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ANNUAL MEETING GOES VIRTUAL AGAIN

A snap nationwide Alert Level 4 lockdown in New Zealand meant that Zespri's Annual Meeting was held virtually.

Despite this, the online event brought together 250 of our people – shareholders, Zespri Board and Executive, and staff. It featured a range of pre-recorded and live addresses, including industry updates and voting on the resolutions, including Director elections.

Congratulations to Alison Barrass who was elected as Independent Director, to Bruce Cameron and Tony Hawken who were re-elected as Board Directors, and to Julian Raine who has been elected to the Director Remuneration Committee. We were pleased to see all resolutions were passed with strong support.

Chairman Bruce Cameron reported on the 2020/21 season results, followed by an update from CEO Dan Mathieson on the year ahead. The audience then heard from Chief Market Performance Officer Linda Mills on how the season is tracking and what teams are doing around the world to try to overcome challenges.

"The 2020/21 season has been another extremely strong year for our industry," says Bruce.

"We've stood out as much for our values – the way we've looked after people and made such positive contributions to our communities – as much as we have for the value we've created, and that's something we should all be extremely proud of."

In his CEO address, Dan noted the commitment of growers and teams across Zespri to focus on delivering the season, and securing record results, despite really challenging conditions.

"Looking ahead, we need to focus on the immediate challenges, including around securing labour," says Dan.

"Meanwhile, we continue to do the best we can for our growers – to deliver their fruit to market and bring back the best return."



Left to right: Allison Barrass, Bruce Cameron, Tony Hawken, and Julian Raine.

Preliminary results for resolutions voted on:

Resolution	% votes for
1. Approval of the 2020/21 Annual Report	100
2. Election of Independent Director - Vacancy 1 (Alison Barrass)	94
3. Election of Director - Vacancy 2 (Bruce Cameron)	84
4. Election of Director - Vacancy 3 (Tony Hawken)	87
5. Election of Shareholder Member of Director Remuneration Committee - Vacancy 1 (Julian Raine)	98
6. Appointment of Auditors (KPMG)	100
7. Increase to Director Remuneration	89

Watch online!

The full recording of the Annual Meeting is available on Canopy: <https://canopy.zespri.com/EN/industry/aboutzespri/zespriannualmeeting/Pages/default.aspx>.

TRIBUTE TO KAUMĀTUA DR KIHI NGATAI

The passing of Kaumātua Dr Kihi Ngatai, QSM, a long-standing friend of the Zespri whānau (family), has been met with sadness by all who knew him. Kihi died peacefully on Sunday 1 August aged 91, surrounded by whānau.

Kihi was an incredibly well-respected leader in Tauranga Moana and will be sadly missed throughout all of the hapū (sub-tribe) and iwi (tribe) of Tauranga and across the country.

Zespri CEO, Dan Mathieson says it was an absolute privilege to be able to attend the tangi for Kihi and pay respect to this incredible person on behalf of Zespri.

"The mana and leadership of Kihi, from living a life built on strong values, positively touched and influenced the lives of so many people and communities, and thousands of people from across New Zealand came to Whareoa Marae to say thank you, to farewell this leader and to celebrate his life," says Dan.

"Kihi will always have a special place in the legacy of our industry and of Zespri. He will live on in our memory and his contribution is felt in many ways: through the Zespri offices he has blessed, through the industry events he has supported, and through the connections he has encouraged between Zespri and Tauranga Moana."

In 2016, Kihi and his late wife Maria were each honoured with a Queen's Service Medal in recognition of their contributions to Māori and the wider community. Kihi spent most of his life in the Matapihi peninsula where his governance experience grew from converting the family dairy farm into a kiwifruit orchard. Kihi also served as the director of the Māori kiwifruit growers fraternity, Te Awanui Hukapak Limited, for several years.

Our sincere condolences to our colleague Awhina Thatcher and to all the whānau of Kihi.



Dr Kihi Ngatai blessing the new Zespri Head Office in Mount Maunganui.

AUGUST 2021/22 FORECAST

The Zespri Board of Directors has approved the August forecast for the 2021/22 season. This is the first full forecast of the season, following the indicative ranges released in June.

The August forecast reflects the strong demand we are continuing to see for our fruit. However, the latest OGRs are at the lower end of the June 2021 ranges, reflecting the impact of the headwinds that are evident this season, particularly rising freight costs and fruit quality. The majority

of markets are performing to expectation, however the combination of this year's fruit quality characteristics and supply chain constraints is expected to pose ongoing challenges.

OGRs per tray and per hectare include a forecast loyalty premium of \$0.30 per class 1 tray supplied, \$0.05 above the base \$0.25 loyalty premium.

The total fruit and service payment, across all pools and excluding the loyalty premium, is forecast at \$2.35 billion.

Pools (Fruit Categories)	2021/22 August Forecast Per Tray	2021/22 June Indicative Range Forecast Per Tray	2020/21 March Final Per Tray	2021/22 August Forecast Per Hectare	2021/22 June Indicative Range Forecast Per Hectare	2020/21 March Final Per Hectare
Zespri Green	\$6.34	\$6.00-\$7.30	\$7.51	\$75,564	\$70,000-\$85,000	\$76,722
Zespri Organic Green	\$9.80	\$9.25-\$10.75	\$10.53	\$68,256	\$64,000-\$75,000	\$66,453
Zespri SunGold Kiwifruit	\$10.92	\$10.50-\$12.50	\$12.46	\$167,167	\$160,000-\$190,000	\$177,846
Zespri Organic SunGold Kiwifruit	\$12.86	\$12.25-\$14.25	\$15.36	\$146,662	\$139,000-\$162,000	\$158,599
Zespri Sweet Green	\$8.27	\$7.50-\$9.50	\$10.14	\$57,739	\$50,000-\$64,000	\$56,853

KIWIFRUIT BREEDING CENTRE TO KICK OFF IN 2021

Plant & Food Research and Zespri have confirmed the new 50/50 joint venture Kiwifruit Breeding Centre (KBC) has been formally approved, and the centre will begin operating from 1 October.

It will be based in Te Puke, as well as operating out of Kerikeri, Motueka and Mt Albert, and it will have a presence offshore in selected global kiwifruit regions. KBC's focus will be to drive greater innovation within kiwifruit breeding, focusing on creating healthier, better tasting and more sustainability-focused varieties.

Jointly funded by Plant & Food Research and Zespri, the organisations will share royalties from any future commercialised new varieties.

Zespri CEO Dan Mathieson says the new venture underpinned the industry's commitment to accelerate innovation.

"The Centre represents our commitment to broaden our efforts exploring promising new varieties within our research pipeline and bring these to our growers and consumers faster," says Dan.

Plant & Food Research CEO David Hughes says: "It's a natural evolution of the successful 30-year relationship between Zespri and Plant & Food Research which has delivered the world-leading SunGold Kiwifruit variety, alongside Zespri Red."

Inaugural Chairman and CEO appointed



NEW KBC CEO, Dr Matt Glenn.

Experienced agrifood and innovation sector director Michael Ahie has been appointed to Chair the KBC Board. Michael is Chancellor of Massey University and a former Chair of Plant & Food Research.

The KBC Board has now also announced the appointment of Dr Matt Glenn as its inaugural Chief Executive Officer. Based in the Bay of Plenty, Matt's strong background in science, technology and business management will support the KBC's goals.

"We have a great opportunity to add to the history of innovation the industry is known for, and help contribute to the growth of the kiwifruit industry within New Zealand and to the value we create for the country," says Matt.

"We've seen how the latest Zespri Red variety has encouraged new customers to try kiwifruit, and we're looking forward to continuing to explore other new varieties in the years ahead."

2022 SEASON PLANNING

The kiwifruit industry is continuing to manage the impacts of border closures and the latest COVID-19 lockdowns. However, while our immediate focus remains on looking after our people and observing all health and safety protocols to be able to continue under higher Alert Levels, it is important we plan well for the 2022 season.

This edition includes a focus around planning for next season, including articles on labour, preferred fruit profile and a season and market update.

"The 2022 season is shaping up to be one of our most challenging in a decade – with labour shortages, increased volumes coming into production, and continued disruption in the shipping schedule."

- Alastair Hulbert, Zespri Chief Global Supply Officer

Labour challenges

The reduction in access to overseas labour we've seen as a result of the pandemic has meant there are around half the usual numbers of RSE workers in the country as well as fewer backpackers, contributing to delays to this season's harvest and packing. This situation is expected to become more challenging in 2022 when the industry's labour shortage is expected to reach 6,500 people. That number would be 7,700 if the RSE bubble does not go ahead. Last season we were short an estimated 13 percent of the workforce – in 2022, it may be up to 23 percent.

With the added possibility of an additional 10 to 15 million trays of Zespri SunGold Kiwifruit to pick and pack, harvest could well extend an additional two weeks, putting pressure on fruit quality and postharvest coolstore capacity, particularly as we expect global shipping channels to remain disrupted for 2022.

We are in discussions with the Government around ways to alleviate the worker shortage for 2022 but it there is unlikely to be any solution to the shortage.

Discussions are underway in the ISG and IAC on what operational changes the industry can make to reduce the need for labour in 2022, utilise our workforce most effectively, and how the industry can establish a smoother flow of fruit throughout next season. There is a **Five-Point Plan** that is being developed:

1. Period 1 Procurement

The Period 1 Subgroup of the ISG is tasked with planning how we can bring forward some of next season's Zespri

SunGold Kiwifruit volume into Period 1 (KiwiStart) in the underutilised weeks 13,14 and 15. This will also need to coincide with sufficient quantities of Hayward to maintain supply to the market. Once we start the harvest and packing, we want to be able to continue without stopping, and keep all our workforce and packhouse capacity in full utilisation as much as possible. The subgroup will consider the transition between Supply Cap, Allocated KiwiStart volumes and Mainpack.

2. Review Bulk Pack Mix

Consideration is also being given to increasing the proportion of bulk packing and reducing layered packing which will allow faster packing rates of the crop volumes and lower labour requirements. This will be reviewed in light of any potential commercial impacts, and take into account market demand, customer feedback and the carbon footprint impact if product needs to be repacked into layered packs offshore.

3. Taste and Maturity Clearance Systems

A review will be undertaken to consider potential changes to the current Maturity Clearance System and criteria. It is planned that maturity clearance results will be available to growers at 12 noon each day instead of 2pm, to enable daily harvest to commence earlier. There is no change anticipated to the minimum taste standards in 2022, and there will still be payments made to growers based on their TZG result. While a full review of the Taste Zespri System is expected to have a greater impact on the 2023 system, minor improvements may be enacted for 2022 harvest. Growers are encouraged to set modest yield targets and continue to focus on growing high dry matter fruit, in case of low dry matter seasons like 2017 and 2018 or average dry matter seasons like 2021.

4. Size 39 Zespri SunGold Kiwifruit

During 2021, a significant proportion of Zespri SunGold Kiwifruit size 39 failed to achieve the minimum taste standard and resulted in delays to harvest as growers held off harvesting, while waiting for this fruit to clear. The impact of small sized fruit on harvest timings will be reviewed, including considering options to alleviate potential delays to harvest for the 2022 season, by adjusting the weight band, a proposal to move to Non-Standard Supply, and the use of commercial mechanisms. These will be discussed in industry forums in September and the industry will be notified accordingly.

5. Shipping schedule

Zespri will review the shipping schedules and assess opportunities to ship fruit to market sooner as a means to potentially relieve pressures on Postharvest coolstore capacity. This will need to be carefully weighed against further disruption to global shipping routes, market storage capacity and the need to minimise offshore fruit loss.

Next steps

These discussions will continue within industry in the coming months, including at both IAC and ISG, with a view to reaching an industry agreement on potential changes for the 2022 season in October.

KIWIFRUIT INDUSTRY AT PARLIAMENT

In August, representatives from the kiwifruit industry travelled to Wellington to meet with the Prime Minister, Ministers, Members of Parliament, ambassadors and officials.

The focus of discussions was New Zealand's labour shortage and the industry continues to work closely with government

and industry to find a way to ensure we have enough workers to deliver the next season.

We also hosted our annual function at Parliament, where around 300 people joined us to celebrate another New Zealand kiwifruit season, with speeches from the Prime Minister, Agriculture Minister Damien O'Connor, Chairman Bruce Cameron, and CEO Dan Mathieson.



Left to right: KVH CEO, Leanne Stewart; NZKGI Chairman, Mark Mayston; Zespri Chief Grower, Industry and Sustainability Officer, Carol Ward; Zespri Chief Global Supply Officer, Alastair Hulbert; Rt Hon Prime Minister Jacinda Ardern; Zespri CEO, Dan Mathieson; MKGI Chairman, Anaru Timutimu; and Zespri Chairman, Bruce Cameron.



FROM THE MARKETS

SEASON AND MARKET UPDATE: GROWING DEMAND AND NAVIGATING HEADWINDS

Demand remains strong globally from a volume and value point of view, and the high level of Vitamin C in Zespri Kiwifruit remains important as a key point of difference.

Run rates for Zespri Green Kiwifruit have been catching up and are now ahead of last season. Overall, Zespri SunGold Kiwifruit is 65 percent through; and Zespri Green Kiwifruit, 46 percent. Zespri SunGold Kiwifruit continues to perform well in market, and Zespri Red is also proving very popular as it moves into its first year of commercial volumes in 2022. Zespri Green is later maturing than Zespri SunGold Kiwifruit and operates in a more competitive environment with respect to consumer demand.

Organics is still an evolving category, especially in Asia outside of Japan, making it more sensitive to the 'demand versus supply' dynamics and market mix, with Europe and the US presenting the predominant demand opportunities for organic products.

Zespri Chief Market Performance Officer, Linda Mills says the resilience of our growers, global teams and distribution partners in the face of the season's challenges has been key in helping ensure demand for our great tasting kiwifruit is met.

"We are still seeing changes in expected vessel arrivals in many markets, despite the best efforts of our shipping teams, and suppliers and supply teams getting the ships loaded. However, most of our larger markets do have some inventory to buffer though these changes," says Linda.

Remaining agile in market remains an important focus as shopper behaviour changes. In-home consumption trends

combined with health concerns tend to drive increased consumption of fruit and vegetables. However, as restrictions ease, consumers tend to dine out more.

"While there are some significant headwinds impacting results this season, such as shipping costs, foreign exchange, and labour shortages, we continue to improve our market development capability," says Linda.

Zespri's growth strategy is founded on building brand identity and brand value, mitigating risk by broadening our market base, and looking at the long-term opportunities.

"We know that a diversified market base is essential to balance risk," explains Linda.

"Market access can change and regulatory and compliance requirements are getting harder, but it is essential that supply keeps pace with these requirements to ensure we maintain our ongoing ability to stay relevant for our customers, meet demand and hold value.

"We need to do this in an environment where consumers and governments are getting more demanding in areas such as sustainability, social responsibility, pest management and residues.

"We remain committed to growing the global kiwifruit category, and enhancing our market presence, while embracing our strategy of delivering long-term sustainable returns throughout our value chain and keeping demand ahead of supply so that we can realise both value and volume growth for our growers."

Watch Linda's market update at our Annual Meeting here: <https://canopy.zespri.com/EN/industry/aboutzespri/zespriannualmeeting/Pages/default.aspx>.



Storefront display of Zespri Kiwifruit in China.

USA

Paw Patrol meets Zespri Kiwifruit!

The Zespri marketing team in the US have launched their Paw Patrol the Movie Partnership at Kroger retail stores to boost sales of our delicious Zespri SunGold Kiwifruit.

The campaign included 'sticker on' packs of Zespri Kiwifruit, with free, exclusive Paw Patrol stickers inside for families to collect, digital advertising, in-store signage, and Facebook advertising.



Spain

Official sponsor at La Copa del Rey de Vela

The team in Spain enjoyed sponsoring the La Copa del Rey de Vela 2021 (the King's Sailing Cup) in Palma de Mallorca, in the Balearic Islands. The team provided participants and attendees with 8,600 samples of delicious Zespri Kiwifruit as part of being the official sponsor of the breakfast event. Zespri gained great media coverage, including on the event's official social media pages.



Germany

300,000 happy and healthy first graders

First grade students in Germany recently got to enjoy 'Schultüte' — a cornet made of cardboard filled with sweets and little presents. This is a tradition in Germany given to first graders on their first day of school. The cornet consisted of healthy snacks, delicious Zespri SunGold Kiwifruit, reusable spines and learning material. What a delicious and tasty way for the kids to start their first day of school!



Australia

A gold 'domino' train

One of Australia's top chefs, Ben Shewry from Melbourne restaurant Attica, shared a great video of beating lockdown boredom with his kids: making a gold kiwifruit 'domino' train, before turning it into delicious jam.

Check out the video here: bit.ly/3j9yIXR.

Future Markets

Just One Zespri — 100% Daily Vitamin C

Our Future Markets team have launched their 'Just One Zespri — 100% Daily Vitamin C' marketing video, to promote the nutritional benefits of Zespri Kiwifruit in supporting a strong immune system.

The video has been translated into eight languages — English, Bahasa Indonesian, Arabic, Hebrew, Spanish, Portuguese, and Thai.

It will be shared across 10 markets (Malaysia, Indonesia, India, Brazil, Mexico, Israel, Saudi Arabia, United Arab Emirates, Thailand, and the Philippines) on a variety of digital channels, including Facebook, Instagram, YouTube, and Google Display Network, over the next two seasons.

Check out the video here: www.youtube.com/watch?v=Wc660exbp0Q&t=1s.





ZESPRI IN THE COMMUNITY

Zespri Young and Healthy Virtual Adventure

All 20,000 spots for this year's Zespri Young and Healthy Virtual Adventure are now filled!

Primary and Intermediate school students New Zealand-wide will virtually travel the world with their classmates this October, alongside their ASICS Ambassadors Ardie Savea, Kane Williamson, Amelie Ekenasio and Samantha Charlton.

Each intrepid traveller will learn healthy ways to care for their physical and mental hauora/wellbeing, and all about the international destinations they'll visit along the way. We can't wait to kick-off this year's adventure!



Tauranga Chamber of Commerce Business Awards: nominations open now!

The Bay of Plenty is a fantastic place to live and work, and it's great to see the region continue to perform strongly.

That's why we're a proud supporter of the Tauranga Chamber of Commerce Business Awards, which provide recognition to some of the brilliant local businesses that call the Bay home.

Nominations are now open for this year's Tauranga Business Awards and there are 12 categories to enter, including the Service Excellence Award, which is sponsored by Zespri.

Encourage Tauranga's fantastic businesses to apply, or anonymously nominate them at the link below. For more information, visit: www.tauranga.org.nz/businessawards/.

Celebrating Women in Kiwifruit

The Women in Kiwifruit steering group hosted their inaugural event 'Bubbles in the Hub' at the Zespri Head Office on 27 July for nearly 100 guests in the industry, to celebrate the end of the 2021 harvest.

Louise Beard and Anne John-Francke from Forward ran a networking workshop for the guests to get to know each other.

Guests who provided feedback on the event were entered into the draw to win a two-night stay at Le Grá Vineyard and Winery in the Wairarapa, and the winner was Emily Woods.

For those who missed the event, keep an eye on the Women in Kiwifruit Facebook page — we welcome people from right across the industry to join.

Special thanks to fellow industry woman Nicky Geary from Le Grá Vineyard and Winery for providing the wine, and Charlotte Mans for the epic grazing table!



SAVE THE DATE:

NOV 19
EXPORTNZ'S 50TH ANNIVERSARY IN TAURANGA

Friday 19 November 2021 | 6.30pm – 8:30pm
Zespri International Ltd, 400 Maunganui Road, Mt Maunganui (dependent on COVID-19 Alert Level restrictions)

2021 marks fifty years of ExportNZ and to celebrate this golden milestone, the Bay of Plenty region is holding a cocktail function. Save the date in your diary now to ensure you can join the celebration – exporters helping exporters export more!

Further information about ticket details will be available shortly, but if you want to reserve your ticket/s now, please email portia.foley@ema.co.nz.

2021 Zespri Horticultural Scholarships: applications open!

Applications are open for the 2021 Zespri Horticultural Scholarships. These scholarships are available to students already enrolled in tertiary study, who have successfully completed, or are currently completing, their first year of study.

The scholarships aim to support studies towards a career in the horticulture industry, and could include degrees in science, management, marketing or business.

Applications close at 5pm on 15 October 2021 and must be submitted by email to scholarships@zespri.com.

For more information and to download the application form, visit www.zespri.com/en-NZ/hort-scholarship.





Updates from our Pre-harvest Team



COMPLETE YOUR FERTILISER RECORDS IN SPRAY DIARY

It is mandatory for growers to record their fertiliser use into the 'Fertiliser Diary' section of Spray Diary.

This will be a focus at your GAP inspection this year. Information from the last 12 months of application will be checked, until the fertiliser season for this year starts.

How?

The Fertiliser Diary in Spray Diary has the following fields to complete:

- KPIN
- Blocks (where fertiliser will be applied)
- Application date
- Name of product: you can choose from a product already listed in Fertiliser Diary or add a new product
- Manufacturer of fertiliser
- Fertiliser Nutrient Values (NPK): N (Nitrogen), P (Phosphorus), K (Potassium), S (Sulphur). This detail is pre-recorded where the product is listed as an existing option in Fertiliser Diary. If adding a new product, these numbers will be available on your product packaging or ask your fertiliser supplier

- Application rate/Ha (Note: this information may sit with your contractor)
- Weight (Kg)
- Method (e.g., using a spreader or hand-applied)
- Applicator name
- Any comments

If you have trouble interpreting the details of the fertiliser products you have used on-orchard (or purchased for application this year), or aren't able to complete some of the fields in Fertiliser Diary, get in touch with the Pre-harvest Team who can help: preharvest@zespri.com.

Why?

Fertiliser data will go a long way to enable Zespri to help growers meet changing regulatory requirements covering greenhouse gases and freshwater. Zespri is working in the background on gaining recognition of ZespriGAP to deliver both regulatory and market requirements through the existing annual GAP inspection/audit process.

Our ability to achieve recognition of ZespriGAP hinges on access to this core fertiliser data to report from as a sector. For any questions on this, get in touch with Katrina O'Connor: katrina.oconnor@zespri.com.

GLOBALG.A.P. AUDITS

A reminder to all management system owners that as part of a group certification scheme for GLOBALG.A.P. you are subject to audits from our certification body **AssureQuality**, in addition to the GAP audit that every MSO completes each year.

AssureQuality is required to select a percentage of MSOs from the group each year to audit. These audits are an integral part of the external audit process to ensure that the group is meeting the requirements of the GLOBALG.A.P. standard. The outcome of these impacts the group's ability to retain certification, and hence supply many of our customers. Because they are a requirement of the GLOBALG.A.P. standard, these audits are not optional. If any member of the group refuses to participate, then they must be removed from the group so as to not put the certification of other growers at risk.

We are here to help you if you need it — an audit does not have to be a daunting or unpleasant experience. If you are selected for an audit and are unsure about what you need to do, or have questions about the requirements or process, then don't hesitate to reach out. Email preharvest@zespri.com and one of the team will be in touch.

AssureQuality is currently completing a round of unannounced audits, so you may receive a call about an audit. These audits are arranged with approximately 48 hours' notice on the premise that you should be operating your good agricultural practice programme year round, and not just for the day of an audit. We are grateful to our growers for their support with process.

PREPARATION FOR 2021 GAP INSPECTION

The food safety elements of the ZespriGAP checklist are the main changes for this year.

There are two key documents downloadable on Canopy outlining what these changes are to help you prepare for your 2021 GAP inspection. You can access these via the following link: <https://canopy.zespri.com/EN/grow/ZPR/Pages/Grower-Manual.aspx>

1. Summary table of ZespriGAP updates for 2021

This table lists each of the changed control points within the checklist as well as the changes to templates. Updates are made to incorporate the new GLOBALG.A.P. version (5.4), which is mandatory for this year.

2. Am I ready? checklist

This checklist lists of all the resources

and records that can be used to help you demonstrate you are up to date in meeting the GAP requirements for this year.

The checklist is downloadable in 'Word' version from Canopy here: <https://canopy.zespri.com/EN/grow/ZPR/Pages/Grower-Manual.aspx>. You can edit if you need and tick off each of the listed records and resources as these are ready and available to prepare for your inspection.

HE WAKA EKE NOA: PRIMARY SECTOR CLIMATE ACTION PARTNERSHIP ON REDUCING EMISSIONS

The primary sector is working with government and Māori through a partnership called 'He Waka Eke Noa' (which translates to 'we're all in this together') to reduce agricultural greenhouse gas emissions.

This partnership was proposed by the agricultural sector in 2019 as an alternative to entering the New Zealand Emissions Trading Scheme. Agricultural leaders believed they could design and deliver a pricing system that would help growers and farmers measure, manage and reduce their emissions, while retaining profitability and competitiveness.

For this partnership-based approach to remain available to the agricultural sector, farmers and growers need to be able to demonstrate that progress is being made. Much has been done by the agricultural sector to collaborate and develop a fair solution that will protect New Zealand's position as a profitable, competitive and low emissions agricultural producer.

For horticultural growers, the initial focus of the He Waka Eke Noa partnership is synthetic nitrogen fertiliser, which releases nitrous oxide into the atmosphere. Other on-farm emission sources, like fuel and energy, are not included – these are the responsibility of providers and are already covered in the Emissions Trading Scheme.

As growing kiwifruit releases few emissions, the requirements of the He Waka Eke Noa partnership will only apply to a small number of the largest kiwifruit growers. NZKGI and Zespri will contact those entities affected.

It's not just the government that is spurring the industry to take action on climate change. Our customers in key markets are increasingly asking about our progress to reduce emissions. GLOBALG.A.P. revised standards (version 6) will include similar expectations and will be rolled out as part of ZespriGAP from 2023. We are working with government to ensure that grower compliance with ZespriGAP also meets their He Waka Eke Noa reporting requirements.

The He Waka Eke Noa Programme Office, along with the agricultural sector, will consult on the full suite of proposals in November and December 2021.

Orchard emissions are currently about six percent of our kiwifruit's carbon footprint, and what growers do on orchard matters. The most important thing all growers can do now is record fertiliser use in the Fertiliser Diary section of Spray Diary, as required under ZespriGAP. This will allow Zespri to estimate your orchard's emissions (nitrous oxide) and to better understand opportunities to reduce emissions across the industry (see Pre-harvest Team update above).

Check out the Plant Nutrition & Nitrogen and Sustainability pages of Canopy to find out about actions you can take on your orchard now.



2022 SEASON PREFERRED FRUIT SIZE

LARGER-SIZED ZESPRI SUNGOLD AND GREEN KIWIFRUIT HELPS TO MAINTAIN STRONG DEMAND

Over the past few years our message to growers has been consistent about the value drivers for Zespri SunGold Kiwifruit. Larger sized Zespri SunGold Kiwifruit offer a better eating experience, have stronger demand and faster run rates and are of higher value than smaller sized fruit. Taste and quality are equally important attributes in terms of driving repeat purchase and perceived value from consumers.

Zespri Chief Market Performance Officer, Linda Mills, says the larger-sized 2021 Zespri SunGold Kiwifruit crop has been met with good consumer demand and allowed markets to deliver strong run rates and lift value in a number of key markets.

“This is despite challenging circumstances with fruit quality, the rapidly evolving market situations and shopper dynamics amidst the ongoing COVID-19 pandemic,” says Linda.

“It is always a balance, as overall we need great quality fruit that stores with good taste and size, and we don’t want any one thing at the expense of another.”

The increase in OGRs from growing a larger size profile has been published in the August issue of *Kiwiflier* in the previous two years. The 2021 crop profile is a good example of the value of a larger sized crop, with growers on average benefiting from size profile by more than 20 cents per tray supplied, which has helped to offset some of this season’s increased costs such as freight, foreign exchange and post-harvest costs, as reflected in the latest 2021 August forecast returns.

Count 39 Zespri SunGold Kiwifruit is problematic and the industry has had discussions about making this non-standard supply. This will be discussed further, with a final decision to be made in September, ahead of the 2022 season. For the previous two seasons, supply exceeded demand. In 2021, a significant volume of Ct 39 did not meet the minimum taste standard, so this limited the supply of fruit.

“It is a fine balance — if the estimated volume not supplied had cleared, we would have seen supply exceeding demand for the third consecutive season,” says Linda.

“A certain volume in this size does support markets offering key customers a portfolio of sizes and meets different value offerings.”

For Zespri SunGold Kiwifruit, the preferred average size is 28.1 which reflects updated demand signals. The Zespri SunGold Kiwifruit chart on the right reflects some market demand for Ct 39 Zespri SunGold Kiwifruit, at approximately five percent of the crop, which is less than what is delivered in most seasons. The supply of Ct 39s is an area of ongoing industry discussion as we lead into the 2022 season. A key message to growers is to limit the volume of Ct 39 that is grown, where possible.

The Zespri Organic SunGold Kiwifruit preferred profile at 29.0 is around a count size smaller than the 2021 profile. With higher growth in volumes of Zespri Organic SunGold Kiwifruit expected in coming years, a higher proportion of the crop will likely be sold in Europe and North America where consumer demand for Organic products is strongest.

A focus on taste and pest management is key to ensure more volume for Asian markets, and essential to enable faster growth

in these higher returning markets. If we are unable to get on top of this, it will restrict our ability to grow volume over the medium term.

The larger size profile for Zespri Green Kiwifruit in 2021 compared to 2020, has helped lift value and offset some of the cost headwinds this season. The preferred average size for Zespri Green Kiwifruit remains at 30.5, the same profile as 2018, and with a preferred volume of 60-70 million trays. Volumes at this level enable Zespri to support its category position, but is not too much that it impacts our ability to deliver stronger value.

The larger average sized Zespri Organic Green Kiwifruit in 2021 was appreciated by the markets, and has delivered stronger value despite being offset by costs. The preferred profile remains at 33.3.

Zespri Red Kiwifruit is a new variety and markets have been working with the profile received during trials. We are still learning about this exciting new variety from a physiology, supply chain and end-consumer perspective.

“As we introduce Zespri Red to consumers and educate them about this new fruit that is naturally smaller in size, we are focusing the message around key attributes that most entice consumers: the red colour and the berry, sweet taste,” explains Linda.

“We continue to research and understand consumer preferences and willingness to pay as volumes increase.”

For the reasons above, at this stage we are not presenting a preferred Zespri Red profile. Scale and pest management, reducing variability, improving storage performance and shelf life, and improving quality such as reducing blemish are of greater importance as we embed this new variety and should be the focus for growers this coming season. Given Zespri Red is targeted at Asian markets only, clean market access fruit is critical and will ensure more market options are available to optimise pool returns. A focus on fruit quality will ensure consumers continue to trial and pay a premium in-market for this product.

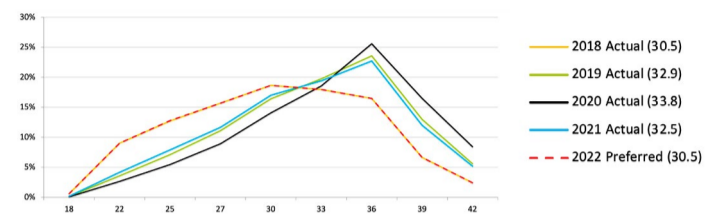
We encourage all growers, especially new growers to the category, to subscribe to the *Raising Red* newsletter here <https://confirmsubscription.com/h/d/9A106109E8F2D639>, and to get along to the meetings to learn and share the latest on how to grow great quality Zespri Red Kiwifruit.

Preferred profile charts

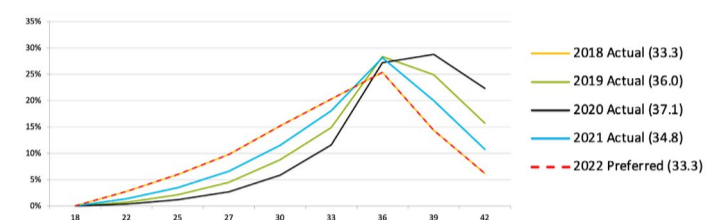
The 2022 preferred profiles are shown in the charts on the right. Apart from Zespri Red, the data (including average size figures) exclude non-standard supply — it is not certain in any season what volume will be required as it will depend on the overall volume by size for the full crop.

The Zespri Red Kiwifruit profile chart includes size 18-42 (Standard Supply), Size 46 (currently considered non-standard supply) and exclude Ct 49 (triallyed domestically, currently considered undersize, but may be considered for future non-standard supply procurement). Decisions regarding procuring size 46s and size 49s in the coming season will be made later this year.

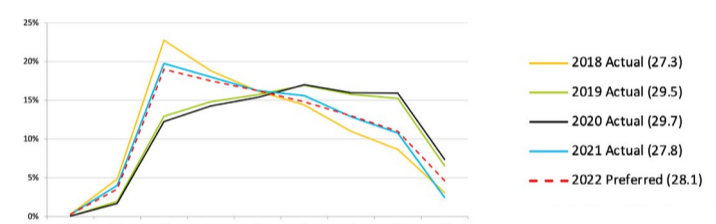
ZESPRI GREEN KIWIFRUIT



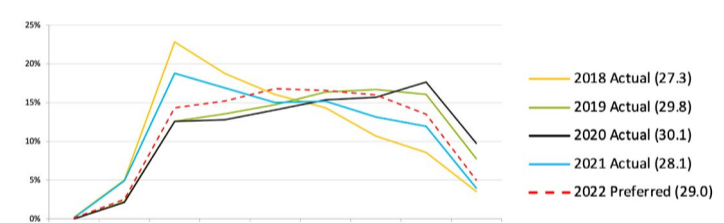
ZESPRI ORGANIC GREEN KIWIFRUIT



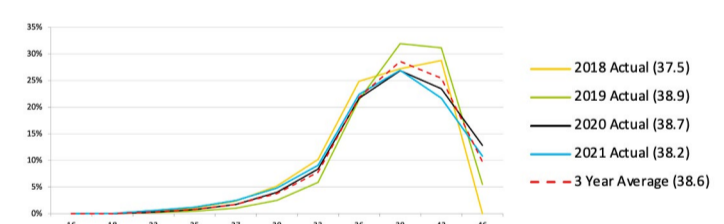
ZESPRI SUNGOLD KIWIFRUIT



ZESPRI ORGANIC SUNGOLD KIWIFRUIT



ZESPRI RED KIWIFRUIT



HICANE REASSESSMENT: UPDATE

The Environmental Protection Agency (EPA) confirmed it will start public consultation on its reassessment of hydrogen cyanamide (widely known by the brand name HiCane) on 14 September. The consultation will run for a minimum of 30 working days.

The EPA has three options in the reassessment. Firstly – no change. Secondly – introduce new controls. Thirdly – phase out.

The EPA will release the reassessment application document on 31 August and this will include:

- Scientific information including impact on people and the environment
- WorkSafe human health impact

- Economic benefit analysis
- Impact on Māori
- Outcome of consultation hui

NZKGI and Zespri will once again work together to develop an industry response to the EPA’s draft position on HiCane outlined in the reassessment document. People in the kiwifruit industry are invited to make their own submissions to the EPA as well, and more information will be shared through industry channels to help with this and keep everyone updated.

The EPA will then hold public hearings where submitters can talk directly with the decision makers. If all goes according to plan, EPA will then announce its final decision around six to eight months after releasing the reassessment document, around the middle of next year.

2022 RED19 PAYMENT STRUCTURE UPDATE

The Industry Advisory Committee have agreed to the proposal of no Taste payments for Red19 for the 2022 season. While taste is an important attribute for Red19, the decision was made to prioritise the quality and storability of the fruit at this stage.

It is intended that this approach will kick off with a simple Grower Payments model, and develop as we learn more about the variety, both on orchard, in the supply chain and from market research. This will be reviewed ahead of each season based on the latest information Zespri has available at the time.

Learnings from the pre-commercial trials in previous years has shown that Red19 is naturally a higher dry matter fruit compared to Gold3, but softens quickly on the vine and can compromise storage if not picked at the right time. The removal of the Taste incentive is to avoid any conflict for growers’ decision marking, which could compromise the quality of the fruit in the first commercial season.

Zespri is working through the maturity criteria for Red19 and intends to publish this in October. This is anticipated to include a Minimum Taste Standard which will be at a level higher than Zespri SunGold Kiwifruit to ensure the Zespri Red programme continues to see great tasting fruit available for our consumers.



ZESPRI GLOBAL SUPPLY UPDATE

ZESPRI ITALY ESTABLISHES GROWER ADVISORY BOARD

Zespri in Italy recently reached a milestone in its relationship with Italian growers through the establishment of a Grower Advisory Board. Formed in February 2021, the Grower Advisory Board has met twice and is already building its value.

The Grower Advisory Board was established to provide a mechanism for direct communication between Italian growers and Zespri at a strategic level to help influence the grower community to increase yields and better manage risks.

The membership of the Grower Advisory Board includes a technical delegate and two grower representatives from each of the four key Zespri SunGold Kiwifruit Supplier partners and is designed to represent a diverse cross section of the top Zespri SunGold Kiwifruit growers in the Italian kiwifruit industry. In addition, there are three

representatives from Zespri Italy which means the full Grower Advisory Board comprises 15 members.

The principal functions of the Grower Advisory Board are to:

- Discuss the Italian kiwifruit production environment and in particular the risks and opportunities for Zespri growers in Italy
- Provide grower feedback to Zespri as it works to improve its support and value to Italian growers and lift returns
- Facilitate communication of key messages to the Italian kiwifruit growing community across diverse growing regions.

While these subjects are frequently discussed with the Suppliers, the newly established Grower Advisory Board enables more direct feedback between Zespri and its grower base.

Held quarterly, the initial meetings of the Grower Advisory Board have focused on:

- KVDS and management of water
- Season 2020 results
- 2021 Zespri key priorities
- General communication needs
- Opportunities and challenges for lifting yields
- Crop estimate for 2021 season

The feedback received for the meetings has been positive, with members satisfied about the opportunity to have a direct interaction with Zespri management.

The debate was lively and as COVID-19 restrictions were easing, a lunch opened the second meeting, while an orchard visit in the main Italian kiwifruit growing region concluded it.

HOW WE'RE ENSURING A 12-MONTH SUPPLY OF ZESPRI GREEN KIWIFRUIT IN EUROPE

Around 10 million trays of Hayward Kiwifruit that meet Zespri Global Quality standards is procured from Italy and Greece each year and marketed predominantly in the EU.

Hayward fruit is procured by Zespri to meet market demand. It is the only Zespri programme where there is no mutual obligation of supply between Zespri and suppliers/growers. Zespri has no obligation of taking the entire crop of an orchard, and this allows procurement of a preferred taste and size profile. Growers are not subcontracted and procurement takes place through Zespri's Hayward supply partners.

Hayward is sourced from Italian and Greek suppliers after an official clearance process to ensure the fruit meets Zespri Global standards. Minimum dry matter for ZGS Hayward is 16 percent and growers are required to be GLOBALG.A.P. certified.

It is a flexible, scalable programme that can be applied across multiple growing regions, currently partnering with 16 suppliers in Italy and six in Greece. In addition to ensuring 12-month supply of Zespri-branded Hayward fruit in Europe, our Hayward programme provides sufficient income to roughly cover ZGS global overheads.

Italy

The Italian Hayward growing season has been impacted by spring frosts across the our Italian growing regions. The loss has been more severe in the northern growing regions: Emilia-Romagna, Veneto and Piedmont.

The main growing area of Latina and parts of the southern regions, particularly Calabria, also experienced low spring temperatures. However, pollination has been positive and shape seems to be developing well particularly in Latina, which supplies more than 60 percent of the Italian crop .

Industry estimates of Hayward production will be released in September. At this stage, there is some concern around the heatwave which is affecting the Mediterranean region in August with temperatures reaching beyond 35°C.

This is expected to have an impact on fruit weight accumulation, although due to the geographical spread of the crop location, it is not yet clear what impact this will have on fruit available for Zespri. Despite the challenges, we are optimistic about the season ahead.

Greece

The kiwifruit industry in Greece has been growing rapidly in recent years and supply to Zespri has been increasing in line with the industry growth. With supply increasing along with market demand, Greece will continue to be an important supplier of Hayward fruit for Zespri.

Growing in Greece presents similar challenges as other growing regions in Europe. Greek growers have reported some climate related issues with light frost and hail damage in some areas this year, and increasing signs of Brown marmorated stink bug activity mean growers are considering investing on orchard infrastructure to minimise these risks. However, the growing season is proceeding well.

The numerous fires that have been affecting Greek rural areas have been concentrated in the southern part of the country where kiwifruit is not grown, so for the time being, no impact is expected.



Hayward Orchard in Katerini, Greece.



LISTEN IN TO KIWICHAT

KiwiChat is a six-month pilot series of podcasts being delivered by Zespri, where you'll hear about key seasonal orchard topics from growers, orchard managers, researchers and other industry representatives.

If you are signed up to receive *KiwiTips*, you will be automatically subscribed to receive KiwiChat updates. If you don't receive this email and would like to receive KiwiChat, then sign up by typing the following into your browser: bit.ly/KiwiChat.

KiwiChat No.2 covers safe spraying of kiwifruit. Whether you are preparing for annual hydrogen cyanamide applications or just generally thinking about spraying and how to manage drift then this episode is for you. In this KiwiChat you'll hear from David Manktelow and John Paul Praat talking about safe spraying, spray drift and drift management.

You can also access KiwiChat through the Canopy website: Canopy > Growing Kiwifruit > Global Extension Team > KiwiChat Podcast.



KIWIFRUIT NEW ZEALAND BOARD ELECTION RESULT

When nominations for the election of a Director for Kiwifruit New Zealand closed on Monday 9 August 2021, one nomination had been received, for the incumbent, Colin Olesen. As there is only one nomination, an election will not be required. Colin's second three-year term on the KNZ Board will start on 1 October 2021.

I welcome Colin back to the KNZ Board and look forward to working with him.

Kristy McDonald ONZM QC, Chair

2021/22 PROGRESS PAYMENTS FOR SEPTEMBER AND OCTOBER

CLASS 1 - APPROVED PROGRESS PAYMENT 15 SEPTEMBER 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	\$0.36	No payment	\$0.25	\$0.40	\$1.10	\$1.00	No supply
Zespri Green14	\$0.74	No payment	\$0.95	\$0.70	\$0.95	\$0.95	\$0.20

CLASS 1 - INDICATIVE PROGRESS PAYMENT 15 OCTOBER 2021	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.09	\$0.20	\$0.20	\$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	\$0.68	\$0.50	\$0.50	\$1.10	\$0.70	\$0.05	No supply
Zespri Organic Gold3	\$1.10	\$0.40	\$1.20	\$1.50	\$1.20	\$1.30	No supply
Zespri Green14	\$0.57	No payment	\$0.50	\$0.65	\$0.60	\$0.60	\$0.45

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.
3. 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.

CLASS 2 - APPROVED PROGRESS PAYMENT 15 SEPTEMBER 2021	AVERAGE ON NET SUBMIT	16/18/22	27	30	33	36	39	42
Class 2 Green	\$1.68	\$1.80	\$1.60	\$1.60	\$1.80	\$1.80	\$1.70	\$1.20
Class 2 Organic Green	\$2.94	\$3.10	\$3.15	\$3.20	\$3.40	\$2.70	\$2.10	\$1.50
Class 2 Gold3	\$3.91	\$3.85	\$3.95	\$4.30	\$3.90	\$3.65	\$2.60	No supply
Class 2 Organic Gold3	\$4.40	\$4.10	\$4.30	\$4.55	\$5.25	\$4.25	\$3.95	No supply

1. Weighted average of three programs.
2. The August Forecast has no volumes for size 42 for these pools. For Class 2 Gold3 there are a small number of volumes (<200 TE) that will be reflected in the November Forecast.

NON-STANDARD SUPPLY - APPROVED PROGRESS PAYMENT 15 SEPTEMBER 2021	42
Zespri Gold3	No supply
Zespri Organic Gold3	\$1.20

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.
3. The reinstatement of the Taste Zespri programme has resulted in the payment of lower Progress rates for Zespri Organic Gold3 Non-Standard Supply compared with the prior season.

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.

September 2021 approved progress payments on Net Submit trays

Approved per tray progress payments for 15 September 2021:

Class 1	
Zespri Green	\$0.05
Zespri Organic Green	\$0.05
Zespri Gold3	\$0.05
Zespri Organic Gold3	\$0.36
Zespri Green14	\$0.74

October 2021 indicative progress payments on Net Submit trays

Indicative per tray progress payments for 15 October 2021:

Class 1	
Zespri Green	\$0.09
Zespri Organic Green	\$0.05
Zespri Gold3	\$0.68
Zespri Organic Gold3	\$1.10
Zespri Green14	\$0.57

Orchard Gate Return

The OGR calculations reflect post-harvest cost data compiled by Ingham Mora Limited in July 2021, the August 2021 forecast fruit loss percentages and current productive hectare information.

SHARE BRIEFS

As at 23 August 2021 the last Zespri share price trade was \$11.00 traded on 3 August 2021. There were four buyers at \$9.50, \$9.29, \$9.25 and \$9.20. There were two sellers at \$9.90 and \$10.00.

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 September, there is a total of 155,093 dry shares as of 23 August 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

September there is no excess shares that are required to be sold as of 23 August 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

Follow us on reapp for our mobile IR experience

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

Below is the current Market Depth information as at 23 August 2021.

Quote Line at Monday 23 August as at 11:00am						
Code	Bid (\$)	Offer (\$)	Last (\$)	High (\$)	Low (\$)	Volume
ZGL	9.50	9.90	11.00	0.00	0.00	0

Market Depth					
BIDS			OFFERS		
Orders	Quantity	Price (\$)	Price (\$)	Quantity	Orders
1	2,000	9.500	9.900	2,000	1
1	5,000	9.290	10.000	2,000	1
1	2,000	9.250			
1	2,000	9.200			

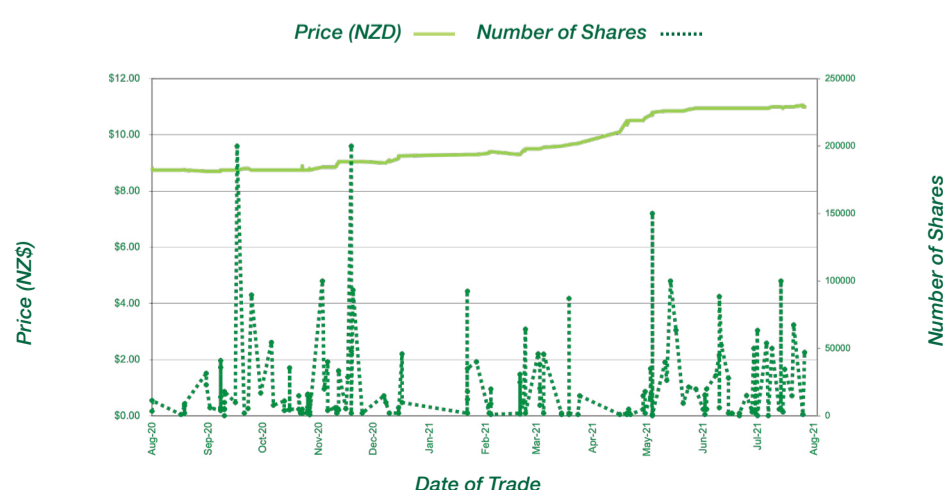
Last 10 Trades			
Date/Time	Quantity	Price (\$)	Value (\$)
3/08/2021	47,040	\$11.00	517,440.000
2/08/2021	1,000	\$11.00	11,000.000
2/08/2021	1,000	\$11.05	11,050.000
28/07/2021	67,500	\$11.00	742,500.000
27/07/2021	15,000	\$11.00	165,000.000
23/07/2021	34,560	\$11.00	380,160.000
22/07/2021	3,000	\$10.95	32,850.000
22/07/2021	3,000	\$10.95	32,850.000
21/07/2021	5,000	\$11.00	55,000.000
21/07/2021	100,000	\$11.00	1,100,000.000

Director share trading

For the month of August (as at 23 August), there were 17,000 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 the *Kiwiflier* is finalised for publication, there may be some trades associated with director entities which have been matched and transacted, but the paperwork has not yet been received by Zespri or Computershare. As such, there may be some lags in reporting trading by entities associated with directors. Zespri will however ensure that as at the end of each month, the Director Share Holdings and Transfers document on the Zespri Canopy will always provide the most up to date information held by Zespri.

ZESPRI GROUP LIMITED SHARE TRADES 23 AUGUST 2020 TO 23 AUGUST 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, KiwiStart and Taste Zespri are paid on FOBS, i.e., when fruit is shipped. Some of the Supplier Accountability payments are subject to SLA terms.
- Progress will be paid in the remaining months at levels subject to Zespri Management approval.
- Average payments per TE are based on the 2021/22 August Forecast trays and actual payments to date.
- YTD amounts for Pack and Time may move from previous *Kiwiflier* issues due to SLAs being paid late in a month.

ZESPRI GOLD3 AUGUST								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-21	\$3.30	\$0.09					\$3.39	21%
May-21		\$0.10					\$3.49	22%
Jun-21		\$0.13					\$3.62	23%
Jul-21		\$0.08		\$1.16	\$1.50		\$6.36	40%
Aug-21		\$0.13	\$0.48	\$1.50	\$0.05		\$8.53	54%
Sep-21					\$0.05			
Oct-21					\$0.68			
Nov-21								
Dec-21								93%
Jan-22						\$0.10		
Feb-22								
Mar-22								98%
Apr-22								
May-22								
Jun-22						\$0.20		100%
Paid YTD	\$3.30	\$0.53	\$0.48	\$2.67	\$1.55	\$0.00	\$8.53	
Balance to pay	\$0.00	\$0.97	\$0.47	\$3.14	\$2.42	\$0.30	\$7.29	

Total fruit and service payments - 2021/22 Forecast \$15.83

ZESPRI ORGANIC GOLD3 AUGUST								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-21	\$3.30	\$0.04					\$3.34	20%
May-21		\$0.10					\$3.44	20%
Jun-21		\$0.10					\$3.54	21%
Jul-21		\$0.10		\$1.54	\$0.38		\$5.57	33%
Aug-21		\$0.28	\$0.34	\$2.32	\$0.02		\$8.53	50%
Sep-21					\$0.36			
Oct-21					\$1.10			
Nov-21								
Dec-21								93%
Jan-22						\$0.10		
Feb-22								
Mar-22								98%
Apr-22								
May-22								
Jun-22						\$0.20		100%
Paid YTD	\$3.30	\$0.62	\$0.34	\$3.86	\$0.41	\$0.00	\$8.53	
Balance to pay	\$0.00	\$0.74	\$0.31	\$3.66	\$3.35	\$0.30	\$8.36	

Total fruit and service payments - 2021/22 Forecast \$16.89

ZESPRI GREEN AUGUST								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-21	\$2.44	\$0.01					\$2.45	24%
May-21		\$0.06					\$2.51	25%
Jun-21		\$0.05					\$2.56	26%
Jul-21		\$0.05		\$0.43	\$0.87		\$3.91	39%
Aug-21		\$0.11	\$0.28	\$0.69	\$0.05		\$5.04	50%
Sep-21					\$0.05			
Oct-21					\$0.09			
Nov-21								
Dec-21								90%
Jan-22						\$0.10		
Feb-22								
Mar-22								96%
Apr-22								
May-22								
Jun-22						\$0.20		100%
Paid YTD	\$2.44	\$0.27	\$0.28	\$1.12	\$0.92	\$0.00	\$5.04	
Balance to pay	\$0.00	\$1.06	\$0.29	\$2.07	\$1.26	\$0.30	\$4.98	

Total fruit and service payments - 2021/22 Forecast \$10.01

ZESPRI ORGANIC GREEN AUGUST								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-21	\$2.45						\$2.45	19%
May-21		\$0.04					\$2.49	19%
Jun-21		\$0.01					\$2.50	19%
Jul-21		\$0.04		\$0.65	\$1.86		\$5.05	39%
Aug-21		\$0.08	\$0.42	\$1.03	\$0.05		\$6.63	51%
Sep-21					\$0.05			
Oct-21					\$0.05			
Nov-21								
Dec-21								89%
Jan-22						\$0.10		
Feb-22								
Mar-22								97%
Apr-22								
May-22								
Jun-22						\$0.20		100%
Paid YTD	\$2.45	\$0.17	\$0.42	\$1.68	\$1.91	\$0.00	\$6.63	
Balance to pay	\$0.00	\$0.62	\$0.43	\$2.95	\$2.00	\$0.30	\$6.29	

Total fruit and service payments - 2021/22 Forecast \$12.92

ZESPRI GREEN14 AUGUST								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-21	\$2.80						\$2.80	23%
May-21							\$2.80	23%
Jun-21							\$2.80	23%
Jul-21				\$1.26	\$1.62		\$5.68	47%
Aug-21			\$0.28	\$1.28	\$0.05		\$7.29	61%
Sep-21					\$0.74			
Oct-21					\$0.57			
Nov-21								
Dec-21								91%
Jan-22						\$0.10		
Feb-22								
Mar-22								96%
Apr-22								
May-22								
Jun-22						\$0.20		100%
Paid YTD	\$2.80	\$0.00	\$0.28	\$2.54	\$1.67	\$0.00	\$7.29	
Balance to pay	\$0.00	\$0.00	\$0.24	\$1.27	\$2.87	\$0.30	\$4.68	

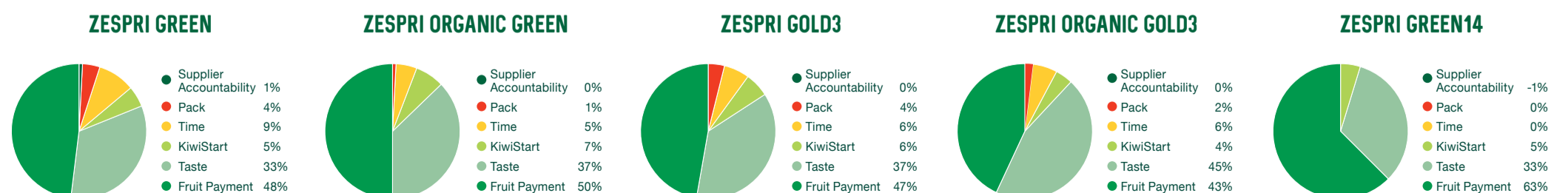
Total fruit and service payments - 2021/22 Forecast \$11.97

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.

2021/22 SEASON GROWER PAYMENT PORTIONS – TOTAL FRUIT AND SERVICE PAYMENTS

2021/22 AUGUST FORECAST



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

Full-Year Return	2021/22 - August Forecast						2020/21 - Actual					
	Zespri Green	Zespri Organic Green	Zespri Gold3	Zespri Organic Gold3	Zespri Green14	All Pools	Zespri Green	Zespri Organic Green	Zespri Gold3	Organic Gold3	Zespri Green14	All Pools
Total Forecast:												
Total trays supplied (m)	74.9	3.0	97.8	2.5	0.3	181.1	67.5	2.8	85.5	1.5	0.3	159.6
Kilograms supplied (m)	263.3	10.6	342.1	8.7	0.9	625.6	236.7	9.5	300.2	5.1	0.9	559.7
Average size per tray	32.6	34.8	27.8	28.1	37.1		33.8	37.1	29.7	30.1	37.7	
Fruit payments (\$m)	346.0	19.2	710.8	17.7	1.9	1,117.0	584.2	31.9	1,212.4	24.6	3.4	1,873.9
Fruit incentives (\$m)	281.8	16.6	661.8	20.4	1.1	981.8	24.4	1.3	70.8	0.8	0.1	97.4
Service costs (\$m)	99.9	2.4	146.7	3.4	0.0	252.8	94.2	2.2	121.1	1.4	0.0	219.3
Fruit and service payments excl. loyalty premium (\$m)	727.7	38.2	1,519.2	41.5	3.0	2,351.6	702.8	35.4	1,404.3	26.8	3.6	2,190.5
Total per tray (\$):												
Submit payment ¹	2.44	2.45	3.30	3.30	2.80		2.25	2.25	2.80	2.80	2.80	
Progress payments	2.18	3.90	3.97	3.76	4.54		6.40	9.29	11.38	14.15	9.90	
Total fruit payments per net submit trays	4.62	6.35	7.27	7.06	7.34		8.65	11.54	14.18	16.95	12.70	
KiwiStart ²	0.49	0.84	0.90	0.62	0.58		0.26	0.35	0.74	0.51	0.55	
Taste Zespri	3.19	4.63	5.81	7.53	3.81		0.00	0.00	0.00	0.00	0.00	
Supplier Accountability	0.08	0.02	0.06	0.03	-0.06		0.10	0.11	0.08	0.04	-0.04	
Fruit incentives	3.76	5.48	6.77	8.18	4.33		0.36	0.46	0.83	0.55	0.50	
Pack type	0.42	0.17	0.61	0.35	0.00		0.36	0.06	0.55	0.21	0.00	
Time payment	0.91	0.62	0.89	1.00	0.00		1.03	0.75	0.86	0.75	0.00	
Service costs	1.33	0.79	1.50	1.35	0.00		1.39	0.81	1.42	0.96	0.00	
Class 1 fruit and service payments per net submit trays	9.71	12.63	15.53	16.59	11.67		10.41	12.81	16.42	18.45	13.21	
Loyalty premium	0.30	0.30	0.30	0.30	0.30		0.40	0.40	0.40	0.40	0.40	
Class 1 fruit and service payments with loyalty per net submit trays	10.01	12.92	15.83	16.89	11.97		10.80	13.21	16.82	18.85	13.61	
Less: onshore fruit loss	-0.16	-0.12	-0.32	-0.19	-0.01		-0.07	-0.04	-0.16	-0.19	-0.00	
Fruit loss percentage ³	1.63%	0.89%	2.05%	1.14%	0.11%		0.69%	0.32%	0.93%	0.99%	0.01%	
Class 1 fruit and service payments per gross submit trays	9.85	12.81	15.51	16.69	11.95		10.73	13.17	16.66	18.66	13.60	
Plus Class 2 Return	0.16	0.29	0.09	0.30	0.03		0.19	0.34	0.09	0.21	0.03	
Plus Non-Standard Supply (NSS) ⁴	0.00	0.02	0.01	0.15	0.00		0.01	0.06	0.01	0.26	0.00	
Plus Other Income (Non dividend) ⁵	0.01	0.01	0.01	0.02	0.00		0.01	0.01	0.02	0.02	0.01	
Average revenue per gross submit trays	10.02	13.14	15.62	17.16	11.99		10.93	13.57	16.79	19.15	13.65	
LESS: Post-harvest costs deducted⁶												
Base packing and packaging	-1.66	-1.66	-2.55	-2.53	-2.57		-1.52	-1.57	-2.32	-2.35	-2.43	
Pack differential	-0.41	-0.17	-0.61	-0.35	0.00		-0.36	-0.06	-0.55	-0.20	0.00	
Base cool storage	-0.95	-0.95	-0.95	-0.95	-0.97		-0.88	-0.88	-0.89	-0.86	-0.91	
Logistics	-0.14	-0.15	-0.15	-0.12	-0.18		-0.14	-0.16	-0.15	-0.13	-0.16	
Time and CC/RK charges	-0.51	-0.40	-0.44	-0.35	-0.01		-0.52	-0.38	-0.42	-0.25	0.00	
Total post-harvest costs per gross submit trays	-3.68	-3.34	-4.70	-4.30	-3.72		-3.42	-3.04	-4.33	-3.79	-3.51	
OGR per gross submit trays	6.34	9.80	10.92	12.86	8.27		7.51	10.53	12.46	15.36	10.14	
Average industry yield per productive hectare⁷	11,921	6,968	15,309	11,409	6,984		10,214	6,311	14,276	10,324	5,609	
Number of productive hectares⁸	6,388	438	6,523	222	37		6,659	439	6,047	142	48	
OGR per hectare	\$75,564	\$68,256	\$167,167	\$146,662	\$57,739		\$76,722	\$66,453	\$177,846	\$158,599	\$56,853	
Average kilogram per tray⁹	3.51	3.50	3.50	3.50	3.45		3.50	3.45	3.51	3.51	3.43	
OGR per kilogram	1.80	2.80	3.12	3.68	2.40		2.14	3.05	3.55	4.38	2.96	

Notes:

- Submit rate presented for Zespri Green 2021/22 reflects Submit rate of \$2.45 for sizes 18-39, and \$2.25 for size 42.
- 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.
- Post-harvest cost data was compiled by Ingham Mora Limited in July 2021.

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

2021/22 SEASON TASTE ZESPRI PAYMENTS

2021/22 SEASON FINAL TASTE ZESPRI PAYMENTS —BASED ON AUGUST 2021 FORECAST	Zespri Green	Zespri Organic Green	Zespri Green14	Zespri SunGold	Zespri Organic SunGold	SunGold Organic Size 42 (NSS)
	\$ PER TE	\$ PER TE	\$ PER TE	\$ PER TE	\$ PER TE	\$ PER TE
Interim August 2021 forecast fruit payment	\$4.55	\$6.34	\$7.34	\$7.17	\$6.94	\$6.14
Plus August 2021 taste payments	\$3.19	\$4.63	\$3.81	\$5.81	\$7.53	\$5.07
August 2021 forecast fruit payments including taste	\$7.74	\$10.97	\$11.15	\$12.98	\$14.47	\$11.22
Percentage payable as Taste Zespri	60%	60%	60%	70%	70%	70%
Maximum taste payment per tray	\$4.65	\$6.58	\$6.69	\$9.09	\$10.13	\$7.85
2021/22 average TZG	0.69	0.70	0.57	0.64	0.74	0.65
Average Taste Zespri payment per tray 2021/22 Season	\$3.19	\$4.63	\$3.81	\$5.81	\$7.53	\$5.07

Payment Schedule

15 July 2021 (based on November 2020 forecast)	30%	30%	30%	30%	30%	30%
13 August 2021 (based on November 2020 forecast)	30%	30%	30%	30%	30%	30%
15 September 2021 (based on August 2021 forecast)	20%	20%	20%	20%	20%	20%
15 November 2021 (based on August 2021 forecast)	20%	20%	20%	20%	20%	20%

Notes:

The table details the calculation of the Indicative and Final Maximum Taste Payment and Average Taste Zespri payments for the 2021/22 season.

1. Payments are made on FOBS volumes (i.e. volumes shipped).
2. The Indicative Maximum Taste Payment, and associated Average Indicative Taste Zespri payments are based on the November 2020 Forecast. These form the basis for the July and August payments.
3. The Final Maximum Taste Payment, and associated Average Taste Zespri payments for the 2021/22 season are based on the August 2021 Forecast. As the July and August payments were based on the November 2020 Forecast, the 15 September 2021 payment will include an adjustment following the August 2021 Forecast to account for the difference between the Final Maximum Taste Payment and the Indicative Maximum Taste Payment.

4. Interim August forecast used in the calculation of final MTP and Taste payments is before the final Time and Kiwistart rates are updated in the forecast model.
5. Trays shipped between the payment dates will receive a catch up payment on the 15th of the month following load-out.
6. No volumes were procured for SunGold size 42 in the 2021 season; this variety has been removed from the table above.
7. For Zespri SunGold, the TZG has been capped at 0.86 (versus 1.00 in the other pools). A SunGold conventional grower therefore cannot achieve 100% of the MTP but instead 86% of the MTP. For example, based on the table above, the MTP for SunGold conventional is \$9.09 but the highest Taste payment is $\$9.09 \times 0.86$ (86%) = \$7.82/TE. Amounts above are not rounded to two decimal places, therefore rounding differences may apply.

2021/22 SEASON PROGRESS RATES

How Zespri determines Progress rates

Zespri aims to pay out a percentage of Total Fruit and Service Payments (“TFSP”) each month that is similar to the prior season’s percentage paid per pool, to ensure fair and relatively predictable cashflow for growers.

From July onwards, Progress payments are used as a tool to ensure this aim is met, by balancing the ‘gap’ between the Service, Incentive and Submit payments made and the total payments that should be made to reach the target TFSP that month for each pool.

2021 season Progress payments

In the 2021 season, Submit rates have increased versus 2020 season (across most pools) and Taste payments have been reinstated. The proportion of TFSP that is being paid as ‘Taste and Submit’ is higher than the 2020 season meaning that Progress payments will represent a lower proportion of total payments each month.

Although Progress payments over the coming months will appear lower than the 2020 season, total monthly cashflow in terms of proportion of TFSP paid should be similar to prior seasons.

July and August Progress rates

The July and August Progress rates, and September Indicative Progress rates were based on ensuring the year-to-date total payments as a percentage of the 2021 June Forecast TFSP per pool were consistent with the same percentage paid out in the 2020 season per pool (also based on the 2020 June Forecast TFSP). They were also based on the Indicative payment rates for Taste (being the Maximum Taste Payment – “MTP”), Kiwistart, Time and China Time.

September Progress rates

The Progress rates have been determined using the same methodology as described above, but uses the published 2021 August Forecast TFSP and FINAL payment rates for Taste (Final MTP), Kiwistart, Time and China Time.

The amount available to pay for Progress payments in September for each of the Class 1 pools has therefore been impacted by both the movement in Total TFSP and the movement in Service & Incentive payments between the 2021 August and June Forecast.

Note on Zespri SunGold Kiwifruit and Zespri SunGold Organic Kiwifruit

The methodology described above was applied consistently for all pools, with the exception of Class 1 Zespri SunGold Kiwifruit. We noticed a gradual downward shift of percentage of TFSP paid in the months of July and August over the past few years. The percentage of TFSP paid became out of line with percentage of YTD sales and cash received, so we bought the percentage of TFSP paid back up.

Class 1 Zespri SunGold Organic Kiwifruit percentage of TFSP paid was kept in line with the 2020 season for July and August payments (consistent with the approach taken for all other pools):

- The percentage of fruit sold of Organics is lower than at this time last year, which is expected with the increase in volume. Despite this – we did not decrease the % of TFSP paid, but held it constant to ensure there is not a reduced level of grower cashflow.
- It is only the second year in a separate pool, with the only available comparative being 2020 season. We will continue to review percentage paid levels each season.

Payments between Conventional and Organic begin to level out from September. Note that the Zespri SunGold Organic Kiwifruit September Progress rates have increased on the September indicative Progress rates mainly due to a decrease in average Taste payments as a result of the finalisation of Service & Incentive rates for the season, leaving more TFSP available to pay out as Progress payments.

INDUSTRY SUPPLY GROUP (ISG) AUGUST MEETING

The main agenda items discussed were as follows:

- 2021 Coolstore holds update
- Grower Agreement
- Maturity Clearance System review
- China Protocol – Commercial Framework
- 2022 season planning
- Zespri Red commercialisation
- Information papers – Period 1 and Final Time Rates/Supplier Accountability monthly update

The next ISG meeting will be held on 23 September 2021.

REGISTERED SUPPLIERS FOR 2021

- Apata Suppliers Limited
- Auckland Growers Supply Limited
- Cooper Coolpac Limited
- DMS Pro growers Supply Entity Limited
- G6 Kiwi Supply Limited
- Gisborne Kiwifruit Trust
- Integrated Fruit Supply and Logistics Limited
- Kainui Pack and Cool Limited
- Mainland Kiwi Growers Entity Limited
- Mount Growers Supply Limited
- OPAC Growers Supply Limited
- Orangetown Growers (2021) Limited
- Riverlock Packhouse Limited
- Southlink Supply Limited
- Trevelyan Growers Limited



KEY FOCUS: SEPTEMBER GLOBAL EXTENSION TEAM

Pollination

Fertiliser

Monitoring
budbreakSpraying and
new grafts

THE MONTH AHEAD: SEPTEMBER

Planning for Spring

Spring is a busy time on the orchard — it is best to get prepared now and have a plan. With a good plan, you'll know exactly what you need to get done and how it all fits together.

Pollination

- Pollination may still be a while off, but it's time to ensure your beekeeper knows your plans. If you haven't already, let your beekeeper know the date you applied your budbreaker or when you are planning to, so they can work out an estimated 'hives in' date.
- A great use of a rainy day is to spend time thinking about and planning a pollination strategy for your orchard. What was the result of your pollination assessment last year? Did the thinners or harvest crews comment on poorer parts of your orchard? What needs to change to overcome any pollination issues this season?
- Secure your hives now, and order pollen as a back-up if you don't have any in the freezer. Don't leave it to the last minute! Get your pollination agreement sorted, so all parties know what's expected and there are no surprises.
- There is plenty of information available on the Pollination page on Canopy (Canopy > Growing Kiwifruit > Orchard Management > Pollination)

Fertiliser

By now you should have your soil test results back, and have had discussions with your advisor about building your fertiliser plan for next season. It's time to start thinking about applying your fertiliser to maximise effectiveness and minimise environmental risks. Consider the '4 Rs' of fertiliser applications and discuss them with both your fertiliser advisor and any contractors doing applications to ensure the plan meets your needs. Also, think back to what your vegetative vigour was like last season. Too much might suggest lowering your spring nitrogen applications.

1. Right rate

- Take an active interest in how your fertiliser advisor is coming up with their recommendations. Your rates should consider your specific goals and conditions: is your target yield changing, what was your canopy vigour like last year, what were the results of your summer leaf tests, how much compost are you applying? Develop a nutrient management plan taking factors like these into account, as well as the current nutrient levels available in your soil. Try a block with reduced inputs (especially nitrogen) and see if you observe any differences this season.
- If applying your own fertiliser, calibrate your spreader to ensure that you are applying at the rates you intend.

2. Right time

- Most available nitrogen is taken up by the plant in spring but this is a time when heavy rain can wash it out of the root zone quickly. Time applications to avoid heavy rain to minimise this happening. Likewise, when soils are cold, overly wet or waterlogged, uptake will not be occurring and timing should be adjusted.
- While base dressings can go on early, the first nitrogen application of the season should be at or after budbreak.

Applying well before budbreak is likely to increase the risk of nitrogen lost to leaching.

- Split applications of nitrogen fertiliser are preferred to minimise the risk of loss. Learn more by visiting the Plant Nutrition & Nitrogen page on Canopy (Canopy > Growing Kiwifruit > Orchard Management > Nutrition, Soil & Water > Plant Nutrition & Nitrogen) where you can find resources and videos from our recent Nutrient Know-How workshops.

3. Right source

- Consider the amount of nitrogen being applied if using compost. While we do not fully understand the release rates of nitrogen from compost, annual applications can contribute significant amounts and are likely building nitrogen reserves in the soil. Find out how to estimate the amount of nitrogen being applied in your compost applications in the *Need to Know - Estimating your nitrogen balance* (Canopy > Zespri & The Kiwifruit Industry > Publications > Need to Knows > NK56)
- Foliar applications of low biuret urea are increasingly being used as an inexpensive and effective way to deliver nutrients to your vines. These applications will likely allow nitrogen fertiliser rates to be reduced.

4. Right place

- Where possible, target your fertiliser placement to maximise the application to where your plant feeder roots are. Remember that the root systems of young vines will occupy a smaller soil volume and banding fertiliser to target the roots will improve the vines' access to the nutrients being applied.

Monitoring budbreak

- There are some great resources to help you monitor budbreak on the Canopy website. If you've set up a budbreak assessment, don't forget the most important part — recording budbreak progression and timing. This will give you some really good information about how effective your application of a budbreak enhancer was and help you with planning for next winter. Watch the 'Budbreak assessment: part two' video on Canopy > Growing Kiwifruit > Global Extension Team > Videos > Budbreak Assessment Videos. Here you'll also find a template for recording and displaying the data you collect.
- When monitoring your budbreak, think about the timing of your product application. If you used the Hazel Trex test, did you apply at the optimal timing according to the test? Did you get the results you were looking for? This information can guide you for next season in regards to the index to target.

Spraying

- Plan out your spray activities through spring — try plotting these out around your predicted budbreak and flowering dates, taking into consideration the intervals you need to leave between applications, what you can mix in the tank, and the safe re-entry periods so you know when it's safe to go back to work in the orchard.
- Spring is a busy time and it's important to get pre-flower sprays on at the right time. Remember, if you grow Red19 that this variety flowers around three weeks earlier than Gold3.

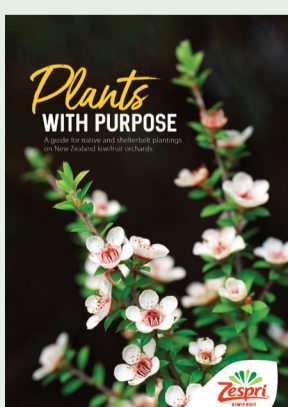
- Make sure your property spray plan includes who you need to notify and how you'll do it. You can find a template on Canopy, on the 'Spraying Best Practice' page (Canopy > Growing Kiwifruit > Orchard Management > Spraying Best Practice > Risk Assessments, Notifications & Signage). Your spray plan needs to include any sensitive areas that adjoin or are near your property, and how you plan to mitigate the risk of any spray drifting onto those sensitive areas.
- Risk assessments must also be conducted for every spray application. If there's an issue, the first thing the Council will do is ask to see your risk assessment.

New grafts

- The *Raising Red* newsletter (formerly *GraftCare*) will keep you up-to-date with what you need to be doing to look after Red19 grafts. Subscribe to *Raising Red* on Canopy > Zespri & The Kiwifruit Industry > Publications > Raising Red.
- Other information on establishing orchards can be found on the 'Develop, Graft & Establish' section on Canopy.
- Be prepared for any frost events in the forecast (consider whether your temperature probes should be lowered to graft level) and beware of pests — slugs and snails, birds, rabbits and possums.
- Don't be tempted to train shoots too early as this can lead to breakouts. However, if training bamboos or strings aren't yet in place, these should be done as soon as possible.

Other things to look out for

- Frost: now is the time to check the position of your frost sensors, make sure they are calibrated, and test that your system is working properly. Lift your sprinklers if they're still under the vines. There is nothing worse than trying to fix or shift things in the middle of the night in a frost — do it on your terms and ensure you're prepared.
- Bird strike can happen very quickly. An integrated control system of scaring devices (audio and visual) and deterrent sprays works best, and high risk parts of the orchard should be targeted for control first.
- With sap flow building, Psa secondary symptoms are possible. The most common symptom is red exudate emerging from infected leaders, especially in vines that showed some level of infection last season. Also be on the lookout for new symptoms, checking young plants, grafts, and suckers grown last season. Monitor regularly and cut out infection to reduce the risk of spread within and between vines. Cutting back 40cm from where infection is seen and applying wound protectants is recommended.
- Scale: check with your post-harvest facility as to whether scale was a problem in your crop last season. Your post-harvest facility will be able to advise you on control methods for your orchard, and you can also find a summary of control methods for both conventional and organic orchards on the 'Scale' page on Canopy (Canopy > Growing Kiwifruit > Pre Harvest Assurance > Pest Management > Scale).



PLANTS WITH PURPOSE – NATIVE AND SHELTERBELT PLANTING GUIDE FOR KIWIFRUIT ORCHARDS

From replacing weed-infested areas or attracting pollinators, to helping care for water quality; native plants can bring a range of benefits to non-productive orchard areas.

If you've been thinking about a native or shelterbelt planting project for your orchard, now's a great time to start planning so you can plant next winter.

For many kiwifruit growers the biggest challenge is knowing what species to plant to achieve their goals and avoid orchard risks, so we've compiled a new planting guide to help with that.

Find the digital version on Canopy on the Sustainability page (Canopy > Zespri & The Kiwifruit Industry > About Zespri > Sustainability) or email extension@zespri.com to request a digital or printed copy.

SAFETY AND WELLBEING IS OUR FIRST PRIORITY



By Colin Bond, NZKGI CEO

The safety and wellbeing of kiwifruit employees on orchards and in packhouses is our utmost priority in these challenging times.

The industry operated as an Essential Business under lockdown in 2020 and a positive effect of last year's crisis meant we were ready and prepared for such eventualities happening again.

Working closely with government, we have rolled out processes accordingly to protect growers and communities.

As a food crop, the kiwifruit industry already has strong protocols in place around food safety and personal hygiene and these will continue to be important. New measures to meet the alert level protocols such as the use of facemasks have been an important way to prevent the spread of COVID-19, where it is safe to do so.

Winter pruning is currently being carried out on orchards, the work being a critical phase to ensure there are optimal, high-

quality buds on canes, evenly spaced out across the kiwifruit canopy.

Not undertaking winter pruning would impact upon the volume and quality of kiwifruit harvested and ultimately the jobs and economic returns that the industry brings to regions across New Zealand.

NZKGI recognises that the Government's classification of the kiwifruit industry as an essential service has been a privilege, which has allowed us to continue operating while adhering to COVID-19 guidelines.

Vigilance has been key and I'm confident the industry is on the same page with compliance issues in order to safeguard the jobs and economic returns that our industry brings to the regions.

Changes in Alert Levels can be a stressful situation for all New Zealanders as we get used to the new normal. NZKGI has been supporting the kiwifruit industry with pastoral care resources. Anyone in the rural community who is feeling the pressure can contact the Rural Support Trust on 0800 787 254.

With 2022 forecast to be another bumper year for the kiwifruit industry, a labour shortage is now shaping up as the number one challenge. It is estimated the industry will require 24,000 seasonal workers in 2022. New Zealanders traditionally make up just over half of the kiwifruit workforce and remain a priority for employment.

Another major focus for us is to promote initiatives that convert seasonal jobs into year-round, full-time careers, thereby providing employees certainty and employers with staff retention.

A review will look at understanding the motivators which create retention and absenteeism of workers. To continue to support the healthy and sustainable growth of our industry, it's estimated we will need about 1,000 additional workers per year over the next five to six years.

Access to labour is the biggest barrier to growth in the kiwifruit industry. The industry is doing all it can to attract New Zealanders into work through higher wages, more flexible work conditions and other labour attraction schemes.

TAKE ON AN INTERN!

GoHort are a network of six managers working across New Zealand to increase the number of people pursuing careers in horticulture, so the industry can continue to grow and prosper. Our chief role is to link work ready people with horticulture employers, by acting as the interface between people, our industry, schools and tertiary education and training providers, and government agencies. Di Holloway, is one of the six managers and works from the NZKGI office in Mount Maunganui.

Prior to the 2021 Horticulture Conference, GoHort was involved in the Horticulture Youth Leaders Forum. This event brought together young people currently or soon to be involved in the industry: Young Grower competition winners and industry representatives acting as mentors, alongside students from multiple faculties (Hort Sci, Agribusiness, IT, Engineering) and at different stages in their studies, many of whom were on horticultural scholarships.

The first day involved a workshop where teams presented their best ideas for attracting youth to the industry. All this valuable

data is being analysed and will form the basis for future planning by the career progression managers and others.

The next morning was a fieldtrip to horticulture businesses in the Waikato. For many that have come from urban backgrounds or are early in their studies, this was their first experience "on-farm". Many commented on the lack of practical work offered in their academic programme, and their wish to gain some industry experience before graduation.

Internships are perfectly placed to take advantage of this gap. What better way to showcase our industry to the next generation, get to know the individuals that will be applying for positions in your organisation, and utilise a fresh perspective to tackle tricky issues:

- Demonstrate industry best practice and innovation
- Provide diverse work experiences
- Highlight the progressive employment practices and sustainable career progression that you offer
- Present the positive work culture, well-being, health and safety in your organisation

GoHort provides the infrastructure to facilitate internships. We also have a new member of the GoHort team, Kazi Talaska, who

as Tertiary Liaison is responsible for connecting primarily Lincoln and Massey students with industry opportunities.

To see more, or to register for free and post your opportunity, go to www.gohorticulture.co.nz/gohort-employer-registration/. Employers are asked to commit to providing living wage, for a minimum of 30 hrs/week. Other benefits you can offer such as accommodation and/or transport help in attracting students. Internships usually run for 10-12 weeks over summer, coinciding with university holidays, but not exclusively.

For organisations with Research and Development capability, Callaghan Innovation Student Experience Grants are available to cover the cost. Go to www.callaghaninnovation.govt.nz/student-grants/rd-experience-grants for more information.



Young Horticulture scholars at a series of workshops and field trips.

NEW PSA SEASONAL MANAGEMENT GUIDE



The Psa-V Seasonal Management Wall Chart 2021-22 is out now and available to view or download from the KVH website. A printed A2 sized copy of the chart is also included in this copy of your *Kiwiflier*.

The wall chart outlines how you can use cultural methods and a protective spray programme year-round to reduce risk on your orchard, including regular monitoring, removing infected material, girdling, and seasonal spray plans.

A key feature of the wall chart is the KVH Recommended Product List, which sets out the upcoming seasons approved products for protection against Psa, their year-round application rates and permitted use periods.

Any changes or updates made to the chart and product list during the 2021/22 season will be made to the online version and will be notified via the KVH Bulletin.

REMINDER OF RESTRICTIONS ON ORCHARD EQUIPMENT MOVING TO THE SOUTH ISLAND



The movement of any kiwifruit orchard equipment intended to go from the North Island Recovery region to a South Island Exclusion region or Controlled area is restricted and can only move with permission from KVH.

South Island growers are very aware of the risk of Psa potentially being introduced via contaminated tools, tractors, or sprayers. North Island growers and machinery dealers need to comply with movement control rules.

KVH advice is that absolutely no tools used on a North Island orchard should be taken to the South Island. Purchase brand new tools, preferably in the South Island.

A second-hand orchard tractor

All equipment must be 100 percent free of leaf, soil, or other organic material. This will usually involve the partial dismantling of any second-hand machine – risk areas where leaves or canes lodge include around the radiator, engine, under seats, behind guards, behind battery storage plates, under the instrument panel, and inside the built-in toolbox.

The machine must be water-blasted, or steam cleaned, allowed to dry, and then entirely sprayed with a KVH-approved sanitiser such as Virkon (which is effective on all rubber and steel components – it does not cause steel to rust).

Even new equipment can be a risk if it becomes wet and then trucked to a South Island kiwifruit orchard with pooled water present. The equipment must be dry. As a precaution, apply Virkon before departure and on arrival.

If planning a machinery movement to a South Island Exclusion region or Controlled area, contact KVH as early as possible. A map of the South Island Exclusion region, and other restricted sites, is available on the KVH website. KVH can provide advice, inspect the machine and, provided all requirements are met, provide permission to move. We then give the South Island KVH Regional coordinator a heads-up that machinery is on its way. The coordinator will inspect the machinery on arrival, and likely apply another application of Virkon sanitiser.

The Cook Strait is a natural and effective border between the islands. South Island kiwifruit growers have wisely adopted a fortress-like strategy effective in keeping their region free of Psa and other harmful diseases. This approach has worked. There must be no complacency among North Island machinery dealers, growers, or contractors. Please contact KVH to ensure that you are complying with the rules, and if you are not sure, check.

The formal Protocol for machinery movements and the applicable legal Movement Control Notice are available on the KVH website at www.kvh.org.nz.

FREE CALENDARS BACK AGAIN



Hot off the press, we have the latest 'unwanted pest' calendars for you!

If you, your packhouse, organisation, school, kindergarten (or anywhere else) would like one of these fantastic, bright and colourful calendars send us an email at info@kvh.org.nz letting

us know your postal address and we'll pop one in the mail to you (once COVID-19 Alert Level restrictions allow).

The calendars run from September 2021 through to August 2022 to coincide with the high-risk season for the most unwanted threats to the kiwifruit industry.

We run out every single year so get your order in quick!



Q&A FROM THE FIELD

KEY CONTACTS:

Industry Stakeholder Manager:
Tom MacMorran 027 511 2005

Grower Engagement Manager:
Sue Groenewald 027 493 1987

Grower Liaison Managers:
Sylvia Warren 022 101 8550
Brad Ririnui 021 757 843
Richard Jones 027 255 6497

Organic Supply Specialist:
Teresa Whitehead 027 257 7135

What do I need to consider when notifying neighbours before spraying?

If for some reason you are not able to spray on your intended date, you will need to re-notify your neighbours with an amended date for spraying. Requirements change between every region and it is important to know the requirements for your region. For example, in the Bay of Plenty you must give at least 12 hours' notice. However, if you are in Northland, you need to give 24 hours' notice. GrowSafe have summarised the requirements in each Regional Air plan here: www.growsafe.co.nz/GrowSafe/Resources/Regional_plans/GrowSafe/Rsrc/Regional_plans.aspx. If you need assistance, contact preharvest@zespri.com or call Jemma Pryor on 027 283 6192.

How will I be charged for my clearance samples and what is the dispute process?

All charging information has now been provided to each supplier relating to maturity clearance costs. As per previous years, charges will be invoiced to your organisation for on-charging to growers according to your organisation's policies.

- Any general queries relating to the charges need to be directed to maturity.support@zespri.com.
- Any disputes relating to sample charges need to be directed to MCSCCharges@zespri.com, including all supporting evidence for the dispute.

Is the residue testing onshore the same as our offshore customers?

Although we don't have visibility of all analytes that customers offshore test for, the residue test residue suite that we have in New Zealand targets compounds in our programme, as well as targeting compounds of concern both domestically and internationally.

Can I be involved in New Variety trials for the 2022 season?

Zespri calls for expressions of interest from growers to become pre-commercial trialists in April of every year. Through the expression of interest, growers submit orchard sites to be considered as pre-commercial sites, which are then assessed against the selection criteria and other growers applications.

If you are interested in the pre-commercial trial programme, please reach out to your Grower Liaison Manager. Application forms will be made available in April 2022.

Can I obtain budwood for failed grafts of Gold3 and/or Red19 this spring?

Yes, Zespri procures budwood for re-grafting provisions each year. This will be made available to growers from the Zespri Coolstore at 10 Cessna Place from November onwards. Please log your request by calling the Grower Support Services team on 0800 155 355. Please also note that growers will be required to make a booking through the Zespri booking system to collect any budwood for re-grafting. This will be made live from October 2021.

INTRODUCING OUR NEW GROWER LIAISON MANAGER

The Grower Liaison Team would like to welcome Richard Jones to the team. Richard joins us from Rabobank Te Puke, where he was employed to increase their kiwifruit exposure. Prior to that, he was at BNZ, and he has a broad understanding of the kiwifruit industry.

Richard has a degree in Applied Science, majoring in Rural Valuation and Farm Management, and has successfully worked in the horticultural and agricultural sectors for many years, the last 15 years being based in the Bay of Plenty managing predominantly kiwifruit clients. Until recently, he was also a kiwifruit orchard owner for six years. Richard will be looking after Te Puke (Pāpāmoa Hills to Te Matai Road) and Northland (Whangārei and Kerikeri) regions.



New Grower Liaison Manager,
Richard Jones.

REGISTRATIONS OPEN!



ANNUAL GROWER GOLF DAY

The Zespri Grower Liaison Team is excited to be hosting the annual Zespri Golf Day at the Fairview Golf Course in Katikati. This is a chance for you to mix and mingle with fellow growers and industry.

Date: Friday 3 December 2021 (dependent on COVID-19 Alert Levels at the time)

Venue: Fairview Golf Course, Katikati

Time: 1pm tee-off

It will be an Ambrose Tournament and all entrants will be mixed into groups of four. This event is open to current and existing golfers, with spot prizes and entertainment at every hole.

Please register here and include a handicap (if you have one): <https://zesprievents.eventsair.com/3rdgolfday/3rdgrowergolfday/Site/Register>

If you have any queries, please contact Stacey Baldock, Grower Services Coordinator on 027 526 8913 or email stacey.baldock@zespri.com.



2021 GROWER EDUCATION FORUMS

Half-day Forum – Wednesday 27 October, 9am-1pm

Two-day Forum – Wednesday 3 and Thursday 4 November: 9am-4pm

Location: Zespri Office, 400 Maunganui Road, Mount Maunganui (dependent on COVID-19 Alert Level restrictions at the time)

Two-day Grower Education Forum

- Designed to give a comprehensive understanding of the Zespri system.
- Targeted at a broad range of people from new growers, Industry Grower representatives and growers who would like to refresh their knowledge of the Zespri system.

Half-day Payments Forum

- For growers and industry representatives that would like a more in-depth understanding of the Zespri payment system.

Key outcomes

- Advanced understanding of both the industry and Zespri corporate
- First hand in-market experience of the integrated Zespri system in our key markets
- Empowerment in understanding the capability and value of the Zespri marketing system
- Engagement of a broad grower base from which ongoing key positive relationships are created and/or developed
- Understand the Zespri payment system with relation to the money flow.

Market Trip (Note, these trips are currently on hold due to COVID-19 – however, participants will be eligible to attend once they resume)

- Phase two of the education strategy will be a short in-market experience in some of Zespri's key markets as part of the development and further education of the participants.
- This is only available to participants who have completed both days of the in-house two-day seminar at Zespri (this market trip is partially funded by Zespri).

Spaces are limited, so it's important you register now! Register here: <https://zesprievents.eventsair.com/growereducation2021/growereducationforum2021>

If you have any queries, please contact Stacey Baldock, Grower Services Coordinator on 027 526 8913 or email stacey.baldock@zespri.com.

GROWER TOWNHALL

Thursday 2 September, 6pm

Our scheduled Grower Roadshows which were due to start 23 August have been postponed due to the COVID-19 Alert Level restrictions.

We will instead hold a live virtual town hall via a Teams Live Event on next Thursday 2 September at 6pm-7pm. This will feature Dan Mathieson, Alastair Hulbert and Carol Ward, and cover the August forecast, a market update and discussions around 2022 season planning.

To join this event, growers can use this link: <https://bit.ly/3sQrMlt>

Growers will be able to submit questions via the chat function and any not able to be covered during the town hall will be answered on Canopy. Recordings of each segment of the town hall will also be available to watch on demand on Canopy from Friday 3 September.

YEARLY REGISTRATIONS

We kindly request growers log in to the Industry Portal via Canopy to confirm the information on orchards you own/lease is correct, and to advise us if any details have changed.

This can be done by clicking on the 'Registration' bubble, and navigating through each KPIN. Regardless of whether you make changes or not, we ask that you please 'submit' each KPIN – this will then be processed at our end.

Alternatively, contact the Grower Support Services team on 0800 155 355 to confirm your details over the phone.

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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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