



**P4: FROM THE
MARKETS**



**P5: ZESPRI IN
THE COMMUNITY**

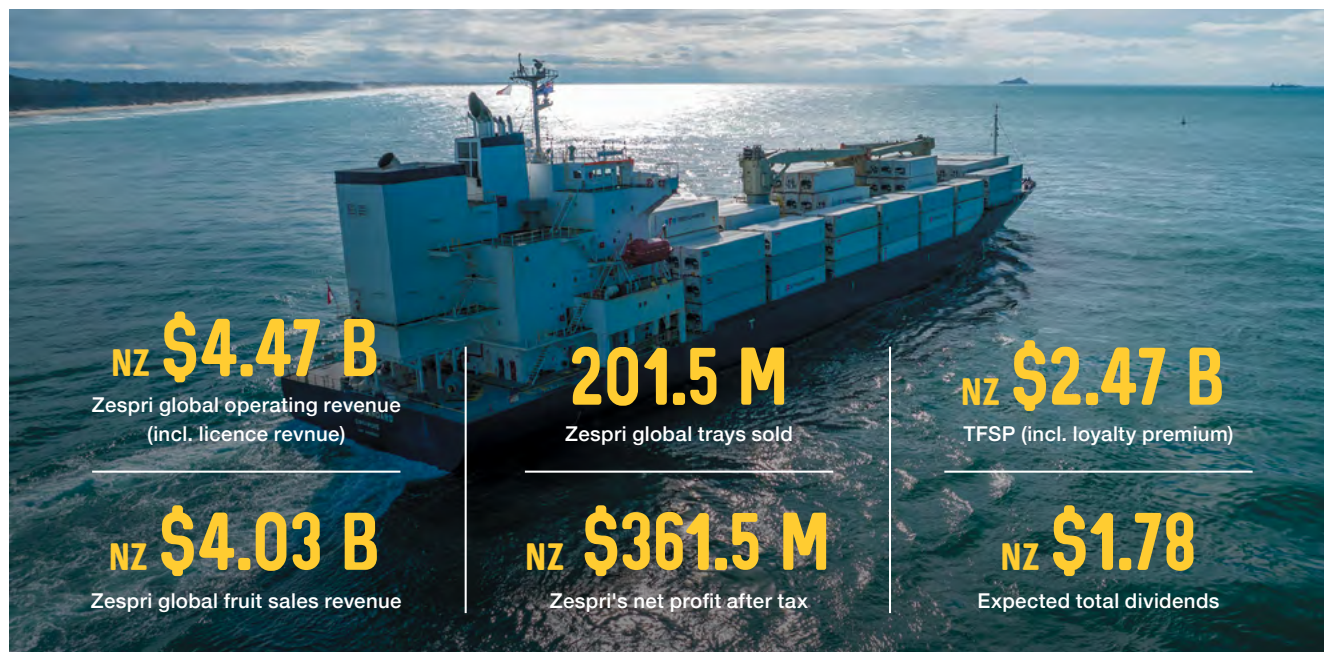


**P12: THE MONTH
AHEAD – JUNE**



**P14: FROM
THE FIELD**

2021/22 FRUIT SALES EXCEED NZ\$4 BILLION FOR FIRST TIME



A record crop, ongoing investment in brand-led demand creation, and our industry's ability to respond and leverage its scale and structure have helped Zespri deliver a record result for the 2021/22 season.

In spite of the immense challenges faced by the industry last season, Zespri's 2021/22 Financial Results show total global revenue generated by fruit sales reached NZ\$4.03 billion, up 12 percent on the previous year, with total global operating revenue up by 15 percent to NZ\$4.47 billion. Global sales volumes also increased 11 percent on the previous year to 201.5 million trays.

Direct returns to the New Zealand industry increased to a record \$2.47 billion including loyalty payments. Earnings were again spread through regional communities including within the Bay of Plenty, Northland, Nelson, Gisborne, and the Waikato.

While down from the previous year's record returns, Orchard Gate Returns have remained strong (refer to table). Final per tray returns are above the February forecast and per hectare returns are our second-highest on record, despite the ongoing challenges presented by COVID-19, shifting weather patterns, a labour shortage, late season fruit quality issues, increasing costs, and international trade challenges.

Zespri Chairman Bruce Cameron said this was an extraordinary season where the industry faced some considerable headwinds in the market, throughout the supply chain and on orchard, yet collectively we found a way to tackle the challenges and to continue to succeed.

"Most pleasingly, not only have we delivered strong returns for growers, including our second-highest per hectare returns,

we've strengthened our partnerships across our global supply chain, continued to make positive contributions to our communities, and made decisions as an industry to set ourselves up for sustained success," says Bruce.

He noted Non-New Zealand Supply sales increased to \$536.9 million, delivering strong returns to our partner growers in Italy, France, Greece, Japan and Korea.

"These production bases are a critical part of Zespri's 12-month supply strategy, and ensure Zespri can hold shelf space and maintain commercial partnerships to support the launch of our New Zealand sales season, ultimately helping deliver stronger returns to growers in New Zealand and around the world," says Bruce.

Zespri's net profit after tax is \$361.5 million, a record result and up from the 2020/21 restated profit of \$277.1 million, led by an overall strong performance and by the continued demand for Zespri SunGold Kiwifruit licence.

Zespri Chief Executive Officer Dan Mathieson says the results reflect the ongoing focus on investment in the Zespri brand, an ability to build demand ahead of supply to create value, and the long-term relationships which have helped the industry overcome challenges and continue to move forward.

"We were able to succeed because of the hard work growers, suppliers, our partners and the whole Zespri team put in to ensure that we could adapt and deliver a quality product that more and more consumers want," says Dan.

"We also saw ZGS's financial performance reaching new levels, despite some weather-related challenges in Europe, with volumes of around 26.5 million trays and a contribution to fruit and services payment of around \$410 million," says Dan.

| POOLS [FRUIT CATEGORIES] | 2021/22 FINAL [PER TRAY] | 2020/21 FINAL [PER TRAY] | 2021/22 FINAL [PER HECTARE] | 2020/21 FINAL [PER HECTARE] |
|----------------------------------|--------------------------|--------------------------|-----------------------------|-----------------------------|
| Zespri Green | \$6.35 | \$7.51 | \$75,494 | \$76,722 |
| Zespri Organic Green | \$9.74 | \$10.53 | \$67,752 | \$66,453 |
| Zespri SunGold Kiwifruit | \$11.51 | \$12.46 | \$176,026 | \$177,846 |
| Zespri Organic SunGold Kiwifruit | \$12.61 | \$15.36 | \$143,772 | \$158,599 |
| Zespri Green14 | \$7.82 | \$10.14 | \$54,609 | \$56,853 |

Returns to our growers.



COME ALONG TO THE ZESPRI ANNUAL MEETING!

The Zespri Annual Meeting will take place on **Wednesday 24 August 2022 at Trustpower Baypark Arena (subject to COVID-19 restrictions).**

The last two Annual meetings in 2020 and 2021 were held online. We are hoping that the 2022 event can be in person.

Shareholders may also attend online and will be able to ask questions and vote remotely. The Annual Report 2021/22 and the formal Notice of Meeting, as well as Proxy Forms and information relating to the appointment of Directors, will be sent to shareholders in July.

Companies and other incorporated entities must appoint a representative as a proxy if they plan to attend the Annual Meeting.

A reminder to check your mailing address is correct with Zespri Grower Support Services by emailing contact.canopy@zespri.com.

NOMINATIONS OPEN NOW

Nominations for Zespri Directors and Shareholder Members of the Director Remuneration Committee are open now, until Friday 17 June. Nomination forms are available from Canopy, or by contacting Zespri Grower Support Services on 0800 155 355, or email contact.canopy@zespri.com.

Paul Jones, Craig Thompson and Jonathan Mason will retire as Directors of the Company as required by the Company's Constitution. Paul Jones and Craig Thompson are standing for re-election and Jonathan Mason is being recommended by the Board for re-election as an Independent Director.

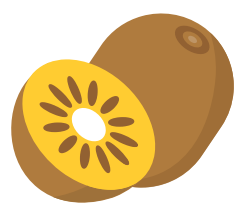
Zespri is also calling for nominations for the Director Remuneration Committee, which reviews and makes recommendations on Director remuneration to shareholders at the Annual Meeting each year. At the Annual Meeting, Michelle Dyer will retire by rotation, and will be standing for re-election.

DO YOU NEED TO APPOINT A PROXY?

The Companies Act 1993 allows for a 'Standing Proxy' to be appointed, and that proxy will automatically be appointed for the next five years.

The proxy appointment will apply for all meetings of shareholders, including Annual Meetings and Special Meetings. By completing the standing proxy, you still have the option to either vote at the Annual Meeting or online, but by doing so, you eliminate the need to appoint a proxy (person) to represent your company 48 hours prior to a meeting.

If you have any questions about this process or want to get a copy of the standing proxy form, please contact Zespri (shares@zespri.com or 0800 155 355) or Computershare (corporateactions@computershare.co.nz or 09 488 8777). If you wish to withdraw or change your Standing Proxy, you can do so by notifying Zespri or Computershare in writing at least 48 hours before any meeting of shareholders.



2022 SEASON UPDATE

More than 152 million trays of fruit have been submitted to date thanks to the considerable effort our growers and teams across Zespri have been putting in during this harvest, despite a challenging season.

SUPPLY

Almost all of this season's Zespri SunGold Kiwifruit is packed and we're now into Green mainpack which we expect to be largely completed in Week 23, weather permitting. Green supply has been positive this season, with growers and post-harvest answering the call to provide sufficient Green volume to meet our early season market demand.

The volume of Green packed under KiwiStart has provided the right balance of procuring enough fruit to give certainty of maintaining supply to markets while not over-procuring more fruit than required for early season shipping before Green packing recommenced in mainpack.

Zespri Chief Global Supply Officer Alastair Hulbert says Zespri's 12-month Green procurement programme has enabled us to maintain shelf space until the arrival of New Zealand Zespri Green, which was delayed due to later maturity.

"New Zealand Green has been shipped as soon as possible while managing a consistent and reliable supply to markets as we await Green mainpack, allowing a smooth transition as planned between ZGS and New Zealand supply," says Alastair.

Green sales have been underway in Japan and Korea for a couple of weeks (with fruit arriving already due to the shorter transit times) with good demand and Europe has also now started with its first week, together with other markets now getting underway. While there are still other brands of Italian fruit in the market, this is similar to previous years and is not expected to impact our sales programmes.

This season's shipping continues to progress reasonably well, due in large part to our industry's scale and increased charter shipping volumes. More than 77 million trays have been shipped already, which is ahead of the 71 million trays we'd shipped at the same time last year. This includes 22 million trays of Green, and during the first week of June, our shipments for Green will have exceeded the volume of fruit we procured under KiwiStart.

"There are however, some ongoing challenges we're working through, including delays in both container and charter vessels arriving here in New Zealand or unloading in-market," says Alastair.

"These stem from congested supply chains and global container equipment shortages. Our teams are continuing to manage these issues as best we can so that we can deliver consistent and reliable fruit to our markets in order to get the best result for growers."

From a quality perspective, the issues we saw in our early season fruit deliveries are now showing signs of settling.

"We're expecting that this season's Zespri SunGold Kiwifruit fruit quality will be broadly similar to the 2021/22 season, with some instances of lower fruit pressure, higher rates of stain on fruit and damage from labour constraints at the time of harvest," says Alastair.

"We are continuing to work through our plans to mitigate and address any issues and to ensure we maintain our reputation for fruit quality which is critical to the value we are able to bring back from market."

CROP ESTIMATE

Zespri is now expecting to have a lower crop volume than last year of around 172 million trays, including approximately 106 million trays of Zespri SunGold Kiwifruit and 66 million trays of Green.

"While we are still assessing the reasons for the decrease, the updated forecast suggests that average orchard yields are lower than last season," says Alastair.

"We believe this is likely due to growers taking a more conservative approach with crop loading for the season given the risks associated with labour shortages, and weather impacts."

SALES

Despite the delayed start to the season due to onshore labour challenges and later maturity, early demand in our markets is strong, with some very good Zespri SunGold Kiwifruit sales weeks over the past month.

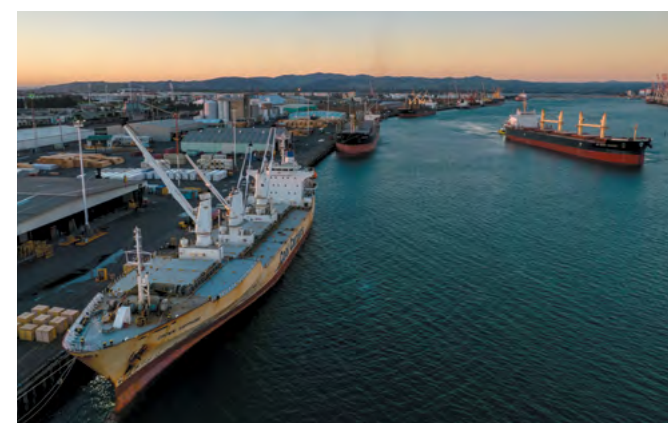
Sales in Japan have been a highlight, with a record 1.4 million trays sold in Week 18, helping global Zespri SunGold Kiwifruit sales over the past five weeks exceed 4.5 million trays on average per week.

"Our Zespri RubyRed Kiwifruit sales programmes have now been completed for the season in Japan, China, Singapore and Taiwan with our fruit again proving popular with consumers," says Alastair.

Green sales have also been strong in Japan and Korea, with most of our other markets commencing their sales programmes last week, following the delayed maturity of Hayward this season.

"As of Week 21, we've delivered over 33 million trays across all varieties — this is just back from the 35 million trays delivered at the same point last year, noting that we've had a later start to the season and increased shipping congestion," says Alastair.

"Our increased charter programme has helped secure good movement to our customers and put us in a strong position compared to many other fresh produce importers in our markets."



The largest-ever shipment of Zespri Kiwifruit bound for Japan and Korea departed the Port of Tauranga on the MV Crown Sapphire in May.

2022 LICENCE RELEASE UPDATE

Given that fewer Zespri SunGold Kiwifruit licence hectares were released this year, a number of changes were made to the licence release process in order to achieve a spread of licence across as many bidders as possible.

The reduction in hectares was due to higher than expected yields on existing orchards and the need to maintain the balance between supply and demand to protect grower returns.

Due to the reduced number of hectares restrictions were imposed on how much licence people were able to bid for. Both the Zespri SunGold and Zespri RubyRed Kiwifruit pools were undersubscribed, with a total of 343 Zespri SunGold Kiwifruit hectares and 287 Zespri RubyRed Kiwifruit hectares were bid for — less than the 350 hectares available in each pool.

As we have seen in previous years, there was a tail of low priced bids for both pools. In accordance with the Licence Application Overview and Rules and the Evaluation Panel's Terms of Reference, the Evaluation Panel considered that some bids were not commercially reasonable, having regard to all relevant circumstances including potential impact on the current market value of similar licences that have been previously allocated.

This also reflects the unique circumstances of this year's licence release, including the need to maintain the balance between demand and supply to protect grower returns as well as to consider the investment of the industry in PVR varieties.

The Panel applied a minimum price — being an average of the previous two years' minimum bid prices. This meant there were bids that were declined and both pools were under allocated, with 324 hectares allocated for the Zespri SunGold Kiwifruit pool and 280 hectares allocated for the Zespri RubyRed Kiwifruit pool.

Some of those bidders who had bids declined lodged appeals which were considered by the Board on 25 May 2022.

At the Board meeting, the Board determined that the Evaluation Panel had acted in accordance with the 2022 Licence Application Overview and Rules (including the Evaluation Panel Terms of Reference) and that no new information or circumstances were raised by appellants to warrant overturning the decision of the Evaluation Panel. Accordingly, all appeals were declined.

An independent review of the licence release mechanism is underway which is looking to determine whether there are different allocation methods that could be used in future releases that address some of the pain-points growers have expressed about the current mechanism.

Growers are strongly encouraged to participate in the consultation process which will be undertaken in August, following the consultation and work already underway. More information regarding your opportunity to participate will be communicated closer to the time.

Additional analysis of the 2022 Licence Release results can be found on Canopy: Canopy>Zespri Variety Licences>Licence Release.



HORIZON PROGRAMME TARGETS NOVEMBER GO-LIVE

Zespri is continuing to make progress toward completing the first tranche of our Horizon programme, which will upgrade our systems and processes across finance and core supply chain.

This investment is part of our largest-ever digital transformation, modernising legacy systems set up long ago for a much smaller industry.

In May, the Zespri Board approved a short deferral of the go-live date for our tranche 1 solutions, moving from 1 August to 1 November. The deferral creates the time needed to execute this final, crucial phase well with rigorous solution testing and deployment planning. We will continue to keep you updated on progress on the first tranche and on subsequent phases that will modernise our wider systems and processes, including in the areas of grower enablement, extended supply chain and quality management, integrated business planning and sales.



ZESPRI GLOBAL SUPPLY UPDATE

Producer Vote 2022

SEEKING SUPPORT FOR ZGS EXPANSION

Following initial consultation with the industry earlier this year, Zespri has now confirmed it will be seeking New Zealand grower approval for expansion of the Zespri Global Supply (ZGS) business in a Producer Vote concluding at this year's Zespri Annual Meeting on Wednesday 24 August.

As noted during our initial consultation, the current approval of 5,000 hectares for Zespri SunGold Kiwifruit is not going to produce sufficient fruit to allow Zespri to achieve 12-month supply in key markets. By 2031, the current approved hectares would meet less than 30 percent of the demand in the New Zealand off-season. The proposed expansion of up to 10,000 additional hectares of Zespri SunGold Kiwifruit would allow us to meet up to 90 percent of that demand – achieving 12-month supply in key markets.

What are we asking for?

Grower feedback to date has indicated there is a support for long term planning and growers weren't keen to undertake regular producer votes. However, growers also told us that keeping demand ahead of supply is very important. We listened to the suggestions that as ZGS supply grows, Zespri needs to regularly check that the planting plan is still appropriate to keep demand ahead of supply.

To address this feedback, we will be asking growers to support planting of up to an additional 10,000 hectares of Zespri SunGold Kiwifruit by 31 March 2031 over two phases:

- The first phase allows for up to 6,000 additional hectares to be planted by 31 March 2028
- The second phase allows for up to an additional 4,000 hectares to be planted following an annual check that demand is at least 10 million trays above supply.

This is an extension of the existing approval and does not allow planting in either China or Chile. The approval will expire in 2031 and further planting after this date would require another producer vote. We will also be providing annual reports to keep New Zealand growers informed.

We are also asking New Zealand growers to support an extension of the current new variety approval from 1,000 hectares to 2,000 hectares to allow for plantings of varieties that are not yet commercialised in ZGS, including Zespri RubyRed Kiwifruit. We are not asking for an extension of the approval for Hayward procurement as the existing approval of 20 million trays will be sufficient.

Why do we want to expand ZGS?

ZGS was set up over 20 years ago to provide fruit that could be sold under the Zespri brand when New Zealand grown fruit was not available. It has taken some time to grow the ZGS business and it has experienced significant disruption through PSA and the need to change to the Zespri SunGold Kiwifruit variety.

In 2021, we achieved 12-month supply of Hayward in some key markets and we were able to supply Zespri SunGold Kiwifruit for up to 21 weeks in Europe in some markets. In the near future, we will have planted the 5,000 hectares of Zespri SunGold Kiwifruit allowed under the current approval, but it will not generate enough fruit to fill the gap during the New Zealand off-season.

We need to expand planting of Zespri SunGold Kiwifruit to ensure we have enough fruit to meet demand for the full 12-months, helping deliver strong returns to New Zealand growers and communities.

Why is 12-month supply important?

The purpose of 12-month supply is to have high quality Zespri branded kiwifruit available to customers all year round. While we have a loyal following during the

New Zealand fruit supply season, if our consumers can no longer buy Zespri fruit when the New Zealand season ends, they are likely to switch to buying something else – either another type of fruit or another brand of kiwifruit which is available. When the New Zealand fruit season comes around again, we have to convince our retailers to stock Zespri Kiwifruit and convince our consumers to buy Zespri Kiwifruit again.

WHAT ARE THE BENEFITS?

The key benefits of the 12-month supply strategy include:

- Building and maintaining customer loyalty
- Holding shelf space for Zespri Kiwifruit and the Zespri brand 12-months a year
- Targeting a consistent consumer experience 12 months of the year to preserve consumer demand for New Zealand kiwifruit
- Driving stable and consistent relationships with retailers to support long term commitment to Zespri and New Zealand grown kiwifruit.

Other kiwifruit brands also have 12-month supply strategies and are looking to secure shelf-space and loyalty for their own brand. If we don't fill the shelves with Zespri Kiwifruit, it will be filled by someone else which makes it harder to get Zespri fruit back on the shelves during the New Zealand season.

WHAT ARE THE RISKS?

The risks include:

- **Protection of the brand** — we have 20 years of experience and established systems to ensure that the fruit being produced meets the same brand promise as New Zealand produced fruit
- **Protection of PVR** — we operate in countries that respect PVR law and work closely with our partners to make sure our varieties and our intellectual property are protected
- **Managing the season-cross over** — achieving a well-managed transition between New Zealand and ZGS fruit is key to achieving 12-month supply. The key principle is that in achieving the transition between seasons, New Zealand fruit sales are prioritised. The season cross-over will be monitored and reported to Industry.

More information on risks will be made available to growers prior to the vote on the website and the information brochure.

THE RESOLUTIONS WE ARE ASKING OUR GROWERS TO SUPPORT

Resolution 1: Increase in planted hectares of Zespri SunGold Kiwifruit in overseas countries by up to 10,000 additional hectares

That producers agree to extending Zespri's current 5,000 hectare approval for commercial planting of Zespri SunGold Kiwifruit in overseas countries (excluding Chile and China) to a maximum of 15,000 hectares, with the following conditions:

- Up to 6,000 additional hectares (11,000 total hectares) may be planted by 31 March 2028, progress on which will be reported to industry on an annual basis from 31 March 2023;
- Up to 4,000 additional hectares (15,000 total hectares) may be planted between 1 April 2028 and 31 March 2031, subject to the Zespri Board

(in consultation with NZKGI) being satisfied and reporting to industry on an annual basis from 31 March 2028 that demand for ZGS SunGold production exceeds anticipated supply by at least 10 million trays.

Resolution 2: Increase in planted hectares of any new kiwifruit variety in overseas countries by up to 1,000 additional hectares

That producers agree to extending Zespri's current approval for commercial planting of any new kiwifruit variety not currently licensed for commercial production in overseas countries (excluding Chile and China) from 1,000 hectares to a maximum of 2,000 hectares

WHERE DO I GO TO FIND OUT MORE?

Over the next few weeks we will be providing more information to growers so that you can consider the proposal further. Please visit the dedicated producer vote website: <https://zespriproducervote.zespri.com>.

The website will be updated regularly between now and the vote to provide more information and to answer grower questions. We will also be engaging in further face-to-face conversations with growers in the coming months so please get in touch if you'd like to arrange a discussion. You can also contact your local Grower Liaison Manager.





FROM THE MARKETS

PREPARING FOR FUTURE GROWTH

Zespri will continue its activation in six additional markets this season to prepare for future growth, despite crop volumes being down from original estimates.

This does not mean Zespri is slowing down in our current core markets or in our growth markets, Vietnam and the US.

Chief Market Performance Officer, Linda Mills explains that this activation is planned as part of our 10-Year Strategy.

"These markets will ensure we continue to create demand ahead of supply and reach even more consumers with our great tasting fruit," says Linda.

The six markets — India, Malaysia, Indonesia, Switzerland, UK, and Portugal — are not new markets, and Zespri has been selling in these markets for many years. However, we are now increasing the pace of growth and level of investment.

"It takes time to change gears in a market and we are fortunate to have very committed distribution partners to support this development," says Linda.

"We are also ensuring we have teams on the ground to support our Brand development, distribution and quality management."

These markets sold 6.5 million TE in the 2021 season (including ZGS-sourced fruit), and Zespri is expecting them to achieve more than double this volume over the next 10 years.

"We continue to double down in the US and Vietnam where the rate of planned growth is faster than the other markets of India, Malaysia, Indonesia, Switzerland, UK and Portugal," says Linda.

The US and Vietnam sold 12.7 million trays in the 2021 season and both markets will increase their volume more than 2.5 times over the next 10 years, with the US expected to exceed 25 million trays.

"We have further enhanced our strategy in the US and have started our development of the mid-Atlantic region," says Linda. "The US is seeing strong growth of both volume and value, especially for Zespri SunGold Kiwifruit."

Both markets have suffered from the shipping disruption that is being experienced globally. The shared shipping charter programme with T&G into the US has certainly opened up opportunities to ensure better supply to the market to support its growth.

Vietnam, however, still relies on shipping container services which can unfortunately have variable arrivals.

"We are looking at options to ensure more reliable shipping service to Vietnam to enable planned growth," says Linda.

The US is also a key market for Organics.

"We are seeing opportunities for Organics in the US, Vietnam and the six additional markets, and development of Organic demand is built into our growth plans."

Stay tuned for updates on activity in our India, Malaysia, Indonesia, Switzerland, UK and Portugal markets in upcoming issues of Kiwiflier!



Zespri SunGold Kiwifruit on display in Vietnam.



Zespri SunGold Kiwifruit in stores in the US.



China:

SUCCESS AT CAMPAIGN ASIA-PACIFIC 2022 DIGITAL MEDIA AWARDS

Zespri has won two bronze awards at the Campaign Asia-Pacific 2022 Digital Media Awards, in the categories of Best Performance Marketing and Best Use of Interactive Media.

KokHwee Ng, Zespri General Manager Marketing, says this is a huge recognition of Zespri's progress in digitalisation and marketing effectiveness as we compete alongside top consumer brands to win these prestigious awards.

"Well done to the Greater China team and our WPP agency partners for this outstanding achievement," says KokHwee.

"We look forward to sharing pictures of the trophies when they arrive after the COVID-19 situation eases in China. What an inspiring way to kick off the season as we 'say yes' to more possibilities ahead!"

The Digital Media Awards celebrate the best digital marketing work, innovation, and talent, while also recognizing the Greater China region's growing influence on the global digital industry. See here for a full list of winners: <https://www.campaignasia.com/article/digital-media-awards-2022-winners-revealed/477405>.

Australia:

ZESPRI SUNGOLD KIWIFRUIT CAMPAIGN KICKS OFF

It was great to see our Zespri SunGold Kiwifruit campaign kick off in Australia in May, including our new, Crazy Tasty Song, TV ad.

The campaign's objective is to inspire consumers to try Zespri SunGold Kiwifruit by making them aware of the surprisingly sweet taste.

The TV ad sees the return of the Zespri Kiwi Brothers, dancing and singing about the surprisingly sweet taste of Zespri SunGold Kiwifruit. It is expected to drive high brand awareness, short term sales and long term brand equity, as it performed above Zespri and industry advertising benchmark standards in Kantar Link research.

TV advertising will air throughout May to July across Australia, and advertising on YouTube, Facebook, Instagram and public relations activities are also part of the new campaign.

Key shopper marketing initiatives to drive trial include Zespri SunGold Kiwifruit branded shelf tickets, display bins, in-store sampling and front of store digital advertising screens across major supermarkets.

Thank you to everyone who has worked together to develop and execute the campaign.



Japan:

'HEALTHY YET INVIGORATING' TVC AIRS

Our incredible team in Japan recently launched a new TV commercial featuring the benefits of Zespri Kiwifruit.

The 'Healthy yet Invigorating' campaign, which stars our Kiwi Brothers, was also featured on The Project NZ, where Zespri Chief Growth Officer, Jiunn Shih spoke about the Kiwi Brothers and why they're so popular with our consumers.

Netherlands:

MARKET EVENTS A SUCCESS

Our team in the Netherlands recently held a 'Zespri Week' market event in Arnhem.

The event was well attended with locals including the Mayor of Arnhem turning up to taste our delicious Zespri SunGold Kiwifruit.

The team were also pleased to be able to host three fairs at wholesalers for the first time since the coronavirus pandemic hit.





ZESPRI IN THE COMMUNITY

Zespri Young and Healthy Virtual Adventure

The Zespri Young and Healthy Virtual Adventure is back for term four this year in New Zealand, and we're excited about the positive benefits it will bring to even more communities across the country.

The Zespri Young and Healthy Virtual Adventure encourages and motivates tamariki and their whānau to develop healthy habits for a lifetime of good physical and mental health. Last year's adventure saw 20,000 young people learn healthy new habits while (virtually) travelling the world, and we're proud to support another 20,000 through the adventure again in 2022.

Registrations are open now for classes from primary and intermediate schools across Aotearoa and we can't wait to encourage more kiwi kids to make better choices every day. They'll be inspired along the way by ASICS ambassadors Ardie Savea,

Kane Williamson, Ameliaranne Ekenasio and Samantha Charlton who will be part of the virtual adventure across the five weeks.

If you would like to get your whānau or school involved, or would like more information about the Zespri Young and Healthy Virtual Adventure, please get in touch with libby.twiss@zespri.com.



2022 New Zealand Kiwifruit Innovation Award

Nominations for the 2022 New Zealand Kiwifruit Innovation Award are now open!

Established in 2015 by former Chairman of Kiwifruit New Zealand, Sir Brian Elwood, the award recognises people who have solved a problem or created value for the kiwifruit industry through great innovation.

The deadline for this year's nominations is Friday 29 July and we encourage our industry to nominate those who have made innovative contributions.

Nomination forms can be found on Canopy, or you can request one by emailing corporate.communications@zespri.com.

Nominees must be individuals, not groups, with the criteria being an applied idea to solve problems and create improvements.

Government tours underway

Zespri has kicked off another busy government tours season, with this year's programme seeing a diverse range of guests coming to the Bay of Plenty to learn about the kiwifruit industry.

In addition to the usual visitors from the Ministry of Foreign Affairs and Trade, Ministry for Primary Industries, Ministry of Business, Innovation and Employment, and Te Tumu Paeroa, we will also be hosting guests from the Delegation of the European Union, the Embassy of Japan, and the Embassy of the United States.

We're delighted to host seven tours across May and June, with some tours having additional capacity to cater to high demand. Guests will receive a kiwifruit industry crash course over the course of the day, visiting orchards, packhouses, the Kiwifruit Breeding Centre and the Zespri head office in Mount Maunganui.

After a delayed start due to COVID-19 restrictions, we are glad to be able to take the opportunity to share the Zespri and New Zealand kiwifruit industry story with New Zealand government ministries once again. Vicki Beauchamp-Dixon, Tours and Events Advisor, accompanied the first group on tour this year and got to experience first-hand the value of these tours to the wider industry. "Guests are always surprised and amazed at the amount of work that goes into every single piece of kiwifruit," says Vicki.



Government tour attendees.



SAVE THE DATE! Parliament vs. Industry Rugby and Netball Match & Charity Auction

Join Zespri and the kiwifruit industry for an afternoon of rugby and netball, followed by a charity auction at Te Puke's Murray Salt Stadium to raise money for our Recognised Seasonal Employer scheme (RSE) workers and their communities.

Last year's rugby match against the Parliamentary rugby team raised more than \$50,000 to support the victims and first responders of the Whakaari/White Island tragedy, and we would like to do the same again this year to support Pacific Island communities affected by COVID-19 and the devastating impact of the recent eruption in Tonga of the Hunga Tonga-Hunga Ha'apai volcano on 15 January.

This year, the battle will also take place on the netball courts where a team of industry hot shots will take on the Parliamentary netball team.

We're looking forward to a great day of sports, Pacific food and music and a charity auction. The event will kick off with curtain raisers between Toi Arikikura and Pacific Island invitational U18 teams, followed by matches between kiwifruit industry invitational teams and the New Zealand Parliamentary rugby and netball teams.

RSE workers are an incredibly important part of both the New Zealand kiwifruit industry and our local community and we're hoping for a good turnout of supporters at both games and bidders for the charity auction so we can best support the cause.

We welcome everyone to join us for the event and to get involved by attending the games, the auction, or by donating to the cause.

i To view the event programme and to buy tickets, visit: <https://events.zespri.com/zespri-annual-rugby-charity-auction>.



Kiwifruit Industry XV vs Parliamentary Rugby Team go head-to-head in 2021.

Hope and a fair start for kiwi kids KidsCan

KidsCan aims to provide a fair start to kids who are going without basics like food, clothing, shoes and health products, and whose families must make tough decisions every day.

We are proud to support this incredible organisation and it's great to hear the positive impact they are having on families by providing food, clothing and health products to more than 1000 ECEs and schools nationwide.

Verity Brogden, ambassador for KidsCan, says that during some tough times growing up, KidsCan gave her not just sustenance, but also hope.

"KidsCan helped me out so much, with those little things of hope. When it's the only meal you're having a day, or your first new shoes, you can't even imagine the impact that has on kids - It's someone showing you they care about you."

To find out more about the work KidsCan do, or to donate to this great cause, visit www.kidscan.org.nz.

EPA HI-CANE REASSESSMENT UPDATE

Work continues in preparation for the Environmental Protection Authority's (EPA) public hearings for the Hi-Cane reassessment, due to start at the end of the year.

Toxicology study

Zespri commissioned an independent report from leading toxicologists with expertise in assessing pesticide risk and submitted it to the EPA on 29 April. The authors outlined concerns with the EPA's risk assessment of hydrogen cyanamide and recommended using robust exposure data in New Zealand use conditions, supporting our upcoming study assessing potential exposure of spray contractors.

The report concludes:

- Hydrogen cyanamide is not carcinogenic and should continue to be classified as non-carcinogenic.
- The EPA has overestimated the risk posed to spray applicators and in particular:
 - A higher "safe" exposure value should be used in its modelling. Evidence from existing toxicology studies provides a strong scientific basis for the use of a higher No Observed Adverse Effect Level (NOAEL) than the one the EPA has selected in its application for reassessment. The NOAEL is used to derive an Acceptable Operator Exposure Level (AOEL).
- As hydrogen cyanamide is only applied for six-to-eight weeks of the year, it is more appropriate to use seasonal average daily dosages as the measure of exposure than basing calculations on year-round use, as the EPA did in its initial position.

These findings further support the industry's position that the EPA's view of the risk posed by Hi-Cane use is significantly overstated and the benefits of using it outweigh the risk.

Study methodologies

Earlier this month Zespri submitted the detailed methodologies of the two studies we'll conduct over the Hi-Cane application season for EPA feedback. The two studies will provide real-world data on bird distribution in orchards during Hi-Cane application and potential spray applicator exposure to Hi-Cane during application; they will run from June to August and Zespri will provide the results to the EPA by September 30.

We believe these robust, comprehensive studies will support the industry's position that the EPA has significantly overstated the risks of Hi-Cane application and will strengthen our case for continuing its use.

EPA direction

The Decision Making Committee of the EPA has issued new directions on how it intends to run the hearing process and Zespri's upcoming response will be shared with growers. The DMC has said it will issue further direction about site visits to kiwifruit orchards.

You can find these in full on www.epa.govt.nz.

New varieties breeding programme

Zespri and Plant & Food Research have invested many years already in trying to find an alternative green variety and this work is continued through the Kiwifruit Breeding Centre. Zespri is recruiting high-performing growers across our growing regions as trialists, with successful trialists grafting over to the precommercial varieties this winter. The grower trial programme has been updated to assess multiple cultivars as quickly as possible and the cultivars will be confirmed shortly by the Zespri Board.

We're excited by the opportunity posed by a new green cultivar – green kiwifruit has long been the backbone of the category with many longstanding loyal consumers who enjoy its fresh, sweet-sour balance.

NEXT STEPS

| | |
|---|--|
| May/June | EPA publishes summary of submissions |
| June | Zespri response to DMC directions on process |
| June - September | Zespri bird study and worker health study underway |
| TBC - potentially during application season | DMC site visits to kiwifruit orchards |
| 30 September | Final scientific reports due to EPA |
| October/November | EPA publishes its updated position: hearing notice, science memo and update report |
| 5 December | Indicative start date for DMC hearings |

SPRAY CONTRACTOR AND APPLICATOR VOLUNTEERS WANTED

Zespri is running a trial in winter 2022 to better understand the risk to people applying hydrogen cyanamide by measuring their exposure during application, while following best practice industry standards. The study will involve sampling workers before the spray season starts in July 2022 as well as during a normal day applying spray in late July or in August. We want to cover the range of spraying methods used in the New Zealand industry to understand any risk of exposure across the spraying community.

We are looking for spray contractors and applicators from Katikati, Tauranga and Te Puke regions in the Bay of Plenty. Please contact Alice Thomson at alice@airmatters.co.nz if you're interested in taking part. Participants will be compensated for their time.

COME ALONG TO A ZESPRI SAFE SPRAY WORKSHOP

The kiwifruit industry is committed to protecting our communities and the quality of our water, air and soils. It is important that growers and spray applicators have a clear understanding of how to use sprays safely and effectively, with safe spray application an important part of kiwifruit orchard management.

This must be achieved in a way that meets regulatory requirements and the social and environmental expectations of our local communities.

Safe spraying is important throughout the year, but especially so during dormancy when there is no canopy cover to reduce spray plume. These workshops, which will be an interactive and hands-on experience with spray expert Dave Manktelow, are therefore a timely reminder about spray safety.

All spray contractors and grower applicators are strongly encouraged to attend. For more information and to register your attendance, register at: <https://events.zespri.com/safe-spray-workshop/registration/Site/Register>.

| Date | Location |
|-------------------|------------------------------|
| Tuesday 28 June | OPAC, Ōpōtiki |
| Wednesday 29 June | Orchard Church, Te Puke |
| Thursday 30 June | Fairview Golf Club, Katikati |
| Friday 1 July | Turner Centre, Kerikeri |



2021/22 FINAL PROGRESS PAYMENTS

| CLASS 1 - APPROVED PROGRESS PAYMENT JUNE 2022 | AVERAGE ON NET SUBMIT | 16/18/22 | 25/27 | 30/33 | 36 | 39 | 42 |
|---|-----------------------|----------|----------|----------|----------|----------|-----------|
| Zespri Green | \$0.3295 | \$0.3304 | \$0.2780 | \$0.3247 | \$0.3567 | \$0.3567 | \$0.3708 |
| Zespri Organic Green | \$0.3737 | \$0.2452 | \$0.3468 | \$0.1941 | \$0.4258 | \$0.4258 | \$0.6721 |
| Zespri Gold3 | \$0.4293 | \$0.3516 | \$0.4336 | \$0.4522 | \$0.5393 | \$0.3882 | No supply |
| Zespri Organic Gold3 | \$0.3305 | \$0.2471 | \$0.3527 | \$0.3729 | \$0.3697 | \$0.2311 | No supply |
| Zespri Green14 | \$0.3693 | \$0.3218 | \$0.3527 | \$0.3829 | \$0.3748 | \$0.3748 | \$0.3454 |

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 JUNE 2022 | AVERAGE ON NET SUBMIT | 16/18/22 | 27 | 30 | 33 | 36 | 39 | 42 |
|---|-----------------------|----------|-------------|----------|----------|----------|-------------|-----------|
| Class 2 Green* | \$0.9880 | \$0.6692 | \$0.8890 | \$0.8759 | \$1.3135 | \$1.1298 | \$0.9429 | \$0.7486 |
| Class 2 Organic Green | \$0.3001 | \$0.4114 | -\$0.0733** | \$0.2708 | \$0.6793 | \$0.2909 | \$0.5361 | \$0.3813 |
| Class 2 Gold3 | \$0.9487 | \$0.7412 | \$0.9949 | \$1.2237 | \$0.9139 | \$0.8768 | \$0.5471 | No supply |
| Class 2 Organic Gold3 | \$0.9738 | \$0.8926 | \$1.0828 | \$1.0784 | \$0.8482 | \$1.0233 | -\$0.0035** | No supply |

*Weighted average of total final payments for the HW2CK programmes.

**For Class 2 Organic Green size 27 and Class 2 Organic Gold3 size 39, the final per tray wash-up amounts are negative. The total negative amount is under \$1,600 and is primarily due to quality impacts. No clawback is required from any individual grower at a total level across all sizes supplied.

| NON-STANDARD SUPPLY - APPROVED PROGRESS PAYMENT JUNE 2022 | 42 |
|---|-----------|
| Zespri Gold3 | No supply |
| Zespri Organic Gold3 | \$3.0652 |

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.

June 2022 approved progress payments on Net Submit trays

Approved per tray progress payments for 3 June 2022:

| Class 1 | |
|----------------------|----------|
| Zespri Green | \$0.3295 |
| Zespri Organic Green | \$0.3737 |
| Zespri Gold3 | \$0.4293 |
| Zespri Organic Gold3 | \$0.3305 |
| Zespri Green14 | \$0.3693 |

Orchard Gate Return

The OGR calculations reflect post-harvest cost data compiled by Ingham Mora Limited in March 2022, the actual 2021/22 fruit loss percentages and 2021/22 productive hectare information.

2021/22 FULL YEAR FINAL CLASS II AND NON STANDARD SUPPLY FRUIT AND SERVICE PAYMENTS

| CLASS II RETURNS PER TE | GREEN KIWISTART | GREEN MAINPACK | GREEN ORGANIC | GOLD3 | GOLD3 ORGANIC | NON STANDARD SUPPLY RETURNS PER TE |
|----------------------------------|-----------------|----------------|---------------|--------|---------------|------------------------------------|
| Trays Supplied (000's) | 619.1 | 712.7 | 88.0 | 854.6 | 27.7 | 10.2 |
| Submit Payment | \$1.40 | \$1.40 | \$1.40 | \$1.40 | \$1.40 | \$1.60 |
| Service Payments | \$0.35 | \$0.00 | \$0.20 | \$0.19 | \$0.03 | \$0.43 |
| Fruit Incentives | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$5.17 |
| Progress Payments | \$5.96 | \$5.62 | \$8.47 | \$7.96 | \$12.70 | \$6.87 |
| Total Fruit and Service Payments | \$7.70 | \$7.02 | \$10.07 | \$9.55 | \$14.14 | \$14.07 |

SHARE BRIEFS

As at **23 May 2022** the last Zespri share price trade was **\$9.00** traded on **19 May 2022**. There were three buyers at **\$8.96, \$8.95, \$8.90**. There were five sellers at **\$9.00, \$9.10, \$9.15, \$9.20** and **\$9.30**.
To trade Zespri shares please contact one of the registered USX brokers – See <https://canopy.zespri.com/EN/grow/zespri/Shares> for more information.
For all other general shareholder enquiries, please contact Zespri Grower Support Services on 0800 155 355.
NOTE: On a monthly basis, we will now be reporting on the number of shares becoming dry for the following month and those excess shares requiring to be sold for the following month.
As per Clause 22 of the Constitution, shareholders who no longer supply fruit to Zespri (Dry Shareholders) will cease to receive dividend payments three years after becoming dry. For the month of June there are no dry shares as of 23 May 2022 that will cease to be eligible for dividends.
Clause 21.4 of the constitution requires shareholders who are over their share cap (overshared) to sell their excess shares three years

after the date they exceeded their share cap. For the month of June there are no excess shares that are required to be sold as of 23 May 2022.
The graph below shows the price per share that has been traded with USX and the corresponding number of shares for each trade.
Want to see current buyers and sellers?
To get a list of the price for current buyers and sellers and the associated shares go to <http://www.usx.co.nz>. The Zespri Group Limited listing code is 'ZGL'. The USX website shows:

- Latest prices
- Market depth – to see the parcels of shares for sale and the parcels and price that buyers are seeking
- Last 10 trades
- Market announcements

Follow us on reap for our mobile IR experience
Go to www.reapapp.io to download the app.

Below is the current Market Depth information as at 23 May 2022.

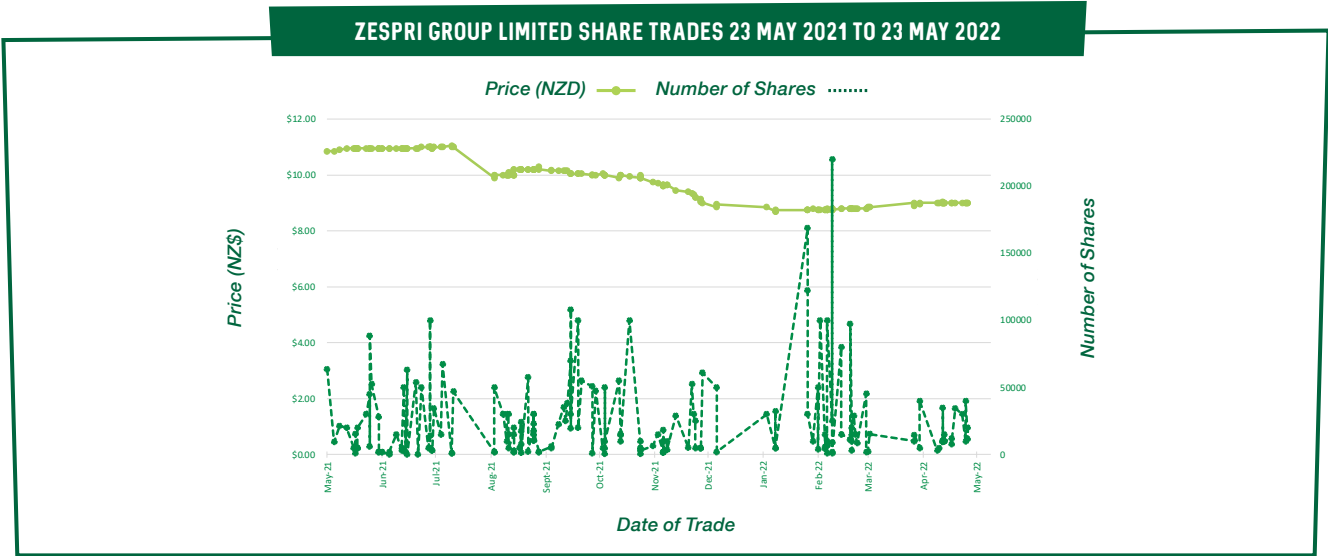
| Quote Line Monday 23 May as at 11.30am | | | | | | |
|--|----------|------------|-----------|-----------|----------|--------|
| Code | Bid (\$) | Offer (\$) | Last (\$) | High (\$) | Low (\$) | Volume |
| ZGL | 8.96 | 9.00 | 9.00 | 0.00 | 0.00 | 0 |

| Market Depth | | | | | |
|--------------|----------|------------|------------|----------|--------|
| BIDS | | | OFFERS | | |
| Orders | Quantity | Price (\$) | Price (\$) | Quantity | Orders |
| 1 | 22,000 | 8.96 | 9.00 | 10,000 | 1 |
| | 5,000 | 8.95 | 9.10 | 5,000 | 1 |
| | 5,000 | 8.90 | 9.15 | 5,000 | 1 |
| | | | 9.20 | 31,500 | 1 |
| | | | 9.30 | 10,000 | 1 |

| Last 10 Trades | | | |
|----------------|----------|------------|------------|
| Date/Time | Quantity | Price (\$) | Value (\$) |
| 6/05/2022 | 10,000 | \$9.00 | 90,000.00 |
| 6/05/2022 | 15,000 | \$9.00 | 135,000.00 |
| 10/05/2022 | 12,000 | \$9.00 | 108,000.00 |
| 10/05/2022 | 8,000 | \$9.00 | 72,000.00 |
| 12/05/2022 | 34,575 | \$9.00 | 311,175.00 |
| 16/05/2022 | 30,000 | \$9.00 | 270,000.00 |
| 18/05/2022 | 10,000 | \$9.00 | 90,000.00 |
| 18/05/2022 | 40,000 | \$9.00 | 360,000.00 |
| 19/05/2022 | 11,425 | \$9.00 | 102,825.00 |
| 19/05/2022 | 20,000 | \$9.00 | 180,000.00 |

Director share trading
For the month of May (as at 23 May), there were 330,000 shares traded by entities associated with Zespri Directors. See 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.



CLASS 1 FRUIT AND SERVICE PAYMENTS AND TIMINGS

(INCLUDING LOYALTY PREMIUM)

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

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

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

- Submit is paid in the early months when fruit is submitted into inventory.
- Pack and Time, KiwiStart and Taste Zespri are paid on FOBS, i.e., when fruit is shipped. Some of the Supplier Accountability payments are subject to SLA terms.
- Progress will be paid in the remaining months at levels subject to Zespri Management approval.
- Average payments per TE are based on the 2021/22 final trays and actual payments to date.
- YTD amounts for Pack and Time may move from previous *Kiwi* issues due to SLAs being paid late in a month.

| ZESPRI GOLD3 2021/22 FINAL RESULTS MAY | | | | | | | | |
|---|--------|---------------|--------------------------|--------------|----------|-----------------|-----------------------------|--------------------|
| ISO month | Submit | Pack and Time | KiwiStart Accountability | Taste Zespri | Progress | Loyalty Premium | Total payment / TE Supplied | % of Pool Paid YTD |
| Apr-21 | \$3.30 | \$0.09 | | | | | \$3.39 | 21% |
| May-21 | | \$0.10 | \$0.00 | | | | \$3.49 | 21% |
| Jun-21 | | \$0.13 | | | | | \$3.62 | 22% |
| Jul-21 | | \$0.08 | | \$1.16 | \$1.50 | | \$6.37 | 39% |
| Aug-21 | | \$0.14 | \$0.47 | \$1.50 | \$0.05 | | \$8.52 | 52% |
| Sep-21 | | \$0.37 | | \$1.38 | \$0.04 | | \$10.32 | 63% |
| Oct-21 | | \$0.30 | \$0.43 | \$0.33 | \$0.79 | | \$12.16 | 74% |
| Nov-21 | | \$0.33 | \$0.02 | \$1.38 | \$0.23 | | \$14.12 | 86% |
| Dec-21 | | \$0.06 | \$0.02 | \$0.05 | \$0.71 | | \$14.96 | 91% |
| Jan-22 | | | \$0.02 | | | \$0.10 | \$15.08 | 91% |
| Feb-22 | | \$0.00 | \$0.01 | \$0.00 | \$0.40 | | \$15.50 | 94% |
| Mar-22 | | \$0.00 | \$0.00 | | \$0.28 | | \$15.77 | 96% |
| Apr-22 | | \$0.00 | | \$0.00 | \$0.10 | | \$15.87 | 96% |
| May-22 | | | | | | | \$15.87 | 96% |
| Jun-22 | | | | | \$0.43 | \$0.20 | \$16.50 | 100% |
| Paid YTD | \$3.30 | \$1.61 | \$0.96 | \$5.81 | \$4.09 | \$0.10 | \$15.87 | |
| Balance to pay | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.43 | \$0.20 | \$0.63 | |
| Total fruit and service payments - 2021/22 Actual \$16.50 | | | | | | | | |

| ZESPRI ORGANIC GOLD3 2021/22 FINAL RESULTS MAY | | | | | | | | |
|---|--------|---------------|--------------------------|--------------|----------|-----------------|-----------------------------|--------------------|
| ISO month | Submit | Pack and Time | KiwiStart Accountability | Taste Zespri | Progress | Loyalty Premium | Total payment / TE Supplied | % of Pool Paid YTD |
| Apr-21 | \$3.30 | \$0.04 | | | | | \$3.34 | 20% |
| May-21 | | \$0.10 | | | | | \$3.44 | 20% |
| Jun-21 | | \$0.10 | | | | | \$3.54 | 21% |
| Jul-21 | | \$0.10 | | \$1.54 | \$0.39 | | \$5.57 | 33% |
| Aug-21 | | \$0.28 | \$0.34 | \$2.33 | \$0.02 | | \$8.53 | 50% |
| Sep-21 | | \$0.40 | | \$1.70 | \$0.36 | | \$10.99 | 65% |
| Oct-21 | | \$0.21 | \$0.29 | \$0.36 | \$1.02 | | \$12.88 | 76% |
| Nov-21 | | \$0.09 | | \$1.59 | \$0.28 | | \$14.84 | 87% |
| Dec-21 | | -\$0.02 | | \$0.01 | \$0.62 | | \$15.45 | 91% |
| Jan-22 | | | \$0.00 | | | \$0.10 | \$15.55 | 91% |
| Feb-22 | | | \$0.01 | | \$0.51 | | \$16.07 | 94% |
| Mar-22 | | | \$0.04 | | \$0.30 | | \$16.41 | 96% |
| Apr-22 | | | | | \$0.08 | | \$16.48 | 97% |
| May-22 | | | | | | | \$16.48 | 97% |
| Jun-22 | | | | | \$0.33 | \$0.20 | \$17.02 | 100% |
| Paid YTD | \$3.30 | \$1.30 | \$0.68 | \$7.52 | \$3.58 | \$0.10 | \$16.48 | |
| Balance to pay | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.33 | \$0.20 | \$0.53 | |
| Total fruit and service payments - 2021/22 Actual \$17.02 | | | | | | | | |

| ZESPRI GREEN 2021/22 FINAL RESULTS MAY | | | | | | | | |
|---|--------|---------------|--------------------------|--------------|----------|-----------------|-----------------------------|--------------------|
| ISO month | Submit | Pack and Time | KiwiStart Accountability | Taste Zespri | Progress | Loyalty Premium | Total payment / TE Supplied | % of Pool Paid YTD |
| Apr-21 | \$2.44 | \$0.01 | | | | | \$2.45 | 24% |
| May-21 | | \$0.06 | | | | | \$2.51 | 25% |
| Jun-21 | | \$0.05 | | | | | \$2.56 | 25% |
| Jul-21 | | \$0.05 | | \$0.43 | \$0.88 | | \$3.92 | 38% |
| Aug-21 | | \$0.11 | \$0.27 | \$0.70 | \$0.05 | | \$5.05 | 49% |
| Sep-21 | | \$0.21 | | \$0.69 | \$0.05 | | \$6.00 | 59% |
| Oct-21 | | \$0.29 | \$0.23 | \$0.37 | \$0.14 | | \$7.02 | 69% |
| Nov-21 | | \$0.39 | \$0.01 | \$0.88 | \$0.27 | | \$8.57 | 84% |
| Dec-21 | | \$0.31 | \$0.02 | \$0.11 | \$0.10 | | \$9.10 | 89% |
| Jan-22 | | | \$0.03 | | | \$0.10 | \$9.23 | 90% |
| Feb-22 | | \$0.02 | \$0.02 | \$0.00 | \$0.26 | | \$9.54 | 93% |
| Mar-22 | | \$0.00 | \$0.01 | | \$0.14 | | \$9.69 | 94% |
| Apr-22 | | \$0.00 | | \$0.00 | \$0.04 | | \$9.72 | 95% |
| May-22 | | | | | | | \$9.72 | 95% |
| Jun-22 | | | | | \$0.33 | \$0.20 | \$10.25 | 100% |
| Paid YTD | \$2.44 | \$1.50 | \$0.59 | \$3.18 | \$1.92 | \$0.10 | \$9.72 | |
| Balance to pay | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.33 | \$0.20 | \$0.53 | |
| Total fruit and service payments - 2021/22 Actual \$10.25 | | | | | | | | |

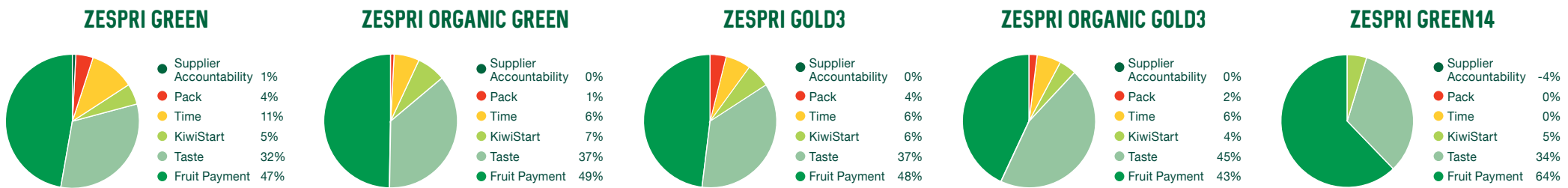
| ZESPRI ORGANIC GREEN 2021/22 FINAL RESULTS MAY | | | | | | | | |
|---|--------|---------------|--------------------------|--------------|----------|-----------------|-----------------------------|--------------------|
| ISO month | Submit | Pack and Time | KiwiStart Accountability | Taste Zespri | Progress | Loyalty Premium | Total payment / TE Supplied | % of Pool Paid YTD |
| Apr-21 | \$2.45 | | | | | | \$2.45 | 19% |
| May-21 | | \$0.04 | | | | | \$2.49 | 19% |
| Jun-21 | | \$0.01 | | | | | \$2.50 | 19% |
| Jul-21 | | \$0.04 | | \$0.66 | \$1.88 | | \$5.08 | 39% |
| Aug-21 | | \$0.09 | \$0.42 | \$1.04 | \$0.05 | | \$6.68 | 51% |
| Sep-21 | | \$0.17 | | \$1.18 | \$0.05 | | \$8.08 | 62% |
| Oct-21 | | \$0.19 | \$0.44 | \$0.42 | \$0.32 | | \$9.45 | 73% |
| Nov-21 | | \$0.27 | | \$1.20 | \$0.12 | | \$11.04 | 85% |
| Dec-21 | | \$0.16 | | \$0.11 | \$0.30 | | \$11.61 | 89% |
| Jan-22 | | | | | | \$0.10 | \$11.71 | 90% |
| Feb-22 | | | \$0.00 | | \$0.48 | | \$12.21 | 94% |
| Mar-22 | | | \$0.03 | | \$0.18 | | \$12.40 | 95% |
| Apr-22 | | \$0.00 | | \$0.00 | \$0.05 | | \$12.44 | 96% |
| May-22 | | | | | | | \$12.44 | 96% |
| Jun-22 | | | | | \$0.37 | \$0.20 | \$13.02 | 100% |
| Paid YTD | \$2.45 | \$0.96 | \$0.89 | \$4.62 | \$3.43 | \$0.10 | \$12.44 | |
| Balance to pay | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.37 | \$0.20 | \$0.57 | |
| Total fruit and service payments - 2021/22 Actual \$13.02 | | | | | | | | |

| ZESPRI GREEN14 2021/22 FINAL RESULTS MAY | | | | | | | | |
|---|--------|---------------|--------------------------|--------------|----------|-----------------|-----------------------------|--------------------|
| ISO month | Submit | Pack and Time | KiwiStart Accountability | Taste Zespri | Progress | Loyalty Premium | Total payment / TE Supplied | % of Pool Paid YTD |
| Apr-21 | \$2.80 | | | | | | \$2.80 | 24% |
| May-21 | | | | | | | \$2.80 | 24% |
| Jun-21 | | | | | | | \$2.80 | 24% |
| Jul-21 | | | | \$1.26 | \$1.63 | | \$5.69 | 50% |
| Aug-21 | | | -\$0.13 | \$1.28 | \$0.05 | | \$6.89 | 60% |
| Sep-21 | | | | \$0.51 | \$0.74 | | \$8.14 | 71% |
| Oct-21 | | | \$0.28 | | \$0.05 | | \$8.47 | 74% |
| Nov-21 | | | | \$0.76 | \$0.55 | | \$9.78 | 85% |
| Dec-21 | | | | | \$0.26 | | \$10.04 | 88% |
| Jan-22 | | | \$0.00 | | | \$0.10 | \$10.14 | 89% |
| Feb-22 | | | \$0.01 | | \$0.29 | | \$10.44 | 91% |
| Mar-22 | | | | | \$0.33 | | \$10.77 | 94% |
| Apr-22 | | | | | \$0.10 | | \$10.87 | 95% |
| May-22 | | | | | | | \$10.87 | 95% |
| Jun-22 | | | | | \$0.37 | \$0.20 | \$11.44 | 100% |
| Paid YTD | \$2.80 | \$0.00 | \$0.17 | \$3.81 | \$3.99 | \$0.10 | \$10.87 | |
| Balance to pay | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.37 | \$0.20 | \$0.57 | |
| Total fruit and service payments - 2021/22 Actual \$11.44 | | | | | | | | |

Note 1: The submit and progress payments detailed in the tables are based on net submit trays. Amounts above are not rounded to two decimal places, therefore rounding differences may apply.

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

2021/22 SEASON GROWER PAYMENT PORTIONS – TOTAL FRUIT AND SERVICE PAYMENTS 2021/22 ACTUAL



FULL YEAR FINAL RETURN AND ORCHARD GATE RETURN (OGR) – INDUSTRY AVERAGE ONLY

| Full-Year Return | 2021/22 - Actual | | | | | | 2020/21 - Actual | | | | | |
|--|------------------|----------------------|--------------|----------------------|----------------|-----------|------------------|----------------------|--------------|----------------------|----------------|-----------|
| | Zespri Green | Zespri Organic Green | Zespri Gold3 | Zespri Organic Gold3 | Zespri Green14 | All Pools | Zespri Green | Zespri Organic Green | Zespri Gold3 | Zespri Organic Gold3 | Zespri Green14 | All Pools |
| Total: | | | | | | | | | | | | |
| Total trays supplied (m) | 73.9 | 3.0 | 97.7 | 2.5 | 0.3 | 179.7 | 67.5 | 2.8 | 85.5 | 1.5 | 0.3 | 159.6 |
| Kilograms supplied (m) | 259.8 | 10.4 | 341.7 | 8.7 | 0.9 | 621.5 | 236.7 | 9.5 | 300.2 | 5.1 | 0.9 | 559.7 |
| Average size per tray | 32.6 | 34.9 | 27.8 | 28.1 | 37.1 | | 33.8 | 37.1 | 29.7 | 30.1 | 37.7 | |
| Fruit payments (\$m) | 346.6 | 18.7 | 763.8 | 18.0 | 1.9 | 1,167.8 | 584.2 | 31.9 | 1,212.4 | 24.6 | 3.4 | 1,873.9 |
| Fruit incentives (\$m) | 278.5 | 16.4 | 661.3 | 20.5 | 1.0 | 977.8 | 24.4 | 1.3 | 70.8 | 0.8 | 0.1 | 97.4 |
| Service costs (\$m) | 110.7 | 2.9 | 157.5 | 3.2 | 0.0 | 274.7 | 94.2 | 2.2 | 121.1 | 1.4 | - | 219.3 |
| Fruit and service payments excl. loyalty premium (\$m) | 735.7 | 38.0 | 1,582.6 | 41.7 | 2.9 | 2,420.3 | 702.8 | 35.4 | 1,404.3 | 26.8 | 3.6 | 2,190.5 |
| Total Forecast per tray (\$): | | | | | | | | | | | | |
| Submit payment ¹ | 2.44 | 2.45 | 3.30 | 3.30 | 2.80 | | 2.25 | 2.25 | 2.80 | 2.80 | 2.80 | |
| Progress payments | 2.25 | 3.80 | 4.52 | 3.91 | 4.36 | | 6.40 | 9.29 | 11.38 | 14.15 | 9.90 | |
| Total fruit payments per net submit trays | 4.69 | 6.25 | 7.82 | 7.21 | 7.16 | | 8.65 | 11.54 | 14.18 | 16.95 | 12.70 | |
| KiwiStart ² | 0.51 | 0.85 | 0.90 | 0.62 | 0.56 | | 0.26 | 0.35 | 0.74 | 0.51 | 0.55 | |
| Taste Zespri | 3.18 | 4.62 | 5.81 | 7.52 | 3.81 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Supplier Accountability | 0.07 | 0.04 | 0.07 | 0.06 | -0.40 | | 0.10 | 0.11 | 0.08 | 0.04 | -0.04 | |
| Fruit incentives | 3.77 | 5.50 | 6.77 | 8.20 | 3.98 | | 0.36 | 0.46 | 0.83 | 0.55 | 0.50 | |
| Pack type | 0.42 | 0.18 | 0.61 | 0.37 | 0.00 | | 0.36 | 0.06 | 0.55 | 0.21 | 0.00 | |
| Time payment | 1.08 | 0.78 | 1.01 | 0.94 | 0.00 | | 1.03 | 0.75 | 0.86 | 0.75 | 0.00 | |
| Service costs | 1.50 | 0.96 | 1.61 | 1.30 | 0.00 | | 1.39 | 0.81 | 1.42 | 0.96 | 0.00 | |
| Class 1 fruit and service payments per net submit trays | 9.95 | 12.72 | 16.20 | 16.72 | 11.14 | | 10.41 | 12.81 | 16.42 | 18.45 | 13.21 | |
| Loyalty premium | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | |
| Class 1 fruit and service payments with loyalty per net submit trays | 10.25 | 13.02 | 16.50 | 17.02 | 11.44 | | 10.80 | 13.21 | 16.82 | 18.85 | 13.61 | |
| Less: onshore fruit loss | -0.28 | -0.26 | -0.34 | -0.22 | -0.02 | | -0.07 | -0.04 | -0.16 | -0.19 | 0.00 | |
| Fruit loss percentage ³ | 2.69% | 2.01% | 2.07% | 1.27% | 0.21% | | 0.69% | 0.32% | 0.93% | 0.99% | 0.01% | |
| Class 1 fruit and service payments per gross submit trays | 9.98 | 12.75 | 16.16 | 16.80 | 11.42 | | 10.73 | 13.17 | 16.66 | 18.66 | 13.60 | |
| Plus Class 2 Return | 0.13 | 0.35 | 0.09 | 0.16 | 0.01 | | 0.19 | 0.34 | 0.09 | 0.21 | 0.03 | |
| Plus Non-Standard Supply (NSS) ⁴ | 0.00 | 0.01 | 0.01 | 0.06 | 0.00 | | 0.01 | 0.06 | 0.01 | 0.26 | 0.00 | |
| Plus Other Income (Non dividend) ⁵ | 0.02 | 0.00 | 0.03 | 0.00 | 0.02 | | 0.01 | 0.01 | 0.02 | 0.02 | 0.01 | |
| Average revenue per gross submit trays | 10.13 | 13.12 | 16.29 | 17.02 | 11.44 | | 10.93 | 13.57 | 16.79 | 19.15 | 13.65 | |
| LESS: Post-harvest costs deducted ⁶ | | | | | | | | | | | | |
| Base packing and packaging | -1.65 | -1.67 | -2.53 | -2.51 | -2.46 | | -1.52 | -1.57 | -2.32 | -2.35 | -2.43 | |
| Pack differential | -0.41 | -0.18 | -0.59 | -0.36 | 0.00 | | -0.36 | -0.06 | -0.55 | -0.20 | 0.00 | |
| Base cool storage | -0.95 | -0.95 | -0.95 | -0.95 | -0.97 | | -0.88 | -0.88 | -0.89 | -0.86 | -0.91 | |
| Logistics | -0.15 | -0.16 | -0.16 | -0.14 | -0.18 | | -0.14 | -0.16 | -0.15 | -0.13 | -0.16 | |
| Time and CC/RK charges | -0.62 | -0.43 | -0.54 | -0.45 | -0.01 | | -0.52 | -0.38 | -0.42 | -0.25 | 0.00 | |
| Total post-harvest costs per gross submit trays | -3.78 | -3.38 | -4.78 | -4.41 | -3.62 | | -3.42 | -3.04 | -4.33 | -3.79 | -3.51 | |
| OGR per gross submit trays | 6.35 | 9.74 | 11.51 | 12.61 | 7.82 | | 7.51 | 10.53 | 12.46 | 15.36 | 10.14 | |
| Average industry yield per productive hectare ⁷ | 11,887 | 6,958 | 15,295 | 11,400 | 6,984 | | 10,214 | 6,311 | 14,276 | 10,324 | 5,609 | |
| Number of productive hectares ⁸ | 6,390 | 438 | 6,522 | 222 | 37 | | 6,659 | 439 | 6,047 | 142 | 48 | |
| OGR per hectare | \$75,494 | \$67,752 | \$176,026 | \$143,772 | \$54,609 | | \$76,722 | \$66,453 | \$177,846 | \$158,599 | \$56,853 | |
| Average kilogram per tray ⁹ | 3.51 | 3.50 | 3.50 | 3.50 | 3.45 | | 3.50 | 3.45 | 3.51 | 3.51 | 3.43 | |
| OGR per kilogram | 1.81 | 2.79 | 3.29 | 3.61 | 2.27 | | 2.14 | 3.05 | 3.55 | 4.38 | 2.96 | |

Notes:

1. The submit rate presented for Zespri Green 2021/22 reflects the submit rate of \$2.45 for sizes 18-39 and \$2.25 for size 42.

2. KiwiStart includes Priority Premium payments. These are period one related payments that apply to fruit shipped in the applicable weeks and vessels.

3. Fruit loss percentage includes ungraded fruit inventory losses.

4. Zespri does not procure NSS in all categories, returns are as reported in the Ingham Mora post-harvest survey.

5. Other Income may include any Service Level Agreement payments, Class 3 income and interest.

6. Post-harvest cost data was compiled by Ingham Mora Limited in March 2022.

7. The average industry yield per hectare equals Class 1 volumes submitted divided by productive hectares. Average yield levels are calculated based on current volume data incorporating the actual FOBS data with actual onshore fruit loss percentages. The OGR may be distorted by the inclusion of orchards in the first years of production in the calculation.

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

9. Average kilograms per tray are derived using the individual size conversions published in the specific season's Pack Conversion Guide.

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

PAYMENTS AND INCOME EXPLAINED

Zespri reports corporate profit by each individual revenue stream. The operating segments reflect the key business activities and are: New Zealand Kiwifruit, Non-New Zealand supply, New Cultivars and Other. Clarity of sources of value and sources of funding is important given the kiwifruit industry's strong growth to date and projected growth. The infographic provided here outlines how money flows through the industry using the 2021/22 Corporate results: Zespri's revenue streams, pool costs, fruit payments to growers, corporate costs and how Zespri distributes the profit made.

GLOBAL REVENUE \$4.5 BILLION

- Kiwifruit sales \$4,029 million
- Other revenue \$505 million

| NEW ZEALAND KIWIFRUIT | NON-NEW ZEALAND SUPPLY | NEW CULTIVARS | OTHER |
|--------------------------|---------------------------|---------------|-------|
| \$3,492 m | \$537 m | – | – |
| \$10 m | \$1 | \$486 m | \$7 m |

Kiwifruit sales globally – \$4,028.7 million from 206.5 million trays supplied. Other revenue driven by Sungold licences released of \$436.7 million and plant variety rights royalties of \$45.6 million, along with external co-funding and interest and rental income.

POOL COSTS \$813 MILLION



| | | | |
|---------|--------|---|---|
| \$743 m | \$69 m | – | – |
|---------|--------|---|---|

Includes freight, insurance, duty and customs, logistics and promotion costs.

PAYMENTS FOR FRUIT INCLUDING LOYALTY \$2,883 MILLION

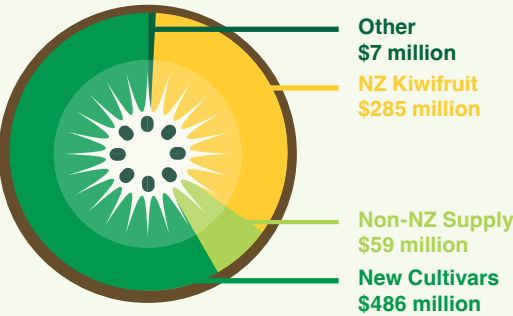


| | | | |
|-----------|---------|---|---|
| \$2,473 m | \$410 m | – | – |
|-----------|---------|---|---|

\$2,473.4 million paid to New Zealand growers for fruit payments (including service and incentive payments) including \$53.1 million for loyalty payments. \$409.8 million paid to non-New Zealand based growers for fruit purchased.

CORPORATE REVENUE \$837 MILLION

Included in Global Revenue



| | | | |
|---------|--------|---------|-------|
| \$285 m | \$59 m | \$486 m | \$7 m |
|---------|--------|---------|-------|

After pool costs and payments for fruit including loyalty, \$285.2 million earned from \$3.5 billion in kiwifruit sales.

\$59 million in corporate revenue earned from \$536.9 million in kiwifruit sales.

* \$436.7 million revenue from 700 hectares of SunGold licence release, 50 hectares of SunGold Organic release, and 150 hectares of Red licence release, plus other licence income.
* \$45.6 million royalty income from PVR (Plant variety rights) sales.
* \$1.9 million of external research funding received.

Interest income and land and building rental income and other.

CORPORATE COSTS \$333 MILLION

- Innovation costs \$33 million
- Overhead costs \$300 million

| | | | |
|---------|--------|--------|-------|
| \$16 m | \$1 m | \$15 m | – |
| \$244 m | \$31 m | \$22 m | \$2 m |

PROFIT BEFORE TAX \$505 MILLION

| | | | |
|--------|--------|---------|-------|
| \$25 m | \$27 m | \$449 m | \$5 m |
|--------|--------|---------|-------|

TAXATION \$144 MILLION

| |
|---------|
| \$144 m |
|---------|

PROFIT AFTER TAX \$362 MILLION

| |
|---------|
| \$362 m |
|---------|

RETAINED EARNINGS
Profit retained in the business is \$36 million. Earnings reinvested into the business for assets, working capital and financial stability.



DIVIDENDS
Dividends proposed are \$325 million or \$1.78 cents per share. Paid to shareholders — the current dividend policy is 70-90 percent of the distributable profit (2020/21 = \$361.5 million).

Please note rounding differences may apply to totals.

SHARE ALIGNMENT SURVEY RESULTS

In October 2021, Zespri sent out a survey to growers and shareholders to learn about their views on ownership of Zespri shares — including drivers and barriers to entry.

We appreciate there has been a delay in publishing the share survey results, however we would like to share some of the key findings with growers here.

There were 735 respondents overall, with just under a third being non-shared growers. The majority of respondents are supportive of share alignment, with more than two thirds believing the industry would be in a better position if all

growers own shares. Those who support alignment believe growers should have a minimum of one share per tray of production.

The price of shares is the biggest barrier to growers buying shares, with respondents also identifying the process for buying shares and prioritising investment in development over buying shares as other barriers.

There is strong support for the concept of share alignment, however 85 percent of the respondent group did not intend to purchase shares in the next five years.

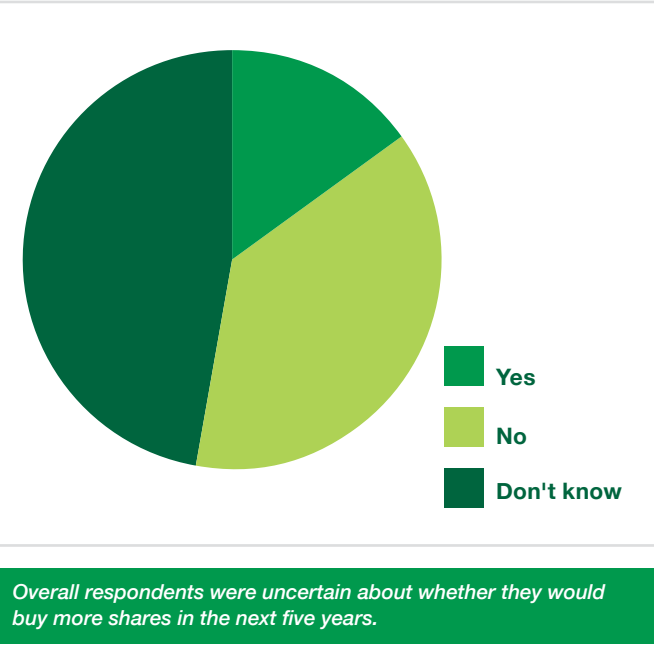
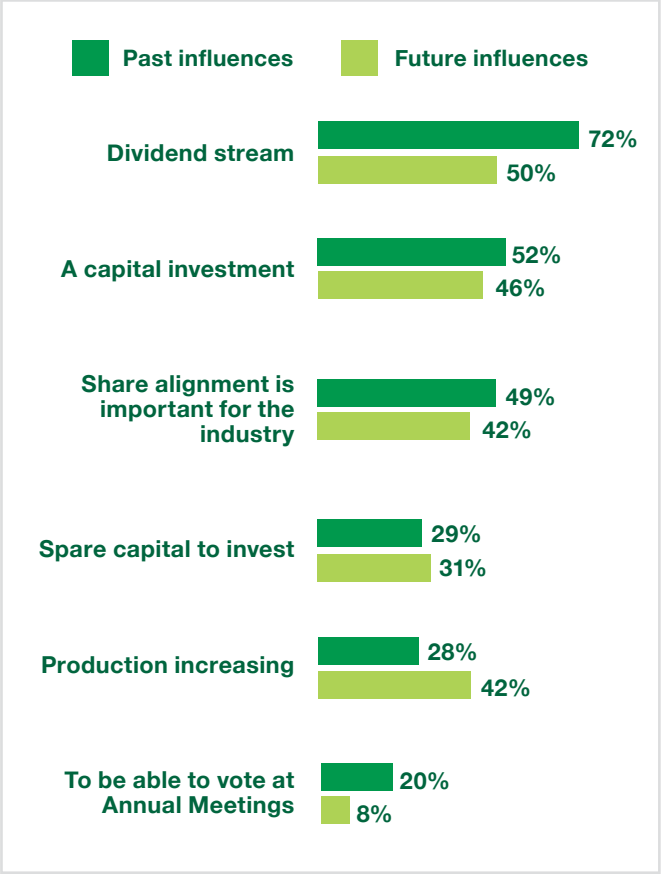
Views on the share cap were split evenly between maintaining the current cap of 6:1 and lowering it, although the majority of respondents believe share ownership should remain with New Zealand growers.

Questions around potential future share growth and alignment initiatives were included as part of the survey. Half of respondents support the idea of Zespri issuing shares to non-shared or undershared growers. Those in support felt that growers should have a stake in their industry, as well as influence over the same (in terms of voting, etc.), while some felt that existing shares could be diluted, and that there are shares readily available for purchase in the market currently.

Share alignment continues to be a focus of the Board, particularly since the alignment gains achieved through the targeted share issue and buy back in 2019 have reverted back to just under half of growers being shareholders. The options for share alignment are still being considered, but there are no quick and easy solutions due to restraints with the Kiwifruit Regulations, the Zespri Constitution, the Companies Act and competing Project Horizon priorities.

More detailed results from the share survey can be found on Canopy.

Past influences to purchase shares in the preceding five years, and future influences to purchase shares in the next five years.



SETTING UP FOR THE 2023 HARVEST

As winter pruning of Zespri SunGold Kiwifruit crops gets underway and orchards are set up for the season ahead, capacity for KiwiStart in 2023 will be high again. Growers should think about their crop targets in terms of ideal timing, dry matter and yield to optimise returns come the 2023 harvest.

This season, Zespri introduced the Five-Point Plan – a package of measures to bring the harvest forward and optimise fruit flow to best utilise labour and post-harvest capacity. While some of the pressures may ease in 2023, they are unlikely to go away. Zespri will be reviewing the benefits of the initiatives from 2022 and is likely to seek support for a similar approach to the 2023 season, subject to further discussions with the Industry Advisory Council.

Recent industry research by NeuroSpot with growers and post-harvest operators aimed to better understand grower decision making and influence. It identified winter pruning as a foundational point of influence on the crop which can affect all fruit attributes such as timing and maturity, dry matter, fruit size and yield.

While in 2022 the elevated Kiwistart programme was signaled mid growing season in October, the opportunity for 2023 is for growers on suitable sites to target early production and factor this into their orchard management plans to support an early and greater start come the 2023 harvest. Orchard management practices can bring additional crop into the early or mid-weeks of Kiwistart that typically hits a window with excess demand over supply. Undertaking these successfully can add real value both in easing onshore pressure and getting markets off to a strong start and is rewarded with the higher KiwiStart incentives. For areas where KiwiStart is less suitable, there is also an increasing need for fruit with good storage performance, to supply markets over the season.

The NeuroSpot industry research highlighted the opportunity for some growers to more actively review their harvest performance. Some growers tended to have a “rinse and repeat” approach from one season to the next, but there is a real opportunity between seasons to reset targets and strategies to align to market needs and optimise returns.



CROP PROTECTION PROGRAMME AND ALLOWED OTHER COMPOUNDS

The Zespri Crop Protection Standard (CPS) sets out what products may be applied to fruit intended for submission to Zespri Group Limited for export, under Zespri Conventional or Zespri Organic production systems.


The Crop Protection Programme and Allowed Other Compounds list should be referred to throughout the season, to ensure the products you are using on orchard remain approved. An updated Crop Protection Standard will be emailed to all MSOs in early July which should replace any previous versions.

With increasing industry and market concerns, Zespri has increased the formulation testing requirements for products wishing to register for the 2022/2023 Crop Protection Standard. In April-May this year, products currently listed in the programme were tested for ingredients of concern at the cost of the supplier. As a result, some products may be removed, or given a restricted use timing or a longer Pre Harvest Interval (PHI).

Generic agrichemicals such as Copper Sulphate or Technical Urea will remain listed as allowed for use at a grower's risk with note that individual products were not tested. These changes

will be published in the next 2022/2023 CPS and AOC, which will be emailed out in July 2022 for the 2022-2023 season.

We appreciate products you have already purchased may have been removed. If you wish to use a product that has been removed or restricted, please request a Justified Approval (JA). A JA can be completed in *Spray Diary* by clicking 'Request Justified Approval' or by completing the form found on Canopy.

 If you have any questions or concerns, contact spraydiary@zespri.com.



KEY FOCUS: JUNE GLOBAL EXTENSION TEAM

Early defoliation

Winter pruning

Soil
management

Winter chill

THE MONTH AHEAD: JUNE

Early defoliation

Even though you might be keen to get going on the winter pruning job, it may be difficult if there are still lots of leaves on the vine.

A leaf drop spray is an option to hasten natural leaf fall. The recommendation is to wait until natural leaf fall is underway before this is done. Heavier copper rates in copper sulphate sprays will hasten leaf drop but will, over time, increase copper in the soil. If possible, only spray some blocks in your orchard. Reduce the copper loadings (those you want to work on first) and to rotate the block(s) to be sprayed from year to year. For resources and good practice use of leaf drop sprays visit the Early Defoliation page on Canopy (Canopy > Growing Kiwifruit > Orchard Management > Canopy Management & Pruning > Early Defoliation).

Winter pruning



Aim to achieve an even distribution of buds across the bay.

Before you make a start on winter pruning, it's important to work out what your targets for next season are. Your targets for pruning should begin with wood quality but also give consideration to numbers (working towards a final volume of trays) and quality — so take the time to think about both parameters.

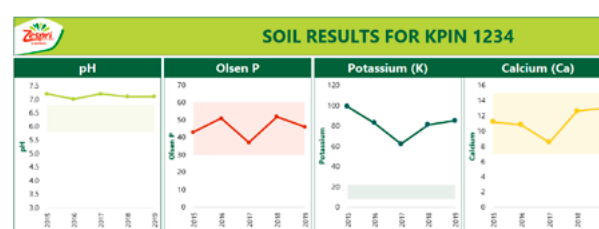
Wondering about how many buds per square metre you need? The 'Winter Canopies' page on Canopy (Canopy > Growing Kiwifruit > Orchard Management > Canopy Management & Pruning > Winter Canopies) has some great resources to help you decide your targets, set specifications and communicate these to your pruning crew.

Remember — it's not just about getting the target number of buds in a bay, it's about achieving an even distribution of buds right across the bay.

Other considerations

- If you are thinking about using a small area of your orchard to test an alternative budbreak enhancer or no budbreak enhancer, you may want to tie in some extra canes as insurance in case budbreak is reduced.
- A good strategy to tackle heavy crowns or wood is to aim to cut out at least one crown or section of wood per bay. Walk through and spray paint where you want the cuts to be made so pruners can clearly identify the cuts when it comes to doing it.

- Do this as a separate job before winter pruning, as specialty saws and/or chainsaws are needed and this wood needs to be taken out to avoid being selected by pruners. It is recommended to give this job to your most experienced staff and ensure health and safety protocols are being strictly adhered to.
- Winter pruning represents an opportunity to remove *Psa* inoculum from the orchard. With the leaves off it is a good time to do a monitoring round and mark vines with cankers for remedial work. Remember to ensure good hygiene practices to avoid spreading the disease further.



An extract from the Soil Test Report.

It is likely with the labour shortages affecting the industry, we can expect some new pruners this year. Like all relationships, you get back what you put in. Ensure either you or your contractor are doing a good job of training and monitoring performance. Spending a bit extra on a dedicated supervisor doing checks on the quality of the job, including bud counts and providing positive feedback/reinforcement of training, will pay dividends at harvest.

Soil management

Significant volumes of key nutrients are removed from the orchard along with the crop. Annual soil testing provides an understanding of what nutrients are present in the soil and if there are adequate amounts to meet next year's plant and crop requirements. Complete your soil test following harvest and with enough time before budbreak to develop your nutrient management plan.

Here are some key points to keep in mind when collecting your soil samples:

- Samples should reflect the area that fertiliser is being applied to, which in turn should reflect where vines are accessing nutrients from.
- Be consistent — collect your samples from similar locations and at the same time each year to better compare year on year results.
- In addition to ordering the basic kiwifruit soil test package, tick the box to test for available nitrogen (AN) too, this is also known as anaerobic mineralisable nitrogen (AMN).
- To better understand the health and nutrient holding capacity of your soil, consider adding other extras such as the Hills Organic Soil Profile (includes available nitrogen) or Eurofins Soil Health Indicators also.

The real value of soil tests comes when you compare results from multiple years - a handy Soil Test Report Template to help you do this is available from the Plant Nutrition & Nitrogen page of the Canopy website. A range of other handy resources including videos on soil testing are also available there too.

Native planting

Planning on doing some planting around your orchard this winter? Check out the Plants with Purpose Summary sheets for guidance on riparian planting and planting for shelter, pollination, biodiversity or erosion control. You can find the summary sheets and the entire Plants with Purpose guide on the Sustainability page of Canopy (Canopy > Zespri & The Kiwifruit Industry > About Zespri > Sustainability), or alternatively email extension@zespri.com to request a printed copy.

Monitoring your winter chill

Monitor your winter chill so you know what units you have accumulated and how that might influence the timing of your budbreak enhancer application. Websites like www.harvest.com and www.hortplus2.com can provide data from local weather stations, but for reliable results it is best you use data from your own weather station.

It is important to keep a consistent system of measurement in order to predict budbreak accurately, and to get the best out of your budbreak enhancers. The following page on Canopy (Canopy > Growing Kiwifruit > Orchard Management > Budbreak > Predict & monitor budbreak) has some fantastic information on how to monitor and record your winter chill, including a tool to estimate budbreak.

Red19 establishment

Warm sites and shelter

If you're planning to establish Red19 plants we can't emphasize enough this variety's need for warm sites and shelter. Red19 vines and fruit are sensitive to wind and cold. Warmth and shelter enhances the development of Red19 plants and fruit.

The buds of Red19 grafts break two to three weeks earlier than Gold3 and this makes it prone to frost and pests looking for food when there's not much else available. We encourage:

- Choosing warm sheltered sites for planting
- Establishing shelter before planting or grafting
- Installing fast-track shelter and frost protection systems before budbreak
- Ensuring structures are strong and you have adequate wires in place to support the training of young vines. If you cut over, you may have lost some wires from cutting out leaders that were wrapped around them.

Cutting-over

If cutting-over to Red19, June is a good time to cut out existing canopy. No further benefit is likely to come from waiting for carbohydrates to flow to the roots. Remember when cutting out, to leave plenty of trunk height for the grafter. They will re-cut to ensure they are grafting into fresh tissue.

First Red19 crops and winter pruning

First crops from young vines are variable and fruit quality can be maximised by selecting wood types consistent in type and age. Getting the right type and size of wood that has spent the summer in the sun, grew early in the previous season, and has fat, pregnant buds is sometimes a challenge, but should be a large component of your winter pruning and specifications and structuring your canopy.

If you plan to fruit before you have a full canopy consider keeping lateral shoots closely spaced along the cane to minimise the fruit's exposure to the sun.

TRY AN ALTERNATIVE BUDBREAK PRODUCT

With hydrogen cyanamide's future under review by the Environmental Protection Authority, there is increased grower interest in trialling alternative products.

If you're considering using a budbreak enhancer, try setting up a small trial to compare products, and leave some vines untreated for comparison. Budbreak enhancers can take some trial and error to find what will work on your orchard, and it's likely to require some

tweaks to your management practices also. So, the sooner you try, the more knowledge you will build up.

Merchants report good supplies of budbreak agrichemicals with Advance Gold™, Erger™, Armobreak™ and Wakexin™ available this winter. Bluprins™ is also being trialled in New Zealand this winter and will potentially be available next winter. The Global Extension Team has a guide available to show how to set-up up a small area



to test the alternative agrichemicals. You can find it on the Alternative Budbreaker page on Canopy (Canopy > Growing Kiwifruit > Orchard Management > Budbreak > Alternative Budbreak Enhancers).

NZKGI HI-CANE UPDATE



Growers will be aware that the use of hydrogen cyanamide in New Zealand is being reassessed by the Environmental Protection Authority (EPA).

The EPA are proposing to ban hydrogen cyanamide with a phase out period of five years, which is opposed by NZKGI. The submission can be read on the NZKGI website. Estimations of yield production, job losses and GDP contribution (nearly \$2 billion over 10 years) will seriously impact growers, supply chains and communities if hydrogen cyanamide is banned and there are no alternatives with comparable efficacy.

Hydrogen cyanamide is an important tool for many kiwifruit growers and is used under strict conditions once a year in late winter (late July to early September) when the vines are dormant. The spray helps to produce greater yields of quality fruit which ripens at the same time making it easier to harvest. Hydrogen cyanamide is used to condense flowering, promote uniform budbreak and reduce unwanted lateral flowers even in regions which don't need to compensate for lack of winter chill. The synchronised flowering it promotes means pollination and fruit maturity is also synchronised which gives efficiencies in labour, as orchards can be strip-picked.

Evidence supporting hydrogen cyanamide use

As part of its submission to retain the use of hydrogen cyanamide, NZKGI has submitted a range of evidence.

- NZKGI has commissioned the NZ Institute of Economic Research Inc. to prepare an independent economic impact assessment of the costs and benefits of withdrawing hydrogen cyanamide from the New Zealand market. This report finds the annual negative impact of removing hydrogen cyanamide could be between \$233 million and \$300 million on grower returns, plus another negative impact of \$100 million on other associated industries.
- NZKGI has also commissioned the Australian Environment Agency Pty Ltd to prepare an independent environmental and human health risk assessment of hydrogen cyanamide. This assessment finds that the risks from application of the product to kiwifruit in New Zealand conditions can be managed through practical controls.
- NZKGI has employed an occupational hygienist to review the toxicity of hydrogen cyanamide, the possible compositions of sprays used in the kiwifruit industry, methods for spraying, and control measures implemented.

The occupational hygienist was also able to observe the mixing and spraying equipment used in most parts of the industry. Further research trials are being conducted to test operators mixing and applying commercially using ATOM mixers (enclosed cabs), as well as operators mixing and applying on a smaller scale using tractor-based systems.

- NZKGI has also received consultation on the carcinogenicity of hydrogen cyanamide from a toxicologist contracted by NZKGI. The consultant's advice to NZKGI stated the classification of hydrogen cyanamide as a possible human carcinogen is based on insufficient evidence from over 30 years ago and accordingly, any reclassification of the use of hydrogen cyanamide by the EPA should not be classifiable as to its carcinogenicity to humans.

Next steps

The EPA has been publishing submissions on the proposal and a Submissions Analysis Report is expected to be published over the coming weeks. Final scientific studies are to be submitted in September and the hearing notice in October/November, with the hearing expected to begin at the start of December. NZKGI will continue to advocate for, and continue to communicate to, growers in this space.



NZKGI ANNUAL GENERAL MEETING



The upcoming Annual General Meeting of the members of New Zealand Kiwifruit Growers Inc. (NZKGI) will be held at 11am on Wednesday 24 August 2022 at Trustpower Baypark Stadium, 81 Truman Lane, Mount Maunganui.

Please submit your items for business to NZKGI by 5pm, Friday 3 June. Email info@nzkgi.org.nz, or post to PO Box 4246, Mount Maunganui 3149, or phone 0800 232 505.

Note, the AGM pack will be posted to members in late July.

The NZKGI AGM will be preceded by the KVH AGM at 9am. Between AGMs, Ian Proudfoot, Global Head of Agribusiness at KPMG, will speak to growers on trends in agribusiness.

The NZKGI AGM will be followed by the Zespri AGM at 1.00pm at the same venue. A bagged lunch will be available to growers between the AGMs.

YOU CAN NOW GO ONLINE TO REPORT THE UNUSUAL



There's a new way to report suspected exotic pests and diseases.

Biosecurity New Zealand has released an online alternative to the existing 0800 phone hotline and means you can report the unusual in the way that suits you best.

From the Biosecurity New Zealand website, you're guided through the reporting process and can submit photos, location of finds and other information. Reports are processed by the same team that handles phone hotline reports.

You'll then receive a response from the investigation and specialist science team in a similar timeframe to the current 0800 phone reporting system — generally within 24 hours.

If you feel that you're reporting any kind of urgent matter that worries you (things like mass mortalities of animals or animal diseases for example), the online form will ask you to instead ring the phone hotline on 0800 80 99 66 so that the case can be immediately triaged. Anyone from the kiwifruit industry unsure about making a report and whether or not it is urgent, can also contact the KVH office at info@kvh.org.nz or 0800 665 825 for advice.

The most important thing, regardless of how you choose to make a report, is to do so as soon as you suspect you've found something of concern. All reports are valuable and the earlier they are made the more action can be taken to limit impacts.

The new reporting tool can be found on the Biosecurity New Zealand website at <https://report.mpi.govt.nz/pest>.

NOMINATIONS FOR KVH DIRECTORS



The KVH Board is calling for nominations for one grower director for a term of three years to the KVH Board as Dermott Malley's term as grower elected representative is ending. Dermott will be re-standing for this vacancy.

Nomination forms are available from the KVH website at www.kvh.org.nz and must be returned to the KVH office

or emailed to info@kvh.org.nz, along with a list of all interests in the kiwifruit industry by 5pm, Monday 4 July 2022.

Grower members will be asked to vote for their preferred nominee, and the successful candidate will be announced following the upcoming AGM on Wednesday 24 August 2022.

REMOVE UNPICKED FRUIT FROM VINES



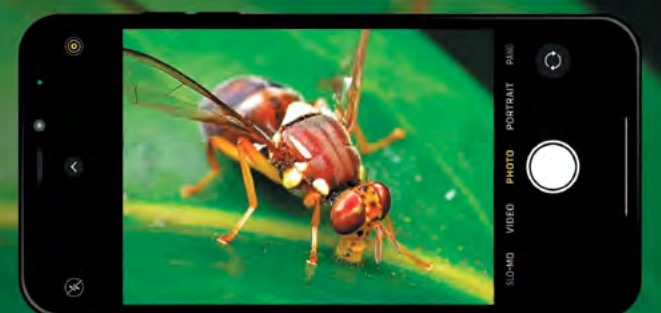
All unpicked kiwifruit must be removed from vines by 1 July 2022.

This is because fruit can increase the amount of wild kiwifruit plants establishing in nearby areas of native bush or forestry. Fruit ripening over the winter months provides a food source for birds, such as the wax-eye/tauhou, that then spread seed through their droppings, together with a small fertiliser package and a proportion of this seed can readily germinate.

Unpicked fruit needs to be dropped to the ground and mulched. This prevents mass-feeding by birds over the entire winter period.

Under the National Psa Pest Management Plan (NPMP), it is a requirement to remove all unpicked fruit from vines by 1 July each year. After this date, KVH will follow-up reports of unpicked fruit with orchard owners and post-harvest companies.

NEW ONLINE REPORTING TOOL FOR PESTS AND DISEASES



Biosecurity New Zealand
Tiakitanga Pūtaiao Aotearoa

You can now submit photos and report unusual pests and diseases by filling in a quick and easy online form.

Q&A FROM THE FIELD

KEY CONTACTS:

| | | |
|--|--|--|
| Grower Engagement Manager: Sue Groenewald 027 493 1987 | Grower Liaison Managers: Sylvia Warren 022 101 8550 Brad Ririnui 021 757 843 Richard Jones 027 255 6497 Malkit Singh 027 665 0121 | Organic Supply Specialist: Teresa Whitehead 027 257 7135 |
|--|--|--|

I have a licence and require plants. Is there anywhere that lists the nurseries with licensed plants for sale?

A list of certified nurseries is listed on the Canopy website. Canopy has a kiwifruit plant 'Trading Board' that can be found here:
<https://canopy.zespri.com/EN/grow/licensing/licencemanagement/Pages/Nurseries.aspx>

What is the purpose of a concurrent licence?

A concurrent licence allows a licensed grower to move an area of their licenced variety to a new location (on the same property or another property under common ownership) and concurrently plant both areas for a period of **up to one year**. This allows a season of production on the existing planted area while the newly grafted area establishes.

A concurrent licence is only eligible in legitimate instances for reasons such as (but not limited to), making room for a load out bay, putting in additional drainage, Council requirements, or to move an area that may be underperforming. Concurrent licensing is not valid in any instances where the transfer of licence has occurred between two unrelated parties and the reason for the concurrent is to obtain another crop after the licence is sold.

I am looking at selling my orchard. Where can I find out what my licensed area is?

You should always be selling your orchard based off your licensed area and not your planted area. Your licensed area is the correct area and is the area you hold from the licence you have purchased either from Zespri or when you purchased the orchard.

Please ensure if you are either selling or purchasing an orchard, you have completed your due diligence and know the correct licence area. If you are unsure, you can contact the Zespri Licence Team at new.cultivars@zespri.com for help.

If I have ordered Zespri budwood this year, how do I collect it?

All growers who requested budwood through Zespri (either Gold3 or Red19) will have been emailed a link to a booking system through allocated time slots to come and collect budwood on set distribution days.

Budwood is only able to be released to growers that have nominated a KPIN. The calculation of budwood is calculated from the information provided by growers through the licence application at the time of tendering.

For more information on the process for collection, please refer to the *Budwood Collection Instructions* on the Canopy website, or contact your Grower Liaison Manager or email budwood@zespri.com.

I got licence in last year's licence release. How do I get some budwood?

If you were successful in the 2021 licence tender and requested budwood in 2022, then you should receive an email by 27 June with details on how to book a timeslot to collect budwood. If you do not receive the email, or now require some budwood from a previous allocation, then call Rob St Leger on 027 5111 056, or email budwood@zespri.com.

PVR AUDITING PROGRAMME TO KICK OFF

As part of our wider PVR Enforcement Programme, Zespri is working through scheduling audits of all orchards that participated (whether successful or unsuccessful) in the 2022 licence tender.

In some instances, growers may receive a visit by a Zespri representative, as well as a GPS measurement audit by a Zespri GPS mapping provider.

Growers will be notified by the PVR Enforcement Team to schedule an on-orchard visit to ensure no planting has taken place without the necessary licence. Any plantings to be found without the necessary licence will be subject to the Unauthorised Plantings Policy that can be found on the Canopy website under Growing Kiwifruit > Zespri® Variety Licences > GPS Mapping & Audits > Unauthorised Plantings.

The PVR Enforcement Team will work alongside Zespri's current mapping service providers, GPS-it Limited and Davenport Resources. They will be auditing all orchards that were successful in obtaining licence under the 2022 licence release and a random audit list generated by Zespri each year. These audits will be by way of GPS measuring the canopy area but may also include a visit from a Zespri representative.

Zespri is committed to the ongoing protection of PVR varieties and ensuring compliance as per the terms and conditions of Zespri Variety Licences, and making sure these are strictly adhered to, for the benefit of all licence holders.

Zespri will also be increasing the frequency of random audits being completed. If you are a current Zespri licence holder, you may be contacted by a Zespri representative at any time to review your planted area.

Zespri intends to protect its proprietary varieties and address any unauthorised planting or grafting to protect the interests of all growers, but in particular:

- Protecting growers who have purchased licences for a Zespri proprietary kiwifruit variety
- Protecting those who have complied with the terms of their licences
- To promote the control of volumes of kiwifruit supplied to protect grower returns
- Preserving the value of Zespri's investment in new varieties.

Growers should note that Zespri practices a zero-tolerance policy in relation to overplanting.

Please make sure Zespri's Grower Support Services Team has your most up-to-date details. You can check all your details are accurate and current by accessing the Industry Portal or by emailing contact.canopy@zespri.com.

CHANGES TO GROWER SUPPORT SERVICES HOURS AND PHONE LINE

As the industry continues to grow, we want to be in a better position to support our growers, post-harvest teams and contractors. The below changes will help make reaching the right team easier and as efficiently as possible.

As of Monday 4 July 2022, the Grower Support Services hours will change to 8am-4pm, Monday-Friday.

We will also be implementing changes to the Grower Support Services phone line to introduce an auto attendant system that will allow you to be able to click an extension for the person/team you require.

The extensions will be set up as below:

- **Extension 1:** Grower Support Services – this will take you straight through to the Grower Support Services team
- **Extension 2:** Orchard Quality Services (previously known as Pre-harvest) – this will then cascade down to another level for the individual the customer is after
 - **Extension 2.1:** Jemma Hughes in Crop Protection
 - **Extension 2.2:** Ash McMahon in KiwiGreen Monitoring
 - **Extension 2.3:** Steph Hart in Residues
- **Extension 3:** GAP
- **Extension 4:** Maturity Clearance

If you are unsure of which extension option to choose, you can simply hold the line and this will take you through to the Grower Support Services team for assistance.



EXPRESSIONS OF INTEREST: EUROPE RUGBY WORLD CUP TOUR

Back by popular demand in October 2023, the Zespri Grower Liaison Team will be hosting the European Rugby World Cup Tour.

The tour is still in the planning stages, but tentatively aims to include tickets to the Rugby World Cup semi-finals and final, as well as visits to Italian orchards, the Zeebrugge repack facility, and other key European markets, as well as seeing some incredible tourist locations in France and Italy.

We will release more information when it becomes available to those who have expressed interest. There are very limited spaces, and deposits will be required early to secure tickets.

If you are interested in this tour, contact Sue Groenewald, Grower Engagement Manager:

 sue.groenewald@zespri.com

 027 493 1987