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## SHIPPING SEASON COMPLETE!

*Final charter vessel arrives in Japan*



This season's last charter vessel at the Port of Tauranga. Image credit: Jamie Troughton, Dscribe Media.

The 2022 New Zealand kiwifruit shipping season is now complete, with our final containers en route to market and our last charter vessel having successfully unloaded in Japan.

Zespri's Chief Global Supply Officer Alastair Hulbert says there has been a huge effort right across the industry and supply chain to ensure fruit could get to market this season given the headwinds experienced in 2022.

The establishment of a new Port service in China, along with a new direct shipping route to North America, were critical operational changes implemented this year.

Planning is well underway on next season's shipping schedule, and the industry will again work closely with our partners and the broader supply chain to navigate challenges and deliver the season.

## 2022 FIELDAYS

It's been great to catch up with growers and our industry colleagues at Mystery Creek Fieldays.

This year's event comes at the end of a really tough season. It was great to share perspectives on how we can continue to work together to address some of our challenges and realise the opportunities in front of us.



Zespri CEO Dan Mathieson and Chairman Bruce Cameron chat with growers at Fieldays. Image credit: Jamie Troughton, Dscribe Media.

Congratulations to the University of Waikato team who won the 2022 Fieldays Innovation Award for their e-bin prototype that was on display in our tent. This project was in partnership with Zespri, and is part of our Orchard Technologies innovation programme.

## NOVEMBER 2022/23 FORECAST REFLECTS ONGOING CHALLENGES

The Board of Zespri Directors approved the November forecast for the 2022/23 season, the second full forecast we've published this year.

Zespri Chairman Bruce Cameron says the latest OGR forecast reflects the ongoing challenges we've encountered this season, particularly with regard to fruit quality.

Offshore quality costs have continued to track higher than previously estimated, most notably across the Gold pools. All major markets have updated their estimates of the season results with projections of higher fruit loss and quality claims, with Europe, China and Japan seeing the largest cost impact.

As a result, both conventional and Organic SunGold Kiwifruit per tray returns are now below the June 2022 OGR range guidance, while Zespri Green Kiwifruit is showing signs of being able to absorb additional quality impacts and maintain returns at the levels forecast in August 2022. Forecast average per hectare returns, outside of Zespri SunGold Kiwifruit, remain within the June 2022 range guidance.

The total fruit and service payment, across all pools and excluding the loyalty premium, is forecast between \$2,200 million and \$2,225 million, once revised market allocations are known following recent updates to expectations around onshore fruit loss.

### Dividend announcement

The Zespri Board also resolved to pay a partially imputed net interim dividend relating to the 2022/23 financial year of 10 cents per share (the gross dividend is 13 cents per share). The payment date is 9 December 2022 and is payable to all holders of fully paid ordinary shares in the Company who are registered as holders of such shares in the share register of the Company on 2 December 2022.

### Forecast corporate profit and dividend range

The forecast range of corporate net profit after tax for the year ending 31 March 2023 is \$225 million to \$235 million, including licence release income. This is down from last year's 2021/22 corporate profit after tax of \$361.5 million, with the bottom end of the range slightly below the bottom end of the August 2022 forecast range. The forecast net dividend per share range for the year ending 31 March 2023

is \$1.11 to \$1.15 per share (with a gross dividend per share of \$1.43-\$1.48).

This range is inclusive of the 89 cents per share net interim dividend (a gross interim dividend of \$1.17) paid in August 2022, and the second net interim dividend of 10 cents per share (the gross interim dividend is 13 cents per share) to be paid in December 2022.

### November 2022 forecast OGR per tray and per hectare returns for each category compared to August 2022 forecast

Pools (Fruit Categories)	2022/23 November Forecast (Per Tray)	2022/23 August Forecast (Per Tray)	2022/23 November Forecast (Per Ha)	2022/23 August Forecast (Per Ha)
Zespri Green	\$6.13	\$6.13	\$61,304	\$61,144
Zespri Organic Green	\$8.83	\$9.33	\$62,075	\$63,953
Zespri SunGold Kiwifruit	\$9.81	\$10.02	\$135,377	\$138,495
Zespri Organic SunGold Kiwifruit	\$11.42	\$12.18	\$124,107	\$132,486
Zespri Sweet Green	\$6.16	\$5.43	\$37,437	\$33,023
Zespri RubyRed Kiwifruit	\$20.38	\$18.93	\$38,501*	\$35,766*

\*Note: Zespri RubyRed Kiwifruit forecast per hectare return, in its first year as a commercial pool, has been influenced by a high proportion of productive hectares returning low yields impacted by vine age. The age profile of per hectare returns across the pool is provided below:

Zespri RubyRed Kiwifruit vine age	Productive hectares	Gross submitted volume	Yield	2022/23 November Return (Per Ha)	2022/23 August Return (Per Ha)
< 2 Years	51	61,869	1,212	\$24,710	\$22,955
> 2 Years	8	50,284	6,029	\$122,882	\$114,153
<b>Total Pool</b>	<b>59</b>	<b>112,153</b>	<b>1,889</b>	<b>\$38,501</b>	<b>\$35,766</b>





## DAN'S VIEW

### Update from the CEO

Hi everyone,

Our 2022 season is almost complete, with our last charter vessel unloading in Japan and our final containers on their way to market. It's been a long and tough season this year, so it's been nice to get together at Mystery Creek Fielddays to reflect on the year and think about how we can meet the growing demand for our fruit. Thanks for all of the conversations you've shared with our team over the last few days.

This month we published our November forecast, with the latest OGRs reflecting the challenges we've seen this year after a number of seasons of solid growth and high returns. There's been significant disruption throughout our global supply chain, including from both COVID-19 and the Russia-Ukraine conflict, a sustained labour shortage, rising costs, and fruit quality issues. Quality costs per tray have reached \$3.36 for Zespri SunGold Kiwifruit, \$2.08 for Zespri Green Kiwifruit, \$3.41 for Zespri Organic SunGold Kiwifruit, \$2.02 for Zespri Organic Green Kiwifruit, and \$1.45 for Zespri RubyRed Kiwifruit. Overall, this is almost \$500 million of quality costs, illustrating the importance of addressing this quickly. It's important to note that much of this season's offshore quality costs – including increased fruit loss and customer claims – stems from the poor quality fruit we produced in New Zealand, putting enormous pressure on our distributor and customer relationships. With our offshore supply chain not equipped to deal with this level of fruit quality challenge, addressing our fruit quality here is critical to reducing both our onshore and offshore fruit quality costs for next season.

There's been a huge amount of work put in across the industry already to identify changes we can make to improve things, including here at Zespri where we're looking at changes we can make to improve quality both onshore and in the markets, so I want to thank you all for being part of this, for sharing your feedback on things that we need to look at, and how we can do better next season and beyond. The principles of our Quality Action Plan are based around understanding the causes of our quality issue, and looking across the industry at what we can each do to improve quality next season and beyond.

While our first crop estimate for 2023 is still some weeks away, it appears we're looking at lower volumes than expected next season given the frost event and some of the variable budbreak we're seeing. As a result, Zespri has committed to taking Zespri SunGold Kiwifruit size 39 and Zespri RubyRed Kiwifruit size 46 Class 1 fruit that are above our minimum taste standard to help meet demand. This fruit will be procured as non-standard supply. Smaller than expected crop volumes will provide an opportunity to concentrate on making sure we have an excellent 2023 harvest, and provide consistently high quality fruit to our customers next season.

What's encouraging is the really strong results we've continued to record in market, including solid growth in North America where we're the fastest growing fruit over the last four years, and in Japan where kiwifruit is now ranked third in the fruit bowl. There remains tremendous growth potential ahead of us, and our focus will be on trying to meet this over the coming years while working through our challenges and capacity constraints. Our *5-Year Outlook* document will have more on this when it is published before Christmas.

Realising this growth will require that we continue to protect and enhance our brand. This means producing consistently good quality fruit in a way that's good for the environment, and while looking after our people. Right across the industry there's some great work underway, and I'm pleased that we've released our Climate Change Adaptation Plan which outlines steps we can undertake to continue to thrive in a changing climate.

Thanks again for all of your continued efforts this season. We'll have one more update in a shortened *Kiwiflier* next month before Zespri shuts down for a few weeks over Christmas and New Year when I hope you can all take some time out with family and recharge for a better 2023.

Dan

# QUALITY ACTION PLAN UPDATE

In response to fruit quality issues experienced by the industry and our customers, a seven-point quality action plan was launched by the Industry Advisory Council (IAC) in October this year. Below are some updates on the work done to date.



## 1. UNDERSTANDING THE CAUSE(S) OF POOR QUALITY

Significant analysis has been undertaken to understand the reasons behind poor fruit quality. This includes analysis of in-market defects and orchard related variables, the main drivers of fruit-loss in the market, fruit maturity, weather trends. Findings have been reported back to industry stakeholder groups included the IAC, and Industry Supply Group (ISG), and the Technical Forum.

Work to date has identified that higher rates of non-pathogenic fungal growth (NPFG) and rots for Zespri SunGold Kiwifruit were experienced from both KiwiStart and Mainpack fruit. For Zespri Green Kiwifruit, KiwiStart quality was similar to recent previous seasons, with Mainpack fruit quality poorer than recent previous seasons with a greater proportion of physical damage rots, NPFG and superficial skin-rub. The partially completed analysis of orchard related variables has shown no strong correlation with market outturn.

"The data is clear that harvest and handling-related damage was a significant contributing factor to poor quality in 2022 – lifting the quality of harvest practices provides a key opportunity to improve next season's fruit quality," says Frank Bollen, Zespri Technical Manager.



## 2. REBALANCING COMMERCIAL DRIVERS/ INCENTIVES

The IAC has endorsed conceptual rates for Time and KiwiStart for 2023. The conceptual rates reflect a significant expected increase in Time rates for all varieties and an expected decrease in Zespri SunGold Conventional KiwiStart rates. KiwiStart fruit remains very important to kick off the season, but we need to get the balance right verses Mainpack and later season supply, which is also very important for market programmes.

These rates are being updated based on the E3 November 2023 forecast fruit value, and Taste outputs based on the approved calculation basis. The resulting rates are to be submitted to the December ISG and IAC for approval, and published on Canopy in mid-December 2022. Discussions on alternative commercial drivers have also taken place within the Period 1 and Time sub-group.



## 3. COMMUNICATING BEST PRACTICE FOR GROWING AND HARVESTING PREMIUM FRUIT

"The impact of the labour shortage on harvest and on the timeliness of on-orchard activities are significant factors and contributed to the increasing variability and physical damage witnessed in this season's fruit," says Shane Max, Head of Global Extension.

Zespri's Global Extension Team is working with industry partners to create best practice growing and harvest resources to support growers and those involved in harvest with the provision of timely information as on-orchard activities occur.



## 4. ASSESSING FRUIT FLOW DECISION MAKING FROM END-TO-END

The end-to-end supply chain fruit flow decision-making processes are being reviewed to identify potential improvements following the outcomes of the 2022 season. These include fruit procurement, volume procured early in the season, shipping programme, scheduling, advanced movement for coolstoring fruit in-market, shipping methods, and off-shore operational decision making. This review process is progressing, with outputs expected by February.



## 5. KEEPING POOR FRUIT ONSHORE VIA ZESPRI ON-SHORE QUALITY ASSURANCE

Zespri's review of its quality assurance framework review covers the Zespri audit programme, sample sizes of audits, and the consequences of failed audits, including the coolstore hold process.

"This framework is an important component of our quality system to help ensure that export fruit meets our grade standards," says Farzana Adams, Head of Global Quality and Technical.

"One of the objectives of the review is to keep poor quality fruit onshore in order to protect our customers from poor quality – our customers have given us a clear message that they will not tolerate poor quality fruit, especially given the premium value of our fruit."

Following the initial review, Zespri is consulting with industry stakeholders on a number of proposed changes and we'll share the outcome of these discussions in due course.



## 6. ASSESSING SUPPLIER ACCOUNTABILITY – COMMERCIALS & CONSISTENCY

Opportunities to enhance the existing Supplier Accountability Programme are being reviewed to mitigate poor quality and reward good quality long storing fruit, and improve the consistency of in-market checks that are used to facilitate the programme. Potential changes to the Supplier Accountability programme have been reviewed by the Supplier Accountability sub-group and market operations representatives. The group is now also looking to propose changes at the December 2022 ISG meeting.



## 7. IMPROVING TRANSPARENCY OF IN-MARKET INFORMATION ON QUALITY & COSTS

"Enhancements to both grower and post-harvest reporting will be considered so that more information can be provided about in-market quality performance, and a full scoping of this workstream is planned for early 2023," says Frank.

We look forward to updating growers and industry with more news on progress over the next few months.

# CLIMATE ADAPTATION PLAN LAUNCHED

**Zespri has released its first ever Climate Change Adaptation Plan – *Adapting to Thrive in a Changing Climate* – outlining how our kiwifruit industry intends to adapt to a changing climate in New Zealand and in offshore growing locations.**

Developed in consultation with growers and the wider kiwifruit industry, the Climate Change Adaptation Plan establishes a framework for the industry's long-term approach to adaptation, and is a response to Zespri's Climate Change Risks and Opportunities Report published in 2021.

Zespri Chief Grower, Industry and Sustainability Officer Carol Ward says the Plan reflects Zespri's ongoing commitment towards transitioning to a low-carbon, climate-resilient future.

"Adaptation will be critical to our ability to provide our customers and consumers with great fruit from both our New Zealand and Northern Hemisphere supply in the years ahead, and to protect and enhance the value we're returning to our growers and communities," says Carol.

Our industry is already experiencing and responding to climate change, with growers adjusting their growing practices in order to maintain and increase yields in light of the changing climate.

As well as identifying the physical climate change risks the kiwifruit industry is likely to experience from orchards through the supply chain and across the packing, transportation and distribution of fruit, the Plan considers transitional risks such as market and regulatory changes including emissions pricing, environmental labelling, and changing consumer preferences.

The Climate Change Adaptation Plan includes more than 40 current and future actions Zespri and the wider industry will build on over time to future-proof the growing and breeding of kiwifruit, maintain fruit quality and manage supply, and protect the industry's financial future.

A review of the Climate Change Adaptation Plan and progress against it will be undertaken in 2025, following the expected update to Zespri's Climate Change Risks and Opportunities report in 2024.

Check out the Plan, a summary version, and regional factsheets showing the impact and adaptation required in our key growing regions, on Canopy: [canopy.zespri.com](https://canopy.zespri.com) > Zespri & the Kiwifruit Industry > Sustainability > Our Environment





# 2023 LICENCE RELEASE

We know growers will have questions about the 2023 licensing process. Moving to an ascending-price open auction is a significant change. As we get further into the process of designing the auction, we will refine some factors. As always, we aim to have clear information in growers' hands before any decisions to participate in the licensing round are required. Our ideal process also includes a demonstration of the software to growers.

Many of the rules will be signed off by the Zespri Board in December, and a more detailed timetable and clarification of the rules and process will be communicated to the industry then. The following explains how we currently expect the process to work.

## BROAD TIMELINE FOR 2023 LICENCE RELEASE

Mid-December 2022	More information to growers regarding rules for licence release. Explanation of Ascending-Price Auction process.
Late January 2023	Rules published (Licence Application Overview and Rules - LAOR)
Late February	Deadline for registering a KPIN
February – March	Mock auctions to be conducted with interested growers
Mid-March – mid-April	Bidder application window open and pre-approval of bidders by Cooney Lees Morgan
Late April – early May	Auctions conducted

*Note: some dates are subject to change, as the customisation and introduction of a new bidding platform may require flexibility in the first year.*

## LICENSING Q&A

### How will the Ascending-Price Open Auction work?

- The Ascending-Price Open Auction is expected to work as follows:
- Before applications open, Zespri will publish the opening price. For clarity, the opening price is Zespri's reserve price.
  - In the first bidding round, at the reserve price, registered bidders will indicate the hectares they are prepared to purchase at the reserve price.
  - If the round is oversubscribed, the price will be raised and bidders indicate at the new price whether they want the same or less hectares (including opting out). Each round that is oversubscribed means another round will be run at a higher price.
  - Bidders can't increase their hectares or join the auction after a round they didn't participate in. This is to avoid gaming/manipulation but also to ensure that total demand always falls as price increases and bidders can be certain what market demand is at a given price (which maximises transparency).
  - Bidders will be informed of demand (e.g. total hectares demanded) for the previous round before bidding in the next round. This means bidders will have a sense of 'the market' as the auction runs.
  - The last round is where the hectares demand from growers still in the auction is within the range Zespri wants to allocate.
  - At the end of the last round, every remaining bidder will be successful and pay the price of the last round.

### How will the price for the first round be set?

The reserve/opening price will be approved by the Zespri Board in December and communicated to the industry in plenty of time for growers to have conversations with their banks and decide if they are going to register to participate in the auction.

**I preferred the tender system/I don't want to be bound to a live bidding process. What does this mean for me?**

If you don't want to participate 'live' in the auction process, the auto-bid process will be available. Bidders will be able to enter an auto-bid for hectares at a number of price points (this could include a single maximum price which would be similar to the

previous tender). The auction software will take these auto-bids into account for each round. The auction system will place bids on behalf of the bidder in this case. It will not be possible to either override the initial instructions or submit bids manually after you've placed an auto-bid.

**What is the gap between rounds, and how long will each auction take?**

We are still having conversations with the auction experts regarding the timeframe in which the "auction rounds" are open for i.e. whether the total auction is conducted over hours or days. We are still working on determining what information is required to show growers between each round, which will influence the gap required. It is our expectation that the auction will not be dragged out over a long period and it will be a maximum of a few days in total for all pools.

However, we will communicate this to growers prior to the auction rounds beginning so they will know what the days and times that the auctions will be held and they can manage their calendar accordingly.

**Will you be running multiple auctions at the same time?**

Only one auction will be run at a time. The current thinking is that the Red19 auction will be run first, followed by cutover Hayward/Green14, and then the Unrestricted Gold3 pool.

**What will the price increases be between rounds? Will it be a fixed amount?**

We are having discussions in regard to the incremental price increase of each auction round. The key will be to find the balance between not making the increments too small, so the auction drags on for an extended period, and not making the increment too large which may result in an undersubscription. Typically in this type of auction, the price increases between rounds get smaller the closer demand is to the target amount.

**When does the pre-validations window open and is it compulsory to get pre-approval by Cooney Lees Morgan if I want to participate in any of the auctions?**

Any grower who wants to participate in the 2023 Licence release will need to pre-register with Cooney Lees Morgan (pre-validation) between mid-March to mid-April. Bidder validation takes place prior to the auction starting to allow growers time to receive system access to participate either by online bid or by an auto bid. Approval by Cooney Lees Morgan will give you access to the Software, confirm the maximum hectares you are able to bid for.

## NON-STANDARD SUPPLY: ZESPRI TAKES ALL SUNGOLD SIZE 39 AND RUBYRED SIZE 46 IN 2023

**With crop reduction due to frost and variable budbreak, the 2023 crop is expected to be constrained and below market demand.**

Zespri is responding by committing to take all Class 1 Zespri SunGold Kiwifruit (Conventional and Organic) size 39s that are above the minimum taste standard (MTS) and all Zespri RubyRed Kiwifruit size 46s. Procurement will remain as non-standard supply.

## NEW CULTIVAR TRIALS OFF TO ROARING START

**Zespri trials to assess multiple new green cultivars kicked off in July with grafting on orchards in selected regions of New Zealand. We're pleased to report a good graft take across the trials.**

Following the severe frost of 7 October, Zespri conducted a detailed formal graft assessment and we are relieved to report that most trial blocks were only lightly impacted. Unfortunately, three grower trial sites were more severely affected. Zespri's budwood team will work to ensure all growers will receive replacement budwood for the upcoming summer grafting window.

Detailed GPS mapping of all our blocks to vine level is nearly complete and our team is collecting key orchard information including topography, elevation, soil type, and infrastructure set-up as the foundation for future data collection and assessment. The team will then analyse performance data to get an understanding of each site's characteristics, figuring out what makes each of these new greens hum.

During late November/early December, Zespri will hold a series of trialist meetings on-orchard to continue co-innovation and learning and sharing of information.

These trials will evaluate the productive potential of new green cultivars on commercial orchards with top performing growers, and are an important part of Zespri's Hi-Cane response strategy.

The varieties were bred through Zespri's breeding programme with Plant & Food Research, now run under our joint venture, Kiwifruit Breeding Centre (KBC). Over the next five-or-so years, these cultivars will be tested across orchard, supply chain, and market to see if they have what it takes to be a commercial Zespri cultivar.

Trialist growers have expressed great enthusiasm at the growth of the new grafts. During a recent visit, one grower noted that it was "exciting to see such a positive start to the establishment of these new green varieties," — some welcome good news after a very challenging season start for all New Zealand growers.

Although the details of the trials are being kept confidential to protect Zespri's intellectual property, we understand the strong grower interest in these trials. We'll do our best to keep growers updated on progress.

## TRIALING BUDBREAK ENHANCER PRODUCTS

**Zespri is encouraging growers to trial budbreak enhancer products and compare them to hydrogen cyanamide (HC) and a control treatment.**

This year, the Innovation Team at Zespri is supporting some grower trials and, after a call for interest, the trials got underway on nine Gold3 blocks and 14 Hayward blocks in winter. The trial blocks are in the Bay of Plenty, Northland, and Gisborne.

Zespri is grateful to the growers participating in the trials and those wanting to start to understand how alternative budbreak products work.

Seasonal factors including a warm winter, variable budbreak, and the October frost are recognised as influencing factors in the trials. While there has been frost damage to some sites, the majority weren't damaged.

Data has been collected on the application mixes and conditions, HazelTrex index at application times, and winter chill at each site. Cane specific data has been recorded on timing, quantity of budbreak, and the components of yield. The date flowering started, length of flowering, and flower numbers have been noted. Final fruit numbers, yield, and maturity will be assessed for each treatment at harvest. The results of these trials will be reported after harvest.

The Innovation Team also has research trials underway to compare alternative products with hydrogen cyanamide and on-orchard testing of hydrogen cyanamide alternative products. There are fundamental projects taking place to better understand budbreak enhancer trigger mechanisms, dormancy, orchard management for budbreak, and pre-priming and stress for budbreak, which could lead to new products in the future.

Keep an eye out for more information about these grower trials next year.





# FROM THE MARKETS

## MARKET UPDATE

After what has been a challenging few months, the New Zealand supply season is almost over for Zespri SunGold Kiwifruit and Zespri Green Kiwifruit. Europe is preparing its transition across to Northern Hemisphere (ZGS) Green supply, having already transitioned Zespri SunGold Kiwifruit.

Nearly 99 million TE of Class 1 Zespri SunGold Kiwifruit have been delivered (98% percent) as of Week 47. Most markets have completed sales with the last arrival dates determining the respective finish by market.

Class 1 Zespri Green Kiwifruit sales have progressed equally well, with 58 million TE delivered year to date (95 percent), and just over three million TE left to deliver.

Run rates in Europe continue strongly for ZGS supply, with sales also underway in North America and South East Asia, and fruit soon to reach other export markets. This includes the first ZGS Charter destined for Mainland China. As of week 47, just under five million TE of Class 1 ZGS Zespri SunGold Kiwifruit has been delivered year to date (31 percent).



### Netherlands

#### ZESPRI RATED TOP FRUIT BRAND

Great to see Zespri securing the top spot as the number one fruit brand in the Netherlands!

Zespri was also ranked 24th out of all Fast Moving Consumer Goods (FMCG) brands in the country, as selected by Nielsen. The brands are ranked based on their Euro turnover.



### Japan

#### KIWI BROTHERS COMMERCIAL MAKES THE PODIUM

The new Kiwi Brothers commercial has won the bronze trophy at the ACC Award in Japan.

ACC is one of Japan's most significant awards, receiving more than 2,500 entries this year. In the film category, Zespri won along with McDonald's, Netflix, Suntory and Nissan. Zespri was also a finalist in the film craft category.



### Vietnam

#### MARKETING TEAM WINS PRESTIGIOUS AWARD

The Zespri Vietnam marketing team was presented with their first Silver trophy at the 2022 MMA Smarties Vietnam Award — the world's only award that recognises leaders, brands, agencies, and tech suppliers who use technology to pioneer new approaches in modern marketing.

The campaign 'Zespri Kiwifruit – A new dynamic uplift in a new normal' was shortlisted with Heineken and Nestle under the O2O/New Retail/Innovative Sales channels. The team showcased Zespri Vietnam's technologies to drive conversion from online to offline channels. Through integration and creative use of data from our partners, Momo (largest e-wallet in Vietnam) and Saigon Co.op Food (our second biggest retailer in Vietnam), we delivered an enhanced end-to-end consumer experience for our kiwifruit lovers.

Congratulations to the Vietnam team. Want to learn more? Check out the case study here: <https://vimeo.com/736801252/8af986511c>



### China

#### ZESPRI CHINA WINS BEST STRATEGIC PARTNER AWARD

The China team is thrilled to have won the 'Best Strategic Partner Award' from our customer, Hema.

Hema is China's most significant new retail channel leading growth in the fresh food sector. The award marks the fourth year of building strong relationships with Hema. A massive congratulations, China team!



### China

#### ZESPRI ORGANIC KIWIFRUIT ON SHELVES!

Zespri Organic SunGold Kiwifruit returned to China this year and the team secured listings in premium accounts, including HEMA and SC.

The focus for this year has been on raising awareness using the Organic 'Taste the Power of Nature' assets which have been used across a variety of touchpoints including customer advertising and in-store point of sale merchandising. The team also introduced a cardboard pack as part of their sustainability commitments and this has been very well received.

### USA

#### 2022 INTERNATIONAL FRESH PRODUCE ASSOCIATION GLOBAL PRODUCE SHOW

Representatives from Zespri and the Kiwifruit Breeding Centre (KBC) attended the 2022 International Fresh Produce Association (IPFA) Global Produce show in Orlando, Florida. There was a lot of excitement, with the event being held in person for the first time in three years.

The IPFA is the largest and most diverse international association serving the fresh produce and floral supply chain. The event focused on fresh produce's current state and future trends with a central message: 'together, we are a force for good and a solution that elevates holistic health.'

Zespri sponsored the welcome reception, connecting with partners ahead of the show opening. Zespri also co-sponsored the 'Fresh Produce Race for Healthier Work' 5km run. Our kiwifruit 'superheroes' ran and shared our delicious Zespri Kiwifruit as a refreshing morning snack, earning the Best Team Spirit Award.







# ZESPRI IN THE COMMUNITY

## Wrapping up another Zespri Young and Healthy Virtual Adventure

**22,000 tamariki have stepped up for health in the Zespri Young and Healthy Virtual Adventure, which took them on a virtual journey around the globe, instilling healthy habits such as moving their bodies, eating extra fruit and vegetables, drinking more water, getting a good night's sleep and reducing leisure time spent on screens.**

The programme aims to inspire, teach and encourage Kiwi kids and their whānau to develop healthy habits for a lifetime of good physical and mental health. Classes worked as a team to travel the world, and along the way they were met by their sporting heroes and ASICS ambassadors who showed them around and shared interesting facts including their health and wellbeing tips.

As part of the programme, classes were asked to "Show us their Moves" and send in videos of all the ways they get their bodies moving. There were some incredible videos sent in — with Zespri and the Young and Healthy Charitable Trust selecting a few lucky classes to receive brand-new ASICS sports shoes for their efforts and to help keep them going for the rest of the Adventure. Zespri gifted more than 220 pairs of ASICS sports shoes to tamariki all across the country, including classes in Northland, Hawkes' Bay, Ōpotiki, Paengaroa and Marlborough.

Young and Healthy Trust Founder, Kim Harvey says each year shows inspiring results with teachers, parents and the children telling us they have more energy, can focus better in class, and feel better all round.



A class of students from St Joseph's Catholic School in Ōpōtiki, pictured with Kim Harvey and Zespri staff who surprised them with ASICS sports shoes and Zespri Kiwifruit.

## Surfing for Farmers

Zespri is a proud supporter of Surfing for Farmers and their work within the rural community. So if you're a grower interested in giving surfing a go, or want to come and chat with some good people, make sure you head to one of the 25 locations around the country where the programme is running.

Surfboards and wetsuits are provided, and instructors will help you catch some waves, followed by a BBQ and a chat on the beach.

You can see more details and a list of locations on the Surfing for Farmers Facebook page: [www.facebook.com/surfingforfarmers](https://www.facebook.com/surfingforfarmers).

## Sustainable Coastlines beach clean up

Recently, Zespri people had the opportunity to be a part of a lunch and learn session and a beach clean-up with Sustainable Coastlines. We learnt about micro-plastics and the serious impact they can have on our oceans and sealife.

Armed with this new knowledge, we headed to Tay St beach to see what we could find and we were blown away by the amount of micro-plastic litter collected.

The Sustainable Coastlines team left us with a challenge — for more people to 'Do it Yourself'. So, next time you're at the beach or on a walk, pick up that piece of rubbish you'd normally ignore. It might seem small, but collective action can have a huge positive impact for our moana and environment.

## Horticultural Scholarship winners

**Congratulations to Aaron Hewson and Sarah Wilson, who have both been awarded Zespri Horticultural Scholarships. These two deserving students will receive \$5,000 each to support their studies towards a career in horticulture.**

Aaron is currently studying towards a Bachelor of Applied Science majoring in Genetics & Agricultural Innovation, and a Bachelor of Arts majoring in Asian Studies, minoring in Religious Studies at the University of Otago. For Aaron, the best thing about the kiwifruit industry is "the culture of innovation and sustainability that drives it."

With these kinds of values, the kiwifruit industry stands best to meet upcoming issues, and continue to produce fruit good for people and good for the planet."

Sarah is studying a Bachelor of Agribusiness Majoring in International Agribusiness at Massey University in Palmerston North. Having grown up in Te Puke, Sarah is super passionate about the kiwifruit industry. She has "been surrounded by world class horticulture" her whole life and has "always been inspired by the innovation and resilience of the people within the industry".

## Thanks for supporting the RSE Fundraiser

**Thanks to everyone who supported Zespri's Recognised Seasonal Employers scheme (RSE) community fundraising event, including those who came along, donated, sponsored items or bid at the auction.**

The sports day and charity auction in Te Puke raised more than \$43,000 to support RSE workers and their Pacific communities.

Funds raised continue to have a huge impact within the local community, supporting projects in the home countries of RSE workers through grassroots charities Tractors for Tonga, the Village to Village Charitable Trust, and Rotary Emergency Response Kits.



## 2023 Zespri Industry Governance Development Programme applications open!

**Do you have strong leadership skills or are looking to pursue governance roles within the kiwifruit industry?**

The Zespri Industry Governance Development Programme (IGDP) is designed to enable leaders of the kiwifruit industry to make the step into governance roles. The programme will introduce successful candidates to governance and leadership possibilities and allow them to build their capability as future leaders of the industry.

As part of the IGDP, participants will complete a number of components including:

- The Institute of Directors Company Directors Course
- Domestic Governance Tour
- Regular interaction with Zespri Board and Executive members
- Quarterly forums with leaders of New Zealand business
- Media training

Applications close **5pm, Friday 10 February 2023**. Head to <https://www.zespri.com/en-NZ/our-communities/scholarships> for more information and to download the IGDP guide and application form.

Still have questions?  
Email [scholarships@zespri.com](mailto:scholarships@zespri.com).



# ZESPRI GLOBAL SUPPLY UPDATE

## ZGS CONTINUES TO MAKE PROGRESS IN KIWIFRUIT RESEARCH

To support the growth of Zespri SunGold Kiwifruit in the Northern Hemisphere, Zespri Global Supply (ZGS) invests up to NZD 1.5 million per year in research trials through the Innovation team based in Italy.

The projects undertaken by ZGS are developed in collaboration with Zespri's New Zealand-based innovation arm to maximise benefits to growers in New Zealand and ZGS. The work programme continues to focus on key areas of importance including:

- Orchard management
- Water, Soil and KVDS

- Nutrient management
- Biosecurity/Pest Control
- Fruit storage

The Kiwifruit Vine Decline Syndrome (KVDS) Task Force Group has extended its focus, concentrating not only on KVDS but also on increasing productivity, a key goal for ZGS growers. Results from the ZGS research projects are shared with New Zealand growers through the *Kiwifruit Journal*.



## SUMMARY OF ZGS ITALY INNOVATION PROJECTS

PROJECT NAME	PERIOD	PROJECT SUMMARY
ORCHARD MANAGEMENT		
Evaluate long-term sustainability of girdling on Gold3	2018-2023	Evaluates different combinations of girdling and their effect on return bloom, vine growthy, and storability of Gold3.
Understand the main causes of premature fruit drop of Gold3 and evaluate solutions	2019-2022	Investigates fruit drop related to orchard inputs and management in different environmental conditions and orchards.
Budbreak alternatives	2021-2022	Identified best alternative products to Hi-Cane for budbreak and chemical thinning for Gold3 and Hayward. Evaluated the best spraying timings through Hazel testing.
WATER/SOIL/KVDS		
Water and soil management of Gold3 and KVDS management	2020-2024	Water needs of Gold3 in different environments and evaluation of sensors for irrigation management. Soil and vine management optimisation and guidelines.
Water retention potentials of Gold3 growing in Italian soils	2021-2022	Assess the potential of water uptake of Gold3 vines growing in typical Italian soils and compare them to the ones calculated on Hayward. Improve understanding on optimal soil moisture ranges using soil moisture sensors. Assess the retention curves for each soil, monitoring plant response to soil moisture reduction and drought stress.
Evaluate Lazio soil types and Kiwifruit cultivation adaptability with a focus on volcanic soils	2021-2022	Preliminary study on Lazio soil map and evaluation of the main kiwifruit areas. Focus on correct agronomic management (soil, irrigation) by soil type.
Low orchard productivity assessment by Artificial Intelligence (AI)	2022-2023	Mapping of KVDS using satellite images and AI techniques. Assess impact on production and identify stress indicators associated with each problem. Identify on orchard what are the top challenges around low productivity orchards and propose guidelines to increase yield.
A metagenomics approach to investigate the microbiome associated to KVDS occurrence	2022-2025	PhD project investigating the microbial community associated to KVDS in combination to the different agronomic interventions.
Soil health and KVDS Monitoring Project	2023-2026	Build a KVDS monitoring network to apply techniques and knowledges acquired from the KVDS Task Force and Innovation research.
Develop an early detection system for KVDS	2023-2026	Investigate possible biochemical, molecular and microbiological markers for the early diagnosis of KVDS.
Systemic approach to promote soil and vine health to face KVDS	2023-2026	Irrigation management, drainage of excess water, soil gases and chemical analyses, nutrient and redox potential assessment. Define a range of quantitative markers for KVDS early detection that are reliable, and easy to measure and interpret by growers and technicians.
NUTRIENT MANAGEMENT		
Foliar fertilisation biostimulant use on Gold3	2019-2025	Evaluation of the impact of different chemical products sprayed on the canopy.
Nutrient management of Gold3 in Italy	2021-2022	Extension of Nutrient Dynamic Project completed in 2020 to confirm seasonal uptake of nutrients by the kiwifruit vine. Focus on increasing calcium uptake by the fruit and storability.
Impact of compost tea on Gold3	2022-2024	Benefit growers on improving compost levels in the soil and organic matter uptake, increasing the overall quality and productivity, while improving the organic matter in the soil.
PEST CONTROL		
Aerodynamic traps for BMSB	2021-2022	Evaluation of innovative trap systems to control BMSB by improving the pheromone distribution and comparison with other available traps.
Application of zeolites to control the BMSB	2022-2023	Evaluation of the synergy of zeolite with insecticides.
Susceptibility of Red19 to artificial infestation of BMSB in the field	2022-2023	BMSB interaction with Red19. Evaluation of the impact on yield and on consumers.
Accumulating knowledge to mitigate the impact of BMSB	2023-2024	Combining chemical control with physical exclusion system to reduce fruit damage. Factors influencing BMSB in net covered orchards and identify the most critical periods for insecticide application.
OTHER		
Review of kiwifruit health issues and phytosanitary regulation in EU	2021-2022	Provide a guide for research implementation on the most promising strategies, develop a risk register. Overview of pests and pathogens on kiwifruit, integrated methods, "alternative strategies" to chemicals and product legislation in EU with biopesticides.
STORAGE		
1-MCP sprayed on orchard	2021-2022	Evaluation of the impact of spraying 1-MCP on orchard to extend the harvest window and storability of Gold3.
Minimum controlled atmosphere treatments to improve storability of Gold3	2021-2023	Investigating the impact of minimum controlled atmosphere treatments on improving storage life of Gold3.
Innovative tools to improve storage life	2022-2025	Identify markers for SBD to forecast risk of development during storage. Develop alternative methods to 1-MCP to control ethylene. Post-harvest treatments to enhance fruit flesh colour and quality. Develop a non-destructive protocol to precisely assess fruit ripening stage at harvest.



## Project Spotlight

# IMPROVED BMSB TRAPPING IN KIWIFRUIT WITH AERODYNAMIC INSECT TRAPS [TUNNEL TRAP]

The difficulties in the management of Brown Marmorated Stink Bug (BMSB) are linked to the high mobility of this pest and to its extremely wide host range, which makes it very difficult to predict the attacks and damage, especially in crops such as kiwifruit. Gathering information on BMSB populations is key to identifying the best pest management strategy to employ.

The project purpose is to compare the efficacy of a prototype wind-rotating trap versus commercially available traps, as a monitoring tool over the course of the growing season.

Ten replicates of each trap type were tested across four commercial kiwifruit orchards near Latina (Italy). Monitoring of the traps for BMSB occurred weekly from August to October and the trap catch was assessed for numbers of adult BMSB as well as nymph numbers. Foliage of 1.5 metres around each trap was monitored for adult bugs and nymphs that had not entered the trap.

The difference in capture efficiency among traps varied from week to week, but the tunnel trap proved better at catching adult bugs in nearly all weeks the trial was running. The tunnel traps provide benefits over existing trapping systems as they do not become saturated with dust and detritus. However, improvements are needed to enhance the nymphs catch and retain, before this becomes an effective tool that growers can use for population monitoring and decision management.



Wind-rotating tunnel trap.



Commonly used sticky trap.



Commercially used trap (no tunnel, no rotation in wind) trap.

# FIRST TRANCHE OF SYSTEM OVERHAUL LAUNCHED



Zespri went live at the beginning of November with its first phase of new operating systems and processes built on the SAP S/4HANA Cloud platform. This first phase of our ambitious, multi-year Horizon transformation programme aims to standardise and automate our processes, increase our operational efficiency, and provide a platform for growth and innovation.

The investment provides a more robust, transparent and reliable process through our value chain, from the receipt of a sales order, to payments for product, through to distribution. Zespri's quality management solutions will include proof that the product has been grown and handled in accordance with regulatory, customer specifications and consumer expectations.

The new technology includes platforms for more efficient end-to-end demand and supply planning and improvements in analytics and insights. Improved reporting will support better-informed and timely decision-making that will, in the long run, help to improve business performance.

"We've known for a long time that our legacy systems were no longer scalable and fit for purpose," says Zespri's Chief Digital Officer, Dave Scullin.

"We underinvested in them for many years, to a point where they would hold us back, reduce our efficiency and effectiveness, and create real risk for the business — we had to change.

"We've selected the latest generation SAP applications as our core enterprise platform, but to view this simply as a digital project would be wrong.

"The Horizon Programme aims for transformational change, supporting a truly integrated end-to-end business that will support Zespri's ability to grow and sustain returns to the industry and to growers," says Dave.

With the foundations now in place and phase one complete, Zespri is looking forward to furthering developments, focusing on grower enablement and solutions for extended supply chain and quality management, integrated business planning and sales.

## FAREWELL TO ALASTAIR HULBERT



Outgoing Zespri Chief Global Supply Officer, Alastair Hulbert.

Earlier this month, we announced that Zespri Chief Global Supply Officer, Alastair Hulbert has decided to leave Zespri to explore new opportunities.

"Alastair will be a great loss to the team but we sincerely wish him all the best and thank him for his tremendous contribution," says Zespri CEO, Dan Mathieson.

Alastair joined Zespri at a particularly challenging time, and has played a critical role over the last couple of years helping lead our supply chain's response to the COVID-19 pandemic. He has worked closely with post-harvest leadership to develop both the industry Five-Point Plan and more recently, the industry's Quality Action Plan, to help address the quality issues we have seen this season.

"On behalf of Zespri, I extend our immense thanks and gratitude to Alastair for his strong leadership across the global supply chain throughout a challenging period for the industry, and for his work supporting and developing such a strong global supply team who will continue our work to ensure we provide consistently high quality fruit to our customers and consumers in the years ahead," says Dan.

Alastair will remain with Zespri until February 2023, and continue to lead the global supply chain team to set up for the 2023 New Zealand season. In doing so, he will work closely with our Head of NZ Supply Jason Te Brake, who will shadow him over the coming months before taking on the Acting Chief Global Supply Officer role from 1 January 2023, while recruitment for a permanent replacement continues.

We wish Alastair all the best and thank him for the contribution he has made to our industry.





## Updates from our Pre-harvest Team



# ZESPRI AND GLOBALG.A.P.

## A framework to grow your kiwifruit business

Over the last two months, we've talked about the history of GLOBALG.A.P. and what it means to us in-market. This month, we look at how it can be a tool to help manage high-performing kiwifruit growing businesses.

'Just compliance', 'added work', 'dreaded audits', and 'it's just a tick box exercise that we have to do', are all comments we've heard as we've chatted to industry to get insights into this series of articles, and there is no doubt there is work involved to complete your GLOBALG.A.P. certification.

What if we change the word 'compliance' to 'showcase' and start to fit it into daily duties as a way to tell business success stories, and use it as a tool to highlight where you want to take your business long-term?

We chatted to growers Mark and Catriona White to understand how they do this, but first here's a bit about their journey to becoming kiwifruit growers and how GLOBALG.A.P. has given them a framework to base their business operations on.

Before kiwifruit, Mark worked for NZ Post. Here's his journey:

"To get mail to the addressee, a piece of mail would go through 55 different people's hands, so you can only imagine the sort of processes and ISO standards in place to ensure it all flows smoothly and the mail gets through. Those processes meant we had success.

"When we started our kiwifruit growing lives, we were thrilled to find Zespri and the New Zealand kiwifruit industry had GLOBALG.A.P. To us, it meant there was a framework we could base our operations and processes on. We weren't starting from scratch with no help or idea on what to do — we could use Zespri GAP to map out our short, medium, and long-term goals for our kiwifruit business.

"Growing kiwifruit is tough work, but if we were having to guess what our customer and consumers expect and change the systems ourselves to meet shifting global regulatory requirements, we would be scrambling and in a constant state of change. GLOBALG.A.P. understand these demands, they monitor trends, and make manageable changes to the programme for Zespri to fit into our grower manual - and for us to work into our daily, monthly and annual systems.

"Catriona and I see huge value in GLOBALG.A.P. for our business, and it's way beyond compliance. In fact, we don't even see it as compliance — it's best practice. We want to be sure we are running our business the best way we can with consistency of processes, up-to-date record keeping, and a place where we can look back to move forward. GLOBALG.A.P. creates efficiencies in everything we do. We love that it's an end-to-end programme too. As growers, we're the first step in our supply chain — we get it right so the next step can, and then the next step, and the best kiwifruit gets delivered to market which is what the Zespri brand represents.

"The Zespri brand means more than just great tasting fruit: it stands for quality, food safety, sustainably grown, happy people and so much more. It's got to be best practice, that's more value right there.

"Catriona and I have had the privilege to step out of our industry from time to time and visit other industries and we often say we are so lucky to have the industry structure we have and the collective systems like GLOBALG.A.P. It keeps us a nose ahead and the ability to operate a high-performing business.

"Our land is our biggest asset and we have to look after it. GLOBALG.A.P. helps us do this too. For example, the Orchard Conservation Plan helps us build a really strong picture of how we want our property to look in the future. We have used the Flora and Fauna checklist for the last five years - it's helped us look after the species we have, ask questions when there are differences, as well as ask questions about our practices to make changes to ensure we are doing better every year. The GRASP programme within GLOBALG.A.P. is another one we have really focused on as our people are another of our assets, building our employment and training programme around the GLOBALG.A.P. framework — it's been hugely helpful to us and our team of employees."



Catriona White doing their Flora and Fauna Observation: "My favourite job all year! Sitting down, relaxing, listening and looking at nature and recording observations for our GLOBALG.A.P. Flora and Fauna Plan.

In summary, GLOBALG.A.P. can deliver some very real value to our industry when integrated into on-orchard processes and use it as a framework to help highlight areas for improved efficiencies and business planning.

The multi-year, transformational GAP refresh programme will evolve thinking around GLOBALG.A.P. from being just compliance, and further develop it to be the operational and planning tool our industry can use to demonstrate the work that underpins the Zespri brand and gives confidence to our consumers, customers and regulators that we use good agricultural practice to produce the best kiwifruit in the world.



## COMING UP

Look out for the last article in our series on the value the GLOBALG.A.P. programme can deliver our industry.

In the December issue of *Kiwiflier*, we'll feature a large orchard management company and understand more about how they drive value from the programme.

## PRE-SEASON RESIDUE TESTING

Zespri runs a residue assurance programme to manage the risk of kiwifruit being distributed to areas where there are likely exceedances to destination country's Maximum Residue Limit (MRL) levels.

As part of this programme, Zespri carries out pre-season testing from late January/early February, where random and targeted orchards are selected and sampled well before harvest to understand and mitigate the risk certain compounds may cause by identifying areas of potential risk for the upcoming season.

KPIN selection for pre-season testing will commence in early December, and if your KPIN is selected, you will receive an email to give us permission to take a pre-season residue sample. It is important that all of your information (including blocks, contact information, maps, and hazards) is updated in the MCS system to ensure this process runs smoothly. Zespri thanks all growers in advance for ensuring their information is updated as soon as possible.



## KIWIGREEN PEST MONITORING

Growers are reminded to update their blocks in *Spray Diary* as soon as possible. It's also important to ensure all pest monitoring results and spray lines are uploaded in *Spray Diary*.

Wheat bug host plant control and spray diary entry is the responsibility of the grower, not the Pest Monitoring Centre, and formal monitoring for new pests, Thrips, FRW and Fungus is a recommendation and not a requirement.

China (CN) holds applied this season are test holds only. Growers will need to contact [kiwigreen@zespri.com](mailto:kiwigreen@zespri.com) to have them removed.

Note, it has not yet been confirmed if the KiwiGreen Incentive will go ahead for 2023.



2022/23 PROGRESS PAYMENTS FOR DECEMBER AND FEBRUARY

CLASS 1 - APPROVED PROGRESS PAYMENT 15 DECEMBER 2022	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.11	\$0.05	\$0.05	\$0.20	\$0.05	\$0.05	\$0.10
Zespri Organic Green	\$0.40	\$0.80	\$0.90	\$0.50	\$0.10	\$0.10	\$0.20
Zespri Gold3	\$0.36	\$0.50	\$0.40	\$0.30	\$0.05	No supply	No supply
Zespri Organic Gold3	\$0.16	\$0.15	\$0.20	\$0.20	No payment	No supply	No supply
Zespri Red19	\$0.81	\$1.20	\$1.20	\$0.80	\$0.80	\$0.80	\$0.80
Zespri Green14	\$0.59	\$0.20	\$0.60	\$0.65	\$0.65	\$0.65	\$0.30

CLASS 1 - INDICATIVE PROGRESS PAYMENT 15 FEBRUARY 2023	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.29	\$0.35	\$0.30	\$0.30	\$0.25	\$0.25	\$0.25
Zespri Organic Green	\$0.48	\$0.60	\$0.55	\$0.50	\$0.40	\$0.40	\$0.60
Zespri Gold3	\$0.38	\$0.40	\$0.40	\$0.35	\$0.35	No supply	No supply
Zespri Organic Gold3	\$0.44	\$0.40	\$0.40	\$0.60	\$0.20	No supply	No supply
Zespri Red19	\$0.72	\$0.80	\$1.05	\$0.90	\$0.65	\$0.65	\$0.75
Zespri Green14	\$0.42	\$0.20	\$0.75	\$0.55	\$0.35	\$0.35	\$0.30

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. Consideration is given to current season sales, cashflow, prior season percentage of total fruit and service payments paid at the same time of the season, other current season risk factors and also taking into account the latest information available.

Zespri SunGold Organic Kiwifruit December Progress payments have decreased on indicative, due to adverse fruit quality decreasing total fruit and service payments in the November forecast.

Sweet Green December Progress payments have increased on indicative, due to fruit quality improvements increasing total fruit and service payments in the November forecast.

December 2022 approved progress payments on Net Submit trays	
Approved per tray progress payments for 15 December 2022:	
Class 1	
Zespri Green	\$0.11
Zespri Organic Green	\$0.40
Zespri Gold3	\$0.36
Zespri Organic Gold3	\$0.16
Zespri Red19	\$0.81
Zespri Green14	\$0.59

February 2023 indicative progress payments on Net Submit trays	
Indicative per tray progress payments for 15 February 2023:	
Class 1	
Zespri Green	\$0.29
Zespri Organic Green	\$0.48
Zespri Gold3	\$0.38
Zespri Organic Gold3	\$0.44
Zespri Red19	\$0.72
Zespri Green14	\$0.42

SHARE BRIEFS

As at **21 November 2022** the last Zespri share price trade was **\$6.60** traded on **17 November 2022**. There were four buyers at **\$6.55, \$6.50, \$6.45, and \$6.40**. There seven sellers at **\$6.65, \$6.70, \$6.80, \$7.35, \$7.83, \$7.95, 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 December there is a total of 52,493 dry shares as of 21 November 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 November there are no excess shares that are required to be sold as of 21 November 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 November 2022.

Quote Line at Monday 21 November as at 10.30am						
Code	Bid (\$)	Offer (\$)	Last (\$)	High (\$)	Low (\$)	Volume
ZGL	6.55	6.65	6.60	0.00	0.00	0

Market Depth					
Orders	BIDS		Price (\$)	OFFERS	
	Quantity	Price (\$)		Quantity	Orders
1	5,000	6.55	6.65	2,000	1
1	10,000	6.50	6.70	2,000	1
1	2,000	6.45	6.80	3,000	1
1	2,000	6.40	7.35	25,000	1
			7.83	2,000	1
			7.95	80,998	1
			9.20	26,500	1

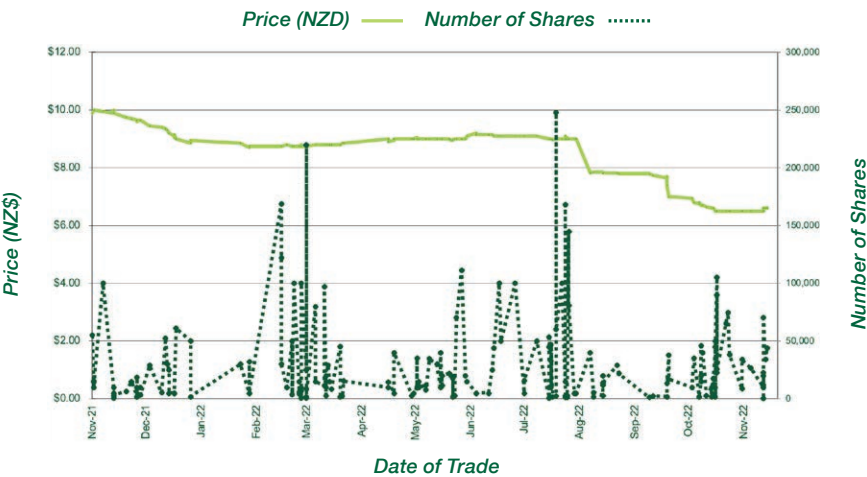
Last 10 Trades			
Date/Time	Quantity	Price (\$)	Value (\$)
17/11/2022	43,850	\$6.60	289,410.00
16/11/2022	34,000	\$6.60	224,400.00
15/11/2022	70,000	\$6.60	462,000.00
15/11/2022	20,000	\$6.60	132,000.00
15/11/2022	12,000	\$6.60	79,200.00
15/11/2022	80	\$6.60	528.00
15/11/2022	22,800	\$6.60	150,480.00
15/11/2022	10,000	\$6.50	65,000.00
8/11/2022	26,475	\$6.50	172,087.50
3/11/2022	34,010	\$6.50	221,065.00

**Director share trading**

For the month of November (as at 21 November), there were 47,000 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 NOVEMBER 2021 TO 21 NOVEMBER 2022





# 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 to 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.
- KiwiGreen is a new payment for the 2022/23 season, incentivising on orchard pest management practices. The incentive is paid in December at \$0.25/TE on qualifying gross submit.
- Average payments per TE are based on the 2022/23 November Forecast trays and actual payments to date.
- YTD amounts for Pack and Time may move from previous *Kiwiflier* issues due to SLAs being paid late in a month.

ZESPRI GOLD3 NOVEMBER									
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	\$3.30	\$0.05						\$3.35	22%
May-22		\$0.08	\$0.00					\$3.43	22%
Jun-22		\$0.10						\$3.53	23%
Jul-22		\$0.08		\$1.10		\$1.57		\$6.28	40%
Aug-22		\$0.18	\$0.52	\$1.47		\$0.13		\$8.57	55%
Sep-22		\$0.17		\$1.03		\$0.41		\$10.19	65%
Oct-22		\$0.29	\$0.57	\$0.27		\$0.30		\$11.61	75%
Nov-22		\$0.32	\$0.01	\$1.19		\$0.41		\$13.55	87%
Dec-22		•	•	•	•	\$0.36		•	93%
Jan-23							\$0.10	•	•
Feb-23			•			\$0.38		•	•
Mar-23			•			•		•	97%
Apr-23						•		•	•
May-23								•	•
Jun-23						•	\$0.20	•	100%
Paid YTD	\$3.30	\$1.27	\$1.10	\$5.05	\$0.00	\$2.82	\$0.00	\$13.55	
Balance to pay	\$0.00	\$0.20	\$0.03	\$0.09	\$0.25	\$1.16	\$0.30	\$2.01	
Total fruit and service payments - 2022/23 Forecast									\$15.56

ZESPRI ORGANIC GOLD3 NOVEMBER									
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	\$3.30	\$0.04						\$3.34	20%
May-22		\$0.17						\$3.51	21%
Jun-22		\$0.09						\$3.60	22%
Jul-22		\$0.08		\$1.30		\$0.53		\$5.50	33%
Aug-22		\$0.28	\$0.54	\$1.87		\$0.33		\$8.52	52%
Sep-22		\$0.33		\$1.70		\$0.93		\$11.48	69%
Oct-22		\$0.10	\$0.66	\$0.11		\$0.64		\$12.99	79%
Nov-22		\$0.01	\$0.00	\$1.25		\$0.71		\$14.96	90%
Dec-22		•	•			\$0.16		•	93%
Jan-23							\$0.10	•	•
Feb-23			•			\$0.44		•	•
Mar-23			•			•		•	97%
Apr-23						•		•	•
May-23								•	•
Jun-23						•	\$0.20	•	100%
Paid YTD	\$3.30	\$1.09	\$1.20	\$6.23	\$0.00	\$3.14	\$0.00	\$14.96	
Balance to pay	\$0.00	\$0.04	-\$0.01	\$0.00	\$0.25	\$0.99	\$0.30	\$1.58	
Total fruit and service payments - 2022/23 Forecast									\$16.54

ZESPRI RED19 NOVEMBER									
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	\$3.30							\$3.30	16%
May-22								\$3.30	16%
Jun-22								\$3.30	16%
Jul-22								\$3.30	16%
Aug-22								\$3.30	16%
Sep-22								\$3.30	16%
Oct-22								\$3.30	16%
Nov-22								\$3.30	16%
Dec-22								\$3.30	16%
Jan-23								\$3.30	16%
Feb-23								\$3.30	16%
Mar-23								\$3.30	16%
Apr-23								\$3.30	16%
May-23								\$3.30	16%
Jun-23								\$3.30	16%
Paid YTD	\$3.30	\$0.00	-\$0.05	\$0.00	\$0.00	\$6.66	\$0.00	\$9.96	48%
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.24	\$2.83	\$0.30	\$3.37	
Total fruit and service payments - 2022/23 Forecast									\$20.81

ZESPRI GREEN NOVEMBER									
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	\$2.45	\$0.00						\$2.45	23%
May-22		\$0.07						\$2.52	24%
Jun-22		\$0.10						\$2.62	25%
Jul-22		\$0.03	\$0.00	\$0.46		\$0.67		\$3.78	36%
Aug-22		\$0.11	\$0.48	\$0.66		\$0.05		\$5.08	48%
Sep-22		\$0.21		\$0.66		\$0.19		\$6.15	59%
Oct-22		\$0.31	\$0.44	\$0.33		\$0.11		\$7.33	70%
Nov-22		\$0.25	\$0.01	\$0.68		\$0.27		\$8.55	81%
Dec-22		•	•	•	•	\$0.11		•	90%
Jan-23							\$0.10	•	•
Feb-23			•			\$0.29		•	•
Mar-23			•			•		•	95%
Apr-23						•		•	•
May-23								•	•
Jun-23						•	\$0.20	•	100%
Paid YTD	\$2.45	\$1.08	\$0.94	\$2.80	\$0.00	\$1.29	\$0.00	\$8.55	
Balance to pay	\$0.00	\$0.43	\$0.04	\$0.14	\$0.24	\$0.80	\$0.30	\$1.95	
Total fruit and service payments - 2022/23 Forecast									\$10.50

ZESPRI ORGANIC GREEN NOVEMBER									
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	\$2.45							\$2.45	19%
May-22		\$0.05						\$2.50	19%
Jun-22		\$0.03						\$2.53	20%
Jul-22		\$0.02		\$0.52		\$1.62		\$4.70	36%
Aug-22		\$0.11	\$0.36	\$0.96		\$0.05		\$6.17	48%
Sep-22		\$0.17		\$0.97		\$0.44		\$7.75	60%
Oct-22		\$0.40	\$0.34	\$0.71		\$0.07		\$9.27	72%
Nov-22		\$0.16	\$0.00	\$0.93		\$0.39		\$10.75	83%
Dec-22		•	•	•	•	\$0.40		•	91%
Jan-23							\$0.10	•	•
Feb-23			•			\$0.48		•	•
Mar-23			•			•		•	96%
Apr-23						•		•	•
May-23								•	•
Jun-23						•	\$0.20	•	100%
Paid YTD	\$2.45	\$0.94	\$0.69	\$4.10	\$0.00	\$2.57	\$0.00	\$10.75	
Balance to pay	\$0.00	\$0.20	-\$0.01	\$0.10	\$0.26	\$1.29	\$0.30	\$2.14	
Total fruit and service payments - 2022/23 Forecast									\$12.89

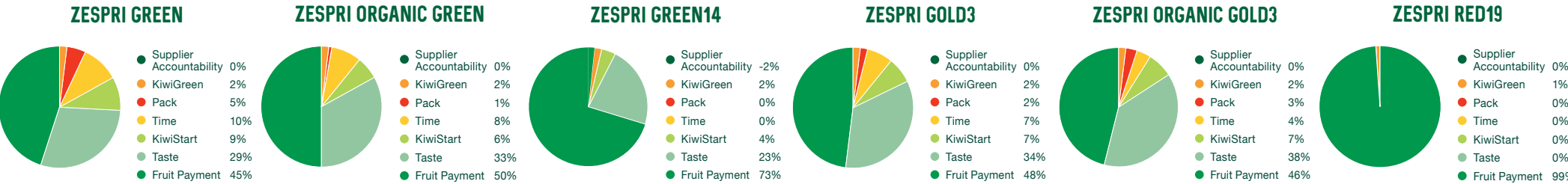
ZESPRI GREEN14 NOVEMBER									
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	KiwiGreen	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-22	\$2.80							\$2.80	27%
May-22		\$0.00						\$2.80	27%
Jun-22								\$2.80	27%
Jul-22								\$2.80	27%
Aug-22								\$2.80	27%
Sep-22								\$2.80	27%
Oct-22								\$2.80	27%
Nov-22								\$2.80	27%
Dec-22								\$2.80	27%
Jan-23								\$2.80	27%
Feb-23								\$2.80	27%
Mar-23								\$2.80	27%
Apr-23								\$2.80	27%
May-23								\$2.80	27%
Jun-23								\$2.80	27%
Paid YTD	\$2.80	\$0.00	\$0.23	\$2.29	\$0.00	\$3.16	\$0.00	\$8.48	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.24	\$1.42	\$0.30	\$1.96	
Total fruit and service payments - 2022/23 Forecast									\$10.43

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.

## 2022/23 SEASON GROWER PAYMENT PORTIONS – TOTAL FRUIT AND SERVICE PAYMENTS

2022/23 NOVEMBER FORECAST





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

Full-Year Return	2022/23 - November Forecast							2021/22 - Actual					
	Zespri Green	Zespri Organic Green	Zespri Gold3	Zespri Organic Gold3	Zespri Red19	Zespri Green14	All Pools	Zespri Green	Zespri Organic Green	Zespri Gold3	Zespri Organic Gold3	Zespri Green14	All Pools
Total:													
Total Forecast:													
Total trays supplied (m)	59.5	3.1	98.2	3.0	0.1	0.2	167.8	73.9	3.0	97.7	2.5	0.3	179.7
Kilograms supplied (m)	208.2	10.9	343.1	10.5	0.4	0.7	573.4	259.8	10.4	341.7	8.7	0.9	350.4
Average size per tray	30.5	33.2	27.4	27.9	37.5	35.9		32.6	34.9	27.8	28.1	37.1	
Fruit payments (\$m)	269.9	19.7	715.1	22.3	2.3	1.5	1,063.8	346.6	18.7	763.8	18.0	1.9	1,167.8
Fruit incentives (\$m)	247.2	16.1	639.2	23.0	0.0	0.6	926.1	278.5	16.4	661.3	20.5	1.0	977.8
Service costs (\$m)	89.8	3.6	143.9	3.4	-	(0.0)	242.3	110.7	2.9	157.5	3.2	0.0	274.7
Fruit and service payments excl. loyalty premium (\$m) <sup>12</sup>	607.0	39.3	1,498.3	48.7	2.3	2.1	2,232.1	735.7	38.0	1,582.6	41.7	2.9	2,420.3
Total Forecast per tray (\$):													
Submit payment <sup>1</sup>	2.45	2.45	3.30	3.30	3.30	2.80		2.44	2.45	3.30	3.30	2.80	
Progress payments	2.09	3.86	3.98	4.14	17.02	4.58		2.25	3.80	4.52	3.91	4.36	
Total fruit payments per net submit trays	4.53	6.31	7.28	7.44	20.32	7.38		4.69	6.25	7.82	7.21	7.16	
KiwiStart <sup>2</sup>	0.93	0.71	1.12	1.23	0.00	0.42		0.51	0.85	0.90	0.62	0.56	
Taste Zespri	2.93	4.20	5.14	6.23	0.00	2.29		3.18	4.62	5.81	7.52	3.81	
KiwiGreen <sup>3</sup>	0.24	0.26	0.25	0.25	0.24	0.24		0.00	0.00	0.00	0.00	0.00	
Supplier Accountability	0.04	-0.02	0.00	-0.04	-0.05	-0.19		0.07	0.04	0.07	0.06	-0.40	
Fruit incentives	4.15	5.14	6.51	7.67	0.19	2.76		3.77	5.50	6.77	8.20	3.98	
Pack type	0.47	0.18	0.40	0.45	0.00	0.00		0.42	0.18	0.61	0.37	0.00	
Time payment	1.04	0.96	1.07	0.68	0.00	0.00		1.08	0.78	1.01	0.94	0.00	
Service costs	1.51	1.14	1.47	1.13	0.00	0.00		1.50	0.96	1.61	1.30	0.00	
Class 1 fruit and service payments per net submit trays	10.20	12.59	15.26	16.24	20.51	10.13		9.95	12.72	16.20	16.72	11.14	
Loyalty premium	0.30	0.30	0.30	0.30	0.30	0.30		0.30	0.30	0.30	0.30	0.30	
Class 1 fruit and service payments with loyalty per net submit trays	10.50	12.89	15.56	16.54	20.81	10.43		10.25	13.02	16.50	17.02	11.44	
Less: onshore fruit loss	-0.48	-0.74	-0.95	-0.55	-0.08	-0.10		-0.28	-0.26	-0.34	-0.22	(0.02)	
Fruit loss percentage <sup>4</sup>	4.55%	5.73%	6.11%	3.30%	0.38%	0.92%		2.69%	2.01%	2.07%	1.27%	0.21%	
Class 1 fruit and service payments per gross submit trays	10.02	12.15	14.61	15.99	20.73	10.34		9.98	12.75	16.16	16.80	11.42	
Plus Class 2 Return	0.17	0.30	0.08	0.10	0.00	0.05		0.13	0.35	0.09	0.16	0.01	
Plus Non-Standard Supply (NSS) <sup>5</sup>	0.01	0.02	0.08	0.23	3.91	0.00		0.00	0.01	0.01	0.06	0.00	
Plus Other Income (Non dividend) <sup>6</sup>	0.01	0.00	0.02	0.01	0.02	0.01		0.02	0.00	0.03	0.00	0.02	
Average revenue per gross submit trays	10.21	12.47	14.79	16.32	24.66	10.40		10.13	13.12	16.29	17.02	11.44	
LESS: Post-harvest costs deducted <sup>7</sup>													
Base packing and packaging	-1.78	-1.82	-2.83	-2.95	-3.08	-3.01		-1.65	-1.67	-2.53	-2.51	-2.46	
Pack differential	-0.45	-0.17	-0.38	-0.44	0.00	0.00		-0.41	-0.18	-0.59	-0.36	0.00	
Base cool storage	-1.00	-0.98	-0.99	-0.99	-1.01	-1.01		-0.95	-0.95	-0.95	-0.95	-0.97	
Logistics	-0.17	-0.18	-0.17	-0.15	-0.18	-0.21		-0.15	-0.16	-0.16	-0.14	-0.18	
Time and CC/RK charges	-0.67	-0.49	-0.61	-0.38	0.00	0.00		-0.62	-0.43	-0.54	-0.45	-0.01	
Total post-harvest costs per gross submit trays	-4.08	-3.64	-4.97	-4.91	-4.28	-4.24		-3.78	-3.38	-4.78	-4.41	-3.62	
OGR per gross submit trays	6.13	8.83	9.81	11.42	20.38	6.16		6.35	9.74	11.51	12.61	7.82	
Average industry yield per productive hectare <sup>8</sup>	10,000	7,029	13,797	10,871	1,889	6,081		11,887	6,958	15,295	11,400	6,984	
Number of productive hectares <sup>9</sup>	6,174	466	7,483	285	59	34		6,390	438	6,522	222	37	
OGR per hectare <sup>10</sup>	\$61,304	\$62,075	\$135,377	\$124,107	\$38,501	\$37,437		\$75,494	\$67,752	\$176,026	\$143,772	\$54,609	
Average kilogram per tray <sup>11</sup>	3.50	3.48	3.49	3.50	3.33	3.48		3.51	3.50	3.50	3.50	3.45	
OGR per kilogram	1.75	2.54	2.81	3.26	6.11	1.77		1.81	2.79	3.29	3.61	2.27	

Notes:

- Submit rate presented for Zespri Green reflects Submit rate of \$2.45 for sizes 18-39, and \$2.25 for size 42.
- KiwiStart includes Priority Premium payments. These are period one related payments that apply to fruit shipped in the applicable weeks and vessels.
- KiwiGreen payment is new for 2022/23 season, incentivising on orchard pest management practices. Incentive is paid at \$0.25/TE on qualifying gross submit.
- Fruit loss percentage includes ungraded fruit inventory losses and has been adjusted to align with the levels of onshore fruit loss signalled in the October 2022 OSE.
- Zespri does not procure NSS in all categories, returns are as reported in the Ingham Mora post-harvest survey.
- Other Income may include any Service Level Agreement payments, Class 3 income and interest.
- Post-harvest cost data was compiled by Ingham Mora Limited in October 2022.
- 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. 2021 season Gold3 and Organic Gold3 average industry yields include size 39 volume which has been classified as non standard supply for the 2022 season
- Productive hectare information is sourced from the Grower Services database and includes all hectares described by growers as producing vines.
- Zespri RubyRed Kiwifruit forecast per hectare return, in its first year as a commercial pool, has been influenced by a high proportion of productive hectares returning low yields impacted by vine age. Across the age profile, 8 hectares with a vine age of >2 years returned an average yield of 6,029 trays per hectare and a per hectare return of \$122,882. A further 51 hectares with a vine age of <2 years returned an average yield of 1,212 trays and a per hectare return of \$24,710.
- Average kilograms per tray are derived using the individual size conversions published in the specific season's Pack Conversion Guide.
- Total fruit and service payments reported do not take into the additional onshore fruit loss signalled in the October 2022 OSE. TFSP is expected to be within the range of \$2,200m to \$2,225m once updates to trays supplied are reflected.

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



# GLOBAL EXTENSION TEAM *Updates*

## THE MONTH AHEAD: DECEMBER

FRUIT SIZE

QUALITY

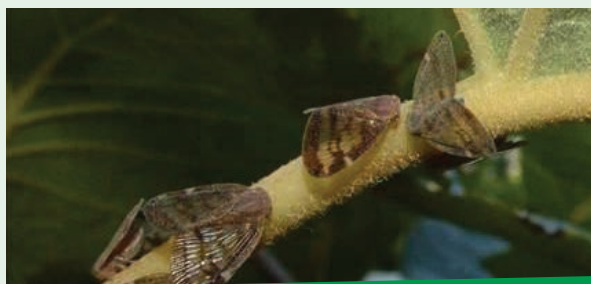
CROP  
PROTECTIONPREPARE  
FOR SUMMER

### FRUIT SIZE AND QUALITY

To date, analysis of orchard-related databases accessible by Zespri hasn't identified any major orchard management practice impacting fruit quality. More analysis is underway. Analysis of growers' thoughts from the Zespri Shed Talks suggested growers felt fruit quality was related to poor harvest practices and possibly seasonal weather conditions.

That said, efforts to reduce fruit variability on orchard are likely to help improve fruit quality. Incorrect trunk girdling technique either too deep or not deep enough may impact fruit quality. When vines are girdled too deep the impact on vine health maybe across multiple harvests. See the photo above for correct girdle depth. Close supervision and regular monitoring of girdle depth is strongly encouraged. Marking previously affected vines to ensure they are not girdled until fully recovered is a sensible practice seen in orchards.

Maintaining consistent open canopies should also help improve fruit quality by preventing fruiting lateral leaves dropping off and reducing stalk shrivel.



### CROP PROTECTION

Post-flowering is the key time for leafroller damage on developing fruitlets. Protect them with two post-flower treatments using an approved insecticide.

- Tropical army worm has been sighted on some orchards. Check for egg masses (like brown cotton wool) usually found under leaves and caterpillars, and treat. A JA from Zespri will be required.
- Keep an eye out for Fall army worm larvae and moth. Infestations will result in significant leaf damage.
- Prune males as soon as possible after flowering as they can be a significant source of sclerotinia, High pressure sites can consider Timorex Gold post flowering (with a Justified Approval (JA)). Check the updated Crop Protection Standard for what's allowed. Check the Sclerotinia Risk Compass (Canopy > Growing Kiwifruit > Pre Harvest Assurance > Pest Management > Sclerotinia Risk Compass) to view your risk factors for sclerotinia on your orchard.
- Passionvine hopper (PVH) eggs will be hatching into nymphs in orchards where they have been historically present. For control options, refer to Canopy > Zespri & The Kiwifruit Industry > Publications > Kiwitech Bulletins > KiwiTech Bulletins: Pest & Disease > NO59.
- Only girdle in dry weather and maintain good tool hygiene with frequent sanitisation of tools.
- AureoGold has been shown to be as effective as copper in controlling Psa leaf spot.



### PREPARE FOR SUMMER

If you are planning to enjoy a summer holiday, make sure your canopy is under control before you head away.

- Leader ripping late shoots from Hayward prevents the development of unwanted canes which are resource-hungry, make poor replacement canes, and can cause significant shading of the canopy later in the season.
- Developing fruitlets have a skin sensitive period (Gold3 ~21 to ~80 days post-fruit set, Hayward about two to three weeks after fruit set for two to three weeks, Red19 30 days after flowering to close to harvest), so avoid canopy work over this period. Rounds of zero-leafing and blind-shoot removal and any thinning should be completed before this. If running late and there is a need to open up dark areas, work can still be done, but more carefully. Prunings can be left in the canopy, however this dead material can contribute to fruit staining later in the season.
- Remember to record your inputs and compost in the Zespri Fertiliser Diary. A significant amount of interest exists on changing fertiliser and spray practices on fruit quality and sound records provide a great opportunity for the Global Extension Team to gain data insights when looking for contributing factors to fruit quality and productivity, which can be shared with growers. It also helps Zespri provide accurate and timely requests for information from customers and regulators.
- Check irrigation systems to ensure all sprinklers or drippers are working well.

## CALCULATING VINE WATER NEEDS

Matching irrigation water use to vine needs can help you to achieve orchard production targets without wasting water or compromising vine health.

Vine water needs increase with canopy area and evapotranspiration (ET) rate. ET is a measure of water lost from the orchard system. This is calculated using weather data like temperature, solar radiation, wind, humidity, 1 mm of ET is equivalent to 1 mm of rainfall or irrigation water.

In the absence of accurate local or orchard-specific data, a seven-day average of the ET data from the Zespri Smart Monitoring orchard weather stations could be used as an indication of likely ET values for that locality. Real-time weather data is available for the Zespri Smart Monitoring orchard sites in Bay of Plenty, Hawkes Bay, and Gisborne at Harvest.com. Use the link below to find and bookmark the weather station closest and most applicable to your orchard, so you can easily view the data regularly.

We recommend that growers continue to measure rainfall for their orchard using their own on-site rain gauges.

For further information and guidance on how ET can be used to calculate your vine water requirements and inform irrigation decisions, along with the site details of each weather station see: Canopy > Growing Kiwifruit > Orchard Management > Nutrition, Soil & Water > Weather station and soil moisture monitoring data.

## GROWER TOURS RETURN



Back row from left: InTae Kim, JongMin Heo, and Andre Rochat.

Front row from left: Dalena Rochat, David Jensen, Leslie Jensen, HanJin Kang, HyeongMin, HyunSoo Lee, JK, HaengPyo Hong, MyungIl Oh, SunHee Ko, KyeongRan Lee, DoMin Choi, HyangRang Kim.

The first grower technical tour since the COVID-19 pandemic began, was held in November with a group of Korean Gold3 growers visiting kiwifruit orchards in South Auckland, Waikato, and the Bay of Plenty.

Previous tours have proved to be a powerful extension and relationship building initiative. The focus was on bee pollination, fertiliser and soil management and spring canopy management. JK Kim and Hyeong Min Roh from Zespri's Korean extension team were accompanied by Bay of Plenty growers Andre and Dalena Rochat who have been supporting the growers for several years.

At the debrief workshop, the growers commented on the professionalism of orchard management, and spent several hours discussing how to adapt what they had learnt to their orchards. An average orchard size in Korea is less than one hectare and most fruit is grown in tunnel house-type structures to protect them against typhoons. Pollination has typically been done artificially with dry pollen.

The Korean growers and the Zespri team wish to thank all their New Zealand hosts and wanted them to know how much they appreciated the information they willingly shared in such a friendly manner.



# NZKGI LEVY UPDATE



In late February 2023, growers will be asked to participate in a referendum concerning the Commodity Levy that funds NZKGI. We are required to undertake a referendum every six years to establish continued support for our funding mechanism.

NZKGI is currently consulting with growers on the future of the organisation for the next levy period. We are listening to your opinion on how you want NZKGI to advocate for you. This consultation will provide us with strategic direction to develop proposals for the upcoming referendum.

At the end of December, growers will be asked for their opinion on the proposals for the upcoming referendum

which will concentrate on the starting levy rate, and the maximum levy rate that it can be raised to, as well as the mechanism for collection.

NZKGI's current levy is 1.1c/tray equivalent. This levy rate can be adjusted up to the maximum of 1.5c/tray equivalent if a majority of growers vote for a levy change at an AGM (or SGM). Under no circumstances can the levy rate be increased above the maximum. The current levy is imposed on kiwifruit grown in New Zealand that is exported to any place other than Australia.

NZKGI encourages you to give us your opinion on the future of our organization. Growers who have feedback for the next levy period are encouraged to contact us by:

- Submitting written comments to NZKGI at **PO Box 4246, Mt Maunganui** or by email to [info@NZKGI.org.nz](mailto:info@NZKGI.org.nz)
- Providing verbal comments to NZKGI by phoning **0800 232 505**
- Requesting a meeting with NZKGI by phoning **0800 232 505**
- Alternatively, give comments directly to the Minister for Primary Industries, Parliament Buildings, Wellington.

More information about NZKGI's advocacy for Growers and this levy referendum is available on the NZKGI website: [www.NZKGI.org.nz](http://www.NZKGI.org.nz)

## COMING SOON TO A SCREEN NEAR YOU



KVH was in Motueka earlier this month filming another biosecurity champion video with Steve from Thomas Bros Orchards.

We talked about the history of the Thomas Bros and the guardianship they have over the land they look after; remembering the early days of Psa and supporting North Island growers; and the important biosecurity best practices that are in place today to keep pests and diseases at bay.

Thanks to Steve and all the Thomas Bros staff who helped us out during filming – we're working on the video and will have a finished product soon.



Thomas Bros Kiwifruit Manager, Steve Thomas.

## KVH ONLINE TECHNOLOGY HELPS YOU STAY AHEAD OF MOTHER NATURE



**KVH's free online Weather & Disease Portal uses a technology platform that gives growers the edge when it comes to weather forecasting and managing pests and diseases.**

Orchard Manager Nikesh Gurung and his Baygold team manage the 74-hectare Southland Orchard near Paengaroa, producing Zespri SunGold Kiwifruit.

He says they have improved their orchard practices, leading to better crop yield and plant health, with the help of MetWatch – an online tool that uses scientific-grade weather stations and pest and disease models to provide insight for decision support.

Nikesh uses the tool "at least once a week" on his laptop or smartphone by logging onto the KVH portal, available to all kiwifruit growers.

"There are multiple data types available, including winter chill units, and all of it is crucial information for giving you an indication of what next season's challenges will be and for planning around the use of coppers and antibiotics for management of diseases like Psa," he says.

"As the temperature rises and we approach summer we usually decrease the frequency or amount of [Psa protectant] applications, but if the Psa model in MetWatch says there is an increased risk of the disease due to a weather event it definitely helps to justify an extra application."

The Southland Orchard Nikesh manages for Baygold is situated 15 km inland from the Western Bay of Plenty coastline on soil rich in pumice-ash. The kiwifruit grown, as in many other places, requires high volumes of water to ensure top market quality fruit.

Having accurate weather data is critical, so Nikesh worked with Hortplus – the company behind MetWatch – to connect an on-site weather station to MetWatch.

"I was really excited to be able to use our on-site weather station and link that into the MetWatch portal to give me really precise and location-specific data," he says.

"It's definitely adding value. The other day it rained for a long time but it was quite light. The weather station showed we'd only had 0.9 mm on our orchard, but we'd all thought it was a lot more. The plants need 5 or 6 mm to be really productive on our land so we decided to irrigate – we might not have done that if we didn't have access to the data."

The data in MetWatch is easy to interpret, regardless of technical ability, and regular email reports can be set up to make sure key information is sent directly to a user's inbox.

"Everyone in our management team uses it. It helps us all stay aligned in our thinking and just having the technology gives us a fair idea of what to expect," says Nikesh.

Baygold also harnesses the data in MetWatch to help demonstrate sustainability outcomes to local government and to support any Justified Approval (JA) requests it makes to Zespri for the use of any non-standard products on their orchards, including for field trials.

Nikesh says technology like MetWatch is the latest in a long line of technology innovations that have been driving the New Zealand industry forward since the 1990s.

"We've made huge progress as an industry in terms of how kiwifruit is grown and how it's developed, and we've seen a whole lot of new varieties.

"Having the right tools helps us to work smarter and make good decisions."



Baygold Orchard Manager, Nikesh Gurung.



# 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

### If I have been frosted. How do I manage my pest monitoring?

If you believe you've got significant losses due to frost please talk to your post-harvest facility about how they can manage pest monitoring for the 2023 season.

### If I now have a block that is not producing due to the frost, what do I need to do?

To ensure our crop estimates are accurate, the block status in the Spray Diary will need to be updated to non-producing. You can do this online in the Spray Diary system, via your post-harvest entity, or by calling the Grower Support Services Team on 0800 155 355.

### My Spray Diary won't accept my Growsafe Number. Why is this?

The latest Growsafe certificate numbers are issued in the format S-XXX-XXX. The Spray Diary system cannot recognise characters (such as dashes) or spaces. When entering your Growsafe number, enter it in the format SXXXXXX (for example, Growsafe Number S-123-456 should be entered in as S123456). If you are getting an error message saying that your Growsafe certificate has expired, contact Grower Support Services on 0800 155 355 to update your details.

## UPCOMING *events*



## ZESPRI GROWER ROADSHOWS

A shortened round of roadshow meetings has been added to supplement the presentations at the Mystery Creek Fielddays. A full Zespri roadshow round will then follow as usual after the February Board meeting.

Please join our Chief Grower, Industry and Sustainability Officer, Carol Ward for updates on the season forecast, quality review, and licence review decision. These meetings will be held in person, with an option to join online for the Te Puke roadshow only. Please register for your preferred location here: <https://events.zespri.com/zespri-december-grower-roadshows/registration/Site/Register>.

If you have any questions, contact Rachel Dovaston on [rachel.dovaston@zespri.com](mailto:rachel.dovaston@zespri.com).



**Nelson**  
11.30am-1.30pm  
Motueka Top 10 Holiday Park, 10 Fearon Street, Motueka



**Kerikeri**  
9am-11am  
Turner Centre, 43 Cobham Drive, Kerikeri



**Te Puke and Live Stream**  
9am-11am  
The Orchard Church, 20 MacLaughlin Drive, Te Puke



## STUFF THE BUS



**Stuff the Bus is travelling the streets of Tauranga, collecting non-perishable food items and presents to be gifted to local charities.**

Zespri are hosting the bus at the Waipuna Hospice Charity Shop in Te Puke on **Wednesday 7 December** from **11am to 1pm** where you can come and stuff the bus with your donations. If you want to organise a drop-off earlier, please contact Devon Bannister, Tours and Events Coordinator, at [devon.bannister@zespri.com](mailto:devon.bannister@zespri.com).



## ORGANICS TOWN HALL



Zespri will be hosting a special Organics Town Hall on **Monday 12 December** from 5-7pm at the Zespri Head Office, where we'll discuss the November forecast in more detail, provide a market and quality update, and respond to your questions.

For those unable to join our Organics Town Hall in person, you can also join us online and ask questions via Teams — we'll be emailing you a link prior to the event. Please RSVP to [organics@zespri.com](mailto:organics@zespri.com) or [teresa.whitehead@zespri.com](mailto:teresa.whitehead@zespri.com) to confirm whether you'll be joining us in person or online.

# INTRODUCING NEW HEAD OF MĀORI ALLIANCES - TE ŪPOKO O NGĀ KĀHUI MĀORI

We're pleased to announce that Kiriwaitangi Rei will be joining Zespri as our new Head of Māori Alliances - Te Ūpoko o ngā Kāhui Māori.

Kiriwaitangi (Te Arawa/Ngāti Awa) has a long association with the kiwifruit industry. A trained lawyer, she is currently CEO of Māori Investments Limited, leading the investment business and kiwifruit orchards into strong OGR performance and winner of the 2022 Bance Farm Environment Regional Supreme Award. She is Deputy Chair for Māori Kiwifruit Growers Inc and on the Zespri Sustainability Advisory Board, alongside other governance roles.

"In the Head of Māori Alliances role at Zespri, Kiriwaitangi will be focusing on three important areas," says Zespri Chief Grower Industry and Sustainability Officer, Carol Ward.

"She'll be supporting our internal company, executive and board cultural connection with Te Ao Māori; strengthening our partnerships with Māori stakeholders in the industry and with key iwi leaders; and facilitating the growth of value through to Māori growers in partnership with the industry, through driving mutually beneficial outcomes.

"We look forward to seeing the valuable contribution Kiriwaitangi will make to our organisation in her capacity as Head of Māori Alliances," says Carol.



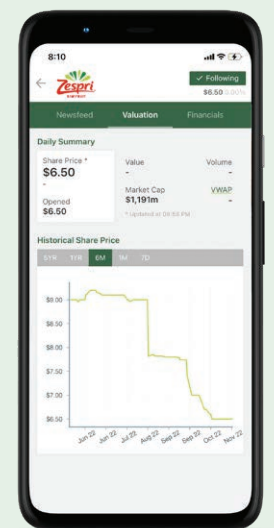
Zespri's new Head of Māori Alliances, Kiriwaitangi Rei.

## JOIN REAP APP FOR ZESPRI SHARES ANNOUNCEMENTS

Zespri has its own shareholder app on the Reap platform. Join up and follow Zespri to receive notifications of all announcements and events, like Chairman and CEO industry updates, *Kiwiflier* and published documents such as the *5-Year Outlook*.

The app also contains share price information, financial results and other useful content.

You can download Reap for free from the Apple App and Google Play stores.



**NOTE: We'll have one more *Kiwiflier* issue for the year, to be published before Christmas.**

Zespri's New Zealand office will close for the Christmas break from 3pm on Thursday 22 December and will reopen on Monday 9 January. There will be no New Zealand staff on site during this time. It's a great opportunity for most of our team to spend some quality time with family and friends, and to recharge ourselves over the summer holiday season.

THIS IS A ZESPRI INTERNATIONAL LIMITED PUBLICATION.

FOR FURTHER INFORMATION OR FEEDBACK PLEASE CONTACT: THE ZESPRI GROWER SUPPORT CENTRE (0800 155 355) P.O. BOX 4043, MOUNT MAUNGANUI. TEL: 07-572 7600, FAX 07-572 7646 [www.zespri.com](http://www.zespri.com) [canopy.zespri.com](mailto:canopy.zespri.com) EMAIL: [contact.canopy@zespri.com](mailto:contact.canopy@zespri.com)

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