



2026

# GROWER PAYMENTS



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# INTRODUCTION

*Hi everyone,*

As we prepare for the 2026 season, we're building on a year of strong performance.

Last season saw us deliver our largest-ever crop to market, strengthen grower ownership, and continue to build the global presence of the Zespri brand. Zespri is now the number one fruit brand in our top 15 markets, reaching over 100 million households and generating more than \$4.5 billion in global sales revenue – a longstanding goal we'd set to achieve by 2025.

As we now look ahead, our focus remains on maximising value for growers while ensuring the long-term resilience of our industry. This is the basis of our 2035 strategy, which sets out our ambition to be the world's healthiest fruit brand. We'll be focused on three key strategic drivers: building brand led demand across our markets, transforming our global supply chain, and creating the product portfolio of the future.

Underpinning this is our ongoing work to reduce quality costs, with consistently high quality fruit a critical aspect of our brand promise. Our quality review is exploring how we can reduce the amount of poor quality fruit arriving in-market with customers, particularly

late in the season so that we protect value for growers.

Delivering on our 2035 strategy is also supported by a strong focus on our people, sustainability, and the systems and standards that enable consistency across our supply chain. This includes maintaining GLOBALG.A.P. certification and supporting initiatives that strengthen orchard and industry resilience, helping ensure Zespri continues to deliver high quality fruit and remains a trusted partner for customers and consumers.

Together, our 2035 strategy and our ongoing focus on quality will shape how we manage each season – moving fruit early to capture market opportunities, managing flow to avoid capacity constraints, and recognising supply that supports both quality and efficiency.

The **2026/27 incentive payments** (Taste Zespri Payments, KiwiStart Premium, Supplier Accountability) and **Service Payments** (Time Payments and Pack Payments) have been designed with these priorities in mind. They recognise early supply, fruit that stores well, and actions that help us keep fruit moving throughout the season.

As always, these measures have been developed in collaboration with the Industry Supply Group, NZKGI, and the Industry Advisory Council to ensure fairness and relevance.



**JASON TE BRAKE**

**This booklet provides detailed information on payment processes and calculations. Rates and related settings described in this booklet are based on information available at the time of publication and may be updated during the season. For the most up to date rates and related information, please visit the Grower Payments page on Canopy. If you have any questions, please contact your Grower Relations Manager or our Grower Service Centre team on 0800 155 355.**

Thank you for your efforts as we head into the new season. The outlook for our industry is strong, and I look forward to working together to deliver another great season for growers and the industry.

**Best regards,  
Jason Te Brake**

# STANDARD SUPPLY

## What is Zespri Standard Supply?

Kiwifruit must meet certain grade and size standards to be accepted into inventory as Standard Supply (refer to *Quality Manual – Grade Standards*).

Zespri agrees to procure all fruit deemed standard supply as a provision of the Supply Agreement.

However, Zespri can also procure targeted fruit volumes outside the standard specification to meet additional market demand as Non-Standard Supply (NSS). This includes Class II, SunGold 39s (Y, T, and R band), and from 2026 Red 46s. For Non-Standard Supply that Zespri procures and sells, the market return less costs is reflected in the fruit return.

Grade standards include a Minimum Taste Standard (MTS) for each variety (refer to the *Quality Manual - Standard for Clearance, Storage & Loadout*).

## Minimum Taste Standards (Mainpack)

ZESPRI GREEN KIWIFRUIT	ZESPRI ORGANIC GREEN KIWIFRUIT	ZESPRI SWEET GREEN KIWIFRUIT
15.5%	15.5%	16.2%
ZESPRI SUNGOLD KIWIFRUIT	ZESPRI ORGANIC SUNGOLD KIWIFRUIT	ZESPRI RUBYRED™ KIWIFRUIT
16.1%	16.1%	17.2%

The KiwiStart MTS levels differ from modified maturity criteria to support an acceptable consumer experience.

Zespri SunGold and Zespri Organic SunGold Kiwifruit size 39s have a higher dry matter threshold of 16.6 percent to support an acceptable consumer experience, given the natural variability in the small Zespri SunGold Kiwifruit sizes.

Rates and related information in this booklet are based on information available at the time of publication and may be updated during the season. Any confirmed changes will be communicated by NZKGI and published on Canopy.



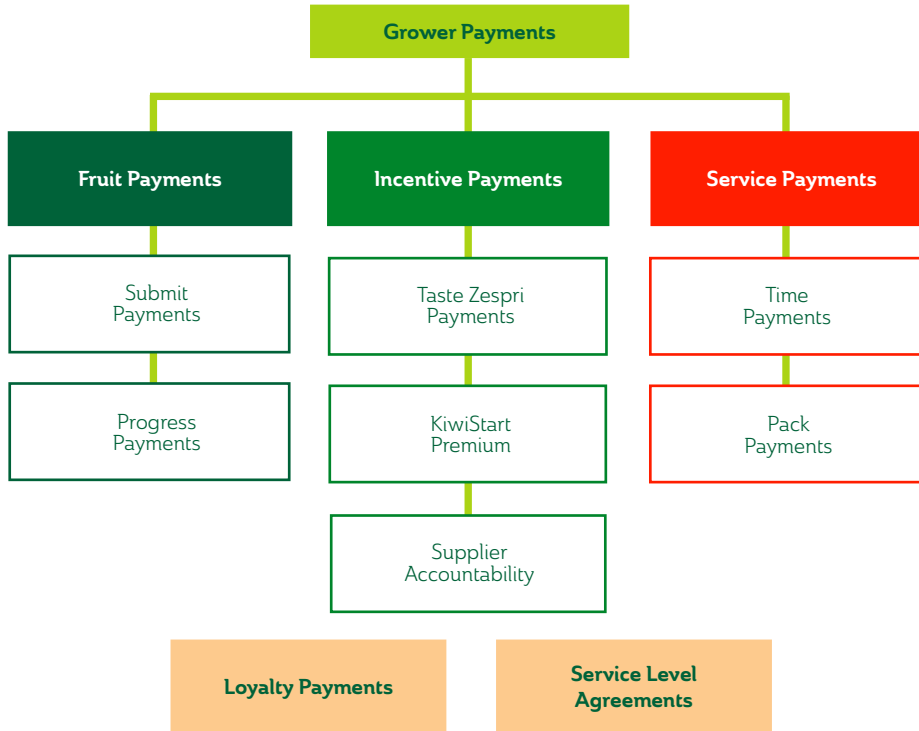
# WHERE DO GROWER PAYMENTS COME FROM?

The Supply Agreement determines the flow of funds from revenue earned in the markets, the deduction of costs, and the calculation of Fruit and Service Payments. The following chart illustrates how these transactions flow through to grower payments.

Grower Payments are categorised under three payment groups: Fruit, Incentive, and Service Payments. These groups cover the major payment programmes used to secure Zespri Class 1 Standard Supply of Zespri Kiwifruit. These payments are made to growers via contract with their supplier. Please refer to the Supply Agreement or the NZKGI's Supply Agreement Guidelines for more information.



# GROWER PAYMENTS



It's important that growers understand their supply entity pooling rules, as these will determine how (or if) these payments are on-paid to them as Grower Payments.

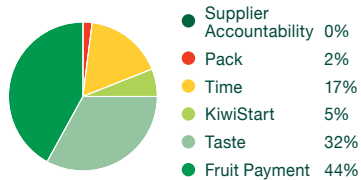
Fruit, Service and Incentive Payments (TFSP) are reported monthly in *Kiwiflier* and by KPIN in the Payment Reporting Summary on the Industry Portal.



# 2025/26 SEASON GROWER PAYMENT PORTIONS

## TOTAL FRUIT AND SERVICE PAYMENTS

### ZESPRI GREEN



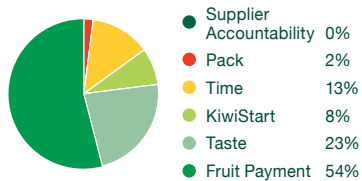
### ZESPRI ORGANIC GREEN



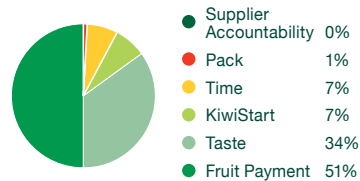
### ZESPRI GREEN14



### ZESPRI GOLD3



### ZESPRI ORGANIC GOLD3



### ZESPRI RED19



# PAYMENT TIMINGS

The timing of payments is driven by the availability of cash flow within the seasonal cycle. From April through September, our borrowing facility partially funds payments (if required). From October onwards, they're funded from net cash flows from sales.

The chart below shows estimated payment timings for the 2026/27 season:

Payment Timings	Submit	Progress	KiwiStart	Taste Zespri	Supplier Accountability	Pack and Time	Loyalty	Dividends
April 2026	●					●		
May 2026	●					●		
June 2026	●	●				●		
July 2026		●		●	●	●		● 1/07/26
August 2026		●	●	●	●	●		
September 2026		●		●	●	●		
October 2026		●	●	●	●	●		
November 2026		●		●	●	●		
December 2026		●		●	●	●		
January 2027 <sup>A</sup>					●		●	
February 2027		●						
March 2027		●						
April 2027		●						
May 2027 <sup>B</sup>								
June 2027		●					●	● 1/01/27

A. Dividend for the 2025 Season

B. The first instalment of the 2026/27 season Loyalty Payment will be paid in January 2027. There is no fruit payment in January 2027.



# FRUIT PAYMENTS

Submit Payments | Progress Payments.  
Fruit payments make up approximately half of all Grower Payments.

# SUBMIT PAYMENTS

Submit Payments are paid when the fruit is submitted by post-harvest into the Zespri inventory (and reversed on fruit loss).

	Rate per tray
<b>Class 1 Green (Sizes 18-39)</b>	\$2.75
<b>Class 1 Green (Size 42)</b>	\$2.55
<b>Organic Green</b>	\$3.30
<b>Sweet Green</b>	\$2.95
<b>SunGold</b>	\$3.60
<b>Organic SunGold</b>	\$4.25
<b>RubyRed (Sizes 16-42)</b>	\$5.10

Submit Payments are made weekly until the end of June, then monthly (on the 15<sup>th</sup> of every month) from July onwards.



# PROGRESS PAYMENTS

Progress Payments for Class 1 fruit are based on a calculation of all trays submitted into post-harvest inventory (reversed on fruit loss). Progress payments are calculated to ensure that revenue earned in the markets, less the costs incurred, is returned to growers as quickly as possible and fairly across all sizes. The final Progress Payment is calculated and paid by the end of the first full week of June after finalising the season return.

Progress Payments will begin earlier again this season with the first payment scheduled for June 2026. This change follows industry consultation, including requests from RubyRed growers for earlier access to funding. Payments will be made in three parts based on fruit volumes, resulting in smaller July payments for Red growers and reduced September-November payments for other pools. Red rates reflect current sales, cash flow, risks, and available data, while other pool rates are set based on cash flow.



You can find the Class 1 Progress Payments by size in the *Kiwiflier* each month.

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### 2025/26 PROGRESS PAYMENTS FOR DECEMBER AND FEBRUARY

CLASS 1 PROGRESS PAYMENTS FOR DECEMBER 2025	REVERSE ON NET SALES	18/01/26	22/02	20/03	28	28	42	42
Class 1 Green	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75
Class 1 Green (Size 42)	\$2.55	\$2.55	\$2.55	\$2.55	\$2.55	\$2.55	\$2.55	\$2.55
Organic Green	\$3.30	\$3.30	\$3.30	\$3.30	\$3.30	\$3.30	\$3.30	\$3.30
Sweet Green	\$2.95	\$2.95	\$2.95	\$2.95	\$2.95	\$2.95	\$2.95	\$2.95
SunGold	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60
Organic SunGold	\$4.25	\$4.25	\$4.25	\$4.25	\$4.25	\$4.25	\$4.25	\$4.25
RubyRed	\$5.10	\$5.10	\$5.10	\$5.10	\$5.10	\$5.10	\$5.10	\$5.10

### FINANCIAL COMMENTARY

Progress payments will be calculated to ensure that the revenue earned in the markets, less the costs incurred, is returned to growers as quickly as possible and fairly across all sizes. Payments will be made in three parts based on fruit volumes, resulting in smaller July payments for Red growers and reduced September-November payments for other pools. Red rates reflect current sales, cash flow, risks, and available data, while other pool rates are set based on cash flow.

December 2025 progress payments on Net Sales days  
 January 2026 progress payments on Net Sales days

CLASS 1 PROGRESS PAYMENTS FOR DECEMBER 2025	REVERSE ON NET SALES	18/01/26	22/02	20/03	28	28	42	42
Class 1 Green	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75
Class 1 Green (Size 42)	\$2.55	\$2.55	\$2.55	\$2.55	\$2.55	\$2.55	\$2.55	\$2.55
Organic Green	\$3.30	\$3.30	\$3.30	\$3.30	\$3.30	\$3.30	\$3.30	\$3.30
Sweet Green	\$2.95	\$2.95	\$2.95	\$2.95	\$2.95	\$2.95	\$2.95	\$2.95
SunGold	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60
Organic SunGold	\$4.25	\$4.25	\$4.25	\$4.25	\$4.25	\$4.25	\$4.25	\$4.25
RubyRed	\$5.10	\$5.10	\$5.10	\$5.10	\$5.10	\$5.10	\$5.10	\$5.10

# ONSHORE FRUIT LOSS

Fruit loss reversals occur when recorded onshore fruit loss is processed by the post-harvest facility. Submit and Class 1 Progress Payments are subject to reversals for onshore fruit loss.

Reversals for fruit loss are where any Submit or Class 1 Progress Payments made earlier in the season on fruit that is subsequently lost (for example, due to deterioration, the fruit is no longer suitable for export) are deducted from the Progress Payments made to the supplier after the fruit loss occurs. In other words, by the end of the season, Zespri has only paid Submit and Class 1 Progress Payments on the 'net submit' trays (gross trays submitted less fruit loss trays).





# INCENTIVE PAYMENTS

Taste Zespri Payments | KiwiStart Premium  
Supplier Accountability Payments/Penalties

Incentive Payments aim to align our quality standards with the taste preferences of our customers and consumers, helping guarantee that Zespri and the New Zealand kiwifruit industry remain the globally preferred brand and supplier of kiwifruit.

# TASTE ZESPRI PAYMENT

Taste drives consumer demand and sales rates for Zespri Kiwifruit through sampling (trial), repeat purchasing and positive referrals as consumers share their experiences.

We've established thresholds for all commercial varieties based on consumer research and a payment mechanism that promotes growing and harvest behaviours to optimise quality, dry matter and fruit utility across our supply chain. Dry matter is measured due to its strong correlation to taste and consumer liking when the fruit has softened and ripened.

Taste Zespri Payments are paid against trays supplied when the fruit is shipped.

Zespri RubyRed™ Kiwifruit is naturally a high dry matter variety, and there will be no taste payments for Zespri RubyRed™ Kiwifruit for the 2026/27 season.

## Minimum Taste Standard (MTS)

The Minimum Taste Standard (MTS) specifies the minimum percent of dry matter required by variety for fruit to be accepted into inventory. This standard ensures that poor tasting fruit is kept out of the markets.

## TASTE ZESPRI GRADE (TZG)

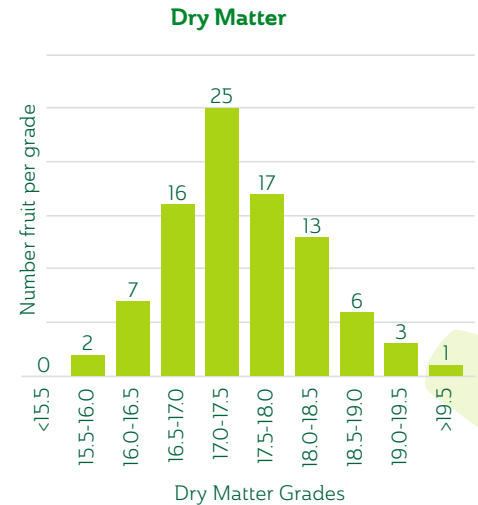
### What is TZG?

Taste Zespri Payments reward growers for producing delicious fruit and helps us to keep the premium perception of the Zespri brand. TZG is a value assigned to kiwifruit based on dry matter, measured from samples. This value is between 0 and 1.00 for Green, Organic Green and Sweet Green, with Zespri SunGold Conventional and Organic Kiwifruit between 0 and 0.86. Samples are collected from maturity areas, which are similar areas within an orchard (from a dry matter and fruit maturity perspective) that can comprise of orchard blocks or parts of blocks. Once dry matter has been measured for each fruit in the sample, it is converted into TZG using grade values.

We calculate TZG based on a 90-fruit orchard sample for all varieties and an additional 60-fruit small-size targeted sample for SunGold and Organic SunGold. TZG for SunGold and Organic SunGold is calculated and reported by maturity area and fruit size, whereas other varieties are reported on maturity area level only. TZG forms the basis of grower taste payments for all varieties except Zespri RubyRed™ Kiwifruit.

### How is TZG calculated?

The Green Kiwifruit example on page 14 illustrates how we calculate TZG using a 90-fruit sample. Each fruit has dry matter measured and is assigned a dry matter grade.





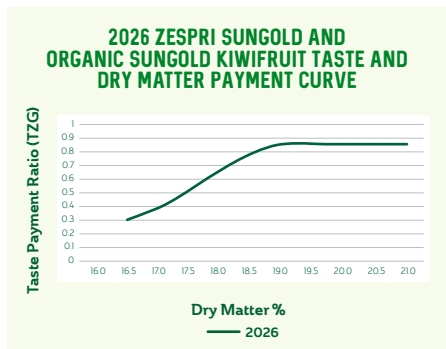
### Taste Zespri Grade (TZG) - Green

% Fruit x Grade Value	Fruit Per Grade (% of the 90-fruit sample)	Fruit Per Grade (from graph above)	Grade Value <sup>1</sup>	Dry Matter Grade
0.0	0.0	0	0	<15.5
0.2	2.2	2	0.1	15.5-16.0
1.9	7.8	7	0.25	16.0-16.5
8.0	17.8	16	0.45	16.5-17.0
18.1	27.8	25	0.65	17.0-17.5
16.1	18.9	17	0.85	17.5-18.0
13.0	14.4	13	0.9	18.0-18.5
6.3	6.7	6	0.95	18.5-19.0
3.2	3.3	3	0.97	19.0-19.5
1.1	1.1	1	1	>19.5
		90		Fruit Count
0.68				TZG

TZG = 0.68 which is equal to 68% of the Maximum Taste Payment (MTP).

<sup>1</sup> **Note:** Each variety has different grade values. Please see the [Canopy website](#) for more details. The percentage of the sample in the grade is multiplied by the grade value, and these are all added up to give the TZG (which is converted from a % to a value from 0.00 to 1.00).

## How is TZG by size calculated for Zespri SunGold and Organic SunGold Kiwifruit?



Within a maturity area, smaller Zespri SunGold Kiwifruit tend to have lower dry matter than larger fruit. With this in mind, Zespri SunGold and Zespri Organic SunGold TZG is calculated by count size. The estimated average dry matter for each count size and the variability in dry matter are used for the TZG calculation. The graph above shows the relationship between average dry matter and TZG.

Taste incentive payments for Zespri SunGold and Organic SunGold are capped by size at a maximum TZG of 0.86 for all sizes, which typically reflects the 19% dry matter level above which the consumer response to dry matter begins to plateau. Individual results will vary slightly from these average curves depending on the variability within each maturity area.

### What TZG is used for Taste Zespri Payments?

If more than one sample is collected for a maturity area, the best sample will be used for Taste Zespri Payments. For non-gold varieties, the best sample is the sample with the highest TZG. For Zespri SunGold and Organic SunGold Kiwifruit, Zespri calculates which of your clearance samples gives you the most money when overlaid with your actual submit size profile, so you're always getting the best money.

The submit weighted TZG uses the same calculation, but this time using the actual size profile of your crop at packing. Zespri calculates a submit weighted TZG for each of your clearance tests and pays you based on the sample with the highest value, even if it is not the most recent. This also may not be the sample with the highest estimated sample average TZG.

### Maximum Taste (MTP) Percentages in 2026

GREEN	ORGANIC GREEN	SWEET GREEN	SUNGOLD	ORGANIC SUNGOLD
60%	60%	60%	45%	60%

**EXAMPLES:** Zespri calculates the MTP. This is used along with your TZG to calculate actual taste payments for your crop. The table below outlines the indicative MTP rates for the 2026 season.

## How Zespri calculates the Maximum Taste Payment (MTP)

	GREEN	ORGANIC GREEN	SWEET GREEN	SUNGOLD	ORGANIC SUNGOLD
	\$ per TE	\$ per TE	\$ per TE	\$ per TE	\$ per TE
Total Fruit Payment	\$5.56	\$6.80	\$8.93	\$9.38	\$10.20
+	+	+	+	+	+
Average Taste Payment	\$4.45	\$5.48	\$4.50	\$4.01	\$7.27
=	=	=	=	=	=
Total Fruit Payment including Taste	\$10.01	\$12.28	\$13.43	\$13.39	\$17.47
X	X	X	X	X	X
Maximum Fruit Payment Percentage	60%	60%	60%	45%	60%
<b>= Maximum Taste Payment (MTP)</b>	<b>\$6.01</b>	<b>\$7.37</b>	<b>\$8.06</b>	<b>\$6.02</b>	<b>\$10.48</b>

## How to calculate your Taste Payment

INSERT YOUR FIGURES HERE					
	GREEN	ORGANIC GREEN	SWEET GREEN	SUNGOLD	ORGANIC SUNGOLD
Your TZG (from your 90-fruit orchard sample)				See by size table	See by size table
X	X	X	X		
Maximum Taste Payment (MTP)	\$6.01	\$7.37	\$8.06		
= Your Taste Payment per tray					
X	X	X	X		
Your FOBS trays					
= Your total Taste Payment					

Example: If you are a Green grower with a TZG of 0.70, your Taste Zespri Payment would be  $0.70 \times \$5.23 = \$3.66$  per tray.

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

## How Zespri calculates Zespri SunGold and Organic SunGold Kiwifruit Taste Payment and size

The following example is based on 14,200 trays of Gold3.

GOLD3 Key: TP = Taste Payment								
Size	16	18	22	25	27	30	33	36
Your TZG *	0.85	0.84	0.79	0.72	0.66	0.60	0.54	0.47
Multiplied	x	x	x	x	x	x	x	x
MTP	\$6.02	\$6.02	\$6.02	\$6.02	\$6.02	\$6.02	\$6.02	\$6.02
= Your TP by Size	\$5.14	\$5.07	\$4.78	\$4.31	\$3.96	\$3.63	\$3.25	\$2.81
Your FOBS trays by size	200	600	1,500	2,050	3,550	3,700	1,550	1,050
Your TP by Size	\$1,028	\$3,044	\$7,166	\$8,825	\$14,073	\$13,445	\$5,032	\$2,952

\* From your highest gross submit weighted average fruit sample.

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

To calculate your average Taste Payment per tray:

1. Multiply your Taste Payment for each size by your tray volumes for each size.
2. Add these figures together to get your total Taste Payment.
3. Divide your total Taste Payment by your total tray volumes (i.e., for all sizes).

In the SunGold example above, the total Taste Payment is \$55,566, or \$3.91 per tray ( $\$55,566 \div 14,200$  trays).

If you have taken several samples, Zespri selects the sample with the highest submit weighted TZG to calculate the payment.

## Taste Payment timing

Taste Zespri Payments are paid at FOBS (once fruit is loaded on board a ship).

While waiting for a final MTP rate to be set for the season (based on the August 2026 forecast), we use an indicative MTP rate based on the November 2025 forecast, generally used until August 2026.

Taste Zespri Payments are made based on the following schedule:

Month	Payment Details
July	Trays loaded to last Sunday of June x indicative rate x 30 percent
August	Trays loaded to last Sunday of July x indicative rate x 60 percent, less July payment
September	Trays loaded to last Sunday of August x final rate x 80 percent, less July and August payments
October	Trays loaded post the last Sunday of August to last Sunday in September x final rate x 80 percent
November	Trays loaded to last Sunday of October x final rate, less July to October payments
December	Trays loaded post the last Sunday of October to last Sunday in November x final rate

# KIWISTART PREMIUM

KiwiStart rates are set to compensate for taste and size foregone for fruit harvested early and to provide a reward for supplying early-season fruit. However, this fruit must still be of good quality and sufficient maturity.

Delivering fruit early to the market is important as it secures shelf space, maximises high-value early season sales volumes, helps reduce late-season quality costs, and effectively utilises industry labour, packing and coolstore capacity.

The KiwiStart rates for 2026 have been set to ensure appropriate weekly increments to facilitate a consistent flow of fruit throughout the harvesting period and minimise in-season changes with the consideration of a grower's cost, benefits (reduction of risk) and potential earnings if they choose to pick outside of the KiwiStart period.

The KiwiStart programme runs from mid-March 2026 to early May 2026 (or ISO weeks 10/11 to 18/19, noting dates may vary depending on variety and the specific seasonal circumstances). The programme's start depends on the kiwifruit's maturity in the season.

Only Green, Organic Green, SunGold and Organic SunGold will receive KiwiStart Payments in 2026. An early Submit Premium Payment will apply for Sweet Green (based on submitted trays). Please note that KiwiStart Payments made during this period are called Period 1 Payments in the Supply Agreement.

## KiwiStart standards

To submit fruit into the KiwiStart inventory, growers must ensure their fruit meets specific standards (refer to Quality Manual – Standard for clearance, storage and loadout).

KiwiStart fruit is required to meet specified market access requirements and will be conditioned using standard procedures such as transporting fruit at elevated temperatures and using ethylene when necessary.

Fruit that can't be managed using this standard procedure (for example, fruit that has grown in adverse conditions) shouldn't be submitted.

## Payment timing

50 percent of KiwiStart Payments will be made no later than 14 August 2026, with the balance paid no later than 15 October 2026.





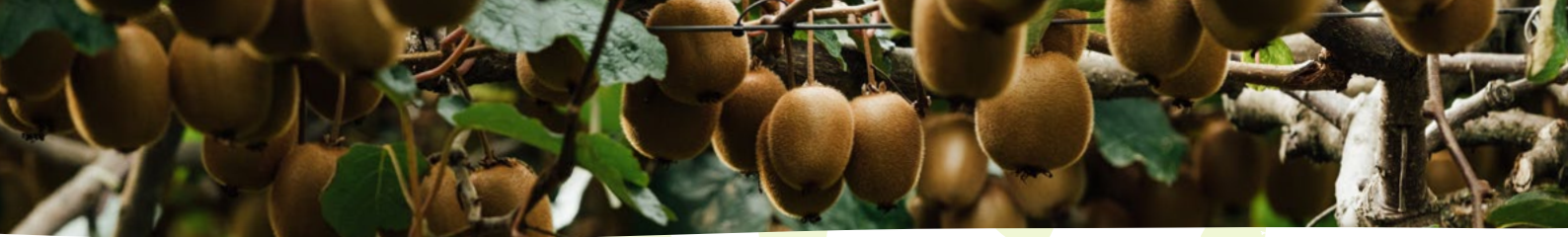
### KiwiStart Example

Grower A submitted Green fruit in week 13/14. What does my supplier get paid (in August) on behalf of my KPIN?

#### Grower A tray volumes:

WEEK 13/14 TRAYS									
Size	18	22	25	27	30	33	36	39	Total
	200	2,000	2,300	2,300	2,400	2,200	1,900	1,000	14,300
Green Indicative KiwiStart Rates Week 13/14 (28 Mar - 04 Apr)									
Size	18/22		25/27		30/33		36	39	Total average
	\$2.99		\$3.09		\$3.29		\$3.11	\$1.55	\$3.05
50 percent of KiwiStart entitlement is paid in August (remaining 50% paid on October)									
Size	18	22	25	27	30	33	36	39	Total
Paid Aug 2025	\$299	\$2,990	\$3,554	\$3,554	\$3,948	\$3,619	\$2,955	\$775	\$21,693

*Payment of \$21,693 would be paid in August on behalf of Grower A's submit if all KiwiStart criteria had been met.*



### 2026 Indicative KiwiStart rates

The 2026 indicative KiwiStart rates for all varieties are published on the Incentive Payments page on Canopy.

### Final 2026 KiwiStart Rates

Finalised rates are published following the August 2026 forecast fruit return, payment ratios, and maximum taste payment (MTP). Each week's average rate consists of the Fruit Payment (by size), Taste Zespri Payment, as well as a commercial premium.

### When does KiwiStart fruit have to be shipped?

Fruit eligible for payment will be calculated on submit date but will only receive payment if the fruit is also shipped by specific ISO weeks. The relevant ISO week will depend on what maturity criteria the fruit is harvested under, the ISO week at harvest, and whether the fruit submitted while a First Past the Post cap is open. Post harvest suppliers work with Zespri to ensure this fruit is shipped in the correct timeframes.

### How does KiwiStart fruit eligible for a Period 1 payment fit into the Taste commercial model?

The taste portion of the Period 1 payment is a commercial model for dry matter foregone (lower TZG) as a result of harvesting early. In addition, the fruit is still eligible for the Taste Zespri programme.



# SUPPLIER ACCOUNTABILITY

The industry has implemented this in-market fruit inspection programme to support the supply of high-quality fruit to markets. The overall aim is to incentivise growers and post-harvest to supply top-quality fruit and reduce offshore quality costs to maximise returns, meaning:

- Suppliers are incentivised for the supply of good quality fruit.
- Suppliers are penalised when fruit of a lesser standard is supplied.

The Supplier Accountability line may look negligible, but the Supply Accountability model was created to differentiate supplier performance through incentives and penalties; it is not a pure penalty model. Therefore, growers should talk to their supplier to understand how their supplier has performed against the industry average.





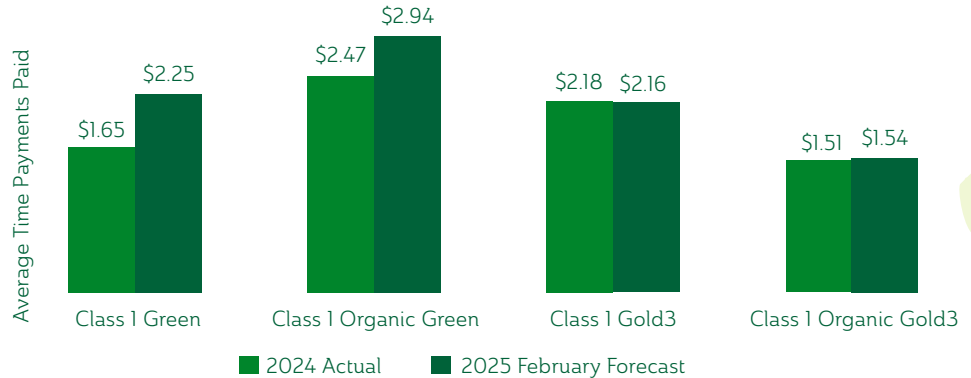
# SERVICE PAYMENTS

Time Payments | Pack Payments

# TIME PAYMENTS

Time Payments compensate for the additional risks and costs associated with storing and supplying kiwifruit throughout the season (coolstorage, condition checking, repacking, fruit loss and foregone taste). The rates also include a premium (storage incentive) to incentivise for producing good-quality, long-storing fruit.

Time payments are generally made by the 15th of every month for fruit shipped by the end of the month prior. The graph to the right outlines the full-season average time payment made to supply entities over the past two seasons by pool:



## Key influences on Time Payments include:

The amount of Time Payments paid is influenced by several factors, including:

- Phasing of shipping programmes (early, mid, or late supply), which may also be affected by overall crop volumes. More kiwifruit shipped early results in an overall lower Time Payment. Conversely, more kiwifruit shipped later results in an overall higher Time Payment. This reflects the weekly Time rates paid to compensate and incentivise for costs and risks associated with the week the kiwifruit is shipped.
- Inventory movement costs (specifically repack and condition checking) and activity levels undertaken.
- Movement in fruit and taste values and actual onshore fruit loss from season to season.
- Your supply entities pooling rules for grower payments.
- The Time rates can be found on the Service Payments page on Canopy.



### **How is fruit value calculated?**

Fruit value used in the indicative Standard Cost Model (SCM) rates are based on a four-year average. Final time rates will be determined by updating the fruit value in the SCM to the August 2026 forecast fruit value.

### **Why is taste compensation paid?**

Taste Zespri Payments are made on trays shipped, so for trays not loaded out (e.g., onshore fruit loss), no Taste Zespri Payment will be made. This is a cost of supply over time and is recognised as such in the SCM.

### **How do we know how much to compensate for fruit loss?**

Fruit loss compensation will be based on actual industry fruit loss records averaged over a set number of seasons. This data is accumulated and volume-weighted by week, creating the predictive fruit loss curve for the coming season.

### **How does the premium work?**

To cover the risk of fruit value or the fruit loss curves used in the calculation of the time rates being different to the actual results at the end of the season, a premium for all categories is added (and is applied to both fruit value compensation and taste compensation). This premium is also referred to as a storage incentive.

## **PACK PAYMENTS**

### **How does the premium work?**

Pack Payments, also called Pack Differential, form part of the SCM and compensate for the differential cost of packing services carried out for each variety (being packed, cooled, delivered to the wharf and stowed FOB). Pack payments are made weekly until the end of June and then by the 15th of every month for fruit shipped by the end of the month prior from July onwards.

This model ensures no commercial advantage or disadvantage from packing different pack types.



# OTHER PAYMENTS

# LOYALTY PAYMENTS

Our Loyalty Contract is a grower initiative where growers are paid for entering a rolling contract with Zespri, enabling us to negotiate longer-term contracts for logistics services. This payment is part of our corporate profit share and enabling this structure also helps to provide earlier cash flow to growers by paying an earlier instalment in January after harvest (as opposed to waiting until the season return is finalised in June).

The Loyalty Contract seeks to reflect the long-term cooperative nature of the New Zealand kiwifruit industry. Growers that sign a rolling three-year commitment to supply Zespri receive an additional payment each year per tray as a loyalty payment, with an additional loyalty amount being paid when New Zealand Supply profit (EBIT) exceeds 1% of sales. The loyalty payment is effectively a cooperative-like profit share arrangement that reduces the net margin that New Zealand growers pay Zespri. With the certainty of supply the loyalty contract brings, Zespri can enter long-term shipping arrangements, engage in long-term foreign exchange hedging on behalf of growers (which has returned over \$1 billion of

value over the last 20 years), and negotiate seasonal funding agreements that allow Zespri to pay advance payments.

## Loyalty as Shares (LaS)

Loyalty as Shares (LaS) provides eligible growers with the option to receive their June loyalty payment as Zespri shares instead of cash, offering a simple way to build shareholding over time. The price of these shares is set by the Zespri Board after receiving an Independent Share Valuation from a third-party valuer.

Key dates for the LaS offer are communicated in advance of the offer period each year. Please note, this offer is only available for the June portion of the Loyalty Payment and the January portion is paid in cash.

For more information on LaS and other share initiatives, please visit the Share Alignment page on Canopy.

## Dividends as Shares (DaS)

Dividends as Shares (DaS) provides eligible Zespri shareholders with the option to reinvest

all or part of their July dividend payment into Zespri shares. Shareholders can select a participation rate of 25%/50%/75%/100% of the cash dividend to reinvest. Only whole shares can be issued; any remaining funds will be carried forward by Computershare and included in the next DaS reinvestment.

The price of DaS shares is set by the Zespri Board after receiving an Independent Share Valuation from a third-party valuer. Key dates for the DaS offer are communicated in advance of the offer period each year.

For more information on DaS and other share initiatives, please visit the Share Alignment page on Canopy.

## Eligibility for Loyalty Payments

To be eligible for Loyalty Payments, growers must supply all Class 1 kiwifruit from all properties they own or control to Zespri and use the services of post-harvest operators that are registered as Zespri exclusive suppliers for their Class 1 kiwifruit.

Loyalty Payments are made based on Class 1 kiwifruit submitted at the KPIN level. However, the total amount of loyalty funds to be distributed will still be determined by the Class 1 FOBS volume. Growers can view their Class 1 trays in the Grower Payment Report, or the Grower Production Report which can be accessed via the Reports in the Industry Portal (see 'My Quicklinks' from the Canopy homepage).

Loyalty Payments are made to growers who supply collaborative marketing programmes, except third-party Plant Variety Rights (PVR) programmes where revenue flows directly back to the owner (not to the Zespri pool).

Loyalty Payments are generally paid to growers at a minimum of \$0.25 per tray equivalent and in two instalments. The first instalment of \$0.10 per tray is paid in January 2027 and the remainder will be paid in June 2027. In certain circumstances, unpaid loyalty payments can be deferred or reduced to nil at the discretion of the Zespri Board.

If growers split their crop between multiple post-harvest facilities, they are required to complete a Loyalty Contract for each facility that they pack with (i.e., a Loyalty Contract is required for each grower number).

## SERVICE LEVEL AGREEMENTS (SLA)

Service Level Agreements (SLAs) are contracted agreements between Zespri and registered suppliers for services during the season that help to deliver kiwifruit with specific attributes to the market in a timely manner. A specific rate is generally set out in the agreement and paid to registered suppliers at the end of the programme. SLAs are disclosed to Kiwifruit New Zealand to ensure transparency.

### Further information

A copy of the 2025 three-year rolling contract with full terms and conditions is available on Canopy.



# NON-STANDARD SUPPLY (NSS) AND CLASS 2

NSS and Class 2 Supply is fruit outside the Zespri Class 1 specification because of size or external appearance. We purchase NSS fruit through an SLA, depending on market demand and the ability to provide commercially viable returns to growers.

The volume required changes every season - in some seasons, a limit may be placed on the volume procured, and in other seasons (depending on market demand), we will not require any additional product.

For the 2026 season, Red19 is shifting count size 46 fruit from Standard Supply into Non-Standard Supply (NSS). Under NSS, Zespri will procure aligned to market demand with no sales allowed in the New Zealand market. This change is intended to protect long-term value and sustainability of the Red19 category.

Submit Payments are paid when the fruit is loaded out at FOBS by post-harvest. Submit rates for NSS and Class 2 fruit procured are listed in the table below:

CLASS 2 & NSS SUBMIT PAYMENT - PAID ON FOBS	RATE PER TRAY
Class 2 fruit	\$1.70
NSS - SunGold Conventional & Organic	\$2.40
NSS - Hayward Conventional & Organic	\$1.60
NSS - RubyRed	\$4.20

NSS Progress Payments are paid in September, November, and February, with the final Progress Payment calculated and paid by the end of the first full week of June after finalising the season return.

For RubyRed Size 46 fruit procured as NSS a payment will be made in June to reflect the early nature of this variety.

# GLOSSARY

<b>CK</b>	Conventional (not organic)
<b>DaS</b>	Dividends as Shares
<b>DM</b>	Dry matter
<b>ECPI</b>	Export consignment product inspections
<b>FOBS</b>	Free on Board, Stowed (i.e., when the fruit is shipped)
<b>IAC</b>	Industry Advisory Council
<b>ISG</b>	Industry Supply Group
<b>KISP</b>	Kiwifruit Industry Strategy Project
<b>KPIN</b>	Kiwifruit property identification number
<b>KVH</b>	Kiwifruit Vine Health Incorporated
<b>LaS</b>	Loyalty as Shares
<b>MTP</b>	Maximum Taste Payment
<b>MTS</b>	Minimum Taste Standard
<b>NSS</b>	Non-standard Supply
<b>NZKGI</b>	New Zealand Kiwifruit Growers Incorporated

<b>OB</b>	Organic
<b>OGR</b>	Orchard Gate Return
<b>SCM</b>	Standard Cost Model
<b>SLA</b>	Service Level Agreement
<b>TE</b>	Tray equivalent
<b>TFSP</b>	Total Fruit and Service Payments
<b>TZG</b>	Taste Zespri Grade

Canopy website [canopy.zespri.com](https://canopy.zespri.com)

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All growers are encouraged to understand Zespri's payment system and their post-harvest operator (supply entity). Online tools are available on Canopy, and questions can be directed to the Zespri Grower Relations Managers or the Zespri Grower Service Centre team.

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## MORE INFORMATION

Zespri Payment Reports are available on the Industry Portal via Canopy and include personalised inventory and taste reports that allow comparisons at an industry or regional level.

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