



Zespri launches targeted share offer and buy-back

One of the key measures of the industry's goal to strengthen grower ownership and control of Zespri.

Zespri is proceeding with a targeted share offer and buy-back, with growers and shareholders now able to access key documents online.

The Product Disclosure Statement, Disclose Register Entry and the Buy-Back Disclosure Document have been lodged and are available at <https://disclose-register.companiesoffice.govt.nz/> (Offer number: **OFR12458**). The Product Disclosure Statement and Buy-Back Disclosure Document are also available to view at <http://www.zespri.com/>. Zespri Group Limited is the issuer and offeror of the shares referred to in the Product Disclosure Statement.

For those growers and shareholders who are eligible to receive an offer to buy or sell shares, you will have received (or will shortly receive) a letter of entitlement in the mail along with a copy of either the Product Disclosure Statement for the share

offer or the Buy-Back Disclosure Document for the Buy-Back. We are also required by law to send a copy of the Buy-Back Disclosure Document to all shareholders irrespective of whether they have an entitlement.

The share offer to unshared growers and unshared shareholders (under one share per tray of production) will be open from 3 September. The buy-back offer to dry (non-producer) shareholders and eligible overaligned shareholders (1.5 shares per tray of production and over), will open from 17 September with both offers closing on 19 October. Payment for shares being purchased by growers/ shareholders is also due to be paid by that date.

Zespri will then have two weeks to work through and validate all applications. Zespri is relying on sufficient uptake from the share offer to pay for the buy-back. If it does, and the buy-back reaches

the required thresholds for a tax free payment for shares, then the buy-back will proceed as planned.

If there is a shortfall in the amount raised in the share offer to fund the buy-back, then the buy-back will be scaled back in accordance with the order set out in the Buy-Back Disclosure Document. Lastly, if the buy-back does not achieve the necessary thresholds for a tax-free payment (which we hope won't be the case), then the Zespri Board may decide not to proceed. In any case, the share issue will proceed to settlement on 5 November.

If Zespri has excess capital after the share offer and buy-back, and it can return that capital to remaining shareholders on a tax-free basis, then the Board hopes to be able to do so subject to meeting its statutory obligations, following settlement by way of scheme of arrangement, which will require Zespri to

carry out some steps required by law first. Further details of what this entails will be explained at grower roadshows and in the next issue *Kiwiflier*.

Zespri Chairman Peter McBride comments, "It is pleasing to offer eligible people the opportunity to purchase shares or sell shares, following the changes to Zespri's constitution that were supported by shareholders at our Special Meeting in March this year.

"Grower ownership of Zespri shares helps to align grower and shareholder interests. It also provides an opportunity to growers to share in the corporate income streams of Zespri, through potential dividends, in addition to fruit payments. We are also pleased to offer eligible shareholders in the buy-back offer the opportunity of an effective way to dispose of their shares, should they wish to do so."

Share offer

Q: I've received a letter from Zespri saying I have an entitlement to buy 20,000 shares. Do I have to buy them?

A: No, it's up to you if you want to buy all or just some of them. If you do want to buy just some of them, your purchase must be of at least 100 shares.

Q: What is the historical production you use to calculate entitlements for the share offer?

A: We take the average of the best two of the last five complete seasons (2013-2017). This is the historical production that's used to work out your entitlement to buy up to one share per tray of production equivalent.

Q: I am a lessee with no shares, and my landlord has shares. Will I get a share offer?

A: If your landlord has no more than three shares per tray of production on the KPIN you lease, then you will receive an offer of one share per tray of production.

Q: My landlord and I (lessee) don't have any shares, what happens then?

A: You will each get an offer of one share per tray of production.

Q: I have 15,000 trays of production and 60,000 shares. I registered with Zespri my newly planted two hectares of SunGold, but they said I won't get a share offer for assumed production. Why not?

A: Assumed production was available for existing growers with new plantings/ new developments where they still had headroom under the share cap (four shares per tray of production). You have already taken up your full entitlement to Zespri shares permitted under the constitution, so no assumed production entitlements can be allocated.

Q: I have 4,000 trays and 3,950 shares, but I didn't receive an offer of 50 shares to bring me up to 1:1. Why?

A: The entitlement must be for at least 100 shares for an offer to be made.

Q: I want to buy shares. How do I pay for them?

A: The application form gives you two options if you are a NZ applicant. You can include

your bank details on the application form and tick the box that permits the Share Registrar to direct debit the purchase price from your account, on or around 19 October, or you can tick the box for payment by cheque and include it with your application form which must be received by the Share Registrar no later than 5pm, 19 October. If you are an Australian resident, you can direct credit payment into the Share Registrar's account but must also pay for bank transfer fees, so tell your bank to include the reference 'Our Fees' with your payment instructions.

Share buy-back

Q: I've received a buy-back offer that says if I sell shares back to Zespri, I must sell a minimum of a third of my shares back. Why can't I sell less back to Zespri?

A: Under tax law, for Zespri to be able to pay for shares tax-free under a buy-back it must meet a brightline test that requires the selling shareholder to reduce their voting interests by a minimum percentage. That percentage calculation depends on how many shares are issued and how many are bought back in this process. Zespri's tax advisors believe a sale of at least a third of a shareholders' shares is needed to ensure shareholders won't have to pay tax on the money they receive for shares (unless their personal tax circumstances require otherwise), and that's why a requirement that you sell at least 33.33 percent has been included.

Q: I am a dry shareholder, and the buy-back offer I have received says my minimum entitlement is 600 shares and my maximum entitlement is all my shares (1,800 shares). Can I just sell 1,000 shares?

A: No, if your acceptance would leave you with 1,000 shares or less and you are dry, it will be rounded up to include all your shares.

If your circumstances change i.e. you sell an orchard or end a lease agreement, these changes may affect your eligibility in the share offer. Please contact Zespri Share Registrar Rosie Sim by email, rosie.sim@zespri.com, or call 0800 155 355.

August 2018 forecast approved

The Zespri Board of Directors met on 21 August and approved the August forecast for the 2018/19 season. This is the first published forecast of the season and Zespri is moving into a critical period for our marketing programmes around the world.

The Green return is forecast at \$5.47 per tray, compared with the June forecast range of \$5.20 to \$6.20. The average per hectare return is forecast at \$64,455.

Organic Green is forecast at \$8.67 per tray, compared with the June range \$8.30 to \$8.80, with an average per hectare return of \$69,663.

The SunGold return is forecast at \$10.28 per tray, compared with the June range of \$9.70 to \$10.50. The average per hectare return for Gold is \$138,973.

The Green14 forecast return is \$6.85 per tray, which is an increase on the June range of \$5.80 to \$6.80, and the return per hectare is \$43,876.

The total fruit and service payment, across all pools and excluding the loyalty premium, is currently forecast at \$1,754.3 million.

Zespri CEO Dan Mathieson comments, "This season is about delivering growth in volume while sustaining as much value as we can and our teams are working hard to make this happen. Market conditions have been quite challenging with higher volumes of low priced fruit in many markets. However, the season has a way to go and we are building momentum through our marketing campaigns to stay on track, drive sales and sustain our run rates."

Forecast profit and dividend range

The forecast range of corporate net profit after tax for the year ending 31 March 2019 is \$175 million to \$180 million, including licence release income. The forecast dividend per share range for the year ending 31 March 2019 is \$1.35 to \$1.40. This range is inclusive of dividends relating to 2018 licence release income.

| AVERAGE ORCHARD GATE RETURN Fruit and Service Payments plus the loyalty premium, less post-harvest costs | | | |
|---|--|--------------------------------------|---|
| POOLS | AUGUST 2018 FORECAST | MARCH 2018 FINAL | VARIANCE BETWEEN MARCH 2018 FINAL AND AUGUST 2018 FORECAST* |
| Zespri Green | \$64,455 per ha \$5.47 per tray | \$59,981 per ha \$6.71 per tray | +\$4,474 per ha -\$1.24 per tray |
| Zespri Organic Green | \$69,663 per ha \$8.67 per tray | \$52,375 per ha \$8.93 per tray | +\$17,288 per ha -\$0.27 per tray |
| Zespri SunGold ¹ | \$138,973 per ha \$10.28 per tray | \$114,345 per ha \$10.07 per tray | +\$24,628 per ha +\$0.21 per tray |
| Zespri Green14 | \$43,876 per ha \$6.85 per tray | \$38,937 per ha \$5.61 per tray | +\$4,939 per ha +\$1.24 per tray |

1. March 2018 includes Hort16a variety

* Please note that rounding differences may apply.

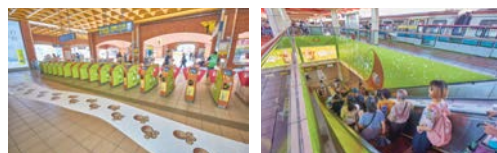
From the markets

Hot weather in some Northern Hemisphere regions has consumers focusing on summer fruits like melons and berries. Zespri's focus is to continue running engaging campaigns in-store, at point-of-sale and through sampling. There's also a strong focus on promoting Zespri Green to achieve target run rates.

Taiwan

Pictured below is the Taipei MRT (mass rapid transit), the highest people carrying transportation system in Taipei. Zespri's Taiwan team have organised eye catching branding of the carriages and station, in theme of a cold New Zealand winter in a hot Taipei summer.

It's estimated the visuals will be seen by more than 6.6 million people per month.



Innovative branding in Taipei.

United Kingdom

The United Kingdom team tells us this summer will be remembered for its relentless heatwave and for the valiant Zespri team that came to the rescue.

"Out into the scorching temperatures we sent the ever-cool Zespri United Kingdom events team with lashings of refreshing Zespri Kiwifruit," says Retail Account Executive Lorraine Kirby. The crowds were of thousands gathered at the historic Blenheim Palace (as pictured) for 'Countryfile Live,'

a four-day outdoor celebration of all things rural, environmental and agricultural.



Japan

There's also a heatwave in Japan, and once again, it's kiwifruit to the rescue.

The Japanese marketing team reports dietitians have found kiwifruit with salt can prevent hyperthermia, which has become a critical social issue in Japan this summer due to record hot weather and associated high numbers of people hospitalised.

Sodium, sugar, potassium, magnesium and calcium are necessary – in addition to water – to prevent hyperthermia. All these necessary elements – except salt – are contained in kiwifruit.

A new recipe called Salty Kiwi (pictured) combines kiwifruit and sparkling water (served in a salt-rimmed glass) to ward off hyperthermia while satisfying sweet cravings.



Singapore

Zespri Singapore has unveiled 60,000 different container designs as part of a shopper promotion.

Each Zespri Green Kiwifruit eight-piece container pack features motifs inspired by unique one of a kind Zespri seed designs, including two Singapore-themed motifs. Singapore, Thailand and Vietnam Marketing Manager Tracy Ho says the designs are in line with Singapore's strategy to drive value through differentiation, as well as innovation, and promises limitless possibilities for Zespri packaging and premiums in the future.



Exclusive new container designs.



Top 5 canopy.zespri.com PAGES

1. Quality Manual
2. OPC Events: Winter Pit-Stops
3. Shares
4. Up-2-Date
5. Zespri Annual Meeting



KNZ Board – 2018 election result

The Kiwifruit New Zealand Board consists of six directors, of which three are elected by producers for a three-year term. This means every year one producer-elected director is due for re-election.

Hendrik Pieters' term expires on 30 September, and as he has held the position for more than three terms of three years, he is not eligible for re-election.

Nominations were called for a new director and the process closed on 13 August. Only one nomination was received, and that was for Colin Olesen.

Accordingly, no election was required this year and Colin has been confirmed as a director of KNZ. Colin's term will commence from 1 October 2018.

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

Kristy McDonald QC
Chair

Collaborative marketing of kiwifruit and kiwiberry

Kiwifruit New Zealand (KNZ) invites applications for new, or reviews of existing, collaborative marketing arrangements for the 2019 selling season.

While Zespri is authorised as the sole exporter of New Zealand grown kiwifruit internationally (other than to Australia for consumption), KNZ may approve other individuals to export New Zealand grown kiwifruit (including kiwiberry) in collaboration with Zespri.

The application guidelines, including the regulatory requirements, can be found at www.knz.co.nz/collaborative-marketing. Applicants may wish to contact KNZ for further information before submitting their application.

Applications for collaborative marketing arrangements must be received by KNZ by 30 September.

KNZ can be contacted at: Ph 07 572 3685 or admin@knz.co.nz

Kiwifruit New Zealand, PO Box 4683, Mt Maunganui South 3149



Christian Stark demonstrating how 'Kiwi Peel' works to Tauranga Foodshow attendees (photo by Jamie Troughton/Dscribe Media).



David and Christian Stark at the Tauranga Foodshow (photo by Jamie Troughton/Dscribe Media).

Young innovator coins KiwiPeel

Peeling kiwifruit can be a messy and difficult task which inspired twelve-year-old Christian Stark to invent a simple solution – a product called 'KiwiPeel', manufactured locally in Tauranga.

With the help of his father David, Christian embarked on a lengthy product development journey. The first prototype was made out of a beer can and has since morphed into a clever yet simple device made out of food grade stainless steel.

The father-son pair successfully launched the product at the Fieldays in Hamilton earlier this year and also attended the Seriously Good Food Show in Tauranga. Hundreds were sold to kiwifruit-loving individuals, families, growers, caterers, restaurateurs and people simply curious about the product.

Zespri was impressed by how quickly the device could peel a kiwifruit and supported the pair with a continuous supply of kiwifruit and covering their entry fees to the trade shows.

The success of this product has prompted excitement about the potential for further marketing and promoting of kiwifruit consumption. KiwiPeel demonstrations and resulting sampling of kiwifruit has not only reminded consumers of how great kiwifruit tastes but has offered them a solution that will make peeling fruit much quicker and tidier.

Calling applicants for Zespri Horticultural Scholarships

Applications are now open for Zespri horticultural scholarships.

These scholarships are available to students already enrolled in tertiary study, who have successfully completed their first year of study. This could include degrees in science, management, marketing, nutrition or business for example, and aims to support studies towards a career

in the horticulture industry. Applications close on 30 September 2018. Recipients will be awarded a per annum amount of up to \$5,000 each. Applications must be submitted by email to scholarships@zespri.com. For more information and the application form, visit www.zespri.com.

2018/19 Season Return Analysis

| Class 1 - Approved Progress Payment 14 September 2018 | 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 | \$0.05 |
| Zespri Organic Green | \$0.35 | \$0.90 | \$0.40 | \$0.50 | \$0.20 | \$0.20 | No Payment |
| Zespri Gold3 and Organic Gold3 | \$0.52 | \$0.40 | \$0.50 | \$0.60 | \$0.70 | \$0.55 | No Supply |
| Zespri Green14 | \$1.05 | \$0.95 | \$1.50 | \$1.50 | \$0.80 | \$0.80 | \$0.80 |

| Class 1 - Indicative Progress Payment 15 October 2018 | Average on Net Submit | 16/18/22 | 25/27 | 30/33 | 36 | 39 | 42 |
|--|--------------------------|----------|--------|--------|--------|--------|------------|
| Zespri Green | \$0.05 | \$0.05 | \$0.05 | \$0.05 | \$0.05 | \$0.05 | \$0.05 |
| Zespri Organic Green | \$0.54 | \$0.60 | \$0.60 | \$0.60 | \$0.55 | \$0.55 | No Payment |
| Zespri Gold3 and Organic Gold3 | \$0.43 | \$0.35 | \$0.45 | \$0.55 | \$0.30 | \$0.40 | No Supply |
| Zespri Green14 | \$0.42 | \$0.25 | \$0.55 | \$0.60 | \$0.35 | \$0.35 | \$0.20 |

| Class 2 - Approved Progress Payment 14 September 2018 | Average on Net Submit | 16/18/22 | 27 | 30 | 33 | 36 | 39 | 42 |
|--|--------------------------|----------|--------|--------|--------|--------|-----------|-----------|
| Class 2 Green | \$1.56 | \$1.40 | \$1.50 | \$1.60 | \$1.70 | \$1.70 | \$1.40 | \$1.15 |
| Class 2 Organic Green | \$2.93 | \$2.80 | \$2.95 | \$3.10 | \$3.00 | \$2.90 | \$2.50 | \$2.20 |
| Class 2 Gold3 | \$2.06 | \$2.20 | \$2.25 | \$1.70 | \$1.60 | \$1.75 | \$2.00 | No Supply |
| Class 2 Organic Gold3 | \$3.33 | \$3.00 | \$3.40 | \$3.50 | \$4.00 | \$3.70 | No Supply | No Supply |

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

| Non-Standard Supply - Approved Progress Payment 14 September 2018 | 42 | 46 |
|---|--------|--------|
| Zespri Green | | \$0.75 |
| Zespri Organic Green | | \$1.80 |
| Zespri Gold3 | \$1.30 | |
| Zespri Organic Gold3 | \$2.50 | |

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 rates have been set without direct reference to size ratios.

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

September 2018 approved progress payments on Net Submit trays

Approved per tray progress payments for 14 September 2018:

| Class 1 | |
|------------------------------|--------|
| Zespri Green | \$0.10 |
| Zespri Organic Green | \$0.35 |
| Zespri Gold3 & Organic Gold3 | \$0.52 |
| Green14 | \$1.05 |

October 2018 indicative progress payments on Net Submit trays

Indicative per tray progress payments for 15 October 2018:

| Class 1 | |
|------------------------------|--------|
| Zespri Green | \$0.05 |
| Zespri Organic Green | \$0.54 |
| Zespri Gold3 & Organic Gold3 | \$0.43 |
| Zespri Green14 | \$0.42 |

Orchard Gate Return

The OGR calculations reflect post-harvest cost data compiled by Ingham Mora Limited in July 2018, the August 2018 forecast fruit loss percentages and current productive hectare information.

2018/19 Season Taste Zespri Payments

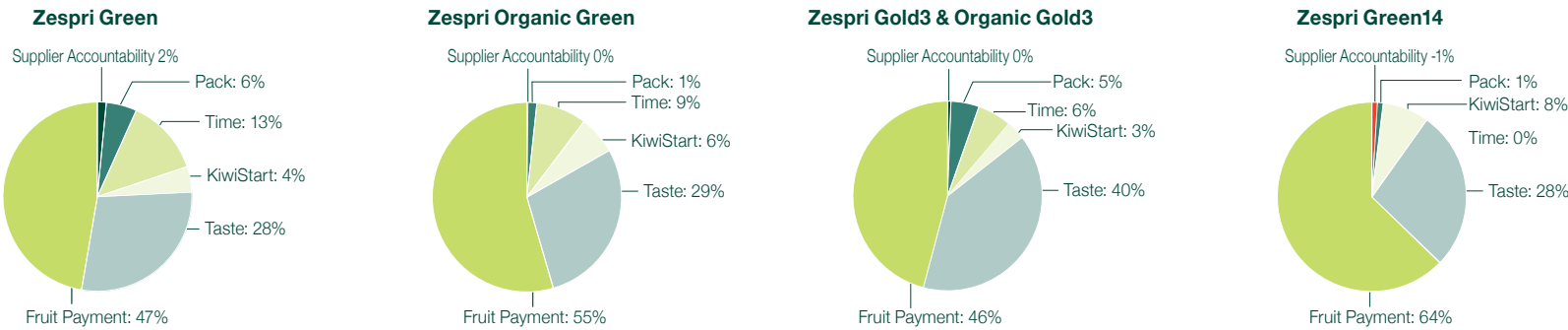
| 2018/19 Season Final Taste Zespri Payments – based on August 2018 forecast | Zespri Green | Zespri Organic Green | Zespri Green14 | Zespri SunGold Total | SunGold Size 42's (NSS) | SunGold Organic Size 42's (NSS) |
|---|--------------|----------------------|----------------|----------------------|-------------------------|---------------------------------|
| | \$ per TE | \$ per TE | \$ per TE | \$ per TE | \$ per TE | \$ per TE |
| Interim August 2018 forecast fruit payment ¹ | \$4.09 | \$6.37 | \$6.32 | \$6.65 | \$6.37 | \$8.61 |
| Plus August 2018 taste payments | \$2.53 | \$3.34 | \$2.76 | \$5.77 | \$2.92 | \$6.07 |
| August 2018 forecast fruit payments including taste | \$6.62 | \$9.71 | \$9.08 | \$12.42 | \$9.29 | \$14.68 |
| Percentage payable as Taste Zespri | 60% | 60% | 60% | 70% | 70% | 70% |
| Maximum taste payment per tray | \$3.97 | \$5.83 | \$5.45 | \$8.69 | \$6.51 | \$10.27 |
| 2018/19 average TZG | 0.64 | 0.57 | 0.51 | 0.66 | 0.45 | 0.59 |
| Average Taste Zespri payment per tray 2018/19 Season | \$2.53 | \$3.34 | \$2.76 | \$5.77 | \$2.92 | \$6.07 |

| Payment Schedule: | | | | | | |
|---|-----|-----|-----|-----|-----|-----|
| 13 July 2018 (based on December 2017 forecast) | 30% | 30% | 30% | 30% | 30% | 30% |
| 15 August 2018 (based on December 2017 forecast) | 30% | 30% | 30% | 30% | 30% | 30% |
| 14 September 2018 (based on August 2018 forecast) | 20% | 20% | 20% | 20% | 20% | 20% |
| 15 November 2018 (based on August 2018 forecast) | 20% | 20% | 20% | 20% | 20% | 20% |

Notes
1. Interim August forecast used in the calculation of final MTP and Taste payments is before the final Time and Kiwistart rates are updated in the forecast model.

2018/19 Season Grower Payments Portions - Total Fruit and Service Payments

2018/19 August Forecast



Full Year August Forecast Return and Orchard Gate Return (OGR) - Industry Average Only

| Full Year Return | 2018/19 - August Forecast | | | | | 2017/18 Actual | | | | |
|--|---------------------------|----------------------|------------------------------|----------------|-----------|----------------|----------------------|---|----------------|------------------------|
| | Zespri Green | Zespri Organic Green | Zespri Gold3 & Organic Gold3 | Zespri Green14 | All Pools | Zespri Green | Zespri Organic Green | Zespri Gold3 & Organic Gold3 (excludes Hort16a) | Zespri Green14 | All Pools ⁷ |
| Total forecast: | | | | | | | | | | |
| Total trays supplied (m) | 81.2 | 3.5 | 66.2 | 0.9 | 154.5 | 65.1 | 2.8 | 52.3 | 1.2 | 124.4 |
| Kilograms supplied (m) | 285.4 | 12.5 | 230.6 | 3.1 | 539.6 | 227.9 | 9.7 | 181.8 | 4.3 | 429.6 |
| Average size per tray | 30.5 | 33.3 | 27.3 | 35.4 | | 29.4 | 33.4 | 26.7 | 34.1 | |
| Fruit payments (\$m) | 343.7 | 22.4 | 437.8 | 5.6 | 827.9 | 348.3 | 21.3 | 358.8 | 6.9 | 756.0 |
| Fruit incentives (\$m) | 248.5 | 14.6 | 417.8 | 3.0 | 685.1 | 192.7 | 7.8 | 301.2 | 3.3 | 506.5 |
| Service costs (\$m) | 135.3 | 4.2 | 101.6 | 0.1 | 241.4 | 101.2 | 2.4 | 67.4 | 0.3 | 171.5 |
| Fruit and service payments excl. loyalty premium (\$m) | 727.5 | 41.2 | 957.2 | 8.8 | 1,754.3 | 642.1 | 31.6 | 727.5 | 10.5 | 1,434.0 |
| Total forecast per tray (\$): | | | | | | | | | | |
| Submit payment | 2.25 | 2.25 | 2.80 | 2.80 | | 2.25 | 2.25 | 2.80 | 2.80 | |
| Progress payments (including GOLD ORGANIC Premium) | 1.98 | 4.08 | 3.81 | 3.52 | | 3.10 | 5.47 | 4.06 | 2.88 | |
| Total fruit payments per net submit trays | 4.23 | 6.33 | 6.61 | 6.32 | | 5.35 | 7.72 | 6.86 | 5.68 | |
| KiwiStart ¹ | 0.39 | 0.75 | 0.46 | 0.75 | | 0.42 | 0.44 | 0.42 | 0.70 | |
| Taste Zespri | 2.53 | 3.34 | 5.77 | 2.76 | | 2.37 | 2.38 | 5.29 | 2.05 | |
| Supplier accountability | 0.14 | 0.01 | 0.08 | -0.09 | | 0.17 | 0.03 | 0.06 | -0.05 | |
| Fruit incentives | 3.06 | 4.11 | 6.31 | 3.42 | | 2.96 | 2.84 | 5.76 | 2.70 | |
| Pack type | 0.48 | 0.18 | 0.70 | 0.12 | | 0.57 | 0.24 | 0.73 | 0.22 | |
| Time payment | 1.19 | 1.00 | 0.84 | 0.00 | | 0.98 | 0.63 | 0.56 | 0.00 | |
| Service costs | 1.67 | 1.18 | 1.54 | 0.12 | | 1.55 | 0.87 | 1.29 | 0.22 | |
| Class 1 forecast fruit and service payments per net submit trays | 8.96 | 11.62 | 14.46 | 9.86 | | 9.86 | 11.43 | 13.92 | 8.60 | |
| Loyalty premium | 0.25 | 0.25 | 0.25 | 0.25 | | 0.28 | 0.28 | 0.28 | 0.28 | |
| Class 1 fruit and service payments with loyalty per net submit trays | 9.21 | 11.87 | 14.71 | 10.11 | | 10.14 | 11.71 | 14.20 | 8.88 | |
| Less: onshore fruit loss | -0.35 | -0.19 | -0.29 | -0.03 | | -0.13 | -0.12 | -0.10 | -0.02 | |
| Fruit loss percentage ² | 3.75% | 1.60% | 2.00% | 0.25% | | 1.30% | 1.03% | 0.74% | 0.23% | |
| Class 1 fruit and service payments per gross submit trays | 8.86 | 11.68 | 14.42 | 10.09 | | 10.01 | 11.59 | 14.09 | 8.86 | |
| Plus Class 2 return | 0.11 | 0.17 | 0.08 | 0.07 | | 0.17 | 0.30 | 0.09 | 0.09 | |
| Plus Non-Standard Supply (NSS) ³ | 0.01 | 0.03 | 0.02 | 0.01 | | 0.00 | 0.03 | 0.02 | 0.01 | |
| Plus Other Income (Non dividend) ⁴ | 0.01 | 0.01 | 0.01 | 0.00 | | 0.01 | 0.01 | 0.01 | 0.01 | |
| Average revenue per gross submit trays | 8.99 | 11.88 | 14.53 | 10.17 | | 10.19 | 11.93 | 14.21 | 8.97 | |
| LESS: Post-harvest costs deducted | | | | | | | | | | |
| Base packing and packaging | -1.50 | -1.59 | -2.25 | -2.18 | | -1.49 | -1.54 | -2.18 | -2.18 | |
| Pack differential | -0.46 | -0.17 | -0.68 | -0.12 | | -0.57 | -0.23 | -0.72 | -0.22 | |
| Base cool storage | -0.82 | -0.83 | -0.83 | -0.84 | | -0.81 | -0.82 | -0.81 | -0.81 | |
| Logistics | -0.14 | -0.14 | -0.14 | -0.14 | | -0.13 | -0.14 | -0.14 | -0.13 | |
| Time and CC/RK charges | -0.60 | -0.48 | -0.34 | -0.04 | | -0.48 | -0.26 | -0.28 | -0.01 | |
| Total post-harvest costs per gross submit trays | -3.52 | -3.22 | -4.24 | -3.33 | | -3.48 | -2.99 | -4.14 | -3.36 | |
| OGR per gross submit trays | 5.47 | 8.67 | 10.28 | 6.85 | | 6.71 | 8.93 | 10.07 | 5.61 | |
| Average industry yield per productive hectare ⁵ | 11,777 | 8,037 | 13,518 | 6,410 | | 8,937 | 5,862 | 11,377 | 6,941 | |
| Number of productive hectares | 7,163 | 448 | 4,996 | 139 | | 7,382 | 476 | 4,629 | 176 | |
| OGR per hectare | \$64,455 | \$69,663 | \$138,973 | \$43,876 | | \$59,981 | \$52,375 | \$114,553 | \$38,937 | |
| Average kilogram per tray ⁶ | 3.52 | 3.51 | 3.48 | 3.49 | | 3.50 | 3.50 | 3.48 | 3.49 | |
| OGR per kilogram | 1.56 | 2.47 | 2.95 | 1.96 | | 1.92 | 2.55 | 2.89 | 1.61 | |

Notes:

1. KiwiStart includes Priority Premium payments. These are period one related payments that apply to fruit shipped in the applicable weeks and vessels.
2. Fruit loss percentage includes ungraded fruit inventory losses.
3. Zespri does not procure NSS in all categories, returns are as reported in the Ingham Mora post-harvest survey.
4. Other Income may include any Service Level Agreement payments, Class 3 income and interest.
5. The average industry yield per hectare equals Class 1 volumes submitted divided by productive hectares. Productive hectares includes all hectares described by growers as producing vines. The OGR may be distorted by the inclusion of orchards in the first years of production in the calculation.
6. Average kilograms per tray are derived using the individual size conversions published in the specific season's Pack Conversion Guide.
7. Last year "all pools" column includes Hort16a.


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.


| Zespri Green AUGUST | | | | | | | | |
|--|--------|---------------|--------------------------|--------------|----------|-----------------|-------------------------|--------------------|
|  ISO Month | Submit | Pack and Time | KiwiStart Accountability | Taste Zespri | Progress | Loyalty Premium | Total payment / FOBS TE | % of Pool Paid YTD |
| Apr-18 | \$2.25 | \$0.01 | | | | | \$2.26 | 25% |
| May-18 | | \$0.09 | | | | | \$0.09 | 26% |
| Jun-18 | | \$0.09 | \$0.00 | | | | \$0.09 | 26% |
| Jul-18 | | \$0.01 | | \$0.35 | \$0.72 | | \$1.08 | 38% |
| Aug-18 | | \$0.09 | \$0.20 | \$0.53 | \$0.09 | | \$0.92 | 48% |
| Sep-18 | | • | • | • | \$0.10 | | • | • |
| Oct-18 | | • | • | • | \$0.05 | | • | • |
| Nov-18 | | • | • | • | • | | • | • |
| Dec-18 | | • | • | • | • | | • | 88% |
| Jan-19 | | | | | | \$0.10 | • | • |
| Feb-19 | | | | | • | | • | • |
| Mar-19 | | | | | • | | • | 96% |
| Apr-19 | | | | | • | | • | • |
| May-19 | | | | | • | | • | • |
| Jun-19 | | | | | | \$0.15 | • | 100% |
| Paid YTD | \$2.25 | \$0.29 | \$0.20 | \$0.88 | \$0.82 | \$0.00 | \$4.44 | |
| Balance to pay | \$0.00 | \$1.37 | \$0.32 | \$1.65 | \$1.17 | \$0.25 | \$4.77 | |
| Total fruit and service payments - 2018/19 forecast | | | | | | | | \$9.21 |

| Zespri Organic Green AUGUST | | | | | | | | |
|--|--------|---------------|--------------------------|--------------|----------|-----------------|-------------------------|--------------------|
|  ISO Month | Submit | Pack and Time | KiwiStart Accountability | Taste Zespri | Progress | Loyalty Premium | Total payment / FOBS TE | % of Pool Paid YTD |
| Apr-18 | \$2.25 | \$0.00 | | | | | \$2.25 | 19% |
| May-18 | | \$0.03 | | | | | \$0.03 | 19% |
| Jun-18 | | \$0.03 | | | | | \$0.03 | 20% |
| Jul-18 | | \$0.00 | | \$0.39 | \$0.80 | | \$1.19 | 30% |
| Aug-18 | | \$0.09 | \$0.35 | \$0.67 | \$0.67 | | \$1.78 | 45% |
| Sep-18 | | • | • | • | \$0.35 | | • | • |
| Oct-18 | | • | • | • | \$0.54 | | • | • |
| Nov-18 | | • | • | • | • | | • | • |
| Dec-18 | | • | • | • | • | | • | 90% |
| Jan-19 | | | | | | \$0.10 | • | • |
| Feb-19 | | | | | • | | • | • |
| Mar-19 | | | | | • | | • | 97% |
| Apr-19 | | | | | • | | • | • |
| May-19 | | | | | • | | • | • |
| Jun-19 | | | | | | \$0.15 | • | 100% |
| Paid YTD | \$2.25 | \$0.16 | \$0.35 | \$1.06 | \$1.46 | \$0.00 | \$5.28 | |
| Balance to pay | \$0.00 | \$1.01 | \$0.42 | \$2.29 | \$2.62 | \$0.25 | \$6.58 | |
| Total fruit and service payments - 2018/19 forecast | | | | | | | | \$11.87 |

Note 1: The submit and progress payments detailed in the tables are based on net submit trays.

- Pack and Time, KiwiStart and Taste Zespri is 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 2018/19 August forecast trays and actual payments to date.
- YTD amounts for Pack and Time may move from previous *Kiwifliers* due to SLAs being paid late in a month.

| Zespri Gold3 and Organic Gold3 AUGUST | | | | | | | | |
|---|--------|---------------|--------------------------|--------------|----------|-----------------|-----------------|-------------------------|
|  ISO Month | Submit | Pack and Time | KiwiStart Accountability | Taste Zespri | Progress | Gold OB Premium | Loyalty Premium | Total payment / FOBS TE |
| Apr-18 | \$2.80 | \$0.12 | | | | | | \$2.92 |
| May-18 | | \$0.14 | | | | | | \$0.14 |
| Jun-18 | | \$0.18 | | | | | | \$0.18 |
| Jul-18 | | \$0.03 | | \$0.99 | \$0.91 | | | \$1.93 |
| Aug-18 | | \$0.24 | \$0.23 | \$1.49 | \$0.48 | \$0.02 | | \$2.46 |
| Sep-18 | | • | • | • | \$0.52 | | | • |
| Oct-18 | | • | • | • | \$0.43 | | | • |
| Nov-18 | | • | • | • | • | • | | • |
| Dec-18 | | • | • | • | • | | | • |
| Jan-19 | | | | | | | \$0.10 | • |
| Feb-19 | | | | | • | | | • |
| Mar-19 | | | | | • | • | | • |
| Apr-19 | | | | | • | | | • |
| May-19 | | | | | • | | | • |
| Jun-19 | | | | | | | \$0.15 | • |
| Paid YTD | \$2.80 | \$0.71 | \$0.23 | \$2.49 | \$1.40 | \$0.02 | \$0.00 | \$7.63 |
| Balance to pay | \$0.00 | \$0.83 | \$0.32 | \$3.28 | \$2.39 | \$0.01 | \$0.25 | \$7.08 |
| Total fruit and service payments - 2018/19 forecast | | | | | | | | \$14.71 |

| Zespri Green14 AUGUST | | | | | | | | |
|---|--------|---------------|--------------------------|--------------|----------|-----------------|-------------------------|--------------------|
|  ISO Month | Submit | Pack and Time | KiwiStart Accountability | Taste Zespri | Progress | Loyalty Premium | Total payment / FOBS TE | % of Pool Paid YTD |
| Apr-18 | \$2.80 | \$0.06 | | | | | \$2.86 | 28% |
| May-18 | | \$0.07 | | | | | \$0.07 | 29% |
| Jun-18 | | \$0.00 | | | | | \$0.00 | 29% |
| Jul-18 | | | | \$0.70 | \$0.28 | | \$0.98 | 39% |
| Aug-18 | | \$0.00 | \$0.38 | \$0.70 | \$0.65 | | \$1.73 | 56% |
| Sep-18 | | | • | • | \$1.05 | | • | • |
| Oct-18 | | | • | | \$0.42 | | • | • |
| Nov-18 | | | • | • | • | | • | • |
| Dec-18 | | | • | | • | | • | 90% |
| Jan-19 | | | | | | \$0.10 | • | • |
| Feb-19 | | | | | • | | • | • |
| Mar-19 | | | | | • | | • | 97% |
| Apr-19 | | | | | • | | • | • |
| May-19 | | | | | • | | • | • |
| Jun-19 | | | | | | \$0.15 | • | 100% |
| Paid YTD | \$2.80 | \$0.13 | \$0.38 | \$1.39 | \$0.93 | \$0.00 | \$5.63 | |
| Balance to pay | \$0.00 | \$0.00 | \$0.28 | \$1.36 | \$2.59 | \$0.25 | \$4.48 | |
| Total fruit and service payments - 2018/19 forecast | | | | | | | | \$10.11 |

Note 2: Rates per TE of \$0.00 have values of less than \$0.005.

Share Briefs

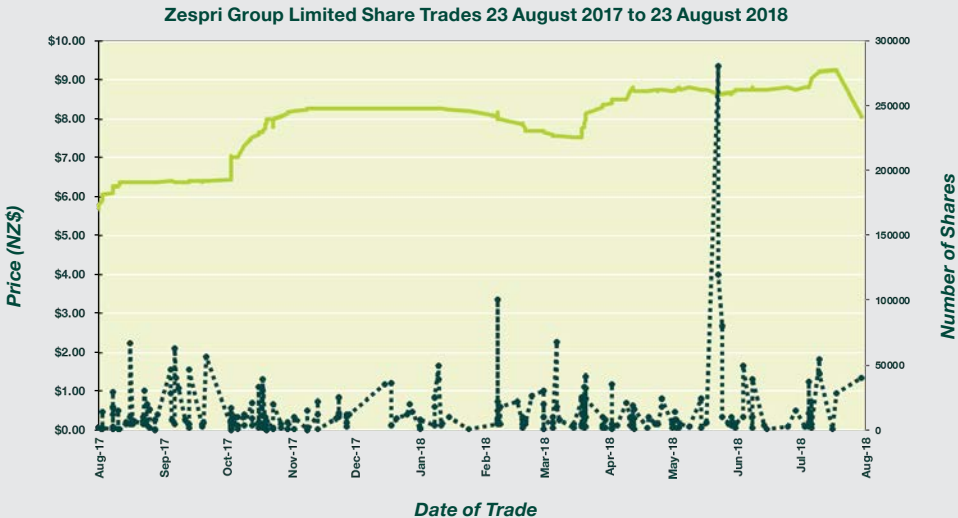
As at **23 August 2018** the last Zespri share price trade was **\$8.05** traded on **23 August 2018**. There were three buyers at **\$7.98, \$7.93 and \$7.80**. There were four sellers at **\$8.05, \$8.10, \$8.25 and \$9.25**.

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.

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

The share price has decreased significantly which reflects the payment of the August dividends which was \$1.16.



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

Below is the current Market Depth information as at **23 August 2018**.

| Quote Line at Thursday 23 August as at 9:50am | | | | | | |
|---|----------|------------|-----------|-----------|----------|--------|
| Code | Bid (\$) | Offer (\$) | Last (\$) | High (\$) | Low (\$) | Volume |
| ZGL | 7.980 | 8.050 | 8.050 | 8.050 | 8.050 | 0 |

| Market Depth | | | | | |
|--------------|----------|------------|------------|----------|--------|
| BIDS | | | OFFERS | | |
| Orders | Quantity | Price (\$) | Price (\$) | Quantity | Orders |
| 1 | 5,000 | 7.980 | 8.050 | 5,000 | 1 |
| 1 | 5,000 | 7.930 | 8.100 | 5,000 | 1 |
| 1 | 2,000 | 7.800 | 8.250 | 21,900 | 1 |
| | | | 9.250 | 20,000 | 1 |

| Last 10 Trades | | | |
|----------------|----------|------------|------------|
| Date/Time | Quantity | Price (\$) | Value (\$) |
| 20/08/18 | 5,000 | 8.050 | 40250.000 |
| 8/08/18 | 28,500 | 9.250 | 263625.000 |
| 6/08/18 | 500 | 9.250 | 4625.000 |
| 31/07/18 | 43,370 | 9.200 | 399004.000 |
| 31/07/18 | 54,350 | 9.200 | 500020.000 |
| 27/07/18 | 2,000 | 9.050 | 18100.000 |
| 27/07/18 | 22,565 | 9.000 | 203085.000 |
| 24/07/18 | 3,100 | 8.800 | 27280.000 |
| 20/07/18 | 15,000 | 8.750 | 131250.000 |
| 16/07/18 | 3,000 | 8.800 | 26400.000 |

Director share trading

For the month of August (as at **23 August**), there were no shares traded by entities associated with Zespri Directors. See the Canopy for details: Canopy > Growing Zespri Kiwifruit > Working with Zespri > Shares. Alternatively search for 'Director Shares' using the search function.

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



The month ahead – September

Key topics included in the ‘month ahead’ page for September are below - for more details, check out Canopy > Growing kiwifruit > Orchard Management > the month ahead: September.

Planning for spring: Spring is hectic on the orchard and it begins this month! There’s so much happening, so it’s really important to have a plan.

Pollination: Pollination may seem like a while off but you should make sure you **secure hives** now and order pollen as a back-up if you don’t have any in the freezer.

Budbreak: Budbreak is not far off and just before budbreak is the ideal time to apply

compost and nitrogen **based fertilisers** so the rapidly growing canopy has plenty of nitrogen available when it’s needed.

It’s important to try to identify, predict and monitor your budbreak. There are great resources to help you on the Canopy website and don’t forget to check out the slides and videos of scientists speaking at last years Budbreak Event.

Early season spraying

Talk to your beekeeper

Counting what you have got

Collecting budbreak assessment data

Water event – resources on their way soon

Spraying: Plan your spray activities through spring, plotting them out around your predicted budbreak and flowering dates, taking into consideration the intervals you need to leave between applications, what you can mix in the tank and the safe re-entry periods so you know when it’s safe to go back to work in the orchard.

New grafts: Remember to check out GraftCare to keep up-to-date with what you need to be

doing to look after your grafts. This season’s goal for your new grafts is to get as much canopy established as possible. Talk to your fertiliser consultant for recommendations for your site.

Other things to look out for in September include, **frost**, **bird strike** and considerations for growing for **good taste**.

Early season spraying

Early season spraying is paramount in both conventional and organic growing systems. Not only is it a key time for controlling populations of pests and pathogens, but it’s also a high-risk time for spray applications because of a lack of canopy fill. As little as five percent of the spray volume is captured by the canopy and the rest ends up either on the ground or as spray drift. Keeping this drift confined to your own property should be a goal in every spray application, but it’s particularly important during these early

season applications when we’re using harder chemistry, and shelter belts are often more open. We often think of air inclusion (AI) nozzles only for applications of hi-cane, but actually they’re suitable for lots of your other early season sprays. They are compulsory for hi-cane and bactericide applications, but you should also seriously consider them for bird control products, foliar fertilisers and coppers up until the start of flowering.

| Product for dormant or early season application | Drift-reducing adjuvant | Super-spreading adjuvant |
|--|-------------------------|--------------------------|
| Hydrogen cyanamide | ✓ | |
| MesuroI | ✓ | |
| KeyStrepto/Kasumin – before canopy closure | ✓ | |
| KeyStrepto/Kasumin – before flowering but after canopy closure | | ✓ |
| Copper products | | ✓ |

When should I use a drift-reducing adjuvant, and when should I use a super-spreader? For more detail, see KiwiTech Bulletin N98: Dormant and early spring spray application on the Canopy website. Watch the *Calibrating Your Sprayer* video on the Canopy to ensure you get the most from your sprayer.

Give your beekeeper a buzz

Now is the time (yep, already!) to start thinking ahead to pollination and this means talking to your beekeeper now. Pollination is crucial to your crops dry matter and sizing so getting it right is important. At the OPC Beekeepers event earlier this year beekeepers stressed the importance of communication with growers, particularly around hive numbers required. A full write up of the event is published in the August –September 2018 *Kiwifruit Journal* (available on the Canopy website) but in summary, start thinking about:

- Hive numbers and drops – have you bought or developed a new orchard and require more hives than previously? Did you have too few per hectare and require more? You need to let your beekeeper know so they can plan to have enough available for you.
- Agree and sign a contract – this ensures you are both clear on expectations.
- Estimate delivery dates.
- Start thinking about where you want the hives placed – then ensure there is good orchard access.

Preparing my hives

BEEKEEPER ACTIVITIES

- Check hive health (AFB free), strength & queens
- Treat for mites if required
- Feeding rounds
- Do I have enough hives to meet pollination needs?
- Mitigation plan if something goes wrong - have 20% more hives as back up.
- Train staff
- Buy hive food and supplies
- Pre-pollination audit meets standard - including room for expansion.

GROWER ACTIVITIES

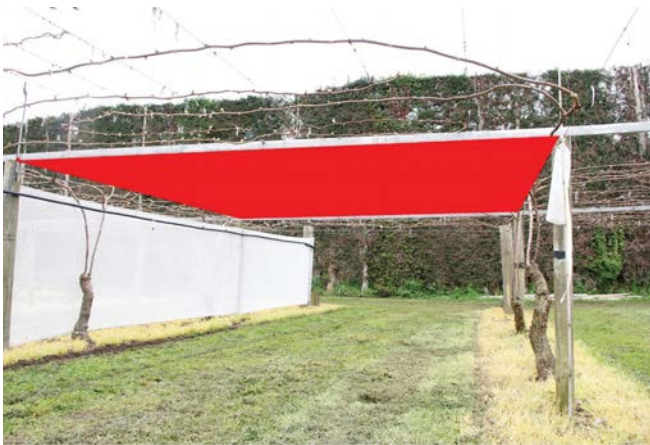
- Calculate hive numbers & drops
- Estimate expected dates for hive delivery & placement locations
- Agree & sign contracts
- Back up of pollen
- Decide Psa protocols
- Communicate pollination plans to orchard managers & staff
- Ensure safe & easy access for delivery and feeding
- Prepare orchard map - hazards, drop locations & access
- Shelter belt trimming
- Fertilise early - odour repels bees
- Mow orchard
- Complete spraying
- Put water out
- Markers to identify drop locations & hive quantity

COMMUNICATIONS

- How was last seasons' harvest and honey production?
- Double check numbers - has anything changed?
- Confirm expected dates in & out.
- Identify key contacts
- Up to date orchard map sent to beekeeper
- Hailnet - plans in place?
- Agree hive placement - sunny & good access
- Health & safety requirements
- Orchard access - gate keys?
- Spray plans
- Notify neighbour when bees will be in orchard

Counting what you’ve got

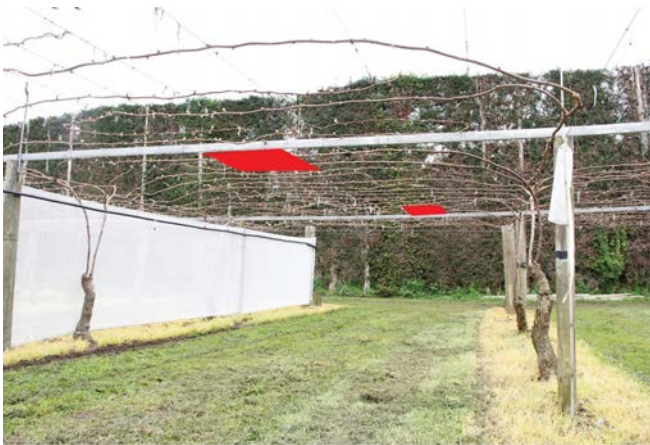
The first step in getting the spring thinning job done well is understanding your starting point. There are a couple of exciting pieces of technology in the pipeline, but in the meantime, counting is a manual job. What are some of the approaches you could take to counting flower buds this season?



Counting a bay in an opposing female pergola system, made up of parts of four different vines.



Counting between wires – either do the entire bay one wire at a time, or move between bays as you move across the wire positions.



Counting quadrats (square metres). Make yourself a 1m² template from wire or plastic pipes to hang up as a guide.

Collecting budbreak assessment data

We are sure growers are eagerly waiting to start collecting data – when budbreak happens, and how it progresses, on canes that have had a budbreak enhancer applied, and also those that haven't.

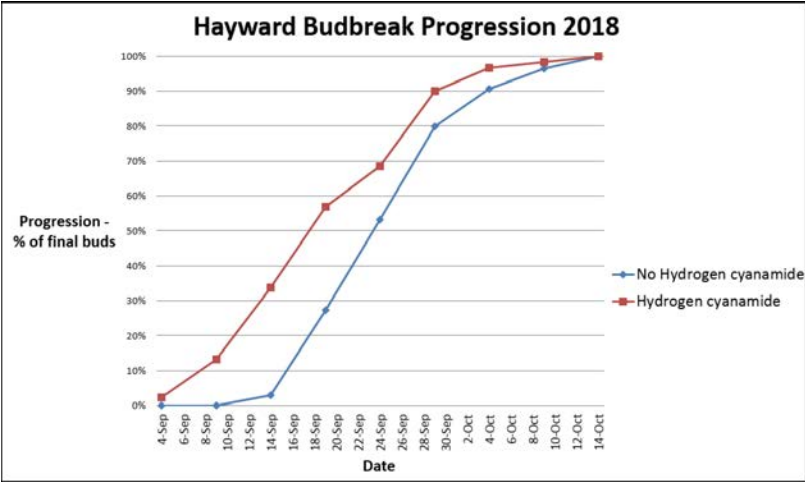
What information do you need? For each pair of canes you've tagged (similar wood type, one covered during spray application), record the total number of winter buds, and at several points during the progression of budbreak, the number of buds broken

on each. Later on, you can also record king flowers and king flowers with laterals, to get king flowers/winter bud data for sprayed and unsprayed canes.

An Excel spreadsheet template is available at Canopy > Growing Kiwifruit > Orchard Management > Budbreak > Identify, predict and monitor budbreak. This template summarises and graphs all the data for you, so you can easily compare the two systems and see how effective (or not) your budbreak enhancer has been.

This simple activity provides some really powerful data. For example, in the graph below, the mid-point of natural budbreak is around 24 September. This is useful when you tie it to the winter chill data and use it next season to help with predictions. On this site the use of a budbreak enhancer (in this case hydrogen cyanamide) has increased king flowers/winter bud from 1.6 to 2.0, but it's also increased the proportion of king flowers with laterals which cost the grower to remove during thinning.

| Measurement | Unsprayed control | Hi-Cane |
|-----------------------------------|-------------------|---------|
| Buds | 196 | 247 |
| Final | 139 | 181 |
| Percentage final | 71% | 73% |
| King flowers | 314 | 491 |
| Lateral flowers | 184 | 322 |
| King flowers per shoot | 2.3 | 2.7 |
| King flowers per winter bud | 1.6 | 2.0 |
| King flowers with lateral flowers | 59% | 33% |



Spotlight on water event – resources on their way soon

After a very successful event, the OPC team is busy turning the talks, presentations and activities into resources for growers to access. Over the next couple of months you'll see these start to appear on the Canopy website and in the KiwiTips e-newsletter.

With around 100 growers and industry stakeholders in attendance, we heard from speakers from several industries

including arable and dairy, and how they are using precision agriculture approaches to manage nutrients and water. Plant & Food Research's Steve Green and Dan Bloomer from LandWise Inc talked about some of the practicalities of managing drainage and irrigations systems, and the water requirements for kiwifruit vines. Bay of Plenty Regional Council staff spoke about the consent process and what the future looks like for new consents in the BOP, and Sonia Whiteman

from Zespri Innovation finished up the day talking about water safety and making sure the fruit we're producing is safe for consumers to eat.

There were definitely more questions than answers at the end of the day, but this event was just the start of a conversation about water – you'll see a lot more on this topic from us in the coming months and years!

Innovation and sustainability

One of Zespri's strategic must-wins is sustainability and here we profile innovation projects that are underway. This month, we'll look at copper research and carbon footprinting projects.

1. Copper research

Copper sprays are registered for use on many horticultural crops globally to protect them from a range of bacterial diseases. In kiwifruit, they are used to protect vines from Psa and promote leaf drop after harvest. To prevent harm, copper use on kiwifruit orchards is capped and the following research is underway to ensure copper is used effectively and safely.

- Soil copper levels are currently measured in Bay of Plenty orchards to determine how orchard practices are impacting this. For existing participating orchards, the results will be compared with previous results, while orchards in Kerikeri, South Auckland, Opotiki and Gisborne are being sampled for the first time this year. This research will be used to validate a soil copper accumulation model developed by Plant and Food Research which takes into account how much and what form of copper is being applied, the soil type, and soil properties. It will tell growers if they are gaining copper and how their levels compare to recommended maximum levels.
- Alternatives to and lower rates of copper sulphate for leaf drop prior to pruning were trialled on commercial orchards following the 2018 harvest. Differences in rate of leaf drop for different treatments were measured and any impact these may have on flowering and yield will be assessed

this spring and reported at a later date. Current advice on minimising the use of copper sulphate for leaf drop is available in the Zespri OPC publication: NK018 – Copper sulphate application for leaf drop.

- Zespri supports research into identifying Psa control options to reduce copper use, an example being the imminent biological product called 'Aureo Gold' which has equivalent efficacy to copper but can be used over flowering and the copper sensitive periods. The registration application is being assessed by MPI.

For more about this research, please contact Zespri Innovation Leader Tim Lowe: tim.lowe@zespri.com.

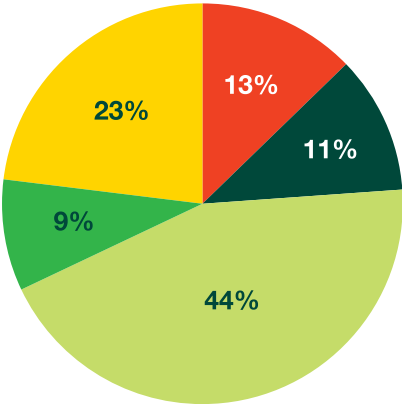
2. Carbon footprinting project

Globally, companies and supply chains are focussed on understanding their contribution to climate change and what they can do to minimise greenhouse gas emissions. In 2010, the carbon footprint of Zespri Kiwifruit was first quantified and published. The industry has changed significantly since then and to understand the impacts of this, the carbon footprint will be remeasured and compared against the previous result. The carbon emissions associated with each of the key stages in a kiwifruit life cycle will again be determined to identify the greatest opportunities for improvement. Growers and post-harvest operators will have the opportunity to provide data to calculate their carbon

footprints and to benchmark their results against Industry averages. This research will be carried out over the next few months as part of the Zespri funded Sustainability Dashboard project, by researchers who were involved in the original 2010 work.

For more about this research, please contact Zespri Innovation Leader Jayson Benge: jayson.benge@zespri.com.

- Consumer consumption and disposal
- Orchard operations
- Packhouse and coolstore processes
- Shipping
- Repacking and retailer emissions



Carbon emissions for the key stages of a Zespri Kiwifruit life cycle in 2010.

Launch of horticulture degree

A new degree, dedicated to horticultural science, is on offer at Massey University, as of next year.

Innovation Leader Juliet Ansell and Innovation Co-ordinator Renee Hollard were in Palmerston North for the Massey University Open Day in August, giving away kiwifruit, promoting the industry as a potential career, chaperoning the mascot and encouraging students to consider the new degree.

"This three-year B.Sc Horticultural Science degree will support the capability building

of highly skilled workers for the future of the kiwifruit industry," says Juliet.

Zespri has a good relationship with the university's researchers through the Orchard Productivity Centre, innovation, and technical teams and interacts on many levels such as funding research and liaison with undergraduate students. Zespri also sponsors the annual agriculture-horticulture awards dinner.



Enjoying the university open day are Juliet Ansell and Renee Hollard in the above right photo, while the mascot was a hit with students (left photo).

Contact Industry Liaison Team Leader Tom MacMorran (027 511 2005) or Grower Liaison Managers: Sue Groenewald (027 493 1987), Sylvia Warren (022 101 8550), Casie Rudnicki (027 271 2695) or Jane Ritchie (027 511 1056).

Q.&A. from the field



Q1: What is GRASP?

A1: GRASP stands for Global Good Agricultural Practice (GAP) Risk Assessment on Social Practices. It is an add-on module to Global GAP certification that focuses on the social compliance aspects of workers health, safety and welfare. The module defines the minimum requirements for a good social management system in primary production and aims to help producers establish good practices in regards to looking after the welfare of employees, and meeting their obligations under workplace relations and safety law. More information about GRASP is available on the Canopy website.

Q2: I'm doing some late regrafting in my Gold3, can I still get budwood?

A2: Yes. The budwood coolstore is no longer open, however, budwood will still be available for growers by appointment. If you would like to organise some Gold3 budwood, contact Jane Ritchie on 027 511 1056.

Q3: I still have money owing on my Gold3 licence from previous tenders. When is the next licence payment due?

A3: The next round of licence payments is due on 31 August. Growers should have received a statement by email or post. If you haven't received a statement, contact Grower Support Services on 0800 155 355.

Q4: If I'm spraying my blocks for pests, can I also spray my shelterbelts?

A4: Shelterbelts can house some kiwifruit pests and sometimes it can be a good idea to include your shelterbelt with control sprays. If you are spraying shelterbelts, be cautious and mitigate any spray drift. When recording the spray in your spray diary, select the tick box 'Outside' in the Blocks section of the spray line.

Q5: What's an overaligned and/or overshared shareholder?

A5: An overaligned shareholder is a grower that holds shares at or over the ratio 1.5:1 shares per tray. An overshared shareholder is a grower that holds shares in excess of 4:1 shares per tray.

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Save the date: join us for the biggest biosecurity update of the year



KVH and Zespri are hosting the inaugural Kiwifruit Biosecurity Grower Update, a day dedicated to learning and sharing all the great work underway to protect New Zealand's kiwifruit industry from unwanted pests and disease threats.

What are we doing to prepare for threats to kiwifruit? When do we work with government and other horticulture industries? How do our

innovation and research programmes help us? What are our most unwanted pests and how do we keep them out? Why is traceability so important and how can it help us? Feature presentations and interactive sessions will cover all this and more.

The event will be held Thursday 18 October – visit the KVH and Zespri websites for more detail.

The risk with importing kiwifruit seed



KVH is aware of international websites offering several varieties of kiwifruit for sale. This is concerning not only because buying seeds online for import into New Zealand could risk introducing a plant disease, but also because websites are often falsely declaring contents on the packaging.

Lab test results from recent packages sold as 'purple hearts kiwifruit' online and sent to New Zealand (which then became known to KVH, so we had them delivered to us for formal reporting and testing) confirmed the seeds were of course not purple kiwifruit, and a number were seeds from entirely different plants.

There are strict rules around importing any kiwifruit seed. Seed intended for growing requires a permit to import and a phytosanitary certificate. It must be imported into post entry quarantine where it will be grown and checked for a range of viruses and other plant disease organisms. No seeds

will be given biosecurity clearance; only plants which have been inspected and tested will be eligible for clearance.

MPI enforce all requirements and investigate any report of kiwifruit plants grown from unapproved seed imports. Please alert MPI if you aware of any unapproved kiwifruit seed imports by calling the exotic pest and disease hotline on 0800 80 99 66.



New Zealand Kiwifruit Growers Incorporated (NZKGI)
ph: (07) 574 7139 or toll free on 0800 232 505
www.nzkgi.org.nz

NZKGI Regional Representatives

At the 6 September forum meeting, grower regions will be represented by the following:

- Northland: **Karen Pickford** (newly appointed)
- Auckland: **Monty Spencer** (newly appointed)
- Waikato: **Mark Gardiner** (reappointed)
- Coromandel and Waihi: **Andrew Dawson** (reappointed)
- Katikati: **Sean Carnachan** (reappointed), **Craig Pooley** (reappointed)
- Tauranga: **Whetu Rolleston** (newly appointed), **Mike Smith** (reappointed)
- Te Puke: **Helen Allan** (newly appointed), **Ross Bawden** (reappointed), **Simon Cook** (reappointed), **Tammy Hill** (newly appointed)
- Whakatane: **Matthew Moore** (reappointed)
- Opotiki: **Chris Anstis** (reappointed)
- Poverty Bay: **Doug Brown** (reappointed)
- Hawkes Bay/Lower North Island: **Richard Pentreath** (reappointed)
- South Island: **Paul Thomas**: (reappointed).

NZKGI Chairman Doug Brown says, "Congratulations to the newly and reappointed Regional forum Members. I am looking forward to seeing them engage with the growers from their regions and bring their constituents opinions to the forum. I would also like to extend a message of thanks to those forum members who have retired by rotation. The contribution that regional representatives play is often a thankless task but is crucial in contributing to the voice of New Zealand's kiwifruit growers."

Kiwifruit growers are encouraged to give their opinion on industry matters to their regional representative. Representatives contact details are located on the NZKGI website: www.nzkgi.org.nz/about/representatives-staff.

New seasonal management guide out now



The Psa-V Seasonal Management Wall Chart 2018-19 is out now and a copy is included with this edition of *Kiwiflier*. A key feature of the wall chart is the KVH Recommended Product List, which sets out the upcoming seasons approved products for protection against Psa, as well as their year-round application rates and permitted use periods.

Key changes to this season's wall chart are:

- Additional descriptive information about the size and length of leaves and shoots when applying products.
- More emphasis on cultural management of Psa, including making information about products for sanitising tools and pruning more prominent.

Any changes or updates made to the chart and product list during the 2018/19 season will be made to the online versions and will be notified via the KVH Bulletin.

Complementing the chart is the KVH Psa Risk Model. Developed as an online, weather-based decision support system, this model helps growers with orchard management in a Psa environment. It includes weather station data and forecast details to provide customised access to unique disease information and interpretations.

KVH has produced an online video tutorial to guide growers through the model, demonstrating how to use the weather tools available. The video and the model itself are both available on the KVH website at www.kvh.org.nz/kiwi_psa.

Industry Supply Group (ISG) meeting 16 August

The main agenda items to be discussed are as follows:

- Market run rates
- Maturity review and maturity clearance services review
- Time and Kiwistart rates
- Australia DIFITOS

The September ISG meeting will be held on the **20 September**.