acting in the Executive Officer Northern Hemisphere

Supply role, in addition to his role as European Regional Manager. Zespri is also working to appoint an acting Asian Regional Manager.

"Zespri Global Supply has the potential for significant growth, and as Executive Officer Northern Hemisphere Supply, Mr Kirton will take a lead role in delivering this expansion project," says Mr Hulbert.

"We're looking forward to working with him in this capacity and wish him every success."



FROM THE MARKETS

ZESPRI'S *brand identity* ONE YEAR ON



One year since Zespri shared its refreshed brand identity at Berlin Fruit Logistica.

It's been one year since Zespri launched its refreshed look, a new brand vision and bold tagline. It was an extensive process, helping Zespri better connect emotionally with consumers and build a stronger, more intuitive brand identity.

Revealed at the world's leading fresh produce exhibition, Berlin Fruit Logistica, the new brand better reflects the company's purpose which is to help people, communities and the environment thrive through the goodness of kiwifruit. We're really proud of the refresh, which positions Zespri for our next phase of growth.

Zespri Chief Growth Officer Jiunn Shih explained the new brand has helped strengthen our position within the global market, and will continue to deliver greater returns for growers in the years to come.

"The brand refresh has been tremendously successful, but in a sense the work is never finished. We're fruit on a mission and we're on an ambitious journey to become one of the world's most-loved fruit brands," says Mr Shih.

"I'm delighted with the progress we're making following the refresh, and it's exciting to see the benefits coming through in terms of how consumers are responding.

"Our marketing teams around the world are harnessing this in delivering more impactful campaigns and communications, with greater consistency, and I'm really looking forward to building on this through 2021."

Globally, our teams are demonstrating the Zespri values and this has allowed us to provide the world with great tasting, fresh and healthy kiwifruit, enabling us to deliver some exceptional results in 2020/21.

While COVID-19 and its ongoing impacts continue to be a major focus for us, we're incredibly pleased with what we have achieved with our new brand so far.

Korea

10 million TE celebration

Congratulations to our team in Korea for achieving 10 million tray equivalents (TE)!

The team celebrated their success with distributors and agencies, reinforcing how grateful we are to have such strong partnerships which helped us achieve this goal. Thank you to our partners for their continued dedication while we strive for further growth of 20 million trays.



Our Zespri Korea team celebrate achieving 10 million TE.

Malaysia

Building our Kiwifruit brand during a pandemic

Zespri Kiwifruit is now on Malaysia's retail shelves enabling Malaysians to continue enjoying the goodness of kiwifruit.

With COVID-19 cases spiking in Malaysia, retailers are working hard to ensure essentials, as well as fruit, is always on the shelves for consumers. Zespri will continue to focus on raising its brand awareness through social media despite coming to the end of the New Zealand season. It's important to educate and remind our Malaysian consumers about Zespri's Vitamin C superiority which is crucial in supporting the body's immunity.





ZESPRI IN THE COMMUNITY

Surfing for Farmers - join us!

Whether you're a novice or a pro, Surfing for Farmers is a fantastic opportunity to get off the orchard or farm and join industry colleagues for a break in the surf.

Zespri are very proud to support this programme, which has grown rapidly from its early origins in Gisborne two years ago. Today, around 1,800 farmers and growers meet at the beach every week across 16 locations nationwide for a surf, a BBQ and a yarn.

This season's programme finishes up at the end of March, and we hope our kiwifruit growers can join in these rewarding sessions. For more information, visit <https://www.surfingforfarmers.com/>

Growing Region	Day	Time	Where	Head Coach
Ōhope	Tuesdays	5:30pm	West end	Phil Williams M: 027 499 5605 Oliver Dobbin M: 021 149 1972
Mount Maunganui	Thursdays	5:30pm	Corner of Banks and Marine Parade	Geoff Waite M: 027 601 4444 Sarah Hickey M: 027 554 925
Hawke's Bay	Every second Thursday	4:00pm	Waimarama Beach	Tim Wynne-Lewis M: 027 488 9719
Waihi Beach	Tuesdays	5:30pm	Waihi Beach, North end Surf Club	Mike Meade M: 027 659 0661



Farmers and growers catch-up for a surf at Mount Maunganui.



Surfing for Farmers supporting partners.



REGISTER NOW: 8 MARCH 2021

International Women's Day



Keynote speaker,
Sally Morrison.



Jesse Guru.



Teresa Ciprian.



Linda Munn.

Join us for a morning of inspiring speakers and engaging workshops on Monday 8 March as we celebrate International Women's Day.

We're delighted Sally Morrison (our keynote speaker), Jesse Guru, Teresa Ciprian, and Linda Munn will lead the morning's events before the opportunity to join interactive workshops, and we'll finish off the morning with a networking lunch.

This year, we'll be supporting charities including Tauranga Moana Women's Refuge, Shakti Women's Refuge and Awhina House, and we

encourage guests to donate an item to support these fantastic groups and their work in our communities.

When: Monday 8 March,
9:00am – 1:00pm

Where: Stadium Lounge, Trustpower Arena, 81 Truman Lane, Mount Maunganui

Registration link: <https://zesprievents.eventsair.com/international-womens-day/internationalwd/Site/Register>

Donations: Examples of items to donate are listed in the registration link.



SAVE THE DATE: 27 MARCH 2021

Fundraiser for the victims of the Whakaari/White Island eruption

On Saturday 27 March, Zespri and the wider New Zealand kiwifruit industry are coming together to support the victims, their families and the first responders affected by the devastating events at Whakaari/White Island.

We are working closely with local organisations on a charity rugby match between the kiwifruit industry team and New Zealand Parliamentary Rugby Team in Whakatāne, and we're delighted to share Zespri CEO Dan Mathieson will join us on the day.

Kickoff is at 2:15pm at Rugby Park with a gold coin donation, and we

have plenty of activities for children – including our smoothie bikes. Following the match, we'll have an auction with all proceeds going to the Eastern Bay Community Foundation's Whakaari Fund.

We hope growers and industry can join us as we show our support for those affected by the tragedy.

Register your interest to play in the kiwifruit industry team by emailing Brad Ririnui: brad.ririnui@zespri.com.

RSVP to attend the auction here: <https://zesprievents.eventsair.com/whakaari-charity-fundraiser-auction/whakaaricharityauction>.



ZESPRI IN THE COMMUNITY

Zespri supports KidsCan's Back to School appeal



Kiwi kids across the country are starting back at school, and many are without essentials like food, jackets and shoes.

To help make sure children are in their best position to learn, Zespri teamed up with KidsCan in February for a 24-hour campaign to match donations up to a total of \$10,000 as part of their Back to School appeal. The appeal aimed to raise \$350,000 to help provide warm jackets, food and shoes to kids in need.

Before the campaign kicked off, KidsCan had raised around \$202,000. We're delighted to share that a mere 24 hours later, donations from incredibly generous New Zealanders pushed this to more than \$332,000 – and since, KidsCan have reached their goal.

If you would like to make a donation to support KidsCan, visit www.kidscan.org.nz.

Stepping up for the House to House challenge



Zespri is proud to partner with Ronald McDonald House Charities and support families who have a child in a hospital away from home. That's why Zespri staff have taken up their 'House to House' challenge!

The challenge is to clock up 210km during the month of March and raise \$210 each while we're at it. Why 210km? This is the average distance a family travels to stay at Ronald McDonald House, and \$210 supports a family with accommodation,

toiletries on arrival and dinner for one night.

Team Zespri has a goal of 2,100km and \$2,100 and we'd love your support. Every donation counts, so get behind us and Ronald McDonald House Charities as we bike, swim, walk and run our way through March!

Find Team Zespri at fundraise.rmhc.org.nz/fundraisers/teamzespri

New member for the Ōtanewainuku family

We're incredibly proud to partner with the Ōtanewainuku Kiwi Trust who make a huge difference in our community by caring for our beautiful native kiwi.

The Trust works incredibly hard to restore and regenerate our local kiwi population. Zespri helps fund transmitting gear for tracking kiwis, helicopters on egg recovery operations in inaccessible parts of the

forest and covers the cost of egg hatching at Rainbow Springs. Zespri's bird crew includes Koko, Koura, Izzy and Sonny, and we were excited to learn Izzy and her partner Nino recently welcomed a healthy chick named Tūmanako.

More than 20 kiwi live in the Ōtanewainuku Forest and are thriving under the selfless care of the fantastic Ōtanewainuku Kiwi Trust team and volunteers.

Young Surf Lifeguards upskill to save lives

We're pleased to congratulate the 16 candidates who have successfully completed the Zespri Intermediate Lifeguard School (ILS), which recently took place in Tairāwhiti.

The two-day camp was made up of practical and theory-based sessions, designed to allow junior lifeguards to develop their skills, knowledge and understanding at an intermediate level.

As a Gold Partner of Surf Life Saving NZ, Zespri's support covers the cost of the Eastern Region's training programmes – making it much more accessible for lifeguards in the region to continue to improve their skills and knowledge.

SLSNZ Eastern Region Manager, Chase Cahalane, says the Zespri ILS is an important link in the development of young surf lifeguards.

"This incredible training opportunity empowers young lifeguards by building

upon their baseline lifesaving skills, introducing them to the broader pathways within the organisation, and helping to foster new life-long relationships with lifesaving colleagues from across the region," says Mr Cahalane.

"Our volunteer lifeguards are exceptionally skilled people that give countless hours to safeguarding the coastline. Zespri recognises the selfless contribution of these incredible people, and help further increase their capabilities."

Zespri is proud to support the SLSNZ Eastern Region's lifeguard training and help keep New Zealand's beaches safe.



Pictured left to right: Ōtanewainuku Kiwi Trust volunteers, Sheryl Peterson and David Brown; Warrenheip enclosure manager, Dave Harlen; and Zespri External Relations Advisor, Libby Twiss.

Help us name a kiwi!

Our Zespri family has another kiwi bird to name. Our community partner, The Ōtanewainuku Kiwi Trust, have a kiwi chick that needs naming and it is up to you!

Cute, funny and creative ideas all welcome. The name will be chosen in a few weeks time once the sex has been determined - unisex names are ideal!

Email your name suggestions to Zespri Communications: corporate.communications@zespri.com



16 junior lifeguards recently completed the Zespri Intermediate Lifeguard School.

2020/21 PROGRESS PAYMENTS FOR MARCH AND APRIL

CLASS 1 - APPROVED PROGRESS PAYMENT 15 MARCH 2021	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.29	\$0.30	\$0.35	\$0.30	\$0.25	\$0.25	\$0.30
Zespri Organic Green	\$0.46	\$0.15	\$0.70	\$0.45	\$0.35	\$0.35	\$0.70
Zespri Gold3	\$0.33	\$0.35	\$0.35	\$0.35	\$0.25	\$0.30	No supply
Zespri Organic Gold3	\$0.46	\$0.40	\$0.40	\$0.55	\$0.60	\$0.15	No supply
Zespri Green14	\$0.25	No payment	\$0.15	\$0.25	\$0.25	\$0.25	\$0.25

CLASS 1 - INDICATIVE PROGRESS PAYMENT 15 APRIL 2021	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
Zespri Organic Green	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
Zespri Gold3	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	No supply
Zespri Organic Gold3	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	No supply
Zespri Green14	\$0.10	No payment	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10

1. Progress payments for Class 1 are paid on submitted trays and reversed for onshore fruit loss.
2. Net Submit trays = gross submitted trays less onshore fruit loss trays.

MANDATORY DIRECT CREDIT FOR ZESPRI GROUP LIMITED DIVIDEND PAYMENTS

Major New Zealand banks have announced that from mid-2021 they will no longer be processing cheques. If you are a shareholder who still currently gets your dividends paid via cheque then you will need to get your bank account details loaded with Computershare to receive these via

direct credit. Computershare will no longer issue cheques from mid-2021 so to prevent any delay in receiving future dividend payments please update your records as soon as possible.

How to get bank account details loaded with Computershare

1. Using your username and password, log into Computershare to add these details: www.investorcentre.com/nz
2. Contact Computershare with your bank details and they will provide you with a direct credit form to be signed.
3. Contact Zespri with your bank details and we will provide you with a direct credit form to be signed

Update your details online 24 hours a day, seven days a week.

Mail: Computershare Investor Services Limited, Private Bag 92119, Auckland 1142, New Zealand
Email: enquiry@computershare.co.nz
Phone: +64 9 488 8777

Email: shares@zespri.com or
Phone: on 0800 155 355

FINANCIAL COMMENTARY

Progress payments

Progress payments have been calculated to ensure cash is returned to the grower as quickly as possible and fairly across all sizes. Payments have been set so that the percentage of total fruit and service payments across the sizes are equal where possible.

Sizes will not receive a progress payment where the percentage of total fruit and service payments paid to date are higher than the other sizes in the same pool.

March 2021 approved progress payments on Net Submit trays

Approved per tray progress payments for 15 March 2021:

Class 1	
Zespri Green	\$0.29
Zespri Organic Green	\$0.46
Zespri Gold3	\$0.33
Zespri Organic Gold3	\$0.46
Zespri Green14	\$0.25

April 2021 indicative progress payments on Net Submit trays

Indicative per tray progress payments for 15 April 2021:

Class 1	
Zespri Green	\$0.10
Zespri Organic Green	\$0.10
Zespri Gold3	\$0.10
Zespri Organic Gold3	\$0.10
Zespri Green14	\$0.10

Orchard Gate Return

The OGR calculations reflect post-harvest cost data compiled by Ingham Mora Limited in December 2020, the February 2020/21 forecast fruit loss percentages and current productive hectare information.

SHARE BRIEFS

As at 18 February 2021, the last Zespri share price trade was \$9.40 traded on 11th February 2021. There were six buyers at \$9.10, \$9.15, \$9.25, \$9.28, \$9.35 and \$9.40. There were two sellers at \$9.50 and \$9.55.

To trade Zespri shares please contact one of the registered USX brokers – See <https://canopy.zespri.com/EN/grow/zespri/Shares> for more information.

For all other general shareholder enquiries, please contact the Zespri Grower Support Services team on 0800 155 355.

The graph below shows the price per share that has been traded with USX and the corresponding number of shares for each trade.

Want to see current buyers and sellers?

To get a list of the price for current buyers and sellers and the associated shares go to <http://www.usx.co.nz>. The Zespri Group Limited listing code is 'ZGL'. The USX website shows:

- Latest prices
- Market depth – to see the parcels of shares for sale and the parcels and price that buyers are seeking
- Last 10 trades
- Market announcements

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Go to www.reapp.io to download the app.

Below is the current Market Depth information as at 18 February 2021.

Quote Line Thursday 18 February as at 11.20am						
Code	Bid (\$)	Offer (\$)	Last (\$)	High (\$)	Low (\$)	Volume
ZGL	9.400	9.500	9.400	0.000	0.000	0

Market Depth					
BIDS			OFFERS		
Orders	Quantity	Price (\$)	Price (\$)	Quantity	Orders
1	10,000	9.400	9.500	2,000	1
1	4,000	9.350	9.550	2,000	1
1	2,000	9.280			
1	12,680	9.250			
1	10,800	9.150			
1	15,000	9.100			

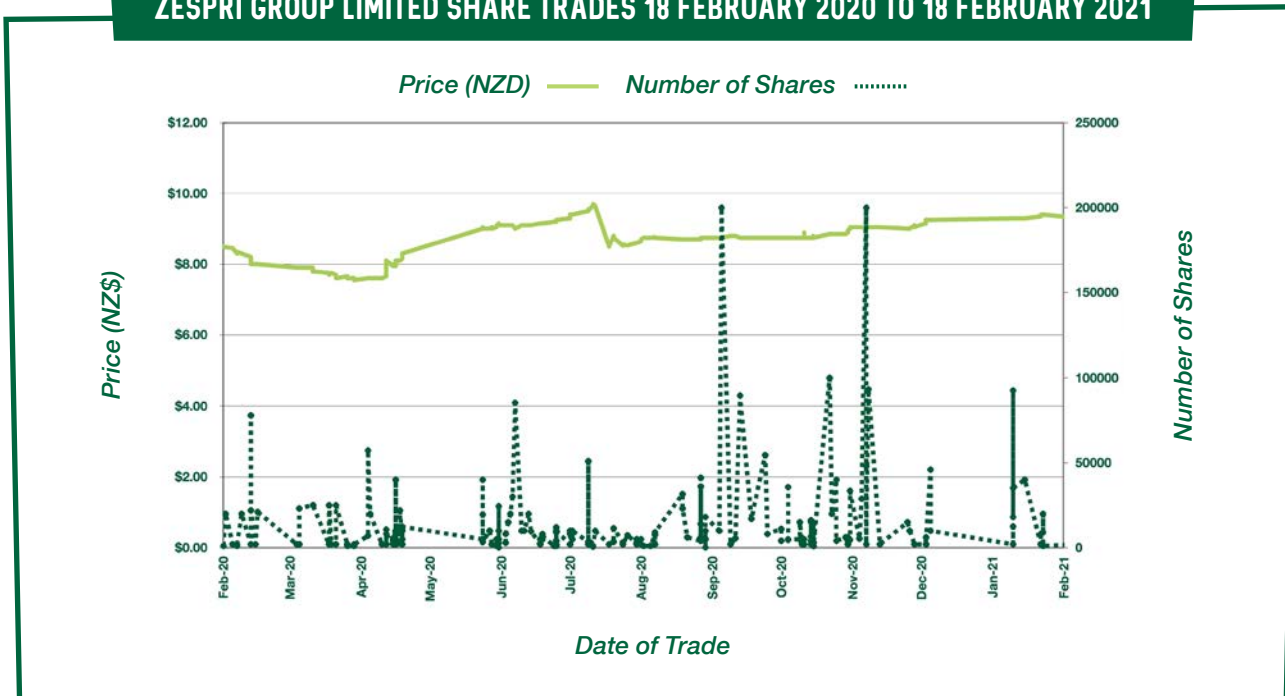
Last 10 Trades			
Date/Time	Quantity	Price (\$)	Value (\$)
11/02/21	1,000	\$9.40	9,400.000
11/02/21	20,000	\$9.40	188,000.000
11/02/21	9,000	\$9.39	84,510.000
10/02/21	8,000	\$9.39	75,120.000
10/02/21	2,000	\$9.35	18,700.000
3/02/21	40,000	\$9.30	372,000.000
29/01/21	35,000	\$9.30	325,500.000
29/01/21	18,000	\$9.30	167,400.000
29/01/21	92,475	\$9.30	860,017.500
29/01/21	2,000	\$9.30	18,600.000

Director share trading

For the month of February (as at 18 February), there were no shares traded by entities associated with Zespri Directors. See the Canopy for details: Canopy > Growing Zespri Kiwifruit > Working with Zespri > Shares. Alternatively search for 'Director Shares' using the search function.

Please note, that at any time that content for the *Kiwiflier* is finalised for publication, there may be some trades associated with director entities which have been matched and transacted, but the paperwork has not yet been received by Zespri or Computershare. As such, there may be some lags in reporting trading by entities associated with directors. Zespri will however ensure that as at the end of each month, the Director Share Holdings and Transfers document on the Zespri Canopy will always provide the most up to date information held by Zespri.

ZESPRI GROUP LIMITED SHARE TRADES 18 FEBRUARY 2020 TO 18 FEBRUARY 2021



CLASS 1 FRUIT AND SERVICE PAYMENTS AND TIMINGS

(INCLUDING LOYALTY PREMIUM)

The following charts show when Fruit and Service Payments (including Loyalty) are made throughout the season (to two decimal points).

Actual payments made YTD are above the dotted line with the average amount paid.

Payments yet to be made are indicated below the dotted line.

- Submit is paid in the early months when fruit is submitted into inventory.
- Pack and Time, and KiwiStart are paid on FOBS, i.e., when fruit is shipped. Some of the Supplier Accountability payments are subject to SLA terms.
- There are no Taste Zespri payments in the 2020 season.
- Progress is paid in the remaining months at levels subject to Zespri Management approval.
- Average payments per TE are based on the 2020/21 February forecast trays and actual payments to date.
- YTD amounts for Pack and Time may move from previous *Kiwiflier* issues due to SLAs being paid late in a month.
- Gold3 and Organic Gold3 are in separate pools for the 2020 season; the Gold Organic Premium is therefore no longer applicable.

ZESPRI GOLD3 FEBRUARY								
Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD	
\$2.80	\$0.11					\$2.91	18%	
	\$0.09					\$3.01	18%	
	\$0.08					\$3.09	19%	
	\$0.06			\$1.79		\$4.93	30%	
	\$0.20	\$0.35		\$2.24		\$7.73	47%	
	\$0.42			\$2.31		\$10.47	63%	
	\$0.27	\$0.39		\$1.15		\$12.28	74%	
	\$0.16	\$0.04		\$1.68		\$14.16	85%	
	\$0.01	\$0.03		\$1.08		\$15.28	92%	
					\$0.10	\$15.38	93%	
		\$0.01		\$0.55		\$15.93	96%	
				\$0.33			98%	
				\$0.10				
					\$0.15		100%	
\$2.80	\$1.41	\$0.83	\$0.00	\$10.80	\$0.10	\$15.93		
\$0.00	\$0.00	\$0.00	\$0.00	\$0.53	\$0.15	\$0.68		

Total fruit and service payments - 2020/21 Forecast **\$16.61**

ZESPRI ORGANIC GOLD3 FEBRUARY								
Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD	
\$2.80	\$0.03					\$2.83	15%	
	\$0.07					\$2.90	16%	
	\$0.09					\$2.99	16%	
	\$0.09			\$2.11		\$5.19	28%	
	\$0.14	\$0.24		\$3.05		\$8.62	47%	
	\$0.27			\$2.63		\$11.52	62%	
	\$0.04	\$0.27		\$1.56		\$13.39	72%	
	\$0.05	\$0.02		\$2.05		\$15.51	84%	
	\$0.17	\$0.00		\$1.26		\$16.94	91%	
					\$0.10	\$17.04	92%	
		\$0.00		\$0.66		\$17.70	96%	
				\$0.46			98%	
				\$0.10				
					\$0.15		100%	
\$2.80	\$0.95	\$0.53	\$0.00	\$13.32	\$0.10	\$17.70		
\$0.00	\$0.00	\$0.00	\$0.00	\$0.67	\$0.15	\$0.82		

Total fruit and service payments - 2020/21 Forecast **\$18.52**

ZESPRI GREEN FEBRUARY							
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	% of Pool Paid YTD
Apr-20	\$2.25	\$0.01					21%
May-20		\$0.07					22%
Jun-20		\$0.04					22%
Jul-20		\$0.04			\$1.35		35%
Aug-20		\$0.11	\$0.13		\$0.81		45%
Sep-20		\$0.31			\$0.79		56%
Oct-20		\$0.32	\$0.15		\$0.98		69%
Nov-20		\$0.21	\$0.02		\$0.94		80%
Dec-20		\$0.28	\$0.06		\$0.61		89%
Jan-21						\$0.10	90%
Feb-21			\$0.01		\$0.37		94%
Mar-21					\$0.29		97%
Apr-21					\$0.10		
May-21							
Jun-21						\$0.15	100%
Paid YTD	\$2.25	\$1.40	\$0.36	\$0.00	\$5.83	\$0.10	\$9.94
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.50	\$0.15	\$0.65

Total fruit and service payments - 2020/21 Forecast **\$10.59**

ZESPRI ORGANIC GREEN FEBRUARY							
Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
\$2.25						\$2.25	17%
	\$0.01					\$2.26	17%
	\$0.01					\$2.27	17%
	\$0.02			\$2.45		\$4.73	36%
	\$0.10	\$0.20		\$1.16		\$6.19	47%
	\$0.22			\$1.08		\$7.49	57%
	\$0.20	\$0.19		\$1.28		\$9.15	70%
	\$0.10			\$1.22		\$10.47	80%
	\$0.16			\$0.92		\$11.54	88%
					\$0.10	\$11.64	89%
	-\$0.01	\$0.01		\$0.60		\$12.23	94%
				\$0.46			97%
				\$0.10			
					\$0.15		100%
\$2.25	\$0.80	\$0.39	\$0.00	\$8.69	\$0.10	\$12.23	
\$0.00	\$0.00	\$0.00	\$0.00	\$0.66	\$0.15	\$0.81	

Total fruit and service payments - 2020/21 Forecast **\$13.04**

ZESPRI GREEN14 FEBRUARY							
Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
\$2.80						\$2.80	21%
						\$2.80	21%
						\$2.80	21%
				\$2.74		\$5.50	41%
				\$0.80		\$6.57	49%
				\$2.86		\$9.42	71%
				\$0.66		\$10.35	78%
				\$1.25		\$11.61	87%
				\$0.36		\$11.97	90%
					\$0.10	\$12.07	91%
						\$12.61	95%
				\$0.25			97%
				\$0.10			
					\$0.15		100%
\$2.80	\$0.00	\$0.50	\$0.00	\$9.21	\$0.10	\$12.61	
\$0.00	\$0.00	\$0.00	\$0.00	\$0.55	\$0.15	\$0.70	

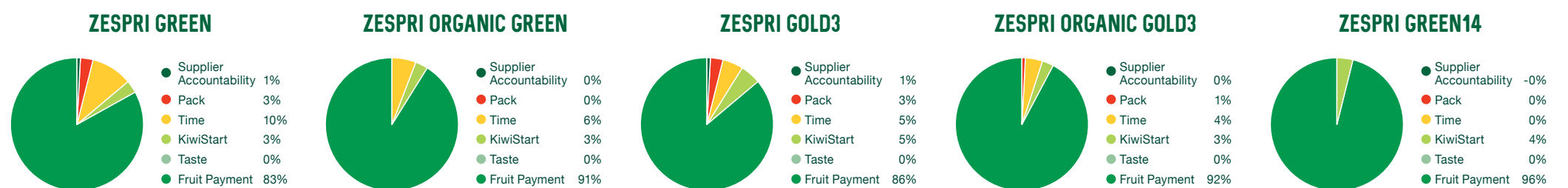
Total fruit and service payments - 2020/21 Forecast **\$13.31**

Note 1: The submit and progress payments detailed in the tables are based on net submit trays.
 Note 2: Rates per TE of \$0.00 have values of less than \$0.005.

Amounts above are not rounded to two decimal places, therefore rounding differences may apply.

2020/21 SEASON GROWER PAYMENT PORTIONS – TOTAL FRUIT AND SERVICE PAYMENTS

2020/21 FEBRUARY FORECAST



FULL YEAR FORECAST RETURN AND ORCHARD GATE RETURN (OGR) – INDUSTRY AVERAGE ONLY

Full-Year Return	2020/21 - February Forecast						2019/20 - Actual				
	Zespri Green	Zespri Organic Green	Zespri Gold3 ¹	Zespri Organic Gold3 ¹	Zespri Green14	All Pools	Zespri Green	Zespri Organic Green	Zespri Gold3 and Organic Gold3 ¹	Zespri Green14	All Pools
Total Forecast:											
Total trays supplied (m)	67.6	2.8	85.5	1.5	0.3	159.7	68.7	2.8	73.7	0.4	148.1
Kilograms supplied (m)	236.7	9.5	300.2	5.1	0.9	559.8	241.3	9.7	258.7	1.4	519.5
Average size per tray	33.8	37.1	29.7	30.1	37.7		32.9	36.0	29.5	37.3	
Fruit payments (\$m)	580.0	32.0	1,208.1	24.4	3.4	1,865.4	281.6	15.7	466.2	2.6	782.5
Fruit incentives (\$m)	24.1	1.1	70.6	0.8	0.1	96.7	285.3	15.9	600.2	1.5	905.9
Service costs (\$m)	94.5	2.2	120.8	1.4	0.0	219.2	109.4	2.5	115.8	(0.0)	228.6
Fruit and service payments excl. loyalty premium (\$m)	698.6	35.3	1,399.5	26.5	3.5	2,181.2	676.4	34.1	1,182.1	4.1	1,917.0
Total Forecast per tray (\$):											
Submit payment	2.25	2.25	2.80	2.80	2.80		2.25	2.25	2.80	2.80	
Progress payments (including ORGANIC GOLD Premium for 2019 Season)	6.33	9.35	11.33	13.99	9.76		1.85	3.39	3.52	3.79	
Total fruit payments per net submit trays	8.58	11.60	14.13	16.79	12.56		4.10	5.64	6.32	6.59	
KiwiStart ²	0.26	0.35	0.74	0.51	0.55		0.52	1.08	0.70	0.75	
Taste Zespri	0.00	0.00	0.00	0.00	0.00		3.54	4.59	7.38	3.22	
Supplier Accountability	0.10	0.04	0.08	0.02	-0.05		0.09	0.03	0.06	-0.05	
Fruit incentives	0.36	0.39	0.83	0.53	0.50		4.15	5.71	8.14	3.92	
Pack type	0.36	0.06	0.55	0.21	0.00		0.57	0.13	0.76	-0.00	
Time payment	1.04	0.74	0.86	0.75	0.00		1.03	0.77	0.81	0.00	
Service costs	1.40	0.80	1.41	0.95	0.00		1.59	0.90	1.57	-0.00	
Class 1 fruit and service payments per net submit trays	10.34	12.79	16.36	18.27	13.06		9.85	12.24	16.04	10.50	
Loyalty premium	0.25	0.25	0.25	0.25	0.25		0.31	0.31	0.31	0.31	
Class 1 fruit and service payments with loyalty per net submit trays	10.59	13.04	16.61	18.52	13.31		10.16	12.56	16.35	10.82	
Less: onshore fruit loss	-0.07	-0.04	-0.16	-0.18	-0.00		-0.16	-0.13	-0.22	-0.03	
Fruit loss percentage ³	0.65%	0.30%	0.93%	0.99%	0.01%		1.60%	1.00%	1.35%	0.30%	
Class 1 fruit and service payments per gross submit trays	10.52	13.00	16.46	18.34	13.31		10.00	12.43	16.13	10.78	
Plus Class 2 Return	0.16	0.29	0.09	0.19	0.04		0.20	0.41	0.08	0.06	
Plus Non-Standard Supply (NSS) ⁴	0.01	0.03	0.02	0.23	0.00		0.01	0.06	0.05	0.06	
Plus Other Income (Non dividend) ⁵	0.02	0.01	0.02	0.02	0.01		0.01	0.01	0.01	0.01	
Average revenue per gross submit trays	10.71	13.34	16.59	18.77	13.36		10.21	12.91	16.27	10.91	
LESS: Post-harvest costs deducted⁶											
Base packing and packaging	-1.54	-1.57	-2.33	-2.33	-2.44		-1.46	-1.56	-2.23	-2.23	
Pack differential	-0.36	-0.06	-0.55	-0.20	0.00		-0.56	-0.13	-0.75	0.00	
Base cool storage	-0.88	-0.88	-0.90	-0.86	-0.91		-0.85	-0.84	-0.85	-0.86	
Logistics	-0.14	-0.16	-0.15	-0.13	-0.16		-0.14	-0.15	-0.15	-0.16	
Time and CC/RK charges	-0.51	-0.36	-0.41	-0.26	0.00		-0.54	-0.34	-0.43	0.00	
Total post-harvest costs per gross submit trays	-3.44	-3.03	-4.33	-3.78	-3.51		-3.54	-3.03	-4.41	-3.25	
OGR per gross submit trays	7.27	10.31	12.26	14.99	9.84		6.67	9.88	11.86	7.66	
Average industry yield per productive hectare⁷	10,214	6,311	14,276	10,324	5,609		10,093	6,450	13,627	5,685	
Number of productive hectares⁸	6,659	439	6,047	142	48		6,915	437	5,483	70	
OGR per hectare	\$74,263	\$65,074	\$175,002	\$154,789	\$55,210		\$67,295	\$63,734	\$161,660	\$43,550	
Average kilogram per tray⁹	3.50	3.45	3.51	3.51	3.43		3.51	3.47	3.51	3.44	
OGR per kilogram	2.08	2.99	3.49	4.28	2.87		1.90	2.84	3.38	2.22	

Notes:

- Gold3 (SunGold) Organic has been established in its own pool for the 2020/21 season, where previously it was combined with Gold3 (SunGold) Conventional.
- KiwiStart includes Priority Premium payments. These are period one related payments that apply to fruit shipped in the applicable weeks and vessels.
- Fruit loss percentage includes ungraded fruit inventory losses.
- Zespri does not procure NSS in all categories, returns are as reported in the Ingham Mora post-harvest survey.
- Other Income may include any Service Level Agreement payments, Class 3 income and interest.

6. Post-harvest cost data was compiled by Ingham Mora Limited in December 2020.

7. The average industry yield per hectare equals Class 1 volumes submitted divided by productive hectares. Average yield levels are calculated based on current volume data incorporating the actual FOBS data with actual onshore fruit loss percentages. The OGR may be distorted by the inclusion of orchards in the first years of production in the calculation.

8. Productive hectare information is sourced from the Grower Support Services database and includes all hectares described by growers as producing vines.

9. Average kilograms per tray are derived using the individual size conversions published in the specific season's Pack Conversion Guide.

Note the amounts above are not rounded to two decimal places, therefore rounding differences may apply.

PEST MONITORING UPDATE

With the current pest monitoring programmes taking place, the industry is continuing to better understand the impact scale and other pests may have on the ability to retain market access to China, once a final protocol is agreed.

As growers will be aware, Zespri and post-harvest facilities are continuing to work closely to ensure the industry is aware of pest finds, management options for integrated pest management, and creating educational resources around seasonal management differences. For example, the benefits of summer oil spray application being regularly communicated throughout the industry.

Pest monitoring for this season is now underway, and growers are encouraged to familiarise themselves with the action sheets available on Canopy. The action sheet clearly steps out what the thresholds are for these pests and what actions need to be taken to retain market access to China. These actions also help support access to other markets, like clearing your load out area of host weeds for wheat bug (a major pest for other markets).

If you've had monitoring done, but haven't seen the results yet, you can find these in *Spray Diary* under 'Pest monitoring'. If you have been advised of any pests over the threshold and have taken action, please ensure this is recorded in your *Spray Diary* as soon as possible.

If you have any further questions on what your monitoring results mean, what actions should be considered, and how this may affect market access for your fruit, please contact melanie.walker@zespri.com, or your Pest Monitoring Centre (PMC).

A reminder, management of these pests for the 2022 season starts as soon as you harvest your 2021 crop – for example, a post-harvest Movento. Use of this product requires a justified approval as it is off label, but there is work from Plant & Food Research demonstrating this can be beneficial. This is especially important if a summer oil spray wasn't applied, but scale levels were above four percent.

FAQS

I registered in late 2020 but haven't heard anything from my PMC – am I covered?

Give your pest monitoring centre a call to confirm they've received your registration.

I have results but I don't know what to do with them.

There is an action sheet on Canopy that highlights what action can be taken once thresholds are reached. If you have any concerns though, give the Pre-harvest team a call.

WATCH OUT FOR WHEAT BUG

Wheat bug is becoming an increasingly problematic pest for our markets, including Australia, China and the USA. If this pest is found on fruit, it cannot be exported to these markets.

Now is the best time to be controlling wheat bug. While you're getting organised for harvest, one of the things you'll want to check off your list is spraying off or weeding your loadout area.

Open gravelly areas are perfect hideouts for wheat bug, that particularly likes crawling into bins and causing havoc in the

markets. This pest won't damage your fruit, but it will cause you headaches if it's in your bins.

The weed we tend to find it in most is wireweed, but also in allseed, cudweed and sandspurry. These are found on most gravel areas. If you've got these weeds, you'll want to get rid of them.

Prepare loadout areas early, and make sure they're weed-free for at least a few weeks before you bring bins in to give these critters time to find a new home where they're not going to cause you any hassles.



Wheat bug.



Wireweed.



Allseed.



Cudweed.



Sandspurry.

SUMMER SCALE MANAGEMENT SORTED

The China Protocol requirements have brought into focus the need for growers to implement good practice scale management and our Global Extension Team are focused on supporting growers in that journey.

In collaboration with the Innovation Team, we have established demonstration trials designed to help build grower confidence in the programme that has been promoted for the summer management of scale on Gold3, including oil application and post-harvest Movento.

The six sites are located from Katikati to Ōpōtiki. Prior to harvest, we will be holding open days for industry to visit the sites and talk with growers and the Global Extension Team about their experiences with the programme.

These open days will be advertised via the usual channels, including *KiwiTips*.

Grochem have also recently initiated a label change to add Gold3 to the Excel® Organic Oil label for summer use, which has been approved by ACVM (the Government agency responsible for the safe use of agrichemicals).

SPRAY CONTRACTOR MINIMUM QUALIFICATIONS

Minimum qualifications of spray contractors (spraying for reward) has changed. These changes happened several years ago through the EPA, but due to initial course content, would not have been relevant to those using airblast sprayers.

Spray contractors are now expected to hold their Registered Chemical Applicator Certificate (RCA). The RCA is only obtainable after completing a fees-free National Certificate in Agrichemical Application (NCAA).

Growsafe have been working to create a recognition of current competency (RCC) in connection to the NCAA. Zespri is currently creating a 'how to' document for all spray contractors to keep this process as simple as possible, including expected timelines, and we will email all spray contractors the requirements in detail.

For more information, please contact preharvest.mailbox@zespri.com.



KEY FOCUS: MARCH GLOBAL EXTENSION TEAM

Pre-harvest
preparationPaperwork
preparationDeciding when
to harvestPreparing for
next season

THE MONTH AHEAD: MARCH

Pre-harvest preparation

In the lead up to the start of harvest, there are a number of jobs and decisions to be made. Review the 'Maturity and Harvest' page on Canopy where you will find information to help you understand how you can ensure the quality and maturity of your fruit is optimal at the time of harvest and has maximum storage potential.

A detailed and updated pre-harvest checklist can be found on Canopy. We have included some of the main things to action in this month ahead. We encourage you to read the information below and use the online checklist.

Preparing the crop

- Identify any unhealthy vines by hanging visual markers on them and inform samplers not to sample from these vines.
- Assess reject levels to decide if a cosmetic thin is appropriate. This thin can improve harvest efficiency and post-harvest operations – but make sure it's necessary. Go to Canopy > Zespri & The Kiwifruit Industry > Tools & Calculators > Calculators & Apps > Thinning Cost-Benefit Calculator to estimate the benefit of thinning fruit before harvest.
- Tie up low-hanging fruit that is in the way of sprayers. Significant fruit damage can occur during clean-up sprays and this fruit will suffer from higher reject rates.
- Ensure your maturity areas are appropriate. Mark any late flowering areas in the orchard as these may mature later and so should be in a separate maturity area.

Preparing the site

- Re-visit Psa and COVID-19 orchard hygiene protocols. Harvest is a time of high foot traffic in the orchard.
- Get block identifiers and signage updated and in place, and matching the orchard map.
- Is the orchard gate signage is up-to-date with the primary contact's phone number, and is there a clearly marked parking area for pickers?
- Health and safety – it's important that everyone coming onto your orchard remains safe. Walk your orchard to identify and mark hazards. Make it clear what sign-in or induction processes are required. Make sure you notify the post-harvest team and contractors of any hazards.
- Ensure you have a COVID-19 QR code poster displayed, and ensure everyone entering the orchard scans in.
- Mow the grass – holes can't be seen if the grass is long, making it hazardous. If the grass is too long, samplers may not enter the orchard.
- Ensure your load out areas are weed-free and smooth. Are the routes for harvesting machinery safe and in good condition?
- Make sure neighbouring blocks on your orchard aren't being sprayed – samplers will walk away from your orchard if spraying is in progress, or if fruit is still wet from sprays.

Preparing tools and services

- Ensure machinery is serviced and in safe working condition to prevent hold-ups.
- Check that you have enough clean toilets and handwashing facilities, including hand sanitiser, and that potable water is available.

Prepare the paperwork

- Check your primary contact details are up-to-date in the Zespri Industry Portal (access this from Canopy)
- Sign and return your Schedule 5 Zespri Supply Agreement (yellow form) – clearance tests can't be ordered until this is done.
- Read through information on GRASP to ensure you meet the requirements – are your contractors and sub-contractors registered with Zespri and have you sighted their CAV? Visit the GAP and GRASP contractor list to check – and make sure your contractor isn't on the suspended list.
- Check your *Spray Diary* is up-to-date and all sprays have been entered. Run a 'test audit' to check if there are any issues.
- Ensure your packhouse has requested a residue sample. These can take up to two weeks to process and they are valid for 42 days.

KiwiStart or not?

- March is a time when some growers are asking whether now is the time to harvest or not. Early monitoring rounds will help with the decision around KiwiStart. Remember it's not just about dry matter – you also need to have high enough brix levels and colour.
- Consider your fruit size profile – how much it is likely to increase, and what will the profile look like at different harvest dates? Will it be big enough for KiwiStart?
- The OGR Estimators are available again this season to assist in this decision-making. Go to Canopy > Zespri & The Kiwifruit Industry > Tools & Calculators > Calculators & Apps > OGR Estimator.
- Remember that it is very important to keep communicating with your packhouse – harvest is a carefully orchestrated process with many moving parts.

Preparing for next season

- It might seem crazy to think so far ahead when you are only just harvesting this year's crop, but now is a good time to check your vines and structures:
- Tag any stressed/wilted vines so that you can check these next year.
- Look for any low-hanging areas and check these structures, making a note to fix any that need it during winter.
- Review your scale results and consider post-harvest control, being mindful of residue risk on blocks that have not been harvested.

GROWERS TAP INTO IRRIGATION EXPERTISE

More than 360 growers and orchard managers attended one of the ten irrigation basics workshops delivered by the Zespri Global Extension Team (GET) in January.

Workshops in Northland, Auckland and the Bay of Plenty focused on calculating kiwifruit daily water needs and irrigation scheduling requirements based on canopy cover and evapotranspiration rates. In Hawke's Bay and Gisborne, the focus was on testing irrigation system efficacy using a practical bucket test.

Growers left both workshops with knowledge on practical ways to optimise production and optimise irrigation practices. Feedback has been incredibly positive – in evaluation forms,

99 percent of attendees said they learned something new, and 91 percent said they would implement actions (such as calculating water requirements, measuring soil moisture, or conducting a bucket test) on their orchard as a result of what they learned.

For those who missed the workshops or would like a recap, the workshop booklets are available on the 'Water Management' page on Canopy (Canopy > Growing Kiwifruit > Orchard Management > Nutrition, Soil & Water > Water Management). Spreadsheets to help with daily water requirement and irrigation scheduling calculations will soon be available there too.



Trevor Lupton shares irrigation scheduling information under the vines in Kerikeri.



Zespri NZ Extension Delivery Manager, Osamu Francis (right) helps participants complete a bucket test in Hawke's Bay.



Nick Briant talks about water stress and fruit size in Opotiki.

HAIL EVENT IN NELSON

The challenges that each season presents means we need to be able to respond and adapt accordingly in order to meet the needs of our growers.

The obvious seasonal issue for our Motueka growers is of course the Boxing Day hail event. The Global Extension Team have been providing support in terms of sharing available technical information based mainly on experiences and trials at past hail affected sites. Thanks to the support and excellent attitudes of Motueka growers, we have been able to use this catastrophic event as a learning opportunity for the future benefit of the whole industry.

Motueka growers are all too familiar with the impact of hail and techniques for recovery, however, the particular challenge with this event was the level of damage to canopy so late in the season, and how to optimise canopy recovery for the 2022 harvest.

Zespri Global Trials and Data Insights Manager, Sonia Whiteman spent time with some of the local growers setting up trials. These trials involved looking at ways to optimise canopy recovery, including the impact of removing fruit versus holding fruit and retaining existing canopy versus methods of encouraging late season replacement growth.

The outcomes of these different approaches won't be known until after flowering and harvest in 2022, but it will

hopefully increase our knowledge on vine recovery.

Speaking about the trial, grower Andrew Drummond said the decision to be involved was a "no-brainer".

"The reality is it's not 'if' but 'when' we get another hail event, and if this work allows us or other growers to answer some of the questions we are grappling with now, I am all for it".



While in the region, Sonia Whiteman and Grower Liaison team members Sue Groenewald and Tom MacMorran hosted a field day for hail affected growers visiting three properties. This gave growers the opportunity to share their experiences and discuss recovery options.

NZKGI LAUNCHES 2021 LABOUR ATTRACTION CAMPAIGN

NZKGI is launching its 2021 labour attraction campaign and is encouraging growers to connect with pickers to display the friendly side of orchards.

"We want our seasonal workers to have great experiences," says NZKGI CEO, Nikki Johnson.

"Growers should know who are on their orchards and we are encouraging everyone to extend a warm welcome to those rolling up their sleeves for this year's harvest."

An important part of the NZKGI labour attraction strategy is an outreach programme to potential New Zealand sources of seasonal workers, in particular seniors and tertiary students. This year, NZKGI is also working closely with the Ministry of Social Development (MSD) and the Ministry for Primary Industries (MPI) to ensure unemployed Kiwis are fully aware of what the industry can offer.

"We're thrilled to have the support of MSD and MPI behind us; they are creating some excellent initiatives, events and marketing to get the messages about kiwifruit work opportunities to those seeking employment – and it's not just about seasonal work," says Nikki.

"Kiwifruit offers long-term and permanent career opportunities in our leading horticultural sector."

Employers are encouraged to take advantage of NZKGI's Facebook page *KiwifruitJobsNZ* to post free job advertisements. The page receives thousands of views and employers who have used the service have reported roles being filled quickly. Email employment@nzkgi.org.nz to post an ad. In addition, employers can also take advantage of the website *Work the Seasons* which also allows primary industry employers to advertise vacancies for free.

Pickers and packers will be expecting to earn at least the living wage in this year's harvest. Almost all packhouses have told NZKGI that they will be paying at least the living wage of \$22.10 per hour. It is hoped this will encourage kiwis to step up for harvest roles.

Kiwifruit picking is expected to exceed the living wage and paid an average of \$24 last year when the minimum wage was \$18.90 per hour. Workers are encouraged to look around and find an employer who meets their expectations around pay, hours and



locations. Growers should be prepared to see increases in labour costs this year as the industry responds to Government requirements and labour shortages.

NZKGI has also contracted Fruition Horticulture to host harvest taster courses. The courses are funded by MPI

and are a continuation of the winter and summer pruning courses that NZKGI has been offering. More information on the taster courses can be found on the NZKGI website www.NZKGI.org.nz.

PATHWAY MANAGEMENT PLAN PROGRESSES

The consultation period for providing feedback about the proposed new Pathway Management Plan has closed. Thank you for taking part in the process during this formal phase and sharing your views.

KVH is now considering all the feedback received and incorporating changes into the formal proposal document. The Plan is expected to be ready for submission to the Ministry for Primary Industries and Minister for Biosecurity in April 2021.

KVH will keep growers and industry up-to-date on this so everyone can see the final version being submitted and how feedback received has been incorporated.

KVH welcomes any questions you may have about the proposal. Reference material from the consultation rounds is available on the KVH website at www.kvh.org.nz, or you can get in touch by phoning 0800 665 825 or emailing info@kvh.org.nz.



WHANGĀREI REGIONAL STATUS CHANGES TO 'RECOVERY'

As we've already directly let Whangārei growers know, from Tuesday 2 February the status of the Whangārei region has changed to 'Recovery'.

This change comes after an extensive process by KVH, including undertaking Psa monitoring of orchards and an opinion survey of growers.

Psa was first detected in the Whangārei region in 2015 and has slowly progressed to the current state where December monitoring has confirmed 48 percent of the growing hectares in the region are now Psa positive.

The opinion survey had a response rate of more than 90 percent, meaning we were able to hear from almost all growers in the region and better understand what is wanted for Whangārei going forward. The majority (64 percent) indicated they supported the change in status from 'Containment' to 'Recovery', and 36 percent were against a change.

Information has been sent to Whangārei growers detailing the decision and the actions we are undertaking to help those who

remain not-detected maintain their Psa-free status. We have also provided information for those orchards that would like to access plant material from other 'Recovery' regions.

Post-harvest contacts in the area, and nurseries, have also been sent information about the change and how they can assist in measures that provide the best opportunity for orchards to maintain Psa-free status, such as continuing to supply dedicated regional bins for this season.

Once again, thank you to all growers in the region for providing input and feedback regarding the regional status of Whangārei. Updated maps reflecting the change are available now on the KVH website at www.kvh.org.nz, as is the formal 'Notice of Controlled Areas Declaration - establishing regions'.



INDUSTRY SUPPLY GROUP (ISG)

FEBRUARY MEETING

The main agenda items discussed were as follows:

- Supply Agreement 2021
- Advanced movement
- Submit payment review
- Updated Time Rates for living wage adjustment
- Updated Pack Differential rates for living wage adjustment
- Supplier accountability
- Operations/market updates
- Maturity Clearance System update

The next ISG meeting will be held on 18 March 2021.



Key Contacts:
Industry Stakeholder Manager:
 Tom MacMorran 027 511 2005
Grower Liaison Managers:
 Sue Groenewald 027 493 1987
 Sylvia Warren 022 101 8550
 Casie Rudnicki 027 271 2695
 Brad Rinini 021 757 843

Q&A FROM THE FIELD

I have ordered Gold3/Red19 plants for a greenfields development from a Zespri licenced nursery with the hope of a successful licence tender bid this year. If I am unsuccessful with getting a licence, but have already secured the plants with a deposit, what are my options?

- **Option 1** – Discuss with the licensed nursery the option to hold and grow on the grafted plants for another year.
- **Option 2** – Discuss with the nursery the option to ‘on sell’ the plants to another licensed grower.
- **Option 3** – Apply to Zespri for a Nursery Holding Permit. The Nursery Holding Permit has been specifically designed to enable growers who have pre-ordered grafted Gold3 plants from a licenced nursery and have not been successful in the licence tender process to take possession of the grafted plants. The key components of the Zespri Nursery Holding permit are outlined below which enables the grower the ability to take possession of the pre-purchased Gold3 or Red 19 plants.
 - An application to Zespri detailing all information must be completed and a site visit undertaken by a Zespri representative prior to any plant movement/transactions taking place. The application form can be found on Canopy > Growing Kiwifruit > Licence Management > Nurseries > Nursery Holding Permit, or the use the link here to access Canopy: <https://canopy.zespri.com/EN/grow/licensing/licencemangement/Pages/Nurseries.aspx>
 - If the grower chooses to plant the vines in the ground, they cannot be in the permanent destination and must be removed from the ground before planting in the final orchard setting.
 - The permit is for the duration of one year with no rights of renewal, unless approved by Zespri (this would only be approved if unsuccessful in another tender round). A one-off fee of \$960 + GST is payable to Zespri to cover auditing and administration costs associated with this permit.
 - Permit holders will be audited on a regular basis to ensure compliance to the permit.

Plants may not be uplifted from a licensed nursery without either a successful grower licence or a Nursery Holding Permit in place.

If you require further information regarding the Nursery Holding Permit, please contact Licenced Nursery Manager, David Cant, on 027 555 7963 or email nursery@zespri.com. Alternatively, contact your Zespri Grower Liaison Manager.

Why do I need to record my fertiliser applications in the *Spray Diary* this year?

Zespri has made it mandatory for fertiliser applications to be recorded in the Zespri *Spray Diary* this year.

Knowledge of the amount of fertiliser being ground-applied to kiwifruit orchards will greatly assist the industry as a whole. With this information, we can better understand our footprint and support growers understanding of best practice to use to meet global and local requirements. It will help manage risk with market requirements becoming more and more strict and, when issues arise, the data can help us find the source of the problem quickly and without disruption.

If you are having issues with recording your fertilisers in *Spray Diary*, please contact the Zespri Grower Support Services team on 0800 155 355 for assistance.

What is a Maturity Area?

A maturity area (MA) is defined as an area in an orchard that provides fruit of:

- the same variety
- similar maturity and Dry Matter
- is a maximum of four hectares
- has a maximum of 60,000 tray equivalents.

If a submission against a maturity area inadvertently exceeds 60,000 tray equivalents, then a charge of \$100 per 1,000 tray equivalents in excess of 60,000 may be applied.

The maturity area must be able to be identified for sample collection and may include:

- specified rows or parts of rows in a block
- a block
- a group of blocks.

I want to bid for licence but I don't have a recently audited Zespri map – can I use my packhouse map?

Planted licensed areas are determined using our GPS audit maps, so any other maps should be used with caution when tendering for a licence. Below are the guidelines used by GPS auditors when measuring blocks:

- Each GPS reading of the extremity is taken from the outer most point of the support structure. For a T-bar orchard, for example, the point should be taken from the intersection of a line from the outer edge of the T-bar on the hedge row and a line along the strainer poles on the headland.
- Where a support structure is cantilevered, the planted area is measured from the point on the ground below the outer most point of the canopy, rather than the point where the support structure touches the ground
- For the avoidance of doubt, all males are included in the contiguous canopy area and are not excluded from an audit. If you're unsure of your licensed area, please contact Zespri prior to submitting your bid.
- If your orchard has been mapped post to post, the measured area will be subject to change once your canopy is established and overhangs are grown. This total canopy area will increase so this must be taken into account when bidding.

I have some questions regarding the unauthorised G3 plantings in China. Who can I speak to about these?

If you have any questions regarding this issue and our plans to address unauthorised G3 plantings in China, and you are unsure of who to talk to, call us on 0800 155 355 and you will be put through to your Grower Liaison Manager.

HARVEST 2021 TASTE BANDS AND MATURITY CLEARANCE CRITERIA

We've been getting a few questions from growers about the KiwiStart maturity criteria. Zespri sets minimum standards for clearance of fruit for harvest to ensure that the fruit is able to ripen after harvest, and to reduce the risk of a poor taste experience for consumers.

Fruit is categorised into taste bands based on the Dry Matter Threshold for each variety. This ensures that fruit delivered to a customer is relatively consistent.

The Dry Matter Threshold used to determine taste bands will be calculated from all the clearance samples collected from a maturity

area in the preceding 25 days from the latest sample collection date using a calculation referred to as the combined samples model. The Minimum Taste Standard for Gold3 is assessed by size and is based on a maturity clearance sample.

You can also view a summary of the Harvest 2021 Taste Bands for Gold3 and the Maturity Clearance Criteria for Gold3 conventional and organic on Canopy: <https://canopy.zespri.com/EN/industry/pubs/need-knows/Documents/NK014.pdf>

COMPLETING YOUR GROWER CONTRACT FORMS

The 2021 Supply Agreement contracts were posted out to growers on Friday 19 February.

If you are yet to receive a copy come early March, or if you have any questions regarding the contract, please call the Zespri Grower Support Services Team on 0800 155 355 or email contact.canopy@zespri.com.

You will need to ensure your Registered Supplier has signed the contract before it is returned to Zespri by the deadline of Friday 19 March. We will be accepting scanned returns (both sides). Traditionally, your Registered Supplier will do this on your behalf.

On receiving the completed contract, a Zespri grower number is then issued by Zespri. This number is required in order for you to obtain clearance to pick your fruit.

A new acknowledgment has been added to the contract regarding the requirement



to comply with Global G.A.P. or other legal obligations. These requirements currently already exist in different forms in the *Grower Manual* and *Quality Manual* and have been summarised in Schedule 5 of the 2021 Supply Agreement. Non-compliance with these obligations may result in enforcement action, which may include Zespri refusing to accept your Kiwifruit for export.

Please refer to the 2021 Supply Agreement Guide on the NZGKI website (<https://www.nzgki.org.nz/2021-supply-agreement-guide>) for the other minor amendments to the form. Please note that as this is a legal document, any changes to the Terms and Conditions will result in your form not being processed.

RESIDUE TEST REMINDER

With pre-harvest residue testing starting to get underway, a friendly reminder: if you are an organic orchard, you cannot harvest until you have a clear residue result back.

Residue tests last 42 days from the date of collection. If you don't think you will achieve harvest in this time, you'll need to contact our Residue Programme Coordinator, Stephanie Hart to discuss your options.

Please ensure all your blocks are correct in *Spray Dairy* – this includes the producing status. You do not want to be held up harvesting if a *Spray Dairy* non-producing block is actually producing as it won't be included in a residue sample.

For any positive residues this season, we will be emailing growers details of the residue and markets it effects. This is in-line with our educational and transparent approach and if you have any questions at all, please get in contact with the team.

Key Pre-harvest team contacts

- Jemma Hughes, Technical Advisor – Crop Protection:
For crop protection and *Spray Dairy* queries, including supporting pre-harvest audit clearances, email jemma.hughes@zespri.com.
- Stephanie Hart, Residue Coordinator:
For all residue-related queries, email stephanie.hart@zespri.com.

THIS IS A ZESPRI INTERNATIONAL LIMITED PUBLICATION. FOR FURTHER INFORMATION OR FEEDBACK PLEASE CONTACT: THE ZESPRI GROWER SUPPORT CENTRE (0800 155 355) P.O. BOX 4043, MOUNT MAUNGANUI. TEL. 07-572 7600, FAX 07-572 7646 www.zespri.com canopy.zespri.com EMAIL: contact.canopy@zespri.com

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