



P6: FROM THE
MARKETS



P7: ZESPRI IN
THE COMMUNITY



P15: THE MONTHS AHEAD -
DECEMBER AND JANUARY



P16: FROM
THE FIELD

BOARD UPDATE

The final meeting of the Zespri Board of Directors was held in December. Key elements of the meeting included:

November 2021/22 Forecast: Updated guidance for Green and Organic Green Kiwifruit

The November 2021 forecast (see p.2) indicated a per tray OGR for Green of \$6.34 and \$9.54 for Organic Green Kiwifruit. A further review of forecast OGRs for these categories was completed in December and the Board has provided updated guidance indicating a likely reduction in the November forecast OGRs of between \$0.10 to \$0.15 per tray for Green and \$0.15 to \$0.20 per tray for Organic Green.

This is predominantly due to increased onshore fruit loss in New Zealand and related lost volume into Japan, as well as some further deterioration of quality in market. There will be greater clarity as we close out the 2021 season over the next few weeks, with any revisions reflected in the next official forecast published in February 2022. Growers should note that February 2022 grower progress payments for Green and Organic Green have been adjusted to take account of this latest update.

2022 Five-Year Outlook: Five Year Forecast Ranges

The Board approved the publication of the 2022 Outlook, following discussion of current ZGS supply and demand levels.

The Outlook provides an overview of Zespri's Five-Year Plan, covering the five-year period from 2021/22 to 2026/27 and provides a snapshot of how our medium-term strategy will be implemented along with some of our medium-term challenges and opportunities. The Outlook also includes the following forecast OGR ranges for this five-year period:

- For SunGold Kiwifruit, the forecast range is \$8.00-\$12.00 per tray.
- For Organic SunGold Kiwifruit, the range is \$10.00-\$14.00 per tray.
- For Green, the forecast range is \$6.50-\$8.50 per tray at declining volumes.
- For Organic Green, the forecast range is \$9.00-\$11.00 per tray.
- For Zespri RubyRed Kiwifruit, the forecast range is \$10.50-\$13.00.

There will be further discussion of the 5 Year Plan and future opportunities associated with ZGS in early 2022, including in our next round of Grower Roadshows.

The 2022 Outlook document will be made available on Canopy and on Zespri's website before Christmas.

Chairman's best wishes for the festive season

I'd like to thank all growers and our industry colleagues for their support in what has been another challenging season.

Despite the challenges presented by COVID-19 and the constraints it has placed on the global supply chain, our industry still managed to deliver a record crop.

That can only be achieved through a lot of hard work across the industry and I'd like to thank you for the work you do on the orchard and in the industry to ensure that we're able to meet our consumers' needs for fresh, healthy and high-quality kiwifruit.

While there are challenges ahead of us in 2022, demand for our fruit remains strong, and by working together we'll ensure we can maximise grower returns and strengthen the contributions we make to our communities.

I hope you all can spend some important time with family and friends over the break and on behalf of the Board I hope you enjoy the festive season.

I look forward to seeing you again in 2022.

Bruce Cameron
Chairman

END OF YEAR CEO MESSAGE

Hi everyone,

As the last of this year's New Zealand-grown kiwifruit unloads at ports in some of our key global markets and makes its way to our consumers, I have been reflecting on what has been another challenging year for our industry.

For the second year in a row, COVID-19 has disrupted businesses and communities around the world.

Growers, post-harvest, our supply chain partners, our customers and our people at Zespri have all felt the pandemic's effects, navigating varying stages of lockdowns and COVID-19 restrictions and embracing additional safety protocols so that we can operate safely.

With the full impact of the pandemic still uncertain, 2022 will require increased vigilance as we continue to refine our approach based on the changing environment.

Beyond the pandemic, we've also seen adverse weather events this year - particularly growers in Nelson and Opotiki who experienced devastating hail and wind events - as well as in the Northern Hemisphere where there have been frosts, late season hail and typhoons.

The industry's labour shortage is significant, with an expected shortage of around 6,500 workers next season.

While these challenges will continue to stretch us, we will come through them, and become stronger.

We've seen that through the benefits our structure brings - from the investment in our brand to the ability to charter ships to help minimise the impact of the shipping crisis on our season.

That's something we should all be particularly proud of and on behalf of Zespri, I want to thank you for the role you've all played in keeping our industry moving forward.

Our industry's willingness to collaborate will remain critical to our success next season and beyond.



Dan Mathieson, Zespri CEO.

We're well prepared for the challenges ahead, with our five-point action plan designed to ensure next season can run as smoothly as possible given the likely continued impact of both COVID-19 and the expected labour shortage.

We are planning to have a strong early start to the season by bringing volumes of fruit through earlier, and will focus on better utilising the industry's packing capacity, including using more bulk packing.

We'll also consider adjustments to our Taste Zespri and Maturity Clearance systems to help smooth the flow of fruit, remove any impediments to harvest presented by size 39 fruit, and assess how we can adjust our shipping schedule to reduce pressure on cool stores.

With another big season ahead, it's important that we all spend time with friends and loved ones over the Christmas break and take time to recharge.

Thank you again for all that you do for our industry.

Stay safe, stay well and I look forward to seeing you again in 2022.

Dan.

LAST SHIPMENT LEAVES PORT OF TAURANGA



After another strong but challenging season, the last of this year's record crop of Zespri Kiwifruit departed Port of Tauranga for Japan in late November.

The final 1,800 tonnes of Zespri Green Kiwifruit were loaded on board MV Kakariki, bound for Tokyo and Kobe.

This season marked the largest Zespri SunGold Kiwifruit season yet, with just over 100 million trays delivered for the first time, and around 77 million trays of Green Kiwifruit.

Chief Global Supply Officer Alastair Hulbert says planning for next year is already well underway, and the industry will again work closely with our partners and the broader supply chain to navigate challenges and deliver the season.



NOVEMBER 2021/22 FORECAST AND UPDATED GUIDANCE

Following the publication of the November 2021/22 forecast (outlined in the table to the right), updated guidance has been provided for Green and Organic Green OGRs in the December Chairman's Update (see p.1).

The November forecast reflects some of the challenges we have seen this season stemming from COVID-19 and its continued impact on the global supply chain. Despite strong end of season sales and a season finish similar to last year, fruit quality has been affected by softer fruit this season, as well as significant shipping disruption, labour challenges and handling issues throughout the supply chain.

The total fruit and service payment across all pools and excluding the loyalty premium is forecast at \$2.37 billion.

Dividend announcement

A fully imputed interim dividend relating to the 2021/22 financial year of 5 cents per share was paid on 10 December to all holders of fully paid ordinary shares in the Company who were registered as holders of such shares in the share register of the Company on 3 December 2021.

Material Change to Financial Reporting Accounting Standards

New changes to international accounting standards will have a material impact on Zespri's financial statements for the year ending 31 March 2022. The changes relate to a new interpretation of the international Intangible Assets accounting standard which Zespri must apply when preparing its financial statements. As a result Zespri is required to re-assess expenditure known as:

- Platform as a Service (PaaS): A cloud computing model where a third-party provider delivers hardware based services (i.e. server capacity) to users over the internet.

November 2021/22 Forecast

Pools (Fruit Categories)	2021/22 November Forecast (Per Tray)	2021/22 August Forecast (Per Tray)	2021/22 November Forecast (Per Ha)	2021/22 August Forecast (Per Ha)
Zespri Green*	\$6.34	\$6.34	\$75,490	\$75,564
Zespri Organic Green*	\$9.54	\$9.80	\$66,434	\$68,256
Zespri SunGold Kiwifruit	\$11.05	\$10.92	\$169,303	\$167,167
Zespri Organic SunGold Kiwifruit	\$12.23	\$12.86	\$139,646	\$146,662
Zespri Sweet Green	\$7.60	\$8.27	\$53,096	\$57,739

* Please note – these forecasts precede the revised guidance outlined in the December Chairman's Update. This noted a likely reduction in the November forecast OGRs of between \$0.10 to \$0.15 per tray for Green and \$0.15 to \$0.20 per tray for Organic Green.

- Software as a Service (SaaS): A method of delivering applications over the Internet as a service. Examples include SAP and Microsoft applications customised for Zespri use.

Expenditure previously capitalised as Intangible Assets and amortised (normally over a period of 5-10 years), must now be expensed at the time of the expenditure to the Profit & Loss (P&L). While this will increase the P&L expense impact at the time the spending incurs, it will also result in a positive impact to the P&L in later years as amortisation will no longer occur.

The impact on Zespri centres on the significant expenditure relating to the Horizon programme - an upgrade of Zespri's core Finance and Supply Chain functions to help ensure we get fruit to market and returns back to growers.

It will also impact the calculation of NZ Supply Earnings Before Interest and Tax (EBIT), and potentially have indirect implications for Zespri margin resets, NZ Loyalty payments and dividends.

Zespri's ranges for profit after tax, and dividends, have been lowered and widened while we form a view on the changes and their impact. Possible implications for the calculation of next season's Zespri margin reset, and this year's NZ loyalty payments, will be discussed with the Industry Advisory Council (IAC) in December. The November OGRs include a current NZ loyalty payment of 25 cents per tray supplied.

Forecast corporate profit and dividend range

The forecast range of corporate net profit after tax for the year ending 31 March 2022 is \$320 million to \$360 million, including licence release income. The forecast dividend per share range for the year ending 31 March 2022 is \$1.50 to \$1.60 per share. This range is inclusive of the \$1.44 per share interim dividend paid in August 2021, and the second interim dividend of \$0.05 per share paid in December 2021 as noted above.

SHARE BRIEFS

As at 29 November 2021 the last Zespri share price trade was \$9.65 traded on 29 November. There were no buyers. There were seven sellers at \$9.60, \$9.70, \$9.80, \$9.90, \$9.95, \$10.00 and \$10.05.

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 Zespri Grower Support Services 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 December there is a total of 103,110 dry shares as of 29 November 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 November there is no excess shares that are required to be sold as of 29 November 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 29 November 2021.

Quote Line at Monday 29 November as at 11.15am						
Code	Bid (\$)	Offer (\$)	Last (\$)	High (\$)	Low (\$)	Volume
ZGL	0.00	9.60	9.65	9.65	9.60	4000

Market Depth					
BIDS			OFFERS		
Orders	Quantity	Price (\$)	Price (\$)	Quantity	Orders
		9.600	1,500	1	
		9.700	10,000	1	
		9.800	10,000	1	
		9.900	27,705	1	
		9.950	24,090	1	
		10.000	48,209	1	
		10.050	3,750	1	

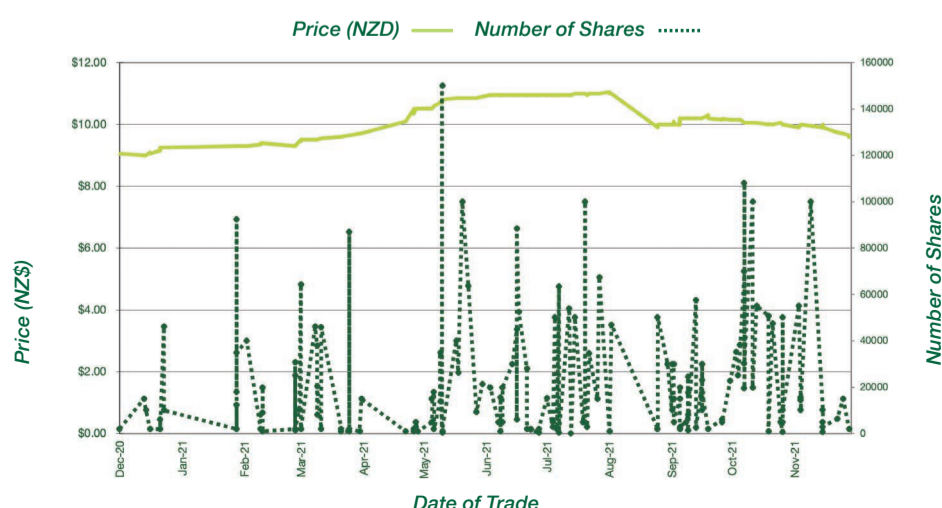
Last 10 Trades			
Date/Time	Quantity	Price (\$)	Value (\$)
29/11/21	2,000	\$9.65	19,300.000
29/11/21	2,000	\$9.60	19,200.000
26/11/21	15,000	\$9.70	145,500.000
23/11/21	6,355	\$9.75	61,961.250
16/11/21	10,000	\$9.90	99,000.000
16/11/21	5,000	\$9.95	49,750.000
16/11/21	5,000	\$10.00	50,000.000
16/11/21	750	\$9.90	7,425.000
16/11/21	3,000	\$9.90	29,700.000
10/11/21	100,000	\$9.95	995,000.000

Director share trading

For the month of November (as at 29 November), there were 410,000 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 29 NOVEMBER 2020 TO 29 NOVEMBER 2021



2022 LICENCE RELEASE

In the October issue of *Kiwiflier*, significant changes to the 2022 licence release were announced to ensure a greater spread of licence is available across our grower base, particularly for the Zespri SunGold Kiwifruit tender, which has a reduced total area available in 2022 of 350 hectares.

Additionally, there will be no release of Zespri Organic SunGold Kiwifruit licence in 2022. The changes ensure

sustainable value and returns for our growers and ensure demand continues to exceed supply.

The updates to the licence release for 2022 are more complex than in previous years. Please take note of the information below as it provides updates to the previously published licence release requirements in the last *Kiwiflier*, including changes to key dates. Further information and clarification on licence releases will continue to be communicated over the coming months.

LICENCE RELEASE MECHANISMS UPDATE

While bidders for Zespri SunGold Kiwifruit licence will continue to bid under a Closed Tender Bid process, several restrictions will be applied at a KPIN and bidder level to spread the available hectares over as many bidders as possible.

Key elements to the SunGold Mechanism include:

- SunGold bids must be linked to an orchard KPIN at the time of application.
- The land under that KPIN must be owned or leased by the bidder at the time of application (further information regarding lease requirements are below).
- If the bidder is a lessee of the property, then a lease with at least seven years remaining duration (not including any rights of renewal) must be in place at the time of application and under the terms of the lease, the lessee (the bidder) must be entitled to all fruit and service payments for all kiwifruit harvested from the KPIN during the term of the lease.
- The licence will have to be planted in full on the KPIN associated with the bid, and will not be able to be transferred to other orchards/KPINs or entities until Zespri's transfer requirements are satisfied.
- The maximum bid area for SunGold on a KPIN is restricted to a maximum of 50 percent of the plantable area (excluding any area already planted in Gold3 and/or Red19). Where 50% of the 'plantable area' on a KPIN is less than 1 hectare then the bidder is permitted to bid up to 1 hectare. The 'plantable area' definition will be made available on the Canopy website early 2022.

- A 10-hectare maximum bid area per KPIN, as well as per bidder.
- The maximum area that any one bidder can make across all KPINs that a bidder owns or leases is also limited to 10-hectares. The limit will also apply to 'Associated Bidders'. Details on what constitutes an 'Associated Bidder' will be communicated on Canopy.
- Multiple Gold3 bids can be made per KPIN (split bids) provided the total bid area does not exceed 50 percent of the plantable non-Gold3 and Red19 area, and does not exceed 10 hectares.
- For new Gold3 developments, a KPIN must be allocated to the orchard prior to 31 January 2022, and the plantable area must be defined and measured as the physical blocks identified for planting or grafting as shown by an up-to-date GPS map which must be included with the bid.

To provide further certainty as to eligibility, a process is currently being established and will be published on Canopy.

Prior to the opening of the Zespri SunGold Kiwifruit and Zespri RubyRed™ Kiwifruit tenders, growers will be able to get 'pre-approval' of plantable areas, leasing arrangements, and confirmation as to whether any parties intending to bid are considered to be associated by way of common ownership or control for the purposes of the 10-hectare maximum area rule.

ZESPRI RUBYRED™ KIWIFRUIT LICENCE RELEASE MECHANISM

The licence release mechanism for Zespri RubyRed™ Kiwifruit licence will be restricted to 350 hectares in 2022, the rules will be predominantly the same as in 2021 with the exception of the maximum bid area:

- Closed Tender Bid (CTB) process.
- Maximum bid area for Red19 is reduced to 10 hectares per bidder. This includes all entities under common ownership or associated parties. Further details will be communicated once finalised in early January.
- Minimum bid area for Red19 is 0.5 hectares unless Red19 is already on the KPIN.
- Bidders can apply for licence with or without advising a KPIN at the time of bidding.
- Bidders who wish to finish off Red19 blocks can bid in this Closed Tender Bid.
- Same requirements for leased properties as outlined for the Gold3 Closed Tender.
- A GPS map is required to be supplied with every application where a property is identified at the time of bidding.

WHAT DEFINES A 'PLANTABLE AREA'

The definition of what will qualify as 'plantable area' is currently being worked on and will be communicated to growers as soon as it is finalised.

In principle, the 'plantable area' will include any area of land not already planted or grafted in Zespri SunGold or RubyRed™ and is also reasonably able to be developed into a kiwifruit orchard within two years of licence allocation. A fuller definition will provide a list of what is included and excluded.

If you have new development areas that you intend to include in your bid, you will need to have these GPS mapped. Contact your mapping provider now to ensure they have capacity to complete this prior the licence window opening.

Detailed information regarding what defines is a 'plantable area' will be communicated in early 2022.

SETTING UP KPINS - WHAT IS REQUIRED

To be eligible for a KPIN, your kiwifruit structure must be in the ground and you must have applied for a KPIN no later than 31 January 2022.

If you are unable to get your structure in place prior to the cut-off date, sufficient documentation must be provided to Zespri to prove the area will be used for Kiwifruit development within the next **two years**.



KEY DATES

Key dates | SunGold 'Finishing Off' Blocks Process

3-16 March 2022	Pre-Approval Process period for 'finishing off' Blocks
7 March 2022	'Finishing off' blocks application process opens
18 March 2022	Closing date for 'finishing off blocks' applications

*Dates are indicative and may be subject to change

Key dates | Zespri SunGold and RubyRed™ Tender process

31 January 2022	Deadline for allocation of a KPIN for new developments that any grower wishes to include in the Zespri SunGold Kiwifruit tender process.
3 March 2022	Licence Application Overview and Rules published for Zespri SunGold and RubyRed™ tender processes.
3-16 March 2022	Pre-Approval Process period for Closed Tender Bid including Licence Application Overview and Rules published for Zespri SunGold and RubyRed™ tender processes.
21 March 2022	Application process for SunGold and RubyRed™ begins.
30 March 2022	Closing date for bids
Early April 2022	Successful licence bidders notified; licence deposit required to be paid within three working days.

*Dates are indicative and may be subject to change. Any changes to the timeframes above will be communicated to industry.

'FINISHING OFF' BLOCKS ALLOCATION PROCESS FOR SUNGOLD

In response to feedback from growers, Zespri will also establish a process to allow growers to 'finish off' blocks where a small area of Zespri SunGold Kiwifruit licence plantings is required to complete a block. This will give certainty to those growers in this category.

This process will be completely separate to the Closed Tender Bid process, and is intended to be enduring – repeated every year while Zespri continues to release Zespri SunGold Kiwifruit licence.

The maximum application area available per KPIN to apply for licence at a fixed price in the 'finishing off' pool is 0.30 hectares and must be supported by an up-to-date GPS map showing the area required to completely finish off a block and provided at the time of application. Please contact your mapping provider now to ensure sufficient capacity to complete this prior to the licence window opening.

No one KPIN can participate in both 'finishing off' blocks allocation process and the Closed Tender Bid. If you need more than 0.30ha to completely finish off any block or blocks on your KPIN, you will need to bid for the entire area under the Closed Tender process.

If you need to 'finish off' block(s) that are 0.30ha but you also wish to covert another block on the same KPIN to SunGold, then you will need to bid for the entire area under the Closed Tender process as you will not be eligible to participate in the 'finishing off' block process.

Further detailed information regarding the 'finishing off' blocks process is currently being established and will be communicated in early 2022.

CATHY MCKENNA WINS KIWIFRUIT INNOVATION AWARD



A big congratulations to Plant & Food Research's Cathy McKenna who is the winner of this year's Kiwifruit Innovation Award. Cathy won the award for her work in creating an effective armoured scale insect management programme for Gold3 (SunGold) Kiwifruit.

Over two seasons of trials, Ms McKenna spearheaded a research team that developed a year-round programme capable of ensuring the high level of scale control required to satisfy market access requirements. Armoured scale are insects which can cause cosmetic defects on kiwifruit and once populations build up on vines, they are difficult to bring back down.

Zespri Chairman and award judge Bruce Cameron says Ms McKenna led a team that had successfully identified and demonstrated an effective management programme to

minimise the levels of scale, which was becoming an increasing problem in Gold3 orchards. This included determining a safe window for applying an organic oil treatment during summer which, having been validated over several years of trials and combined with existing techniques, has proven to reduce scale populations without compromising the crop.

"Cathy's work has resulted in an increased amount of kiwifruit meeting exacting phytosanitary requirements and being available for high value Asian markets," says Mr Cameron.

"Ensuring supply is not constrained by pests is key to maintaining grower profitability and the impact of Cathy's work will be felt for years to come."

LABOUR AND COMPLIANCE UPDATE

Zespri is committed to working with the industry to make sure our industry is one that people want to work in and one where people feel they are well supported.

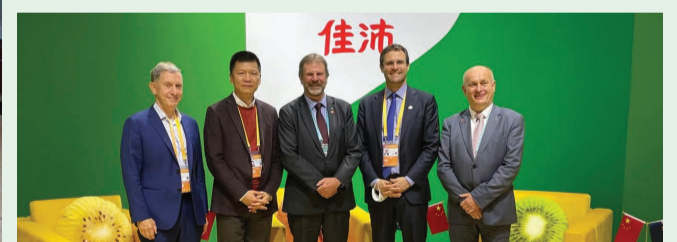
GLOBALG.A.P./GRASP underpins our industry assurance programme and sets out the requirements and obligations that must be met in order to supply services to the kiwifruit industry.

These requirements play a crucial role in orchard management and employee health and wellbeing by ensuring compliance to New Zealand employment law, health and safety, and food safety regulations and the adoption of good agricultural practices. Labour compliance will continue to be a key area of focus for the industry in the coming season as we undertake a strategic refresh of GLOBALG.A.P.

This will include a focus on bolstering the CAV programme as well as education around the requirements and our industry's responsibilities. The refresh comes at an opportune time as it reflects the needs of our consumers who are increasingly looking beyond the product itself and considering the impact our industry has on the environment and how we care for our people. We will continue to work with authorities to address non-compliance and to adapt our programme to meet the needs of our customers and stakeholders.

We will provide more educational resources to support industry and continue to discuss GLOBALG.A.P. and GRASP in the coming months. In the meantime, if you have concerns around anything you've seen, please get in touch with the team by emailing compliance.mail@zespri.com or calling 0800 549 440.

RELATIONSHIPS STRENGTHEN IN CHINA



(Left) The Zespri team meets with Joy Wing Mau, (top right) visiting Joyvio Blueberries, (bottom right) the Zespri CIIE booth.

Zespri CEO Dan Mathieson's recent trip to China proved productive despite ongoing COVID-19 interruptions. The five-week trip visiting Shanghai and key regional growing areas provided valuable market insight and confirmed the strength of Zespri's relationships in China.

Dan met with a range of stakeholders from the Zespri China team to consumers, industry representatives, and government officials, plus undertook speaking engagements at key Chinese conferences – which provided an opportunity to stress the importance of protecting Plant Variety Rights (PVR).

Visits to Beijing and Zespri's Research and Development operations in Chengdu were cancelled due to COVID-19 outbreaks, however the rest of the trip continued without delay, and the additional week's stay in Shanghai due to the Government's COVID-19 regulations proved fruitful.

"Despite more COVID-19 tests than I could count, the extra week in Shanghai meant I could spend more time with

Michael Jiang and the China team who, despite recent COVID-19 delivery challenges, are in excellent spirits," says Dan.

In Shanghai, Dan visited South Port, the entry point for more than 80 percent of Zespri fruit to China and also spent time with Good Farmer, Zespri's second-largest distributor, plus visited a range of retail markets.

"I was encouraged by the strong growth in demand for Zespri Kiwifruit. E-commerce channels are growing at an extraordinary rate, and the traditional wholesale channel has increased by 8 percent year-on-year," Dan explains.

Outside of Shanghai, Dan travelled to Shenzhen to visit Zespri's largest distributor Joy Wing Mau and Zespri's largest Chinese retailer Pagoda. Both reported strong consumer demand for Zespri products. At the China Import Food Summit held at CIIE, Dan spoke about Zespri's commitment to the Chinese market, exploring 12-month supply options and PVR.

While visiting growing regions, Dan met with the Chinese operations teams of Driscoll's berries and Joyvio Blueberries in order to build our understanding around PVR protections in China.

"Other horticultural industries are facing the same growth challenges as Zespri around labour shortages and land-use restrictions but the quality of the fruit and the strong relationships with local authorities these organisations have stood out to me as we explore options for 12-month supply models."

Back in Shanghai, as the trip came to an end, Dan spoke at a COVID-19 business recovery programme with Zespri's major customers and third-party logistics providers.

"The discussion brought home the strength of our relationships in China and the team on the ground's commitment to establishing Zespri in the market. Despite COVID-19 related challenges, it's shaping up to be another strong year."



HI-CANE REASSESSMENT

Growers have been sent NZKGI's draft submission on the Hydrogen Cyanamide (Hi-Cane) reassessment and we would like to thank you for your contribution to the submission.

The Environmental Protection Authority's Decision Making Committee (DMC) declined NZKGI and Māori Kiwifruit Growers Inc.'s request to extend the time to respond to the reassessment of Hi-Cane. Therefore, all submissions are due by 5pm on 20 December.

NZKGI encourages growers to make a submission on the reassessment and information on how to do this is available here: <https://www.nzkgi.org.nz/what-we-do/environmental-and-policy/hi-cane/hi-cane-reassessment/>

While the DMC has declined NZKGI's time extension request, they have stated that if submitters have any information they would like the DMC to consider after the 20 December deadline, they need to notify the DMC by 5pm on 31 January as to what this information is and when it may be available. NZKGI toxicology and operator exposure findings will not be available until the end of February and will be provided to the DMC in March. A hearing is likely to be held next year and NZKGI has requested that this be held in Mount Maunganui.

NZKGI would like to take this opportunity to thank the forum members and growers attached to the Environmental & Policy portfolio for their time and commitment. Their contribution has been invaluable and has helped shape the NZKGI response.

Growers with questions on this topic should contact NZKGI Senior Policy Analyst Sarah Cameron, sarah.cameron@nzkgi.org.nz.

NB: Zespri's submission supporting the ongoing use of Hi-Cane will be made available on Canopy shortly.

LOOKING AHEAD: PLANNING FOR THE 2022 SEASON

Our last grower roadshows discussions focused on the challenging season ahead with significant labour shortages along with ongoing supply chain challenges and uncertainties around COVID-19.

The industry has prepared a Five-Point Action Plan (published in the September issue of *Kiwiflier* and referenced below) to streamline the season and focus on optimising available labour and post-harvest capacity.

In addition to the action plan, a range of recommendations have been developed to ensure growers can work ahead and maximise opportunities for a successful 2022 season.

Zespri, alongside representatives from Post Harvest and NZKGI, will continue to monitor the situation in New Zealand as well as requirements related to our global markets leading into next season, and will ensure we have sufficient contingency plans in place to mitigate risk during 2022.

Key recommendations include:

Identifying orchards or blocks where you can target an earlier start and take advantage of the increased Kiwistart opportunity. There are up to 17 million additional trays of SunGold Kiwifruit to be harvested through Kiwistart, primarily across weeks 12-15.

Maximise the dry matter in your crop to be well positioned to clear your fruit without delay, supporting market demand and run rates.

Don't sweat the small sizes – SunGold Kiwifruit size 39's are non-standard supply in 2022 and won't have fruit incentives so expect there to be less overall value in smaller sized fruit. Weight band changes will see the larger 39's moving up to 36's to minimise the overall size 39 volume. Think about thinning smaller sizes at the appropriate time.

Work towards having clean crops at harvest to optimise efficiency at packing.

In 2022 we will need all parts of the industry working together to address the challenges that will come with the season. With the industry's longstanding history of innovation we aim to work through these challenges together for a successful outcome despite the year's challenging outlook.

Our Five-Point Action Plan includes:



1. Period 1 Procurement – review of procurement principles to identify opportunity to procure more fruit earlier to fill unutilised packing capacity in Weeks 13, 14 and 15.



2. Review Bulk Pack Mix – Review of proportion of bulk versus layered packing and phasing during the season to maximise labour resources through packing sheds.



3. Taste and Maturity Clearance Systems – Review of Taste Zespri programme and Maturity Clearance Systems to identify adjustments which can assist with the harvest decisions made by growers to smooth the flow of fruit.



4. Size 39 Zespri SunGold Kiwifruit – Identify and remove impediments to harvest presented by Size 39 Zespri SunGold Kiwifruit.



5. Shipping schedule – Review of shipping commitments by Zespri to relieve pressure on Post-harvest coolstore capacity.

WRAP-AROUND SERVICES HELP BUILD RESILIENCE FOR COPING WITH BUSINESS AND LIFE STRESSORS



Growers facing tough times are urged to reach out for support at the first signs of trouble in order to strengthen their resilience and build mental toughness.

That's the advice from the Bay of Plenty Rural Support Trust following a powerful storm that decimated local orchards, leaving many people on tenterhooks waiting to find out how badly their businesses had been affected.

Jodie Craig, the trust's local co-ordinator/administrator, was one of the speakers at a special meeting for orchard owners from Ōpōtiki and the Eastern Bay of Plenty. Representatives from other support agencies were also on hand to provide assistance and offer pastoral care.

Jodie was particularly touched by the empathetic support from regional representatives of New Zealand Kiwifruit Growers Inc. "They showed a high level of concern for those affected by this devastating event," she says. "It was very apparent the caring and close relationship the grower reps have with their respective growers and the level of engagement by Zespri, Seeka, Eastpack/Prospa and Riverlock."

One grower had 95 percent of his orchard affected by storm damage when winds, estimated to have reached 150km/h, lashed the region.

Support services are confidential and advice is freely available whatever the issue, wherever you are, says Jodie. People can tap into various channels, such as the Rural Support Trust and Farmstrong, a nationwide wellbeing programme for the rural community.

"Often in the primary industry people live onsite. They look out their window and see the problem staring back at them," she says.

Jodie says whatever the difficulty, it was imperative people sought help early. "We pretty much never get people with one issue. People come to us because there are several compounding issues.

"Financial, sickness, relationship problems and a lot of employment issues. There's always a lot of things on

someone's plate. And then often something quite small comes along to tip that over and suddenly they can't cope."

She says many people wrongly adopt a "she'll be right" attitude when problems arise, thus avoid dealing with issues head on. "If they leave it too long it's harder to get back on track. Getting support early is the way and to understand it's perfectly normal to reach out."

Adopting a positive mindset is essential when life throws a curve ball, she says. "Focus on what you can control – rather than what you cannot."

Everyone has different levels of what they can cope with - but whatever the problem it was important not to bottle-up worries, she advises.

Connecting with others and taking time out of your day was a key part of maintaining good mental health, she says. "Share your thoughts and concerns with friends, family and others who might have gone through what you are facing. But ensure that those you confide in are not judgmental."

Taking regular breaks in a busy working day can be a tonic and help maintain a person's wellbeing, says Jodie. "Make sure you have some time out for yourself. Do whatever makes you happy. It could be as simple as taking the dog for a walk."

For support and advice contact:

Rural Support Trust
0800 787 254 or www.rural-support.org.nz

Farmstrong
www.farmstrong.co.nz

NZKGI CHRISTMAS HOURS

The NZKGI offices will be closed from Friday 24 December, reopening again on Monday 10 January 2022. Happy Holidays everyone.



Orchard owners attend important health and wellbeing meeting.



FROM THE MARKETS

SEASON AND MARKET UPDATE

New Zealand Kiwifruit Supply Comes to a Close

With the last ship setting sail for our international markets at the end of November, the New Zealand kiwifruit season has come to a close with the remaining volumes arriving early December.

At the time of publishing Zespri SunGold was sitting at 99% delivered, Zespri Green at 97% delivered, and overall 98% of Zespri Kiwifruit has been delivered into the market.

Zespri Chief Performance Market Officer Linda Mills says, "The finish to the season continues to be hampered by

fruit quality challenges but is set to close out in a similar time frame to last season."

There are 7.3 million trays to deliver (less any remaining offshore fruit loss) versus 2.2 million trays in 2020.

With final fruit arrivals imminent as the season closes out, markets are now transitioning into Northern Hemisphere supply. Northern Hemisphere Zespri SunGold is off to a strong start with 5.4 million trays already delivered, nearly 1 million trays more than last year. An impressive head start thanks to continuing strong demand in our overseas markets.

Fruit delivered in-market as at November 2021

Zespri SunGold Kiwifruit:

99%

Zespri Green Kiwifruit:

97%

Total Zespri Kiwifruit delivered:

98%

Korea

To raise brand awareness of Zespri Green Kiwifruit the Korean team collaborated with the number one cooking app in Korea, >10,000 recipes, to create a recipe sharing competition.

Readers were asked to submit their recipes and the winner was published on the app. The video of the winning recipe reached 11.6 million viewers.

To support the brand awareness campaign eight digital influencers were invited to a special baking class using Green. The content generated a reach of 1.1 million.



North America

Marketing activation in the US successfully reached 3.8 million new mouths through partnerships, events, and meal kits reaching over 300,000 more than targeted.

Between 500,000 - 600,000 new mouths were reached through shopper activations, and our digital campaign had 290,000 intent-to-purchase clicks. Marketing activity has resulted in sales up 49 percent on this time last year.



Japan

The team undertook non-retail sampling via cooking classes and medical centres, reaching consumers who had never purchased Zespri Kiwifruit before.

Sixty percent of respondents wanted to eat more kiwifruit compared to 46 percent of people through in-store sampling.

A sustainable packaging trial has started at AEON with Zespri Organic varieties sporting a new compostable pouch.



Vietnam

Vietnam's digital campaign promoting kiwifruit's Vitamin C benefits has generated widespread engagement. With sampling resuming after a COVID-19 hiatus, our fruit was sampled by 176,000 shoppers across 167 stores.



Australia

A sustainable packaging trial is also underway in Australia for Zespri SunGold Kiwifruit across Woolworths supermarkets.

A Spring Health PR campaign has achieved impressive results, reaching 16.9 million people by the end of October. The campaign focussed on maintaining wellbeing during the pandemic and included three child-friendly SunGold Kiwifruit recipes in top-tier parenting website KidSpot.



Singapore

The Singapore team leveraged Halloween to drive awareness across multiple touchpoints, including in-store, social media, online, and PR.

A special Halloween pack was designed, and Halloween-themed recipes were developed and promoted online, supported by large in-store Halloween displays. The Halloween campaign reached one million people and had an increased run rate of 21 percent from 2020.





ZESPRI IN THE COMMUNITY

Successful Zespri Young and Healthy Virtual Adventure wraps for 20,000 students

This year's Zespri Young and Healthy Virtual Adventure has now finished after tamariki from the far north to the deep south took a virtual global adventure to iconic locations like Greece, Italy and, of course, Mount Maunganui.

The Zespri team safely visited a handful of inspiring classes during this year's programme and heard first-hand how much fun they were having and the new healthy habits they had picked up. Michael Fox, Zespri Director of External Relations, is pleased to have worked alongside the Young and Healthy Trust again this year to support another 20,000 children on the adventure, and to help tamariki look after their physical and mental health and wellbeing for life.



Students from two participating schools, Blenheim School (left) and Te Hapara School Gisborne (right).

Zespri to match donations for the Ronald McDonald House Christmas campaign

Zespri is proud to be part of this year's Ronald McDonald House Charities (RMHC) Christmas campaign, committing to match every donation made up to \$40,000 to help provide families with children in hospital a home-away-from-home during a period of immense upheaval.

Every year RMHC provides accommodation, meals, comfort, and care for over 4000 families, and the Christmas campaign gives families the 'gift of time' so they can be together for Christmas.

To make a donation, please visit rmhc.org.nz/christmas #KeepingFamiliesClose #GiftOfTimeTogether



Zespri will match your donation to give families the Gift of time together this Christmas

Zespri Horticultural Scholarships Announced

University of Otago students Letisha White and Renee Hosking have been awarded this year's Zespri Horticultural Scholarships to support further study towards a career within the industry.

The scholarships provide up to \$10,000 over two years towards tuition fees and include mentoring opportunities and support from the sector.

Letisha is currently studying towards a Bachelor of Commerce and Science majoring in Consumer Food Science and Human Resource Management. She has been involved in her family orchard from a young age and is passionate about sustainability in the kiwifruit industry.

Renee is in her second year of a Bachelor of Biomedical Sciences, majoring in Nutrition and Metabolism in Human Health. She is excited to learn more about how health and nutrition fit into current horticultural practices and gain a deeper insight into the industry as a whole.

The Zespri Horticulture Scholarship is part of a broader programme of education and personal development at every age and stage, from science in primary schools to scholarships for tertiary study and career development for future and current leaders of the kiwifruit industry.



Zespri Horticultural Scholarship winners Letisha White and Renee Hosking.

2022 Zespri Industry Governance Development Programme applications open!

Do you have strong leadership skills or are you looking to pursue governance roles within the kiwifruit industry?

The Zespri Industry Governance Development Programme is designed to enable leaders of the kiwifruit industry to make the step into governance roles.

The programme will introduce successful candidates to governance and leadership possibilities and allow them to build their capability as future leaders of the industry.

Head to <https://www.zespri.com/en-NZ/industry-governance> for more information and to download the information pamphlet and application form.



ENHANCING OUR ENVIRONMENT

MAKING PROGRESS TOGETHER IN 2021

The kiwifruit industry has taken important steps towards more sustainable practice in 2021, despite the ongoing disruption presented by COVID-19.

Zespri Executive Officer Sustainability, Rachel Depree, says Zespri appreciates the work that growers continue to do to protect the environment, with the industry's ongoing collaborative approach critical to achieving the targets outlined in Zespri's sustainability framework.

"We know it's been a challenging year and we're really appreciative of the investment growers and post harvest

have made in continuing to help the industry embrace more sustainable practice.

"Consumers today expect brands like ours to be growing fruit in a way that's good for the environment and supporting livelihoods.

"We're also seeing global regulatory and policy requirements driving changes to how we operate, with a greater focus on carbon emissions, water use and data collection requirements, and the types of packaging and plastics in supply chains.

Ms Depree says that work will continue to address these areas, all of which have been identified as priorities under the environmental pillar of Zespri's sustainability framework.

"We've got a healthy product that tastes fantastic and is produced by the best growers in the world and our collaborative approach will ensure we can continue to make steady progress introducing even more sustainable practice in the years ahead," Ms Depree says.

Our
ENVIRONMENT

PACKAGING
WATER
CLIMATE CHANGE

PACKAGING

Our packaging will be

**100%
RECYCLABLE,
REUSABLE
OR COMPOSTABLE**

BY 2025

WATER

Zespri growers are

**PROTECTING
WATER QUALITY**

by demonstrating alignment of nutrient inputs and losses to good practice limits

CLIMATE CHANGE

We will work with our partners to be

**CARBON POSITIVE BY
2035**

MARKET INSIGHTS: CONSUMER PRIORITIES

As our industry continues to embrace more sustainable practice, our focus remains on meeting the changing needs of our customers and consumers.

To help do this, we undertake regular research within our major markets to understand what matters most to our consumers.

Every year, global research agencies Kantar and GFK release the findings from surveying over 80,000 consumers across the globe. This year, consumer concern about climate change is the top priority, moving past water pollution and plastic waste.

This means more consumers are expecting to see industries like ours taking action to address climate change, water and plastic waste.

TOP RANKED PRIORITIES



KEY ENVIRONMENTAL DEVELOPMENTS



Updated Packaging

ZESPRI'S SUSTAINABLE PACKAGING PROJECTS

We've assessed more than 3 million pieces of packaging to understand their environmental impact. This has helped us choose which pack types to focus on, so we can reduce plastic waste as well as their carbon footprint. Here's a few examples of the trials we're running in our markets this year.

Australia – Cardboard punnet trial at Woolworths

Australia trialled its first sustainable packaging with a cardboard punnet at Woolworths in October 2021 and we're continuing to explore alternative options with our other customers.



Japan – Plant-based Eco-friendly packaging trial at Aeon

We launched a pouch made of Kraft paper with a compostable window in Japan in November 2021 to replace current mixed plastic pouches.



New Zealand – Sustainable packaging trial at Countdown

Despite a sudden COVID-19 lockdown in Auckland, New Zealand trialled a new sustainable Zespri branded pack across two Countdown stores in Tauranga.



China – Sustainable packaging trial at Sam's Club

Sam's Club will trial a paper sleeve pack to understand consumer preferences and willingness to pay for sustainable options.



ZESPRI OFFICES DOING THEIR BIT TOO

We have already diverted 85% of waste from landfill in our Mt Maunganui office through the introduction of a new waste system. This year we have extended this project to many of our global offices with teams in France, Italy, America, Singapore, China and Japan challenging their current systems and looking at ways to reduce and divert waste from landfill.



Working Together on Water

OUR INDUSTRY'S WATER STRATEGY

We've continued to make important progress as part of the industry's collaborative approach under our Water Strategy. We're grateful for the involvement of our grower community, fertiliser advisors and scientists in helping to guide this work.

DEMONSTRATING WATER AND NUTRIENT USE EFFICIENCY

Throughout the season, growers and industry advisors have come together to learn, share expertise and explore options for improving nutrient and water use efficiency on orchards, through more than 35 extension events held across the country over the past year.

This has included 14 winter nutrient management workshops where growers learnt and practiced how to match irrigation use to vine water requirements and soil moisture, test their irrigation system efficiency using a bucket test, and calculate a nitrogen balance for their orchards. Most attendees have committed to making changes on their orchard as a result.

GAP REFRESH

The Zespri GAP programme is undergoing a 5-year review which kicked off this year. We'll work with growers and the wider industry as we develop the next version of our certification programme. This includes assessing how to best help growers address the freshwater regulatory requirements that the New Zealand government will roll out over the next five years. To help shape our GLOBAL.G.A.P. certification programme, we'll be kicking off workshops for growers early next year - see page 14 for more details.

FRESH WATER FARM PLANS (FWFP)

During the year, the Ministry for the Environment consulted on mandatory Freshwater Farm Plans under Part 9A of the Resource Management Act 2020. NZKGI, Zespri and Māori Kiwifruit Growers have collaborated on a response (via the industry Water Strategy) which you can read on the NZKGI website.

The expectation is that Freshwater Farm Plans align with Zespri GAP and work is underway to achieve the best possible outcomes for growers. Freshwater farm plans will identify clear goals to meet with the outcomes applying to farm practice, ecosystem health and the wider catchment.

COMMITTED TO CATCHMENT RESTORATION

Growers in the Bay of Plenty's Waihi Estuary catchment are stepping up to support a community-led restoration programme focused on improving water quality and estuary health in their area.

So far, several growers have partnered with Wai Kōkupu Incorporated (who are leading the restoration programme) to contribute to a network of lighthouse properties where detailed environmental monitoring, risk assessment and mitigation is being used to identify, trial and demonstrate the effects of practice changes to reduce sediment and nutrient loss from their land. A Zespri-supported discussion group network has also been established this year, with three well-attended sessions held so far on topics including nutrient use efficiency, fertigation, and planting critical source areas.



Responding to our Changing Climate

We're making good progress on the goals in our climate change strategy. Here are some of the foundational projects we're working on to set us up for success.

TOOLS FOR MEASURING

We're going to need to know more about the carbon we emit on orchard and in the supply chain. Working with the Agribusiness Group, we're starting with an easy-to-use carbon emissions measurement tool that'll be ready to roll out in early 2022. We're looking for volunteers to test and review this - if you'd like to know more, please contact Jayson.benge@zespri.com.

STARTING TO REDUCE CARBON

Thank you to the three post-harvest facilities who volunteered to work with us and Ernst & Young, on a project to understand more about where carbon emissions can be

reduced. One of the findings is that refrigerants used for cooling are a key area to focus on - sorting out leaks and changing the type of refrigerant gases used can make a real difference. Action often requires additional investment so in the new year we'll be working with the government to advocate for expanding its funding programmes for our industry. We'll share more about this with post-harvest in the New Year.

LEARNING ABOUT GETTING TO CARBON ZERO

Over the year we've seen other primary sector companies including Fonterra and Silver Fern Farms start to bring carbon zero products to market. With climate change a growing concern for consumers, we're starting work on how we might do this too. We'll be setting up a trial using our already proven commercialisation process. First up, and in the new year, we'll be inviting post-harvest and growers to join us, supporting them to

measure and reduce their carbon emissions. Towards the end of next year, we'll bring in our marketing and sales teams to learn more about what customers and consumers are looking for.

GETTING READY FOR REGULATION

A final thank you to our nine largest grower entities who we've been working with to make sure we're meeting the goals of the government's Primary Sector Action Partnership on Climate Change. Also known as He Waka Eke Noa, the aim is for the dairy, sheep and beef and horticulture sectors to work together to reduce their carbon (or greenhouse gas) emissions. Along with NZKGI and Māori Kiwifruit Growers, we've also been working with Horticulture New Zealand to have our say on proposals for how carbon will be priced. Grower consultation on this will take place in early 2022. In the meantime, keep an eye out for updates in NZKGI's weekly updates. If you have any questions, please get in touch with NZKGI info@nzkgi.org.nz



ZESPRI GLOBAL SUPPLY UPDATE

ZGS RESEARCH INVESTMENT IN KIWIFRUIT

To support the growth of Zespri SunGold Kiwifruit in the Northern Hemisphere, ZGS invests up to NZD \$1.5 million per year in research trials conducted by Zespri Italy's innovation team.

The ZGS operating budget funds the projects, however they are designed, implemented, and reviewed in collaboration with Zespri's New Zealand innovation team to fill knowledge gaps and support the wider strategic targets and priorities for ZGS.

Many of the challenges faced by ZGS growers are relevant to New Zealand growers, and the research projects have benefits to both, such as:

- The Italian innovation team is conducting the first-ever trial on the water needs of SunGold Kiwifruit, which will be relevant to New Zealand growers and the Kiwifruit Industry Water Strategy.
- New Zealand trials of budbreak alternatives can be replicated in Italy and two seasons of results can be achieved in twelve months.
- Work on KVDS and BMSB – issues that are not currently present in New Zealand – are of significant value to New Zealand growers in helping prevent the arrival of KVDS and BMSB, and if necessary, managing them should they occur.
- Work on nutrient management provides valuable knowledge to optimise nutrient application programs for higher productivity, quality, and storability of SunGold Kiwifruit while increasing orchard sustainability. The research on new foliar chemical products can support size, taste, and productivity goals without affecting storage life.
- In addition, trials undertaken by the GET teams to help growers understand how best to grow SunGold Kiwifruit in other international markets, including Asia, other parts of Europe, and New Zealand. Results from these trials are shared across inter-country teams and made available to growers globally.
- Results from the ZGS research projects are shared with New Zealand growers through the *Kiwifruit Journal*.

A SNAPSHOT OF ZGS ITALY INNOVATION PROJECTS

PROJECT NAME	PERIOD	PROJECT SUMMARY
Water needs of Gold3 during an annual cycle	2019	The first ever evaluation on the water needs of Gold3 vines to understand how much water it utilises under optimal conditions.
Nutrient dynamics of Gold3	2019-2020	Aims to understand the seasonal nutrient balance dynamics of kiwifruit vines.
Water and soil management of Gold3 and KVDS management	2020-2024	Researching the water needs of Gold3 in different environments, and evaluation of sensors for better irrigation management, soil management optimisation, and guidelines. Monitoring of gas concentration, pathogen populations and soil microporosity to progress prevention and recovery from KVDS.
Budbreak alternatives	2021-2022	Identify best alternative products to Hi-cane for budbreak and chemical thinning for Gold3 and HW which included evaluating the best spraying timings through Hazel testing.
Nutrient management of Gold3 in Italy	2021-2022	An extension of the nutrient dynamic project completed in 2020 to confirm seasonal uptake of nutrients by the kiwifruit vine. This time focussing on increasing calcium uptake by the fruit.
Foliar fertilisation biostimulant use on Gold3	2019-2022	An evaluation of the impacts of different chemical products sprayed on the canopy which measures impact on size, DM%, maturity, storage, crop loads, and productivity of Gold3.
Evaluate long-term sustainability of girdling on Gold3	2018-2023	Evaluates different combinations of girdling and their effect on return bloom, vine growth, and storability of Gold3.
Understand the main causes of premature fruit drop of Gold3 and evaluate solutions	2019-2022	Investigates fruit drop related to the lack of calcium and magnesium uptake to stalk and fruit, lack of root turnover and nutrient imbalance (excessive soil K). The project identified the starting maturity point of the phenomenon by evaluating the physiological background of the problem and investigating the hormonal profile of the vine.
Minimum controlled atmosphere treatments to improve storability of Gold3	2021-2022	Investigates the impact of minimum controlled atmosphere treatments on improving storage life of Gold3.
1-MCP sprayed on orchard	2021-2022	Evaluating the impact of spraying 1-MCP on orchards to extend the harvest window and storability of Gold3.
Aerodynamic traps for BMSB	2021-2022	Evaluation of innovative trap systems to control BMSB.

PROJECT SPOTLIGHT: WATER AND SOIL MANAGEMENT OF GOLD3



KVDS vines as seen in September 2020 (left image) and in September 2021 (middle and right images) after applying soil and vine interventions and precise irrigation management.

To research the water needs of Gold3 in different environments, a series of sensors and systems have been installed to investigate the best way towards precise kiwifruit orchard management.

These include five irrigation systems, three soil moisture sensors, weather stations, water flow metres, fruit metres, sap flow sensors, water potential sensors, gas, and redox monitoring sensors, and piezometers.

An onsite data transmission system streams the gathered data online in almost real-time while the irrigation management is controlled remotely.

At the KVDS block, a series of interventions took place during the project's first year, including installing drainage pipes, root and canopy pruning to adjust the vine's ratio and regenerate growth, and a mix of cover crops to improve soil structure and water consumption.

ZGS GROWER VIDEO

Have you been wondering what our Northern Hemisphere growers have been up to in their season?

Check out this awesome video from our ZGS growers, giving us an update on the SunGold Kiwifruit season.

You can view via Canopy: canopy.zespri.com/EN/industry/news/Pages/ZGS-Grower-Update.aspx



2021/22 PROGRESS PAYMENTS FOR DECEMBER AND FEBRUARY

CLASS 1 - APPROVED PROGRESS PAYMENT 15 DECEMBER 2021	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.11	\$0.50	\$0.05	\$0.15	\$0.05	\$0.05	\$0.10
Zespri Organic Green	\$0.32	\$0.35	\$0.70	\$0.25	\$0.30	\$0.30	\$0.20
Zespri Gold3	\$0.71	\$0.65	\$0.75	\$0.75	\$0.60	\$0.65	No supply
Zespri Organic Gold3	\$0.62	\$0.35	\$0.70	\$0.75	\$0.70	\$0.40	No supply
Zespri Green14*	\$0.26	No payment	(\$0.09)*	\$0.25	\$0.30	\$0.30	\$0.20

*For Class 1 Green 14 size 25/27 the progress rate is negative as a result of quality claims in Europe. This amounts to a total of \$731.

CLASS 1 - APPROVED PROGRESS PAYMENT 15 FEBRUARY 2022	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.26	\$0.25	\$0.35	\$0.30	\$0.20	\$0.20	\$0.05
Zespri Organic Green	\$0.47	\$0.60	\$0.60	\$0.55	\$0.45	\$0.45	\$0.25
Zespri Gold3	\$0.40	\$0.45	\$0.40	\$0.40	\$0.35	\$0.25	No supply
Zespri Organic Gold3	\$0.51	\$0.40	\$0.45	\$0.80	\$0.30	\$0.20	No supply
Zespri Green14	\$0.29	No payment	No payment	\$0.40	\$0.30	\$0.30	\$0.20

CLASS 1 - INDICATIVE PROGRESS PAYMENT 15 MARCH 2022	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
Zespri Organic Green	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
Zespri Gold3	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	No supply
Zespri Organic Gold3	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	No supply
Zespri Green14	\$0.10	\$0.10	No payment	\$0.10	\$0.10	\$0.10	\$0.10

1. Progress payments for Class 1 are paid on submitted trays and reversed for onshore fruit loss.
2. Net Submit trays = gross submitted trays less onshore fruit loss trays.
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 FEBRUARY 2022	AVERAGE ON NET SUBMIT	16/18/22	27	30	33	36	39	42
Class 2 Green	\$1.79	\$2.00	\$1.95	\$1.60	\$1.45	\$1.90	\$1.90	\$1.65
Class 2 Organic Green	\$1.68	\$1.80	\$1.80	\$1.85	\$1.60	\$1.70	\$1.30	\$1.05
Class 2 Gold3	\$0.37	\$0.70	\$0.35	\$0.10	\$0.05	\$0.55	\$0.65	No supply
Class 2 Organic Gold3	\$2.58	\$2.60	\$2.80	\$2.65	\$1.20	\$3.05	\$3.35	No supply

NON-STANDARD SUPPLY - APPROVED PROGRESS PAYMENT 15 FEBRUARY 2022	42
Zespri Gold3	No Supply
Zespri Organic Gold3	\$1.00

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.

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. The intention when setting the progress payments for December, February and March is to ensure the percentage of TFSP paid over total TFSP is at similar levels to prior seasons.

A review of November 2021 forecast OGRs was completed for Green and Organic Green in December 2021, taking into account concerns around fruit quality. Further guidance regarding OGRs has been issued noting a likely reduction in OGRs for Green and Organic Green. As a result of the review, the February progress payment has reduced by \$0.05 compared to the indicative February rates published last month. The next official forecast will be published in February 2022 along with the March final and April indicative progress rates.

December 2021 approved progress payments on Net Submit trays

Approved per tray progress payments paid on 15 December 2021:

Class 1	
Zespri Green	\$0.11
Zespri Organic Green	\$0.32
Zespri Gold3	\$0.71
Zespri Organic Gold3	\$0.62
Zespri Green14	\$0.26

February 2022 approved progress payments on Net Submit trays

Indicative per tray progress payments for 15 February 2022:

Class 1	
Zespri Green	\$0.26
Zespri Organic Green	\$0.47
Zespri Gold3	\$0.40
Zespri Organic Gold3	\$0.51
Zespri Green14	\$0.29

March 2022 indicative progress payments on Net Submit trays

Indicative per tray progress payments for 15 March 2022:

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



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.

* These forecasts precede the revised guidance outlined in the December Chairman's Update. This noted a likely reduction in the November forecast OGRs of between \$0.10 to \$0.15 per tray for Green and \$0.15 to \$0.20 per tray for Organic Green.

ZESPRI GOLD3 NOVEMBER								
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	\$0.00				\$3.49	22%
Jun-21		\$0.13					\$3.62	23%
Jul-21		\$0.08	\$0.00	\$1.16	\$1.50		\$6.35	40%
Aug-21		\$0.13	\$0.47	\$1.50	\$0.05		\$8.50	53%
Sep-21		\$0.38		\$1.38	\$0.04		\$10.30	64%
Oct-21		\$0.28	\$0.42	\$0.33	\$0.79		\$12.11	76%
Nov-21		\$0.33	\$0.00	\$1.38	\$0.23		\$14.06	88%
Dec-21		\$0.10		\$0.05	\$0.70		\$14.90	93%
Jan-22						\$0.10	\$15.00	94%
Feb-22					\$0.40			
Mar-22					\$0.10			98%
Apr-22								
May-22								
Jun-22						\$0.15		100%
Paid YTD	\$3.30	\$1.61	\$0.89	\$5.79	\$3.30	\$0.10	\$15.00	
Balance to pay	\$0.00	\$0.00	\$0.07	\$0.01	\$0.74	\$0.15	\$0.97	
Total fruit and service payments - 2021/22 Forecast \$15.98								

ZESPRI ORGANIC GOLD3 NOVEMBER								
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	21%
Jun-21		\$0.10					\$3.54	21%
Jul-21		\$0.10		\$1.54	\$0.39		\$5.57	34%
Aug-21		\$0.28	\$0.33	\$2.33	\$0.02		\$8.53	51%
Sep-21		\$0.40		\$1.70	\$0.36		\$10.99	66%
Oct-21		\$0.22	\$0.29	\$0.36	\$1.02		\$12.88	78%
Nov-21		\$0.09		\$1.59	\$0.28		\$14.84	89%
Dec-21		\$0.01		\$0.00	\$0.62		\$15.47	93%
Jan-22						\$0.10	\$15.57	94%
Feb-22					\$0.51			
Mar-22					\$0.10			98%
Apr-22								
May-22								
Jun-22						\$0.15		100%
Paid YTD	\$3.30	\$1.34	\$0.63	\$7.51	\$2.69	\$0.10	\$15.57	
Balance to pay	\$0.00	\$0.00	\$0.02	\$0.01	\$0.83	\$0.15	\$1.01	
Total fruit and service payments - 2021/22 Forecast \$16.57								

ZESPRI GREEN NOVEMBER*								
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	25%
Jul-21		\$0.05		\$0.43	\$0.87		\$3.91	39%
Aug-21		\$0.11	\$0.27	\$0.70	\$0.05		\$5.04	50%
Sep-21		\$0.21		\$0.69	\$0.05		\$5.98	59%
Oct-21		\$0.27	\$0.23	\$0.36	\$0.14		\$6.99	69%
Nov-21		\$0.39	\$0.00	\$0.87	\$0.27		\$8.52	84%
Dec-21		\$0.34		\$0.11	\$0.09		\$9.07	90%
Jan-22						\$0.10	\$9.17	91%
Feb-22					\$0.26			
Mar-22					\$0.10			96%
Apr-22								
May-22								
Jun-22						\$0.20		100%
Paid YTD	\$2.44	\$1.49	\$0.50	\$3.16	\$1.47	\$0.00	\$9.17	
Balance to pay	\$0.00	\$0.06	\$0.10	\$0.01	\$0.63	\$0.25	\$0.95	
Total fruit and service payments - 2021/22 Forecast \$10.11								

ZESPRI ORGANIC GREEN NOVEMBER*								
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	20%
Jun-21		\$0.01					\$2.50	20%
Jul-21		\$0.04		\$0.65	\$1.87		\$5.06	40%
Aug-21		\$0.09	\$0.42	\$1.04	\$0.05		\$6.65	52%
Sep-21		\$0.17		\$1.17	\$0.05		\$8.04	63%
Oct-21		\$0.19	\$0.43	\$0.42	\$0.32		\$9.40	74%
Nov-21		\$0.26		\$1.19	\$0.12		\$10.97	87%
Dec-21		\$0.15		\$0.10	\$0.30		\$11.52	91%
Jan-22						\$0.10	\$11.62	92%
Feb-22					\$0.47			
Mar-22					\$0.10			96%
Apr-22								
May-22								
Jun-22						\$0.15		100%
Paid YTD	\$2.45	\$0.95	\$0.85	\$4.58	\$2.70	\$0.10	\$11.62	
Balance to pay	\$0.00	\$0.03	\$0.01	\$0.01	\$0.87	\$0.15	\$1.06	
Total fruit and service payments - 2021/22 Forecast \$12.68								

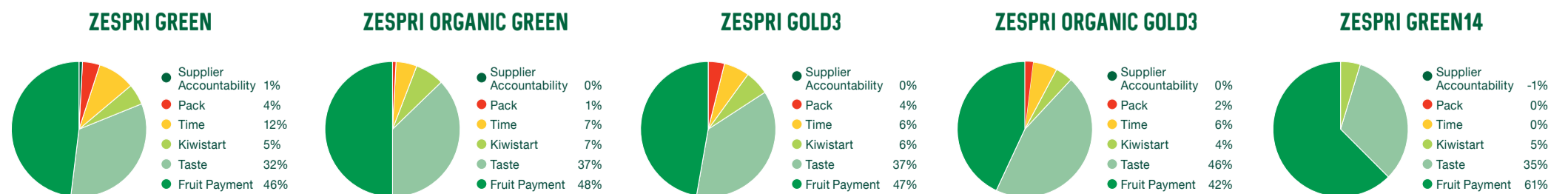
ZESPRI GREEN14 NOVEMBER								
ISO month	Submit	Pack and Time	Kiwistart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-21	\$2.80						\$2.80	25%
May-21							\$2.80	25%
Jun-21							\$2.80	25%
Jul-21				\$1.26	\$1.63		\$5.69	51%
Aug-21			-\$0.12	\$1.28	\$0.05		\$6.89	61%
Sep-21				\$0.51	\$0.74		\$8.14	73%
Oct-21			\$0.29		\$0.05		\$8.48	76%
Nov-21				\$0.76	\$0.55		\$9.79	87%
Dec-21			\$0.00	\$0.00	\$0.26		\$10.05	90%
Jan-22						\$0.10	\$10.15	90%
Feb-22					\$0.29			
Mar-22					\$0.10			97%
Apr-22								
May-22								
Jun-22						\$0.15		100%
Paid YTD	\$2.80	\$0.00	\$0.16	\$3.81	\$3.27	\$0.10	\$10.15	
Balance to pay	\$0.00	\$0.00	\$0.35	\$0.00	\$0.58	\$0.15	\$1.08	
Total fruit and service payments - 2021/22 Forecast \$11.23								

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 NOVEMBER FORECAST



FULL YEAR FORECAST RETURN AND ORCHARD GATE RETURN [OGR] - INDUSTRY AVERAGE ONLY

Full-Year Return	2021/22 - November Forecast						2020/21 - Actual					
	Zespri Green ¹⁰	Zespri Organic Green ¹⁰	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)	74.3	3.0	97.9	2.5	0.3	180.3	67.5	2.8	85.5	1.5	0.3	159.6
Kilograms supplied (m)	261.3	10.5	342.4	8.7	0.9	623.8	236.7	9.5	300.2	5.1	0.9	559.7
Average size per tray	32.6	34.9	27.8	28.1	37.1		33.8	37.1	29.7	30.1	37.7	
Fruit payments (\$m)	337.9	18.1	718.8	17.1	1.7	1,112.4	584.2	31.9	1,212.4	24.6	3.4	1,873.9
Fruit incentives (\$m)	280.0	16.3	663.0	20.4	1.1	980.9	24.4	1.3	70.8	0.8	0.1	97.4
Service costs (\$m)	115.4	2.9	158.6	3.3	0.0	280.7	94.2	2.2	121.1	1.4	0.0	219.3
Fruit and service payments excl. loyalty premium (\$m)	733.2	37.4	1,540.4	40.8	2.9	2,373.9	702.8	35.4	1,404.3	26.8	3.6	2,190.5
Total Forecast 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	2.11	3.57	4.04	3.53	3.85		6.40	9.29	11.38	14.15	9.90	
Total fruit payments per net submit trays	4.54	6.02	7.34	6.83	6.65		8.65	11.54	14.18	16.95	12.70	
KiwiStart ²	0.51	0.84	0.89	0.62	0.58		0.26	0.35	0.74	0.51	0.55	
Taste Zespri	3.17	4.58	5.81	7.51	3.81		0.00	0.00	0.00	0.00	0.00	
Supplier Accountability	0.09	0.01	0.07	0.03	-0.06		0.10	0.11	0.08	0.04	-0.04	
Fruit incentives	3.77	5.43	6.77	8.16	4.32		0.36	0.46	0.83	0.55	0.50	
Pack type	0.42	0.18	0.61	0.36	0.00		0.36	0.06	0.55	0.21	0.00	
Time payment	1.13	0.79	1.01	0.97	0.00		1.03	0.75	0.86	0.75	0.00	
Service costs	1.55	0.97	1.62	1.34	0.00		1.39	0.81	1.42	0.96	0.00	
Class 1 fruit and service payments per net submit trays	9.86	12.43	15.73	16.32	10.98		10.41	12.81	16.42	18.45	13.21	
Loyalty premium	0.25	0.25	0.25	0.25	0.25		0.40	0.40	0.40	0.40	0.40	
Class 1 fruit and service payments with loyalty per net submit trays	10.11	12.68	15.98	16.57	11.23		10.80	13.21	16.82	18.85	13.61	
Less: onshore fruit loss	-0.23	-0.17	-0.33	-0.22	(0.02)		-0.07	-0.04	-0.16	-0.19	-0.00	
Fruit loss percentage ³	2.28%	1.36%	2.06%	1.33%	0.21%		0.69%	0.32%	0.93%	0.99%	0.01%	
Class 1 fruit and service payments per gross submit trays	9.88	12.51	15.65	16.35	11.20		10.73	13.17	16.66	18.66	13.60	
Plus Class 2 Return	0.16	0.37	0.08	0.17	0.02		0.19	0.34	0.09	0.21	0.03	
Plus Non-Standard Supply (NSS) ⁴	0.00	0.03	0.01	0.06	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	0.01		0.01	0.01	0.02	0.02	0.01	
Average revenue per gross submit trays	10.05	12.91	15.75	16.59	11.23		10.93	13.57	16.79	19.15	13.65	
LESS: Post-harvest costs deducted⁶												
Base packing and packaging	-1.65	-1.67	-2.52	-2.52	-2.47		-1.52	-1.57	-2.32	-2.35	-2.43	
Pack differential	-0.41	-0.18	-0.60	-0.36	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	-0.13	-0.18		-0.14	-0.16	-0.15	-0.13	-0.16	
Time and CC/RK charges	-0.56	-0.42	-0.49	-0.41	(0.01)		-0.52	-0.38	-0.42	-0.25	0.00	
Total post-harvest costs per gross submit trays	-3.71	-3.37	-4.70	-4.36	-3.62		-3.42	-3.04	-4.33	-3.79	-3.51	
OGR per gross submit trays	6.34	9.54	11.05	12.23	7.60		7.51	10.53	12.46	15.36	10.14	
Average industry yield per productive hectare⁷	11,908	6,960	15,326	11,422	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	\$75,490	\$66,434	\$169,303	\$139,646	\$53,096		\$76,722	\$66,453	\$177,846	\$158,599	\$56,853	
Average kilogram per tray⁹	3.51	3.49	3.50	3.50	3.45		3.50	3.45	3.51	3.51	3.43	
OGR per kilogram	1.80	2.73	3.16	3.50	2.20		2.14	3.05	3.55	4.38	2.96	

Notes:

1. Submit rate presented for Zespri Green 2021/22 reflects Submit rate of \$2.45 for sizes 18-39, and \$2.25 for size 42.
2. KiwiStart includes Priority Premium payments. These are period one related payments that apply to fruit shipped in the applicable weeks and vessels.
3. Fruit loss percentage includes ungraded fruit inventory losses.
4. Zespri does not procure NSS in all categories, returns are as reported in the Ingham Mora post-harvest survey.
5. Other Income may include any Service Level Agreement payments, Class 3 income and interest.
6. Post-harvest cost data was compiled by Ingham Mora Limited in October 2021.
7. The average industry yield per hectare equals Class 1 volumes submitted divided by

- productive hectares. Average yield levels are calculated based on current volume data incorporating the actual FOBS data with actual onshore fruit loss percentages. The OGR may be distorted by the inclusion of orchards in the first years of production in the calculation.
 8. Productive hectare information is sourced from the Grower Services database and includes all hectares described by growers as producing vines.
 9. Average kilograms per tray are derived using the individual size conversions published in the specific season's Pack Conversion Guide.
 10. These forecasts precede the revised guidance outlined in the December Chairman's Update. This noted a likely reduction in the November forecast OGRs of between \$0.10 to \$0.15 per tray for Green and \$0.15 to \$0.20 per tray for Organic Green.
- Note:** Amounts above are not rounded to 2 decimal places, therefore rounding differences may apply.



PRE-HARVEST FORUMS POSTPONED TO FEBRUARY

The Pre-Harvest forums originally scheduled for November have been postponed until February 2022 due to the uncertainty around COVID-19 and travel.

These events in key growing areas aim to engage with growers and the wider industry on the existing *good agricultural practice programme*. Several changes are coming over the next twelve months relating to the new version of GLOBALG.A.P. which will be released next year and regulatory changes related to grower orchard practices coinciding with that. The forum is looking to evolve and move to a workshop format conducive to

facilitating robust discussions and gauging feedback on these changes and other GAP-related content.

For our GLOBALG.A.P certification programme to be successful, it needs to work for growers. The pre-harvest forums are your chance to have input into the future direction of the GAP programme.

All growers and orchard personnel working with (or on) orchards are encouraged to attend to help us design a programme that works for you. The updated schedule will be shared in the coming weeks.

CHANGES TO "ALLOWED OTHER COMPOUNDS"

Zespri has become aware that the product Kiwiguard contains the compound denatonium benzoate (DB), subject to MRLs in Europe and other international markets.

Kiwiguard is a Foliar Fertiliser historically used through the summer months as a nutritional input with the advantage of deterring PVH and Cicada. In recent years it has also been used as a bird repellent. Due to the limited options available to growers, it will remain a bird repellent option in the Allowed Other Compounds (AOC) list for the 2022 season for use pre-fruit set only.

Use in the pre-fruit set period is low risk when considering residues while still allowing an alternative bird repellent

option. The use of Kiwiguard past fruit set is strictly prohibited to avoid residues on fruit. If you have any questions or concerns, please don't hesitate to call the Crop Protection Team.

All suppliers with products in the AOC List used in the post fruit set period have been requested to supply a formulation test to ensure products are free from DB. If clear results are not received by December 1, 2021, they will be removed from the list and no longer be allowed to be used.

The next version of the AOC list will be published in the week leading up to Christmas. It is important to check the updated AOC list for allowed products.

KIWIGREEN INCENTIVE

Industry has been in discussion for the last few months around an incentive for adherence to the KiwiGreen programme. This has now been finalised.

Growers will become eligible for the \$0.25c per tray incentive if the following requirements are met:

1. Having a certified Pest Monitoring Centre monitor your orchard for the four pests of concern; Scale, Leafroller, Mealybug, and Wheat bug habitat.
2. If required, action is taken as a result of monitoring, for example spraying, re-monitoring, or weed removal.
3. Any actions taken are recorded in spray diary within 21 days. All sprays from Jan 1st 2022 need to be into spray diary within 21 days.
4. Evidence of action taken available to be provided during a GAP audit.
5. Moving forward to the 2023 season, sprays are recorded in spray diary within a set number of days of application.

Due to the incentive payment plan and highlighted conflicts of interest, there is the ability for growers to request dispensation to allow grower-led monitoring in certain circumstances for example, remote orchards. All monitoring will need to go through an independent, certified Pest Monitoring Centre, removing the ability for grower-led formal monitoring to ensure independence and remove concerns around conflict of interest. The added incentive should hopefully outweigh any monitoring costs.

All forms associated with the new incentive, including a list of Zespri Certified Pest Monitoring Centres, can be found on Canopy.

Due to the incentive requirements it is absolutely vital blocks are correct in spray diary prior to any monitoring taking place. If blocks are updated after monitoring, they will not match monitoring records and may result in incentive ineligibility.

KVH CHRISTMAS HOURS



The KVH office will be closed from 5.00pm, Thursday 23 December 2021 and will reopen at 8.30am, Monday 10 January 2022.

If any urgent issues arise during this period, please contact info@kvh.org.nz.

For reporting of unusual pests and diseases, the Biosecurity New Zealand hotline (0800 80 99 66) operates 24/7 as per usual, throughout the holiday period.



FIND-A-PEST APP MAKES REPORTING PESTS EASY



Biosecurity is everyone's responsibility, and we can all protect our industry investments from unwanted pests and diseases.

One of the best ways we can work together is through general surveillance - that is harnessing those who are out on our orchards, to contribute to gathering and reporting information around the presence of potentially new and unwanted threats. This is important because we know that early detection of unusual pests is one of the biggest indicators of a successful eradication. The earlier we catch a threat, the more options we have for eradication, resulting in more cost effective, efficient, and ultimately successful response programmes.

Reporting the unusual is easier than ever with the Find-A-Pest app, free to download from the Apple and Google app stores.

Users can easily submit photos, and any additional information (i.e., where pests were found, damage, size) straight from their phones. To ensure it is functional for our growers and kiwifruit community, we have allowed for offline reporting, which means if you are out of Wi-Fi range or mobile reception, your report will be uploaded when you return to service. The app will automatically store the date, time, and GPS location of each observation, and you can choose to obscure your location from public view, if you wish.

The app includes up-to-date factsheets and a list of pests specific to the kiwifruit industry. The factsheets cover new to New Zealand unwanted pests, such as the Brown Marmorated Stink Bug (BMSB), as well as pests that are already established in kiwifruit - this helps you to keep a watchful eye on your surroundings and look for likely threats. It also includes a general news function where KVH can relay biosecurity information, such as upcoming events, to ensure everyone remains biosecurity aware. It is also equipped with a push notification system for biosecurity alerts to help users keep up-

to-date with urgent biosecurity news, such as a new incursion in your area.

Find-A-Pest is not intended to be used in isolation, but rather in unison with other reporting methods, including calling or emailing the KVH office (on 0800 665 825 or info@kvh.org.nz), or phoning the Biosecurity New Zealand hotline (0800 80 99 66). It aids in easy, quick and accurate detections and identifications of pests for the kiwifruit industry and beyond, which will in turn keep our industry, and New Zealand, safe from the threat of unwanted pests and diseases.

Many other primary industry groups are also using the app to build up extensive knowledge about potential threats that could have wide ranging impacts on sectors across the country, including forestry, various horticulture industries, Regional Councils, and the Department of Conservation.

Visit the Find-A-Pest website at www.findapest.nz to learn more.

FIND PEST

SCAN HERE TO GET THE APP



Apple store



Google



KEY FOCUS: DECEMBER AND JANUARY



THE MONTHS AHEAD: DECEMBER AND JANUARY

PREPARE FOR SUMMER

Double check your canopy is under control before you head to the beach.

- Walk the orchard to check the canopy and manage those late-grown vigorous canes by ripping them out. These canes are resource-hungry, make poor replacement canes, and cause significant shading later in the season.
- Remember that Gold3 has a fruit-sensitive period (from ~21 days post-fruit set on most orchards), so take extra care with any work you plan to do during this time. If you need to get in and open dark areas in the canopy, remember to use a lighter touch when pulling these canes through. Some growers do leave these canes in the canopy. However, this dead matter may cause fruit staining.

IRRIGATION

When your vines don't get enough water early in the growing season, there is an immediate and irreversible effect on fruit growth, resulting in smaller fruit at harvest.

- Check irrigation systems and ensure all sprinklers or drippers are working. Vines with root systems compromised by waterlogged soils will be more sensitive to dry conditions, so keep an eye out for wilting.
- Check your soil moisture probes to decide when to irrigate. A soil water deficit can start impacting kiwifruit expansion up to eleven days before your vines show visible signs of stress.
- If you have a newly established block, it's important to irrigate young vines as they have smaller root systems that are less able to access soil water reserves.
- View recent irrigation resources, including the booklets from our irrigation workshops on the Water Management page on Canopy (Canopy > Growing Kiwifruit > Orchard Management > Nutrition, Soil & Water > Water Management).

THINNING

Poorly pollinated and misshapen fruit, and anything over your target crop load, should be thinned off promptly after flowering. Carrying this fruit for longer than necessary means you're spreading vine resources thinner than you need to, only to grow fruit that won't make it into a tray.

MALE PRUNING

With the nationwide labour shortage, it's a good idea to get your males pruned soon after flowering as multiple pruning rounds are needed to encourage high-quality buds and spurs for next season.

- When you do your pruning, make sure you keep the early floral growth — it's what will provide flowers for next year.
- Multiple pruning rounds are needed to encourage high-quality buds and spurs for next season.
- Pruning rounds should maintain the size and wood type you establish now through January, February, and March, reducing the need for winter pruning of males.

GIRDLING

Girdles done during January and February increase dry matter in Hayward and SunGold fruit. Research has shown a summer trunk girdle increases average dry matter by 0.5% for Hayward and up to 1.2% for SunGold.

- A double trunk girdle can be particularly effective on Gold3. A possible strategy is to apply the first in late January and a second in late February if dry matter is predicted to be low. Consider a monitor sample to check how dry matter is looking if you're undecided about the second girdle.
- Do not girdle stressed or sick vines or vines with secondary Psa symptoms.

CROP PROTECTION

- Keep an eye on the KVH risk model and keep up Psa protection in relation to weather events. Pre-Christmas is the time to manage Passionvine Hopper (PVH) nymphs. Monitor orchard boundaries and remove host plants if possible. Remember that any sprays applied to shelter and boundary areas need to be recorded in the spray diary and usually require JA.
- Weed-spray gravel loadout areas early and maintain these as open gravel over summer to eliminate habitat for wheat bug.

RED19 ESTABLISHMENT

- If you're planning to grow laterals this season, leaders may be dropped when they reach one pencil thickness and the leaf adjacent to where you will cut it is 5-7cm across. Early trial work has shown leaders produce more buds and laterals that are stronger when dropped before mid-December.
- Button cut the dominant crown laterals to avoid strong growth of laterals around the crown of the leader and poor firing of laterals along leaders. The button cut helps produce medium strength laterals along the leader.

FIRST RED19 CROPS

The majority of the Red19 fruit growth takes place in early summer. The skin of Red19 fruit is highly sensitive from around 30 days after flowering until close to harvest. This is earlier and goes later than SunGold skin sensitivity and means you must be organised to get jobs done early or take care when working under the canopy.

- Girdling of young vines isn't recommended as it may damage immature vines. For mature vines, the optimum timing is 6-9 weeks after mid-bloom.
- Check canopy growth and consider a low vigour system. Are there blanks to prune out, tangles to straighten, tips to squeeze, and canes to zero leaf? Is enough light getting through?

HAPPY HOLIDAYS FROM THE GLOBAL EXTENSION TEAM!



ALTERNATIVE BUDBREAKERS



Growers attend alternative budbreakers discussion group.

In early December we held a discussion group on alternative budbreak enhancers.

In the morning session, we heard from growers who have experience in alternative budbreak enhancers. They shared their thoughts on the enhancers and what they had learnt. Key discussion points for the group included timing, good application coverage and orchard management, such as wood type selection. In the afternoon, we took a visit to view a block of Gold3 sprayed with Advance Gold. Grower Allan Clover talked through why he decided to use Advance Gold and his experiences. Throughout the day we had great discussions around how to get the best out of alternatives and how to start testing them.

For more information on alternative budbreak enhancers, refer to Canopy>Growing Kiwifruit>Orchard Management>Budbreak Enhancers>Alternative Budbreak Enhancers.

LA NIÑA IMPACTS ON THE GROWING SEASON

NIWA has forecasted a La Niña weather pattern for the next few months, which usually results in above-average rainfall in the north and east of the North Island and comes on the back of an already cool, damp spring. In particular, Bay of Plenty and Gisborne tend to be wetter on average throughout all seasons during La Niña events.

With the wetter weather, more vegetative growth may appear in your canopy, including late-grown

vigorous canes. The best time to control this vegetative growth is before the fruit sensitive period to prevent excessive canopy growth. It is also easier to deal with your canopy earlier rather than later while it is still manageable and avoid the potential of dry matter loss and canopy shading later in the season.

For more information on La Niña's impacts, visit the NIWA website.

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

If I now have a block that is not producing what do I need to do?

To ensure our crop estimates are accurate, the block status in the spray diary will need to be updated to non-producing. You can do this online in the spray diary system, via your post-harvest entity or by calling the Grower Support Services Team on 0800 155 355

Why is it important to complete my 2021 grower registration?

Completing your 2021 grower registration ensures that your orchard and account information is accurate and up-to-date to ensure all communication is made with the right person, including important industry information. It also means that only people you have specified have access to your information via the portal. The quickest way to complete your grower registration is through the Industry Portal by clicking on the 'registrations' icon on the home page. If you experience any problems or need guidance, please contact the Grower Support Services Team on 0800 155 355.

Will there be new variety trials in 2022?

Every year in the May issue of *Kiwiflier* Zespri advertises for expression of interest for grower trials. We have a few requirements, but we ask growers to put the variety on their best block - it must be well sheltered, irrigated, and on mature plants of over five years. All applications are based on location, elevation status, and type of variety.

Why do I have to complete a new Loyalty Agreement?

If you have changed any of your details on your supply agreement e.g., supplier, packhouse, or ownership, you will get a new fifth digit for the season. When changing your fifth digit you will need to complete a new loyalty agreement. The Grower Support Services Team will contact growers affected and go through the process of signing a new loyalty agreement.

I understand there are changes to pest monitoring. When will they be available?

Details around an incentive payment are being finalised regarding the KiwiGreen payment. Eligibility for the incentive will include having an approved Pest Monitoring Centre monitor your orchard, taking actions as required if pests are found to be above a threshold and recording any action taken in spray diary promptly afterward. Further information can be found on Canopy.

Can I use Kiwiguard after fruit set?

No, do not apply Kiwiguard after fruit set. Kiwiguard contains a compound called denatonium benzoate that may cause residues if used after fruit set, which is subject to MRLs in Europe and other international markets.

How do I know which fertilisers and adjuvants are allowed for use?

The next version of the Allowed Other Compounds list will be published on Zespri Canopy on Tuesday 21 December. It is important that you check the updated AOC list for allowed products.

Why is my dividend payment less than what I calculated it to be? What are the imputation credits on my dividend statement?

The dividend Zespri has paid to shareholders is fully imputed which means the payment made has imputation credits attached. This results in less tax being payable by the shareholder to the IRD. Imputation credits avoid the double taxation of dividends by matching the tax Zespri has already paid. The highest tax rate in New Zealand is 33%, while imputation credits only go to 28%. Therefore, there is still some tax required to be paid on the dividend payment, and this is the shareholder's obligation.



ZESPRI EVENTS PROTOCOLS

Unite
against
COVID-19

Zespri is committed to following the government's COVID-19 Protection Framework (traffic light system) guidance to ensure everyone's health and safety across all Zespri events.

When you attend a Zespri event, you can expect:



Registrations will be limited so we can safely distance attendees. You must be registered to attend the event.



Zespri staff will be wearing face coverings in accordance with government guidelines.



Food and beverage will be provided as single serve items.



Where possible, an online, hybrid or on-demand option will be available for events.

We ask that you support our safety measures by adhering to the following:



Pre-register for the event. No registration, no entry, due to restrictions on numbers.



Wash your hands or sanitise regularly.



Scan in using the NZ COVID Tracer App when you arrive.



Maintain a physical distance of at least 1 metre from others.



Wear a face covering when requested.



Stay home if you are unwell or awaiting COVID test results.

During traffic light levels Red and Orange, Zespri will require a valid My Vaccine Pass from attendees for in-person events. Please take note of these government requirements when registering.

If you have any queries on this, please contact tours.events@zespri.com

FEB
2022

ZESPRI FISHING TOURNAMENT

The Zespri Industry Liaison team invites all growers and industry partners to register now for the 2022 Zespri Fishing Tournament in February 2022.

This event will be run via a brand new app which will allow for anglers nationwide to participate. Please register your interest by following this link: <https://forms.office.com/r/ggTeVVvR0u>

Further information will be provided to those who register. For any further questions, please contact your Grower Liaison Manager or Grower Services Coordinator, Stacey Baldock on 027 526 8913 or stacey.baldock@zespri.com.

CHRISTMAS SHUTDOWN HOURS

Zespri's New Zealand office will close for the Christmas break from from 3pm on Thursday 23 December and will reopen on Monday 10 January at 9am. There will be no New Zealand staff on site during this time. It's a great opportunity for most of our team to spend some quality time with family and friends and to recharge ourselves over the summer holiday season.

If you have any urgent spray, KiwiGreen, crop protection or pest queries, please contact: **Melanie Walker 021 182 2343.**

If you have an urgent matter and need to contact someone from the Grower Services Team, please call your Grower Liaison Manager:

Tom MacMorran 027 511 2005
Sue Groenewald 027 493 1987
Sylvia Warren 022 101 8550
Brad Ririnui 021 757 843
Richard Jones 027 255 6497



THIS IS A ZESPRI INTERNATIONAL LIMITED PUBLICATION.

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

DISCLAIMER: ZESPRI GROUP LIMITED OR A SUBSIDIARY COMPANY OF ZESPRI GROUP LIMITED (ZGL) MAKES NO WARRANTY OR REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION, PHOTOGRAPHS OR OTHER PUBLISHED MATERIAL ("PUBLISHED MATERIAL") IN THIS PUBLICATION. PUBLISHED MATERIAL AUTHORED BY A PERSON OTHER THAN ZGL REFLECTS THE VIEW OF THE AUTHOR AND NOT THE VIEW OF ZGL. THE PUBLISHED MATERIAL MAY BE SUBJECT TO COPYRIGHT AND SHALL NOT BE REPRODUCED IN ANY MANNER WITHOUT FIRST OBTAINING THE WRITTEN CONSENT OF ZGL. ZGL SHALL NOT BE LIABLE TO ANY PERSON FOR LOSS, INJURY OR DAMAGES ARISING FROM THAT PERSON'S RELIANCE ON THE PUBLISHED MATERIAL. ©2021 ZESPRI GROUP LIMITED.



MIX
Paper from
responsible sources
FSC® C148014