

# Zespri Red to be commercialised

Kiwifruit consumers in some of Zespri’s key markets will soon be able to enjoy Zespri Red Kiwifruit following a decision from the Zespri Board on 4 December to commercialise a red kiwifruit variety for New Zealand growers.

CEO Dan Mathieson says the decision is a significant milestone and represents the next step in Zespri’s mission of providing the world’s leading portfolio of premium branded kiwifruit.

“After incredible feedback from our passionate consumers, we’re excited to announce we will be making our new Zespri Red variety available to consumers, with production set to increase in New Zealand over the next couple of years so that we can reach commercial volumes,” says Dan. “Adding a red kiwifruit variety to our range of premium kiwifruit provides Zespri with an opportunity to further compete for market share in areas where kiwifruit is currently under-represented and ultimately grow our industry’s share of the global fruit bowl.”

Zespri Red is the latest kiwifruit to come through Zespri’s world-leading new varieties breeding programme, run in partnership with Plant & Food Research. It has been through an extensive trial process to show the fruit not only tastes delicious, but has the ability to perform to Zespri’s high expectations, from the orchard right through the supply chain and into fruit bowls around the world.

“This fruit has a deliciously sweet berry-tinged flavour and vibrant red flesh and we’re thrilled to see such strong demand from our initial limited sales release. That we can make this variety available is a real credit to the growers who have been involved in our trials, our new varieties breeding programme

run in partnership with Plant & Food Research, and the commitment to innovation within Zespri and the wider kiwifruit industry. This commercialisation also reflects our commitment to always do better – whether that be by offering better products or making greater contributions to our local communities.”

Consumers in New Zealand and selected markets can expect to see limited releases of Zespri Red in selected supermarkets and fruit retailers again in 2020 and 2021, as production increases towards commercial volumes in the coming years.

An initial allocation of at least 150 hectares of red licence has been approved by the Board, based on our current assessment of budwood availability. Budwood availability will be revised again next year closer to harvest to see if we can increase the number of hectares available.

As with any new variety, there is risk as to this variety’s performance on-orchard and through the supply chain as we continue to learn more about its performance. Further technical information on the red variety’s properties, risks, the availability of budwood, and other information including licence arrangements that growers may want to consider will be available in the New Varieties Information Guide (NVIG) and associated licensing documents which will be published in March 2020. We’ll also be sharing more details in our February/March 2020 Grower Roadshows.



## Zespri confirms continuation of SunGold licence release in 2020

The Zespri Board has confirmed its decision to continue with the SunGold licence release programme in 2020. Zespri will allocate a further 700 hectares of conventional SunGold licence and 50 hectares of Organic SunGold by way of closed tender bid, as per previous years.

The licence rules are largely the same as they were in 2019 with only a change to how the deposits will be paid.

- A cheque for the deposit amount will not be required to be submitted with your application.

- At least three days advance notice will be given by email to successful bidders. This is so they have enough time to arrange payment of their deposits by Electronic Funds Transfer (EFT) to a trust account held by Cooney Lees Morgan.
- A full Licence Application Overview and Rules document will be available in the new year.
- The indicative timeline for the SunGold 2020 allocation is as follows:

Licence allocation timeline:	
Date	Action
6 March	Licence Application Overview and Rules published
23 March	Application process opens
6 April	Closing date for bids – applications <b>must</b> be received by Cooney Lees Morgan <b>prior</b> to 5pm
15 April	Preliminary Revenue Range announced
24 April	Pre-validation and collation of all bids completed by Cooney Lees Morgan
Week of 27 April	Evaluation panel makes decisions regarding allocation of licences and successful bidders notified as soon as possible thereafter
Week of 27 April	At least three days advance notice will be given by email to successful bidders so that they have time to arrange payment of their deposits by EFT
25 May onwards	Licence packs distributed
20 July	Deadline for paying settlement monies and meeting all other settlement requirements

As noted in October, Zespri intends to continue releasing SunGold licences out to 2022, subject to annual review. The Board has also signalled the release of between 350 and 750 hectares per year from 2023 to 2026, subject to the normal annual review process and updated over time as information becomes more certain.

## Zespri Red FAQs

**How many hectares of Zespri Red have been approved for release?**  
The Board has approved the release of at least 150 hectares of Red Licence in 2020, based on our assessment of budwood.

**Where can I find more information on the licence release process?**  
A full communication will be made to industry

in March about the leading mechanism and timetable, as well as a full New Variety Information Guide (NVIG). This will include an indicative plan to scale up production to around 15 million trays per year, achieved by implementing a phased licence release over time. This market plan is subject to ongoing assessment of the variety’s performance both in market and on orchard.

## Green11 pre-commercial trials to end in New Zealand

The Zespri Board has decided not to commercialise Green11.

While this variety has been explored as an option for an early season fruit, its complex

handling, short sales window and lack of differentiation from Hayward in order to earn a premium has meant that a decision has been made to end pre-commercial trials in New Zealand. The variety remains in pre-commercial trials in offshore markets.





# Moving forward on sustainability

Registrations for our upcoming industry conference, Momentum 2020: Standing Up and Standing Out, are now open. This is your chance to hear from world class speakers, mingle with your industry peers and challenge yourself to level up in 2020 and beyond. Register your place now at [momentum.zespri.com](https://momentum.zespri.com).

Sustainability is a key theme at Momentum 2020. Carol Ward, Chief of Innovation and Sustainability, has brought together an exciting programme of experts to discuss the impact sustainability is having on people, the planet and profit across the world.

Day one of the conference will see a plenary session unpack the wide-ranging, fast-moving and complex topic of business sustainability before repacking it to understand what's impacting our industry and what approach we should be taking to address it.

Meet three of our plenary session speakers:



**John Anderson**  
Chairman CEO and Managing  
Partner of Oppenheimer



**Niki Harré**  
Professor at the  
University of Auckland



**Will Steffen**  
Climate change Expert

Climate change is top of mind for global business leaders, so we're pleased to announce we have leading expert **Will Steffen** joining the panel to share his knowledge.

Will is an Earth system scientist. He's a Councillor on the publicly-funded Climate Council of Australia that delivers independent expert information about climate change, an Emeritus Professor at the Australian National University (ANU), Canberra; a Senior Fellow at the Stockholm Resilience Centre, Sweden; and a Fellow at the Beijer Institute of Ecological Economics, Stockholm. He is the chair of the jury for the Volvo Environment Prize; a member of the International Advisory Board for the Centre for Collective Action Research, Gothenburg University, Sweden; and a member of the Anthropocene Working Group of the Sub-committee on Quaternary Stratigraphy.

From 1998 to mid-2004, Will was Executive Director of the International Geosphere-Biosphere Programme, based in Stockholm. His research interests span a broad range within climate and Earth system science, with an emphasis on incorporation of human processes in Earth system modelling and analysis; and on sustainability and climate change.

Also joining the panel will be one of Zespri's longest standing and largest customers, based in Vancouver, Canada, **John Anderson**. John and his team have integrated sustainability into their business practices with a goal of 'becoming one of the greatest sustainable produce companies in the world.' John will share learnings from developing their sustainability strategy, and with direct links to consumers, he'll also highlight what they're demanding of us now and in the future.

For almost 45 years, John Anderson's finely-honed business instincts have left an indelible mark on a global industry, while building Oppy into a strong and successful produce marketing enterprise.

After John joined the company as a warehouseman, he moved rapidly through sales and operations roles into executive level management, contributing ideas that shaped the future performance of the organisation. By forging strong international relationships that assured uninterrupted supplies of preferred produce items, and channeling resources into logistics and technology, John's efforts have set Oppy apart as a leader.

John has led numerous key industry initiatives, from streamlining international trade to recruiting the best young talent to the produce community. His work on industry boards and committees has earned him a reputation for leadership and insight well beyond the Oppy network and he was recognised as one of Canada's Most Admired CEOs.

John's contributions to the produce industry and general business community have led to numerous professional awards. Most recently, Oppy was named by Waterstone Human Capital as having one of Canada's Most Admired Corporate Cultures.

We're also pleased to have **Niki Harré** sharing her knowledge of building sustainable communities through shared and common values.

Niki is a professor at the University of Auckland where she teaches community psychology, the psychology of sustainability and coordinates a three course interdisciplinary sustainability module.

Her research addresses issues of sustainability, citizenship, values and political activism. The question that drives it is how to engage people in creating a more sustainable and equitable society. She has established two sustainability networks, one at Western Springs College/Ngā Puna O Waiōrea and one in the Faculty of Science at her university. These have led to numerous practical projects that advance sustainable practices.

In 2018, Niki published two books — 'Psychology for a Better World', which offers practical strategies to inspire people to get involved in sustainability projects and 'The Infinite Game' that has readers imagining life as a game in which we continually change the rules to keep our deepest values in play and ensure that everyone can take part.

Niki will also join the conference on day two, in collaboration with Zespri's OPC team, to take attendees through a fun and engaging session that will provide opportunities for self-reflection about the role they want to play in the 'infinite game' of sustainability.

**The plenary session on business sustainability promises to be a current, thought-provoking and knowledge-sharing session with opportunity for the audience to interact with the speakers and understand more about the industry's approach.**

## Nominations open for 2020 Fresh Carriers Hayward Medal

The judging panel for the Fresh Carriers Hayward Medal is once again calling for nominations for this pan-industry award. This medal recognises those people who have defined our industry with their commitment and excellence, and helped to make it into the New Zealand's export success story we see today.

This award has been set up to recognise people who have made an outstanding contribution to the New Zealand kiwifruit industry through:

- Innovation that has contributed to the New Zealand kiwifruit industry's world-class performance
- Industry contribution involving voluntarism and selflessness that

helps lift performance

- Unrivalled leadership or governance of the industry
- Nominations close on Friday 20 December. The winner will be announced at the Gala Dinner, held following the first day of the Momentum conference, on the evening of Thursday 13 February.

Please take the time to tell us who you think deserves this award. Nominations can be made online via [bit.ly/HaywardMedalNomination](https://bit.ly/HaywardMedalNomination).

If you have any questions, please contact Zespri Communications Advisor Amber Trower (by phone 027 343 5644 or email at [amber.trower@zespri.com](mailto:amber.trower@zespri.com)) who's managing this process.

## Health and safety award – nominations open



The Kiwifruit Industry Health and Safety Forum is proud to launch its inaugural award for outstanding contribution to health and safety throughout the kiwifruit industry. The purpose of this award is to acknowledge an individual, team or business who has contributed to providing a safer workplace through enabling positive change and action. Entries close on 20 January and the winner will be announced at Momentum 2020!

**To enter:**

1. Grab your nomination form online at [nzkgi.org.nz](https://nzkgi.org.nz)
2. Complete your nomination
3. Email it through to [corporate.communications@zespri.com](mailto:corporate.communications@zespri.com).

## Strong returns forecast from Zespri's European harvest

Zespri's European kiwifruit harvest is expected to once again deliver strong returns for growers in Italy and France, along with another great tasting crop for consumers around the world to enjoy.

Sheila McCann-Morrison, Zespri's Chief International Production Officer, says the Northern Hemisphere harvest is well underway, and Zespri is expecting to harvest around 19 million trays or almost 70,000 tonnes of Green and SunGold Kiwifruit from orchards throughout Italy, France and Greece.

"It's been a tough season for some European growers this year, with a cold wet spring negatively affecting pollination and issues including the presence of the Brown Marmorated Stink Bug and Moria disease affecting kiwifruit and other local produce.

"However, despite those challenges, this season's Italian Gold crop is expected to be around the same as last year. That's going to mean we can again provide strong returns to the local industry, which is something we're very proud of. It also means we can continue to strengthen our relationships with the local industry and make a positive local impact," Ms McCann-Morrison says.

Zespri's European growers – around 750 families – play a key role in Zespri's global supply strategy which supplies premium Zespri Kiwifruit for all 12 months of the year. With growing global demand for premium kiwifruit, the relationships Zespri has formed over more than 20 years working with European growers are increasingly important.

"It's a relationship that's working incredibly well for growers, post-harvest operators and distributors, as well as for Zespri and the New Zealand industry.

"It's helping deliver greater orchard gate returns, jobs for locals and is also leading to tens of millions of Euros being invested in orchards and post-harvest facilities. It's also helping foster further collaboration including technical exchange through R&D, grower workshops and nursery visits in New Zealand and other general support — all of which are helping boost production.

"European growers are some of the best in the world and it's great to be sharing our knowledge, systems and varieties with them, and also to be learning in return," Ms McCann-Morrison says.

# December forecast

The Zespri Board of Directors has approved the December forecast for the 2019/20 season, with updated forecast per-tray and per-hectare average orchard gate returns outlined below.

The average Green per tray return has decreased slightly versus October, by 9 cents to \$6.45. The key factor weighing on the Green return at this late stage in the season is an upwards revision in estimates for offshore fruit

loss and quality claim provisions. This will be discussed in further detail with growers at the February 2020 grower roadshows. All returns for all other pools have increased.

POOLS (FRUIT CATEGORIES)	DECEMBER 2019 FORECAST	OCTOBER 2019 FORECAST
Zespri Green	\$65,345 per ha \$6.45 per tray	\$66,023 per ha \$6.54 per tray
Zespri Organic Green	\$62,071 per ha \$9.54 per tray	\$61,201 per ha \$9.45 per tray
Zespri Gold	\$158,722 per ha \$11.61 per tray	\$155,889 per ha \$11.41 per tray
Zespri Green14	\$43,357 per ha \$7.63 per tray	\$43,088 per ha \$7.58 per tray

The total fruit and service payment, across all pools and excluding the loyalty premium, is forecast at \$1,903.8 million, compared with \$1,892.4 million in the October forecast.

**Forecast profit range**

The range of corporate net profit after tax for the year ending 31 March 2020 is \$180 million

to \$183 million, which includes licence release income. The dividend range is \$0.85 to \$0.87 cents per share and this includes the interim dividend paid in August 2019 of 67 cents per share and the second interim dividend to be paid in December 2019 of 8 cents per share.

# Forecast changes 2020 season

From the 2020 season we’re condensing the number of financial forecasts we prepare. The primary change is that we’re dropping the October and December forecasts and replacing these with one November forecast.

Central to this decision was weighing up the value of delivering two forecasts in such a short space of time versus providing the industry with updated information on the progress of the season. Due to the back to back nature of these forecasts, there’s not a significant amount of new information used to create these forecasts and the average Total Fruit and Service Payments (TFSP) change between forecasts isn’t generally material. The TFSP change from the October to December forecast over the last four years has averaged less than one percent, see below.

August to October: 1.7%

October to December: 0.7%

For progress payments this means the August forecast will be used as the base for November payments, where in the past the October forecast was used. The November forecast would be used for December

progress payments, where in the past, generally the October forecast was used. When calculating progress payments, as well as basing the payments on the most recent forecast, we take into account any known market factors, sales progress and company cashflow. We believe this should have minimal impact on progress payments and will continue to monitor this to ensure the timing and the percentage of payments returned to the industry from progress payments is not impacted.

As a result of this change, the November forecast will be used to update the standard cost models to inform the indicative service and incentive rates for the following season. In the past the December forecast was used for these indicative rate calculations.

This will also allow for opportune timing for the November forecast to be shown and explained at the November 2020 roadshows.

# From the markets

## Market commentary

Our last vessel for 2019 has departed carrying the final shipment of our New Zealand-grown kiwifruit. With just 186k trays of SunGold and around 2.2 million trays of Green to be delivered through the markets, we’re now well into our ZGS season fruit with more than 3.9 million trays of SunGold already delivered to market. 2019 has seen a great season from New Zealand with strong demand for SunGold and steady demand for Green and Organics. The great taste of the fruit

this year has also been positively noted in market. The lift of weekly in-market delivery volumes for SunGold from season start through to the end of summer fruit period really set the season up for success. This was a result of an integrated approach from sales, marketing and operations to increase brand awareness, improve instore execution and deliver great product consistently to our consumers. Green returns are also improved on last season but final results have been

impacted by late season quality issues at levels of deterioration similar to that witnessed in 2018, however this year we have far less fruit left to deliver. Our in-market teams are continuing to review our New Zealand season as we prepare for next season, with the first vessel expected to depart in March 2020.

## China

The China team kicked off its ‘Zespri Green 14 day challenge’ campaign in November to promote the benefits and digestive health of Green kiwifruit to women in China.

Zespri Green has lots of fibre and is a low calorie fruit, so it’s a great option for health-conscious women who want to look and feel their best. The idea is to eat two Zespri Green kiwifruit every day for 14 days, and commit to moderate exercise, to improve digestive health.

The campaign was rolled out in three parts. First, the team partnered with ‘DingXiang’, a reputable medical news portal, to endorse the benefits of Zespri Green and then publish a joint survey to further understand the target group’s diet behavior.

Next, they released the survey report via traditional and new media, and hosted a yoga party.

Part three was the 14 day challenge itself, where key opinion leaders helped to create hype online about the challenge. With additional in-store merchandising and activities, the China team has already seen a boost in sales!

## Korea

With harvest underway in Korea, the team has been busy meeting with Zespri Global Supply (ZGS) growers from Jeju to share our long-term vision for this region, this season’s sales and marketing plan and a new pricing structure.

Following the growers’ meeting, the Korea team hosted Top 15 Wholesalers in Jeju for 2019. This event celebrated these wholesalers’ excellent performance throughout the New Zealand season, and encouraged them to continue to develop a strong partnership to see through the ZGS season. These events helped to develop and strengthen these important relationships.



*Jeju growers enjoy hearing more about Zespri’s long-term vision for their region.*

## Europe

After feeling inspired by New Zealand’s Movember activities, our Europe office decided to launch their own European Social Responsibility month in December to continue these Zespri values in action.

The Europe team met with the Belgian branch of Pink Ribbon to discuss partnering with them in collaboration with retailer Carrefour. It was decided that for every kiwifruit prepack bought during December, €0.50 will be donated towards the Pink Ribbon charity. While working on this initiative the team realised that some of our other European markets have partnered with similar breast cancer charities.

This is not surprising as breast cancer is still one of the main causes of death in Europe. With this in mind, for the month of December colleagues all over Europe will organise activities to raise money for Pink Ribbon. Additionally, the Antwerp office will participate in a well-known local activity

called the Warmathon. On 19 December, a Zespri delegation will go to Brussels to run or walk the Warmathon, rocking our Zespri colours of course!



Zespri Europe goes pink for breast cancer.





## ZESPRI IN THE COMMUNITY

### Ngāti Hine Festival

Zespri sponsored and attended the Te Ahuareka o Ngāti Hine Festival in Kerikeri, which was well attended by the local community and whānau from across the country. The weekend-long festival saw a good turnout from school kids who, while competing in kapa haka and manu kōrero events, also enjoyed the use of our smoothie bikes. There was lots of positive conversation around kiwifruit's contribution to the local community.



Festival goers enjoying the Zespri smoothie bikes.

### Bruce Stowell Global Exchange

Expressions of interest to partake in this amazing opportunity are being accepted now! Visit [bit.ly/BruceStowell](https://bit.ly/BruceStowell) to register your interest.



### Women of Influence

Rotorua local Gina Mohi took out the Zespri sponsored Rural Award at the 2019 Women of Influence, an event which usually draws hundreds but had to be scaled back at the last minute due to the fire at Skycity Convention Centre. Despite downsizing, Carol Ward and Rachel Depree were still able to represent Zespri, with Carol presenting the award to Gina. The Rural Award recognises some of the amazing women involved in the primary sector. We aim to place a greater emphasis on women in our own kiwifruit industry to become empowered to nominate each other in future years.



Carol Ward presenting Gina Mohi with the Rural award at the 2019 Women of Influence awards.

### Westpac Tauranga Business Awards

Congratulations to EastPack who took out our Business Innovation Award (among many) at the Westpac Tauranga Business Awards. This was a well-deserved effort from the EastPack team, who also went on to win the Westpac Tauranga Business of the Year Award.

### 2020 Nuffield Awards

Congratulations to Shannon Harnett, an Ōpotiki kiwifruit grower, who was one of five successful Nuffield scholars for 2020.



Shannon Harnett with Amy Porter and Hiraina Tangiora at the prestigious Nuffield Scholar Awards evening held at the Beehive.

### Nuffield International Agribusiness Summit

Zespri is proud to support the Nuffield International Agribusiness Summit being held in Christchurch at the Town Hall on 23 March, 2020.

This event is open to the wider New Zealand and international agribusiness sector, Kellogg Alumni, investing partners and industry colleagues from across the country. With a line-up of New Zealand and international speakers and panellists, this one-day, multi-sector industry forum will reflect the topical agribusiness challenges globally and in New Zealand, with a solution-based focus through case studies and learnings. Panellists will discuss and share their learnings and introduce some exciting business models. The day will finish with more networking opportunities over drinks and a Summit dinner, including a keynote speaker. This fast-paced event is not to be missed!

For more information and to register, visit [nuffield2020.com](https://nuffield2020.com).

### Surf safety 101

The Christmas holiday period approaching is a timely reminder to stay safe at the beaches this summer.

Don't forget the key messages around sun safety (slip, slop, slap and wrap!) and our friends from Surf Life Saving also have some handy tips around what to do if you find yourself being stuck in a rip:

- Relax and float
- Raise your hand (to signal for help) and;
- Ride the rip!

Despite many Kiwis being very confident swimmers, people caught in rips are the biggest cause of rescues. When water comes into shore, it must go back out, and often this is how rips occur. Make the life savers' jobs a little easier and learn how to identify a rip before getting into the water the summer.



The Eastern Region team speaking with Zespri staff about the many benefits of the Zespri and Surf Life Saving Partnership.

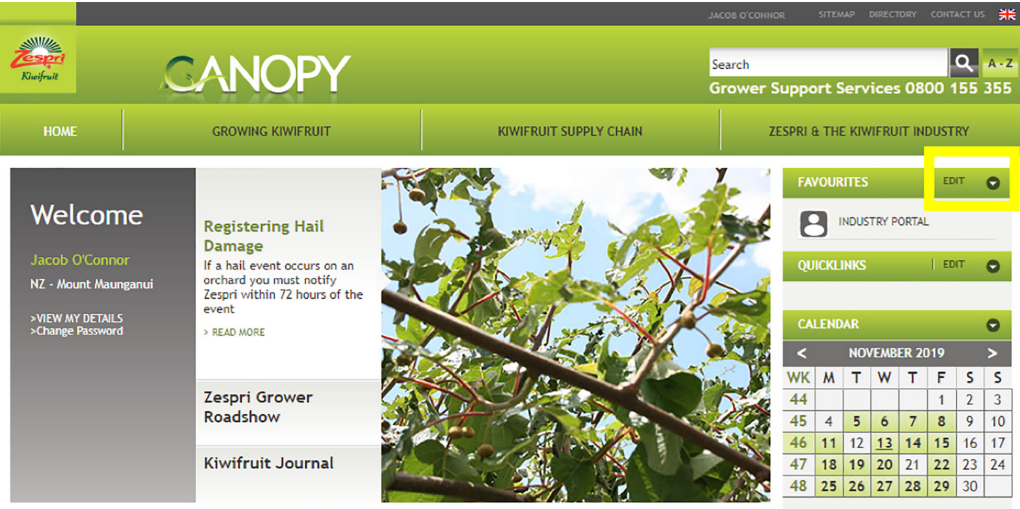




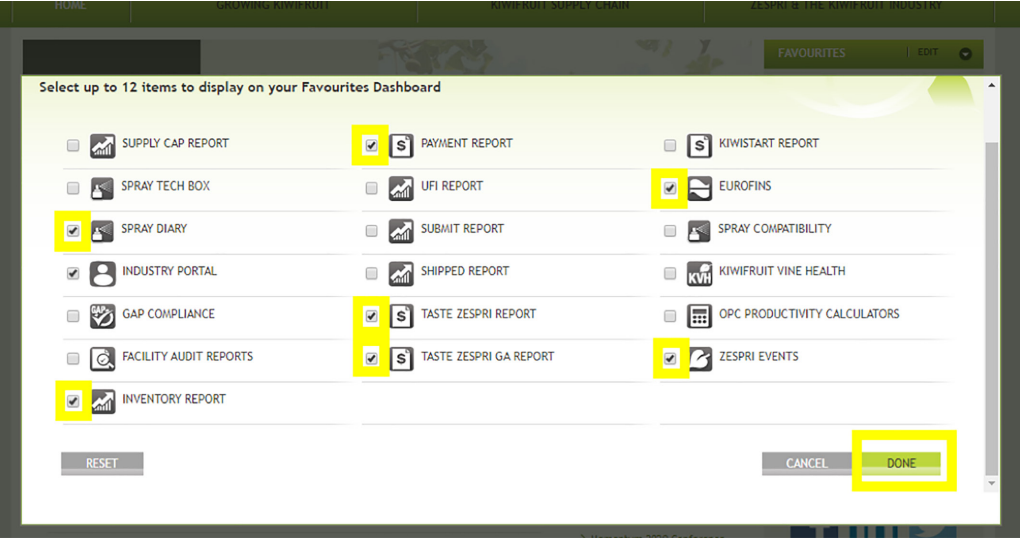
# Accessing ‘favourites’ on the Canopy website

The Canopy is a stepping-stone to other applications, tools, and reports. Those that are commonly used are housed under ‘favourites’, viewable from the Canopy home page.

To edit your favourites, first log on to Canopy. From the home page, select ‘edit’ next to ‘favourites’.



Select those that you want to be displayed, and then scroll down slightly and select ‘done’.



Your favourites are now updated!

# Calling all cricket loving growers... again!

We’re back for another year of summer cricket at Bay Oval, this time on Sunday 2 February where the White Ferns and South Africa will set the scene at 4pm ahead of the Black Caps and India from 8pm in a T20 double-header. Growers will again be able to enjoy the evening relaxing in a Zespri-hosted tent on the embankment in the hospitality area. Please register your interest at [zespri.co.nz/cricketT20](https://www.zespri.co.nz/cricketT20) and don't delay, spaces filled up extremely fast last year! This is an R18 event, with a maximum of two complimentary tickets per registration. Please read the full terms and conditions on the event link and if you have any questions, contact Zespri on 0800 155 355 or send an email to [GrowerLiaisonTeam@zespri.com](mailto:GrowerLiaisonTeam@zespri.com).



# Volunteers needed for on orchard cost survey



Each year, Zespri collates on orchard costs from a variety of orchards. All on orchard costs remain confidential and are used to calculate averages for reporting and benchmarking, and to spot trends.

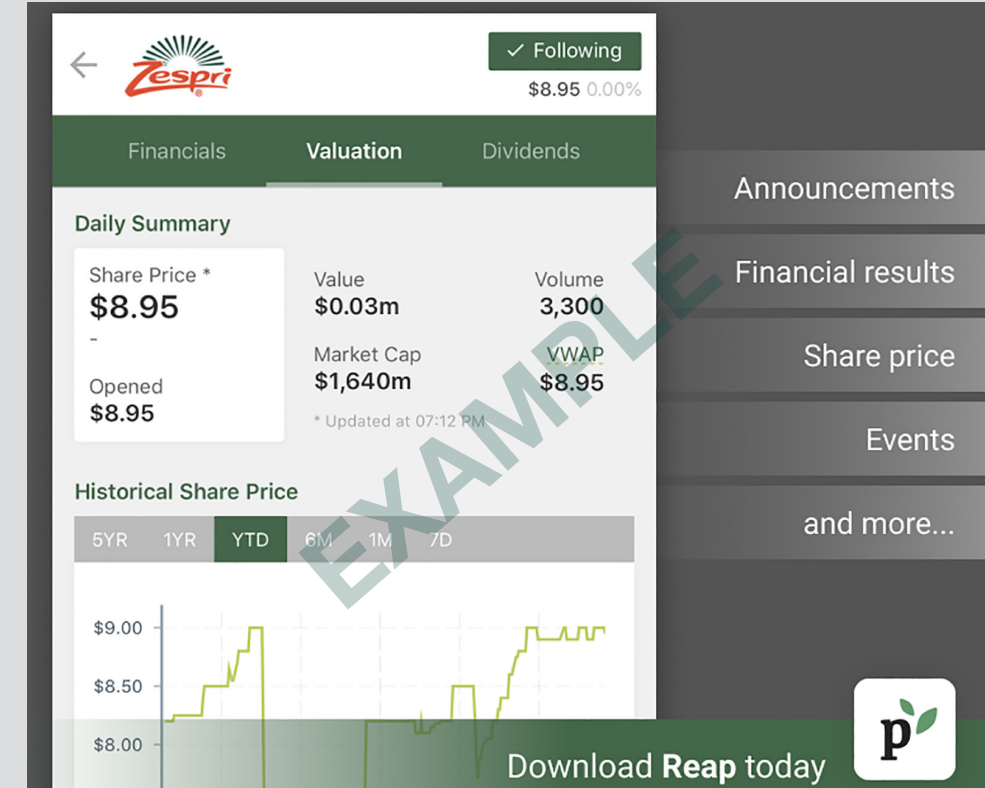
This year, all on orchard costs provided will go in the draw to win a \$500 travel voucher. We realise completing surveys takes precious time out of your day, and for this survey, cost details need to be gathered to complete. Bank managers, accountants and MYOB are great resources for gathering this information. To show appreciation for your time, we'll be placing all participants into a draw to win a \$500 travel voucher. For the first time this year we'll also be

providing a one page insight to all individuals who complete the survey, which will benchmark your orchard against the national average. Again, all individual figures provided by orchards remain confidential and are used to calculate averages for reporting, benchmarking, and most importantly, understanding and potentially predicting trends. It's important to highlight that only these averages are distributed. There are several ways you can complete the on orchard costs online survey — you can scan the QR code above or contact Roxy Carlin (via phone on 0272062814 or email at [roxy.carlin@zespri.com](mailto:roxy.carlin@zespri.com)) for a hard copy of the excel spreadsheet. To be in the draw for the travel vouchers, you must enter all costs by **14 February 2020**. If you have any questions, please contact Roxy Carlin via the contact details above.

# Zespri joins Reap app for shareholders

Zespri has launched its own shareholder app on the Reap platform. By following Zespri on Reap you'll receive notifications of all announcements and events.

The app also contains share price information, financial results and other useful content. You can download Reap for free from the Apple App Store and Google Play stores.



# International trade update

Negotiators at the Ministry of Foreign Affairs and Trade (MFAT) have been working overtime, with two large trade agreements announced this month.

**Regional Comprehensive Economic Partnership (RCEP) agreement**

RCEP covers the 10 ASEAN countries plus their five Free Trade Agreement (FTA) partners — Australia, China, Japan, New Zealand and South Korea. Ministers announced in November that years-long negotiations have concluded but without India at this stage.

Agriculture Minister Damian O'Connor said that "the door would be left wide open" for India to rejoin the agreement early next year but the Indian domestic political agenda is holding them back from this agreement. This is a real disappointment for the New Zealand kiwifruit industry as elimination of the 30 percent tariff on New Zealand kiwifruit would be a big win.

If India doesn't join the agreement in February 2020, it's not clear if the other countries will go ahead without them or if the signing will be delayed to give time to get India on board. The plan is for India to negotiate with each of the 15 countries over market access, to be ready to sign the full deal by 2020.

There are no big wins for New Zealand exporters in this deal as we have trade agreements which eliminated most tariffs with the other 14 countries. However the deal has strategic value at a time when the WTO system is under strain by delivering clear trade rules for many important trade partners backed up by a disputes settlement system.

**China FTA upgrade**

New Zealand was the first Western country to sign an FTA with China back in 2008 and this

agreement eliminated tariffs on New Zealand kiwifruit exports. While the upgrade doesn't directly touch on kiwifruit — it includes modest market access gains for New Zealand wood industry and services — the fact our governments can do bilateral agreements at a time like this is significant.

**Other global trade developments**

- **US China** — agreement to be signed soon, in quite a different form than originally envisaged. Rather than major commitments from China on State Owned Enterprises and intellectual property, China is committing to buy more from the US in return for a stay of execution on increased tariffs. Now that the APEC meeting in Chile has been cancelled due to security concerns (an unprecedented development), another venue will need to be found for the signing.
- **EU NZ FTA** — no major developments, with negotiations ongoing over market access and geographic indicators. The EU may be waiting for the UK to decide on post-Brexit arrangements and there's growing discomfit with the Mercosur (South America) trade deal.
- **CPTPP** — there has been little or no progress on the four outstanding ratifications — Chile, Peru, Malaysia and Brunei — and very little progress on expanding CPTPP membership.
- **New Zealand Government's Trade For All report** was released on 28 November and includes recommendations for MFAT to engage with the public on trade issues.



# 2019/20 Progress Payments For December, February and March

Class 1 - Approved Progress Payment 13 December 2019	Average on Net Submit	16/18/22*	25/27	30/33	36	39	42
Zespri Green	\$0.28	\$0.60	\$0.50	\$0.45	No payment	No payment	No payment
Zespri Organic Green	\$0.48	\$0.30	\$0.80	\$0.65	\$0.50	\$0.50	No payment
Zespri Gold3 & Organic Gold3	\$0.75	\$0.80	\$1.00	\$0.90	\$0.10	\$0.20	No supply
Zespri Green14	\$0.38	\$0.35	\$0.45	\$0.40	\$0.45	\$0.45	\$0.20

\* Zespri Organic Green size 16/18/22 December progress payment has reduced from indicative as a result of a decrease in TFSP between the October and December forecasts.

Class 1 - Approved Progress Payment 14 February 2020	Average on Net Submit	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.16	\$0.30	\$0.35	\$0.25	No payment	No payment	No payment
Zespri Organic Green	\$0.47	\$0.15	\$0.25	\$0.65	\$0.55	\$0.55	\$0.05
Zespri Gold3 & Organic Gold3	\$0.80	\$0.70	\$0.70	\$0.80	\$1.00	\$0.95	No supply
Zespri Green14	\$0.41	\$0.50	\$0.60	\$0.55	\$0.40	\$0.40	\$0.30

Class 1 - Indicative Progress Payment 13 March 2020	Average on Net Submit	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.09	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	No payment
Zespri Organic Green	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
Zespri Gold3 & Organic Gold3	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	No supply
Zespri Green14	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10

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

Class 2 - Approved Progress Payment 14 February 2020	Average on Net Submit	16/18/22	27	30	33	36	39	42	Non-Standard Supply - Approved Progress Payment 14 February 2020	42	46
Class 2 Green	\$2.79	\$2.70	\$2.90	\$2.95	\$2.95	\$3.05	\$2.45	No payment	Zespri Green		No payment
Class 2 Organic Green	\$1.26	\$1.30	\$1.40	\$1.40	\$1.40	\$1.10	\$1.00	\$1.25	Zespri Organic Green		\$1.50
Class 2 Gold3	\$0.31	\$0.25	\$0.35	\$0.15	\$0.45	\$0.30	\$0.35	\$1.00	Zespri Gold3	\$0.65	
Class 2 Organic Gold3	\$0.24	\$1.00	\$0.10	No payment	\$0.10	\$0.10	\$0.75	\$1.45	Zespri Organic Gold3	\$1.00	

1. Progress payments for Class 2 and Non Standard Supply fruit are paid on loaded out trays.
2. Loaded out trays = Net Submitted trays at year end = gross submitted trays less onshore fruit loss trays.

## Financial commentary

### Progress payments

Progress payments have been calculated to ensure cash is returned to the grower as quickly as possible and fairly across all sizes. Payments have been set so that the percentage of total fruit and service payments across the sizes are equal where possible.

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.

### December 2019 approved progress payments on Net Submit trays

Approved per tray progress payments for 13 December 2019:

Class 1	
Zespri Green	\$0.28
Zespri Organic Green	\$0.48
Zespri Gold3 & Organic Gold3	\$0.75
Green14	\$0.38

### February 2020 approved progress payments on Net Submit trays

Approved per tray progress payments for 14 February 2020:

Class 1	
Zespri Green	\$0.16
Zespri Organic Green	\$0.47
Zespri Gold3 & Organic Gold3	\$0.80
Green14	\$0.41

### March 2020 indicative progress payments on Net Submit trays

Indicative per tray progress payments for 13 March 2020:

Class 1	
Zespri Green	\$0.09
Zespri Organic Green	\$0.10
Zespri Gold3 & Organic Gold3	\$0.10
Green14	\$0.10

The OGR calculations reflect post-harvest cost data compiled by Ingham Mora Limited in September 2019, the December 2019 forecast fruit loss percentages and current productive hectare information.

## SHARE BRIEFS

As at 27 November 2019 the last Zespri share price trade was \$8.80 traded on 26 November 2019. There were four buyers at \$8.75, \$8.70, \$8.20 and \$7.87. There were six sellers at \$8.80, \$8.84, \$8.95, \$9.00, \$9.05 and \$9.10.

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.

### 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 27 November 2019.

Quote Line at Wednesday 27 November as at 4.30pm						
Code	Bid (\$)	Offer (\$)	Last (\$)	High (\$)	Low (\$)	Volume
ZGL	8.750	8.800	8.800	0.000	0.000	0

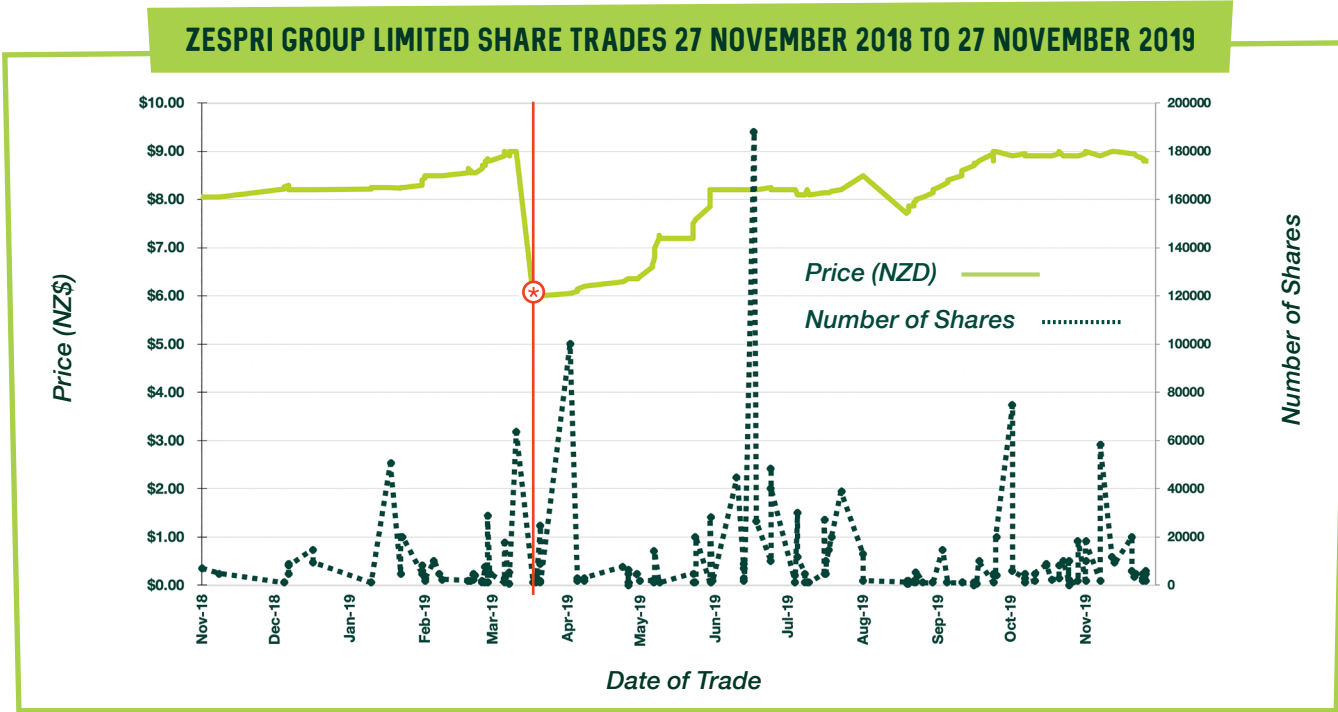
Market Depth					
BIDS			OFFERS		
Orders	Quantity	Price (\$)	Price (\$)	Quantity	Orders
1	3,000	8.750	8.800	27,000	1
1	2,000	8.700	8.840	3,000	1
1	10,000	8.200	8.950	7,500	1
1	5,450	7.870	9.000	10,000	1
			9.050	3,000	1
			9.100	3,000	1

Last 10 Trades			
Date/Time	Quantity	Price (\$)	Value (\$)
26/11/19	6,000	\$8.80	52,800.000
26/11/19	5,000	\$8.80	44,000.000
26/11/19	2,000	\$8.80	17,600.000
25/11/19	3,000	\$8.80	26,400.000
25/11/19	5,000	\$8.85	44,250.000
25/11/19	2,000	\$8.85	17,700.000
22/11/19	5,000	\$8.90	44,500.000
21/11/19	3,300	\$8.95	29,535.000
20/11/19	5,595	\$8.95	50,075.250
20/11/19	20,000	\$8.95	179,000.000

### Director share trading

For the month of November (as at 27 November), 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 content for *Kiwiflier* is finalised for publication, there may be some trades associated with director entities which have been matched and transacted, but the paperwork has not yet been received by Zespri or Computershare. As such, there may be some lags in reporting trading by entities associated with directors. Zespri will however ensure that as at the end of each month, the Director Share Holdings and Transfers document on the Zespri Canopy will always provide the most up to date information held by Zespri.



\*Zespri completed a 3-for-2 share split on 15 March 2019 which increased the number of shares on offer by 50 percent. The drop in share price after this date reflects the market adjustment following the share split.

# Class 1 Fruit and Service Payments and Timings

(including Loyalty Premium)


The following charts show when Fruit and Service Payments (including Loyalty) are made throughout the season (to two decimal points).


Actual payments made YTD are above the dotted line with the average amount paid.

Payments yet to be made are indicated below the dotted line.


- Submit is paid in the early months when fruit is submitted into inventory.
- Pack and Time, KiwiStart and Taste Zespri 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 2019/20 December 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 Green DECEMBER								
 ISO Month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-19	\$2.25	\$0.03					\$2.28	23%
May-19		\$0.10					\$2.38	24%
Jun-19		\$0.09					\$2.47	25%
Jul-19		\$0.04	-\$0.01	\$0.39	\$0.73		\$3.63	36%
Aug-19		\$0.16	\$0.22	\$0.65	\$0.05		\$4.70	47%
Sep-19		\$0.20	\$0.01	\$0.96	\$0.05		\$5.92	59%
Oct-19		\$0.40	\$0.30	\$0.54	\$0.03		\$7.18	72%
Nov-19		\$0.33	\$0.04	\$0.88	\$0.07		\$8.51	85%
Dec-19		.	.	.	\$0.28		.	92%
Jan-20			.			\$0.10	.	.
Feb-20					\$0.16		.	.
Mar-20					\$0.09		.	96%
Apr-20					.		.	.
May-20					.		.	.
Jun-20						\$0.15	.	100%
Paid YTD	\$2.25	\$1.35	\$0.57	\$3.42	\$0.92	\$0.00	\$8.51	
Balance to pay	\$0.00	\$0.28	\$0.04	\$0.12	\$0.81	\$0.25	\$1.50	
Total fruit and service payments - 2019/20 forecast							\$10.01	

Zespri Gold3 and Organic Gold3 DECEMBER									
 ISO Month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Gold OB Premium	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-19	\$2.80	\$0.14						\$2.94	18%
May-19		\$0.13						\$3.07	19%
Jun-19		\$0.18						\$3.25	20%
Jul-19		\$0.09	-\$0.01	\$1.34	\$0.49			\$5.16	32%
Aug-19		\$0.25	\$0.36	\$1.95	\$0.08	\$0.02		\$7.81	48%
Sep-19		\$0.30	\$0.01	\$2.02	\$0.48			\$10.62	66%
Oct-19		\$0.30	\$0.35	\$0.43	\$0.21			\$11.90	74%
Nov-19		\$0.17	\$0.03	\$1.62	\$0.16	\$0.01		\$13.89	86%
Dec-19		.	.	.	\$0.75			.	91%
Jan-20			.				\$0.10	.	.
Feb-20					\$0.80			.	.
Mar-20					\$0.10	.		.	98%
Apr-20					.			.	.
May-20					.			.	.
Jun-20							\$0.15	.	100%
Paid YTD	\$2.80	\$1.55	\$0.73	\$7.36	\$1.42	\$0.03	\$0.00	\$13.89	
Balance to pay	\$0.00	\$0.04	\$0.03	\$0.03	\$1.87	\$0.00	\$0.25	\$2.22	
Total fruit and service payments - 2019/20 forecast							\$16.12		

Zespri Organic Green DECEMBER								
 ISO Month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-19	\$2.25	\$0.00					\$2.25	18%
May-19		\$0.02					\$2.27	18%
Jun-19		\$0.03					\$2.30	19%
Jul-19		\$0.03	\$0.00	\$0.69	\$0.52		\$3.54	29%
Aug-19		\$0.07	\$0.48	\$0.99	\$0.39		\$5.48	45%
Sep-19		\$0.11	\$0.00	\$1.08	\$0.26		\$6.94	56%
Oct-19		\$0.25	\$0.59	\$0.54	\$0.48		\$8.79	71%
Nov-19		\$0.26	\$0.01	\$1.15	\$0.24		\$10.46	85%
Dec-19		.	.	.	\$0.48		.	92%
Jan-20			.			\$0.10	.	.
Feb-20					\$0.47		.	.
Mar-20					\$0.10		.	97%
Apr-20					.		.	.
May-20					.		.	.
Jun-20						\$0.15	.	100%
Paid YTD	\$2.25	\$0.77	\$1.08	\$4.46	\$1.90	\$0.00	\$10.46	
Balance to pay	\$0.00	\$0.20	\$0.01	\$0.13	\$1.25	\$0.25	\$1.84	
Total fruit and service payments - 2019/20 forecast							\$12.30	

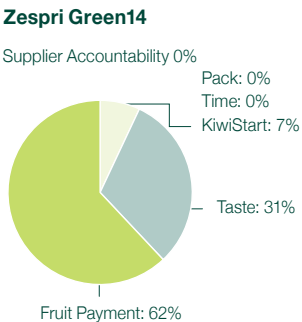
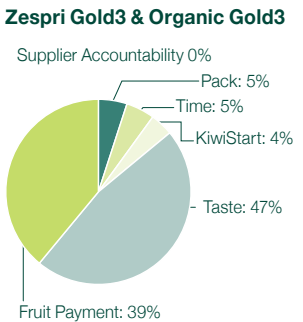
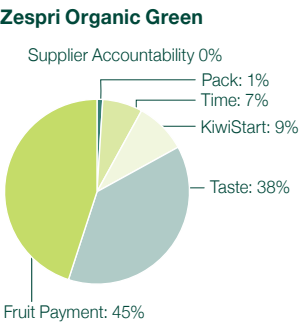
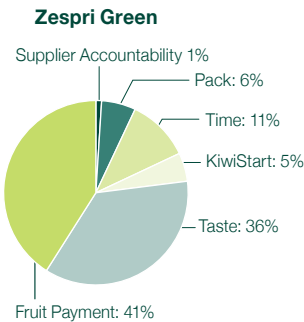
Zespri Green14 DECEMBER								
 ISO Month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-19	\$2.80						\$2.80	26%
May-19		\$0.00					\$2.80	26%
Jun-19							\$2.80	26%
Jul-19			\$0.01	\$0.92	\$0.51		\$4.24	40%
Aug-19			\$0.37	\$0.92	\$0.24		\$5.78	54%
Sep-19			-\$0.01	\$0.73	\$1.16		\$7.65	71%
Oct-19			\$0.37		\$0.43		\$8.46	79%
Nov-19			-\$0.02	\$0.64	\$0.25		\$9.33	87%
Dec-19		.	.	.	\$0.38		.	90%
Jan-20			.			\$0.10	.	.
Feb-20					\$0.41		.	.
Mar-20					\$0.10		.	96%
Apr-20					.		.	.
May-20					.		.	.
Jun-20						\$0.15	.	100%
Paid YTD	\$2.80	\$0.00	\$0.72	\$3.22	\$2.59	\$0.00	\$9.33	
Balance to pay	\$0.00	\$0.00	-\$0.02	\$0.00	\$1.16	\$0.25	\$1.39	
Total fruit and service payments - 2019/20 forecast							\$10.72	

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

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

## 2019/20 Season Grower Payment Portions - Total Fruit and Service Payments

2019/20 December Forecast



# Full Year Forecast Return and Orchard Gate Return (OGR) - industry average only

Full Year Return	2019/20 - December forecast					2018/19 - Actual				
	Zespri Green	Zespri Organic Green	Zespri Gold3 & Organic Gold3	Zespri Green14	All Pools	Zespri Green	Zespri Organic Green	Zespri Gold3 & Organic Gold3	Zespri Green14	All Pools
Total Forecast:										
Total trays supplied (m)	68.9	2.8	74.0	0.4	148.7	81.0	3.5	66.0	0.9	154.1
Kilograms supplied (m)	242.2	9.8	259.5	1.4	521.4	284.8	12.4	230.2	3.1	538.1
Average size per tray	32.9	36.0	29.5	37.3		30.6	33.3	27.3	35.4	
Fruit payments (\$m)	274.3	15.2	452.9	2.6	760.9	332.1	23.7	473.6	5.8	851.9
Fruit incentives (\$m)	286.0	16.0	602.5	1.5	909.1	244.2	14.4	416.5	3.0	679.3
Service costs (\$m)	112.4	2.7	117.9	(0.0)	233.8	135.5	3.5	104.6	0.1	244.1
Fruit and service payments excl. loyalty premium (\$m)	672.6	34.0	1,173.3	4.1	1,903.8	711.8	41.7	994.7	8.9	1,775.4
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)	1.73	3.15	3.32	3.76		1.85	4.49	4.37	3.73	
Total fruit payments per net submit trays	3.98	5.40	6.12	6.56		4.10	6.74	7.17	6.53	
KiwiStart <sup>1</sup>	0.52	1.07	0.70	0.75		0.39	0.76	0.47	0.69	
Taste Zespri	3.54	4.59	7.38	3.22		2.53	3.34	5.77	2.76	
Supplier Accountability	0.09	0.03	0.07	-0.05		0.09	-0.01	0.07	-0.07	
Fruit incentives	4.15	5.68	8.15	3.92		3.01	4.10	6.31	3.37	
Pack type	0.57	0.13	0.76	-0.00		0.47	0.18	0.71	0.12	
Time payment	1.06	0.84	0.84	0.00		1.20	0.81	0.88	0.00	
Service costs	1.63	0.97	1.59	-0.00		1.67	1.00	1.58	0.12	
Class 1 fruit and service payments per net submit trays	9.76	12.05	15.87	10.47		8.78	11.83	15.07	10.03	
Loyalty premium	0.25	0.25	0.25	0.25		0.31	0.31	0.31	0.31	
Class 1 fruit and service payments with loyalty per net submit trays	10.01	12.30	16.12	10.72		9.09	12.14	15.37	10.34	
Less: onshore fruit loss	-0.16	-0.08	-0.22	-0.03		-0.27	-0.15	-0.21	-0.02	
Fruit loss percentage <sup>2</sup>	1.56%	0.65%	1.38%	0.30%		2.98%	1.21%	1.39%	0.16%	
Class 1 fruit and service payments per gross submit trays	9.85	12.22	15.89	10.69		8.82	11.99	15.16	10.32	
Plus Class 2 Return	0.14	0.32	0.09	0.09		0.13	0.26	0.09	0.11	
Plus Non-Standard Supply (NSS) <sup>3</sup>	0.01	0.02	0.03	0.06		0.01	0.02	0.04	0.01	
Plus Other Income (Non dividend) <sup>4</sup>	0.01	0.01	0.01	0.01		0.01	0.01	0.01	0.01	
Average revenue per gross submit trays	10.01	12.57	16.03	10.86		8.97	12.27	15.30	10.45	
LESS: Post-harvest costs deducted <sup>5</sup>										
Base packing and packaging	-1.46	-1.59	-2.22	-2.21		-1.46	-1.52	-2.21	-2.10	
Pack differential	-0.56	-0.13	-0.75	0.00		-0.46	-0.18	-0.70	-0.12	
Base cool storage	-0.85	-0.83	-0.85	-0.86		-0.82	-0.83	-0.84	-0.84	
Logistics	-0.14	-0.15	-0.15	-0.15		-0.13	-0.16	-0.14	-0.15	
Time and CC/RK charges	-0.55	-0.34	-0.45	0.00		-0.64	-0.38	-0.52	-0.01	
Total post-harvest costs per gross submit trays	-3.56	-3.04	-4.42	-3.23		-3.52	-3.06	-4.41	-3.22	
OGR per gross submit trays	6.45	9.54	11.61	7.63		5.45	9.22	10.89	7.23	
Average industry yield per productive hectare <sup>6</sup>	10,126	6,508	13,675	5,685		11,668	7,959	13,401	6,159	
Number of productive hectares <sup>7</sup>	6,915	437	5,483	70		7,158	448	4,996	145	
OGR per hectare	\$65,345	\$62,071	\$158,722	\$43,357		\$63,622	\$73,350	\$145,991	\$44,549	
Average kilogram per tray <sup>8</sup>	3.51	3.47	3.51	3.44		3.52	3.51	3.49	3.49	
OGR per kilogram	1.84	2.75	3.31	2.22		1.55	2.62	3.13	2.07	

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. Post-harvest cost data was compiled by Ingham Mora Limited in September 2019.
6. The average industry yield per hectare equals Class 1 volumes submitted divided by productive hectares. Average yield levels are calculated based on current volume data incorporating the actual FOBS data with actual onshore fruit loss percentages. The OGR may be distorted by the inclusion of orchards in the first years of production in the calculation.

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

8. Average kilograms per tray are derived using the individual size conversions published in the specific season's Pack Conversion Guide.
- Note: Amounts above are not rounded to 2 decimal places, therefore rounding differences may apply.



# Standing proxies

When Zespri shares are held by a corporate entity (a company, limited partnership or other incorporated entity), Zespri's constitution requires that a proxy is appointed prior to the Annual Meeting to attend and vote at the meeting on behalf of the corporate shareholder.

Proxy appointments for the Annual Meeting are required every year and must be received by Computershare at least 48 hours prior to the meeting. This process is sometimes misunderstood by shareholders, which results in some corporate shareholder representatives turning up to the meeting and not being able to vote because the requirements have not been met. Understandably, this is frustrating for shareholders.

The Companies Act 1993 allows for a 'Standing Proxy' to be appointed, which means that a person can be appointed as proxy for a set amount of time (not just the next Annual Meeting). We believe this will make the voting process easier for corporate shareholders which will increase the number of votes available at the Annual Meeting.

Computershare sent out the Board-approved Standing Proxy appointment form to all corporate shareholders in November. If you receive the form (via post or email), this is because you've been identified as a corporate shareholder and have the option of appointing a Standing Proxy. If you choose to appoint a Standing Proxy, then you won't have to appoint another proxy for

your corporate entity for another five years. The proxy appointment will apply for all meetings of shareholders, including Annual Meetings and special meetings. By completing the Standing Proxy appointment, you still have the option to either vote at the Annual Meeting or online, but by doing so, you alleviate the need to appoint a proxy (person) every year.

If you have any questions about this process, or want to check who needs to sign the form, please contact Zespri or Computershare (contact details below).

If you wish to withdraw or change your Standing Proxy, you can do so by notifying Computershare in writing at least 48 hours before any meeting of shareholders. You can also contact Zespri directly regarding this.

**Computershare Investor Services Limited**  
corporateactions@computershare.co.nz  
09 4888 777  
**Zespri International Limited**  
shares@zespri.com  
0800 155 355

# Japan premium for SunGold Organic

In the 2020 season, a Service Level Agreement will be in place paying a \$0.50/TE Japan premium for Class 1 Gold3 Organic volume shipped to Japan. This premium is intended to influence on-orchard pest-management and post-harvest activity, to encourage low scale fruit lines for

supply to the Japan market. For advice on managing scale on an organic orchard (and how your post-harvest facility should treat this premium), please speak to your post-harvest representative. Alternatively, you can email [opc@zespri.com](mailto:opc@zespri.com) for scale management advice.

# Dividends and imputation credits

Following the payment of dividends, Zespri frequently receives queries from shareholders about imputation credits, and why their dividend payment isn't quite as much as the shareholder thought it would be.

Generally, the dividends Zespri pays to shareholders are fully imputed. This means the payment made has imputation credits attached. This results in less tax being payable by the shareholder, so more of the dividend payment actually gets to the shareholder. However, it's not as simple as multiplying the number of shares you hold by the amount Zespri has said they would pay per share — there's still a shortfall of tax that needs to be paid to the IRD.

Imputation credits avoid the double taxation of dividends by matching the tax Zespri has already paid. The highest tax rate in New Zealand is 33 percent, while imputation credits only go to 28 percent. Therefore, there's still some tax required to be paid on the dividend payment, and this is the shareholder's obligation.

Computershare calculate the tax payable on the dividend payment and withhold this for payment direct to the IRD, which means

the shareholder doesn't have to do any tax calculations or IRD payments. The amount of tax withheld will be shown on your dividend statement which is sent by Computershare on payment date. If you've lost or misplaced this, please contact Zespri and we can organise a replacement copy.

The Zespri Shares team is happy to help with queries regarding your shareholding, entitlement and dividend payment, however we're not tax experts and we're unable to provide any financial advice to you. It's likely that you'll be more successful going straight to your accountant with any queries. Computershare notify us on an annual basis of any unclaimed dividends. We'll contact you if you're owed any money.

It's important to keep your bank account and mailing address details updated with Computershare to make sure your dividend goes to the right place. Please contact Computershare directly if you think your details might be out of date.

Zespri Shares:  
0800 155 355 or [shares@zespri.com](mailto:shares@zespri.com).

# Board approves interim dividend payment

The Zespri Board has resolved to pay a fully imputed interim dividend relating to the 2019/20 financial year of eight cents per share. The payment date is 13 December and is payable to all holders of fully paid ordinary shares in the

company who are registered as holders of such shares in the share register of the company on 6 December 2019. Please note that this second interim dividend payment includes licence revenue from the deferred 2016 licence payments.

# Grower education seminar

A broad range of people from new growers to industry representatives to growers wanting to refresh their knowledge of the Zespri system had the opportunity to learn about the different areas of Zespri and how they function.

Day one saw talks from marketing, innovation, packaging, insurance, supply chain, shipping, ZGS, OPC and collaborative marketing.

Day two had presentations from finance, legal, grower support services, technical, pre-harvest assurance, communications, tours, government relations and health and safety. Participants were invited for a tour of the new Zespri premises and to meet with Chairman, Bruce Cameron.

The Zespri Grower Liaison Team hosted its annual two-day grower education seminar on 7 and 8 November. The seminar was designed to give growers a comprehensive understanding of the Zespri system. Keep an eye out for announcements regarding next year's education seminar in 2020 issues of *Kiwiflier*.



# 2020 European Zespri grower tour

The Zespri grower tour is heading to Europe next year! This self-funded tour is a mix of orchard, markets and leisure activities. We'll be visiting Italy, Germany, Switzerland, Belgium and ending in London — highlights will include:

- Kiwifruit growing in Italy
- German markets

- Belgium — Europe Headquarters and Zeebrugge.

If you'd like to register your interest for the tour and receive more information, please email [rachel.dovaston@zespri.com](mailto:rachel.dovaston@zespri.com) or phone 027 263 0624.



# Industry Supply Group (ISG) 21 November

The main agenda items to be discussed are as follows:

- Period 1
  - SunGold KiwiStart MTS
  - Quality manual
  - Supplier accountability
  - Pack differential
  - Supply agreement
- The next ISG meeting will be held on 12 December.

# Growers invited to hit the surf for mental health

We know it's a busy time of the year, but it's also important to take a break and have some fun.

The Gisborne initiative **Surfing for Farmers** is coming to the Mount! Created to support mental health awareness, Surfing for Farmers is a chance for farmers and growers to step away from the property and de-stress. There's a lot of science behind salt water and its ability to help improve mental health, so come along, grab a wettie and have a few laughs.

After you've caught some waves, the BBQ will be fired up and there will be plenty of drinks to quench your thirst.

Your skill level doesn't matter — just turn up with a can-do attitude and give it a go. There will be plenty of enthusiastic coaches on hand to help.

If you don't have a board or a wettie? No worries, we've got one for you. Feel free to bring your mates, too. The more the merrier.

Zespri is jumping on board as one of the sponsors to help facilitate Surfing for Farmers in the Mount, along with Ballance Agri-Nutrients. For further details call Geoff Waite on 027 601 4444.

**Surfing for Farmers - Mount Maunganui**  
**Where:** On the grass opposite Banks Ave  
**When:** Every Thursday from 5 December 2019 to 16 March 2020  
**Time:** First session starts 5.30pm / second session starts 6.30pm  
**Cost:** Free

**Surfing for Farmers - Gisborne**  
**Where:** Midway Surfclub, Gisborne  
**When:** Every Tuesday from 3 December 2019 to 16 March 2020  
**Time:** First session starts 5.30pm / second session starts 6.30pm  
**Cost:** Free



# 2019 Grower Tour – Korea and Japan

Hear what it was like from one of our Grower Liaison Managers who attended...

With a large group of 51 growers, our first stop was Seoul, where we met the Zespri Korea Team to look over the exciting growth in the market. We then flew to Jeju Island to meet with a diverse group of growers, starting with a Zespri partnership nursery with excellent facilities and plant health.

From Seoul, we headed to Tokyo for the All Blacks v England rugby match. Unfortunately, it wasn't the result we wanted, but Yokohama stadium is very impressive! The Japan team took us to visit the Ota Markets, Kamigumi Port Island Terminal and Yokado Makuhari Store before giving us a presentation on the growth and marketing plans for the Japan markets.

From Tokyo, we headed to Hiroshima. The first stop was the Miyajima area, including the Itsukushima

Jinja Shrine by boat. We learnt about the history of Hiroshima City, including Atomic Bomb Dome, Peace Memorial Park and Peace Memorial Museum – which was a very sober reflection on where Japan has come from and where it is today.

The fast train (Shinkansen) was a wonderful way to get from city to city, whilst travelling at 300km per hour through the country. It gave a real sense of the potential growth in the regions and an understanding that all land space is used, if not with rice then with mixed horticulture.

Fukuoka is the main growing region for kiwifruit and where the Zespri team is based. We stayed at a traditional Japanese Ryokan Daimaru Besso which has been operating since 1865. We also had an opportunity to visit a large development of six

hectares of newly grafted SunGold (the grower is a twin and is known as 'the real life Kiwi Brother') followed by a small scale Hort16A orchard. The average orchard in Japan is still 0.04 hectares, usually owned by older established families.

We headed back to Tokyo for the last two rugby games. During the final two days, we visited various places around Japan (a highlight was Mount Fuji) before we ended the trip with a cruise around Tokyo Harbour.

*Zespri would like to thank the New Zealand growers on this year's tour and especially the Japan and Korean growers and staff who went out of their way to make sure it was a memorable trip. Next year's tour is heading to Europe, so check out the article on page nine for more information.*



Growers on tour in Tokyo.



## The month ahead: December



### Prepare for summer

If you're planning to enjoy a summer holiday, make sure your canopy is under control before you head to the beach! Walk the orchard to check the canopy and manage those late-grown, red, hairy canes by ripping them out. These canes are resource-hungry, make poor replacement canes, and can cause significant shading of the canopy later in the season.

SunGold has a fruit-sensitive period (from ~21 days post-fruit set on most orchards), so take extra care with any work you plan to do during this time. If you need to get in and open dark areas in the canopy, consider cutting and leaving canes in the canopy to avoid damage caused by pulling these through.

Check irrigation systems and ensure that all sprinklers or drippers are working. Vines with root systems compromised by waterlogged soils will be more sensitive to dry conditions, so keep an eye out for wilting as well as on your soil moisture probes to decide when to irrigate. If you have a newly established block, remember it's important to irrigate young vines as they have smaller root systems that are less able to access soil water reserves.

### Thinning

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

**Tools for fruit size**

Looking to increase your fruit size? Consider a spring trunk girdle four to five weeks after mid-bloom. Technique is really important, so ensure you work the additional cost of monitoring into your budget. Imagine how much damage one person can do in an hour!

If you're using foliar urea applications to increase fruit size (mostly used for green varieties), remember that the recommendation is for **three** applications and more isn't necessarily better. Late applications can also compromise storage, so don't go overboard – make sure you're all done by mid-January (possibly late January in a later-than-usual season).

**Male pruning**

Male pruning soon after flowering is important. The flowers you'll get next year have already been

initiated in the vine, so any growth from now on is not very useful for pollination next season as it won't be very floral. When you do your pruning, make sure you keep the early floral growth – it's what will provide flowers for next year. Male pruning will also let more light onto female vines and open the canopy, which helps with pest and disease management.

Rip any vigorous shoots from unneeded growth points, button-cut those growth points you want to keep, and consider tipping more moderate shoots to prevent them from getting too big. For the rest of the season, male pruning will consist of removing any new non-floral growth that will create shading. Male pruning rounds should maintain the size and wood type you establish now through January, February and March, reducing the need for winter pruning of males.

If you've grafted in new male varieties to bulk up for SunGold pollination, you may want to retain more growth so you've got plenty of high quality buds to use for grafting next winter. But remember to ensure plenty of light penetration to make sure you get good flowering.

**Root pruning**

The time for root-pruning vines is 60 days after mid-bloom. Consider trialling a small area so you can see what additional dry matter benefit this technique may net you.

**Crop protection**

Keep any eye on the KVH risk model and keep up Psa protection in relation to weather events. Only girdle in dry weather and avoid the risk of spreading Psa by sanitising tools in between vines. Having two sets of tools will make this more efficient.

Pre-Christmas is the time to manage passionvine hopper (PVH) nymphs. Monitor orchard boundaries and remove host plants if

possible. Remember that any sprays applied to shelter and boundary areas need to be recorded in the spray diary.

Weed-spray gravel loadout areas early and maintain as open gravel over summer to eliminate habitat for Wheat bug.

Although spraying for sclerotinia prior to flowering has been found to be more effective, Timorex Gold is a new product that can be used post-flowering, but you'll need a justified approval to apply it at that time. Don't forget to check the updated Crop Protection Standard for what's allowed.

Monitor sclerotinia damage to fruitlets. Removing diseased fruitlets from the orchard is a good way to reduce the inoculum load and lessen the chances of increased sclerotia the following spring.

If you're developing an orchard and planning to drop your leaders, consider covering your leader wire with a length of polyethylene or neoprene foam to protect the leader from wire rub damage. Any wound is a potential entry point for Psa and young plants are more susceptible to infection, so give them a bit of cushioning while they're young to promote strong canopy growth.

**Organic**

If you had a scale problem last year, consider a post-flower mineral oil application and remember to consult the Zespri crop protection standard. If your monitoring results are under the KiwiGreen threshold but you have a history of scale, contact the Zespri crop protection team to apply oil under a justified approval.

To avoid skin marking, it's best to apply a mineral oil (mixed with Bt for leafroller) within two weeks post-flowering for Hayward and within three weeks post-flowering for SunGold.

## Recent events

The OPC team has been as busy as the bees in your orchard delivering a cornucopia of events this spring. For this round of events we've tried something new, delivering field days with messages tailored specifically for each region. The events appear to be popular as attendance has been up across the board.

In between the field days we're also dropping in a couple of webinars and events. A series of one-off events ended November with a bang –

from The Stringing Tour to the Organic Orchard Hop and Dinner, to the Soil Workshop, these events were well attended with participants able to engage in conversation and learn from other growers, scientists and experts. We also did some weevil hunting in Auckland!

If you missed any of the spring/summer webinars you can check them out on the Canopy website or download the handout summarising the info. If you want to see a webinar live so you can ask some questions, join the 'Monitoring

and responding to scale' webinar from 3.30-4.30pm on 21 January (register on the Canopy). While you're there, you can also register for the 'Managing the mountain' webinar, or talk to your packhouse to see if they'll be screening the webinars.

We finished up our spring and summer events in Edgecumbe and Katikati at the beginning of the month, but we'll see you soon for pre-harvest!





# Xylella fastidiosa: understanding the threat to kiwifruit



Xylella fastidiosa, a deadly bacterial pathogen, is having a devastating impact across horticultural industries in Europe and the USA, particularly in olive groves in the south of Italy and wine vineyards in California.

We know the disease can infect many different plants, including natives and important crops, but up until now we didn't know the full scale of potential damage if it got into New Zealand.



An olive grove infected by Xylella fastidiosa in Apulia, Italy. Infested trees lose their leaves and eventually die. Many owners try to stem the spread of the bacteria by cutting off the branches.

The Xylella Action Group (XAG) was formed in 2018 under a framework provided by Government Industry Agreements (GIA) to collaborate to improve New Zealand's readiness should Xylella fastidiosa be detected on our shores. The group comprises several potentially affected industries, as well as KVH, and was successfully awarded a grant to fund work to better understand the threat to our industries and to build awareness in order to prioritise readiness activities that would help minimise any impact upon incursion.

A literature review was commissioned to explore the pathogen, its host range, New Zealand's climatic suitability and vector status. While the findings highlighted Xylella fastidiosa has an incredibly wide host range comprising more than 350 species, the good news is that there are no reports of it affecting kiwifruit. Other important horticulture crops in New Zealand that are known hosts include grapes, citrus, pears, blueberries and summer fruit (such as cherry, peach, apricot and nectarine). It also has the potential to impact several hosts in our native estate.

Xylella fastidiosa is a vector-transmitted pathogen that requires specific insects to move the disease between plants while it feeds. The review found that almost any plant can be a potential host if an appropriate vector for the disease is associated with a host.

Luckily, in New Zealand we don't currently have the most invasive vector, the glassy-winged sharpshooter, although it's relatively close to us (present in several Pacific Islands). Spittlebugs are also known vectors of Xylella fastidiosa and around 16 species are found throughout New Zealand. Fortunately, spittlebugs are not known to be associated with kiwifruit so are unlikely to be a vector of concern. Cicadas have the potential to transmit the disease in New Zealand, but little research has been undertaken in this space. While we know cicadas are a pest in kiwifruit in New Zealand, more research is required before we can be certain.

While kiwifruit is currently not considered a host, there's still much uncertainty, particularly around our vector status, and thus our future potential host status. Therefore, KVH will remain involved in the XAG and will continue to contribute towards New Zealand's readiness efforts.

As an industry, you can help too. Continue to apply good biosecurity practices across your orchard and keep an eye out for any unusual symptoms. This will help manage the impact and spread should it arrive and give New Zealand a better chance of detecting it early. For any unusual symptom reports, call KVH on 0800 665 825 or the Biosecurity New Zealand 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

## BOP Young Fruit Grower Competition

Have you got what it takes to be one of the best?

Start 2020 with a bang and enter the Bay of Plenty Young Fruit Grower Competition on 8 and 12 February.

Applications to compete are still being accepted and will close on 20 December 2019. There are some fantastic prizes to be won including cash for first, second, third

place and the winning speech as well as paid development courses, conference tickets and sponsored goods from regional businesses.

More information on competing, sponsoring or purchasing gala dinner tickets can be found on the BOP Young Fruit Grower website: [www.bopyoungfruitgrower.co.nz](http://www.bopyoungfruitgrower.co.nz).

# Better plan for managing kiwifruit industry risk



KVH is looking at a new regulation framework to better manage biosecurity risk to the New Zealand kiwifruit industry.

Growers' views are being sought on a proposed new Pathway Management Plan, which would offer better protection, more value for money, and increased simplicity around rules and regulations.

Instead of focusing on a single pest, like Psa, the proposed plan focuses on management of risk associated with the pathways by which diseases or pests are transmitted. This covers the full range of biosecurity threats to our industry and provides for a consistent and pragmatic approach to managing pathway risks such as movement of all plant material, international visitors, and high-risk second hand or imported equipment coming onto our orchards.

The proposed plan is equivalent to the current Psa National Pest Management Plan (NPMP) but is more fit-for-purpose and makes sure all the right settings are in place so that we can detect anything new quickly enough to stop its spread, limit impacts, and aim for eradication.

KVH proposes that the plan replace the current Psa NPMP as it will retain the important elements needed for Psa protection (e.g. controlling movements of high-risk pathways to the South Island) but also provide much wider benefits, including:

- Better protection
- More value for money

- Increased simplicity around rules and regulations
- Right settings for early detection of new threats
- Consistent and pragmatic.

Pathway plans enable an organisation like KVH to do things like setting clear objectives and rules for the industry and accessing powers needed to effectively manage risks on a wider scale than for just Psa. They designate a management agency responsible for the plan, which in this case would be KVH. They also enable the agency to raise funding through a levy if needed, although KVH is hoping to manage this all under one existing levy, without any net increase to growers.

The proposed plan is summarised in the one-page fact sheet available at [www.kvh.org.nz](http://www.kvh.org.nz). A detailed consultation paper and submission form are also available from the website. You can email KVH at [info@kvh.org.nz](mailto:info@kvh.org.nz) or phone 0800 665 825 to provide comments.

Based on feedback received, a full plan and implementation schedule will be developed and shared in early 2020 for your input before it is finalised. We encourage you to have a say and let us know your thoughts.



The BMSB is one example of an unwanted threat that could make its way to New Zealand on a number of different pathways, from several countries.



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

## Healthy Waterways Policy

On behalf of the Water Strategy Leadership Group, and after comprehensive consultation and drafting, NZKGI and Zespri submitted the kiwifruit industry's submission in response to the Action for Healthy Waterways Policy that the government proposed in September. The Water Strategy Leadership Group thanks all who provided contributions which helped to shape the direction of the submission. As next steps, the Independent Advisory Panel

will review all submissions and will provide recommendations to the Minister for the Environment by the end of the year. This panel was appointed by Environment Minister David Parker and is chaired by retired Principal Environment Court Judge David Sheppard. Cabinet is expected to make decisions in the first half of 2020, with a view to having the regulations in force by mid-2020.





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 Brad Ririnui (021 757 843).

## Q&A FROM THE FIELD

### Q Why do I have to register for the Food Act to supply fruit?

Registering for the Food Act 2014 is a legislative requirement and applies to all horticulture from March 2019. You must register with MPI for the Food Act 2014 and be verified before you harvest. If you don't, you're operating illegally which could prevent packhouses from being able to legally accept your fruit.

If you chose to register through Zespri, your verification audit should be completed at your G.A.P inspection. To check if your G.A.P legal entity is registered, you can search the MPI Public Register ([mpiportal.force.com/publicregister](http://mpiportal.force.com/publicregister)) or contact Jemma Pryor, Food Act Coordinator, on 07 572 762.

### Q Why is it important to complete my 2020 grower registration?

Completing your 2020 grower registration ensures that your orchard and account information is accurate and up-to date. Up-to-date information ensures that only the people you wish to grant access to your information through the portal can do so. It also ensures important industry communications are going to the right place and person. The quickest way to complete your grower registration is through the Industry Portal by clicking on the 'registrations' icon on the home page. If you experience any problems or need guidance, please contact Grower Support Services on 0800 155 355.

### Q What do I do if we've experienced a hail event?

When a hail event occurs on an orchard, you must notify Zespri within 72 hours of the event — even if you're unsure if there's any damage to the vines or fruit. Zespri will send the information on to an independent loss assessor who will contact you to arrange a suitable time to come and carry out a preliminary estimate of hail damage on your orchard. It's important you don't do anything to mitigate the damage prior to discussion with the loss assessor, as the loss assessor may need to sight the damage as part of their assessment. You can notify Zespri of a hail event by calling Grower Support Services on 0800 155 355 or emailing [contactcanopy@zespri.com](mailto:contactcanopy@zespri.com). Alternatively, you can log a hail notification through the Industry Portal.

### Q I was unsuccessful in the 2019 licence tender. Why is a Zespri representative wanting to audit my orchard?

As part of the wider Zespri PVR Enforcement Programme, Zespri is working through scheduling audits of all orchards that participated in the 2019 Gold3 tender, whether they were successful or unsuccessful. This audit will be conducted by either GPSit or another Zespri representative. Zespri is committed to the ongoing protection of PVR varieties and ensuring compliance as per the Zespri Variety Licence conditions and making sure they are strictly adhered to for the benefit of all licence holders.

### Q How do I check my contractor is registered and G.A.P compliant? And where do I get a Compliance Assessment Verification (CAV) from?

Contractors are issued a CAV when they've successfully met the requirements of a G.A.P inspection. The purpose of the CAV is to provide growers with assurance that the contractor has recently demonstrated that they meet the G.A.P requirements and is able to apply good agricultural practice whilst undertaking work on your orchard. Contractors are required to provide a copy of a valid CAV to growers before commencing work on the orchard. Always request a copy of the contractor's CAV before they work for you and be sure to check the G.A.P CAV expiry date to ensure your contractor's CAV is current when work is being carried out. If they don't hold a current CAV at the time of working on your orchard, your own ability to meet the G.A.P requirements may be affected. To check which contractors or sub-contractors hold a valid CAV in your region, visit the contractor list at [industry.zespri.com](http://industry.zespri.com).



## CHRISTMAS SHUTDOWN HOURS

Zespri's New Zealand office will close for the Christmas break on **Monday 23 December at 3pm** and will reopen on **Monday 6 January at 8am**. There will be no New Zealand staff on site during this time.

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

If you have an urgent matter and need to contact someone from the Grower Services Team, please call your Grower Liaison Manager:  
**Tom MacMorran** 027 511 2005  
**Sylvia Warren** 022 101 8550  
**Brad Ririnui** 021 757 843

## Zespri golf day

On 14 November, the Zespri Grower Liaison Team hosted the first grower and industry golf day. More than 70 growers played 18 holes of golf at Omanu Golf Club in Mount Maunganui, many coming from far and wide across New Zealand. The format of the day was Ambrose, which provided a great opportunity for growers to catch up and mingle.

Zespri partnered with the Wish for Fish charitable trust (which gives people with physical

disabilities the opportunity to experience salt water activities) by providing food and raffles on the day.

Congratulations to our winning team, Japan, which included Hamish McCain, Lorry Leydon, Grant Calder and Phil Mangos. Darshan Singh and Ngawai Amoamo also took home major spot prizes.

### Zespri would like to thank our prize sponsors:

- Farmlands Te Puke

- Stoney Creek
  - R & R Tractors
  - Trimax
  - GPSit
  - Waterforce
  - NZ Sevens
  - Bayleys
  - Rabobank
  - FMG
  - Action Equipment
  - House of Travel
  - Le Grá Vineyard and Winery
- Keep a look out for future events in *Kiwiflier* next year!



Golf day champions, the Japan team.



## Managing fatigue this summer

Summer can be a challenging time for growers. The evenings are getting lighter and BBQ season is upon us, which means the pressure is on to get jobs done while there's more daylight in the evenings.

During this time of year it can be difficult to remember to balance the race to satisfy demand with your own safety. Many serious incidents are a result from people trying to complete tasks in a hurry (or fit in 'one more job').

An increased workload relies on you being physically and mentally alert, so it's important to make sure you and your staff aren't, or don't become, fatigued. Fatigue is more than just being tired — it's a state of physical or mental exhaustion which reduces a person's ability to perform work safely and effectively.

To ensure we all have a safe and productive summer on the orchard, we thought we'd share some of **WorkSafe New Zealand's** top tips for managing fatigue.

### How are workers and others harmed?

Fatigue reduces alertness. This may lead to errors, and an increase in workplace incidents and injuries. There are various causes of fatigue including:

- Work schedules: Hours of work, night work and shift work (including breaks between shifts)
- Sleep disruption: Everyone needs a particular amount of sleep to stay alert and perform well
- Environmental conditions: Climate extremes (such as working outside), noise and handling vibrating tools places demand on workers and increase fatigue
- Emotional wellbeing: Work events can be emotionally tiring and increase fatigue, such as regular criticism or the pressure to complete a task to a deadline. Non-work events can also cause distress and lead to

fatigue — for example, when a person faces the loss of a loved one or tries to resolve personal conflicts.

### What you can do

First you must always eliminate the risk where you're reasonably able to. Where you're not reasonably able to, then you need to consider what you can do to minimise the risk. Here are some examples:

- Set achievable demands for your workers in relation to agreed hours of work
- Match workers' skills and abilities to job demands
- Support workers to have a level of control over their pace of work
- Ensure managers and supervisors have the capability and knowledge to identify, understand and support workers who may be feeling stressed
- Have agreed policies and procedures to prevent or resolve unacceptable behaviour
- Engage and consult with workers before implementing change processes, and ensure they genuinely have the ability to influence the decisions you make.

### Get your workers involved

- Ensure your workers know how to make suggestions, ask questions or raise concerns
- Always ask your workers for input on identifying health and safety risks and how to eliminate or minimise them. People are more likely to take responsibility and make good decisions when they have been involved in the conversation. Your workers are the eyes and ears of your business. They can help spot issues, and suggest practical, cost-effective solutions
- Always train your workers on what the key risks are and how to keep healthy and safe.