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AHEAD – AUGUST



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## DON'T MISS THE ZESPRI ANNUAL MEETING!



We're looking forward to connecting with you at the Zespri Annual Meeting at Trustpower Baypark Arena, at 1pm on Wednesday 24 August.

The Annual Meeting is a fantastic opportunity to come together to celebrate the past year's results, reflect on the challenges, ask questions, as well as participate in the voting process for director appointments. If you can't attend in person, we encourage you to tune in online, where you'll still be able to ask questions, and vote remotely. Visit the Zespri Canopy website for information on how to attend online. Registration will take place from 12pm (midday), with the Annual Meeting starting at 1pm. The KVH and NZKGI AGMs will be held in the morning at the same venue.

Formal notice of the Company's Annual Meeting, the Annual Report 2021/22 as well as Proxy Forms and information relating to the appointment of Directors, were made available to shareholders in July. Shareholders may vote at the meeting in person, appoint a proxy to attend and vote on their behalf, or vote in advance. Advance voting (online or by post) and proxy appointments close at 1pm on 22 August. Companies and other incorporated entities must appoint a representative as a proxy if they plan to attend the Annual Meeting.

Note, we are closely monitoring the COVID-19 environment. At this stage, the Annual Meeting will still be going ahead in-person, and Zespri asks that all attendees complete a Rapid Antigen Test (RAT), given the number of people attending. Any changes to the event due to COVID-19 will be communicated on the Zespri Canopy website.

## ANNUAL REPORT AVAILABLE ONLINE NOW



Based around the theme of 'rising to the challenge', our Annual Report provides more detail on our 2021/22 financial results.

Read the report online here: <https://www.zespri.com/content/dam/zespri/nz/annual-reports/Zespri-Annual-Report-2021-22.pdf>

## \$43K RAISED FOR RSE WORKERS AT ZESPRI SPORTS DAY AND AUCTION



**The RSE community fundraising event – organised by Zespri – featured rugby, netball, cultural events and a charity auction to raise funds for RSE communities in the Pacific that have been impacted by COVID-19 and associated travel restrictions. The \$43,000 was raised through the auction and donations at the event and online.**

"The support of the industry and the Bay of Plenty community has been outstanding," says Michael Fox, Zespri's Head of Global Public Affairs.

"We had a great turnout at the event, in spite of the unfortunate weather, and people dipped deep into their pockets to help RSE workers, who are such an important part of the kiwifruit industry and the Bay of Plenty community."

"Thank you to everyone who came along, made a donation, sponsored items or bid at the auction."

"It's so great to see the community come together, enjoy some great sports, and show such generosity in support of a good cause."

Funds raised will support projects in the home countries of RSE workers through the grassroots charities Tractors for Tonga and Village to Village Charitable Trust, along with the Kiwifruit Industry Community Support Fund.

Find out more and check out photos of the action on page 5.

## GROWER ROADSHOWS: *Season forecast and fruit quality update*

We've got some important topics to discuss with growers at our Grower Roadshows in August and September.

Come along and meet with Zespri CEO Dan Mathieson and colleagues, NZKGI and KVH. We'll be providing updates on the season forecast, quality issues, licence review, sustainability, and new varieties.

These meetings will be held in person, with an option to join online for the Tauranga Roadshow. Please register for your preferred location here: <https://events.zespri.com/grower-roadshows/glm/Site/Register>

Any changes to the Roadshows due to COVID-19 will be communicated on the Zespri Canopy website.

DATE	TIME	LOCATION
29 Aug	9 - 11am	Waikato   Mighty River Domain, 601 Maungatautari Road, Lake Karapiro
	2:30 - 4:30pm	Auckland   PIA Event Centre, 55 Ward Street, Pukekohe 2120
30 Aug	9 - 11am	Kerikeri   The Turner Centre, 43 Cobham Drive
	1.30 - 3.30pm	Whangārei   Northland Events Centre, Semenoff Stadium, 51 Okara Drive
31 Aug	9 - 11am	Hawke's Bay   The Crown Hotel, Corner Bridge Street and Hardinge Road, Ahuriri, Napier
	4 - 6pm	Gisborne   Bushmere Arms Hotel, 673 Matawai Road, Waerengahika
1 Sept	10am - 12pm	Ōpōtiki   Ōpōtiki Golf Club, 14 Fromow Road
	2:30 - 4:30pm	Matatā   Matatā Rugby Club, 12 Division Street
2 Sept	9 - 11am	Te Puke   The Orchard Church, 20 MacLoughlin Drive, Te Puke
	2 - 4pm	Katikati   Fairview Golf Club, 34 Sharp Road, Aongatete
5 Sept	11am - 1pm	Nelson   Top 10 Holiday Park, 10 Fearon Street, Motueka
6 Sept	6 - 8pm	Tauranga   Online option also available Zespri head office, 400 Maunganui Road, Mount Maunganui



# ZESPRI GLOBAL SUPPLY UPDATE

## ZGS Producer Vote 2022: Voting Open Now

### SECURING OUR SHELF SPACE — EXPANDING 12-MONTH SUPPLY

**Voting is now open in this year's Producer Vote where producers are being asked to support an expansion of Zespri Global Supply (ZGS).**

With Zespri approaching the current threshold of 5,000 hectares of offshore plantings of Zespri SunGold Kiwifruit approved by producers in 2019, the proposed expansion will allow Zespri to plant up to an additional 10,000 hectares of Zespri SunGold Kiwifruit in countries other than Chile and China, helping establish 12-month supply in key markets.

Zespri Chief Global Supply Officer Alastair Hulbert thanked growers for their engagement on the issue over recent months.

"We've had a number of really good conversations with growers and the broader industry over the past few months about ZGS and the proposal to expand our current plantings," says Alastair.

"These have allowed us to talk through how important the ZGS programme is in terms of meeting the growing demand

for our fruit when New Zealand-grown fruit is unavailable, some of the wider benefits ZGS brings, and also how we plan to mitigate the risks that have been identified.

Alastair says Zespri has been successfully operating the ZGS business for 20 years.

"The risks such as protecting the brand and its intellectual property and managing season cross-over are well known and there are well established systems in place to manage them — ZGS has an excellent record of achieving this and we encourage all growers to support the expansion so that we can protect our shelf space and meet the growing demand for our fruit year-round."

Alastair says that if ZGS is expanded, there are not expected to be any changes to the timeframes that New Zealand fruit supplies the market, and New Zealand fruit sales will continue to be prioritised at the start and end of the New Zealand season.

"The key is to ensure consumers can buy Zespri Kiwifruit every day of the year, so that we don't lose them to the competition," he says.

"We know that in the few months when our fruit isn't available, we risk losing customers to our competitors or even to other fruit types and ZGS fruit plays a critical role in saving us from having to spend more marketing money to get those consumers back when the New Zealand season starts again.

"We believe expanding our offshore plantings will help us better establish 12-month supply and ultimately protect and enhance the investment that New Zealand growers have already made in the Zespri brand."

As well as seeking approval for up to 10,000 hectares of additional Zespri SunGold Kiwifruit plantings, growers are also being asked to approve an expansion of new varieties — from 1,000 to 2,000 hectares — in case of offshore commercialisation of red kiwifruit, or possibly new varieties of green kiwifruit.

## THE RESOLUTIONS WE ARE ASKING OUR GROWERS TO SUPPORT

Zespri is seeking grower approval on the following resolutions:



**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 Kiwifruit 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.

## ZGS ADVISORY BOARD VIEWS

"The benefits of this to our New Zealand growers are well known, as are the potential risks, which are well managed through existing and proven systems." — **Craig Thompson**

"Differentiated genetics, 52-week supply, long term development of a brand — Zespri is one of the very few companies who have the ability to drive all three of these elements, and I'd encourage Zespri's New Zealand growers to aggressively grab this opportunity." — **Kevin Murphy**

"Without a 12-month supply strategy, New Zealand growers will have to spend more and we risk losing our existing market share to competitors. I believe supporting the extension of non-New Zealand supply protects our past investment and supports our future." — **Peter McBride**

## NZKGI PODCASTS

In the lead-up to the Zespri Producer Vote, NZKGI is running a podcast series which looks at the ins and outs of Zespri's 12-month supply strategy to help questions growers may have around offshore production. Have a listen here: <https://soundcloud.com/nzkgi>



## VOTING IS NOW OPEN

The Producer Vote opened at **9am** on **28 July 2022**, and closes at **5pm** on **24 August 2022**.

One voter pack has been sent out to each eligible producer. If you have multiple production entities, you may have received more than one voter pack.

Before voting, read the *Explanatory Notes* document. The Zespri Board of Directors encourages all growers to vote **FOR** both resolutions.

## HOW TO VOTE

Vote in one of three ways:

### 1 INTERNET VOTING

Vote at [www.electionz.com/zespri22](http://www.electionz.com/zespri22)

Follow the link to the voting site. You will be asked to enter your unique PIN and password as shown on your voting paper.

### 2 POSTAL VOTING

On your voting paper, place a tick in the circle under the option you prefer for each resolution.

After voting, carefully detach along the indicated perforation and place the bottom portion in the freepost envelope and post it so it is received by the Returning Officer before the close of voting at 5:00 pm on 24 August 2022.

### 3 IN PERSON

Growers will also have the ability to vote in person at the Zespri AGM on 24 August. Representatives from Electionz.com will be there to help guide growers through the voting process.

## FEEDBACK

All growers are encouraged to review the *Explanatory Notes* brochure sent to them in early July and available on the Producer Vote website ([zespriproducervote.zespri.com](http://zespriproducervote.zespri.com)) before voting.

If you have questions or would like to arrange a meeting or call to discuss the proposal, please email [producer.vote@zespri.com](mailto:producer.vote@zespri.com), phone 0800 155 355, or contact your Grower Liaison Manager.



# GREEN PRE-COMMERCIAL GROWER TRIALS UNDERWAY

**Grafting is underway on selected trial sites around New Zealand after the Zespri Board last month confirmed the green cultivars in stage 3 pre-commercial grower trials.**

Chief Grower, Industry and Sustainability Officer Carol Ward explains these green cultivars have been bred through the Kiwifruit Breeding Centre (KBC), continuing the decades of work by Zespri and Plant & Food Research to breed new varieties of kiwifruit.

“Zespri has recruited expert growers from Bay of Plenty and other growing regions to trial these cultivars in the real world on their orchards,” says Carol.

“We’re so 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 love its fresh, sweet-sour balance. There’s a real opportunity to bring new consumers to the kiwifruit category with a green variety with a more consistent sweeter flavour.”

High-performing growers and trial sites have been selected through a rigorous process, with a spread across regions, altitude, rootstock and soil type.

Consideration has been given to site security, production history, orchard structures and plant health.

Carol explains Zespri’s grower trial programme has been updated to assess multiple cultivars as quickly as possible and the grower compensation provides trialists with at least the return they would expect from high-performing Hayward, with compensation for cutover.

“Our trial cultivars look like they have commercial potential. Once the vines begin to yield fruit, the trials will span orchard, supply chain and market to provide us with the data we need to know if they’re suitable for commercial release,” says Carol.

“We also need to be really careful that no information about the vines or their fruit is made public so we’re able to lodge Plant Variety Rights – so we’ll keep growers updated on the progress of the trials without compromising commercially sensitive information.”

Carol explains it will take several seasons to grow the vines and then move into testing the fruit.

“There’s more evaluation to be done and while the earliest these cultivars would likely be available is 2027, we will be working hard to move as quickly as we can.”



## BUDBREAK ENHANCEMENT (HI-CANE REPLACEMENT) RESEARCH STRATEGY

**Several streams of innovation work are underway in response to the Environmental Protection Authority’s (EPA) proposal to ban hydrogen cyanamide (Hi-Cane) in five years.**

This includes a bird study and a study on potential exposure, as part of information to support Zespri’s submission to the EPA; the search for Hi-Cane replacement products; optimising orchard management for budbreak and the work underway in the new variety space.

While Hi-Cane has been used for many decades, the fundamentals of budbreak in kiwifruit are not completely understood and Zespri is investing in research to explore the mechanisms which trigger dormancy release to help inform the trials into alternative products and orchard management techniques. Where possible, Zespri is looking to collaborate with global agrichemical companies with the alternatives research and growers are helping evaluate the current alternatives available in the Crop Protection Standard.

Work is planned to understand the interaction between the efficacy of Hi-Cane and alternative budbreak products and the weather, orchard and vine management. Another project will assess how important it is for growers to understand their orchard’s chilling hours and budbreak prediction when applying budbreak enhancers.

The new varieties breeding programme is key to the industry’s future and is part of our work to mitigate the impact of a potential ban of Hi-Cane by the EPA. Along with breeding for market preference, storage, and supply chain handling, researchers are looking for varieties with low chilling requirements that don’t need budbreak enhancers.

# ZESPRI ANNUAL MEETING: DIRECTOR ELECTIONS

**At this year’s Annual Meeting, 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. There is also a vacancy for the Zespri Director Remuneration Committee, which reviews and makes recommendations on Director remuneration to shareholders at the Annual Meeting each year. Current Director Remuneration Committee Shareholder Member Michelle Dyer will retire by rotation, and will be standing for re-election.**



### DIRECTOR VACANCY 1 – PAUL JONES

- ZGL/ZIL Grower Director since July 2014
- Zespri Deputy Chair since February 2019
- Chair of the People and Culture Committee
- Member of the Board Innovation Sub-committee
- Member of the Industry Advisory Council

Paul Jones is a kiwifruit grower and shareholder. He is a Founding Partner and Director of Direct Management Services (DMS), a post-harvest and orchard management company in the Bay of Plenty.

Paul has served on a number of industry entities and, prior to his appointment as Director, was a member of the NZKGI Forum and a Director of Kiwifruit Vine Health (KVH). He grows all Zespri commercial varieties and is actively involved in orchard management.



### INDEPENDENT DIRECTOR VACANCY 2 – JONATHAN MASON

- ZGL/ZIL Independent Director since May 2013
- Chair of the Audit and Risk Management Committee
- Member of the People and Culture Committee

Jonathan has more than 30 years’ experience in the financial sector, with an emphasis on emerging markets. After joining Zespri’s Board in May 2013, Jonathan stepped down as Fonterra Co-operative Group’s Chief Financial Officer.

He joined Fonterra in 2009 from US-based chemicals company Cabot Corporation where he was Executive Vice President and Chief Financial Officer. Prior to this he was employed as the Chief Financial Officer at forest products company Carter Holt Harvey and also served in senior financial management positions at US based International Paper and Exxon Mobil.

Jonathan has had governance experience for organisations in both New Zealand and the US. His directorships include Vector Limited, Westpac NZ, and Air New Zealand and he also serves as an Honorary Adjunct Professor of Accounting and Finance at University of Auckland.



### DIRECTOR VACANCY 3 – CRAIG THOMPSON

- ZGL/ZIL Grower Director since July 2019
- Chair of the Zespri Global Supply Advisory Board
- Member of the Board Innovation Sub-committee
- Zespri Board appointed Director of Kiwifruit Vine Health (KVH)

Craig Thompson has been in the kiwifruit industry for over 30 years and has orchard ownership both directly and via company shareholding in Gisborne, Ōpōtiki, Te Puke and Latina, Italy. He is a former Managing Director (MD) and was a Director of OPAC until the merger with Seeka in May 2021.

Craig worked for Zespri from 2015 to 2019 as the European Supply Manager for ZGS Europe based in Italy. In his former OPAC MD role Craig was involved in various industry groups and was a Director of Kiwifruit Vine Health (KVH). He grows Zespri Green, Zespri SunGold, and Zespri RubyRed Kiwifruit and is actively involved in orchard management via his business, Thompson’s Horticulture Ltd.

He is also involved with DCD Orchards Ltd and Kaiaponi Farms Ltd in Gisborne, with director/chairmanship roles and shareholdings in both companies, along with shares in three other kiwifruit orchard companies with friends and family.



### DIRECTOR REMUNERATION COMMITTEE SHAREHOLDER MEMBER VACANCY 1 – MICHELLE DYER

“I have been a kiwifruit grower since the early 1980s. My husband Colin and I are Zespri SunGold and Green Kiwifruit growers in the Kaimais, and we are also actively involved in the kiwifruit industry and have investments in kiwifruit orchards around the Bay of Plenty. Kiwifruit has been a key part of my career as an Accountant and CFO.

I have been a member of the Zespri Director Remuneration Committee for the last six years. During this time, I have enjoyed getting to know more about Zespri, the Zespri Directors and the challenges involved in being a Director. I was also a member of the Industry Governance Development Programme until earlier this year, and this gave me more exposure to governance in various industries in New Zealand.

I would like to continue the work that we have done over the last six years with the Zespri Director Remuneration Committee. My knowledge of the history of the committee and our contribution to the industry is important for the continuity of the group.

I also have a particular interest in the Governance Development Programme that is overseen by this Committee. I am passionate about giving opportunities to people in the industry who have an interest in evolving their governance skills and look forward to working with the next group this year if I am elected.”

**Note, the biography included in this year’s original Notice of Annual Meeting for Michelle Dyer was out of date. The above is an updated biography for Michelle.**



# FROM THE MARKETS

## FOCUS ON DELIVERING QUALITY TO CUSTOMERS

**It continues to be a challenging season. In New Zealand and globally, teams are working hard to protect the market position of the premium Zespri brand and to minimise fruit quality issues caused by labour shortages and other factors.**

As at Week 29, 78.4 million TE of New Zealand Zespri Kiwifruit have been delivered. This is 3.5 million TE behind last year's, however there is less volume remaining to be delivered.

Zespri Chief Market Performance Officer Linda Mills says market conditions remain tough due to inflation, but Zespri

continues to closely monitor this so that the second half of the sales season can be optimised.

"Freight costs continue to rise and we are still experiencing delays in shipping arrivals in many of our markets," says Linda.

"Our teams in market and our partners across the supply chain continue to work hard to ensure good quality is presented on shelf to our consumers.

"Reports from other fruit products indicate similar

challenges resulting from labour shortages, weather events and shipping delays."

Demand remains steady for our fruit through the Northern Hemisphere summer fruit period and weekly average run rates across the last five weeks are consistent with the previous two seasons.

"Our marketing campaigns and consumer-facing activations continue to keep run rates strong, and we are focused on ensuring there is ongoing demand for our product so that we can keep returning value to our growers," says Linda.

### Spotlight ON OUR UK AND MALAYSIA MARKETS

**The UK market team are taking a fresh approach this season to set this market up for stronger future growth.**

Board Director, Peter Springford recently caught up with the team in the market and commented on how well the strategy was aligned and being executed by the team. It will take time to build up momentum with the retailers under the new approach but good progress has been made already this season.

Malaysia is another market that is ramping up its pace of growth with increased volume and associated investment directed to this market.

The team on the ground is being expanded to support the faster pace of growth.

These two markets are leveraging the Zespri Sales and Marketing centres of excellence to support their change of pace and ensure the strategies being used align with the market characteristics.

Market Research is undertaken to track progress and understand the different consumer and shopper dynamics that are seen in these very different markets to ensure the best targeted approach. Supply chain and distribution partnerships ensures consistent supply and quality on shelf to support relevant routes to market once fruit arrives.



Our delicious Zespri Kiwifruit on display in stores in the UK (left) and Malaysia (right).

### China:

#### IGNITING ZEST FOR LIFE WITH YOGA AND KIWIFRUIT

Zespri China recently partnered with well-known yoga and athletic brand Lululemon in a series of yoga events to inspire consumers to 'ignite their zest for life and #SayYesToPossibilities'.

The yoga events took place in Shanghai, Suzhou and Shenzhen, and with the help of well-known nutritionists and yoga instructors, highlighted the health benefits of consuming Zespri Kiwifruit and practising active lifestyles.



### Thailand:

#### PROMOTING THE NUTRITIONAL VALUE OF KIWIFRUIT

The 2022 season in Thailand kicked off in June with a collaborative marketing event that hosted trade, wholesale partners and retail partners such as Tops, Lotus and Makro.

New Zealand Ambassador Jonathan Kings attended and presented trophies to wholesale partner winners. The activities and experience zones featured the campaign '100 percent daily vitamin C in just one Zespri SunGold kiwifruit'.

### USA:

#### ZESPRI SUNGOLD KIWIFRUIT A WINNER AT HEALTHY SNACK AWARDS

Our delicious Zespri SunGold Kiwifruit was crowned a winner at the 2022 Good Housekeeping Healthy Snack Awards.

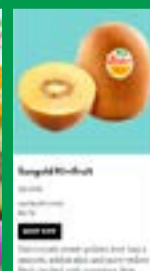
"Good Housekeeping enlisted almost 2,000 taste testers to help choose the winners and evaluated more than 5,300 samples, so we're thrilled that Zespri SunGold Kiwifruit made the list as 'best kiwifruit'," says Laura Sterling, Zespri Brand Manager – North America.

Zespri SunGold Kiwifruit rated highly for its nutrient content – packing in more than 20 vitamins and minerals, including vitamins C and E, fibre, potassium, folate and antioxidants. Consumer testers of all ages found it to be "juicy, bright and tropical".

Good Housekeeping shared the announcement on its social media, reaching more than one million Instagram followers. The news will also feature in the July/August 2022 print issue of Good Housekeeping, and was featured on the TODAY Show in the United States. Check out the TODAY Show segment here:

<https://www.today.com/shop/good-housekeeping-snack-awards-2022-t258528>.

View the full list of winners at the awards here: <https://www.goodhousekeeping.com/health/diet-nutrition/a40158034/healthy-snack-awards-2022/>



### Japan:

#### KIWI BROTHERS TRY OUT RUGBY

Early in July, Air New Zealand held a press conference in Japan at the New Zealand Embassy to celebrate flights resuming from New Zealand to Japan after two and half years.

The Kiwi Brothers made a special appearance at the press conference to join a quiz show about New Zealand and play rugby with Japanese celebrities.





# ZESPRI IN THE COMMUNITY

## Zespri AIMS Games: Come join us!

After a two-year hiatus due to COVID-19, the 17th Zespri AIMS Games returns to Tauranga Moana from 3-9 September 2022.

We're excited to be welcoming a whole new generation of athletes and supporters who have never experienced the games before. Over 320 schools are registered to attend this year's event.

For us, supporting AIMS Games is about making a positive contribution to our communities, and the tournament aligns so well with our values. We love that it teaches healthy habits to the next generation and helps build great personal connections amongst teammates and competitors.

Zespri will have two activation sites at Blake Park and Gordon Spratt Reserve, where children can take part in a range of fun and educational activities throughout the week. Growers are warmly invited to join us at the hubs to connect with sports teams from across New Zealand.

### Volunteers needed!

Want to be part of Zespri AIMS Games? The Zespri Tours & Events team are looking for volunteers to support the Zespri activation sites from Monday 5 September to Friday 9 September. If you would like to be part of the volunteer team, please email [tours.events@zespri.com](mailto:tours.events@zespri.com). We'd love to hear from you.

### Visit the Zespri hubs!

- Come and see the friendly team at the Zespri tents at Blake Park and Gordon Spratt Reserve to try some delicious Zespri SunGold™ and Green Kiwifruit, take a picture with the Kiwi Brothers and win awesome spot prizes!
- Throw for Gold — challenge other athletes to a game of connect four, conduct science experiments and make your own tasty smoothie on the Zespri Smoothie Bikes!
- Take part in the activities and earn points for your school. The school with most points at the end of the week will win \$1,000 worth of sports gear!



## Zespri sports day and auction raises \$43K for RSE workers

The annual sports day and charity auction at Te Puke has raised a total of \$43,000 to support Recognised Seasonal Employers scheme (RSE) workers and their Pacific communities.

On the sports field, the Parliamentary Rugby Team managed a 7-0 win in driving rain and very muddy conditions in the rugby, while the Kiwifruit Industry netball team convincingly won their match against the Parly Ferns 38-16, meaning the overall fixture was a tie.

"While the conditions made things tough in both codes it helped slow things down a bit which was no doubt

welcomed by the players given the advanced years of most," says Zespri Head of Global Public Affairs, Michael Fox.

"It goes to show you're only as old as you feel and the feedback since is everyone wants another go next year."

In the curtain raisers, organised by the Bay of Plenty Rugby Union, honours were also shared. In the boys' match, the Pacific Island Invitational team took a win over Toi Ariki at 36-0, while in the girls' match, Toi Ariki won 35-5.



## Nuffield Scholarship Applications Closing Soon

The future of our food and fibre sector is in our hands. The Nuffield Scholarship aims to identify those bold, curious, innovative, perceptive and community-minded individuals who are willing to make a difference.

The programme is designed to fast-track the professional development of talented people from across our food and fibre sector.

Does this sound like you, or someone you know? Applications for the 2023 Nuffield Scholarships are open until 14 August 2022.

To find out more about the Scholarship or to register your interest, visit [ruralleaders.co.nz/application-nuffield](https://ruralleaders.co.nz/application-nuffield).

# 2022/23 PROGRESS PAYMENTS FOR AUGUST AND SEPTEMBER

CLASS 1 - APPROVED PROGRESS PAYMENT 15 AUGUST 2022	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	No payment
Zespri Organic Green	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Zespri Gold3	\$0.14	\$0.05	\$0.10	\$0.20	\$0.35	No supply	No supply
Zespri Organic Gold3	\$0.33	\$0.05	\$0.15	\$0.60	\$0.60	No supply	No supply
Zespri Red19	\$2.49	\$2.00	\$2.00	\$2.50	\$2.50	\$2.50	\$2.50
Zespri Green14	\$0.02	\$0.05	\$0.05	\$0.05	No payment	No payment	No payment

CLASS 1 - INDICATIVE PROGRESS PAYMENT 15 SEPTEMBER 2022	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Zespri Organic Green	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Zespri Gold3	\$0.62	\$0.50	\$0.60	\$0.70	\$0.80	No supply	No supply
Zespri Organic Gold3	\$0.94	\$0.70	\$0.90	\$1.10	\$1.10	No supply	No supply
Zespri Red19	\$1.02	\$1.75	\$1.95	\$0.80	\$1.00	\$1.00	\$1.10
Zespri Green14	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05

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



## FINANCIAL COMMENTARY

### Progress payments

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

### August 2022 approved progress payments on Net Submit trays

Approved per tray progress payments for 15 August 2022:

Class 1	
Zespri Green	\$0.05
Zespri Organic Green	\$0.05
Zespri Gold3	\$0.14
Zespri Organic Gold3	\$0.33
Zespri Red19	\$2.49
Zespri Green14	\$0.02

### September 2022 indicative progress payments on Net Submit trays

Indicative per tray progress payments for 15 September 2022:

Class 1	
Zespri Green	\$0.05
Zespri Organic Green	\$0.05
Zespri Gold3	\$0.62
Zespri Organic Gold3	\$0.94
Zespri Red19	\$1.02
Zespri Green14	\$0.05

### Other August payments

Other service and incentive payments will be made in August. Most significantly Taste and Kiwistart. Refer to the grower payment booklet for further details.

## SHARE BRIEFS

As at **21 July 2022** the last Zespri share price trade was **\$8.97** traded on **20 July 2022**. There were two buyers at **\$8.95** and **\$8.90**. There were six sellers at **\$9.00, \$9.10, \$9.15** and **\$9.20**.

To trade Zespri shares please contact one of the registered USX brokers – See <https://canopy.zespri.com/EN/grow/zespri/Shares> for more information.

For all other general shareholder enquiries, please contact Zespri Grower Support Services on 0800 155 355.

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 August there is a total of 10,475 dry shares as of 21 July 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

August there is no excess shares that are required to be sold as of 21 July 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 reapp for our mobile IR experience  
Go to [www.reapp.io](http://www.reapp.io) to download the app.

Below is the current Market Depth information as at 21 July 2022.

Quote Line at Thursday 21 July as at 9.45am						
Code	Bid (\$)	Offer (\$)	Last (\$)	High (\$)	Low (\$)	Volume
ZGL	8.95	9.00	8.97	0.00	0.00	0

Market Depth					
BIDS			OFFERS		
Orders	Quantity	Price (\$)	Price (\$)	Quantity	Orders
1	5,000	8.95	9.00	10,476	1
1	5,000	8.90	9.10	25,000	1
			9.15	10,000	1
			9.15	5,000	1
			9.20	5,000	1
			9.20	26,500	1

Last 10 Trades			
Date/Time	Quantity	Price (\$)	Value (\$)
04/07/2022	5,000	\$9.10	45,500.00
11/07/2022	50,000	\$9.10	455,000.00
18/07/2022	53,290	\$9.00	479,610.00
18/07/2022	45,000	\$9.00	405,000.00
18/07/2022	764	\$9.00	6,876.00
18/07/2022	10,000	\$9.00	90,000.00
19/07/2022	46,900	\$9.00	422,100.00
19/07/2022	10,000	\$9.00	90,000.00
19/07/2022	32,524	\$9.00	292,716.00
20/07/2022	1,500	\$8.97	13,455.00

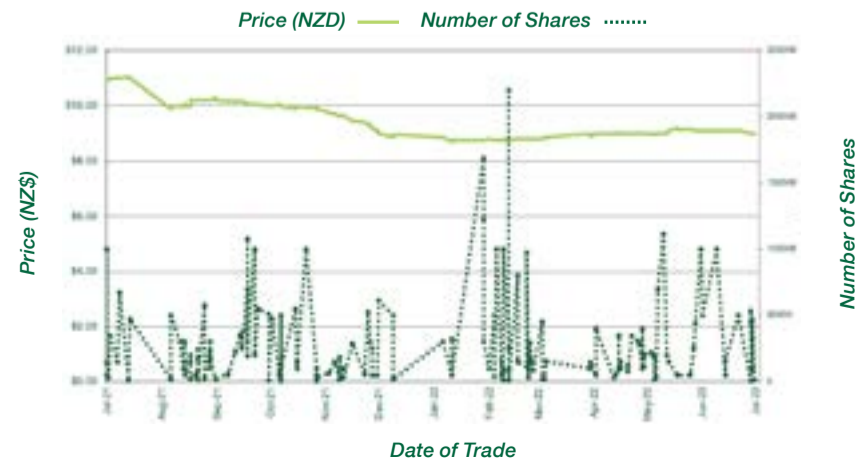
### Director share trading

For the month of July (as at 21 July 2022), there were no shares traded by entities associated with Zespri

Directors. See the Canopy for details: Canopy > Growing Zespri Kiwifruit > Working with Zespri > Shares. Alternatively search for ‘Director Shares’ using the search function.

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

### ZESPRI GROUP LIMITED SHARE TRADES 21 JULY 2021 TO 21 JULY 2022





## KEY FOCUS: AUGUST GLOBAL EXTENSION TEAM

Winter pruning

Budbreak  
strategy

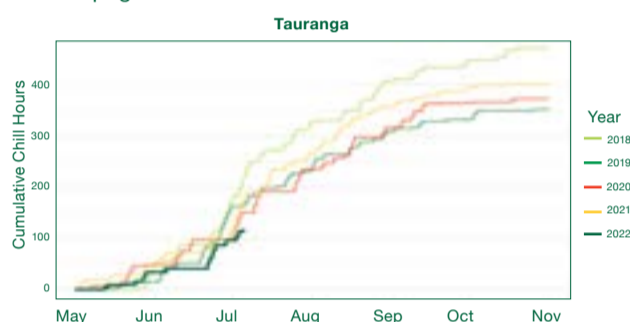
Scale control

Soil  
management

# THE MONTH AHEAD: AUGUST

## WINTER PRUNING

- Many regions are experiencing lower chilling hours than normal and lower than last season. Ensure you understand what is happening in your orchard(s) as increasing winter buds can help to offset lower floralness, but avoid using low quality wood or spurs as any benefit will be offset by poorer quality fruit and more summer canopy management. You can find the accumulated winter chill data for many of the major supply areas using the link in the resources section of this page.



- For resources and tools to help you understand and make good decisions about winter pruning, visit the 'Winter Canopies' page on the Zespri Canopy website.

## BUDBREAK STRATEGY

- In many regions, the industry's social licence to operate is challenged by our use of hydrogen cyanamide. The use of low drift technology is an effective way to address this, along with safe spraying practices.
- Monitor your winter chill to optimise timing and if you have your own sprayer, consider having it professionally calibrated with air inclusion nozzles to take pressure off spraying contractors should the amount of ideal spraying days be limited in spring.
- Ensure air volumes are adjusted when spraying unpruned canopies and assess spray coverage before applying budbreak sprays.



Airblast sprayer fitted with conventional (left hand side) and air inclusion (right hand side) nozzles.

- Consider using an alternative to hydrogen cyanamide on a small part of your orchard to gain experience with them. Watch the GET webinar on alternative budbreakers and check out the 'Alternative Budbreak Enhancers' page on the Zespri Canopy website.

## SCALE CONTROL

- Scale continues to be the pest that creates the most inventory management challenges for the industry and constrains exports to top paying Asian markets. Winter control should focus on removing old wood, particularly in the leader zone where scale overwinter.
- If you're planning to use a dormant oil for scale control on conventional Hayward, delay this until September. For both Gold3 and Hayward, to avoid phytotoxicity, allow at least a two-week interval after hydrogen cyanamide application before you apply oil.
- For all you need to know on winter scale control in conventional and organic orchards, check out the *Kiwiflier Spotlight* on 'Winter scale control'.

## OTHER THINGS TO LOOK OUT FOR

- A winter insecticide application and double mulching of winter prunings before eggs hatch can help reduce cicada populations in the orchard.

- Continue to monitor for Psa and remove secondary infection promptly, especially in male vines as the sap begins to rise in August.
- Red growers with frost protection should ensure it is operational.
- If a soil test has not been undertaken, arrange one including an organic soil profile and hot water extractable carbon which can give information on soil nitrogen reserves and soil health. The results, along with summer leaf tests, cropping history, and environmental risk factors, should be discussed with your fertiliser consultant. Check out 'Need to Know #50' which can be found on the 'Plant Nutrition & Nitrogen' page of the Zespri Canopy website.
- Fertiliser applications should be applied as close to when nutrient uptake is occurring as possible to prevent leaching. Recent research results have indicated compost applications can release significant amounts of readily available nitrogen within several weeks of application. Therefore, this is best applied when vines are actively growing. If soils are water-logged, delay application to prevent excessive soil compaction which will further compromise root health and nutrient uptake.
- Supply of high quality hives for pollination is becoming increasingly challenging for Gold3 growers — have you arranged a contract with your beekeeper yet?



Delay applications of fertiliser and compost if soil is waterlogged.

## ORGANICS — SIGHTS ON SCALE

**Armoured scales cause only minor cosmetic damage but are important quarantine pests of kiwifruit for some importing countries.**

Achieving sufficient supply of organic fruit to meet demand in Japan and other Asian markets continues to be particularly challenging, which ultimately lowers grower returns if supply cannot be met. Organic growers should take all practical measures to stay on top of scale throughout the 2022/23 growing season and beyond. This will help provide a larger pool of scale-free fruit, which is critical to ensure more market options are available to optimise pool returns.

Implementing a plan to remove neighbouring host shelter species will provide long term benefits for scale control. Removing scale hiding places by pruning out complex wood from your vine leader zones in winter is also essential in older vines.

A dormant oil can be used in August/September on Gold3; for Hayward, consider waiting until September to avoid possible bud damage that's been observed from earlier applications in a recent trial. Sprayer setup should be altered to maximise coverage of the leader zone.

A range of pre-flowering and post-flowering oil application options then follow, with timing and frequency variations dependent on cultivar and monitoring results.

Check out 'Need to Know #48' for a summary of year-round scale control options for organic orchards — it can be found on the scale page of the Zespri Canopy website along with a range of other information, including a link to the 'Spray Tech Box' which provides useful information on improving spray coverage.



Scale on fruit.

## LIVING WELL WITH LOWER NITROGEN

**Check out the article in the latest *Kiwifruit Journal* (page 36) and supporting videos to hear from two growers who are achieving above average production results with below average nitrogen inputs.**

Andrew and Jenny Natusch are doing so on a soil with low natural fertility, while John May has transferred lessons learnt from one Te Puke orchard to another and added foliar potassium nitrate to the mix.

Both growers say that a reduced nitrogen approach offers low risk, good reward, and is easy to turn around if signs of deficiency appear.

Research trials to date support their approach, having found no short-term impacts to date from reduced nitrogen fertiliser rates. Zespri-led research into longer-term impacts is ongoing.

The full article, video, and trial summary links are available from the 'Plant Nutrition & Nitrogen' page on the Zespri Canopy website.

# SENSE-CHECK YOUR NITROGEN NEEDS

**Efficient nitrogen use is essential to optimising production while reducing environmental risk, and minimising pruning and fertiliser costs.**

The 2022 Zespri NZ Grower Survey found that 64 percent of respondents have taken action on their orchards to improve nutrient efficiency and/or minimise nutrient losses. Top actions included reducing nitrogen application rates, increasing soil or leaf testing, improving irrigation efficiency, and adjusting timing or type of fertiliser applications.

2022 Fertiliser Diary data, which is currently representative of around 20 percent of grower records, is also encouraging and indicates that national average applied nitrogen fertiliser rates were similar for Gold3 and Hayward at approximately 105 kg N/ha; a reduction of 15 and 11 percent respectively, when compared with the previous season. This includes synthetic nitrogen applied as soil and foliar fertilisers, as well as compost applications.

To ensure we are continuing to better understand and measure the changes in our industry's fertiliser practices, growers are encouraged to use the Fertiliser Diary to

record and maintain fertiliser records and include compost applications as these are significant source of nutrients in both the short and longer term.

A new NK050 Nitrogen sense-check checklist has been developed to help growers take a closer look at their fertiliser recommendations and explore options to improve nitrogen efficiency. Use it to discuss your production and environmental goals with your fertiliser advisor before confirming this year's nutrient management plan.

Remember that compost is a major source of nitrogen, so be sure to factor this into your overall nitrogen balance, and manage application timing to ensure roots can make use of nitrogen released immediately after application.

Check out the 'Plant Nutrition & Nitrogen' page on the Zespri Canopy website for more info on efficient nutrient management, including:

- How to estimate your nitrogen balance
- Four steps to smart fertiliser use
- How to test a low nitrogen approach.



## KEY RESOURCES AND LINKS



- Winter chill data 2022 ([bit.ly/Winter-Chill](https://bit.ly/Winter-Chill))
- Winter Canopies webpage ([bit.ly/Winter-Pruning](https://bit.ly/Winter-Pruning))
- KiwiChat Podcast - Maximising Bud Potential ([bit.ly/KiwiChat-Podcast](https://bit.ly/KiwiChat-Podcast))
- GET webinar on alternative budbreakers ([bit.ly/GET-Webinars](https://bit.ly/GET-Webinars))
- Alternative Budbreak Enhancers webpage ([bit.ly/Alt-Budbreak](https://bit.ly/Alt-Budbreak))
- **Plant Nutrition & Nitrogen webpage** ([bit.ly/PlantNutrition-Nitrogen](https://bit.ly/PlantNutrition-Nitrogen))

On this webpage:

- *Kiwifruit Journal* (p.36) - Living well with lower nitrogen
  - Videos to support article above
  - Research summary - Soil applied nitrogen fertiliser rate trials
  - *Need to Know* #50: Sense-check your nitrogen recommendations
  - **Scale Management webpage** ([bit.ly/ScaleManagement](https://bit.ly/ScaleManagement))
- On this webpage:
- *Kiwiflier Spotlight* on Winter Scale Control
  - *Need to Know* #47 – Scale control in conventional orchards
  - *Need to Know* #48 – Scale control in organic orchards

### How to use 'bit.ly' links

Simply type the bit.ly links directly into the address bar on your web browser. If a link is on Canopy, try log on to the Zespri Canopy website first and then type these links into a new tab in your web browser. Need support? Email us on [extension@zespri.com](mailto:extension@zespri.com).

# GROWER INPUT ON CLIMATE ADAPTATION PLAN

**Zespri is preparing a 3-5 year work plan that will ensure the kiwifruit industry thrives as the climate continues to change.**

To make sure the work is focused on the things that matter, Zespri is seeking grower and industry views on what the plan should cover.

The proposed objectives are to:

1. Future-proof breeding and growing
2. Maintain fruit quality and manage supply
3. Protect industry profitability

This work will be underpinned by strong investment in data and evidence, and supported by effective advocacy with national and local government.

Growers will be able to help direct the focus of this work by participating in an online survey, which will be open on Canopy during August. Keep an eye out for the link in NZKGI's newsletter and in the August edition of *KiwiTips*.



# KIWIFRUIT TOP BOP BALLANCE FARM ENVIRONMENT AWARDS

**The BOP Ballance Farm Environment Awards took place at Trustpower Arena on 1 July to recognise and celebrate good farm and orchard practices that promote sustainable land management.**

Zespri sponsor the Zespri Kiwifruit Orchard Award, which is awarded to the kiwifruit orchard that most clearly demonstrates the use of sustainable orchard practices and management. Judges focus on areas such as environmental responsibility, economic return, community awareness and the ethical management of resources including labour and orchard inputs.

The deserving recipient of the 2022 Zespri Kiwifruit Orchard Award was Helen Scott, Orchard Manager of Whiritoa Orchards.

It was an extremely successful afternoon for Helen and Whiritoa Orchards as not only did they also receive the Bayleys People in Primary Sector Award and Norwood Agri-business Management Award, they were also named Regional Supreme Winner. The judges were impressed with how traditional Māori knowledge provides a foundation to the team's approach. They have dramatically improved production and quality, while retaining a strong focus on creating long-term career pathways.

Helen and the team's overarching mission is to maximise the land's potential, while acting as a guardian of its taonga – and this strategy guides all parts of the business. They see Whiritoa as a great opportunity to improve both whānau and land into the future. Helen and the team will now represent the Bay at the National Awards, taking place later in the year.

Dell, Ross and Roger Bawden of Oceanview Orchard also represented the kiwifruit industry well, receiving the Ballance Agri-Nutrients Soil Management Award, the Hill Laboratories Agri-Science Award and the WaterForce Wise with Water Award.

Congratulations to all award recipients! For the full list of winners, see here:

<https://nzfeawards.org.nz/2022-award-recipients-list/>



*Helen Scott, Orchard Manager - Whiritoa Orchards.*

# 2022 BOP YOUNG GROWER OF THE YEAR



Three outstanding women have taken out first, second and third place, with Laura Schultz from Trevelyan named Bay of Plenty's Young Grower for 2022 at an awards dinner in Tauranga on 20 July at Mount Maunganui College.

During the competition held on the same day, eight competitors tested their skills and ability to run a successful horticulture business in a series of challenges. These were followed by a speech competition titled 'What I'll be growing in 2050', at the gala dinner.

Laura excelled in the individual challenges, and impressed judges with her speech on providing the best quality produce by adapting to climate change to grow crops which meet the changing environment. Yanika Reiter came in second place, while Emily Woods was third.

Laura's prize includes an all-expenses paid trip to Wellington to compete for the title of National Young Grower of the Year 2022, in September, as well as \$1,500 cash.

Laura grew up on her family orchard in the Bay of Plenty. After a diverse career across different countries that has included studying fashion design, yoga instruction, and working as a snowboard instructor, she returned home three years ago and realised her interest lay in growing avocados. Since then, she has leased the family orchard and now takes full responsibility for it, alongside her work within the avocado improvement group at Trevelyan.

Erin Atkinson, chair of the BOP Young Growers says that this years' contestants were outstanding.

"This years' BOP Young Grower contestants have shown the great talent we already have within our horticulture industry. The competition has been perfect to test their knowledge and I hope that it sets the bar for other young talent coming through our industry."

New Zealand Kiwifruit Growers Inc. CEO Colin Bond agrees, and says these competitions show appreciation for the need for skilled careers in the horticulture industry.

"As a horticulture industry, we can often focus on knee-jerk reactions required for the current season. But in order

to continue to produce effectively into the future, we need to ensure we have young people with the right commercial, technical and scientific skills," says Colin.

"The 2022 BOP Young Grower competition is a great way to celebrate the high calibre of people coming through the industry to make us future fit."



2022 Bay of Plenty Young Grower of the Year winners: Yanika Reiter (second place), Laura Schultz (winner) and Emily Woods (third place).



## KVH AGM REMINDER



**KVH's Annual General Meeting (AGM) will take place at 9am on Wednesday 24 August 2022 at the Trustpower Arena in Mount Maunganui.**

Growers will receive their AGM packs from the end of July, by email. This will include the Chairman's Report, 2021 KVH audited financial statements, the proposed budget for the 2023/24 financial year, and voting information.

The meeting will include guest speaker Ian Proudfoot, KPMG Global Head of Agribusiness. Biosecurity has retained the number one priority ranking in KPMG's

annual Agribusiness Agenda for 12 years running and Ian will talk further about this, the importance of biosecurity to industry leaders, and the challenges and opportunities that lay ahead for the sector following Covid-19.

This is a public meeting and anyone who is interested is most welcome to attend.

The NZKGI and Zespri annual meetings will follow immediately afterwards.



## BIOSECURITY DAY COMING SOON!



**Where: The Orchard Church, Te Puke**  
**Time: 9.00am – 1.30pm**

**Save the date and your spot at the annual Kiwifruit Grower Biosecurity Day by registering online at <https://bit.ly/3nGEzWb>.**

This is a big event for the year, focusing on latest research and technology initiatives underway to protect the New Zealand kiwifruit industry from unwanted pests and diseases.

The day will include a virtual presentation from special guest Julie Urban, a renowned Spotted Lanternfly researcher from the USA who will discuss the impacts this unwanted and

ferocious pest has had across the states it has established in, and the management techniques that have been implemented to limit impacts.

You'll also hear from a series of speakers sharing research and innovation updates from the last 12 months, with a focus on technological advances that have enhanced our biosecurity toolbox. You won't want to miss demonstrations of some of this technology in action, including from HortPlus weather and disease predictors, Plant & Food Research, and more.

More details and a full programme are available at [kvh.org.nz](http://kvh.org.nz).

## NEED NEW ORCHARD BIOSECURITY SIGNS?



**We've got plenty of free on-orchard biosecurity signs – please get in touch if you'd like some sent to you.**

The signs are A3-sized, corflute, and reiterate to visitors that we can all work together to keep safe from unwanted pests and diseases.

Orchard visitors are asked to sign in on arrival and follow all orchard biosecurity requirements, as well as reminded of the need to ensure vehicles and tools are clean.

Email [info@kvh.org.nz](mailto:info@kvh.org.nz) or phone 0800 665 825 to place your order.



# 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

**My shares are held in the name of a company (i.e., Ltd or Limited) or other incorporated entity. How do we vote at the Zespri Annual Meeting?**

You are classed as a ‘corporate shareholder’. Corporate shareholders who wish to vote at the meeting must appoint a proxy at least 48 hours prior to the Zespri Annual Meeting. The 2022 Annual Meeting will be held at 1pm on Wednesday 24 August at Trustpower Baypark Arena, 81 Truman Lane, Mount Maunganui.

Alternatively, you can vote via postal voting or online voting ahead of time. Computershare Investor Services Limited is authorised to receive and count postal votes at the meeting, independent of Zespri. For more information, contact Zespri Share Registry Officer, Hayley McCulloch or Rosie Sims on 0800 155 355.

**What is a Registered Chemical Applicator (RCA)?**

A RCA is a certificate for ground sprayers who spray for hire or reward. If you specialise in the application of agrichemical for horticulture or agriculture or other industries, then you should consider becoming a Registered Chemical Applicator (RCA). It is the highest standard/qualification that a ground applicator can hold.

**Can I obtain budwood for failed grafts of Gold3 and/or Red19 this spring?**

Yes, Zespri procures budwood for regrafting provisions each year. This will be available to growers from the Zespri Coolstore at 10 Cessna Place from November onwards. Please log your request by calling the Grower Support Services team on 0800 155 355. Please also note that growers will be required to make a booking through the Zespri booking system to collect any budwood for regrafting. This will be live from October 2022.

**How will I be charged for my clearance samples and what is the dispute process?**

All charging information will be provided to each supplier relating to maturity clearance costs in the coming months. At this point the supplier, in consultation with the grower will be able to dispute specific charges. Once the dispute period has concluded, as per previous years, charges will be invoiced to suppliers for on-charging to growers according to that organisation’s policies.

More information around the timing of invoices and the dispute process will be provided in the next few weeks.

# ZESPRI "SHED TALKS" ARE COMING IN SEPTEMBER!

**There are a number of topics that the Zespri team want the chance to have a discussion with you on, that impact you as a grower.**

Come along to one of our local **Shed Talk** sessions, a new format that we are trying out. This interactive gathering will use a carousel format where you will be able to rotate around different stations. You’ll have the opportunity to learn about, discuss, and give feedback on several key projects and topics that affect the future of our industry. We want to hear what you think, capture your thoughts and ideas, and share what we’re working on.

Join us over a cup of tea and a scone at a local venue (although we’ve swiped the idea of woolshed talks from the red meat and dairy sectors, we won’t always be in a shed) as we chew the fat and get your thoughts.

We’ll be covering the Licence Review and another four or five topics. The topics are all about improving your future experience working with Zespri – and we can’t do that without your input.

These discussions are aimed at all parts of the kiwifruit growing community, so whether you’re a grower, an orchard manager, a contractor or service provider, then this event is for you.

The Shed Talks schedule including topics, dates and venues will be available soon on the Canopy website, and through all the usual industry channels. We’ll be taking bookings through the Zespri Events site, so make sure you secure your spot as spaces will be limited. We’re on the hunt for some different places to host these gatherings, so if you have a good idea for somewhere local to you, please get in touch with sue.groenewald@zespri.com.



# CHANGES TO 2023 POOL DISTRIBUTION POLICY FOR HAIL DAMAGE

**Following the significant hail event last season, the industry has reviewed its approach to paying growers for losses resulting from hail damage.**

The industry operates its own scheme, and as was the case in the 2022 growing season, there is no longer any commercial insurance cover associated with hail damage at the national pool level.

Each season, the Maximum Aggregate Distributions and Agreed Values per Tray for each pool are updated to reflect the most recent information available. The updated Agreed Values are reflected in the 2023 Hail Policy which is available on Canopy, and as an insert in this issue of Kiwiflier.

The structure of the Hail Policy, as well as a number of points, were discussed by the Hail Committee and presented at NZKGI Forum and ISG with feedback sought from the industry, including:

- whether the Hail Policy should be extended to commence from an earlier stage in the fruit growth cycle,
- whether there should be an option for growers to opt out of the Hail Policy, and
- whether the Hail Policy should be extended (or a separate policy created) to cover other natural disaster risks.

Following extensive consultation, it was

determined that no change should be reflected in the 2023 Hail Policy for these items and therefore the structure and practical intent of the Policy remains unchanged from the 2022 season.

Zespri also received external legal advice which recommended that the Hail Policy be reworded to make it clearer that Zespri is not acting as an ‘insurer’. As a result, the policy has been reworded to remove the ambiguity created by insurance-type language and more accurately reflect the true nature of the arrangement (being a distribution of pool funds for hail damages, funded by the pool). The rewording does not change the intent or practical implementation of the Policy. Some terms have been replaced with updated defined terms throughout the Policy document for consistency, including:

- “Maximum Indemnity Limit” – replaced with “Maximum Aggregate Distributions”
- “Claim” or “Payment” or “Loss” – replaced with “Distribution” or “Distribution Application” (as applicable)

Despite no significant changes to the policy this year, as in past seasons, growers are encouraged to minimise their risks of damage through investment in hail netting, and to consider available options for additional hail insurance if they wish to increase their level of cover.

# DIVIDENDS AND IMPUTATION CREDITS

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

Imputation credits allow shareholders to benefit from the income tax that Zespri has already paid. This means Zespri’s profits are not taxed twice when paid to the shareholder. A shareholder can use the imputation credit to reduce the income tax they have to pay on dividends they have received from Zespri.

In August 2022 Zespri is paying a 2021/22 final net dividend of \$0.29 per share with no imputation credits attached to this dividend. This means the shareholder will have to pay tax on the full amount of the payment.

Zespri is also paying a 2022/23 interim dividend of \$0.89 per share which is 80 percent imputed (has some imputation credits attached). This results in less tax being payable by the shareholder, so more of the dividend payment actually gets to the shareholder. However, it is not as simple as multiplying the number of shares you hold by the amount Zespri has said they would pay per share — there is still a withholding tax requirement that needs to be factored in.

Computershare calculate the tax payable on the dividend payment and withhold this for payment direct to the IRD which means the shareholder doesn’t have to do any tax calculations or IRD payments. The amount of tax withheld will be shown on your dividend statement which is sent by Computershare on payment date.

The Zespri Shares team is happy to help with queries regarding your shareholding, entitlement and dividend payment, however we are not tax experts and we are unable to provide any financial advice to you. It is likely that you will be more successful going straight to your accountant with any queries.

It is important to keep your bank account and mailing address details updated with Computershare to make sure your dividend goes to the right place. Please contact Computershare directly if you think your details might be out of date. Zespri Shares: 0800 155 355 or shares@zespri.com.