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REMINDER**



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THE FIELD**

INDICATIVE JUNE FORECAST OGR RANGES

The Zespri Board has updated the indicative forecast OGR guidance it last provided growers on 23 March 2021, reflecting the latest information on this season's crop, supply chain performance and market risks.

Zespri Chairman, Bruce Cameron notes there has been a positive start to the season in the markets with our fruit selling quickly on the back of strong demand for fresh, healthy fruit like Zespri's.

"However, we are experiencing some headwinds this season, particularly around rising freight costs, labour shortages and challenges with fruit quality and unfavourable foreign exchange," says Mr Cameron.

"It's been a tough harvest season for many growers and packhouse facilities, nonetheless we are committed to remaining focused on strong performance in the markets and optimising fruit quality.

"The broad range provided for each pool recognises the uncertainty that remains across our markets, driven by lingering effects of COVID-19, and the risk of further disruption across our supply chain and markets from ongoing global shipping congestion," says Mr Cameron.

Total Fruit and Service Payment

The Total Fruit and Service Payment range (excluding loyalty premium) for the 2021/22 season is forecast at \$2.3 billion to \$2.5 billion.

POOLS [FRUIT CATEGORIES]	2021/22 INDICATIVE PER TRAY RANGE - JUNE FORECAST	2021/22 INDICATIVE PER HECTARE RANGE - JUNE FORECAST	2021/22 INDICATIVE PER TRAY RANGE - 23 MARCH GUIDANCE	2021/22 INDICATIVE PER HECTARE RANGE - 23 MARCH GUIDANCE
Zespri Green	\$6.00-\$7.30	\$70,000-\$85,000	\$6.00-\$7.30	\$68,000-\$83,000
Zespri Organic Green	\$9.25-\$10.75	\$64,000-\$75,000	\$9.00-\$10.50	\$64,000-\$75,000
Zespri SunGold Kiwifruit	\$10.50-\$12.50	\$160,000-\$190,000	\$10.00-\$12.60	\$151,000-\$190,000
Zespri Organic SunGold Kiwifruit	\$12.25-\$14.25	\$139,000-\$162,000	\$12.00-\$14.60	\$134,000-\$164,000
Zespri Green14	\$7.50-\$9.50	\$50,000-\$64,000	\$8.00-\$10.00	\$55,000-\$69,000

Forecast corporate profit range and dividend range

The forecast range of corporate net profit after tax for 2021/22 is \$357 million to \$367 million, including licence release income. The forecast dividend per share range for the year ending 31 March 2022 is \$1.66 to \$1.70, based on a payout ratio of 85 percent of the available distributable profit. This reflects the Board's decision today to increase the dividend payout ratio from 80 percent to 85 percent based on the strength of our results and future outlook. This will apply to dividends from the 2021/22 year.

Final dividend for the year ended March 2021 and first interim dividend for the year ended 31 March 2022

The Zespri Board declared a 2020/21 final fully imputed dividend of \$0.27 per share, in line with their intention to

declare, published in May. This brings the total dividend to \$1.33 per share, up from \$0.94 in 2019/20.

The Zespri Board also declared a fully imputed interim dividend related to the 2021 licence release of \$1.44 per share.

Both dividends are expected to be paid in August 2021.

Zespri Margin 2022/23 Financial Year

While it is early in the current season and there remains challenges to navigate, based on the latest June forecast, the Zespri fruit return margin percentage under the terms of the Enduring Funding Agreement is likely to reduce by 0.25 percent to 6.75 percent for the 2022/23 financial year. A further update will be provided following Zespri's August forecast.

PRODUCER VOTE: GOLD3 UPDATE

Zespri thanks all of those growers for their engagement on the proposed commercial Gold3 trial in China through the Producer Vote process.

Final results of the Producer Vote show 70.5 percent of growers supported Resolution 1 to carry out a one-season orchard monitoring, procurement and sales and marketing trial in China. A total of 64.5 percent supported the second resolution to use the Zespri brand label as part of the sales trial in order to understand consumer response.

Under the Kiwifruit Export Regulations, 75 percent support (by both individual votes and fruit weight) is required for each resolution to pass in the Producer Vote. While there was strong support from the industry, the result means the commercial trial will not go ahead.

RESOLUTION	INDIVIDUAL VOTES	BY WEIGHT
1. The proposed commercial trial	70.54%	68.12%
2. Using the Zespri brand on trial fruit in the sales programme	64.51%	61.74%

Participation: 59.5% of the industry voted representing 75.9% by fruit weight.

Zespri CEO Dan Mathieson thanks all those who engaged so extensively in this healthy and robust industry decision, sharing ideas and feedback, and testing the thinking on the trial.

"We were heartened to see so many of you at the grower meetings, roadshows and Fielddays, despite the vote being held in the midst of a busy and challenging harvest."

What happens now?

China remains an incredibly important market for Zespri so we will continue to focus on providing our consumers

there with Zespri's premium quality kiwifruit. With regards to the unauthorised plantings, they are likely to continue to grow and China will remain the world's largest producer and consumer of kiwifruit.

The team on the ground will continue to work with the industry in China to understand fruit performance and characteristics, as well as the supply chain, so we can continue to increase our understanding and come up with a way forward. We'll also continue our R&D partnerships and strengthening our relationships with the Chinese government and industry, including strengthening IP protection.

What other options does Zespri have to address the unauthorised plantings?

We will seek to understand the concerns some growers have raised. We will explore options and discuss those with industry.

We will continue to engage with officials in both countries to keep the issue of unauthorised Gold3 spread front of mind. Legal avenues for addressing this issue will also be assessed, although these have proven difficult in the past.

When will there be another update on the level of unauthorised plantings?

Zespri will assess the level of spread early in the new year once the grafting window has taken place. We'll continue to keep our growers and the New Zealand industry informed of the situation on the ground in China.

What does this mean for Zespri operating in China?

Zespri remains committed to China, and we have built Zespri Kiwifruit to be one of the top fruit brands in China over the last 20 years. We have established relationships with our Chinese distribution partners and key accounts. We will continue to invest in and develop these channels with a focus on positioning our New Zealand-sourced fruit as a premium offering to our loyal Chinese customers.

We will be looking to accelerate our in-market plans for new sales territories to build demand during the clear southern hemisphere selling window.

We believe continuing to strive for our 12-month supply ambition in all of our markets is critical to growing sustainable returns for our growers.

Will there be another vote on this?

We will continue to explore our options and seek an alternative way forward. We will keep engaging the industry in this discussion.

FIELDAYS SUSTAINABILITY AWARD STAYS IN THE INDUSTRY

Zespri won the inaugural 'Commitment to Sustainability Award' at the 2019 Mystery Creek Fielddays.

This year, it's great to see it staying in the kiwifruit industry with Trevelyan's Pack and Cool receiving the award - congratulations Trevelyan's.



Nicky Roderick from Trevelyan's pictured here with the award.

JOIN US AT OUR 2021 ANNUAL MEETING

AUG
18

**VOTE ONLINE OR ATTEND
AND VOTE IN PERSON**

The Annual Meeting of shareholders of Zespri Group Limited will be held at Trustpower Arena, 81 Truman Lane, Mount Maunganui, at 1pm on Wednesday 18 August 2021 (subject to Alert Level restrictions). Registration will take place from 12pm (midday).

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 formal notice of the Company's Annual Meeting, as well as Proxy Forms and information relating to the appointment of Directors, will be available to shareholders from early July.

Please note, companies or other incorporated bodies must appoint an individual as a corporate representative if they wish to attend or vote at the Annual Meeting. This can be done by completing the Proxy Form on Canopy (canopy.zespri.com/EN/industry/aboutzespri/zepsriannualmeeting) and returning it to Computershare no later than 1pm on Monday 16 August 2021.

DIRECTOR VACANCIES AND CANDIDATES STANDING



INDEPENDENT DIRECTOR VACANCY 1

Alison Barrass



DIRECTOR VACANCY 2

Bruce Cameron



DIRECTOR VACANCY 3

Tony Hawken



DIRECTOR REMUNERATION COMMITTEE SHAREHOLDER MEMBER VACANCY 1

Julian Raine

Julian Raine is the only candidate standing for the shareholder member of the Director Remuneration Committee in vacancy 1. A poll will be held to vote for or against the candidate.

The Board and Executive would like to extend our thanks to John Cook who is retiring as Chair of the Director Remuneration Committee after many years of service.

Further information on the candidates are available in the Notice of Meeting packs.

RETURN TO FIELDAYS

In June, Zespri and some 130,000 New Zealanders returned to Mystery Creek Fielddays, the largest agricultural event in the southern hemisphere.

The four-day event provided another great opportunity for Zespri to catch up with growers, industry, government and the wider sector over a sausage and cup of tea, and to share how the season is progressing.

Fielddays visitors were treated to Zespri's ever-popular smoothie bikes and kiwifruit tastings, while growers and industry representatives joined us at the site for an update and lunch.

There were also season updates from Zespri CEO Dan Mathieson, comments from Chairman Bruce Cameron, and short speeches from two new industry leaders, Colin Bond, CEO of NZKGI; and Leanne Stewart, CEO of Kiwifruit Vine Health.

Mr Mathieson also shared his thoughts on industry issues like labour and international shipping disruption.

"I'm really glad we could get back to Fielddays after last year's cancellation," says Mr Mathieson.

"It was great to catch up with so many growers in person and hear their thoughts around our industry and its future success. Thank you to all who took the time to stop by the Zespri site to say hello."

Around 30 MPs, Ministers and government officials also visited, ensuring the opportunity to discuss the season, and in particular the challenges around labour.



ZESPRI CLIMATE CHANGE STRATEGY: BUILDING A CLIMATE-RESILIENT FUTURE

Published in June, Zespri's first-ever climate change strategy is a plan for how Zespri will work together with the kiwifruit industry to lead the transition to a low-carbon, climate-resilient future. It's been guided by input from growers, post-harvest, and Zespri people.

Zespri Executive Officer for Sustainability, Rachel Depree says ensuring a climate-resilient industry is an important part of protecting and creating long-term value for kiwifruit growers, and fulfilling Zespri's purpose of helping people, communities, and the environment around the world thrive through the goodness of kiwifruit.

"We want to act for the future — it's about finding opportunities, protecting our value and being part of the solution," says Ms Depree.

"We can see changes coming, through customer feedback and market regulations. This climate change strategy will ensure Zespri is ready to respond and has helped lead and shape the agenda."

"We'll succeed through strong leadership, action and coordination. Having clear goals and milestones will help us achieve our ambitious targets, set in February 2020," says Ms Depree.

WE'VE ALREADY MADE PROGRESS

As we've developed the strategy, we've been able to capture the action the kiwifruit industry has already taken to build its resilience to climate change.

"We were one of the first industries way back in 2008 to measure the carbon footprint of a kiwifruit as it travels from orchard, through to the consumers. We already ensure traits such as drought tolerance and pest resistance are part of our new varieties programme," says Ms Depree.

"Over the past year, we've commissioned research to understand our climate risks in all our growing regions around the world, aligning with the best-practice standard, the Taskforce for Climate-Related Financial Disclosure (TCFD)."

This has identified physical climate risks, such as rising average spring and summer temperatures and more variable and extreme weather events, as well as challenges such as increased regulation and changing customer and consumer expectations.

Ms Depree says these can also be opportunities — for example, some of our customers are looking for zero carbon products — and we want to be able to respond, ensuring we're known for strong environmental credentials as well as great tasting fruit.

"That's why we're quantifying our carbon footprint, and exploring the opportunities we have to reduce our impact," says

Ms Depree. This includes areas such as shipping, packaging, cool store operations and fertiliser use on orchards, and investing in learning about what growers can do to improve the carbon stored in soil and through growing systems.

Zespri Head of Global Science and Innovation Dr Juliet Ansell, says Zespri's innovation function invests more than \$1 million per year to build greater understanding about how climate change might affect our kiwifruit orchards and our kiwifruit varieties, including new varieties.

"From assessing the carbon footprint of our Zespri Global Supply business, to understanding the water requirements of kiwifruit vines, investigating soil carbon storage, and modelling the impact of changes in weather on yield and pest and disease risk, we are taking a science-led approach to the solutions we put in place," says Dr Ansell.

This research is also helping inform our input into the Primary Sector Action Partnership on Climate Change, known as He Waka Eke Noa, a partnership between the primary sector, Māori and government.

WORKING TOGETHER AS AN INDUSTRY

We know we can't do this alone. Our industry has a long history of working together to solve problems, positioning ourselves to succeed in our markets around the world — and climate change is just another one of these.

"While the path ahead is challenging, I have no doubt we can succeed — we have the know-how, experience and leadership to do so. Our strategy simply provides a roadmap for the most important things we need to do to meet this challenge," says Ms Depree.

Over the coming months, we'll be looking at each of the goals in more detail, sharing the work we're doing, explaining government requirements — such as He Waka Eke Noa — and inviting growers to take part.

- Tune in online on Tuesday 13 July at 11am to hear Ms Depree give an overview of Zespri's climate change strategy here: <https://canopy.zespri.com/EN/industry/news/Pages/climate-change-strategy.aspx>.
- Read Zespri's climate change strategy here: https://www.zespri.com/content/dam/zespri/nz/sustainability/Zespri_Climate_Strategy_Document.pdf
- Send us your feedback by emailing sustainability@zespri.com.

OUR GOALS

The strategy has three goals, each accompanied by milestones for the next five years. Supporting this is an implementation plan which will be updated annually.



TO PROVIDE THE WORLD WITH CARBON POSITIVE KIWIFRUIT



TO ENABLE THE KIWIFRUIT INDUSTRY TO THRIVE IN A RAPIDLY CHANGING CLIMATE



TO GROW OUR CAPABILITY AS A CLIMATE LEADER

OUR CLIMATE CHANGE TARGETS

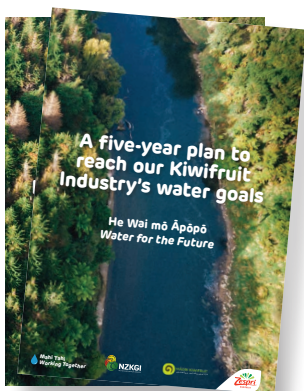
1. WE WILL WORK WITH OUR PARTNERS TO BE CARBON POSITIVE BY 2035, ACHIEVING TWO KEY TARGETS ALONG THE WAY:

- Zespri corporate will be carbon neutral by 2025.
- We will support our global supply chain to become carbon positive to retailers by 2030.

2. WE WILL STRENGTHEN OUR PREPAREDNESS FOR CLIMATE CHANGE BY:

- Reporting on our climate risks and opportunities by August 2021.
- Building an industry-wide adaptation plan by December 2022.

WORKING TOWARDS THE KIWIFRUIT INDUSTRY'S WATER AND NUTRIENT GOALS



Declining water quality has been in the news for years now, with stories of how the primary sector contributes to excess nitrogen in our waterways.

As an industry, we can manage the effects our orchards have on water quality and thriving aquatic life — key indicators of healthy water and ecosystems.

A Water Strategy for the kiwifruit industry was developed in 2019 by NZKGI, Zespri, Māori Kiwifruit Growers Incorporated (MKGI), Horticulture New Zealand (HortNZ) and growers. This set out objectives on how best to manage water and nutrients on orchards.

This year, the Water Strategy Partners developed a five-year plan with specific targets to protect water quality, use water efficiently and build soil health.

A grower resource — *Water roadmap: Achieving the kiwifruit industry water goals* — which can be found on Canopy and NZKGI's website, sets out these goals in more detail, as well as some of the practical steps growers can take now. It also outlines what the industry is doing to support growers into the future.

Zespri Chief Grower, Industry and Sustainability Officer, Carol Ward says it's important that we work together as an industry to meet these goals.

"The water strategy has three goals for all growers: one, to be able to align their nutrient inputs and losses to good practice limits, and two, to use monitoring technology to actively manage and show efficient water use," says Ms Ward.

"Thirdly, when it comes to building soil health, it's about having access to — and consistently using — the tools and knowledge available to protect and foster healthy, fertile soils."

To date, the Water Strategy partners have commissioned multi-year science research and innovation projects to answer key questions on water and nutrients on kiwifruit orchards.

"We're translating what we learn into practical tools and resources that will support growers, fertiliser representatives and other advisors, and the industry as a whole," says Ms Ward.

The team also continues to work with central and local government to advocate for, and develop, policy which works for growers.

"The government is developing its approach to farm planning through the Freshwater Module of a Farm Plan," says Ms Ward.

"We're advocating for existing industry assurance schemes like Zespri GAP to be accepted as a way to meet the certification requirements of Freshwater Farm Plans."

As work progresses, detailed information and support will be provided to growers by NZKGI, Zespri and MKGI, to ensure growers understand in practical terms what they need to do, when and how.

WATER STRATEGY VISION

To collectively protect and enhance our water resources for our people, our environment, and our communities while enabling kiwifruit industry growth.

FIND OUT MORE

To access the Water Roadmap and other resources relating to nutrient, soil and water management, visit:

- Zespri Canopy website: [Canopy > Growing Kiwifruit > Orchard Management > Nutrition, Soil & Water](#)
- NZKGI website: <https://www.nzkgi.org.nz/what-we-do/water/>



FROM THE MARKETS

SALES AND MARKET UPDATE

Zespri SunGold (Conventional and Organic) Kiwifruit demand remains strong and product continues to move steadily within markets.

41 percent of Zespri SunGold Kiwifruit has been delivered at the end of Week 25, six million trays ahead of last season. However, further shipping arrival delays have impacted the delivery results of the last couple of weeks of June.

Zespri Green Kiwifruit deliveries are at 20 percent to the end of Week 25. These remain behind last season year-to-date due to the slower supply start, and all markets will only be in full supply as we come into July.

Zespri Chief Market Performance Officer Linda Mills says marketing campaigns are in full flight to create the demand for our fruit.

"The focus is on building our Zespri brand with consumers and to support sales," says Mrs Mills.

"Distribution in market continues to operate well once fruit arrives."

It is now summer in the Northern Hemisphere when there is often a seasonal dip.

"There are more seasonal summer fruit choices for consumers, combined with holidays during this period, and this tends to have more of an impact on Zespri Green Kiwifruit in terms of slower delivery rates. Delivery rates then pick up again post this period," explains Mrs Mills.

"Markets are also seeing changes in consumer shopping behaviours as COVID-19 restrictions are easing in some markets, and as levels of vaccination increase."



Italy

Zespri Kiwifruit arrives in port

Great to see our Zespri Green and Zespri SunGold Kiwifruit being unloaded off the Ivar Reefer vessel in Vado Ligure, Italy last month.



Vessel discharge in Vado Ligure, supervised by the Italian Quality Team.

Brazil

Zespri SunGold Kiwifruit shining bright

The season in Brazil has started well with great brand visibility in supermarkets, street fairs and specialised fruit stores.

The Zespri Vita SunGold package creates eye-catching displays while the point of sales materials, focusing on Vitamin C, contributes to building brand meaningfulness.

Well done, Brazil team!



Japan

Kiwi Brothers ad takes top spot again!

Once again, our favourite brothers are number one!

In June, the Zespri Japan team announced their Kiwi Brothers ad has been ranked number one in the consumer favourability score ranking. Well done to everyone involved.



Celebrating a number 1 ranking for our Kiwi Brothers ad.

China

White paper on healthy diet of women

In partnership with the Chinese Nutrition Society (CNS), Zespri released a white paper on the healthy diet of women in China.

The Zespri team in China hosted an impressive event attended by nutritional experts and more than 30 media representatives to officially launch the findings.

The white paper suggests that two kiwifruit a day would meet the recommended daily Vitamin C intake for adults.

"We will be able to leverage this with the endorsement of the CNS," says Ivan Kinsella, Head of Corporate Affairs, Market Performance - Greater China.



New Zealand Ambassador to China, Clare Fearnley spoke at the event.

Spain

Catch the irresistible taste

In June, our team in Spain launched the new Europe campaign for 2021 named "Catch the irresistible taste". The team organised a hybrid event (in-person and online) and presented to media and key partners.

Zespri Brand Manager Iberica, María Castells introduced Zespri, our history, our kiwifruit varieties, and the popular campaign starring our Kiwi Brothers. María was joined by chef and TV host, Samantha Vallejo-Nágera who acted as an ambassador for taste. A judge on the famous culinary show MasterChef Spain and a self-confessed lover of our kiwifruit, Samantha made three delicious breakfast recipes live using Zespri SunGold Kiwifruit.

More than 50 journalists and influencers received a gift pack, together with Zespri SunGold Kiwifruit and the recipes. The event was followed live by more than 100 people including media specialising in food trade, lifestyle, and gastronomy. It reached more than 450,000 social media users and relevant media such as ABC Bienestar, Lecturas, Alimarket or Marketing Directo. In terms of social media, the posts by Samantha Vallejo-Nágera achieved more than 33,000 impressions.

Congratulations to everyone on an extremely successful event.



Hong Kong

Zespri Kiwifruit wins 'Most Favourable Hot Product (fresh)' Award

The Zespri team in Hong Kong are celebrating winning the 'Most Favourable Hot Product (fresh)' award at the PARK n SHOP Super Brands Award 2020.

This is the fourth time Zespri has won in the past five years. Vicky Wu, Zespri Market Development Manager South, says: "Although we faced great challenges in 2020, we worked as a team to achieve a good market performance with double-digit growth."

Congratulations to the team!



ZESPRI IN THE COMMUNITY

Zespri Head Office building wins Gold



The Zespri Head Office building project was named Gold Award Winner in the New Zealand Commercial Project Awards 2021.

Hawkins entered Zespri's new Head Office in Mount Maunganui into the commercial category of the Awards, run by the Registered Master Builders Association.

The New Zealand Commercial Project Awards celebrate the teams delivering quality commercial construction projects nationwide. These awards are highly prestigious and confirm the Registered Master Builders Association's commitment to construction excellence.

Well done to all project partners involved in this achievement!



The Zespri Head Office in Mount Maunganui.

Making a difference one step at a time

15 colleagues from Zespri's Commercial, Quality and Technical and Export Docs teams helped Coast Care plant native grasses to promote sand dune regeneration in Pāpāmoa on 'Make a Difference Day' on 4 June.

Coast Care was started 25 years ago by a group of volunteers who have to date planted 1.5 million native grasses from Ōpōtiki to Waihi Beach in the Bay of Plenty.

Great to see our teams stepping up to make a difference in our communities.



Native grass planting to promote sand dune regeneration.

Auckland students learn about kiwifruit

70 Business Studies students from Auckland Grammar School got to learn more about Zespri and the kiwifruit industry.

Warren Young, Zespri Collaborative Marketing Manager; Robin Dillimore, Zespri Shipping Operations Team Lead; Heidi Darcy, Zespri Intangible Asset Specialist; and Mohit Jain, Zespri Marketing Manager for India, all presented to the students, who were thrilled with the opportunity to hear about the ins and outs of the industry.

The Q&A session from each presentation was a highlight for the students, and Auckland Grammar School is keen to make it a permanent feature for the school's internal assessment programme.



Auckland Grammar School students get insight into Zespri and the kiwifruit industry.

Women of Influence Awards and Speaker Series

Inspiring, passionate and dedicated women across the country make a lasting difference to the lives of everyday New Zealanders. Their contributions strengthen our communities, support those in need, and have a positive impact on our future.

With nominations now open for this year's Women of Influence Awards, please take the opportunity to nominate those who strive to make New Zealand a fantastic place to live and work. Nominations close on 16 August.

As sponsor for the Primary Industries category, we encourage you to nominate the leaders and innovators who have a positive influence on the primary production sector.

For more information, visit <https://www.womenofinfluence.co.nz/2021-nomination-guide>.

Ticket bookings are also now open for the **Woman of Influence Speaker Series**. Join the conversation with inspirational Kiwi women, who are using their experiences to help create a better and fairer Aotearoa.

- **Tauranga:** 28 July
- **Auckland:** 5 August
- **Wellington:** 10 August
- **Christchurch:** 12 August

Visit the Women of Influence website for more information.

SAVE THE DATE:



WOMEN IN KIWIFRUIT COCKTAIL FUNCTION – BUBBLES IN THE HUB



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.

We are excited to be joined by Louise Beard and Anne John-Francke from Forward, who will help us re-launch the Women in Kiwifruit vision.

Come along to meet the new steering group and connect with the amazing women in our industry. Beverages and canapés will be provided.

Join the Women in Kiwifruit Facebook page for more information. Register for the event here: <https://zesprievents.eventsair.com/bubbles-in-the-hub/womeninkiwifruit/Site/Register>

New Zealand Kiwifruit Innovation Award: nominations open

Nominations for the 2021 New Zealand Kiwifruit Innovation Award are now open.

Established in 2015 by former Chairman of Kiwifruit New Zealand, Sir Brian Elwood, the Award recognises people who have solved a problem or created value for the kiwifruit industry through great innovation.

Russell Lowe received the Award in 2020 for his notable work in breeding the first commercialised red kiwifruit cultivar, Zespri Red.

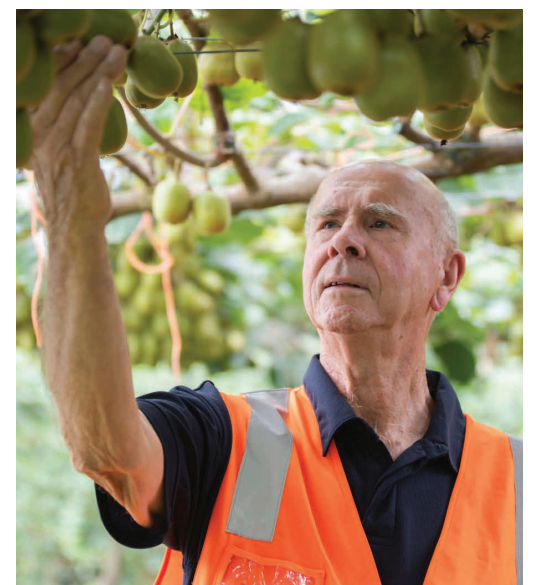
First planted at the Kerikeri Research Centre in 2007, the red cultivar was commercialised in December 2019 following many years of research. Of Mr Lowe's award, Zespri Chairman and awards judge Bruce Cameron said the commercialisation of the red cultivar was based on extensive trial work and consumer demand for new and unique products.

"Russell's success in developing this red cultivar has again enabled the New Zealand kiwifruit industry to provide the market with a new, distinctive great-tasting fruit which will strengthen kiwifruit's share of the global fruit bowl in the years ahead," said Mr Cameron.

"Innovation drives continued industry growth which leads to stronger returns for growers, greater employment opportunities across New Zealand's growing regions and increased contributions to regional communities across the country."

The deadline for this year's nominations is **Friday 30 July**. Nominees must be individuals, not groups, with the criteria being an applied idea to solve problems and create improvements.

Nomination forms can be found on Canopy, or by emailing: corporate.communications@zespri.com.



2020 New Kiwifruit Innovation Award winner, Russell Lowe.



Updates from our Pre-harvest team



CHANGES TO ZESPRI GAP CHECKLIST THIS YEAR

This year, the Zespri GAP checklist and resources have been updated in order to meet the current GLOBALG.A.P. standard (version 5.4). These food safety-related changes have come about as part of GLOBALG.A.P.'s benchmarking to GFSI (Global Food Safety Initiative).

Changes to the checklist relate to document control, identification of food safety roles, and the management of purchased materials, products or services. Other changes impact the guidance material provided only.

Our focus has been to incorporate these changes into the current grower GAP system to have as little impact on growers as possible, but we understand that sometimes any change at all can be difficult, so please get in touch with us if you are struggling with any GAP requirements.

We are working to publish the updated *Grower Manual*, including a detailed summary of changes, on Canopy in July. All changes will be sent to management system owners (MSO) via email and downloadable by all growers from Canopy. We encourage you to read through these

changes as soon as they are available and update your systems. The aim is for annual GAP inspections to commence in August, about three to four weeks earlier than usual.

Over the next 18 months, we will be undertaking a thorough review of all GAP requirements to completely overhaul the look and feel of Zespri GAP. This will be the first major refresh since GAP was introduced to the kiwifruit industry in 2002. There is a need to refresh our current systems, processes and requirements ensure 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. This includes making Zespri GAP easier to use for our growers.

We want to ensure growers are involved in the refresh so there will be plenty of opportunity to have your say on the future of your GAP programme. Keep an eye out in future issues of *Kiwiflier* for updates on the Zespri GAP refresh, check out the GAP refresh page on Canopy, or get in touch with the Pre-harvest team at preharvest@zespri.com for more information.

KIWIGREEN PEST MONITORING UPDATE

We had fantastic uptake on formal monitoring, with approximately 97% of our producing KPINs being formally monitored. This was the result of a huge amount of work completed by pest monitoring centres.

All growers, facilities and pest monitoring centres will be emailed the results from their KiwiGreen Pest monitoring for the 2021 season. This will highlight to growers and facilities whether or not there would be market access restrictions based on monitoring results and subsequent actions taken.

This is an educational email — it is simply to allow you to understand what pests you may need to manage, whether you possibly managed a pest after monitoring but did not record it, or whether you did not record it promptly enough.

We hope this information will be valuable for managing the season ahead, and to put us all in the best supply position for 2022.

If you have any questions, please contact melanie.walker@zespri.com.



ZESPRI GLOBAL SUPPLY UPDATE

RECORD NORTHERN HEMISPHERE HARVEST HELPS DELIVER MORE VALUE TO GROWERS

Zespri's global supply strategy is an important part of delivering value to New Zealand growers, enabling us to provide Zespri Kiwifruit to consumers for all 12 months of the year and helping protect shelf space.

Our Northern Hemisphere crop has grown in value 28 percent in a year, and Zespri Chief Global Supply Officer Alastair Hulbert says this kiwifruit crop's growth is helping deliver greater value to New Zealand growers.

"We aim to have Zespri kiwifruit in the market for 12 months of the year, and we are well on our way to achieving that goal for our growers," says Mr Hulbert.

"Through our global supply strategy, and the great quality fruit being supplied by our growers, we're occupying more shelf space, maximising value of the brand and meeting consumer demand, and ultimately benefitting our growers."

Sales and volume snapshot

Total sales of fruit from Italy, France, Greece, Japan and Korea in the 2020/2021 season topped NZ\$472m – up from NZ\$369m

the previous year. The crop is now all sold, with significant increases in both the Zespri Green and Zespri SunGold Kiwifruit volumes. Zespri SunGold Kiwifruit volumes increased by almost three million trays, or 27 percent, and Zespri Green Kiwifruit by almost two million trays, or 23 percent.

Procurement of Zespri Green Kiwifruit increased in the 2020/2021 season, from 8.1 million trays to 10 million trays. Fruit from Greece also made a significant contribution, adding to the large volumes procured through Zespri's long-term relationships with Italian growers. Production of Zespri SunGold Kiwifruit grew across Europe and Asia as new plantings came into production.

In Japan, production increased in volume for the first time since 2014. This was attributable to Zespri SunGold Kiwifruit overtaking Hort16a as the dominant variety. Hort16a has been largely phased out around the world as it is vulnerable to the vine-killing disease, Psa.

Mr Hulbert says, in Korea, increased yields and packouts will combine with new plantings to double Zespri SunGold Kiwifruit sales over the next three years.

Trials continue in Greece and the USA to determine whether these regions can further supplement the Northern Hemisphere supply of Zespri SunGold Kiwifruit and to mitigate production risks such as pests, disease, and climate events.

Looking ahead

"As we bridge the gap between demand and supply, we expect Zespri Global Supply to continue to grow the contribution it makes to growers and our business as a whole, while acknowledging short term headwinds are expected related to Italian frost-impacted volumes and foreign exchange rates," Mr Hulbert says.

Zespri's continued investment in research and technical innovation ensures our Northern Hemisphere growers are equipped with the latest growing advice. Zespri is a proud leader in the Kiwi Vine Decline Syndrome taskforce alongside the Italian industry, while also investing in research around pests such as the Brown Marmorated Stink Bug. This work benefits growers in all supply countries, whether these pests have arrived or not.



Italian harvest of Zespri SunGold Kiwifruit.

MINISTER VISITS ZESPRI PORT FACILITIES IN EUROPE

Hon Damien O'Connor, New Zealand Minister for Agriculture, has just visited Europe accompanied by Diana Reich, the New Zealand Ambassador to Belgium, and other Cabinet and Embassy members.

The visit started at the Port of Zeebrugge for a tour and a presentation from Nele Moorthamers, Zespri Head of Marketing for Europe and North America, talking about our results, our strategy, and our ambition in Europe.

The delegation then toured Zespri's facilities at the Port to learn about the new pack house and the sustainable pre-pack lines which have been installed.

Minister O'Connor told his team that he would be very happy to share back to New Zealand growers that their kiwifruit is in good hands with all the effort, sophistication and care the Europe team is putting into our operations.

Well done on a successful visit, Europe team!



Hon Damien O'Connor, Minister for Agriculture, on a tour of Zespri's port facilities in Zeebrugge.

TRIBUTE TO TONY MARKS

It is with sadness that we acknowledge the passing away of Tony Marks, former Zespri CEO and former Board Director. Mr Marks died peacefully on Thursday 24 June, surrounded by his family in Auckland, following an illness.

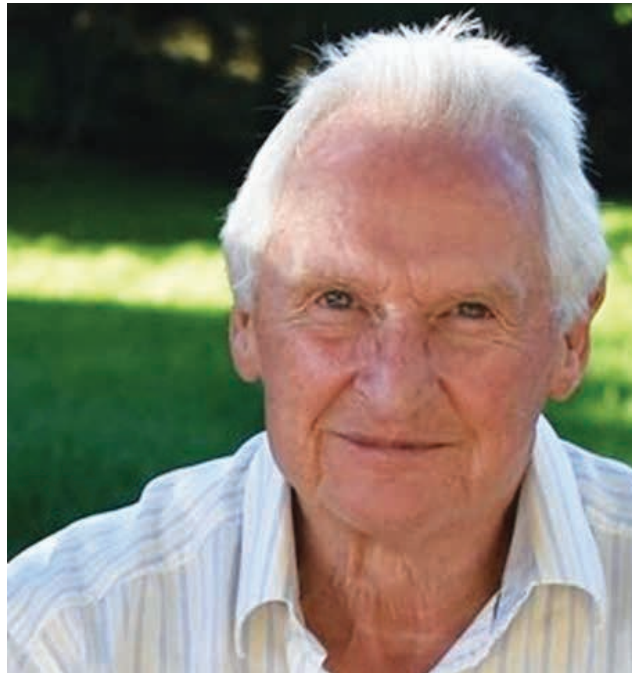
Mr Marks led Zespri from 1998 and 2002 and all those who knew him remember a fun, vivacious character. He led the company through historical change, with the corporatisation of the business and the commercialisation of Zespri Gold.

As well as being a great industry leader, Tony was a dear friend and mentor to many.

Zespri CEO Dan Mathieson comments: "Right up until the very end, Tony was his true self – generous, funny, positive. He has contributed so much and certainly enriched the lives of many."

The Zespri Board of Directors said that Tony will forever be known among Zespri's most honoured and esteemed and remembered as an awesome colleague, leader and friend. In some beautiful words from his daughter Genevieve, shared with Tony's many friends, she says: "As the expression in our family goes, 'you can sleep when you're dead' and now, finally, after a full life, you can get some rest."

Our deepest thoughts and condolences go out to Tony Marks' family.



Former Zespri CEO and former Director, Tony Marks.

HICANE REASSESSMENT UPDATE

The New Zealand regulator Environment Protection Authority (EPA) is reassessing the registration for hydrogen cyanamide – commonly known by the brand name HiCane – for use in New Zealand.

The EPA is consulting on HiCane with Māori communities. The next step is to publicly release a draft reassessment application which spells out how it proposes to manage HiCane's use in New Zealand, across all crops, and has indicated this could be available from late July.

The EPA must consider the effects of the substance, both positive and adverse, and the impact it has on the natural environment, human and public health, society at large and local communities, and economic aspects. It also takes into account the views of Māori.

The public and industry will have 30 working days from the reassessment document's release to submit their views to the EPA in writing, and they will also have the right to present to the EPA's decision-making committee in person.

Zespri and NZKGI will work together to respond to the EPA's draft application, building on the work presented in the joint response to the EPA's earlier Call for Information. Growers and the wider industry are also welcome to submit their views on HiCane to the EPA.

NEW GROWER PAYMENT AND INVENTORY REPORTS ON INDUSTRY PORTAL

As part of our continuous improvement process, Zespri has taken the opportunity to rewrite a number of our Grower Payment and Inventory Reports. These can now be found in the Industry Portal reports area on Canopy.

The specific reports that have been replaced and combined into the Industry Portal reports are as follows:

Grower Payments

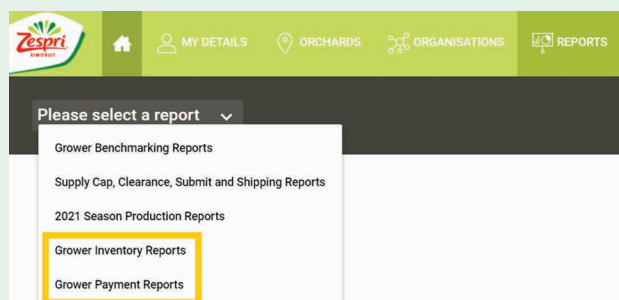
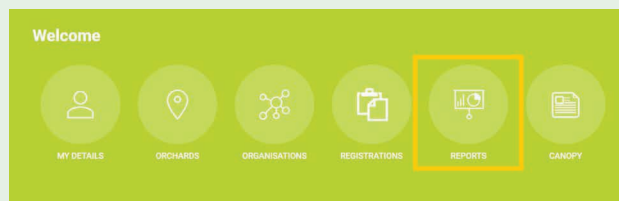
- Payment report
- Kiwistart report
- Taste Zespri Payment Summary

Inventory Reports

- Inventory report
- UFI report
- Submit report
- Shipped report
- Taste Zespri report
- Taste Zespri GA report

These reports are interactive and easy to use. Simply open the Industry Portal from within Canopy and click on the 'Reports' icon.

Once you have accessed the reports, you can navigate through the tabs along the bottom – please refer to the 'Notes' or 'Help Page' tabs for guidance.



Instructions can also be found on Canopy here:

Canopy > Zespri & The Kiwifruit Industry > Tools & Calculators > Tools & Systems > Payment & Inventory Reports

If you have questions relating to the reports, please contact the Zespri Grower Support Services team on 0800 155 355 or at contact.canopy@zespri.com.

INDUSTRY SUPPLY GROUP (ISG) JUNE MEETING

The main agenda items discussed were as follows:

- Repacking trial proposal
- Sustainability update
- China Protocol update
- Condition checking timeframes
- Cyber security
- Supplier Accountability information paper

The next ISG meeting will be held on 22 July 2021.

REMINDER: DIVIDEND PAYMENTS MOVING ONLINE

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

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

2021/22 PROGRESS PAYMENTS FOR JULY AND AUGUST

CLASS 1 - APPROVED PROGRESS PAYMENT 15 JULY 2021	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.84	\$1.00	\$1.20	\$1.00	\$0.60	\$0.60	\$0.15
Zespri Organic Green	\$1.84	\$1.45	\$1.85	\$2.05	\$1.90	\$1.90	\$1.05
Zespri Gold3	\$1.48	\$0.75	\$1.60	\$1.80	\$1.75	\$1.80	No supply
Zespri Organic Gold3	\$0.38	\$0.05	\$0.10	\$0.75	\$0.75	\$0.90	No supply
Zespri Green14	\$1.62	No payment	\$0.50	\$2.70	\$1.50	\$1.50	\$1.20

CLASS 1 - INDICATIVE PROGRESS PAYMENT 13 AUGUST 2021	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Zespri Organic Green	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Zespri Gold3	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	No supply
Zespri Organic Gold3	\$0.02	No payment	No payment	\$0.05	\$0.05	\$0.05	No supply
Zespri Green14	\$0.05	No payment	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05

- Progress payments for Class 1 are paid on submitted trays and reversed for onshore fruit loss.
- Net Submit trays = gross submitted trays less onshore fruit loss trays.
- The reinstatement of the Taste Zespri programme, and the increase of Submit rates for all Class 1 pools excluding Zespri Green14 and Zespri Green size 42, has resulted in the payment of lower Progress rates compared with the prior season.

SHARE BRIEFS

As at 21 June 2021 the last Zespri share price trade was **\$10.95** traded on 18 June 2021. There were six buyers at **\$10.90, \$10.87, \$10.85, \$10.68, \$10.00** and **\$9.75**. There were three sellers at **\$11.20, \$11.10** and **\$11.00**.

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.

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 July, there is a total of 141,751 dry shares as of 21 June 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 July, there are no excess shares that are required to be sold as of June 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?

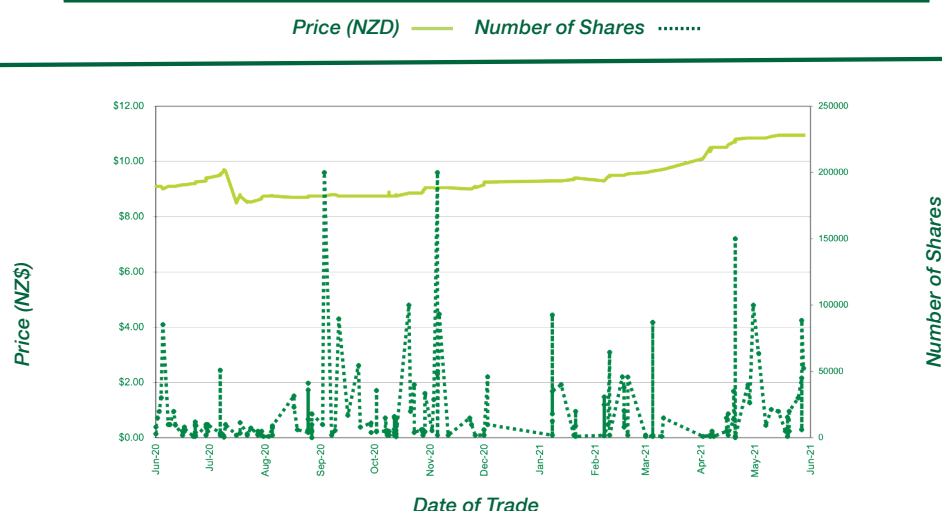
To get a list of the price for current buyers and sellers and the associated shares go to <http://www.usx.co.nz>. The Zespri Group Limited listing code is 'ZGL'. The USX website shows:

- 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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Go to www.reapapp.io to download the app.

ZESPRI GROUP LIMITED SHARE TRADES 21 JUNE 2020 TO 21 JUNE 2021



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.

July 2021 approved progress payments on Net Submit trays

Approved per tray progress payments for 15 July 2021:

Class 1	
Zespri Green	\$0.84
Zespri Organic Green	\$1.84
Zespri Gold3	\$1.48
Zespri Organic Gold3	\$0.38
Zespri Green14	\$1.62

August 2021 indicative progress payments on Net Submit trays

Indicative per tray progress payments for 13 August 2021:

Class 1	
Zespri Green	\$0.05
Zespri Organic Green	\$0.05
Zespri Gold3	\$0.05
Zespri Organic Gold3	\$0.02
Zespri Green14	\$0.05

Below is the current Market Depth information as at 21 June 2021.

Quote Line at Monday 21 June as at 10:00am						
Code	Bid (\$)	Offer (\$)	Last (\$)	High (\$)	Low (\$)	Volume
ZGL	10.90	11.00	10.95	0.00	0.00	0

Market Depth					
BIDS			OFFERS		
Orders	Quantity	Price (\$)	Price (\$)	Quantity	Orders
1	10,000	10.900	11.000	10,000	1
1	2,000	10.870	11.100	2,000	1
1	2,000	10.850	11.200	2,000	1
1	3,000	10.680			
1	12,000	10.000			
1	2,000	9.750			

Last 10 Trades			
Date/Time	Quantity	Price (\$)	Value (\$)
18/06/21	52,403	\$10.95	573,812.850
17/06/21	88,440	\$10.95	968,418.000
17/06/21	45,000	\$10.95	492,750.000
17/06/21	6,000	\$10.95	65,700.000
15/06/21	30,000	\$10.95	328,500.000
10/06/21	20,000	\$10.95	219,000.000
10/06/21	5,000	\$10.95	54,750.000
10/06/21	5,000	\$10.95	54,750.000
9/06/21	15,458	\$10.95	169,265.100
9/06/21	1,000	\$10.95	10,950.000

Director share trading

For the month of June (as at 21 June), there were 364,780 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 Canopy will always provide the most up-to-date information held by Zespri.



KEY FOCUS: JULY GLOBAL EXTENSION TEAM

Winter pruning

Grafting

Monitoring winter chill

Soil management

THE MONTH AHEAD: JULY

Red19 establishment

- If you haven't already, make a plan for grafting. Map your plant layout to ensure accuracy when grafting. This map will be useful later on to monitor how well your males synchronise with your females at flowering time, and how tolerant your males are to Psa.
- A trial by the Zespri Extension Team showed females placed more than six metres from a male produced smaller fruit, so keep the males within six metres.
- Grafters who have worked with both Red19 and Gold3 have said there is no difference between the varieties when it comes to grafting.
- Red19 budbreak is about three weeks earlier than Gold3 — from late August — so consider grafting early to ensure sure the graft union has calloused before budbreak.

Planning your winter pruning

- Winter pruning is all about balance and getting the right number of high-quality buds across the bay. You'll need to think carefully about your target bud number: if it's been a warm winter, flower numbers are likely to be slightly lower, but overdoing it can cause real headaches down the track. Work through the process of calculating bud numbers using the template available in 'Need to Know 21: calculating targets in winter and spring'.

- Often the difference between an average crop and a great crop comes down to how well the leader zone is filled. In older Hayward blocks, target the removal of at least one crown per bay to improve vine structure and reduce sites for overwintering of scale to hide.

Creating and communicating your winter pruning specification

- Once you know what a good pruning job on your orchard looks like, you'll need to articulate it using clear instructions that your pruners will understand. Pictures can be a big help here, especially if you have inexperienced workers. Close regular supervision and encouragement for the first few hours and days is essential — poor habits develop without this, and once established, they're difficult to change. If you use a contractor to undertake your winter pruning, make sure they're using trained staff or are training and supervising them closely.

Grafting

- Register for the *GraftCare* newsletter if you're not already receiving it (Canopy > Zespri & The Kiwifruit Industry > Publications > GraftCare)
- If you're supplying budwood to another orchard, be sure to register with KVH. Record budwood source and destination to ensure traceability of plant material.

Monitoring winter chill

- Monitor winter chill so you know what units your vines have accumulated. A normal chill unit is generally considered one hour under 7°C, while a Richardson Chill Unit takes into account that the most effective temperature for chilling is around 4°C, with the outer limits of effectiveness falling away at 0°C at the lower end, and 14°C at the upper end.
- The KVH website has a brilliant 'Chill unit' calculator that is easy to use (Search 'KVH chill unit' online). You can see how winter chill is progressing this year compared to the past four seasons

Soil management

- Get a soil test done before budbreak to determine nutrient requirements and to also get a fertiliser plan in place. Different products will release nutrients at different rates, so work with a specialist to work out what's best on your orchard.
- Didn't manage to make it to one of our Nutrient Know-How workshops? You can find the workshop booklet on Canopy > Growing Kiwifruit > Orchard Management > Nutrition, Soil & Water > Plant Nutrition & Nitrogen.



Zespri Global Resource Development Manager, Mary Black collecting a soil core on orchard.



The Global Extension Team at a Winter pruning field day.

'SAFE SPRAYING OF BUD BREAKERS' MEETINGS

The HiCane season rolls around every year and once again, Zespri and NZKGI are working with spray contractors to make sure everyone understands the rules and responsibilities we have for keeping the community and each other safe.

Zespri is holding 'Safe Spraying of Bud Breakers' meetings in Kerikeri, Te Puke and Katikati to share the latest research from well-known spray consultant, David Manktelow. The meetings will also cover the compulsory rules for HiCane use under ZespriGAP, local regulations and WorkSafe.

Zespri will be running targeted and random audits of spray practices across all regions. All spray contractors and applicators are strongly encouraged to attend one of these meetings.

To register for a meeting in your region, please visit the events page (<https://zesprievents.eventsair.com/safe-spraying-of-bud-breaker-meeting/ssbbm/Site/Register>), or email GET at extension@zespri.com.

MEETING DATES



KERIKERI
Tuesday 6 July



TE PUKE
Wednesday 7 July



KATIKATI
Thursday 8 July

LABOUR SUPPLY REMAINS CRITICAL



The kiwifruit industry has successfully reached the end of its harvest and packing season with a record crop now headed for overseas markets – if not already there.

NZKGI CEO Colin Bond says while the kiwifruit industry has managed the COVID-19 border closures as best as it could, the reduction in access to overseas labour has created significant challenges this season with around half the usual numbers of RSE workers in the country, as well as fewer other Working Holiday and Supplementary Seasonal Employment (SSE) visa holders.

“We continued our labour attraction strategies from previous years, based on getting good information on the work available to potential workers via collateral and a range of media, including a strong social media programme. That was bolstered this year by the support from the Ministry of Social Development, and the Ministry for Primary Industries made significant contributions to get unemployed kiwis into the kiwifruit industry.”

Mr Bond says a pattern of mixed weather through the season – a very wet season and a long one – slowed the harvest, meaning that harvest work was often disrupted.

“However, that simply means the fruit is on the vines longer and increases the pressure to get it picked at the optimum time.”

One development that was expanded this year was to raise awareness of the career possibilities and long-term work available in the industry, says Mr Bond.

“We don’t just need workers for the harvest; we need them for crucial winter and summer maintenance work to ready the vines for the next year’s crop. We recognise there are critical shortages in this area and for that, we’ve retained our ‘taster’ courses which give people an introduction to the roles and a chance to have a go.”



RSE workers are critical to supporting labour supply. Photo by Jamie Troughton/Dscribe Media.

More information on the winter pruning taster courses currently available can be viewed on the NZKGI website.

He says NZKGI would be closely reviewing and evaluating its 2021 recruitment programme and assessing the new challenges to identify how the labour uncertainties could be reduced in 2022. Mr Bond says he is very concerned about the impact of restricted labour on the industry.

“We see kiwifruit, along with the other horticultural crops, needing certainty of labour supply. To meet our ambitious growth targets we estimate we need around 1,000 additional workers per year over the next five to six years, yet the pool of available labour is shrinking.”

In addition, anecdotal evidence suggests frequent absenteeism rates of up to 50 percent, which reduces productivity and output and has contributed to the extended harvest which will impact fruit loss at the end of the season. The lack of labour



Taupo's Emma Wallis harvesting Zespri SunGold kiwifruit on BayGold's Coast orchard near Pikowai. Photo by Jamie Troughton/Dscribe Media.

will have an ongoing impact as critical seasonal tasks are delayed as the season progresses, impacting on vine management and therefore production for next season. NZKGI is looking at this issue closely which will form a large part of its labour strategy moving forward.

Mr Bond says the labour shortage issue is crying out for solutions. The vast majority of industry employers have committed to paying at least the living wage this season (and on-orchard harvest wages have typically been much higher). Unfortunately, despite higher wages and the best efforts of all involved, there remains a shortage of labour.

RSE workers are critical to supporting labour supply and NZKGI remains in dialogue with government on this topic, while simultaneously looking at other solutions, such as automation. Labour will remain an important topic for NZKGI to lead on, as the industry heads into next season.

CREATING VALUE FOR GROWERS



NZKGI has grown substantially in recent years, which has resulted in an increased output in the organisation's value for growers. This article highlights some of the key achievements coming out of NZKGI's six portfolios which provides insights into how NZKGI is advocating on behalf of growers.

Labour and Education

Labour: In response to the seasonal labour shortage experienced in 2018, NZKGI developed a Labour Attraction Strategy for the 2019 harvest. The strategy focused on initiatives to provide information on, and attract, New Zealanders and Working Holiday Visa holders to the industry, as well as correcting misconceptions. In 2021, NZKGI's labour attraction campaign gained 10 million impressions across all communication mediums, resulting in 11,490 people visiting the NZKGI seasonal jobs page for recruitment information.

The strategy was refined and extended for 2020, as well as the 2021 harvest which required 23,000 seasonal workers to pick and pack. NZKGI continues to work with industry stakeholders to find ways to negotiate barriers that may be preventing people from becoming employed in the kiwifruit industry.

Education: As an addition to the Labour Attraction Strategy, NZKGI offered one-day winter pruning courses in 2020 with funding from the Ministry of Primary Industries. Some participants also had the opportunity to join a more intensive five-day course focusing on skill development to support them seeking work as winter pruners. The programme is a great illustration of an industry-led and government-supported initiative that helps the kiwifruit industry with skilled labour.

In 2015, NZKGI's Kiwifruit Book was launched to provide teachers of horticulture and agriculture a resource that shares the ins and outs of the kiwifruit industry. The publication is updated each year with the latest statistics, as well as event updates, commentary on hot topics, and information about on-orchard management practices and sustainability. Each year, 200 copies are distributed to schools around New Zealand and a digital version is available on the NZKGI website.

External Relations

In 2019, NZKGI took the lead on creating an industry-wide Water Strategy, which is a collaboration between Growers, Zespri, Māori Kiwifruit Growers Inc and Horticulture NZ. The aim of the strategy is to collectively protect and enhance water

resources for our people, our environment, our communities while enabling kiwifruit industry growth.

Local and central government policy consultations continue to be released at a rapid pace and NZKGI continues to advocate on policy that implicates Growers. Since 2019, NZKGI has made more than 50 submissions.

Regional Grower advocacy has also seen NZKGI become more involved in issues like rural rate increases in areas such as Ōpōtiki and Gisborne, with NZKGI taking legal proceedings against Gisborne District Council's decision to include the licence in rating valuations for gold kiwifruit orchards. In a separate court case, NZKGI was successful in removing barriers to seasonal accommodation in legal proceedings against Western Bay of Plenty District Council in the District Court in Tauranga.

Performance and Supply

NZKGI continues to closely monitor Zespri through regular meetings with Zespri's Senior Executive and Supply team. Matters reviewed include Zespri's five-year plan, market performance, forecasting and grower payments. Actions have included an independent audit of the Zespri administered Growers' Pool, which was conducted in August 2017 to provide a level of assurance to growers. As a result, improvements were suggested and implemented. NZKGI is has initiated a follow-up audit to monitor the changes in 2021.

Following the successful Kiwifruit Industry Strategy Project (KISP) Referendum in March 2015, a 'Margin Implementation Working Group' was established to focus on achieving simplicity, transparency and a fair allocation of costs between Zespri and the NZ Grower pools.

In 2016, NZKGI commissioned an expert to assist in the review of the margin proposal. The result was a new, enduring funding model to calculate Zespri's margin and utilises the loyalty payment to provide a profit share back to Growers in a transparent way. NZKGI was a key contributor to the discussion.

Communications

NZKGI acts on, executes and delivers communications that align with the strategies of all its portfolios. Two examples are the Weekly Update newsletter circulated to more than 3,000 growers, containing important information for growers, as well as media relations where NZKGI features in over 100 media

items annually. Recently, NZKGI was recognised for its work in communicating to growers and the public with two awards:

- The Gold Award for Special Project or Short-Term Campaign from Public Relations Institute of New Zealand for communications in NZKGI's Labour Attraction Campaign in 2021.
- NZKGI was announced the winner of the Primary Sector Communications Award at the 2020 Ravensdown Agricultural Communicator of the Year Awards for industry communication throughout COVID-19 lockdowns in order to avoid a labour crisis and ensure all kiwifruit was picked and packed safely.

Industry Stability

NZKGI continues to build relationships with Growers in other kiwifruit producing countries by attending the International Kiwifruit Organisation (IKO). The most recent IKO meeting in 2020 was a virtual event and an opportunity to meet representatives from the Northern Hemisphere to discuss global supply, fruit production, and Growers response to the COVID-19 pandemic as well as demonstrating NZKGI's commitment to the SPE.

NZKGI's relationships continue to strengthen with Central Government Ministers and Officials who have a direct impact on the industry. Discussions on industry issues affecting Growers continue with key ministers, such as Prime Minister Rt Hon Jacinda Ardern and Finance Minister, Hon Grant Robertson.

Organisational Management

There have been significant NZKGI resource additions to enhance NZKGI's ability to deliver the best outcomes for the industry in recent years.

In 2016, portfolio leaders, subcommittees and executive committee members were assigned to help address the objectives in the Strategic Plan.

Several roles have also been created since 2016 to ensure NZKGI drives change and awareness. This includes a Communications Manager, Performance & Supply Manager, Labour Coordinator, Senior Policy Analyst, and an Education Coordinator, two of which receive funding from Government.

For detailed information about the value that NZKGI produces for growers, please visit our website, www.NZKGI.org.nz.

ASB MAGS FARM



As part of NZKGI's outreach to encourage careers in the horticulture industry, NZKGI Education Coordinator Di Holloway has been working alongside other Career Progression Managers which includes work with Mount Albert Grammar School (MAGS) and their educational farm.

The ASB MAGS Farm is an educational farm owned by ASB that has been leased to MAGS since 1932. The lease was resigned in 2013 for another 99 years. This farm is 10 minutes from Auckland's CBD and sits adjacent to one of NZ's biggest schools, MAGS.

Around 250 students across Years 10-13 are studying agriculture at MAGS this year, and students spend a day each week on the farm. They're able to have first-hand experience with cows and calves, as well as sheep. Students also learn horticultural practices in the farm's orchard thanks to a growing collection of citrus trees, feijoas, apples, figs, green houses, vegetable gardens – and of course, kiwifruit.

The native tree nursery also provides some diversity and helps promote kaitiakitanga by restoring suburban streams and wetlands close to Mt Albert.

This year's crop of Year 13 students are studying kiwifruit for their internal and external exams. After securing an educational licence to grow 600m² of Gold3 two years ago, students helped erect the canopy and planted rootstock from Waimea Nursery. Students grafted the budwood the following year and their handy work is looking promising.

Peter Brice, MAGS Farm Project Manager, says next year's students will study with the orchard's first growing season with a small crop of fruit expected.

"With a bit of hard work, we hope the great experiences the students have on the MAGS Farm will influence students into a career in horticulture," says Mr Brice.

"The beauty of the farm's proximity to the CBD means we also get many visitors each year, which widens our reach and increases our impact with urban youth.

"From all of us at the ASB MAGS Farm, a big thanks to Plant & Food Research, Zespri and Waterforce who have all helped establish the orchard. We look forward to building on the great work the farm does for agriculture in the city."



Students learning horticultural practices on the ASB MAGS Farm.



BE ON THE LOOKOUT FOR BMSB OVER WINTER



The high-risk season may be over, but **Brown Marmorated Stink Bug (BMSB)**, is a pest that infests homes, hibernates inside them over winter, and is almost impossible to get rid of.

If you see anything unusual and think it could be BMSB, don't kill it. Catch it, take a photo, and report it.

You can make reports to Biosecurity New Zealand on 0800 809 966, or contact KVH on 0800 665 825. Alternatively, you can make a report online by sending a photo through for review on the free Find-A-Pest mobile app.

LOOK OUT FOR ALLIGATOR WEED



Alligator weed has been found on several kiwifruit orchards in the eastern Bay of Plenty.

Growers and contractors must take every precaution necessary to stop the spread of this invasive and almost impossible to eradicate weed.

Native to South America, alligator weed was accidentally introduced to New Zealand via ship's ballast in the 1880s. It spread to parts of Northland, Waikato and the eastern Bay of Plenty, initially via contaminated machinery associated with commercial kumara growing. Machinery is suspected of further spreading alligator weed between orchards within the Bay region.

Alligator weed is unusual in that it grows equally well in and over water, as it does in a drain, a low-lying paddock, or within a kiwifruit orchard.

Dense growth can easily be 50cm high. Dark green leaves are in opposite pairs; stems are hollow; roots grow to a metre or more deep; and white clover-like flowers appear during summer and autumn.

Although alligator weed does not produce viable seed in New Zealand, it can readily spread through stem fragments attached to tractor tyres or other machinery. Herbicides have limited effect on alligator weed. If it's a small infestation, carefully dig it out



Alligator weed.

and destroy it. One of the best control methods for large areas is to peg a thick weed mat material over the entire infestation – effective until a keen orchard worker forgets the location and runs a mulching mower over it!

Prevention is the best strategy. Ensure all mowing, root pruning and other orchard machinery is pristinely cleaned between orchards. Mow clean areas of the orchard first, and infested areas last. Then clean the machinery. If you suspect you have alligator weed, contact your local regional council or KVH on 0800 665 825 for further control advice.

BIOSECURITY RISK AT A GLANCE



The latest KVH Dashboard is out now, providing a quick overview of current biosecurity threats and the work being undertaken to manage risk for the kiwifruit industry.

The Dashboard is regularly published at www.kvh.org.nz to give growers and the industry a one-page view of current exotic threat levels and how we're working to limit their impacts should they arrive here.



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

I have requested Zespri budwood this year. How do I collect it?

All growers who requested budwood through Zespri (either Gold3 or Red19) will have been emailed a link to a booking system. This email provides information on how to book in your collection time slots and shows the set distribution days through the online booking system.

Budwood is only able to be released to growers that have nominated a KPIN. If you did not nominate a KPIN at time of bidding, please contact the Licence Team on 0800 155 355 to get this allocated. Budwood is strictly based on an allocation of two buds per stump, or plant which is calculated from the information provided by growers through the licence application at the time of tendering. For more information on the process for collection, please refer to the Budwood collection instructions on Canopy, contact your Grower Liaison Manager, or email budwood@zespri.com.

How do I find out how many shares I have and where can I buy shares?

For any queries regarding how many shares you hold, please contact the Zespri Grower Support Services Team on 0800 155 355 or email shares@zespri.com. You can also see your shareholding when you access the Industry Portal on Canopy by selecting the 'organisations' icon and clicking on roles/relationships.

To find out how to buy shares, please visit Canopy via the following link: <https://canopy.zespri.com/EN/grow/zespri/Shares/Pages/Share-trading.aspx>.

If I missed out on licence, can I purchase Treasury Stock?

No, the offer to purchase additional area from Zespri Treasury Stock is only given on a case-by-case basis and at Zespri's sole discretion to growers who are found to be unintentionally over-planted. Any growers that are found to be intentional, wilfully reckless or grossly negligent in their over-planting, will not be able to purchase additional area from Zespri 'Treasury Stock.' In addition, any grower who is discovered to have unauthorised plantings and who does not hold a Zespri licence will be ineligible to participate in any future Zespri licence allocation release or any new variety trail for a period of five years from the date of Zespri's letter advising of the unauthorised planting.

Where can I find out the future outlook of the company?

The Zespri Five-Year Outlook document is based on Zespri's Five-Year Plan, reviewed and approved by the Zespri Board annually. It's a snapshot of how Zespri's medium-term strategy will be implemented by category and sets out the challenges and opportunities ahead. It relies on several assumptions and as expected, the further out we look, the less certain we become of these assumptions, with the plan becoming more directional. Our intent is to provide information for stakeholders to inform their business decisions, whether that is investing, divesting or changing their variety mix. To find a copy of the latest Outlook document, visit: <https://canopy.zespri.com/EN/industry/pubs/outlook/Pages/default.aspx>.

I am new to the industry. Where can I learn more about the industry?

You should expect to have a visit from the Grower Liaison Manager assigned to your region who can provide you with a Zespri New Grower pack. This pack contains a Grower payment booklet, NZKGI Growers Voice Booklet, Zespri Five-Year Outlook document and the Zespri New Grower Book. Along with the pack and visit, there is also the option to attend the Annual Grower Seminar hosted by Zespri Grower Liaison Team. This is designed to provide a comprehensive understanding of the Zespri system and is targeted at a broad range of people, including new growers, industry grower representatives and existing growers who would like to refresh their knowledge of the Zespri system. Registrations will open in August.

I want to sell Zespri SunGold Kiwifruit at my orchard gate. What is the process?

Zespri licensed growers have the opportunity to sell their Class 3 (reject) fruit at the orchard gate, roadside stalls, farmers markets, or through their Registered Supplier on the domestic market (Class 2 only). This must be done under a Gate Sale Agreement. For information on the Gold Gate Sales Agreement, visit Canopy here: <https://canopy.zespri.com/EN/grow/licensing/licencemanagement/Pages/Gate-Sales.aspx> or contact the Zespri Grower Support Services Team on 0800 155 355, or email new.cultivars@zespri.com.

I would like to remove some shelter belt and extend my Gold3 area. What is the process?

Licensed growers who plan to remove internal shelterbelts to modify block sizes, or to put in overhead netting, can apply to purchase additional licence for the area where the shelter will be removed.

All applications must be submitted in writing to newcultivars@zespri.com; and

- be submitted and approved BEFORE any shelter is removed
- can only apply for an internal shelterbelt between adjoining Gold3 blocks
- include supporting calculations and a GPS map to outline the area required
- be for 10 percent or less of the total licensed area (if an area more than 10 percent is required, please add in some documentation to explain why this area is needed and this will be considered on application).

All applications are reviewed on a case-by-case basis by the Zespri Licence Committee. A Grower Liaison Manager will arrange an audit with you before the shelter removal, and again after grafting has been carried out.



Zespri SunGold Kiwifruit at an orchard in Te Puke.

BAY OF PLENTY YOUNG GROWER COMPETITION RESCHEDULED TO 22 JULY 2021

The postponed BOP Young Grower Competition and sold-out Gala Dinner have now been rescheduled to Thursday 22 July 2021.

The 2021 BOP Young Grower Competition will take place from 8.00am. Spectators are invited to the Mount Maunganui College grounds to watch a series of theoretical and practical events designed to test contestant's knowledge and skills in a competitive and fast-paced environment.

The sold-out Gala Dinner will be held from 5.30pm in the Zespri building.

The original events, planned to be held on 18 February were postponed due to uncertainty created by changes to COVID-19 Alert Levels. Due to a smaller venue to assist with COVID-19 planning, no additional tickets are available. We thank you for your patience and your continuing support for this exciting event. If you have any questions, contact Education Coordinator Di Holloway: di.holloway@nzkgi.org.nz.

SAVE THE DATE!

||| ||| ||| ||| |||
AUG
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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 register here: <https://conferences.co.nz/hortnz2021/>.

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

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