



WELCOME TO YOUR NEW LOOK *KIWIFLIER*

Zespri recently unveiled its first new look in its 22-year history, with a refreshed brand providing a strong platform to continue our recent growth.

Revealed at the world's leading fresh produce exhibition, Berlin Fruit Logistica, the new brand better reflects our purpose which is to help people, communities and the environment thrive through the goodness of kiwifruit.

The refresh includes a new brand vision, a new brand

tagline and a new visual identity that captures the burst of flavour consumers get from biting into a Zespri Kiwifruit.

Customers and consumers will see a refreshed Zespri logo featuring the use of a green fan, inspired by the vibrant cross-section of a kiwifruit with different shades of green bursts, and a red wordmark reflecting the energy and dynamism of the Zespri brand.

Chief Growth Officer Jiunn Shih says the New Zealand

kiwifruit industry has invested significantly in developing the Zespri brand and the refresh was designed to position the company for its next phase of growth.

"We're confident that our new brand will resonate not only with our loyal fans but pique the interest of new ones, helping differentiate Zespri in the fresh produce market so that we can continue to grow our share of the global fruit bowl," Mr Shih says.

FEBRUARY FORECAST FOR GROWER RETURNS

In his recent update to growers and shareholders, Zespri Chair Bruce Cameron reported on the February forecast for the 2019/20 season. The **average return per tray across all categories** has increased, mainly due to the updated assessment of fruit quality and customer rebates across all pools. At the per hectare level, all categories have increased, except for a small decrease in the Green per hectare return, as a result of initial volume reconciliations carried out at this point in the season, now that all trays are shipped.

The forecast **Total Fruit and Service Payment**, excluding loyalty premium, has increased to \$1,904.8 million, compared with \$1,903.8 million in December. The Zespri Board also approved a **net profit after tax range** for the year ended 31 March 2020 of \$187.0 million to \$190.0 million, which includes licence release income. The **dividend per share range** is \$0.87 to \$0.89 per share including dividends relating to 2019 licence release income.

POOLS (FRUIT CATEGORIES)	FEBRUARY 2020 FORECAST	DECEMBER 2019 FORECAST
Zespri Green	\$65,171 per ha	\$65,345 per ha
	\$6.46 per tray	\$6.45 per tray
Zespri Organic Green	\$62,258 per ha	\$62,071 per ha
	\$9.65 per tray	\$9.54 per tray
Zespri Gold	\$159,688 per ha	\$158,722 per ha
	\$11.71 per tray	\$11.61 per tray
Zespri Green14	\$43,497 per ha	\$43,357 per ha
	\$7.65 per tray	\$7.63 per tray

ZESPRI CHIEF GLOBAL SUPPLY OFFICER TO TAKE UP NEW ROLE AT PORT OF TAURANGA

After 20 years with Zespri, Chief Global Supply Officer Blair Hamill will be leaving the company in July to take up the role of Commercial Manager at the Port of Tauranga. Having joined Zespri in 2000 as an operations accountant, Blair has held a number of key roles within the organisation including Commercial Manager for New Zealand Supply, General Manager of Global Supply where he spent time based in Italy, Chief Supply Chain Officer and more recently Chief Global Supply Officer.

Zespri Chief Executive Dan Mathieson says Blair has been a hugely valuable member of the executive and will be sorely missed.

"Blair can leave the industry knowing he's made a tremendous contribution to our industry's success over the 20 years he's been with us.

"That's included fostering strong relationships across the supply side of our business and the wider industry, and helping develop our non-New Zealand supply in offshore growing regions so that we're able to provide Zespri Kiwifruit for all twelve months of the year.

"While our team and the wider kiwifruit industry will certainly miss Blair and the contributions he's made, we wish him well in his new role where we know he'll continue to excel."

Blair says that he's greatly valued the opportunities he's had with Zespri and the relationships he's formed.

"I've loved the relationships I've built over my time in the industry and it's genuinely incredibly tough to leave those behind.

"But the industry is in a fantastic position – the markets are going well, there's strong demand for kiwifruit across the globe and there's great people here who will be taking Zespri and the industry through its next phase of growth."

Blair will remain with Zespri until July 2020, with Chief Grower and Alliances Officer Dave Courtney shadowing Blair through Period 1 and then holding dual roles for an interim period. Formal recruitment for the Chief Global Supply Officer position will commence within the next few weeks.

CORONAVIRUS UPDATE

Zespri is continuing to monitor the coronavirus situation closely.

The latest developments indicate that there are now significant outbreaks beginning to occur in other countries beyond China, including in some of our markets such as Italy, Korea and Japan. Our contingency planning for the season ahead is taking into account this rapidly changing situation and we are continuing to plan for a range of scenarios, with those plans being enacted depending on the situation as the season begins and progresses.

We are now seeing positive signs in China with regard to the situation stabilising, illustrated by people returning to work and key indicators like consumption and manufacturing trends starting to pick up. While there is severe congestion at the main container terminals, we have been advised that the key terminal we use for discharging our early season chart ship arrivals is operating normally. Our distributors have also reported that internal distribution networks within China are beginning to return to normal, although some internal travel restrictions do remain in place.

As things stand today, we are planning expect to start our China shipping programme as planned, with the first

China bound vessel expected to depart in Week 12 and deliver New Zealand-grown fruit to China in April. We remain committed to maximising our volumes into China to ensure we minimise any impact on grower returns.

More broadly, we will continue to monitor the impact of coronavirus on other markets including Korea, Italy and Japan, with our contingency planning considering alternative shipping options should markets be disrupted significantly.

From a people perspective, our Zespri office in Northern Italy is currently closed with our team working from home, while our Shanghai-based staff continue to be limited in their movements. Our teams in Japan and Korea are also taking all necessary precautions. We are also adopting a precautionary approach with regard to our tours programme and pre-season meetings, with some of our planned staff, customer and market tours from China and offshore having already been cancelled or replaced by video conferences.

We will continue to keep the industry updated on the impact of coronavirus and any material change to our 2020 season planning.



MOMENTUM 2020 A HUGE SUCCESS

Momentum 2020, our industry conference held mid-February in Mount Maunganui, was a fantastic success with more than 700 people attending the event on day one. It was possibly the biggest-ever industry conference organised by Zespri, attended mainly by growers and supply chain partners, with first-class keynotes and panels on consumer trends, brand and sustainability.



FRESH CARRIERS HAYWARD MEDAL AWARDED TO IAN GREAVES FOR PASTORAL CARE OF KIWIFRUIT INDUSTRY

The kiwifruit industry's Fresh Carriers Hayward Medal was awarded to Ian Greaves for the life-saving pastoral care he provided the industry during the Psa outbreak.

Kiwifruit Industry Advisory Committee Chair and Zespri Director Tony Hawken presented the medal to Ian at the industry's Momentum 2020 conference dinner, recognising the efforts he put in to caring for the health and wellbeing of growers during the Psa outbreak through his Grower Support Network.

The Hayward Medal was established in 2012 to honour the dedication, knowledge, excellence and passion of the kiwifruit industry's world-class leaders, and the judging panel unanimously awarded Ian this year's Fresh Carriers Hayward Medal.

Tony says Ian clearly met the judging panel's criteria which assessed the nominee's length of service, the benefits from their contributions, their leadership within the industry, their selflessness and the legacy they had created.

"The outbreak of Psa was truly distressing for our kiwifruit growers and the wider industry, and an event that would forever change the trajectory of our industry, putting those involved in the industry at the time under real pressure," says Tony.

"However, as a grower himself during the outbreak, Ian stood up to advocate for mental health awareness and suicide prevention within the kiwifruit industry. He established a support system that previously didn't exist, and which ultimately saved lives.

"Ian's wealth of industry experience and the trust he built up from his involvement as a grower, field representative, general manager and post-harvest chairman, to consultant and leadership roles at Kiwifruit Vine Health, Kiwifruit New Zealand and NZKGI, meant he had the knowledge and ability to act as the glue during the crisis.

"We're delighted to have had a great range of nominations this year, and congratulate Ian for the huge contribution he has, and continues to make, to our industry."



Fresh Carriers Chairman Mr Takeshige and Zespri Director Tony Hawken with Hayward Medal winner Ian Greaves.

ZESPRI OFFICIALLY OPENS MOUNT MAUNGANUI HEAD OFFICE

During the Momentum conference celebrations in February, Zespri officially opened its Mount Maunganui office.

The total office complex is now 5264m², following the completion of the phase two meeting wing. This wing will house five meeting rooms and a demonstration kitchen, and in a nod to the industry's journey, the meeting rooms carry names of special significance and recognise people like Alexander Allison, Isabel Fraser and Hayward Wright.

Minister of Agriculture, Hon Damien O'Connor, officially opened the building, and growers, Zespri customers, NZKGI and KVH representatives, and post-harvest members joined the celebrations.

Zespri Chair Bruce Cameron was joined in cutting a commemorative ribbon by the four previous Zespri Chairmen — Craig Greenlees, Peter McBride, John Palmer and Doug Voss.

Mr Cameron says the completion of Zespri's head office in Mount Maunganui represented a significant milestone for New Zealand's kiwifruit industry.

"This building was always designed to be a hub for the industry and to celebrate its completion with so many of our industry stalwarts and customers during Momentum 2020 is a fitting way for us to start what we hope will be another successful year for our industry," says Mr Cameron.

Not only a hub for the industry, the building is a great spot to host growers as well as visiting trade, media and government delegations. Reflecting the sustainability commitments Zespri announced during the Momentum conference, the building also features a number of environmentally-friendly design features.

The building features solar roof panels, energy efficient sensor lighting, grey water storage, two electric vehicle charging stations, the ability to charge 16 electric bikes and improved recycling options.



A commemorative ribbon cut by the four previous Zespri Chairmen – Craig Greenlees, Doug Voss, Peter McBride and John Palmer.

SUCCESSFUL PROTECTION OF PVR RIGHTS

Zespri has welcomed the successful result of legal action taken against a former kiwifruit grower who took Zespri's protected plant material to China where it has continued to spread.

The court ruled that Mr Haou Gao had fraudulently offered to sell Zespri's varieties and the right to licence them to parties in China

– a right exclusively retained by Zespri, and awarded almost \$15 million in damages.

The court's decision is an important one for growers and gives confidence that if they continue to invest in research and development they'll have protections against those seeking to undermine that.

Late last year Zespri announced it would take legal action under Chinese plant variety rights legislation, and the successful outcome in New Zealand reinforces Zespri's commitment to pursue all parties involved in or supporting the unauthorised spread of our varieties. It was also encouraging to see China strengthening its plant variety right legislation.

Zespri is considering its options in China relating to Mr Gao and his associates, and will keep growers updated as the work on the wider unauthorised G3 plantings continue.

STANDING UP FOR OUR COMMITMENT TO SUSTAINABILITY



Zespri recently announced sustainability commitments and targets, including a move to make all of its packaging 100 percent reusable, recyclable or compostable by 2025.

Chief Innovation and Sustainability Officer Carol Ward says the sustainability announcement is based on the company’s belief in respecting and enhancing our natural environment,

optimising natural resources and fostering health and wellbeing.

“While we are already one of the lowest impact foods produced we can do even better. Today’s consumers care about what their food is wrapped in, want to know more about where it comes from and are seeking reassurance that it’s been grown in a way that enhances

the environment and supports livelihoods. We already have much to be proud of including already having 95 percent of our packaging used to transport our kiwifruit to market as cardboard, but we realise there’s more to do. Our ambitious targets are about driving our next stage of development and aligning with our purpose, our brand promise and our premium product position,” says Carol.

The announcements follow Zespri joining some of the world’s biggest brands in 2019 to sign up to the Ellen MacArthur Foundation’s New Plastics Economy Global Commitment and working with our industry partners to create a circular economy for plastics.

A dedicated work programme focusing on sustainable packaging has been established to build on our actions, including reducing the weight of liners used in cardboard transport packs, trialling fibre-based solutions for pocket-packs, implementing improved recycling options, and eliminating all unnecessary packaging.

Outside of packaging, we’ve made a number of other sustainability commitments, including that:

- Zespri will be carbon positive by 2035
- Zespri will disclose its climate risks and opportunities by August 2021 and develop an industry-wide climate change adaptation plan by December 2022
- By 2025, our industry will more effectively monitor nutrient inputs and losses as well as our impact on water — better protecting and enhancing water quality
- Zespri will partner with local communities on healthy lifestyle programmes in all major Zespri markets by 2022
- Zespri will attract and build a thriving workforce amongst its value chain by 2030, continually improving social practices.

This is a time of great opportunity for Zespri, and the commitments are designed to enable the industry to succeed in the right way, helping to both lift people up and take better care of our environment.

LICENCE RELEASE: 2020 PROCESS

As communicated in December, the Zespri Board confirmed the continuation of the SunGold licence release programme and also approved the release of Zespri Red licence in 2020. Zespri will allocate a further 700 hectares of Conventional SunGold licence, 50 hectares of Organic SunGold licence and 150 hectares of Zespri Red.

Based on the current expected 15 million tray market demand in Asia for Zespri Red, Zespri plans to license 1,500 hectares from 2020 to 2023. This is subject to the availability of quality budwood and the normal annual review process that’s carried out at the end of each selling season.

On **6 March**, the Licence Application Overview and Rules (‘LAOR’) for SunGold, Organic SunGold and Zespri Red will be published and available to view on the Canopy website (canopy.zespri.com). The 2020 Zespri Red New Variety Information Guide will also be published on Canopy on this date. Please note, as per the timetable below, the application window won’t open until **3 April**.

Both the SunGold and Zespri Red licence releases will be run at the same time. As a result, the timetable previously published in *Kiwiflier* has been updated as per the timeline at the end of this article. The delay from what was previously published is necessary to allow growers sufficient time to complete their due diligence on all licence variety releases after the *2020 Zespri Red19 New Variety Information Guide* (‘NVIG’) and LAOR is published.

The SunGold licence rules are largely the same as they were in 2019 under a closed tender bid process for both the Conventional and Organic pools. The only change is the deposit terms of payment. After listening to concerns from growers and banks about the ability to pay the deposit by cheque, we’ve revised this process and payment will now be required via Electronic Funds Transfer (EFT) bank transfer.

All successful bidders will be required to pay 25 percent of the bid price by EFT instead of cheque, and the deposit will only be due if the bid is successful. At least three days’ notice will be given by email (to the email address supplied on the bidder’s application) to successful bidders so they have time to arrange payment of their deposit by EFT. This payment will be required to be made into the Cooney Lees Morgan trust account. Bank account details for Cooney Lees Morgan will be provided to successful bidders on their email notification. Cheques will no longer be required to be submitted with applications and all monies must be paid via EFT. This payment method will apply for both Zespri Red and SunGold tenders.

As per the timetable, it’s expected all bidders will be contacted with the outcome of their bid from 12 May onwards.

Below is a summary of the 2020 Zespri Red licence rules:

- Total hectares being released is 150
- Minimum bid area of 0.50 hectares
- Maximum bid area of 5.00 hectares
- Every successful bid is valid and can’t be withdrawn based on price or success/failure of any other bid (including SunGold bids)
- Two year grafting window (similar to SunGold)
- Royalty rate 3 percent (same as SunGold).

Anyone intending to bid for a Zespri Red licence is required to undertake full due diligence and inform themselves of the various published documents regarding this variety and seek independent legal advice.

Zespri Red budwood availability

There’s currently no certified Psa-free source of Zespri Red budwood, with all vines of Zespri Red located in Psa-positive regions. In accordance with KVH budwood movement protocols, the exclusion areas of the far north and the South Island; and Whangārei (containment area) can’t currently (as of March 2020) obtain budwood for this variety.

This may change in the future, which would then allow the above currently excluded areas the opportunity to grow Zespri Red. Any changes to the movement of Zespri Red budwood will be communicated to growers if and/or when it happens. It will be at a growers own risk if tendering for this variety and unable to plant prior to the grafting timeline. If you have questions about the containment area, or you’d like a map detailing the areas of exclusion in the far north region, please visit kvh.org.nz/vdb/document/104333 or contact your Grower Liaison Manager for more information.

Please visit the KVH website (kvh.org.nz) for any updates to budwood movement protocols. Successful bidders will be advised on the procedure for budwood collection when notified of their bid outcome. Please note that the budwood coolstore is estimated to open on 20 June, however, those bidders who wish to collect budwood prior to the settlement date of 20 July will be required to have paid their licence purchase in full and returned their completed licence/s before Zespri will release budwood.

See 2020 online licence application overview and licence application timetable continued on page 3.

2020 online licence application

There are two ways a grower can apply for licence:

- You can complete an application form (downloaded from Canopy) for Appendix 1 of the LAOR manually
- Or complete an online application form via the Industry Portal. If you choose to complete the application form via the Industry Portal (available from **3 April until 5pm on 17 April**), your KPIN and legal entity details can be selected to pre-populate on the application form. A copy of the application will then be emailed to you for you to view and finalise your bidding details. Once completed (with bid details), you can print, sign, **post** or **courier** in sufficient time for it to be received at Cooney Lees Morgan prior to **5pm on 17 April** (close of the application window).

Both options still require you to print, post or courier a copy of your application form (Appendix 1) in sufficient time for it to be received by Cooney Lees Morgana prior to **5pm on 17 April**.

Please note on the timetable across the page that the licence application window falls over Easter. Bidders are encouraged to take this into account if posting their application forms. Zespri recommends that bidders either courier their application forms or hand delivers them to Cooney Lees Morgan to avoid late invalid applications. To complete an online application via the Industry Portal, log on to Canopy and click on Industry Portal. Next, under the Industry Portal, click the *Online Licence* tab as below (please note this is only available from **3 April - 17 April**).



For assistance with the online licence application, LAOR downloads or any other questions relating to the licence application process, please call Zespri Grower Support Services on 0800 155 355 or email new.cultivars@zespri.com.

The LAOR documents contain the rules and the application forms for the SunGold, Organic Sungold and Zespri Red licence release. These are all separate processes. All growers considering making an application for licence are encouraged to inform themselves, seek appropriate advice and read the LAOR, NVIG and any other available information before applying.

For a more detailed list of the main features for each of the licence bidding pools, please refer to the Canopy website.

Licence allocation timeline for SunGold, Organic SunGold and Zespri Red19

Date	Action
6 March	SunGold and Zespri Red Licence Application Overview and Rules published
3 April	Application window opens for SunGold and Zespri Red
17 April	Closing date for bids – Applications must be received by Cooney Lees Morgan prior to 5pm
1 May	Preliminary revenue range announced
8 May	Pre-validation and collation of all bids completed by Cooney Lees Morgan
Week of 11 May	2020 Evaluation Panel makes decisions regarding allocation of licences. Successful bidders notified as soon as possible thereafter
15 May onwards	At least three days’ notice will be given by email to successful bidders so that they have time to arrange payment of their deposits by EFT
17 June onwards	Licence packs distributed to successful bidders
20 July	Deadline for paying settlement monies and meeting all other settlement requirements

Note: The above dates are indicative and may be subjected to change at Zespri’s sole discretion. Successful bidders will be notified via email from 12 May onwards (the day after the Evaluation Panel meets). From the date of notification, growers will have at least three days’ notice to arrange the deposit of funds to the Cooney Lees Morgan account. The due date for payment will be clearly specified on the email notification.

Note: Your bid price per hectare must include GST and be shown to two decimal places.

SUCCESSFUL END TO AUCKLAND FRUIT FLY RESPONSE

The joint Government and industry response to unwanted fruit flies has been closed out. Restrictions on the movement of fruit and vegetables on Auckland's North Shore, and response operations, came to an end on Friday 31 January.

The move signalled the end of an almost year-long operation, including a massive effort by the community and horticultural industry groups, triggered by the discovery of a Queensland Fruit Fly (QFF) in a surveillance trap in the area last February.

It's now been six months since a fly was last trapped in the area, and this, along with an intensive baiting programme throughout the spring and the inspection of hundreds of kilos of fruit without a find, has provided confidence there is currently no breeding population of the QFF in the area.

However, the nationwide routine surveillance programme will continue. The system includes 7,800 fruit fly traps spread across the country and more than 4,600 in the Auckland area. These traps are set for three exotic fruit fly species of concern: the QFF, Mediterranean Fruit Fly and Oriental Fruit Fly.

New Zealand fruit and vegetable grower representatives, including KVH, say they are pleased with the successful result.

Stu Hutchings, Chief Executive of KVH and Chair of the Fruit Fly Council says the response followed pre-agreed plans and Council members were involved in the decision-making

process throughout, ensuring the interests of New Zealand's primary producers were always represented.

"Fruit fly finds are of great concern for New Zealand's industries and that's why we've been part of the governance group to ensure the most appropriate action was always taken, minimising impacts to growers."

"The good news is that response activities — both at a governance and operational level — have worked and prove that we can all have continued confidence in our biosecurity system."

"The financial impact of a fruit fly incursion to New Zealand's billion-dollar horticulture industry is something we simply cannot afford — the kiwifruit industry alone could be impacted by up to \$430 million. The estimated \$18 million investment put into this robust and successful response is justified and confirms the commitment we have to protecting growers from such serious threats."

Stu adds that kiwifruit industry members have also had a huge role in helping staff the response, contributing to a range of field activities such as fruit collection and inspection, trapping, home visits and public awareness events.



Members of the kiwifruit industry contributed 685 staff days to the Auckland fruit fly response, helping with baiting, fruit inspection and public awareness events.

2020 GROWER PAYMENTS BOOKLET — ENCLOSED

Please find a copy of the 2020 Grower Payments booklet enclosed with your print edition of the February *Kiwiflier*. If you'd like additional copies, please email contactcanopy@zespri.com.



GROWER CONTRACTS

The 2020 Supply Agreement contracts were posted out to growers on Friday February 14. If you are yet to receive a copy, or if you have any questions regarding the contract, please contact the Zespri Grower Support Services Team on 0800 155 355.

You will need to ensure that your Registered Supplier has signed the contract before it is returned to Zespri by Friday March 13. Like last year, we will be accepting scanned returns — please ensure both sides are sent through.

On receiving the completed contract, a grower number is then issued by Zespri. This number is required to request a clearance to pick your fruit. Please note that as this is a legal document, any changes to the Permissions and/or the Terms and Conditions will result in your form not being processed.



2020 Supply Agreement Schedule 5

Legal entity name:

If the name above is incorrect, please visit The Canopy (<https://canopy.zespri.com/>) or call Zespri Grower Support Services on 0800 155 355 to obtain a blank form (preferred) or alternatively make the change above. **The change must be initiated and the Zespri Grower Support Services Team will be in contact to obtain further information on any changes to the Legal Entity Name.**

Orchard Name:

Property Address:

Please choose **either** OPTION A **or** OPTION B, then sign and complete the Execution Section (below).

OPTION A: Agreement via Registered Supplier

I wish to supply my Class 1 Kiwifruit under the 2020 Supply Agreement to be entered into by my Registered Supplier with Zespri Group Limited, and acknowledge that I have read and understood the terms and conditions overleaf.

Name of Registered Supplier _____

Name of Facility (if different) _____

Signature of Registered Supplier _____

(your Registered Supplier signs here)

OR

OPTION B: 2020 Supply Agreement – Zespri Direct

LEAVE THIS OPTION BLANK IF YOU HAVE CHOSEN OPTION A (above)
I agree to enter into the 2020 Supply Agreement with Zespri Group Ltd for the supply of my Class 1 Kiwifruit for the 2020 season, and in doing so acknowledge that I have read, understood and agree to the terms and conditions overleaf.

Name of Facility (if different from Registered Supplier named below). _____

Services

I have negotiated that the Services obligation under Part C of the 2020 Supply Agreement will be performed by _____

(enter name of Registered Supplier)

I confirm that performance of Services in relation to the kiwifruit referred to in this Agreement will be performed by me under Part C of the 2020 Supply Agreement to be entered into by me and Zespri Group Ltd (ZGL).

Signature of Registered Supplier _____

(your Registered Supplier signs here)

(Please turn over to complete Option B Payment Assignments)

Permission for use of Information

I acknowledge that contact and orchard information held by Zespri will be provided to relevant government authorities and third parties as required for satisfaction of legal requirements relating to the distribution of kiwifruit and management of Psa. Personal data will be treated in accordance with Zespri's Privacy statement located at www.zespri.com/Pages/Privacy.aspx

Permission to enter orchards

For the 2020 season I grant Zespri and/or its authorised representatives an irrevocable licence to enter the orchard(s) associated with this KPIN following a request by myself or my post-harvest operator for the purposes of assessing whether my fruit complies with the provisions of the Supply Agreement and any applicable compliance requirements, including removal of samples for the purposes of monitoring and/or testing factors such as maturity, residue or other fruit quality or market access issues. I understand that Zespri or its authorised representatives will endeavour to contact my nominated contact person prior to entering the property and when exercising access Zespri and its authorised representatives must comply with all reasonable instructions regarding health and safety. I agree that Zespri or its authorised representatives will be provided with an accurate map of the orchard and a list of any known hazards which exist at the time the visit is scheduled. Orchard access shall be subject to Zespri and its authorised representatives complying with KVH's orchard hygiene practices and taking reasonable care.

I agree to assist Zespri to meet both its customers' contractual requirements and any applicable regulatory requirements by (1) providing all reasonable information requested by its customers and regulators about my orcharding operations and, (2) following the receipt of 24 hours' notice, I agree to escort its customers or regulators around my orchard(s). I agree to inform any authorised visitors to my orchards of applicable health and safety requirements and any particular hazards which may be found on the orchard.

Execution of Contract (signature required)

Kiwifruit Titleholder Execution Section

I am authorised to sign this document on behalf of the legal entity named at the top of this form (only one signature is required).

Signature _____

Full Name _____

Date _____

FOR OFFICE USE ONLY

Zespri Group Ltd Execution Section

Signature _____

Date _____

Please return to Zespri by 13 March 2020

Vendor:

INAUGURAL ZESPRI HEALTH AND SAFETY AWARD

Across New Zealand's kiwifruit industry, we're striving to improve our health and safety practices to make sure our people are safe at work every day. This is why the Kiwifruit Industry Health and Safety Forum created a new award, to recognise health and safety leadership and initiatives within the industry.

Peter Rowlands, Chair of the Health and Safety Forum, announced the inaugural winner of the Zespri Health and Safety Award during day one at Momentum 2020. There were six nominations, including Apata, EastPack, Phil Moscrip, Seeka, TKL and Trevelyan's.

The judging panel awarded Eastpack the inaugural Zespri Health and Safety Award for their improved traffic management for forklift operations at their packhouses, and Mr Rowlands was on hand at Momentum to present the award.

Noting the significant safety challenges the kiwifruit industry faces during peak seasonal

periods and bringing new, temporary staff on board, Eastpack highlighted pedestrian and forklift traffic as a health and safety risk and implemented a forklift operational project.

With the objective to minimise the exposure to forklift-associated incidents for all employees, Eastpack created a set of 'lifesaver rules' designed to create a greater framework around forklift operator competency, a separation of pedestrian and forklift operations, and development of their Traffic Management Plans.

The judges also wanted to acknowledge the submission from Phil Moscrip, who received a Highly Commended Award for his innovative solution to a hazard that has been a known and accepted on orchards. The Moscap product is helping to protect workers from head injuries from ag-beam collisions, with a cost effective and highly visible solution.



FROM THE MARKETS

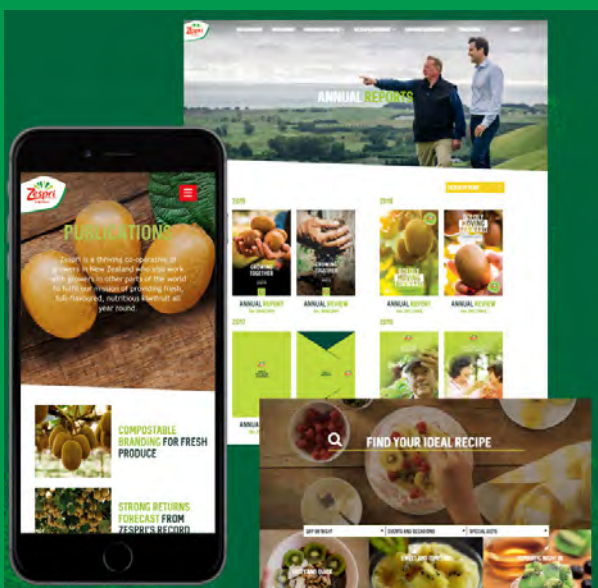
New Zealand

Introducing the new zespri.com

We're delighted to announce the launch of our new website — www.zespri.com. The updated website reflects our bold new look and brand identity. It's also the first step in our unified .com strategy, where we bring all our market websites under the zespri.com umbrella with a consistent user experience and enhanced content.

The following 'locales' have been launched, and the new brand identity and localised content will be implemented progressively in all markets in the coming months:

- New Zealand – www.zespri.com/en-NZ
- United States – www.zespri.com/en-US
- Korea – www.zespri.com/ko-KR



Spain

On 6 February, Zespri Spain celebrated 'Greengrocer's Day' online and at wholesale markets. Greengrocers are a key target in the Spain team's communication strategy to engage with shoppers in traditional stores because they're excellent brand ambassadors who recommend our brand (including the different Zespri kiwifruit varieties and their health properties) to shoppers.

Greengrocer's Day is an opportunity to recognise the work greengrocers do and thank them for their collaboration. As a thankful gift, Zespri prepared a video for them that was shared inside Zespri's Greengrocer's Club, as well as through Zespri Spain social media channels where there's a wide community of followers.

Our Greengrocer's Club currently has 9,500 members and is growing with every market visit and online communication. This community gives us direct contact with greengrocers throughout the year, both online and face-to-face at wholesale markets where Zespri Spain presents.



Japan

Zespri Global Supply Japan's Masayuki Asahi joined new growing partners Asai Nursery last week to celebrate the first planting of their seven hectare development.

The development, which will be designed and constructed according to Zespri New Zealand's quality standards and kiwifruit growing style, is a significant milestone and the result of a lot of hard work from our Japan team and a wide range of partners from the New Zealand industry.



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

BAY OF PLENTY YOUNG GROWER ANNOUNCED



Melissa van den Heuvel, an Industry Systems Associate at NZ Avocado, has been named Bay of Plenty's Young Grower for 2020 at an awards dinner in Tauranga.

The competition took place on 8 February at Te Puke Showgrounds, where the eight competitors tested their skills and ability to run a successful orchard in a series of challenges. These were followed by a speech competition discussing 'how can we as growers be better members of the wider community' at the gala dinner on Wednesday night.

Melissa excelled in individual challenges, including the Horticultural Biosecurity challenge and Avocado Tree Planting

challenge, and impressed judges with her speech on passing knowledge to future generations.

Emily Crum came in second place, while Megan Fox was third.

Melissa's prize includes an all-expenses paid trip to Wellington to compete for the title of national Young Grower of the Year 2020 in August, as well as \$1,500 cash.

NZKGI CEO Nikki Johnson says that these competitions are an important highlight for the horticulture industry.

"The potential that Melissa and the other contestants have shown over the competition make me confident that the future of the horticulture industry is in good hands. The horticulture industry is experiencing challenges as sectors such as kiwifruit and avocado rapidly grow, and upcoming leaders such as those that we have seen at this competition will be well needed as we move into an exciting future."

Melissa will go on to compete in the national Young Grower of the Year competition, run by Horticulture New Zealand. There, they will join the winners of the Nelson, Hawke's Bay, Gisborne, and Central Otago regionals, as well as a Young Vegetable Grower, to compete for the national title of Young Grower 2020, proudly sponsored by the Horticulture Trust.



ZESPRI IN THE COMMUNITY

Zespri Young and Healthy Virtual Adventure

We're proud to announce our first ever nationwide community investment which was launched at Momentum... the Zespri Young and Healthy Virtual Adventure! We've teamed up with the Young and Healthy Trust to deliver this programme in 2020, a programme which has already proved to be extremely successful in schools in both New Zealand and New South Wales. The programme, run for six weeks in term four, encourages students in primary and intermediate schools across the country to embrace whole health and wellbeing. It will also incorporate relevant and topical issues

for our industry, such as sustainability and biosecurity, helping bring to life our purpose and further promote our industry as an exciting and dynamic career choice.

The programme will reach 20,000 students, 600 teachers and more than 2,000 parents throughout Aotearoa. An added bonus — it's supported by prominent Kiwi athlete ambassadors including Ardie Savea, Kane Williamson, Amelianne Ekenasio, and Samantha Charlton. For those of you with primary and intermediate aged kids, their teachers should be receiving more information soon, and we'll be sure to keep you all updated throughout the programme.

Kellogg Rural Leaders Scholarship

Applications are still open for the Kellogg Rural Leaders scholarship! Here's what our 2019 recipient Mike Murphy had to say about it:

"From the outset of the programme I have sought to ensure that my learnings contribute to the betterment of the kiwifruit industry. The Kellogg programme has led to an acceleration in the development of my leadership skills and I have gained a stronger understanding of personality and how I work with individuals and in groups. The programme also gave me

a good overview of current challenges across the agri-sector and their similarities to challenges in the kiwifruit industry. It also facilitated me with connections to the leaders who are at the forefront of those challenges. I would recommend the programme to anyone who wants to gain a broad perspective of these challenges, as well as to use the opportunity to dive deep into a particular topic."

To apply, head to zespri.com/en-NZ/rural-leadership. Applications close **13 March**.

2019/20 PROGRESS PAYMENTS FOR MARCH AND APRIL

CLASS 1 - APPROVED PROGRESS PAYMENT 13 MARCH 2020	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.18	\$0.10	\$0.15	\$0.20	\$0.20	\$0.20	No payment
Zespri Organic Green	\$0.21	\$0.30	\$0.35	\$0.10	\$0.25	\$0.25	\$0.15
Zespri Gold3 & Organic Gold3	\$0.22	\$0.20	\$0.25	\$0.25	\$0.15	\$0.20	No supply
Zespri Green14	\$0.14	\$0.15	\$0.15	\$0.15	\$0.15	\$0.15	\$0.10

CLASS 1 - INDICATIVE PROGRESS PAYMENT 15 APRIL 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.

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.

March 2020 approved progress payments on Net Submit trays
Approved per tray progress payments for 13 March 2020:

Class 1	
Zespri Green	\$0.18
Zespri Organic Green	\$0.21
Zespri Gold3 & Organic Gold3	\$0.22
Zespri Green14	\$0.14

April 2020 indicative progress payments on Net Submit trays
Indicative per tray progress payments for 15 April 2020:

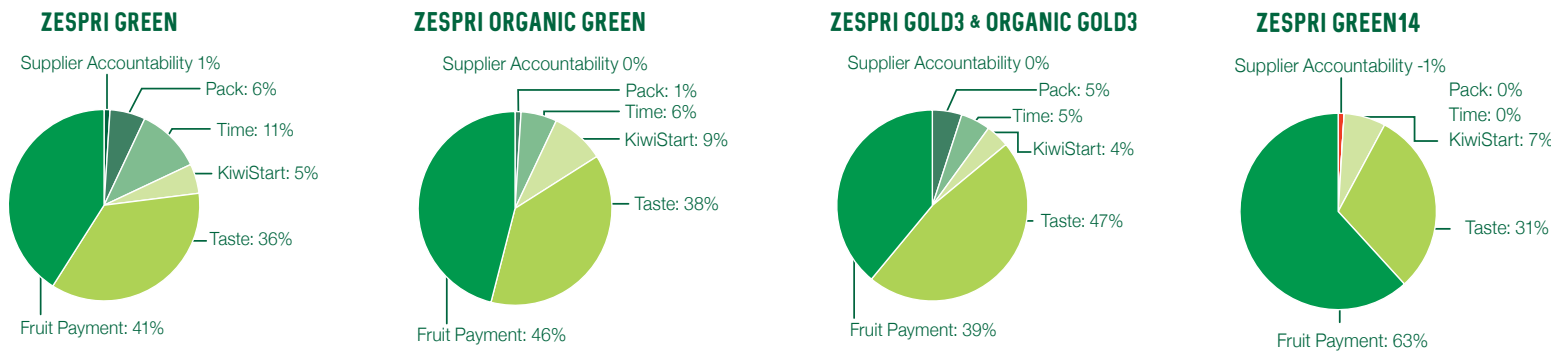
Class 1	
Zespri Green	\$0.09
Zespri Organic Green	\$0.10
Zespri Gold3 & Organic Gold3	\$0.10
Zespri Green14	\$0.10

Orchard Gate Return

The OGR calculations reflect post-harvest cost data compiled by Ingham Mora Limited in November 2019, the February 2019/20 forecast fruit loss percentages and current productive hectare information.

2019/20 SEASON GROWER PAYMENT PORTIONS—TOTAL FRUIT AND SERVICE PAYMENTS

2019/20 February forecast



SHARE BRIEFS

As at 24 February 2020 the last Zespri share price trade was \$8.48 traded on 21 February 2020. There were three buyers at \$8.45, \$8.35 and \$7.87. There were five sellers at \$8.48, \$8.50, \$8.54, \$8.60 and \$9.20.

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 **24 February 2020**.

Quote Line at Monday 24 February as at 8.15am						
Code	Bid (\$)	Offer (\$)	Last (\$)	High (\$)	Low (\$)	Volume
ZGL	8.450	8.480	8.480	0.000	0.000	0

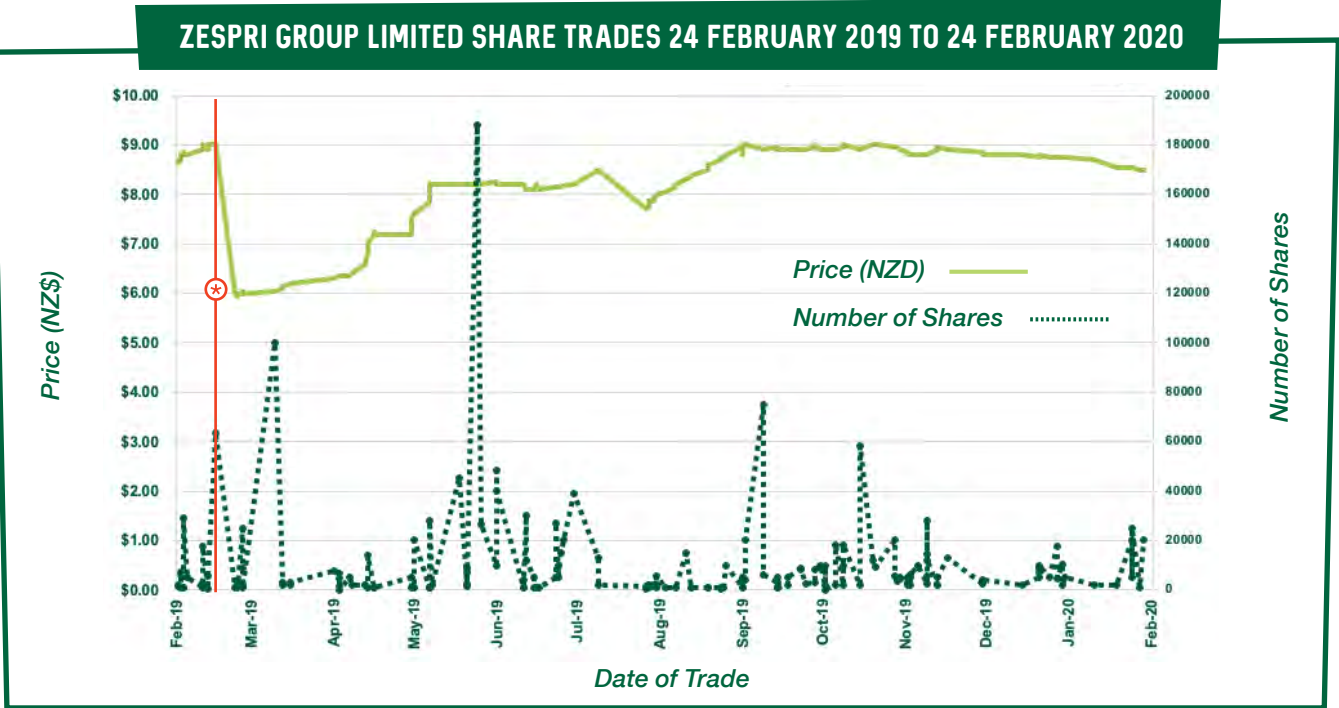
Market Depth					
BIDS			OFFERS		
Orders	Quantity	Price (\$)	Price (\$)	Quantity	Orders
1	2,000	8.450	8.480	5,000	1
1	2,000	8.350	8.500	26,500	1
1	5,450	7.870	8.540	10,000	
			8.600	10,157	
			9.200	20,000	

Last 10 Trades			
Date/Time	Quantity	Price (\$)	Value (\$)
21/02/20	20,000	\$8.48	169,600.000
20/02/20	10,000	\$8.50	85,000.000
17/02/20	25,000	\$8.55	213,750.000
17/02/20	5,000	\$8.55	42,750.000
17/02/20	20,000	\$8.55	171,000.000
11/02/20	2,000	\$8.55	17,100.000
3/02/20	2,000	\$8.70	17,400.000
23/01/20	5,000	\$8.75	43,750.000
22/01/20	2,000	\$8.75	17,500.000
22/01/20	10,500	\$8.75	91,875.000

Director share trading

For the month of February (as at 24 February), there were no shares traded by entities associated with Zespri Directors. See the Canopy for details: Canopy > Growing Zespri Kiwifruit > Working with Zespri > Shares. Alternatively search for 'Director Shares' using the search function.

Please note that at any time that content for *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.

ZESPRI GREEN FEBRUARY								
 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	\$0.00	\$0.39	\$0.73		\$3.64	36%
Aug-19		\$0.16	\$0.23	\$0.65	\$0.05		\$4.72	47%
Sep-19		\$0.20	\$0.00	\$0.96	\$0.05		\$5.93	59%
Oct-19		\$0.40	\$0.30	\$0.54	\$0.03		\$7.20	72%
Nov-19		\$0.34	\$0.02	\$0.88	\$0.07		\$8.51	85%
Dec-19		\$0.24	\$0.03	\$0.11	\$0.27		\$9.16	92%
Jan-20			\$0.03			\$0.10	\$9.30	93%
Feb-20		\$0.00		\$0.00	\$0.16		\$9.46	95%
<hr/>								
Mar-20					\$0.18		•	96%
Apr-20					\$0.09		•	•
May-20					•		•	•
Jun-20						\$0.15	•	100%
Paid YTD	\$2.25	\$1.60	\$0.61	\$3.54	\$1.36	\$0.10	\$9.46	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.40	\$0.15	\$0.55	
Total fruit and service payments - 2019/20 forecast							\$10.01	

ZESPRI GOLD3 AND ORGANIC GOLD3 FEBRUARY									
 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		\$0.10	-\$0.02	\$1.34	\$0.49			\$5.16	32%
Aug-19		\$0.25	\$0.36	\$1.96	\$0.08	\$0.02		\$7.82	48%
Sep-19		\$0.30	\$0.02	\$2.02	\$0.48			\$10.64	66%
Oct-19		\$0.30	\$0.34	\$0.43	\$0.21			\$11.93	74%
Nov-19		\$0.17	\$0.03	\$1.63	\$0.16	\$0.01		\$13.93	86%
Dec-19		\$0.02	\$0.01	\$0.00	\$0.75			\$14.70	91%
Jan-20			\$0.02				\$0.10	\$14.82	91%
Feb-20				\$0.00	\$0.79			\$15.62	96%
<hr/>									
Mar-20					\$0.22	•		•	98%
Apr-20					\$0.10			•	•
May-20					•			•	•
Jun-20							\$0.15	•	100%
Paid YTD	\$2.80	\$1.58	\$0.76	\$7.38	\$2.97	\$0.03	\$0.10	\$15.62	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.44	\$0.00	\$0.15	\$0.60	
Total fruit and service payments - 2019/20 forecast								\$16.21	

ZESPRI ORGANIC GREEN FEBRUARY								
 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	\$0.70	\$0.52		\$3.55	29%
Aug-19		\$0.07	\$0.49	\$1.01	\$0.40		\$5.52	45%
Sep-19		\$0.11	\$0.00	\$1.09	\$0.27		\$6.99	56%
Oct-19		\$0.25	\$0.61	\$0.55	\$0.48		\$8.89	72%
Nov-19		\$0.26		\$1.17	\$0.23		\$10.54	85%
Dec-19		\$0.11		\$0.08	\$0.47		\$11.21	90%
Jan-20			\$0.01			\$0.10	\$11.32	91%
Feb-20		\$0.00		\$0.00	\$0.47		\$11.79	95%
<hr/>								
Mar-20					\$0.21		•	97%
Apr-20					\$0.10		•	•
May-20					•		•	•
Jun-20						\$0.15	•	100%
Paid YTD	\$2.25	\$0.89	\$1.11	\$4.59	\$2.84	\$0.10	\$11.79	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.45	\$0.15	\$0.60	
Total fruit and service payments - 2019/20 forecast							\$12.40	

ZESPRI GREEN14 FEBRUARY								
 ISO Month	Submit	Pack and Time	KiwStart 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			-\$0.05	\$0.92	\$0.51		\$4.18	39%
Aug-19			\$0.37	\$0.92	\$0.24		\$5.72	53%
Sep-19			\$0.01	\$0.73	\$1.16		\$7.61	71%
Oct-19			\$0.37		\$0.43		\$8.42	78%
Nov-19				\$0.64	\$0.25		\$9.31	86%
Dec-19					\$0.38		\$9.69	90%
Jan-20			-\$0.02			\$0.10	\$9.78	91%
Feb-20				\$0.00	\$0.41		\$10.18	95%
Mar-20					\$0.14		•	96%
Apr-20					\$0.10		•	•
May-20					•		•	•
Jun-20						\$0.15	•	100%
Paid YTD	\$2.80	\$0.00	\$0.68	\$3.22	\$3.38	\$0.10	\$10.18	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.44	\$0.15	\$0.59	
Total fruit and service payments - 2019/20 forecast							\$10.77	

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.



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

Full Year Return	2019/20 - February 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)	68.7	2.8	73.7	0.4	148.1	81.0	3.5	66.0	0.9	154.1
Kilograms supplied (m)	241.4	9.7	258.7	1.4	519.6	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)	275.3	15.5	460.0	2.6	769.2	332.1	23.7	473.6	5.8	851.9
Fruit incentives (\$m)	285.4	15.9	600.5	1.5	906.3	244.2	14.4	416.5	3.0	679.3
Service costs (\$m)	109.8	2.5	116.1	(0.0)	229.3	135.5	3.5	104.6	0.1	244.1
Fruit and service payments excl. loyalty premium (\$m)	670.5	33.9	1,176.6	4.2	1,904.8	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)	1.76	3.29	3.44	3.82		1.85	4.49	4.37	3.73	
Total fruit payments per net submit trays	4.01	5.54	6.24	6.62		4.10	6.74	7.17	6.53	
KiwiStart ¹	0.52	1.08	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	0.06	-0.06		0.09	-0.01	0.07	-0.07	
Fruit incentives	4.16	5.71	8.15	3.90		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	1.03	0.76	0.82	0.00		1.20	0.81	0.88	0.00	
Service costs	1.60	0.89	1.58	-0.00		1.67	1.00	1.58	0.12	
Class 1 fruit and service payments per net submit trays	9.76	12.15	15.96	10.52		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	12.40	16.21	10.77		9.09	12.14	15.37	10.34	
Less: onshore fruit loss	-0.16	-0.12	-0.22	-0.03		-0.27	-0.15	-0.21	-0.02	
Fruit loss percentage ²	1.60%	1.00%	1.38%	0.30%		2.98%	1.21%	1.39%	0.16%	
Class 1 fruit and service payments per gross submit trays	9.85	12.27	15.99	10.74		8.82	11.99	15.16	10.32	
Plus Class 2 Return	0.15	0.33	0.08	0.08		0.13	0.26	0.09	0.11	
Plus Non-Standard Supply (NSS) ³	0.01	0.07	0.04	0.07		0.01	0.02	0.04	0.01	
Plus Other Income (Non dividend) ⁴	0.01	0.01	0.01	0.01		0.01	0.01	0.01	0.01	
Average revenue per gross submit trays	10.02	12.68	16.13	10.91		8.97	12.27	15.30	10.45	
LESS: Post-harvest costs deducted ⁵										
Base packing and packaging	-1.46	-1.56	-2.22	-2.23		-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	-0.84	-0.85	-0.86		-0.82	-0.83	-0.84	-0.84	
Logistics	-0.14	-0.16	-0.15	-0.16		-0.13	-0.16	-0.14	-0.15	
Time and CC/RK charges	-0.56	-0.34	-0.44	0.00		-0.64	-0.38	-0.52	-0.01	
Total post-harvest costs per gross submit trays	-3.57	-3.03	-4.42	-3.25		-3.52	-3.06	-4.41	-3.22	
OGR per gross submit trays	6.46	9.65	11.71	7.65		5.45	9.22	10.89	7.23	
Average industry yield per productive hectare ⁶	10,094	6,451	13,632	5,685		11,668	7,959	13,401	6,159	
Number of productive hectares ⁷	6,915	437	5,483	70		7,158	448	4,996	145	
OGR per hectare	\$65,171	\$62,258	\$159,688	\$43,497		\$63,622	\$73,350	\$145,991	\$44,549	
Average kilogram per tray ⁸	3.51	3.47	3.51	3.44		3.52	3.51	3.49	3.49	
OGR per kilogram	1.84	2.78	3.34	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 November 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.



THE MONTH AHEAD – MARCH



In the lead up to the start of harvest, there's a long list of jobs to do and decisions to be made.

Review the Maturity and Harvest page on the Canopy website where you'll find lots of information to help you understand how you can ensure the quality and maturity of your fruit is optimal at the time of harvest, and that it has maximum storage potential.

A detailed and updated pre-harvest checklist can be found on the Canopy, but we've included some of the main things in this month ahead. Please read through the below to refresh yourself and then use the checklist to tick everything off as you complete it.

Preparing the crop

- Assess reject levels to decide if a cosmetic thin is appropriate
- Ensure your maturity areas are appropriate. Mark any late-flowering areas in the orchard as these may mature later and so should be in a separate maturity area
- Lift up low-hanging fruit that's in the way of sprayers. Significant fruit damage can occur during clean-up sprays and this fruit will suffer from higher reject rates
- Monitor brix and firmness frequently to ensure any rapid changes in maturity are identified. Your packhouse and Eurofins monitoring reports contain lots of useful data

- Use the OPC fruit size profile calculator to get a good indication of your crop's size profile. For SunGold in particular you'll want to understand how much of your crop is sitting in the smaller weight bands as this will influence your weighted TZG.

Preparing the site

- Consider Psa orchard hygiene protocols with lots of people in and out of the orchard
- Get block identifiers and signage updated, in place and matching the orchard map
- Is the orchard gate signage up to date with the primary contact's phone number? Is there a clearly marked parking area for pickers?
- It's important that everyone coming onto your orchard remains safe. Walk your orchard to identify and mark hazards. Make it clear what sign-in or induction processes are required. Make sure you notify post-harvest, contractors and Eurofins of any hazards
- Mow the grass — holes can't be seen if the grass is long (making it hazardous) and if the grass is longer than 30cm, Eurofins may not sample
- Grade loadout areas and tracks and ensure they're clear of debris for loaded trucks and bin trailers — this will help reduce fruit rubbing and getting damaged.

Preparing tools and services

- Ensure machinery is serviced and working to prevent hold-ups
- Check you have enough clean toilets and handwashing facilities, and that potable water is available.

Prepare the paperwork

- Check your primary contact details are up to date in the Zespri Industry Portal (access via Canopy).
- Sign and return your schedule 5 Zespri Supply Agreement (yellow form). Maturity clearance tests can't be ordered until this is done
- Read through information on GRASP to ensure you meet the requirements — are your contractors and sub-contractors registered with Zespri and have you sighted their CAV? Visit the GAP and GRASP contractor list to check — and make sure your contractor isn't on the suspended list
- Check your spray diary is up to date and all sprays have been entered. Run a 'test audit' to check if there are any issues
- Ensure your packhouse has requested a residue sample. These can take up to two weeks to process and they're valid for 42 days.

KiwiStart or not?

March is a time when some growers are asking whether now's the time to harvest or not. Early monitoring rounds will help you decide whether your orchard is a serious contender for KiwiStart. Remember, it's not just about dry matter — you also need to have high enough brix levels and colour. Check the maturity harvest criteria for Gold and Green varieties — colour standards and KiwiStart dry matter thresholds have changed for SunGold.

And remember to keep communicating with your packhouse — harvest is a carefully orchestrated process with many moving parts.

Preparing for next season

It might seem crazy to think so far ahead when you're only just harvesting this year's crop, but now's a good time to check your vines and structures:

- It's been very dry, so tag any stressed/wilted vines so you can check these next year
- Look for any low hanging areas and check these structures, making a note to fix any that need attention during winter
- Identify wood that's worked well and plan to target that type for tying down during winter pruning.



DON'T FORGET TO CHECK THE OPC INDUSTRY PORTAL REPORTS

Monitoring and reviewing the season is like looking in the rear-view mirror when you're driving: it's important to look back occasionally to know the best way to move forward or change direction. The OPC team Industry Portal reports enable growers and orchard managers to view production and shipping data for the orchards they own or manage and to benchmark how they compare to previous seasons to other local orchards.

To find them, log into the portal at industryportal.zespri.com. If you're already logged onto the Canopy website you'll go straight onto the Industry Portal landing page, otherwise you'll be presented with the Canopy login page (and portal link directly under the main image). A reports icon will appear on the home page. Click on this icon, or click 'Reports' from the main menu header when in any other part of the site. Select a report to view and when the report loads, you can navigate through content

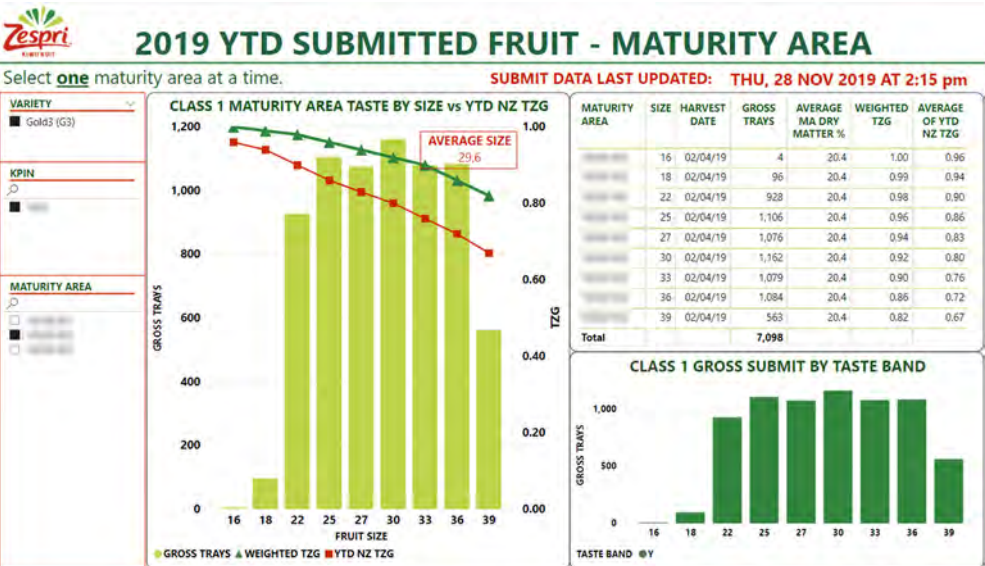
using the tabs at the bottom and you can change the data you view using the filters to select KPINs, maturity areas and varieties. Examples of reports you can view in the portal include:

- All New Zealand Class 1 fruit submitted by ISO week for all commercial varieties, along with the average TZG and Dry Matter percent YTD as the fruit is harvested.
- Your orchard's production data by maturity area to view your size profile and compare

your orchard(s)' performance against the industry average for TZG, plus viewing these results at a KPIN level.

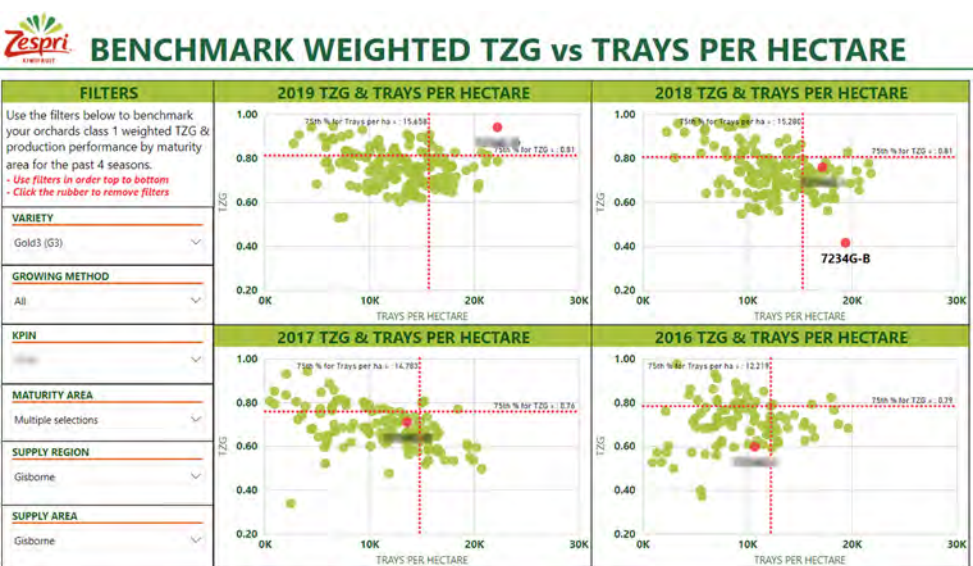
- Your shipped and in-store fruit data to see where your fruit has shipped, which week, and how much is still in store.
- Your historical orchard performance by maturity area for the past four seasons where you can combine, compare and review your previous season's performance.

An example of an in-season report:



Check out your fruit as it's submitted into Zespri inventory.

An example of a benchmarking report:



Check out how your TZG compares year on year and to others in your region.



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

What will prevent Eurofins from collecting a clearance sample from my orchard?

Some stop sampling procedures are applied to orchards in order to protect Eurofins samplers. The most commonly encountered risks are:

- Long grass (above 30cm – including headlands and access ways) restricting the visibility of the terrain including slopes, holes and debris. This doesn't apply to spray strips under the leaders or areas that samplers won't be accessing
- A significant amount of hard fruit on the ground
- Collapsed or damaged structures
- Spraying – if spraying is in progress and there's a risk of spray drift from a neighbouring block, or if a sampler suspects a block has just been sprayed
- Curtains that are too heavy or cumbersome to be lifted by samplers
- Reflective mulch or Extenday poses a risk if it's wet (from rain or soft fruit), or if the cloth is loosely laid, has holes in it or is uneven due to weeds or holes underneath
- Holes in the orchard that aren't identified by being flagged or marked
- Loose wire, guy wires, tee-pee strings or nooses at row ends or through canopy
- Aggressive or violent growers or orchard contractors.

IF THE GRASS IS HIGHER THAN YOUR REDBANDS



THEY STOP SAMPLING

In all instances where the sampler visits the orchard and a sample can't be taken, a sample collection fee will apply. If a stop-sampling incident occurs on your orchard, Eurofins will contact your orchard representative. In some instances, a Grower Liaison Manager may also be in touch to discuss what needs to be resolved. If you have any concerns around sampling on your orchard, please contact your Grower Liaison Manager.

How can I check my spray diary before auditing?

When completing your spray diary, please check the entered product rates, spray dates and product names to avoid pesky trip-ups pre harvest when you're trying to run your audits.

If your audit fails, don't fret;

- Check the above information is correct for your spray lines, and if not, click the 'edit' button on the spray line to make any corrections.
- If you're failing on a spray that requires pest monitoring, check that your facility has entered the pest monitoring data into your spray diary (sometimes it can take them a few weeks)
- Your fruit set date can only be adjusted three times, after that it will lock. We'd like your information as accurate as possible, so rather than change the fruit set date, have a look through the error messages and give the Crop Protection Team a call if you can't work out the problem. They're happy to help!

Why is there no Organic Red licence being released?

For the 2020 Red license release, Zespri will be non-prescriptive in determining whether growers use conventional or organic production methods to grow Red19, but reserves the right to review this in future seasons. Zespri's intention is that all Red19 produced, conventional or organic, will initially be sold under a single brand until the Red category is established. Zespri will continue to monitor in-market trends through key markets to assess the potential for promoting and selling an organic Zespri Red, both in terms of consumer demand as well as providing a value proposition for our growers.

Why has my orchard been selected for residue testing months before harvest?

The Zespri residue programme helps mitigate the risk of residues and protects Zespri's premium brand in the marketplace. Some randomly selected orchards are sampled well before harvest to understand and mitigate the risk certain compounds may cause by identifying areas of potential risk for the upcoming season. Some spraying will be happening now in accordance with the Zespri Crop Protection Standard which will result in obvious residues, but we'll only be identifying compounds that pose potential market risks.

I want to bid for licence but I don't have a recently audited Zespri map – can I use my packhouse map?

Planted licensed areas are determined using our GPS audit maps so any other maps should be used with caution when tendering for a licence. Below are the guidelines used by GPS auditors when measuring blocks:

- Each GPS reading of the extremity is taken from the outer most point of the support structure. For a T-bar orchard, for example, the point should be taken from the intersection of a line from the outer edge of the T-bar on the hedge row and a line along the strainer poles on the headland
- Where a support structure is cantilevered, the planted area is measured from the point on the ground below the outer most point of the canopy, rather than the point where the support structure touches the ground
- For the avoidance of doubt, all males are included in the contiguous canopy area and are not excluded from an audit. If you're unsure of your licensed area, please call Zespri prior to submitting your bid.
- If your orchard has been mapped post to post, the measured area will be subject to change once your canopy is established and overhangs are grown. This total canopy area will increase so this must be taken into account when bidding.

LAST CHANCE TO CONTROL MOTH PLANT



Growers are reminded that moth plant needs to be controlled now before seed pods form and mature.

Moth plant is a poisonous (the sap can cause a painful dermatitis) South American vine, common in coastal areas of the upper North Island, and very invasive in orchard shelter belts or nearby weedy areas. It harbours passion vine hopper and slows shelter trimmers, so it's very unwelcome in kiwifruit orchards.

If possible, dig vines out of a shelter belt using a sharp spade. If you try to pull large vines they often snap off at the base and regrow. Wear gloves and protective clothing to avoid any contact with the sap.

In a world first, the Bay of Plenty Regional Council has released a biocontrol agent — the moth beetle — in a suitable area near Tauranga to help control this pest. The larvae of the moth beetle feed on the vine's

roots, killing many vines. It will take some years for the beetle to build a population which will reduce moth plant infestations, so do continue to destroy moth plant vines in all kiwifruit orchards.



Moth plant heavily infesting a casuarina shelter belt.

ON THE HUNT FOR KIWIFRUIT'S MOST UNWANTED!



There was one fruit fly-related interception during December/January, thankfully it wasn't our highest-risk Queensland Fruit Fly (QFF) — which hasn't been found at all since the start of the high-risk season in September 2019.

Fruit fly eggs were found at the border in Auckland within a consignment of longans (tropical fruit from the same family as lychee) from Thailand.

Over the same period there were 19 of the unwanted Brown Marmorated Stink Bugs (BMSB) found, mostly associated with luggage and belongings of recent travellers to the USA and Italy. All were reported and investigated, with no further sign of any insects.

More detail can be read in the latest monthly KVH risk updates available on the KVH website, which includes data reported by Biosecurity New Zealand and information about activities involving KVH

and the kiwifruit industry to make sure that everything possible is being done to prepare for and respond to these unwanted pests.

These detections are a stark reminder of how real the risk is to our kiwifruit industry — remember to be on the lookout and report anything unusual to either KVH on 0800 665 825 or Biosecurity New Zealand on 0800 80 99 66.



The BMSB is about the size of 10c coin, with black and white banding on its abdomen and antennae.

INDUSTRY SUPPLY GROUP [ISG]

20 FEBRUARY

The main agenda items to be discussed are as follows:

- Supply Agreement
- Generic Services SLA
- Period 1 Procurement
- Regional Planning Review

The March ISG meeting will be held on 19 March.