

A RECORD 2020/21 SEASON

Increased sales, the ongoing expansion of Zespri SunGold Kiwifruit production and great quality fruit, underpinned by strong international demand have delivered a record result for Zespri's 2020/21 season, returning record per tray returns across all categories.

The 2020/21 Financial Results show total global revenue generated by fruit sales reached NZ\$3.58 billion, up 14 percent on the previous year, while total global operating revenue increased by 16 percent to NZ\$3.89 billion. Global sales volumes were up 10 percent on the previous year to 181.5 million trays.

Direct returns to the New Zealand industry increased by 15 percent to \$2.25 billion, in spite of the considerable uncertainty generated by COVID-19. Earnings are spread through many regional communities including the Bay of Plenty, Northland, Nelson, Gisborne, and the Waikato, providing support to people, communities and businesses.

There were strong returns on both a per tray and per hectare basis (refer to table).

Non-New Zealand Supply sales increased to \$472.8 million while Zespri's net profit after tax is \$290.5 million, up from \$200.8 million on the previous year.

Zespri Chairman Bruce Cameron says the results reflect the continued strong demand for Zespri Kiwifruit around the world, boosted by the industry's hard work and investment to increase demand and supply.

"After a season where we were forced to make significant changes to our operations with a focus on keeping our people safe, getting our fruit to the world, and continuing to invest for the future, it's great to see such encouraging results for the industry," says Mr Cameron.

"Demand for Zespri Green and Zespri SunGold Kiwifruit increased and we're pleased to see growing interest in Zespri Red, which is a testament to our industry's ongoing investment in innovation and finding new ways to add value for New Zealand and our international production bases."

Zespri Chief Executive Officer Dan Mathieson says the season again showcased the strength of the Zespri brand in delivering value, attracting new consumers, and supporting communities.

"The unity of our industry allowed us to respond effectively to incredibly difficult conditions around the world. That response was underpinned by our investment in the Zespri brand, the trust we have built up with our customers and consumers globally, and the resilience and adaptability of our supply chain and sales and marketing teams.

"The efforts of our people and our supply chain were critical and we're proud of the way they responded and of those members of our team who are still dealing with the ongoing impacts of COVID-19.

"We're encouraged by the growth in sales of our Non-New Zealand Supply, with strong returns to our partner growers in Italy, France, Japan and Korea. These production bases are a critical part of our 12-month supply strategy. 12-month supply means we're available to consumers year-round, hold our shelf space and commercial partnerships, ensuring Zespri growers maximise the benefit from the increased international demand we're creating, making our marketing and promotional spend more efficient and delivering stronger returns to our growers," says Mr Mathieson.

Outlook 2021

Zespri is expecting another record-breaking crop of Zespri Kiwifruit this year, underpinned by the expansion of Zespri SunGold Kiwifruit production, as well as Zespri Red.

"Our sales and marketing programmes are in full swing and demand from our markets is incredibly strong with our



fruit selling quickly. However, we acknowledge we're facing headwinds including industry capacity constraints, rising costs and securing enough people to get our fruit to the world, as well as pandemic-related disruption to our shipping channels and distribution in some of our markets," says Mr Mathieson.

"We will continue to work with the industry and alongside key stakeholders to overcome these challenges, though we do expect they will remain an issue in the medium term. A particular focus will be on ensuring we are able to secure enough labour for the next season and those discussions are underway, working alongside NZKGI".

POOLS [FRUIT CATEGORIES]	2020/21 FINAL [PER TRAY]	2020/21 FINAL [PER HECTARE]	2019/20 FINAL [PER TRAY]	2019/20 FINAL [PER HECTARE]
Zespri Green	\$7.51	\$76,722	\$6.67	\$67,295
Zespri Organic Green	\$10.53	\$66,453	\$9.88	\$63,734
Zespri SunGold Kiwifruit*	\$12.46	\$177,846	\$11.86	\$161,660
Zespri Organic SunGold Kiwifruit	\$15.36	\$158,599		
Zespri Green14	\$10.14	\$56,853	\$7.66	\$43,550

*Zespri SunGold Kiwifruit results for the 2019/20 season include Zespri Organic SunGold Kiwifruit. This moved to its own pool in the 2020/21 season.

ZESPRI WELCOMES NEW BOARD DIRECTOR



Alison Barrass, new Board Director.

After an extensive recruitment process, we're delighted to confirm that Alison Barrass has been appointed to the Zespri Board. In accordance with Zespri's Constitution, Alison will also be recommended by the Board for election as an Independent Director at the upcoming Zespri Annual Meeting.

Alison has significant governance experience, sitting on the boards of Spark, GWA Group, Heilala Vanilla, and Rockit Global, and she also chairs the boards of Tom & Luke and Babich Wines. She has more than 30 years' experience working in major international FMCG companies in both sales and marketing and is the former CEO of Goodman Fielder and Griffins Foods.

"I am delighted to be joining the Zespri Board and I am looking forward to working with the team at Zespri and the broader grower community – it's a privilege to be a part of this iconic, world-famous, New Zealand business," says Alison.

FAREWELL TO TERESA CIPRIAN

The Zespri Board announced in May that Teresa Ciprian would stand down as an Independent Director following this month's meeting. Teresa was the first woman to be appointed to the Zespri Board when she was appointed in late 2014 and she's continued to champion the significant contributions women right across the industry make every day.

Teresa was a driving force in the creation of the Women in Kiwifruit industry group. In her time on the Board, Teresa was also appointed by the New Zealand government as one of three New Zealand representatives to serve on the Board of Food Standards Australia New Zealand (FSANZ).

We thank Teresa for her significant contribution to Zespri and the broader kiwifruit industry.

NOMINATIONS OPEN NOW

Nominations for Zespri Directors and Shareholder Members of the Director Remuneration Committee are open now, until Friday 18 June.

Nomination forms are available from Canopy, or by contacting Zespri Grower Support Services on 0800 155 355, or email contact.canopy@zespri.com.

Bruce Cameron and Tony Hawken will retire as Directors of the Company as required by the Company's Constitution. Both Directors are standing for re-election. Note, Alison Barrass is being recommended by the Board for election as an Independent Director.

Zespri is also calling for nominations for the Director Remuneration Committee, which reviews and makes recommendations on Director remuneration to shareholders at the Annual Meeting each year.

At the 2021 Annual Meeting on 18 August, John Cook will retire by rotation, and will be standing for re-election.

Formal notice of the Company's Annual Meeting, as well as Proxy Forms and information relating to the appointment of Directors, will be communicated to shareholders in July. Companies and other incorporated entities must appoint a representative as a proxy if they plan to attend the Annual Meeting.

Producer Vote 2021

SUPPORTING A ONE-SEASON TRIAL OF CHINESE-GROWN GOLD3 KIWIFRUIT

Voting on supporting a one-season trial of Gold3 Kiwifruit grown in China opened on 31 May. If approved by producers, this trial would help us understand what options we have ahead as we look to address the complex challenge that we are facing in one of our largest and most critical markets – China.

Zespri encourages all growers to have their say on this critical issue.

THE ISSUE

Since the presence of Gold3 in China was confirmed in 2016, the growth of unauthorised plantings in this key market has continued to rise rapidly. Zespri estimates there are now 5,400 hectares in the ground in China – a significant number, given there are now around 9,300 hectares of Gold3 licensed in New Zealand following this year's licence release.

Last season, an estimated 10 million trays of unauthorised Gold3 were produced in China, with a Class 1 pack-out rate of approximately 40 percent. Some of this fruit is entering our sales channels as counterfeit Zespri Kiwifruit or in new Chinese brands, while the remainder is sold unbranded, or under other brands in tier 2 and tier 3 cities.

Increasing on-orchard investment by growers in China, emerging local Gold3 brands and the high-quality – but variable – fruit being produced will be damaging to the steady lift in value we have created for the kiwifruit category in China over the last 20 years.

THE TRIAL WOULD HELP US LEARN

Zespri has undertaken a range of legal, regulatory, political and commercial initiatives in China for many years to try to find a way to address the unauthorised plantings to protect the shelf space and integrity of top quality Zespri-branded fruit for New Zealand growers and Chinese consumers. This has included market monitoring and enforcement against counterfeits in an effort to protect our Plant Variety Rights (PVR). However, Zespri can see that these actions alone will be ineffective in protecting the value we have created and in addressing the core IP issue as volumes continue to grow.

Zespri CEO Dan Mathieson says we need to act now to try to learn what options we have to safeguard the value and positioning of Zespri Kiwifruit for New Zealand growers in the long term.

“Without taking further action now, the unauthorised plantings are likely to continue to increase rapidly, and as a result, so will supply of counterfeit and competitor fruit,” says Dan.

“This will put significant pressure on value, sales channels and our market position for New Zealand kiwifruit.”

“We need to take a pragmatic approach and evaluate and test different options to come up with the most effective way forward so we can come back and discuss these options further with growers and the industry – the one-year trial would allow us to do that.”

Through this Producer Vote, Zespri is seeking support for a **one-season trial only** so the current orchard environment, quality of the local Gold3, and ultimately the potential of a commercial partnership can be better understood. The learnings from the first season would inform whether we continued the trial for a further two years.

“It does not commit us to a long term commercial partnership – that is a decision the industry would allow us to make in three years’ time based on the learnings from the trial,” says Dan.

“The trial would allow us to continue to engage with and build stronger relationships with authorities in China, and with Chinese consumers, who are increasingly looking for top quality, locally grown kiwifruit when Zespri’s New Zealand supply finishes,” says Dan.

“As many other international food brands have done successfully, we believe working with the Chinese industry could help us build partners and allies that would give us the best chance of asserting a degree of influence on the supply of Gold3 plantings and reduce the impact on our industry.”



Dan Mathieson,
CHIEF EXECUTIVE OFFICER

“WHILE NONE OF US LIKE HOW WE GOT HERE, THE CONSEQUENCES OF NOT ENGAGING IN THE CONTINUED SPREAD OF UNAUTHORISED GOLD3 PLANTINGS ARE SIGNIFICANT. PUT SIMPLY, THE FRUIT IS THERE, IT IS SPREADING, AND WE BELIEVE THE RISK OF NOT TAKING ACTION OR EVALUATING OPTIONS THROUGH THE TRIAL, CLEARLY OUTWEIGHS THE RISK OF DOING SO.”

THE PROPOSED TRIAL: THE RESOLUTIONS WE ARE ASKING OUR GROWERS TO SUPPORT

Zespri is seeking grower approval on the following resolutions:

1. That the producers agree to Zespri conducting an orchard monitoring, procurement and sales and marketing trial over one season to 31 March 2022, involving the sale of up to 200,000 trays of Chinese-grown Gold3 kiwifruit which meet Zespri’s Class 1 standards.

2. That the producers agree that a Zespri label*, which identifies the fruit as Chinese-origin, can be used as part of the sales trial, in order to understand consumer response.

*The label would use the Zespri brand and logo and would state, as required by Chinese law, that the fruit is grown in China.

COME ALONG TO OUR JUNE ROADSHOWS

Zespri is holding a series of roadshows in June. This will include an update on the season start in the markets, the marketing campaigns in action, and the challenges we face. We will also discuss the proposed Gold3 trial in China and share some of the questions that have been raised about the trial over the past couple of months.

CEO Dan Mathieson will also be available at Fielddays to discuss the season and the China trial.

DATE	TIME	LOCATION
Wednesday 2 June	8.30am - 10.30am	Kerikeri Turner Centre, 43 Cobham Drive, Kerikeri
	1.30pm - 3.30pm	Whangārei Northland Events Centre, 51 Okara Dr, Whangārei, (access via East Corporate Entrance)
Thursday 3 June	8.30am - 10.30am	Hawke's Bay Napier War Memorial Conference Centre, 48 Marine Parade, Napier
	4pm - 6pm	Gisborne Bushmere Arms Hotel, 673 Matawai Road, Waerengahika
Friday 4 June	10am - 12pm	Ōpōtiki Ōpōtiki Golf Club, 14 Fromow Road, Ōpōtiki
	2.30pm - 4.30pm	Edgecumbe Matatā Rugby Club, 12 Division Street, Matatā
Tuesday 8 June	10am - 12pm	Te Puke The Orchard Church, 20 MacLoughlin Drive, Te Puke
Wednesday 9 June	10am - 12pm	Katikati Fairview Golf Club, 34 Sharp Road, Aongatete, Katikati
	3pm - 5pm	Tauranga Zespri head office, 400 Maunganui Road, Mount Maunganui

VOTING IS OPEN NOW

The Producer Vote window opened at midnight on **31 May 2021** and closes at noon on **25 June 2021**.

Growers will be receiving their voting packs shortly.

The Zespri Board of Directors encourages all growers to vote **FOR** both resolutions.

How to vote:

Vote in one of three ways:

1. INTERNET VOTING

Vote on: www.electionz.com/zespri21

Follow the link to the voting site, and enter a PIN and password. A unique PIN and password has been sent to each grower as part of their voting pack.

2. POSTAL VOTING

Before voting, read the Explanatory Notes document, which has been sent as part of the voting pack.

To vote, place a **tick** in the circle under the option preferred for each resolution.

3. IN PERSON

Growers will also have the ability to vote in person at the June roadshows and Fielddays. Representatives from Electionz.com will be there to help guide growers through the voting process.

PRODUCER VOTE ONLINE DISCUSSIONS: WHAT WE'VE HEARD

Thank you to those who have been able to join our online discussions on the Producer Vote.

These discussions are part of Zespri's efforts to ensure that growers can hear directly from a number of expert advisors on the Chinese kiwifruit and horticulture industries, the New Zealand-China relationship, and the lessons other fresh produce companies have taken from operating in China.

We enjoyed some informative discussions with:

- Rachel Maidment, NZ China Council Executive Director**
 Rachel is charged with connecting the public and private sectors to engage on China, working with some of New Zealand's leading business. She offered an informed view on the New Zealand-China relationship.
- Mark Tanner, Managing Director of Shanghai-based China Skinny**
 Mark offered his view on Chinese consumer trends including perceptions of local food & beverage/produce in China and how those have evolved over time.
- Xavier Neville of China-based Vision Management Consultants**
 Xavier gave his view on China's fresh produce sector, its challenges and opportunities, the ongoing modernisation of the Chinese kiwifruit sector and his observations on the growth of the unauthorised Gold3 plantings.

RECORDINGS AVAILABLE ONLINE

For those that have been unable to join the events, recordings are available in both video and podcast formats on Canopy (<https://canopy.zespri.com/EN/industry/news/Pages/Grower-Virtual-Town-Hall.aspx>).

- Kevin Murphy, former Driscoll's CEO**

Kevin discussed Driscoll's experience in China since the berries company established a production base in Yunnan in 2013. Key topics included Driscoll's China production strategy and the challenges the company faced during establishment and the success it has had since its production base was established.

- Members of Zespri's China Advisory Board (CAB):** Non-Zespri CAB members at the session included Sir John Key, David Mahon, Dr Anning Wei and Cindy Lau. CAB Chair and Zespri Director Peter Springford and Chief Market Performance Officer Linda Mills also participated.

The session was an opportunity to hear from CAB members about their view on the trial and the discussions they have had about it.

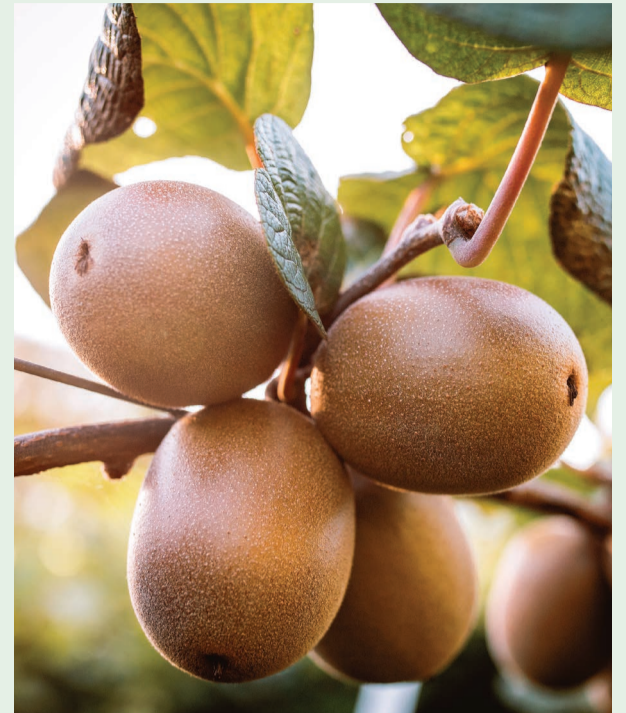
- Jiunn Shih, Zespri's Chief Growth Officer**

The session covered the importance of validating different branding options for China-grown G3 (including the Zespri brand) in the trial, to understand Chinese consumers' purchase intention and willingness-to-pay. It also covered mechanisms that would be put in place during the trial to protect against brand risks.

"[The trial] is exactly the right approach and reflects the lessons companies like ours have taken."
 — Xavier Neville

"If we do nothing, with the current spread, in three years' time we would have much more unauthorised fruits in market, with much higher pressure on us."
 — Dr Anning Wei

"Whatever we do, to be engaged in trying to participate in the domestic horticulture industry given we're selling so much to China, can only strengthen our position..."
 — David Mahon



"We know we have to move in a considered way to build our understanding as we go through, as to what we can procure — the first year is pretty conservative with 200,000 trays, but let's look at what we learn and let's see how it shapes up for year two and three."
 — Carol Ward

"We've made advocates of local folks. They've really supported Driscoll's in getting growers, together, helping with the land, helping with the water, and as this business has grown, people in the communities have been hired and are making more money and there's been a whole series of things that have gone on. Those local officials have become real fans of the company, so they've gone to the next level. When you try and get more broader regulatory issues resolved, you have the local folks go with you and that always makes a big difference...If you understand how each part of the Government is working with the strategy, and you really try and support that with your programmes, that goes a long way."
 — Kevin Murphy

FAQS

What would the size of the trial be in the first year and what would it cover?

For the first year of the trial we are proposing to work with approximately 50ha of orchards in the Sichuan Province. This season at the orchard level, we would be focused on understanding how the orchards perform, the practices and procedures the farmers use on-orchard and what is the likelihood of quality and productivity increasing rapidly. We would also be procuring fruit from the orchards to help build our understanding of fruit quality, and residues, and how the product performs through the supply chain.

Where fruit meets Zespri Class 1 standards, and dependent on this packout rate, we would sell up to 200,000 trays of fruit from the monitoring orchards in a targeted sales trial using a dedicated retail channel to understand the commercial performance and consumer acceptance of Chinese-grown Gold3.

What would the proposed commercial sales trial involve?

The trial would be strictly controlled and monitored by Zespri staff. We are proposing to run the trial in a single province and with a single retail partner which would allow us to closely manage the process and supply chain should there be any concerns with quality or negative consumer feedback. In addition to physical quality checks on the fruit that is used in the trial, we would be closely monitoring social media and online forums for any signs or comments that consumers might have concerns that could impact on the master brand.

If there were any negative reactions online related to quality or food safety, we would remove fruit off the shelf. We would also conduct a range of consumer sensory and sentiment assessments to build on and attempt to validate the information we have gathered in previous seasons.

Why do you want to use the Zespri brand in the sales trial?

While monitoring the orchards would tell us a lot about how well Gold3 could be grown in China and what the gap is between New Zealand and Chinese quality and standards, that would only tell us part of the story around what the potential might be for selling Chinese-grown Zespri SunGold in China. To fully understand the commercial viability, we want to understand how the fruit with a Zespri brand performs in a retail environment when competing with other local brands and varieties. We want to be able to answer questions around potential pricing and premiums, consumer perception and velocity of sales.

We already know that Chinese-grown fruit sells well in China. What we need to understand is what difference the Zespri brand makes and how it is perceived. Without the use of the brand, we would not be able to see the potential impact and value that high-quality local Gold3 combined with the strength of the Zespri brand could offer.

If we buy fruit off the unauthorised Gold3 orchards, won't we just encourage more growers to plant Gold3 and increase the problem?

That's part of the reason we're investigating a commercial strategy in China. If we can find a solution which provides value not only to Zespri and its suppliers but also to the Chinese industry, then we could build support of officials in China for protecting our PVRs.

What legal options do we have in China?

The pathway for PVR enforcement in China is more challenging than in other jurisdictions. Legal action is time consuming, expensive and uncertain given the scale of the infringement. The experience of Zespri and many other companies dealing with PVR protection in China is that a legal approach is unlikely to succeed on its own.

MORE INFORMATION

More information on the voting process has been sent separately as part of the voting packs, which includes your Voting Paper and Explanatory Notes.

Additional information can be found on the dedicated Producer Vote website zespriproducervote.zespri.com, as well as on the Canopy website.

For any questions relating to the Producer Vote, please contact a member of the Zespri Grower Support Services team on 0800 155 355, or email producer.vote@zespri.com.



FROM THE MARKETS

Demand for Zespri Kiwifruit remains strong

Zespri is pleased to report consistent strong demand in all markets for our great-tasting Zespri Kiwifruit.

Zespri Chief Market Performance Officer, Linda Mills says while shipping delays and disruptions continue to impact our markets, fruit is arriving and has been well received by customers and consumers alike.

Highlights:

- As at the time of publication, 24 percent of Zespri SunGold Kiwifruit had been delivered to wholesale retailers and distributors
- Zespri Green Kiwifruit is in more markets with Europe now underway
- The US season is also well underway, with demand ahead of last year, even though first arrivals were two weeks later than planned due to supply disruptions
- The Zespri Korea team launched an e-commerce direct channel for the first time this season which is tracking to plan.

Marketing campaigns have also been launched to create and build the demand with consumers.

"We're pleased to see new campaigns, as well as a wider roll out of the well-known Kiwi Brothers campaign concept, into more markets," says Mrs Mills.

The teams are leveraging the sales and marketing centre of excellence initiatives to ensure continuous improvement of customer, consumer and shopper satisfaction.

"These include Zespri best practice for distributor management, joint business planning, in-store display, digital marketing and continuously supported by data driven insights from market research," explains Mrs Mills.

Sustainability also remains a key focus.

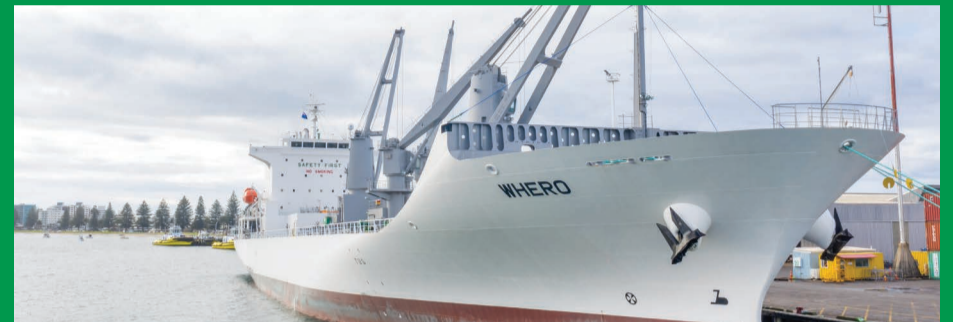
"Our teams are working hard on more sustainable packaging options for our customers — Germany for example, have launched a new range of cardboard punnets this year," says Mrs Mills.



Kia ora Whero!

The third new specialised reefer vessel built by Zespri's long-term partner Fresh Carriers arrived at the Port of Tauranga in May ahead of her maiden kiwifruit voyage to Greater China.

Whero picked up 5,400 tonnes of Zespri Kiwifruit from Port Nelson and Port of Tauranga. She joins her sister ships — Kowhai and Kakariki — who are both already key fixtures on the Zespri shipping schedule.



Whero docked at the Port of Tauranga.

Korea's season kicks-off

The Zespri team in Korea held their annual 'Welcome to Zespri Day' in May with 24 distributors and trade marketing agencies.

An in-person trade conference was also held, and livestreamed to stakeholders across Korea.

Zespri Executive Officer Asia Pacific, Ichiro Anzai opened the conference with Zespri's vision and sales targets for 2021. There were also updates from the sales, marketing, and operations teams. In-store point of sales demonstrations, giveaways and a quiz kept audiences engaged throughout.



Our Zespri Korea team at the annual 'Welcome to Zespri Day'.

TVC success for Zespri

Japan: Zespri 2020 TVC wins at Galaxy Awards and D&AD Awards

We're proud of our Japan team whose Zespri's 2020 TVC has won the Galaxy Awards (Incentive Award) and a bronze accolade at the D&AD Awards.

The Galaxy Awards are aimed at recognising outstanding programmes, individuals, groups, and improving the quality of Japanese broadcasting culture.

The D&AD Awards are one of the most prestigious benchmarks for creative excellence in design and advertising. The Japan team were recognised with a 'Wood Pencil', the bronze equivalent prize in the Animation Category. The TVC, created by Dentsu, featured the Kiwi Brothers singing a catchy and uplifting anthem about enjoying the "healthy you love". The ad became the most popular TVC of 2020 in Japan, and Zespri recorded its highest sales ever.

Belgium and Netherlands: Zespri Bodyshape TVC wins 'Top performer' spot

Zespri's Bodyshape TVC has been named the Top Performer advert in Belgium and Netherlands by Kantar.

The TVC was nominated for two of the five habits of effective advertisers: making sure that the attention won by the ad is in the service of the brand, and that it triggers an emotional response.

Well done to the Benelux and EU marketing team!

Australia: Kiwi Bros campaign recognised for creativity and effectiveness

Zespri was recognised as having the 10th most creative and effective ad in Kantar's Australian Creative Effectiveness Awards.

Zespri Marketing Manager - APAC (South), Janice Byrnes says it was fantastic to be recognised among so many large and well-known brands.

"Many thanks to everyone who helped us adapt, evaluate, optimise and launch the Kiwi Bros campaign in Australia."



Zespri Marketing Manager - APAC (South), Janice Byrnes; and Zespri Brand Manager - Australia, Sally Burtonwood at the Kantar Creative Effectiveness Awards in Sydney.



ZESPRI IN THE COMMUNITY

Zespri Young and Healthy Virtual Adventure

The Zespri Young and Healthy Virtual Adventure is back for term four this year in New Zealand, and we're excited about the positive benefits it will bring to even more communities across the country.

Last year's adventure saw 20,000 young people learn healthy new habits while (virtually) travelling the world, and we're proud to support another 20,000 through the adventure again in 2021.

We visited Maungaraki School in Wellington with our fantastic ASICS Ambassador (and New Zealand Silver Ferns Captain) Amelianne Ekenasio to launch this year's adventure. We also picked up some netball tips and drills from Amelianne!

10 classes from Maungaraki School participated in the adventure last year and it was great to meet some of the passionate tamariki at the launch event.



Our team paid a visit to Maungaraki School in Wellington with ASICS Ambassador Amelianne Ekenasio to launch the 2021 Zespri Young and Healthy Virtual Adventure.

KidsCan in Porirua

Earlier this month, we joined the inspiring KidsCan team in Porirua, Wellington, to deliver new, warm rain jackets to children at KidsCan's partner school, St Pius X School.

60 children were surprised with new rain jackets, ahead of the cooler winter months.



New rain jackets were donated to children at KidsCan's partner school, St Pius X School.

MKGI Roadshows

Māori Kiwifruit Growers Incorporated (MKGI) held their first three roadshows for 2021 in Gisborne, the Rangitaiki region, and in Tauranga in May.

In Gisborne, MKGI were hosted by Wi Pere Trust, Māori Investments Ltd hosted attendees in Kawerau and Te Teko, and the Tauranga event was hosted by MKGI Chair, Anaru Timutimu.

Thank you to Wi Pere, Māori Investments Ltd and Anaru for sharing knowledge and expertise with other Māori landowners looking to enter the kiwifruit industry.



Representatives from MKGI, Zespri and Wi Pere Trust.

New Zealand Food Network donations

The New Zealand Food Network was founded to provide those in need with healthy, nutritious food.

The organisation achieves this by working with food producers, manufacturers and wholesalers across New Zealand to take food that can't be sold or that they want to donate and distribute to reach food rescue organisations, iwi and charities.

By joining the New Zealand Food Network, we can provide those in need with nutritious Zespri Kiwifruit. Earlier this month, we donated 2.5 pallets of Zespri Red Kiwifruit.



New Zealand Food Network Planning & Operations Co-ordinator (North Island), Elisa Zavala.

Benelux school project

Children in Belgium are enjoying another successful year of the Benelux school project!

"Fruit, een lekkere buit" (Dutch)/ "Les Fruits, un trésor exquis" (French) is a free cross-curricular project with an online platform, full of great fruit challenges and interactive teaching moments for six to 12-year-olds.

Schools can share pictures of their classes participating in the different challenges for a chance to win some fun school prizes.



Children taking part in the Benelux school project.

COMING UP

JUL
27

WOMEN IN KIWIFRUIT
NETWORK COCKTAIL
FUNCTION



4:30-6:30pm
Zespri Head Office, 400 Maunganui Road, Mt Maunganui

Join us to celebrate the end of the 2021 harvest season with the first event hosted by the Women in Kiwifruit steering group. This will be a great opportunity to connect with our community over bubbles and nibbles.

Join the Women in Kiwifruit Facebook page to keep up-to-date with information on the event as it comes to hand.

2021 WOMEN OF INFLUENCE AWARDS AND SPEAKER SERIES

Zespri is supporting the 2021 Women of Influence 'Primary Industries Award'.

We encourage you to look at not only this award, but all other award categories as well, and think about who from your networks should be recognised for their dedication to the work they do.

Nominations open on 2 June and close on 16 August. More information can be found at <https://www.womenofinfluence.co.nz/>.

Details for the Women of Influence Speaker Series will be announced soon. Visit the Women of Influence website for more information, and to register your interest.

2021 ZESPRI SUNGOLD AND RED KIWIFRUIT LICENCE RELEASE RESULTS

The 2021 Closed Tender Bid process for the Zespri SunGold Kiwifruit and Zespri Red licence release has once again attracted strong grower participation, with 268 successful bids for Zespri SunGold Kiwifruit licence, 19 successful bids for Zespri Organic SunGold Kiwifruit licence, and 152 successful bids for Zespri Red Kiwifruit.

AVERAGE HECTARES OF A SUCCESSFUL BID

- Zespri SunGold Kiwifruit: 2.61 hectares
- Zespri Organic SunGold Kiwifruit: 2.63 hectares
- Zespri Red Kiwifruit: 2.30 hectares.

All the Zespri SunGold, Sungold Organic and Red Kiwifruit pools were oversubscribed and so the available area was allocated to the highest priced valid bids.

There was a good regional spread of licence this year, with reasonable allocations to Northland, Poverty Bay and Waikato, as well as the Bay of Plenty.

There are currently 365 hectares from successful bidders across all varieties that have not yet advised Zespri of where the licence will be allocated. These locations will be confirmed prior to the licensed area being grafted. Tables showing the regional spread are available on Canopy and updates to the unallocated hectares above will be revised as the destination of successful bids are advised to Zespri.

Results of bid price and bid numbers from the 2021 Licence closed tender are summarised in the tables below. More information and results from the 2021 Licence closed tender can be found here: <https://canopy.zespri.com/EN/industry/news/Pages/2021-Licence-Release-Results.aspx>

WHAT HAPPENS NEXT?

- Licence packs for successful bidders were posted from 25 May. This pack will contain a letter with information relating to your bid, a copy of your licence (if you have nominated a KPIN), receipt for your deposit, and invoice for all successful bids.
- The outstanding balance for all successful bids is due by 5.00pm on Tuesday 20 July via Electronic Funds Transfer (EFT) to Zespri. The Zespri bank account details are populated on the letter which is included in the licence packs. Zespri bank account details are needed for the outstanding balance as this is not the same account to where the deposit amount was paid.

If growers have any queries regarding the licence release, please call the Zespri Grower Support Services team on 0800 155 355.

ZESPRI SUNGOLD KIWIFRUIT: 700 HECTARES



	2021 UNRESTRICTED	2020 UNRESTRICTED
Median Price (GST excl)	\$550,000	\$400,023
Minimum Accepted Price (\$ GST excl)	\$525,000	\$378,900
Total Area allocated (Ha)	700	700
Total number of bids	716	944
Total number of successful bids	268	291
Total number of bidders	485	544
Total number of successful bidders	187	216
Average size of successful bids (Ha)	2.61 ¹	2.41
Total hectares bid for (Ha)	1,511	1,660

ZESPRI ORGANIC SUNGOLD KIWIFRUIT: 50 HECTARES



	2021 ORGANIC	2020 ORGANIC
Median Price (GST excl)	\$305,000	\$219,565
Minimum Accepted Price (\$ GST excl)	\$287,826	\$172,600
Total Area allocated (Ha)	50	50
Total number of bids	54	46
Total number of successful bids	19	34
Total number of bidders	32	32
Total number of successful bidders	14	26
Average size of successful bids (Ha)	2.63	1.47
Total hectares bid for (Ha)	142	82

ZESPRI RED KIWIFRUIT: 350 HECTARES



	2021 RED - 350HA	2020 RED - 150HA
Median Price (GST excl)	\$74,979	\$62,500
Minimum Accepted Price (\$ GST excl)	\$58,000	\$30,434
Total Area allocated (Ha)	350	150
Total number of bids	343	202
Total number of successful bids	152	117
Total number of bidders	225	157
Total number of successful bidders	127	103
Average size of successful bids (Ha)	2.30	1.28
Total hectares bid for (Ha)	708	260

HICANE UPDATE

Regulatory reassessment process still underway

The Environmental Protection Agency (EPA) is continuing to re-assess its approval of the budbreak enhancer hydrogen cyanamide (generally known by the brand name HiCane) for use in New Zealand. Growers may recall NZKGI and Zespri submitted a response to the EPA's Call for Information in May last year.

The next step is for EPA to issue an application for reassessment to spell out its view on the future of HiCane use in New Zealand, with latest indications from the EPA that it will do this around late July. At this stage, the EPA will call for public submissions on its proposal, where any members of the public, including growers and others in the kiwifruit industry can submit. Zespri and NZKGI will work together again to respond to the EPA's application for reassessment.

The EPA has indicated the public reassessment consultation would take place from late July over six weeks, which would coincide with the kiwifruit industry's HiCane application period. The industry can expect additional public scrutiny over this season's HiCane application period, and it is important that everyone follows the rules.

The EPA will then consider all submissions and come out with its decision (there are no stipulated timeframes here). It may decide to further restrict or ban the use of HiCane.

In a parallel process, NZKGI and Zespri have also provided additional information on HiCane's use in the industry to

the Parliamentary Commissioner for the Environment in response to a request for information.

Safe spraying in the 2021/22 season

Zespri and NZKGI are again working together as we head into the HiCane season to make sure all growers and spray contractors understand their responsibilities for safe spraying. This includes online information and written resources, as well as in-person meetings – watch out for updates in Kiwiflier, Canopy and Kiwitips.

This will be backed up by a robust Zespri audit process across our regions and with a special focus on high risk regions.

Under GLOBALG.A.P Zespri can impose sanctions on growers who don't meet conditions of supply. These conditions include following rules around spray use and application methods. The potential sanctions include suspension or cancellation of GAP certification. Local authorities can also take legal action against growers who do not meet local requirements.

What you need to know

While many growers choose to get spray contractors to do their HiCane application, the Management System Owner (MSO) – usually the grower, but sometimes the orchard manager by agreement – must do the following:

- complete their spray plans and understand the risk areas on their orchards like nearby houses, schools, livestock, other crops, waterways etc.
- put the required signs in place

- keep spray from drifting off the orchard and take care around sensitive areas like paths and waterways

- make sure that spraying only takes place in the right conditions – i.e. no more than a breeze. Zespri's GET team will be providing specific resources on the latest drift research and best practice to support growers and spray contractors this season

- notify neighbours at least 12 hours beforehand (the time period can vary by region and you can check requirements on Growsafe's website) – this is critical. Make sure you have the right phone numbers for your neighbours so you can get in touch easily when planning your spraying

- make sure spray stays on the orchard. Applications should be made using AI nozzles and drift reducing adjuvants to minimize drift, and shelter will reduce drift leaving the orchard. Where shelter is poor, use no-spray buffer areas

- Listen to your spray contractor – if they tell you the conditions aren't right for spraying, listen to them.

Supporting our communities

The industry will once again send out a flyer on safe spraying to all rural addresses in the Bay of Plenty and Kerikeri to make sure people understand their rights and the industry's commitment to keep our communities safe.

NZKGI will continue to run the 0800 spray information line for the public to find out more information or register spray complaints to be followed up by Zespri's compliance team.

2020/21 FINAL PROGRESS PAYMENTS

CLASS 1 - APPROVED PROGRESS PAYMENT 4 JUNE 2021	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.1766	\$0.2596	\$0.1706	\$0.1729	\$0.1735	\$0.1735	\$0.1899
Zespri Organic Green	\$0.0387	\$0.2008	\$0.1032	\$0.1250	\$0.1216	\$0.1216	(0.2507)**
Zespri Gold3	\$0.1477	\$0.1091	\$0.1267	\$0.0925	\$0.3201	\$0.1803	No supply
Zespri Organic Gold3	\$0.2708	\$0.1901	\$0.4262	\$0.1285	\$0.4177	\$0.1521	No supply
Zespri Green14	\$0.3518	\$0.2228	\$0.3977	\$0.3552	\$0.3376	\$0.3376	\$0.3791

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.

CLASS 2 - APPROVED PROGRESS PAYMENT 4 JUNE 2021	AVERAGE ON NET SUBMIT	16/18/22	27	30	33	36	39	42
Class 2 Green*	\$1.0871	\$1.3772	\$1.0227	\$1.0466	\$1.1087	\$1.1055	\$0.9947	\$1.1252
Class 2 Organic Green	\$0.9828	\$1.0537	\$1.0772	\$0.5237	\$0.7425	\$1.0980	\$1.6380	\$0.6999
Class 2 Gold3	\$0.5817	\$0.0374	\$0.6534	\$0.8189	\$0.7353	\$0.5892	\$0.7489	No supply
Class 2 Organic Gold3	\$0.8480	\$0.8960	\$0.9008	\$0.7107	\$0.8657	\$0.8114	\$0.8535	\$0.8083

*Weighted average of total final payments for the HW2CK programmes.

NON-STANDARD SUPPLY - APPROVED PROGRESS PAYMENT 4 JUNE 2020	42	46
Zespri Green		No supply
Zespri Organic Green		No supply
Zespri Gold3	\$1.3607	
Zespri Organic Gold3	(\$0.1426)**	

1. Progress payments for Class 2 and Non Standard Supply fruit are paid on loaded out trays.
2. Loaded out trays = Net Submitted trays at year end = gross submitted trays less onshore fruit loss trays.
** For Class 1 Organic Green size 42 and Non-Standard Supply Organic Gold3 size 42, the final per tray wash-up amounts are negative due predominantly to the finalisation of North American market returns.

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.

June 2021 approved progress payments on Net Submit trays

Approved per tray progress payments for 4 June 2021:

Class 1	
Zespri Green	\$0.1766
Zespri Organic Green	\$0.0387
Zespri Gold3	\$0.1477
Zespri Organic Gold3	\$0.2708
Zespri Green14	\$0.3518

Orchard Gate Return

The OGR calculations reflect post-harvest cost data compiled by Ingham Mora Limited in March 2021, the actual 2020/21 fruit loss percentages and 2020/21 productive hectare information.

2020/21 FULL YEAR FINAL CLASS II AND NON STANDARD SUPPLY FRUIT AND SERVICE PAYMENTS

CLASS II RETURNS PER TE	GREEN KIWISTART	GREEN MAINPACK*	GREEN ORGANIC	GOLD3	GOLD3 ORGANIC	NON STANDARD SUPPLY RETURNS PER TE
Trays Supplied (000's)	525.3	571.0	52.6	778.2	32.4	139.6
Submit Payment	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.60
Service Payments	\$0.27	\$0.01	\$0.15	\$0.16	\$0.04	\$0.77
Fruit Incentives	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Progress Payments	\$6.18	\$5.67	\$8.62	\$7.62	\$12.02	\$8.11
Total Fruit and Service Payments	\$7.85	\$7.09	\$10.17	\$9.18	\$13.47	\$10.48

*HW2CK fixed price programmes only.

SHARE BRIEFS

As at 20 May 2021 the last Zespri share price trade was \$10.85 traded on 19 May 2021. There were seven buyers at \$10.85, \$10.80, \$10.68, \$10.35, \$10.26, \$10.00 and \$9.75. There were two sellers at \$10.95 and \$10.95.

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.

NOTE: On a monthly basis, we will now be reporting on the number of shares becoming dry for the following month and those excess shares requiring to be sold for the following month.

As per Clause 22 of the Constitution, shareholders who no longer supply fruit to Zespri (Dry Shareholders) will cease to receive dividend payments three years after becoming dry. For the month of June, there is a total of 22,530 dry shares as of 20 May 2021 that will cease to be eligible for dividends.

Clause 21.4 of the constitution requires shareholders who are over their share cap (overshared) to sell their excess shares three years after the date they exceeded their share cap. For the month of June there is no excess shares that are required to be sold as of 20 May 2021.

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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Below is the current Market Depth information as at 20 May 2021.

Quote Line Thursday 20 May as at 1.15pm						
Code	Bid (\$)	Offer (\$)	Last (\$)	High (\$)	Low (\$)	Volume
ZGL	10.85	10.9	10.85	0.00	0.00	0

Market Depth					
BIDS			OFFERS		
Orders	Quantity	Price (\$)	Price (\$)	Quantity	Orders
1	4,000	10.85	10.9	1,000	1
1	4,810	10.8	10.95	1,000	1
1	3,000	10.68			
1	2,000	10.35			
1	2,000	10.26			
1	12,000	10			
1	2,000	9.75			

Last 10 Trades			
Date/Time	Quantity	Price (\$)	Value (\$)
19/05/2021	26,385	\$10.85	719,940.900
18/05/2021	39,969	\$10.85	433,663.650
11/05/2021	1,000	\$10.78	10,780.000
11/05/2021	150,000	\$10.70	1,605,000.000
11/05/2021	190	\$10.80	2,052.00
11/05/2021	1,000	\$10.80	10,800.000
10/05/2021	14,000	\$10.70	149,800.000
10/05/2021	35,000	\$10.70	374,500.000
7/05/2021	18,000	\$10.60	190,800.000
7/05/2021	2,000	\$10.60	21,200.000

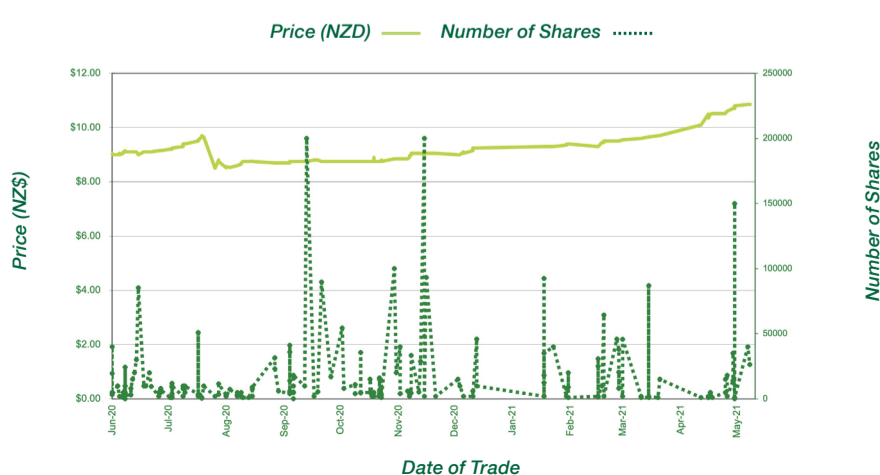
Director share trading

For the month of May (as at 20 May), there were 557,000 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 *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 Canopy will always provide the most up-to-date information held by Zespri.

ZESPRI GROUP LIMITED SHARE TRADES 20 MAY 2020 TO 20 MAY 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 final 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 Organic Gold3 Premium is therefore no longer applicable.

ZESPRI GOLD3 2020/21 FINAL RESULTS - MAY								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-20	\$2.80	\$0.11					\$2.91	17%
May-20		\$0.09					\$3.01	18%
Jun-20		\$0.08					\$3.09	18%
Jul-20		\$0.06			\$1.77		\$4.93	29%
Aug-20		\$0.20	\$0.36		\$2.23		\$7.73	46%
Sep-20		\$0.42			\$2.32		\$10.47	62%
Oct-20		\$0.27	\$0.39		\$1.16		\$12.28	73%
Nov-20		\$0.16	\$0.04		\$1.68		\$14.16	84%
Dec-20		\$0.01	\$0.03		\$1.08		\$15.28	91%
Jan-21						\$0.10	\$15.38	91%
Feb-21			\$0.00		\$0.55		\$15.94	95%
Mar-21					\$0.33		\$16.27	97%
Apr-21					\$0.10		\$16.37	97%
May-21							\$16.37	97%
Jun-21					\$0.15	\$0.30	\$16.82	100%
Paid YTD	\$2.80	\$1.42	\$0.83	\$0.00	\$11.23	\$0.10	\$16.37	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.15	\$0.30	\$0.45	

ZESPRI ORGANIC GOLD3 2020/21 FINAL RESULTS - MAY								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-20	\$2.80	\$0.03					\$2.83	15%
May-20		\$0.07					\$2.90	15%
Jun-20		\$0.09					\$2.99	16%
Jul-20		\$0.09			\$2.09		\$5.19	27%
Aug-20		\$0.14	\$0.24		\$3.04		\$8.62	46%
Sep-20		\$0.27			\$2.65		\$11.52	61%
Oct-20		\$0.04	\$0.27		\$1.57		\$13.39	71%
Nov-20		\$0.05	\$0.02		\$2.05		\$15.51	82%
Dec-20		\$0.17	\$0.00		\$1.26		\$16.94	90%
Jan-21						\$0.10	\$17.04	90%
Feb-21			\$0.02		\$0.66		\$17.72	94%
Mar-21					\$0.46		\$18.18	96%
Apr-21					\$0.10		\$18.28	97%
May-21							\$18.28	97%
Jun-21					\$0.27	\$0.30	\$18.85	100%
Paid YTD	\$2.80	\$0.96	\$0.55	\$0.00	\$13.88	\$0.10	\$18.28	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.27	\$0.30	\$0.57	

Total fruit and service payments - 2020/21 Actual \$16.82

Total fruit and service payments - 2020/21 Actual \$18.85

ZESPRI GREEN 2020/21 FINAL RESULTS - MAY								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-20	\$2.25	\$0.01					\$2.26	21%
May-20		\$0.07					\$2.33	22%
Jun-20		\$0.04					\$2.37	22%
Jul-20		\$0.04			\$1.35		\$3.75	35%
Aug-20		\$0.11	\$0.13		\$0.81		\$4.80	44%
Sep-20		\$0.31			\$0.79		\$5.90	55%
Oct-20		\$0.32	\$0.15		\$0.98		\$7.35	68%
Nov-20		\$0.21	\$0.02		\$0.94		\$8.52	79%
Dec-20		\$0.28	\$0.06		\$0.61		\$9.46	88%
Jan-21						\$0.10	\$9.56	89%
Feb-21			\$0.01		\$0.37		\$9.94	92%
Mar-21					\$0.29		\$10.22	95%
Apr-21					\$0.10		\$10.32	96%
May-21							\$10.32	96%
Jun-21					\$0.18	\$0.30	\$10.80	100%
Paid YTD	\$2.25	\$1.39	\$0.36	\$0.00	\$6.22	\$0.10	\$10.32	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.18	\$0.30	\$0.47	

Total fruit and service payments - 2020/21 Actual \$10.80

ZESPRI ORGANIC GREEN 2020/21 FINAL RESULTS - MAY								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-20	\$2.25						\$2.25	17%
May-20		\$0.01					\$2.26	17%
Jun-20		\$0.01					\$2.27	17%
Jul-20		\$0.02			\$2.44		\$4.73	36%
Aug-20		\$0.10	\$0.18		\$1.15		\$6.19	47%
Sep-20		\$0.22	\$0.02		\$1.07		\$7.49	57%
Oct-20		\$0.20	\$0.19		\$1.28		\$9.15	69%
Nov-20		\$0.10			\$1.23		\$10.47	79%
Dec-20		\$0.15			\$0.92		\$11.54	87%
Jan-21						\$0.10	\$11.64	88%
Feb-21		\$0.00	\$0.08		\$0.60		\$12.32	93%
Mar-21					\$0.46		\$12.78	97%
Apr-21					\$0.10		\$12.87	97%
May-21							\$12.87	97%
Jun-21					\$0.04	\$0.30	\$13.21	100%
Paid YTD	\$2.25	\$0.81	\$0.46	\$0.00	\$9.25	\$0.10	\$12.87	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.04	\$0.30	\$0.34	

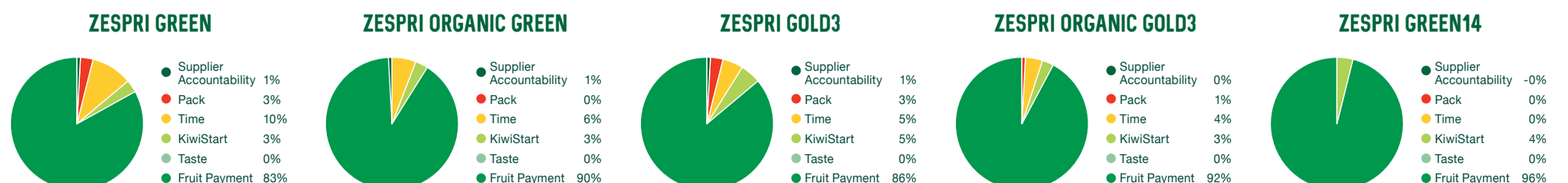
Total fruit and service payments - 2020/21 Actual \$13.21

ZESPRI GREEN14 2020/21 FINAL RESULTS - MAY								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-20	\$2.80						\$2.80	21%
May-20							\$2.80	21%
Jun-20							\$2.80	21%
Jul-20					-\$0.04	\$2.74	\$5.50	40%
Aug-20			\$0.27		\$0.80		\$6.57	48%
Sep-20					\$2.86		\$9.42	69%
Oct-20			\$0.27		\$0.66		\$10.35	76%
Nov-20					\$1.25		\$11.61	85%
Dec-20					\$0.36		\$11.97	88%
Jan-21						\$0.10	\$12.07	89%
Feb-21					\$0.54		\$12.61	93%
Mar-21					\$0.25		\$12.86	94%
Apr-21					\$0.10		\$12.96	95%
May-21							\$12.96	95%
Jun-21					\$0.35	\$0.30	\$13.61	100%
Paid YTD	\$2.80	\$0.00	\$0.50	\$0.00	\$9.55	\$0.10	\$12.96	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.35	\$0.30	\$0.65	

Total fruit and service payments - 2020/21 Actual \$13.61

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 ACTUAL



PAYMENTS AND INCOME EXPLAINED

Zespri reports corporate profit by each individual revenue stream. The operating segments reflect the key business activities and are: New Zealand Kiwifruit, Non-New Zealand supply, New Cultivars and Other. Clarity of sources of value and sources of funding is important given the kiwifruit industry's strong growth to date and projected growth. The infographic provided here outlines how money flows through the industry using the 2020/21 Corporate results: Zespri's revenue streams, pool costs, fruit payments to growers, corporate costs and how Zespri distributes the profit made.

GLOBAL REVENUE \$3.9 BILLION

- Kiwifruit sales \$3,583 million
- Other revenue \$361 million

	NEW ZEALAND KIWIFRUIT	NON-NEW ZEALAND SUPPLY	NEW CULTIVARS	OTHER
	\$3,110 m	\$473 m	-	-
	\$6 m	\$0	\$352 m	\$3 m

Kiwifruit sales globally – \$3,583 million from 183.3 million trays supplied. Other revenue driven by licences released of \$307 million and plant variety rights royalties of \$40 million, along with external co-funding and interest and rental income.

POOL COSTS \$675 MILLION



	NEW ZEALAND KIWIFRUIT	NON-NEW ZEALAND SUPPLY	NEW CULTIVARS	OTHER
	\$615 m	\$60 m	-	-

Includes freight, insurance, duty and customs, logistics and promotion costs.

PAYMENTS FOR FRUIT INCLUDING LOYALTY \$2,607 MILLION

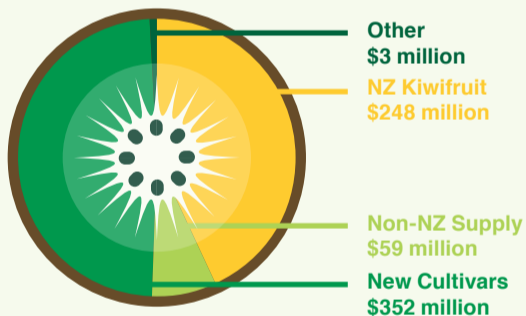


	NEW ZEALAND KIWIFRUIT	NON-NEW ZEALAND SUPPLY	NEW CULTIVARS	OTHER
	\$2,253 m	\$354 m	-	-

\$2,253 million paid to New Zealand growers for fruit payments (including service and incentive payments) including \$63 million for loyalty payments. \$354 million paid to non-New Zealand based growers for fruit purchased.

CORPORATE REVENUE \$662 MILLION

Included in Global Revenue



	NEW ZEALAND KIWIFRUIT	NON-NEW ZEALAND SUPPLY	NEW CULTIVARS	OTHER
	\$248 m	\$59 m	\$352 m	\$3 m

After pool costs and payments for fruit including loyalty, \$248 million earned from \$3,110 million in kiwifruit sales. The Zespri margin under the Enduring Funding Agreement has a target of 1% of 'New Zealand Kiwifruit EBIT' after loyalty payments. With the 2020/21 margin greater than 1%, growers received an additional loyalty payment of 15 cents and 40 cents in total per Class 1 tray supplied.

\$59 million in corporate revenue earned from \$473 million in kiwifruit sales.

* \$307 million revenue from 700 hectares of Zespri SunGold Kiwifruit licence release, 50 hectares of Zespri SunGold Organic Kiwifruit licence release, and 150 hectares of Zespri Red Kiwifruit licence release, plus other licence income.
* \$40 million royalty income from PVR (Plant variety rights) sales.
* \$3 million of external research funding received and other income of \$3 million.

Interest income and land and building rental income and other.

CORPORATE COSTS \$257 MILLION

- Innovation costs \$28 million
- Overhead costs \$229 million

	NEW ZEALAND KIWIFRUIT	NON-NEW ZEALAND SUPPLY	NEW CULTIVARS	OTHER
	\$13 m	\$1 m	\$14 m	-
	\$181 m	\$29 m	\$18 m	\$1 m

PROFIT BEFORE TAX \$405 MILLION

	NEW ZEALAND KIWIFRUIT	NON-NEW ZEALAND SUPPLY	NEW CULTIVARS	OTHER
	\$54 m	\$29 m	\$320 m	\$2 m

TAXATION \$115 MILLION

	\$115 m			
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PROFIT AFTER TAX \$290 MILLION

	\$290 m			
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RETAINED EARNINGS

Profit retained in the business \$47 million. Earnings reinvested into the business for assets, working capital and financial stability.



DIVIDENDS

Dividends paid or proposed total \$244 million or \$1.33 cents per share. The current dividend policy is 70-90 percent of the distributable profit (2020/21 = \$304 million), which includes deferred licence revenue received of \$14 million from prior years.



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

Full-Year Return	2020/21 - Actual						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:											
Total trays supplied (m)	67.5	2.8	85.5	1.5	0.3	159.6	68.7	2.8	73.7	0.4	148.1
Kilograms supplied (m)	236.7	9.5	300.2	5.1	0.9	559.7	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)	584.2	31.9	1,212.4	24.6	3.4	1,873.9	281.6	15.7	466.2	2.6	782.5
Fruit incentives (\$m)	24.4	1.3	70.8	0.8	0.1	97.4	285.3	15.9	600.2	1.5	905.9
Service costs (\$m)	94.2	2.2	121.1	1.4	0.0	219.3	109.4	2.5	115.8	(0.0)	228.6
Fruit and service payments excl. loyalty premium (\$m)	702.8	35.4	1,404.3	26.8	3.6	2,190.5	676.4	34.1	1,182.1	4.1	1,917.0
Total 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)	6.40	9.29	11.38	14.15	9.90		1.85	3.39	3.52	3.79	
Total fruit payments per net submit trays	8.65	11.54	14.18	16.95	12.70		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	0.11	0.08	0.04	-0.04		0.09	0.03	0.06	-0.05	
Fruit incentives	0.36	0.46	0.83	0.55	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	1.03	0.75	0.86	0.75	0.00		1.03	0.77	0.81	0.00	
Service costs	1.39	0.81	1.42	0.96	0.00		1.59	0.90	1.57	-0.00	
Class 1 fruit and service payments per net submit trays	10.41	12.81	16.42	18.45	13.21		9.85	12.24	16.04	10.50	
Loyalty premium	0.40	0.40	0.40	0.40	0.40		0.31	0.31	0.31	0.31	
Class 1 fruit and service payments with loyalty per net submit trays	10.80	13.21	16.82	18.85	13.61		10.16	12.56	16.35	10.82	
Less: onshore fruit loss	-0.07	-0.04	-0.16	-0.19	-0.00		-0.16	-0.13	-0.22	-0.03	
Fruit loss percentage ³	0.69%	0.32%	0.93%	0.99%	0.01%		1.60%	1.00%	1.35%	0.30%	
Class 1 fruit and service payments per gross submit trays	10.73	13.17	16.66	18.66	13.60		10.00	12.43	16.13	10.78	
Plus Class 2 Return	0.19	0.34	0.09	0.21	0.03		0.20	0.41	0.08	0.06	
Plus Non-Standard Supply (NSS) ⁴	0.01	0.06	0.01	0.26	0.00		0.01	0.06	0.05	0.06	
Plus Other Income (Non dividend) ⁵	0.01	0.01	0.02	0.02	0.01		0.01	0.01	0.01	0.01	
Average revenue per gross submit trays	10.93	13.57	16.79	19.15	13.65		10.21	12.91	16.27	10.91	
LESS: Post-harvest costs deducted⁶											
Base packing and packaging	-1.52	-1.57	-2.32	-2.35	-2.43		-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	-0.89	-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	-0.52	-0.38	-0.42	-0.25	-0.00		-0.54	-0.34	-0.43	0.00	
Total post-harvest costs per gross submit trays	-3.42	-3.04	-4.33	-3.79	-3.51		-3.54	-3.03	-4.41	-3.25	
OGR per gross submit trays	7.51	10.53	12.46	15.36	10.14		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	\$76,722	\$66,453	\$177,846	\$158,599	\$56,853		\$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	2.14	3.05	3.55	4.38	2.96		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 March 2021.

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 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: Amounts above are not rounded to 2 decimal places, therefore rounding differences may apply.

DIVIDEND PAYMENTS MOVING ONLINE

Major New Zealand banks have announced that from mid-2021 they will no longer be processing cheques. If you are a shareholder who still 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

- | | |
|---|--|
| <p>1. Using your username and password, log into Computershare to add these details: www.investorcentre.com/nz</p> | <p>Update your details online 24 hours a day, seven days a week.</p> |
| <p>2. Contact Computershare with your bank details and they will provide you with a direct credit form to be signed.</p> | <p>Mail: Computershare Investor Services Limited, Private Bag 92119, Auckland 1142, New Zealand
 Email: enquiry@computershare.co.nz
 Phone: +64 9 488 8777</p> |
| <p>3. Contact Zespri with your bank details and we will provide you with a direct credit form to be signed</p> | <p>Email: shares@zespri.com or
 Phone: on 0800 155 355</p> |

LOYALTY PAYMENTS

The remaining loyalty payment for fruit submitted in 2020 will occur on 15 June 2021. The amount will be \$0.2975 per Class 1 tray, topping up the \$0.10 paid in January this year.

If you have any queries, contact the Grower Support Services Team on 0800 155 355 or email contact.canopy@zespri.com.



Updates from our Pre-harvest Team

UPDATE ON FIVE-YEAR GAP REFRESH PROJECT

The Pre-harvest Team have this year kicked off a five-year project reviewing the Zespri GAP programme.

In the global context of climate change, increasing population, concerns around access to water, and several other issues, there is a spotlight on good agricultural practice programmes and the role they play in alleviating these problems in primary production.

Our role at Zespri is to ensure we are supporting good, sustainable agricultural practices through the provision of assurance programmes (like Zespri GAP). There is a need to refresh our current systems, processes and requirements to ensure that they continue to be fit-for-purpose as we work through a lot of change – from the perspectives of our markets, customers, and our own regulatory environment here in New Zealand.

In this early stage of the refresh, we are collating feedback from growers and post-harvest on their experiences of the Zespri GAP programme, the requirements and the audit process.

A series of pre-harvest forums were held in February and March this year at locations across the country to connect with growers on this refresh. Unfortunately, the team only

managed to get around to half of the scheduled forums due to the COVID-19 restrictions during this time. However, growers the team did manage to catch up with provided some really good insight into their experience of GAP and what it means to them.

In May, a newsletter was circulated to all MSOs and post-harvest facilities summarising the forum content and providing an opportunity for all recipients to openly and honestly give their feedback on GAP.

This feedback is vital to help guide decisions and planning for the five-year GAP Refresh Project and ensure we are enabling growers within a programme that works on orchard – for growers. We strongly encourage growers to submit feedback via the survey which you can access here: https://zespri.formstack.com/forms/preharvest_gap_feedback.

For details on the GAP refresh, a copy of the newsletter, and/or to discuss this further with the Pre-harvest Team, email preharvest@zespri.com, or refer to the GAP Refresh Project page on Canopy for updates.

As the year progresses, further detail will be provided from the Pre-harvest team on Zespri GAP, the GAP Refresh Project, and other relevant updates.

SPRAY CONTRACTOR MINIMUM QUALIFICATIONS

The minimum qualifications of spray contractors (spraying for reward) has changed.

These changes happened several years ago through the EPA, however due to initial course content, would not have been relevant to those using airblast sprayers.

This has now changed, with spray contractors 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.

For more information, please contact melanie.walker@zespri.com.

GISBORNE AND HAWKE'S BAY GROWERS GAIN NUTRIENT KNOW-HOW

Twenty-six growers from Gisborne and Hawke's Bay took a close look at their nitrogen inputs and outputs in May, at the first set of the Global Extension Team's nutrient know-how workshops.

The workshops offered a quick overview of key nutrients for kiwifruit growth, then focused in on nitrogen with tips for optimising production and reducing the risk of nutrient loss below the root zone. Attendees got hands-on with some practical demonstrations, and took a look at their own fertiliser records and recommendations to explore options for improving nitrogen efficiency.

On average, attendees rated the workshops 9/10 as good use of their time. Everyone said they'd learnt something new and 88 percent said they'd take action on their orchard as result; such as by considering compost contributions in their overall nitrogen balance, and re-considering the rate and timing of their fertiliser applications.

The workshops are being delivered in other growing regions throughout the month of June (see schedule) and register via Canopy > Up & coming GET events.



Zespri Global Extension Lead – Sustainability, Christina Robinson and Gisborne growers get hands on with soil and water to demonstrate nitrogen loss risk.

DATE AND TIME	REGION	LOCATION
Tuesday 1 June 2pm - 4pm	Ōpōtiki	Ōpōtiki Golf Club 14 Fromow Road, Ōpōtiki
Thursday 3 June 10am - 12pm	Waikato	Onyx Cambridge 70 Alpha Street, Cambridge
Wednesday 9 June 10am - 12pm	South Auckland	Franklin Club 7 East Street, Pukekohe
Thursday 10 June 9am - 11am	Kerikeri	Turner Centre 43 Cobham Road, Kerikeri
Thursday 10 June 1.30pm - 3.30pm	Whangārei	Distinction Whangārei 9 Riverside Drive, Whangārei
Tuesday 15 June 10am - 12pm	Nelson	Motueka Top 10 Holiday Park 10 Fearon Street, Motueka
Tuesday 22 June 10am - 12pm	Te Puke	The Orchard Church 20 Macloughlin Drive, Te Puke
Tuesday 22 June 2pm - 4pm	Tauranga	The Yacht Club 90 Keith Allen Drive, Tauranga
Thursday 24 June 10am - 12pm	Katikati	Katikati Community Centre 45 Beach Road, Katikati



KEY FOCUS: JUNE GLOBAL EXTENSION TEAM

Winter pruning

Grafting

Soil management

THE MONTH AHEAD: JUNE

Leaf drop sprays

The use of copper sprays to protect leaf scars from Psa will assist with leaf drop. Heavier copper rates in copper sulphate sprays will hasten leaf drop but will, over time, increase orchard copper levels.

For tips on reducing copper build up in your orchard check out the Kiwiflier Spotlight on leaf drop which can be found via [Canopy > Zespri & The Kiwifruit Industry > Publications > OPC Kiwiflier Spotlight Series > Issue 9: OPC Kiwiflier Spotlight on Leaf Drop](#).

Winter pruning

Before you make a start on winter pruning, it's important to work out what your targets for next season are. Your targets for pruning should begin with wood quality but also give consideration to numbers (working towards a final volume of trays) and quality — so take the time to think about both parameters.

Wondering about how many buds per square metre you need? The 'Winter Canopies' page on [Canopy](#) ([Canopy > Growing Kiwifruit > Orchard Management > Canopy Management & Pruning > Winter Canopies](#)) has some great resources to help you decide your targets, set specifications and communicate these to your work crew.

Remember — it's not just about getting the target number of buds in a bay, it's about achieving an even distribution of buds right across the bay. What strategies might you use to get sufficient buds tied in close to the leader? This area is often challenging to fill, and sometimes using a separate crew to focus on this area can result in a better outcome.

Avoid pruning in wet conditions and maintain hygiene from vine to vine. It is likely with the ongoing impacts of COVID-19 travel restrictions, we can expect some new pruners this year. Like all relationships, you get back what you put in. Ensure either you or your contractor are doing a good job of training and monitoring performance. Spending a bit extra on a dedicated supervisor doing checks on the quality of the job, including bud counts and providing positive feedback/reinforcement of training, will pay dividends at harvest 2022.

Grafting

Planning on grafting? Don't let your winter development work lead to any nasty surprises — make sure you start with clean plant material. New plants and budwood pose the highest risks of disease transfer. We may have learnt to manage Psa, but it's important we stay vigilant to the threats posed by other pests and disease. Source only certified plants from Kiwifruit Plant Certification Scheme (KPCS) nurseries to reduce the risk of introducing new diseases to your orchard.

Soil management

Significant volumes of key nutrients are removed from the orchard along with the crop. Annual soil testing provides an understanding of what nutrients are present in the soil and if there are adequate amounts to meet next year's plant and crop requirements. It allows a more accurate fertiliser programme to be developed, to maximise your fertiliser dollar and minimise environmental risks from surplus applications. Complete your soil test following harvest and

with enough time before budbreak to develop your nutrient management plan. Here are some key points to keep in mind when collecting your soil samples:

- Samples should reflect the area that fertiliser is being applied to, which in turn should reflect where vines are accessing nutrients from
- Be consistent — collect your samples from similar locations and at the same time each year to better compare year on year results.

The Global Extension Team will be out in June running 'Nutrient Know-How' workshops to help you understand your soil test results and develop your nutrient plan. Find details of these workshops on [Canopy](#) or in [KiwiTips](#). Resources from these workshops will also be available on [Canopy > Growing Kiwifruit > Orchard Management > Nutrition, Soil & Water > Plant Nutrition & Nitrogen](#) if you don't manage to make it to one.

Monitoring your winter chill

Monitor your winter chill so you know what units you have accumulated and how that might influence the timing of your hydrogen cyanamide application. Websites like [www.harvest.com](#) and [www.hortplus2.com](#) can provide data from local weather stations.

It is important to keep a consistent system of measurement in order to predict budbreak accurately. The [Predicting Budbreak](#) page on [Canopy](#) ([Canopy > Growing Kiwifruit > Orchard Management > Budbreak > Identify, predict & monitor budbreak](#)) has some fantastic information on how to monitor your winter chill.

WINTER PRUNING



It is that time of year again where you have the biggest impact on determining your crop for the season ahead and where you make the single biggest investment in annual orchard operations.

With more hectares of kiwifruit going in the ground each year, you may be feeling the pressure to start your winter pruning in order to secure labour or to get around all your blocks. Spending the time on winter pruning properly is important because it can have a big outcome on your yields. Here are some tasks that may get overlooked when carrying out a winter prune.

Young vines

Have you planted replacement young vines out in your orchard over the past few seasons, or have a younger section of your orchard? These young vines will need to be pruned differently. However, if you don't specify this to your pruning team, then young vines may be overlooked or pruned incorrectly. Young vines should be pruned to ensure less of a crop load, and replacement cane in the bays next to young vines may need to be extended out to cover the gaps. Consider splitting the pruners into separate teams, or getting a separate team in earlier or later to ensure young vines are pruned correctly.

Heavy crowns or wood

Old heavy crowns or wood do not throw good cane, and can be difficult to manage for pruners and pickers. Often the fruit on these crowns is out of reach. These 'stags heads' are a reservoir of overwintering scale and the tighter they are, the harder it is to achieve good spray coverage.

A good strategy to tackle this type of wood is to aim to cut out at least one crown or section of wood per bay. Walk through and spray paint where you want the cuts to be made so pruners can clearly identify the cuts when it comes to doing it. It may be daunting, but cutting this heavy wood out now enables your leaders to produce better quality cane in the future. This will need to be completed as a separate job before your winter prune, as pruners will need specialty saws and/or chainsaws and this wood needs to be taken out to avoid pruners considering it when selecting cane. It is recommended to give this job to your most experienced staff and ensure health and safety protocols are being strictly adhered to.

Psa – break the cycle

Winter pruning also represents an opportunity to remove Psa inoculum from the orchard. With the leaves off it is a good time to do a monitoring round and mark vines with cankers for remedial work. Remember to ensure good hygiene practices to avoid spreading the disease further.

Zespri and KVH recently completed a good practice guideline for cutting out. Resources can be found on KVH's website under 'Psa-V Best Practice Guide' (https://www.kvh.org.nz/best_practice). Like large crown removal, this is a job best done by a dedicated team before the main pruning team arrives.

There are many resources available on [Canopy](#) to assist you with your winter pruning decisions. Find our winter pruning resources under [Canopy > Growing Kiwifruit > Orchard Management > Canopy Management & Pruning > Winter Canopies](#).

HOW EARLY IS TOO EARLY?



With the squeeze on resources, we are seeing a few growers start their winter prune well before leaf drop. Before natural leaf fall, the vines transfer nutrients and carbohydrates back to the roots to store as reserves for spring. Starting your prune early may stop this process, but for a Gold3 grower with canes up strings, the argument could be made that there will still be some transfer from the leaves up the strings.

If you are planning on doing this each season, then consider pruning alternate blocks each year with this early season winter prune to allow for some areas of your orchard to enter natural senescence, and monitor production to see if there are any effects.

NZKGI PODCASTS: ZESPRI PRODUCER VOTE



Zespri is currently undertaking a Producer Vote. NZKGI's role is not to take a particular position and has organised a series of podcasts featuring interviews with experts with the aim to ensure that growers can make an informed decision.

Growers will need to decide if they support conducting a one-season commercial trial involving the monitoring, procurement and marketing of up to 200,000 trays of Chinese-grown Gold3 kiwifruit. Growers will also be asked to decide if they support the use of the Zespri label, which identifies the fruit as Chinese-origin as part of the sales trial in order to understand consumer response.

The podcasts, in addition to grower roadshows and industry publications, will give growers the opportunity to learn about the risks, as well as the opportunities, of the proposed trial in China by Zespri.

Where growers feel that more information is necessary, or where further discussion is required, contact your representative or the NZKGI office on 0800 232 505 or email: info@nzkgi.org.nz.

To listen to the podcasts, scan the QR code or go to this URL: www.nzkgi.org.nz/nzkgi-podcasts/



PATHWAY PLAN PROPOSAL SUBMITTED



After a two-week review period was extended to all growers and industry, KVH submitted the proposal for a kiwifruit National Pathway Management Plan to Government at the end of April.

Thank you again to everyone for taking part in the development of the Plan, and for sharing your thoughts on the proposal. We received useful feedback during the consultation phases in 2019 and 2020, which resulted in changes and a refined proposal that we believe is a robust plan for the management of biosecurity risk while also being pragmatic and practical.

The extensive formal proposal document (and a shorter summary of the feedback and submissions received during the consultation period and the changes that were made as a result) remains available for reference on the KVH website.

From here, it is likely that the parliamentary process — where the proposal is assessed and approved by the Minister for Biosecurity, based on official's advice — will take approximately 12 months. KVH will continue to work alongside growers and industry to prepare for implementation of the proposal from 1 April 2022, including developing education material and hosting biosecurity plan workshops for all.

If you have any questions about the proposed Plan or next steps, please get in touch by phoning KVH on 0800 665 825 or emailing info@kvh.org.nz.



TRANS-TASMAN TRAVEL ON THE CARDS?

The Trans-Tasman bubble is open, which means new ads are popping up in airports across Australia reminding travellers of New Zealand's strict biosecurity requirements.

It's been a while since most of us have travelled internationally, so if you're going overseas, don't forget to clean your shoes and check your bags for fruit or other biosecurity risk items when you return to New Zealand. If you have anything, chuck it in the bin or declare it to avoid a \$400 fine.

If you have any visitors coming to your place — especially your orchard — be sure to remind them too.

KVH has put together a useful poster outlining what kiwifruit growers can do to help reduce biosecurity risk and what you can expect when returning through border control if you happen to be travelling at this time. We can print the poster and send it out to you — contact us at info@kvh.org.nz with postal details.



MOVING BUDWOOD?



Budwood movement will be a focus for many suppliers and growers at this time of year, particularly those with new licences cutting over to new varieties and/or putting in new plantings.

As plant material movements present a high-risk of transferring disease, growers are reminded to follow all KVH requirements if sending, receiving, or transferring budwood between KPINs.

Best practice, if possible, is to source budwood from your own orchard. If this is not possible, be sure to check requirements in the KVH Protocol (available at www.kvh.org.nz) and ensure any budwood movements have traceability records taken and retained.

KVH movement controls vary depending on the Psa status of the orchard, and regions that the budwood is moving into and out of. Requirements include that all suppliers of budwood must register with KVH before the first budwood collection of the year and supply a copy of their Psa-V Risk Management Plan.

Movement of infected material is not permitted, and budwood must not be transferred from a Recovery region to an Exclusion region (the South Island or the Far North). If you are unsure of the rules for your situation or have any queries, please contact KVH on 0800 665 825 or email info@kvh.org.nz.

KVH will investigate any reports of budwood movements that do not meet requirements.

INDUSTRY SUPPLY GROUP (ISG) MAY MEETING

The main agenda items discussed were as follows:

- GA softness/quality
- Re-pack trial update plans for 2021
- China Protocol update
- Hail discussion

The next ISG meeting will be held on 17 June 2021.

Q&A FROM THE FIELD

KEY CONTACTS:

Industry Stakeholder Manager:
Tom MacMorran 027 511 2005

Grower Liaison Managers:
Sylvia Warren 022 101 8550
Brad Ririnui 021 757 843

Organic Supply Specialist:
Teresa Whitehead 027 257 7135

Grower Engagement Manager:
Sue Groenewald 027 493 1987

Is there information or somewhere I can go to understand my maturity results?

Yes, there is a 'Need-to-Know' page on Canopy where there are a number of documents that can help you understand your clearance report, such as NK001 - Understanding Gold3 Clearance Reports.

Alternatively, you can give the Maturity Support Team a call on 0800 874 515 and they can help talk you through your report.

Why does Zespri do a 90-fruit sample and an additional 60-fruit sample?

There is a size-to-dry matter relationship in Gold3 where the larger fruit in an orchard generally has higher average dry matter than the smaller fruit. Sometimes this is a very obvious regression slope and sometimes it is relatively flat. Other times, the fruit on the orchard are so variable that it is hard to deduce anything.

The regression line tends to be sensitive at the extremities. Including small fruit tends to steepen the slope of the line, so the estimated dry matter for larger sized fruit is increased. Taking out the small fruit can flatten the line, whereby the estimated dry matter for smaller sizes increases as the estimated dry matter for larger sizes decreases.

The Gold3 taste-by-size calculations use fruit weight to get better predictions of dry matter for each size class. Inclusion of the smaller fruit sizes (even if they are not being harvested) improves the prediction of dry matter for all fruit sizes.

I would like to give some feedback regarding the Maturity Clearance System. Who can I email?

You can either call the Maturity Clearance System Contact Centre on 0800 874 515 or by email maturity.support@zespri.com. Alternatively, please call your local Grower Liaison Manager (contact details above).

If my residue test fails, do I need to request another one?

No. Zespri takes a cautious approach with residue results to ensure there are no residue issues in market. If a positive residue result is found in a fruit sample, market restrictions are applied so the fruit avoids any market where the results exceed their maximum residue limits (MRLs). Even if a subsequent residue test is carried out, the initial test will stand unless otherwise arranged with the Pre-harvest Team to minimise any risk.

I've finished picking and packing. How can I tell where my fruit has gone in the world?

You can see your crop, how much is in store, what's been shipped and where it's gone through the Industry Portal. Log into Canopy and you'll find the Industry Portal link in the 'Favourites' section of the homepage (top right). Then click on the 'Reports' icon.

Where do I find my residue results in my Spray Diary?

To see your residue results in Spray Diary, go to the Spray Diary home page via Canopy, and click the 'Residue Test' button. You will then be able to see all the residue tests requested for that KPIN and whether the test is a pass (P) or a fail (F).

You can select the residue test you want to show the details of, and then click the 'View' button. The details for the residue test will show under the residue test results section. If you have a residue found from that residue test, it will show those details under the residue test results section. Your pre-harvest test will be specified as an 'antibiotic/multi residue' test type. Any other test types will likely be for a different reason (i.e., pre-season testing). If you have any queries, please contact the Pre-harvest Team on 027 435 0784.

What are the payment timings for the year?

Payment timings	Submit	Progress	KiwiStart	Taste Zespri	Supplier Accountability	Pack and Time	Loyalty
April 2021	●					●	
May 2021	●					●	
June 2021	●					●	
July 2021		●		●	●	●	
August 2021		●	●	●	●	●	
September 2021		●		●	●	●	
October 2021		●	●	●	●	●	
November 2021		●		●	●	●	
December 2021		●		●	●	●	
January 2022 ^{AB}					●		●
February 2022		●					
March 2022		●					
April 2022		●					
May 2022							
June 2022		●					●

^A January Progress Payments are paid in December.

^B The first installment of the 2021/22 season Loyalty Payment will be paid in January 2022, subject to any deferral authorised by the Zespri Board in accordance with the Zespri Loyalty Contract.

APPOINTMENT OF NEW ORGANIC SUPPLY SPECIALIST

Zespri is pleased to announce the appointment of Teresa Whitehead to the newly created role of Organic Supply Specialist.

Teresa brings to the role an enthusiasm to help drive the organic category forward with a strong knowledge of the industry.

"Having been brought up on a kiwifruit orchard in Tauranga, I have worked in and around the kiwifruit industry for the last 14 years, most recently at Zespri," says Teresa.

Over the past six years Teresa has worked in the Zespri Planning & Supply team where she has managed supply into North America and South East Asia. This has involved in-market visits to build stronger relationships with customers, and most recently training and supporting the North America operations and demand team.



Teresa Whitehead, new Zespri Organic Supply Specialist.

Teresa's role will include driving relationships, advocating and communicating commercial decisions that impact organic growers, as well as understanding supply side challenges and opportunities as Zespri navigates growth in the organic market.

SAVE THE DATES!

JUN
16-19

FIELDAYS 2021
MYSTERY CREEK - HAMILTON

Join us for Mystery Creek Fielddays.

We're looking forward to returning to Mystery Creek Fielddays this year and we hope to see you there. Enclosed in the print edition of this issue of *Kiwiflier* is a letter of invitation to visit the Zespri hospitality site, along with our key presentations over the four days.

We hope you can join us and have the opportunity to hear from Zespri CEO Dan Mathieson, as well as connect with our Grower Liaison Managers, and members of the Zespri Board and senior executive. Dan will update growers on how the season is progressing and the latest from our global markets.

This year, the Zespri stall has moved to a new location – you can find us at site F49, which is next to the Fielddays Bar & Eatery on F Street.

Fielddays will also be a great opportunity to ask any questions you may have about the Producer Vote.

A reminder growers can purchase tickets for this year's Fielddays from www.fielddays.co.nz or at the Fielddays entry gate.

AUG
5-6

2021 HORTICULTURE CONFERENCE
– 'RESILIENCE AND RECOVERY'
MYSTERY CREEK - HAMILTON

Each year, HortNZ holds a conference to bring together growers and leading industry figures to celebrate the achievements of the industry, and look to what the future can hold.

The two-day conference will focus on the array of challenges and opportunities currently facing the industry in the COVID-19 affected world. A diverse range of speakers will provide perspective from New Zealand and overseas, industry and government. They will offer insight as the horticulture industry looks to 2022 and beyond. Find out more, and to register, here: <https://conferences.co.nz/hortnz2021/>

AUG
18

2021 ZESPRI ANNUAL MEETING
TRUSTPOWER ARENA - MOUNT MAUNGANUI

The Zespri Annual Meeting will take place at 1pm, on Wednesday 18 August 2021 at Trustpower Baypark Arena (subject to Alert Level restrictions). The Annual Meeting will also be available to attend virtually. Those online will be able to ask questions and vote remotely.

The Annual Report 2020/21 and the Notice of Meeting will be available to shareholders from early July.

A reminder to check that your mailing address is correct with Zespri Grower Support Services, by emailing contact.canopy@zespri.com.

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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 contact.canopy@zespri.com EMAIL: contact.canopy@zespri.com

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