



**P3: 2024 LICENCE
RELEASE UPDATE**



**P5: FROM THE
MARKETS**



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THE COMMUNITY**



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THE FIELD**

ZESPRI BOARD CHAIRMAN BRUCE CAMERON TO STEP DOWN

Zespri Board Chairman Bruce Cameron will step down in February after five years in the role, and will retire as a Director of Zespri at company's next Annual Meeting in August 2024.

Bruce has been on the Zespri Board of Directors since 2010, moving into the Chairman's role in February 2019. The Zespri Board has unanimously elected grower-director Nathan Flowerday as Chairman-Elect, who will take over as Chairman following next February's Board Meeting. Nathan has been involved in the kiwifruit industry for more than 25 years and has been a Director of Zespri since 2012. He's also a Director of the Kiwifruit Breeding Centre – a joint venture between Zespri and Plant & Food Research.

CEO Dan Mathieson says on behalf of Zespri he'd like to thank Bruce for his tremendous contribution to the kiwifruit industry.

"Bruce joined the Board just before Psa hit, and his leadership in responding to that challenge and the many we have faced since has helped deliver some outstanding results for growers.

"As Chairman, Bruce has overseen a number of key strategic decisions Zespri has made in recent years to create sustainable long-term value for the industry," says Dan.

"This has included the expansion of our innovation work and the growth of SunGold Kiwifruit, the focus on securing world-leading market-based talent to enhance our local sales and marketing programmes so that we can secure more value, and modernising Zespri's digital infrastructure and platforms through the Horizon Programme.

"He helped steer us through the significant challenges of recent seasons while setting the strategy for our medium and long-term

growth, and has been an incredibly strong voice for growers as we have continued our work to further develop as a world-class organisation.

"I also want to congratulate Nathan on his appointment and look forward to working closely with him to address the important challenges and opportunities in front of us to maximise the value we return to growers in the years ahead."

Reflecting on his time as a Director and on his Chairmanship, Bruce Cameron says: "I've long maintained that it's not just enough having great fruit on the vines. You also need to have great people to move it, store it and sell it. The fantastic people within our industry will continue to drive our success, and I've appreciated the many discussions I've had with growers and industry colleagues who have shared when we've got things right and when we haven't. Together, we've built a strong track record of success, with our unique industry structure providing the scale to withstand a number of headwinds and a strong platform to chase the many opportunities we now have in front of us."

He adds that he's delighted to see the Board unanimously endorse Nathan Flowerday as the next Chairman of Zespri.

"Nathan brings great experience and a strong understanding of the needs of our industry, having served on the Board for more than a decade, and I look forward to working with him for the remainder of my term as a Director."

Chairman-Elect Nathan Flowerday says he's looking forward to continuing to serve the industry in his new role when he succeeds Bruce next year.

"It's a real privilege to have the support of the Board to take on

the role of Chairman next year and I want to thank Bruce for the immense contribution he's made to our industry. Zespri is an organisation created by New Zealand growers for New Zealand growers, and keeping growers at the centre of our decision-making will continue to be our focus.

"We have an industry structure that provides a strong platform from which to maximise the value we're returning to growers and I look forward to continuing our work to do that," says Nathan.

"Together, we've built a strong track record of success, with our unique industry structure providing the scale to withstand a number of headwinds and a strong platform to chase the many opportunities we now have in front of us,"

**Outgoing Chairman,
Bruce Cameron.**



"Zespri is an organisation created by New Zealand growers for New Zealand growers, and keeping growers at the centre of our decision-making will continue to be our focus."

**Chairman-Elect,
Nathan Flowerday.**



DECEMBER BOARD UPDATE

The final meeting of the Zespri Board of Directors was held in December. Key elements of the meeting included:

2024 LICENCE RELEASE PROGRAMME

Zespri has received significant feedback from the industry on next year's licence programme. This has included discussion on expected yields, the need to deliver consistently high-quality fruit, and onshore supply chain capacity constraints. The Board has taken this feedback into account as part of its annual review process and has approved a reduced licence release programme in 2024.

In summary, a total of 250 hectares of Zespri SunGold Kiwifruit licence will be released in 2024. This is a reduction from the 500 hectares signalled in the 2023 Outlook document published in December 2022. There will be no release of RubyRed Kiwifruit licence in 2024 as we consolidate our understanding of fruit performance including size, yields and storage and focus on driving strong run rates as volumes grow next season. Further detail regarding the licence release is provided on page 3 of this issue of *Kiwiflier*.

SHAREHOLDER ALIGNMENT INITIATIVES

The Board approved the first tranche of initiatives designed to strengthen grower shareholding of Zespri. These are covered in more detail on page 2 of this issue of *Kiwiflier*.

2024 OUTLOOK AND FIVE-YEAR FORECAST RANGES

The Board has also approved the publication of the 2024 Outlook. This provides an overview of Zespri's Five-Year Plan, covering the five-year period through to

2028/29 and provides a snapshot of how our medium-term strategy will be implemented along with some of our medium-term challenges and opportunities.

The Outlook also includes the following forecast OGR ranges for this five-year period:

- For Green, the forecast range is \$7.00 - \$9.00 per tray.
- For Organic Green, the range is \$9.50-\$11.50 per tray.
- For SunGold Kiwifruit, the range is \$9.50-\$12.50 per tray.
- For Organic SunGold Kiwifruit, the range is \$11.00-\$14.00 per tray.
- For Zespri RubyRed Kiwifruit, the range is \$10.50-\$16.50 per tray once volumes exceed 3 million trays.

These ranges reflect both the upside and downside opportunities and risks over the five-year period. The *Five-Year Outlook* document will be made available on Canopy and on Zespri's website before Christmas.

BEST WISHES FOR THE FESTIVE SEASON

Thank you to all growers, Zespri staff and the wider kiwifruit industry for their support this year. We acknowledge it has been another challenging year. We look forward to the coming season where we hope to have a much larger, high-quality crop.

We wish you all a safe and relaxing festive break with family and friends.

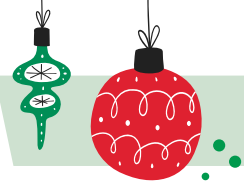
FIVE-YEAR OUTLOOK AVAILABLE SOON ON CANOPY

The latest *Five-Year Outlook* document will be made available on Canopy and on Zespri's website before Christmas.

The Outlook presents an overview of Zespri's Five-Year Plan, which is updated annually and has been approved by the Zespri Board, with this edition covering the period from the 2023 harvest season to 2028. It identifies some of the key challenges and opportunities ahead and provides a summary of how Zespri's medium term strategy will be implemented over the next five years, as well as providing indicative OGR ranges.

There will be further discussion of the Five-Year Plan in our next round of Grower Roadshows in February 2024.





DAN'S VIEW

Update from the CEO

Hi everyone,

As we prepare for the Christmas break I want to pass on my thanks for the incredible effort you've put in across what's been a really challenging year.

The focus on quality right across the supply chain has meant we've made some important progress in reducing our fruit quality costs this season, which was our most critical priority. That's reflected in the increased value we've been able to return to growers outlined in the November forecast and it's been pleasing to end the year with this positive news.

While it's a good start, we still have a big job ahead in continuing to reduce quality costs next season given the increased fruit volumes we're expecting. There's been considerable planning put into making sure we're doing everything we can to have a smooth consistent flow of high-quality kiwifruit throughout the season and this will again require a collective effort across the supply chain. With more fruit next season, it's absolutely critical we start the season strongly so that we can both maximise our supply chain efficiency and make the most of our early-season sales opportunities.

It's been encouraging to see our ZGS fruit performing well, with all of our major markets performing strongly and in some cases delivering record sales results. Our Northern Hemisphere supply plays an important role in keeping our brand in front of consumers and with less New Zealand fruit available this year, it's allowing us to fill shelf space ahead of our European competitors. How we continue to develop our ZGS programme remains an issue for industry consideration as we move closer to our 5,000-hectare threshold for offshore plantings and this will likely be a discussion we'll continue to have throughout 2024.

Zespri's Board has also approved the Five-Year Plan and forecast ranges, and confirmed that we'll be releasing a reduced 250 hectares of Zespri SunGold Kiwifruit licence in 2024. There's been a lot of industry feedback around preferences for licence release and we know there remain varying views on this. The scaled back release of licence allows us to balance current supply chain constraints and over the longer-term, lift our volumes as we look to meet the growing demand for our fruit. Additional licence release in future years will be dependent on improved quality and associated quality costs and suppliers indicating they will increase investment in additional capacity beyond that already signalled.

You will have also seen the news that Bruce Cameron will be retiring as Chairman, with Nathan Flowerday stepping into the role after next February's Board meeting. I've had the pleasure of working closely with Bruce for a number of years and what's been evident is his genuine passion for the industry and the people within it. As a long-standing grower himself he understands that our most critical role at Zespri is to support our growers and he's played a significant role in setting a strategy that's enabled us to grow the value we're returning to growers, despite some significant challenges in recent years. Bruce's retirement from the Board in August 2024 will also provide an opportunity for other growers to consider standing as a Grower Director.

With demand remaining strong for our fruit, our focus in 2024 will again be on making sure that we're able to have successful harvest, including establishing the right incentives that support consistently great fruit throughout the season and allow us to start the season well. We'll also be continuing our discussions with the industry on the key issues we're facing through our Industry Alignment project and building on the work we've done through the back half of this year to better understand your views.

Thanks again for all your efforts this year and the feedback we've received throughout the year. On behalf of our team at Zespri, best wishes for a safe and relaxing festive break with your friends and family and I look forward to what we hope is a successful 2024.

Merry Christmas.

Dan



Interested in hearing more from Dan?
You can see more regular updates on LinkedIn, so feel free to follow him there.



Industry Alignment



Industry Alignment is the framework for our industry to prioritise and then work together to address the important challenges and opportunities in front of us. Its aim is to bring the industry together to maximise value, from orchard through to market and to ensure growers can take part in an ongoing, transparent conversation on how we do that.

Work has continued on developing the Industry Alignment roadmap and timeline for how we work through key issues that growers and the wider industry have identified as those we need to focus on. This month we have an important update on initiatives being considered to improve grower ownership of Zespri and perspectives on unauthorised Gold3 plantings from growers who visited recently as part of the Industry Advisory Council visit.



SHARE ALIGNMENT UPDATE

The Zespri Board this month approved the first tranche of initiatives designed to strengthen grower shareholding of Zespri. This follows extensive industry engagement throughout the year on how to increase the number of growers that own shares and how to improve shareholder alignment.

There is a strong desire from the industry to make share trading easier, with growers keen to avoid shareholder initiatives that are mandatory or require large one-off payments.

From 2025, Zespri intends to offer growers the opportunity to receive their June loyalty payment (relating to the 2024 harvest season) as shares, subject to further consultation with and support from the Industry Advisory Council (IAC) regarding changes to the Loyalty Agreement. The Loyalty Agreement is a sharing of Zespri profit back to growers by way of a minimum payment of \$0.25 per Class 1 trays supplied to Zespri. The Terms and Conditions of the Loyalty Agreement is governed by the IAC and the proposed changes will allow Zespri to facilitate the direct issue of shares (in lieu of cash loyalty) to growers.

Zespri also intends to offer shareholders the ability to reinvest dividend payment as shares. This means that growers who are shareholders can opt to receive shares in lieu of a dividend payment.

Both of these initiatives would be provided on an opt-in basis, with the January loyalty payment remaining a cash payment. This is designed so growers who choose to can improve their shareholding in the easiest way possible.

The Board has also confirmed that Zespri will remain listed on the USX and will seek to utilise a Continuous Product Disclosure Statement (PDS) to support future share issues and potential buybacks. This would ensure that growers can make informed decisions when choosing whether or not to purchase shares through providing up to date information on the business, its initiatives and key risks.

Zespri does not intend to conduct a share buyback in relation to dry/overshared shares.



CHINA UNAUTHORISED GOLD3 PLANTINGS

In September, a group of growers joined Zespri Chief Executive Dan Mathieson, NZKGI CEO Colin Bond and IAC Chairperson Tony Hawken as part of an Industry Advisory Council visit to observe unauthorised G3 plantings in China. This provided an opportunity for growers and industry leaders to see first-hand the scale of development underway in China.

Katikati grower Phillipa Wright noted that the scale of the unauthorised G3 plantings – now estimated to be around 7,850 hectares – is quite confronting and has doubled since 2020.

"Quality standards have risen at a surprising rate, with some orchards operating very professionally and using New Zealand techniques such as stringing," says Phillipa.

"Some of the fruit is high quality although productivity is much lower, and the fruit size is still much smaller at this point."

On a number of orchard's visited, soil conditions were very challenging with high water tables and very "sticky" soil, and it was surprising that the orchards were so vigorous.

Nelson grower Phil Jones commented that China has also gone through a transition in recent years.

"While foreign imported fruits were once considered the pinnacle due to their food safety record and commanded a consumer premium, today locally grown Chinese fruit are now more positively received by consumers.

"In some cases, this includes social media sales direct from orchards."

Phil also observed that many of the unauthorised G3 growers were entrepreneurial, educated, innovative, and hungry to improve.

The impact of these plantings is most challenging later in the Zespri sales season as the Chinese crop is harvested from mid-September. Pricing is typically at a 30 per cent discount which has potential implications on Zespri's own pricing and ability to capture value in the longer term.

The group also visited packhouse operations and witnessed quality unauthorised G3 being packed into competitor branded trays.

The visit also included meetings with representatives from Driscoll's – the USA-based company behind the world's leading berry brand who have extensive commercial plantings in China – as well as Zespri's distribution partners in China.

Many members of the group have given presentations in the industry of their observations and early thinking on what the way forward could look like, but it's still very early days.

Seed Law in China has been updated to provide greater protection for Plant Variety Rights. In addition, China Food Safety Standards were updated in 2022, with Maximum Residue Levels in many cases even stricter than in New Zealand, with testing on local fruit in China showing strong adherence to these high standards.

"The clear message is that doing something in this situation comes with risks and opportunities - but so does doing nothing, as the world doesn't stand still," says Phillipa.

Unauthorised G3 plantings will be a priority topic within the Industry Alignment framework, and finding a way forward will be a key topic of industry discussions in 2024.



Nelson grower Phil Jones surveys unauthorised G3 fruit on the vine.



Unauthorised G3 on-orchard.

KEY THEMES



IMPROVED FINANCIALS: Strengthening returns across all varieties, but particularly for Green growers and reducing fruit waste so we maximise the amount of fruit we sell.



IMPROVED INCENTIVES: Aligning commercial incentives to our growing environment and customer expectations.



GREATER OWNERSHIP: Lifting grower shareholding of Zespri and increasing the number of growers owning a licensed variety.



ENHANCED SUPPLY CHAIN TRANSPARENCY:

Including better reporting, industry decision making, more clarity and flexibility in supply agreements, and a clear strategy for supply chain infrastructure development.



FUTURE ISSUES MANAGEMENT:

How we respond to the expansion of unauthorised Gold3 plantings in China, protect industry workers from exploitation, respond to climate change, and ensure offshore production supports our domestic industry too.



2024 LICENCE RELEASE UPDATE

Updates to Zespri's 2024 licence release were announced at the December Board meeting, with a reduced licence release programme approved for 2024. The decisions follow significant feedback from the industry on the 2024 licence release, including discussion on expected yields, the need to deliver consistently high quality fruit, and onshore supply chain capacity constraints.

"Market demand continues to be strong for both Zespri SunGold and RubyRed Kiwifruit," says Zespri CEO, Dan Mathieson.

"However, Zespri's Five-Year Plan – which was approved at the December Board meeting – must also focus on the supply side and take into consideration the various onshore challenges that our industry will be facing over the next couple of years, including post-harvest capacity constraints, environmental factors, labour availability, and the need to continue focusing on fruit quality."

Following consultation with post-harvest operators on packing and coolstore capacity and also forecast yields, the Board is comfortable that the 2024 release will not significantly impact

the industry's ability to manage the crop for the next couple of seasons.

"Additional onshore packing and coolstore capacity will need to be built in the coming two to five years to absorb that future growth, with post-harvest indicating that increased volumes and revenue are required to support further investment," says Dan.

"We recommend growers work with their post-harvest partners to understand their future packing and coolstore capacity prior to making any licence-purchasing decisions."

KEY UPDATES



ZESPRI SUNGOLD KIWIFRUIT

- A total of 250 hectares of SunGold licence will be released in 2024. This is a reduction from the 500 hectares signalled in the 2023 Outlook document published in December 2022.
- 150 hectares will be available through a Restricted SunGold Kiwifruit (Hayward/Green14 Cutover) allocation.
- 100 hectares will be available in an Unrestricted SunGold Kiwifruit allocation.
- The Board has confirmed its expectation for indicative 2025 licence release of 350 hectares of SunGold, of which 200 hectares is for the Restricted SunGold (Hayward/Green14 cutover) allocation, and the remaining hectares to be made available via the Unrestricted SunGold allocation. This is subject to annual review, improved quality and associated quality costs in 2024, and suppliers indicating they will increase investment in additional capacity beyond that already signalled.
- From 2026 through to 2028, the Board has approved an indicative range of between 350 – 500 hectares of SunGold licence per year, subject to annual review and the conditions outlined above. A portion of this range may be made available for the Restricted SunGold (Hayward/Green14 cutover) allocation.
- There will be no release of Organic SunGold licence in 2024 due to sufficient supply.

The decision to continue with a Restricted SunGold (Hayward/Green14 cutover) allocation supports the aim of lifting Hayward returns through lower Hayward crop numbers and reduction in cropping hectares in the short term to help alleviate some supply chain capacity risk.



ZESPRI RUBYRED LICENCE

- There will be no release of RubyRed Kiwifruit licence in 2024 as we consolidate our understanding of fruit performance including size, yields, and storage, and focus on driving strong run rates as volumes grow next season.
- The Board expects to release 100 hectares of RubyRed licence in 2025 and expects to release between 100-300 hectares each year from 2026 through to 2028, subject to annual review.

"The markets are still learning how best to position RubyRed and how to increase the velocity of run-rates (sales per week) as the volume increases, while at the same time continuing to deliver premium price and returns," says Dan.

"Time taken to also learn about yields, sizes, softness, and storage of RubyRed will help build confidence for further licensing in future years."

Despite the decision to halt the RubyRed licence release for a season, we understand the need for some growers to finish off their RubyRed blocks. As with SunGold, we will have a Finishing Off Blocks (FOB) option for growers to take up small areas (refer to the separate article on this on page 4).

ASCENDING PRICE-OPEN AUCTION TO CONTINUE

The 2024 release will again be run by way of an ascending price-open auction due to the positive feedback received from growers. Auctions were introduced to ensure we address key grower concerns around price equity (all bidders pay the same price), and transparency (knowing what 'the market' is doing during the process).

OPENING PRICE

The 2024 opening price for both SunGold auctions will be based off the final closing price in 2023 with a 33.3 percent discount applied to each of the SunGold pools.

Restricted Zespri SunGold Kiwifruit (Hayward/Green14 cutover)	\$393,000 (excluding GST)
Unrestricted Zespri SunGold Kiwifruit	\$406,000 (excluding GST)

Please note that from 2024 onwards all licence prices will be communicated excluding GST, in keeping with other business to business transactions in New Zealand. Previously, prices were GST inclusive because this saved a manual calculation step for growers during the paper-based tender system.

INTRODUCTION OF AN ONLINE APPLICATION FORM VIA INDUSTRY PORTAL

Following the successful 2023 ascending price-open online auction for the licence release, a review has taken place to highlight areas of continual improvement to help increase the overall experience for the upcoming 2024 season.

For the 2024 licence release, we will be implementing mandatory online application forms. The application forms will be available on the Industry Portal in mid-February when the application window opens.

Growers can log in and select the auction they want to apply for. The system will pull through key information directly from our grower database which then pre-populates the form – essentially filling in the majority of the grower's application form.

Note that the solution isn't an end-to-end digital experience – bidders will still need to print out, sign, and scan and email the completed application forms to Cooney Lees Morgan for validation. However, pre-population of a lot of the fields will allow for an easier and simplified experience when completing the forms in the first instance.

5-YEAR PLAN PROPOSED HECTARES TO BE RELEASED

LICENCE RELEASE		2024	2025	2026	2027	2028
SUNGOLD	Unrestricted	100	150	Between 350-500	Between 350-500	Between 350-500
	Green cutover	150	200			
	TOTAL	250	350			
RUBYRED	Unrestricted	0	100	Between 100-300	Between 100-300	Between 100-300

Note: 2025-2028 are subject to annual review, and 2025 is subject to suppliers confirming additional investment in supply chain capacity. For 2026-2028, a portion of the 350-500 hectares may be for Green cutover (Hayward or Green14).

BROAD TIMELINE

DATE	DETAILS
Late January 2024	Deadline for creating new KPINs (KPIN registration for new developments or subdivisions).
Mid-February 2024	Gold3 Licence Application Overview and Rules and supplemental information is published.
Mid-February early March 2024	Bidder application window open and pre-approval of bidders undertaken by Cooney Lees Morgan.
April 2024	Cooney Lees Morgan notifies successful applicants of Approval to Bid.
6 and 8 May 2024	Auctions run. <ul style="list-style-type: none">Restricted SunGold auction commences at 9.00am on 6 May 2024Unrestricted SunGold auction commences at 9.00am on 8 May 2024.

Note: The above dates are proposed and may be subject to change.

SUPPORT WILL BE AVAILABLE TO GROWERS

Our aim is to provide bidders with enough information that they can participate confidently in the process either via the online auction or through a pre-set bid.

We have a team ready to help growers with the online application forms via the Industry Portal for anyone who needs it.

Supporting materials and FAQs will be available to growers as they are developed and will be accessible on Canopy.

For any questions on the 2024 licence release, contact the Zespri Licence Team on 07 572 6440 or email us at new.cultivars@zespri.com.



SUNGOLD LICENCE RELEASE RULES

The SunGold Restricted (Hayward/Green14) cutover pool:

- ✓ This pool will be allocated 150 hectares in 2024.
- ✓ Bidding will be in an ascending-price open auction.
- ✓ Applicants must provide a KPIN at the time of application.
- ✓ The area being cut over must have supplied Hayward or Green14 fruit to Zespri for the last two years.
- ✓ Maximum bid per bidding entity is three hectares per KPIN.
- ✓ A bidder must be the landowner or lessee of the orchard being bid on (with a lease of at least seven years to run at the time of application).
- ✓ A GPS map is required to be supplied with every application.
- ✓ The licence will have to be planted in full on the KPIN associated with the application, and will not be able to be grafted on other orchards/KPINs.
- ✓ The ‘use it or lose it’ two-year rule applies with planting or grafting required before 31 January 2026.

The SunGold Unrestricted (Open) pool:

- ✓ This pool will be allocated 100 hectares in 2024.
- ✓ Bidding will be in an ascending-price open auction.

- ✓ Applicants must provide a KPIN at the time of application.
- ✓ Maximum bid per bidding entity is 10 hectares per bidding entity (can be across multiple KPINs).
- ✓ A bidder must be the landowner or lessee of the orchard being bid on (with a lease of at least seven years to run at the time of application).
- ✓ A GPS map is required to be supplied with every application.
- ✓ The licence will have to be planted in full on the KPIN associated with the application and will not be able to be grafted on other orchards/KPINs.
- ✓ The ‘use it or lose it’ three -year rule applies with planting or grafting required before 31 January 2027.

Additional rule changes:

- To allow a slight oversubscription of the Restricted Pool auction (up to 5 per cent oversubscription)
- Cooney Lees Morgan will not be submitting pre-set bids on applicants’ behalf. However, bidders can still enter pre-set bids themselves into the auction software up until the beginning of the auction.
- Introduction of an online application form via the Industry Portal to help bidders with the Bidder details.

FINISHING OFF BLOCKS

SunGold Finishing off Blocks and Shelterbelt (FOB)

The 2023 Finishing off Blocks and Shelterbelt removal rules will largely remain the same for the 2024 season. However, the price for the 2024 FOB licence will be set after the 2024 Unrestricted SunGold auction has finished, which will then become the new FOB price.

For more information on the FOB process and rules, please refer to the ‘Managing Your Licence’ page on canopy and click through to the current ‘Finishing off Blocks’ section: [Canopy > Supply and Operations > Your orchard business > Licences > managing your licence](#).

RubyRed Finishing Off Blocks and Shelterbelt removal

Due to no hectares being released in 2024 for RubyRed, the Board has approved a RubyRed

FOB allocation similar to the current SunGold FOB process. This will give RubyRed growers the ability to obtain small amounts of licence for genuine instances of finishing off existing blocks, and accommodate structural changes and shelterbelt removal.

Small parcels of licence (up to 0.3 hectares) will be able to be purchased at \$33,043 (excluding GST) being the closing price for the 2023 RubyRed licence auction. This FOB process will be available all year starting from February.

The FOB process will give growers the certainty of a fixed price for small parcels. The eligibility criteria is similar to the SunGold FOB process. This information will also be available on Canopy in February. Growers taking advantage of the process need to demonstrate their eligibility when they apply for this licence type.



More information around the Finishing of Blocks (FOB) process:

- A new process will be available all year round for genuine RubyRed finishing off blocks.

- The price will be fixed to assist growers with planning.
- Rules will be published to industry in February 2024.

GUIDE TO PREPARING FOR A SUCCESSFUL 2024 SEASON

The 2024 crop volume is expected to deliver the most significant uplift in volume across varieties that the industry has experienced. This follows two challenging seasons which did not deliver the anticipated volume growth, and where grower returns have been impacted.

The industry has made changes to the commercial and operational levers to prepare for a successful season from a harvest, packing, shipping, and market sales perspective.

Zespri Head of Grower and Industry Relations, Glen Arrowsmith says that delivering top quality fruit to meet demand throughout the season will be really important to ensure a successful 2024 season.

“It is critical that harvest is smooth and orderly, and that good practices are followed to set the season up for success, and avoid unnecessary risk to fruit quality.

“A key part of Zespri’s planning for the 2024 season is scenario modelling,” says Glen.

“Extensive planning across a range of crop supply scenarios has been undertaken, and in addition to modelling the base plan through the end-to-end supply chain, a number of possible alternative supply scenarios are being considered and modelled to ensure informed and reliable contingency planning.”

Variable factors being modelled include volume, crop timing, attributes such as Dry Matter (taste), and weather conditions during harvest. This enables Zespri and the industry to react nimbly, minimising any negative impact on grower returns should any external factors (such as weather events) or unintended consequences arise ahead of, or during, the season.

KEY PRINCIPLES



Preserve a high standard of fruit quality being delivered to the customers and consumers in-market from season start to finish



Ensure a successful early start to capture high returning market opportunities and optimise sales run rates at the beginning of the season



Remove unnecessary complexity throughout our supply chain



Industry collaboration and clear, timely communication.

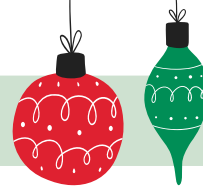
KEY CONSIDERATIONS FOR GROWERS

	Variety	Purpose	Action
Taste Zespri changes	Conventional Zespri SunGold Kiwifruit	<ul style="list-style-type: none">• The reduction in the maximum taste payment aims to get taste and quality working together, avoiding the impact on fruit quality as a result of growers waiting to harvest fruit that has reached optimal maturity. Reverting to the 2022 taste Zespri payment curve for both conventional and organic SunGold also aims to reduce harvest delays.	<ul style="list-style-type: none">• Consider harvesting your SunGold crop once it clears and reaches optimal maturity.• Avoid high crop loads which can impact timing and the ability to clear the Minimum Taste Standard (MTS) for export.
	KiwiStart All	<ul style="list-style-type: none">• Capture additional value for all growers through getting sales programmes started early, at a time when markets typically have less competition. This also supports markets to get improved in store placement and display to help drive sales. KiwiStart fruit also reduces the pressure on harvest, packing, and cool store capacity.• KiwiStart incentives aim to provide an appropriate level of incentive to ensure early and consistent flow of fruit during the start of harvest.	<ul style="list-style-type: none">• Proactively test your fruit maturity and look for opportunities to clear fruit early and qualify for incentives.• Review the KiwiStart and Time incentive rates and evaluate the options for your crop.• Use the OGR calculator to help make harvesting decisions https://canopy.zespri.com/full/dashboard/tools-and-resources/calculators/oqr
Minimise crop variability	All	<ul style="list-style-type: none">• Reduce variability in your crop to support improved quality outcomes.	<ul style="list-style-type: none">• Identify stressed and young replacement vines in established blocks and remove their fruit pre-harvest to reduce soft fruit. Manage crop load. Growers should discuss this with their post-harvest representatives and Zespri.
Optimise harvest practices	All	<ul style="list-style-type: none">• Achieve a quality harvest and minimise fruit damage during picking.	<ul style="list-style-type: none">• Review the harvesting practices supported by the “Kiwifruit Harvesting Guide” and training resources available on Canopy.
Select picking	Conventional Zespri SunGold Kiwifruit	<ul style="list-style-type: none">• Select picking is a tool that can help achieve additional KiwiStart fruit supply and reduce the risk of deterioration in quality on larger sizes, while waiting for the maturity clearance on smaller sizes. The most relevant period is from early in the season up until about Week 14.	<ul style="list-style-type: none">• Consider options to harvest your SunGold crop as soon as you are cleared
Optimise fruit storage	All	<ul style="list-style-type: none">• The success of the season is driven by selling good quality fruit throughout and minimising fruit losses, particularly from August onwards. Time incentives reward you for loading out good quality fruit later in the season.	<ul style="list-style-type: none">• Consider the impact of any management decisions or crop applications on the storage potential of your fruit. Don’t hide behind the pooling of quality costs. You can review your historic pre-export (ECPI) and outturn results in the Grower Quality Reports section of the Industry Portal, which can be accessed via Canopy.



SUPPORTING RESOURCES

- The September issue of *Kiwiflier* (available on Canopy) gives a detailed account of the preferred fruit size profile for each variety based on market demand.
- The *Five-Year Outlook* document published in mid-December 2023, also on Canopy, gives a longer-term view of category trends and projected returns to support decision making.
- For further information, please contact the Zespri Grower Relations Team. Their contact details are listed on page 12.



FROM THE MARKETS

MARKET INSIGHTS FROM ASIA PACIFIC



Ichiro Anzai,
President - Asia Pacific.

Demand for Zespri Kiwifruit in the Asia Pacific region has continued to surge ahead this season with more than \$1 billion in net sales.

CONSUMER DEMAND

Zespri President of Asia Pacific Ichiro Anzai says the region has closed the 2023 New Zealand season with more than 43 million trays sold – including 26.3 million in Japan, 10.3 million in Korea, and 6.5 million across Asia Pacific South which includes Singapore, Vietnam, Malaysia, Indonesia, and India.

“2023 has certainly been a unique season, with the reduced crop volume following the series of severe weather events in New Zealand,” says Ichiro.

Despite the smaller crop, our teams have been working closely with our customers across the APAC region to drive strong sales and return as much value back to our growers as possible.

“We’ve been focused on maximising value in market and have seen strong pricing this season, particularly for Green kiwifruit in Japan which is a market where we already see some of our highest Green returns.

“Japan was also the first market to open the Zespri RubyRed Kiwifruit season and we’ve had lots of good feedback on red this year.

“Our APAC teams were really focused on moving fruit quickly through the season and finishing the season strongly, leveraging the efforts of the New Zealand industry to address fruit quality issues which has allowed our market teams to rebuild trust with our customers after 2022.”

MARKETING CAMPAIGNS

Strong marketing campaigns have underpinned our success across the APAC region this season.

Ichiro says campaigns have been focused on the health and nutrition benefits of Zespri Kiwifruit, with the Kiwi Brothers used across campaigns and rolled out in Malaysia, Indonesia, and India for the first time.

As well as using a number of high-reaching channels including TV and digital, campaigns have included a strong in-store presence.

“Our teams have been able to maintain a strong brand leadership position in our markets and keep the brand premium at the same level as last year, despite reduced consumer spending.”

LOOKING AHEAD

In 2024, the much larger crop is expected to see a 28 percent increase in fruit for the Asia Pacific Region with more than 55 million trays.

Ichiro says that while the increase in volume will come with some challenges, it is a great opportunity for growth throughout all APAC markets.

“Our priorities for next season will be around driving quality of distribution, maintaining strong pricing, continuing to build our iconic and premium brand and driving spend efficiencies.”



Our Kiwi Brothers are an integral part of our marketing campaigns across the APAC region.



RubyRed packs in-store in Singapore.



Showcasing the nutritional benefits of Zespri Kiwifruit in Japan.



Zespri Japan's multi-award winning digital campaign - Zespri Healthy Hunt.

SALES UPDATE

Our ZGS sales programmes continue to progress well with just under 10 million trays delivered, or 35 percent of the full season plan, as at the end of Week 49. This is compared to 6.9 million trays (28 percent) at this time last season.

Class 1 Zespri SunGold Kiwifruit is well advanced compared to this time last year and is now approaching the halfway mark at nine million trays delivered (48 percent). This leaves 9.6 million trays remaining to be delivered, slightly more than the

volume remaining to be sold last year, but still in a great spot given the full season volume is three million more trays this season.

Sales in Europe continue at a good pace with more export markets having commenced programmes in recent weeks. Mainland China and Taiwan teams are eagerly awaiting the arrival of their season charter which departed last week carrying just under 1.6 million trays for these markets, which will be delivered through to customers prior to the Chinese New Year.

Sales of Class 1 Zespri Green Kiwifruit have been underway in Europe for the last two weeks, with 687,000 trays delivered to date. There is exceptionally high demand from European customers following the long gap with New Zealand supply, which is requiring management of customer expectations to align this demand with the constrained availability of product in the market.



ZESPRI GLOBAL SUPPLY UPDATE

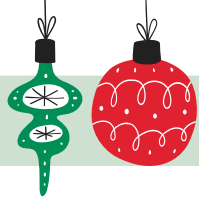
ZGS KOREA CELEBRATES A MILLION TRAYS

ZGS Korea has reached a significant milestone, reaching one million trays of supply for the first time since operations began.

The journey started back in 2004 with the first plantings of our old gold variety Hort16a. That was followed by a transition to Gold3 in 2016 in response to the impact of PsA on Zespri's strategy. We continued the upward trajectory with expansion in plantings from 2018 and, says Korea Commercial Supply Manager Yang-Soon An, “We're heading toward the goal of reaching two million trays in the near future!”

Yang-Soon comments: “I want to express my appreciation to every stakeholder and all of our Zespri people. Thank you for being part of this incredible journey.”





ZESPRI IN THE COMMUNITY

ZESPRI EMPOWERS EASTERN REGION SURF LIFEGUARDS AT SLSNZ'S NATIONAL LIFEGUARD SCHOOL

It's considered the pinnacle of training for surf lifeguards, and this year, four candidates from the Eastern Region attended Surf Life Saving New Zealand's (SLSNZ) National Lifeguard School, thanks to Zespri.

Zespri has been a partner of SLSNZ for almost eight years. As part of this partnership, Zespri awards scholarships to a number of surf lifeguards each year, to help ease the financial requirements for training and development.

Michael Fox, Zespri Head of Global Public Affairs, notes that with our headquarters based in Mount Maunganui, we witness first-hand the incredible work surf lifeguards do to ensure the safety of beachgoers and their whānau who spend the warmer months enjoying the iconic beaches around the region.

"We understand the huge amount of effort that goes on behind the scenes to ensure surf lifeguards are fit, capable, and skilled to carry out this crucial work," says Michael.

The National Lifeguard School is an intensive three-day programme designed for the country's fastest, fittest, and most committed surf lifeguards.

This year, SLSNZ selected 16 surf lifeguards, including four from the Eastern Region which covers Coromandel, Bay of Plenty, East Cape, and Gisborne Tairāwhiti: Ben Goffin, Mitchell Hohaia, Liam Shanahan, and Fergus Rieger. All candidates had to be 18 years of age and meet a vast list of prerequisites, including swimming 800 metres in under 14 minutes, and running three kilometres in under 20 minutes. They also needed to be experienced inflatable rescue boat drivers, hold first aid, and be a Patrol Captain.

During the school, participants were taught theory and practical skills. There were also simulated scenarios replicating some of the more difficult and demanding emergency situations surf lifeguards can face. These included mass rescue scenarios, advanced first aid, patient

care, search and rescue operations, and advanced rock rescues.

Avan Polo, SLSNZ Eastern Region Manager, says the primary goal of the National Lifeguard School is to equip these surf lifeguards with the necessary tools to respond effectively.

"Unfortunately, every season, they respond to serious incidents, some of which can result in a fatality," says Avan.

"With four candidates from the Eastern Region participating this year, they're able to bring back their experiences to their Surf Life Saving clubs, passing on invaluable knowledge and skills to other members."

"We are incredibly grateful for these scholarships. As a charity, we rely on the generosity of partners like Zespri to help us support and train 4,500 volunteer surf lifeguards around the country, including here in the Eastern Region, where the beach is one of our favourite playgrounds."



Michael adds that Zespri is proud to support the extraordinary efforts of our local surf lifeguards.

"We value their commitment to saving lives, as well as their year-round dedication to ensuring they are ready to go in the busy summer months.

"It's also amazing to see these emerging leaders invest in their own personal growth as the school undoubtedly equips them with invaluable skills that extend well beyond the red and yellow flags," says Michael.

The National Lifeguard School ran from 30 November until 3 December at Waihi Beach, with all candidates receiving SLSNZ's highest surf lifeguard qualification – the Advanced Lifeguard Award. With patrol season already underway, the four surf lifeguards from the Eastern Region will be welcomed on the beach as they help ensure beachgoers are safe, with support from Zespri.



BUS FILLED WITH DONATIONS HELPS SUPPORT NEW ZEALAND CHARITIES

Thank you to everyone who donated presents and non-perishable food to support this year's Stuff the Bus campaign.

We were blown away by the generosity from Zespri staff and our local community. All gifts are donated to local charities to help families in need this Christmas.



2024 ZESPRI INDUSTRY GOVERNANCE DEVELOPMENT PROGRAMME APPLICATIONS OPEN!

Do you have strong leadership skills or 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
- Interaction with Zespri Board and Executive members
- Quarterly forums with leaders of New Zealand business
- Public speaking and personal brand training.

Applications close at 5pm on Friday 26 January 2024.

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.



SHARES UPDATE: DECEMBER

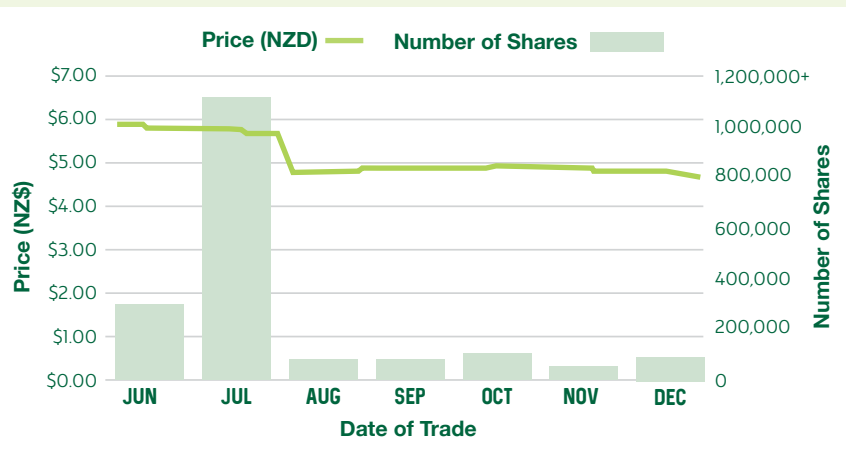
WHAT'S HAPPENING IN THE MARKET

BIDS (BUYERS)		
Orders	Quantity	Price (\$)
1	5,000	\$4.65
1	5,000	\$4.60
1	10,925	\$4.50

OFFERS (SELLERS)		
Orders	Quantity	Price (\$)
1	5,000	\$4.70
1	1,630	\$4.75
1	5,500	\$4.75
1	19,000	\$4.85
1	20,000	\$4.85
1	5,000	\$4.90
1	5,000	\$4.95

LAST 10 TRADES			
Date	Quantity	Price (\$)	Value (\$)
12/12/2023	5,000	\$4.70	\$23,500
12/06/2023	21,000	\$4.75	\$99,750
12/06/2023	75,000	\$4.75	\$356,250
12/06/2023	5,000	\$4.75	\$23,750
12/01/2023	15,500	\$4.79	\$74,245
28/11/2023	330	\$4.80	\$1,584
24/11/2023	4,000	\$4.80	\$19,200
22/11/2023	5,000	\$4.80	\$24,000
22/11/2023	10,670	\$4.80	\$51,216
17/11/2023	10,000	\$4.80	\$48,000

ZESPRI GROUP LIMITED SHARE TRADES: 13 JUNE 2023 - 13 DECEMBER 2023



The graph above shows the price per share that has been traded with USX and the total number of shares traded.

WANT TO DISCOVER MORE?

To get a list of the price for current buyers and sellers, Market depth, last 10 trades, and market announcements go to <http://www.usx.co.nz>. The Zespri Group Limited listing code is 'ZGL'.

Follow us on **reap** for our mobile IR experience

Go to www.reapapp.io to download the app.

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 website will always provide the most up to date information held by Zespri.

SHARES AT A GLANCE
AS AT 13 DECEMBER 2023

OVERSHARED SHARES REQUIRED
TO BE SOLD THIS MONTH



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.

DRY SHARES CONVERTING
TO B CLASS THIS MONTH



The Constitution states that Dry Shareholders (growers who no longer supply Fruit to Zespri) will cease to receive dividend payments three years after becoming Dry and will be converted to B class shares.

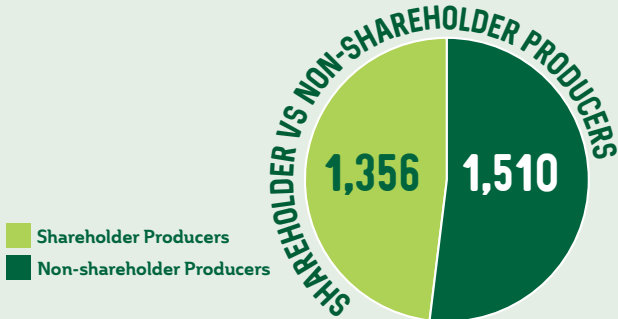
DIRECTOR SHARE TRADING
AS AT 13 DECEMBER 2023



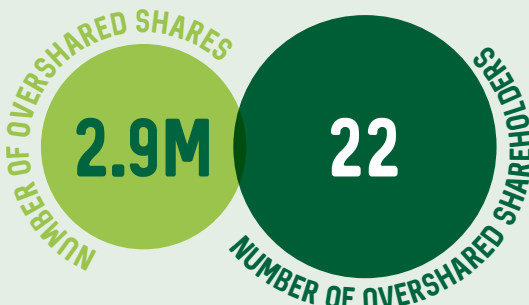
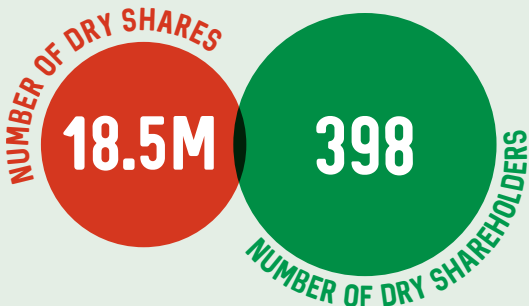
*Shares traded by entities associated with Zespri Directors.



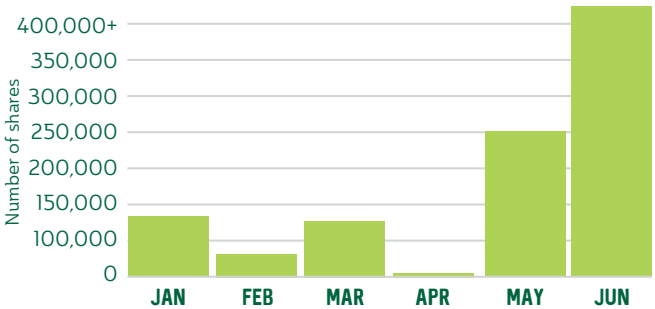
OUR SHAREHOLDERS



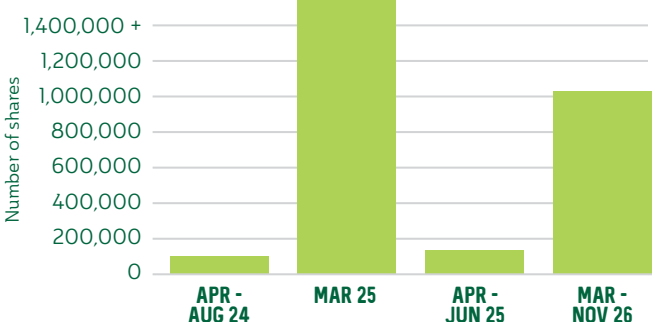
DRY AND OVERSHARED SHARES



DRY SHARES CONVERTING TO B CLASS BY MONTH
B CLASS SHARES ARE NOT ELIGIBLE FOR DIVIDENDS



OVERSHARED SHARES REQUIRED TO BE SOLD



LOOKING TO BUY
ZESPRI SHARES?

WHO CAN PURCHASE SHARES?

Our current producers are eligible to purchase shares in Zespri. The share entitlement for each landowner and lessee of a current producing orchard is calculated based on the historical production of the orchard(s). Contact us if you would like more information about your share entitlement.

OFF-MARKET TRADING

This is a share trade that does not involve a broker. The buyer and seller will agree on a price, complete an Off-Market Transfer form and return this to Zespri for processing.

ON-MARKET SHARE TRADING

Your broker will assist you to register your account with them and trade on your behalf through the Unlisted Securities Exchange (USX) platform. Once you are registered, they take care of most of the paperwork for you.

CHOOSE A USX-APPROVED BROKER



2023/24 PROGRESS PAYMENTS FOR FEBRUARY AND MARCH

CLASS 1 - APPROVED PROGRESS PAYMENT 15 FEBRUARY 2024	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.28	\$0.30	\$0.30	\$0.30	\$0.20	\$0.20	\$0.20
Zespri Organic Green	\$0.52	\$0.55	\$0.60	\$0.55	\$0.45	\$0.45	\$0.50
Zespri Gold3	\$0.57	\$0.60	\$0.55	\$0.55	\$0.55	No supply	No supply
Zespri Organic Gold3	\$0.58	\$0.55	\$0.65	\$0.55	\$0.60	No supply	No supply
Zespri Red19	\$0.55	\$0.30	\$0.90	\$0.90	\$0.55	\$0.55	\$0.50
Zespri Green14	\$0.19	\$0.30	\$0.35	\$0.15	\$0.15	\$0.15	\$0.35

CLASS 1 - INDICATIVE PROGRESS PAYMENT 15 MARCH 2024	AVERAGE ON NET SUBMIT	16/18/22	25/27	30/33	36	39	42
Zespri Green	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
Zespri Organic Green	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
Zespri Gold3	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	No supply	No supply
Zespri Organic Gold3	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	No supply	No supply
Zespri Red19	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Zespri Green14	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20

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

CLASS 2 - APPROVED PROGRESS PAYMENT 15 FEBRUARY 2024	AVERAGE ON NET SUBMIT	16/18/22	27	30	33	36	39	42
Class 2 Zespri Green	\$0.98	\$1.25	\$1.10	\$1.00	\$0.80	\$0.60	\$0.50	\$0.55
Class 2 Zespri Organic Green	\$0.84	\$1.35	\$0.50	\$0.40	\$1.05	\$1.55	\$1.10	\$0.05
Class 2 Zespri Gold3	\$1.21	\$1.25	\$1.20	\$1.20	\$1.15	\$1.00	\$0.75	No supply

NON-STANDARD SUPPLY - APPROVED PROGRESS PAYMENT 15 FEBRUARY 2024	14	39	46
Zespri Green	No supply	No supply	\$0.77
Zespri Organic Green	No supply	No supply	\$3.10
Zespri Gold3	\$2.26	\$1.45	No supply
Zespri Organic Gold3	No supply	\$1.60	No supply
Zespri Red19	No supply	No supply	\$0.85

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

FINANCIAL COMMENTARY

Progress payments

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

February 2024 approved progress payments on Net Submit trays

Approved per tray progress payments for 15 February 2024:

Class 1	
Zespri Green	\$0.28
Zespri Organic Green	\$0.52
Zespri Gold3	\$0.57
Zespri Organic Gold3	\$0.58
Zespri Red19	\$0.55
Zespri Green14	\$0.19

March 2024 indicative progress payments on Net Submit trays

Indicative per tray progress payments for 15 March 2024:

Class 1	
Zespri Green	\$0.10
Zespri Organic Green	\$0.10
Zespri Gold3	\$0.10
Zespri Organic Gold3	\$0.10
Zespri Red19	\$0.20
Zespri Green14	\$0.20

NOVEMBER GROWER ROADSHOW WRAP-UP

Zespri completed a full round of grower roadshows in November, discussing the November financial forecast and 2024 season planning, along with updates on the progression of the Zespri Global Supply (ZGS) season and unauthorised plantings in China.

The meetings were well attended for this time of the year, reaching approximately 550 growers and industry attendees across fourteen meetings. They were followed by a series of grower discussion groups for a deeper dive into the topics on growers' minds.

For the first time, Zespri utilised a 'squad' approach with two roadshow teams - one led by our Chief Executive Dan Mathieson, and one by our Chief Operating Officer Jason Te Brake. This enabled us to introduce more members of Zespri's leadership team to the industry with the meeting series completed over one week and with concurrent meetings across different regions.

Zespri Head of Grower and Industry Relations, Glen Arrowsmith says the meetings were constructive with many attendees highly engaged and a wide range of issues were raised for discussion with the Zespri team.

"We have had a particular focus on engaging more growers who don't typically come to roadshows through adding additional venues and adding some smaller grower discussion meetings," says Glen.

Key topics discussed included:

- Changes to the commercial framework, including Taste Zespri, KiwiStart, and Time
- Growth and licence release
- Green profitability and the Green Symposium meeting
- How to make GLOBALG.A.P. more efficient
- Zespri Global Supply, and China supply and the unauthorised G3 plantings
- Share alignment
- The newly released Grower Quality Reports, which are now available on the industry portal via Canopy.
- Quality accountability, including how performance can be more transparent, with more accountability for fruit performance
- Harvest and contractor practices.

The next round of grower roadshows are planned for mid-February through to early March with the focus to be on Zespri's updated 5-Year Outlook publication to share Zespri's longer term view for each category, as well as plans for the 2024 season.



CLASS 1 FRUIT AND SERVICE PAYMENTS AND TIMINGS

(INCLUDING LOYALTY PREMIUM)

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

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

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

- Submit is paid in the early months when fruit is submitted into inventory.
- Pack and Time, KiwiStart and Taste Zespri is paid on FOBS, i.e. when fruit is shipped. Some of the Supplier Accountability payments are subject to SLA terms.

- Progress will be paid in the remaining months at levels subject to Zespri Management approval.
- Average payments per TE are based on the 2023/24 November Forecast trays and actual payments to date.
- YTD amounts for Pack and Time may move from previous *Kiwifliers* due to SLAs being paid late in a month.

ZESPRI GOLD3 DECEMBER								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-23	\$3.60	\$0.11					\$3.71	21%
May-23		\$0.08					\$3.79	21%
Jun-23		\$0.13					\$3.92	22%
Jul-23		\$0.08	\$0.00	\$0.92	\$2.36		\$7.28	41%
Aug-23		\$0.37	\$0.54	\$1.29	\$0.14		\$9.62	54%
Sep-23		\$0.52	\$0.00	\$1.53	\$0.40		\$12.07	68%
Oct-23		\$0.52	\$0.56	\$0.25	\$0.29		\$13.70	77%
Nov-23		\$0.01	\$0.00	\$1.01	\$0.79		\$15.50	87%
Dec-23		\$0.02	\$0.00		\$1.10		\$16.63	93%
Jan-24						\$0.10	•	•
Feb-24			•		\$0.57		•	•
Mar-24			•		\$0.10		•	98%
Apr-24					•		•	•
May-24							•	•
Jun-24					•	\$0.20	•	100%
Paid YTD	\$3.60	\$1.83	\$1.10	\$5.01	\$5.09	\$0.10	\$16.73	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.88	\$0.20	\$1.09	
Total fruit and service payments - 2023/24 Forecast \$17.82								

ZESPRI ORGANIC GOLD3 DECEMBER								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-23	\$3.60	\$0.06					\$3.66	19%
May-23		\$0.28					\$3.94	20%
Jun-23		\$0.07					\$4.01	21%
Jul-23		\$0.24	\$0.00	\$1.26	\$2.85		\$8.36	43%
Aug-23		\$0.30	\$0.52	\$1.68	\$0.15		\$11.01	57%
Sep-23		\$0.30	\$0.00	\$1.81	\$0.54		\$13.66	70%
Oct-23		\$0.04	\$0.57	\$0.02	\$0.96		\$15.25	79%
Nov-23		\$0.04	\$0.00	\$1.22	\$0.53		\$17.03	88%
Dec-23		\$0.07	\$0.00		\$1.02		\$18.12	93%
Jan-24						\$0.10	•	•
Feb-24			•		\$0.58		•	•
Mar-24			•		\$0.10		•	97%
Apr-24					•		•	•
May-24							•	•
Jun-24					•	\$0.20	•	100%
Paid YTD	\$3.60	\$1.40	\$1.09	\$6.00	\$6.04	\$0.10	\$18.22	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.98	\$0.20	\$1.18	
Total fruit and service payments - 2023/24 Forecast \$19.39								

ZESPRI RED19 DECEMBER								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-23	\$3.60						\$3.60	16%
May-23							\$3.60	16%
Jun-23							\$3.60	16%
Jul-23		-\$0.09			\$8.21		\$11.72	52%
Aug-23			-\$0.21		\$2.39		\$14.11	63%
Sep-23					\$3.00		\$16.91	76%
Oct-23					\$2.13		\$19.04	85%
Nov-23					\$0.44		\$19.48	87%
Dec-23					\$1.47		\$20.96	94%
Jan-24						\$0.10	•	•
Feb-24					\$0.55		•	•
Mar-24					\$0.20		•	98%
Apr-24					•		•	•
May-24							•	•
Jun-24					•	\$0.20	•	100%
Paid YTD	\$3.60	-\$0.09	-\$0.21	\$0.00	\$17.65	\$0.10	\$21.06	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$1.08	\$0.20	\$1.28	
Total fruit and service payments - 2023/24 Forecast \$22.33								

ZESPRI GREEN DECEMBER								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-23	\$2.75	\$0.01					\$2.76	21%
May-23		\$0.16					\$2.92	23%
Jun-23		\$0.08					\$3.00	23%
Jul-23		\$0.05	\$0.00	\$0.56	\$0.98		\$4.60	36%
Aug-23		\$0.21	\$0.43	\$0.95	\$0.30		\$6.49	50%
Sep-23		\$0.27	\$0.00	\$1.67	\$0.05		\$8.48	66%
Oct-23		\$0.25	\$0.57	\$0.21	\$0.05		\$9.56	74%
Nov-23		\$0.01	\$0.00	\$0.86	\$0.58		\$11.01	85%
Dec-23		\$0.04	\$0.00		\$0.85		\$11.91	92%
Jan-24						\$0.10	•	•
Feb-24			•		\$0.28		•	•
Mar-24			•		\$0.10		•	96%
Apr-24					•		•	•
May-24							•	•
Jun-24					•	\$0.20	•	100%
Paid YTD	\$2.75	\$1.09	\$1.01	\$4.24	\$2.81	\$0.10	\$12.01	
Balance to pay	\$0.00	\$0.00	\$0.01	\$0.00	\$0.68	\$0.20	\$0.89	
Total fruit and service payments - 2023/24 Forecast \$12.89								

ZESPRI ORGANIC GREEN DECEMBER								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-23	\$2.75						\$2.75	18%
May-23		\$0.04					\$2.79	18%
Jun-23		\$0.04					\$2.84	18%
Jul-23		\$0.14	\$0.00	\$0.57	\$2.22		\$5.77	37%
Aug-23		\$0.23	\$0.24	\$1.19	\$0.30		\$7.73	50%
Sep-23		\$0.40	\$0.00	\$1.70	\$0.21		\$10.03	64%
Oct-23		\$0.46	\$0.29	\$0.38	\$0.05		\$11.21	72%
Nov-23		\$0.02	\$0.00	\$0.98	\$0.91		\$13.11	84%
Dec-23		\$0.18	\$0.00		\$1.09		\$14.38	92%
Jan-24						\$0.10	•	•
Feb-24			•		\$0.52		•	•
Mar-24			•		\$0.10		•	97%
Apr-24					•		•	•
May-24							•	•
Jun-24					•	\$0.20	•	100%
Paid YTD	\$2.75	\$1.51	\$0.54	\$4.81	\$4.77	\$0.10	\$14.48	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.93	\$0.20	\$1.13	
Total fruit and service payments - 2023/24 Forecast \$15.61								

ZESPRI GREEN14 DECEMBER								
ISO month	Submit	Pack and Time	KiwiStart Accountability	Taste Zespri	Progress	Loyalty Premium	Total payment / TE Supplied	% of Pool Paid YTD
Apr-23	\$2.95						\$2.95	20%
May-23							\$2.95	20%
Jun-23							\$2.95	20%
Jul-23		-\$0.01		\$0.80	\$3.23		\$6.97	48%
Aug-23			\$0.19	\$0.80	\$1.00		\$8.96	61%
Sep-23				\$1.38	\$0.86		\$11.20	77%
Oct-23			\$0.19		\$0.60		\$11.98	82%
Nov-23				\$0.74	\$0.22		\$12.94	89%
Dec-23					\$0.63		\$13.57	93%
Jan-24						\$0.10	•	•
Feb-24			•		\$0.19		•	•
Mar-24			•		\$0.20		•	97%
Apr-24					•		•	•
May-24							•	•
Jun-24					•	\$0.20	•	100%
Paid YTD	\$2.95	-\$0.01	\$0.38	\$3.71	\$6.54	\$0.10	\$13.67	
Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.70	\$0.20	\$0.90	
Total fruit and service payments - 2023/24 Forecast \$14.58								

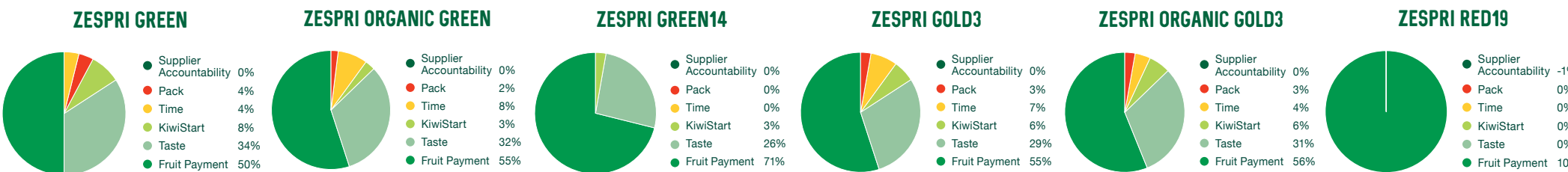
Note 1: The submit and progress payments detailed in the tables are based on net submit trays.

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

Amounts above are not rounded to two decimal places, therefore rounding differences may apply.

2023/24 SEASON GROWER PAYMENT PORTIONS – TOTAL FRUIT AND SERVICE PAYMENTS

2023/24 NOVEMBER FORECAST



ZESPRI ORGANIC GREEN

Supplier Accountability

0%

Pack

2%

Time

8%

KiwiStart

3%

Taste

32%

Fruit Payment

55%

ZESPRI GREEN14

Supplier Accountability

0%

Pack

0%

Time

0%

KiwiStart

3%

Taste

26%

Fruit Payment

71%

ZESPRI GOLD3

Supplier Accountability

0%

Pack

3%

Time

7%

KiwiStart

6%

Taste

29%

Fruit Payment

55%

ZESPRI ORGANIC GOLD3

Supplier Accountability

0%

Pack

3%

Time

4%

KiwiStart

6%

Taste

31%

Fruit Payment

56%

ZESPRI RED19

Supplier Accountability

-1%

Pack

0%

Time

0%

KiwiStart

0%

Taste

0%

Fruit Payment

101%

GROWER AND PACKHOUSE REMINDER: MAP AND HAZARD INFORMATION

On Wednesday 9 November, the Zespri Health and Safety team in conjunction with the MCS Team, NZKGI, and the Kiwifruit Industry Health and Safety Forum Executive, met with all Clearance Lab Service Providers to debrief the 2023 season. It was a productive and collaborative session, collectively bringing focus on health and safety improvements ahead of the upcoming season, particularly in ensuring Maturity Clearance Sampler safety.

During the session it was noted that while orchard map quality has generally enhanced since the introduction of new standards in 2022, there is still room for improvement to ensure consistency and accuracy of hazard information. In addition to maps, a key area identified to improve sampler safety (and successful collection of samples) is the absolute necessity to have the correct Orchard Primary Contact details within the MCS and for dogs on properties to be risk assessed in the hazard section of the MCS and listed clearly in the Orchard Access Instructions.

As we now reset orchard hazard, access, and Orchard Primary Contact information within the MCS, please reference the Zespri Quality Manual Standard and map examples in our 'Map and Hazard Information' document available on Canopy to ensure information entered into the MCS is current and accurately reflects the on-orchard health and safety risks and access requirements.

Orchard Primary Contacts are also reminded they are responsible for on-orchard safety, including the accuracy of hazard information and obligations to notify all relevant parties, especially tenants, when sampling is notified.

Check out the updated 'Map and Hazard Information' document here: <https://canopy.zespri.com/content/dam/new-canopy/nz/en/documents/public/tools-and-resources/maturity-clearance/KF-insert-maps-hazard.pdf>



RED19 MATURITY REVIEW: CHANGES FOR 2024

Following a review of Red19 Maturity criteria, the following changes will apply in the 2024 season:

- A new Maturity Clearance Dispensation option will be available for Maturity Areas with an average Brix of $\geq 8.5^\circ$, firmness of ≥ 6.2 kgf and Dry Matter Threshold (DMT) ≥ 17.2 percent in the latest sample results. In these instances, delayed clearance will be granted **four days** from the date of sample collection. The Maturity Clearance Dispensation request is to be made via email to maturity.support@zespri.com.
- Packhouse firmness assessment and China PPQI inspection are required if fruit is loaded out after 14 days of the submit date within the relevant ship by requirement.
- A harvest dispensation will be available for local market even if the latest sample has soft fracture ≥ 4 kgf, and if the fruit meets local market criteria (≤ 4 fruit below 1kgf, average Brix ≥ 8.0 , and DMT ≥ 16.1 fruit). Previously, there has been no harvest dispensation for the local market until the latest sample results reach a soft fracture ≤ 4 kgf.



GOLD3 SELECT PICK TRIAL: 'BY SIZE COLOUR, AND BRIX CLEARANCE' TO SELECT PICK VIA MANUAL DISPENSATION (UNDER THE SLA)

This trial provides the opportunity to select pick for Maturity Areas (MA) where the latest sample result has not been cleared for colour and/or Brix, but may have cleared some sizes for by size colour and/or Brix criteria.

By size colour and Brix dispensation will not be required if the latest sample has been cleared for sample level colour and/or Brix.

This manual select pick dispensation will only be granted via email: maturity.support@zespri.com.

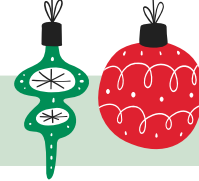
SELECT PICK - BY SIZE COLOUR AND/OR BRIX CLEARANCE DISPENSATION CONDITIONS

- ✓ Only allowed during KiwiStart Period 1.
- ✓ Only allowed if the latest sample results are cleared up to at least Size 27 for all Dry Matter, Brix, colour by size metrics.
- ✓ Only applicable to Maturity Areas (MA) packing with one facility and only allowed once per MA.
- ✓ Any new sample results (prior to harvest) will cancel the dispensation granted based on previous sample results.
- ✓ If the new sample is already in testing, then please wait for the latest results before submitting a select pick dispensation request.

BY SIZE COLOUR AND BRIX CRITERIA	COLOUR THRESHOLD (°HUE)	LOWER BRIX FRACTILE
16	$\leq 105.2^\circ$	$\geq 5.0^\circ$
18	$\leq 106.6^\circ$	$\geq 5.0^\circ$
22	$\leq 108.2^\circ$	$\geq 5.0^\circ$
25	$\leq 109.5^\circ$	$\geq 5.0^\circ$
27	$\leq 110.1^\circ$	$\geq 5.0^\circ$
30	$\leq 110.2^\circ$	$\geq 5.0^\circ$
33	$\leq 110.2^\circ$	$\geq 5.0^\circ$
36	$\leq 110.2^\circ$	$\geq 5.0^\circ$



For any questions relating to this by size colour and Brix trial, please contact Abdul Jabbar at abdul.jabbar@zespri.com.



GREAT TURNOUT AT ZESPRI INNOVATION SYMPOSIUM

The recent Zespri Innovation Symposium saw many innovative minds come together in Tauranga for the first symposium in five years.

The theme was 'Bringing the Future' forward, with attendees from all areas of the kiwifruit industry taking part in the symposium which celebrated the crucial role innovation continues to play in building the resilience of our kiwifruit industry and returning more value back to growers.

The symposium covered the latest advancements in kiwifruit cultivation, sustainable practices, and cutting-edge technology – and was an opportunity to reflect on the launch of our new innovation fund, ZAG.

Zespri's Chief Marketing, Innovation and Sustainability Officer Jiunn Shih opened the symposium, talking about how the kiwifruit industry is really at its best when driving innovation through collaboration.

One of the highlights of the symposium was the keynote address delivered by Agritech NZ CEO Brendan O'Connell, who shared his perspectives on the trends and opportunities for the kiwifruit industry and the need to embrace industry tools. He believes we'll most likely see waves of technology that might

include spray records, GPS, soil sensors, digital crop estimations, assisted harvesting, automated grading, and robotics.

The symposium encouraged active participation through breakout sessions which included discussions on the future of crop estimations, future growing systems, and ecosystem services.

One central theme that emerged was the new cultivar breeding programme between Zespri, Plant & Food Research, and the Kiwifruit Breeding Centre. The commitment to staying ahead of competitors and breeding new cultivars better and faster was a key point of discussion.

Kiwifruit Breeding Centre Chief Technology Officer Roger Hellens presented at the symposium and says there are existing technologies which could reduce our breeding timeline by half should they be employed at some time in the future, consumer preference and regulatory settings permitting.

"These include emerging and existing methods used in the breeding programmes of other crops," says Roger.

"Breeding new varieties faster is critical to ensure Zespri can offer growers the best

cultivars in every kiwifruit category."

The symposium also served as a showcase for groundbreaking research and innovations, presenting many possibilities for enhancing yield, quality, health research and claims, and resilience in the kiwifruit industry.

Climate change, an omnipresent concern in today's agriculture landscape, stimulated productive discussions and questions from the audience. Zespri Head of Core & Resilience Innovation Juliet Ansell spoke about two areas Innovation is helping mitigate risk; using modelling to better understand the impact future weather poses to supply, and piloting adaptation practices on-orchard which will reduce our carbon footprint and offer co-benefits to productivity.

The symposium was more than just a forum for learning – it celebrated the passion and dedication that defines innovation in Zespri and the kiwifruit industry.

Zespri Head of Innovation Acceleration Bryan Parkes noted that the kiwifruit industry is very engaged in information sharing and finding better ways to do things.

"It was great to come together and we look forward to sharing more in 2024 on how we're



Agritech NZ CEO Brendan O'Connell speaking at the Zespri Innovation Symposium.

driving innovation and helping to return more value back to our growers."

Proceeds from ticket sales have been donated to The Daily Charitable Trust – a charity with the dream to see all of Te Puke connected and thriving through initiatives such as providing children with nutritious lunches at school.

MĀORI GROWERS EDUCATION SEMINAR: AN OPPORTUNITY FOR LEARNING AND SHARING

On 27 November, Zespri and Māori Kiwifruit Growers Incorporated (MKGI) hosted a Māori Growers Education Seminar at the Zespri Office. It was an opportunity to engage in a full day of learning and sharing of knowledge, covering high level issues across the kiwifruit industry.

It was great to see more than 60 participants including Māori growers, governors, and post-harvest workers in attendance. Zespri Chairman Bruce Cameron, CEO Dan

Mathieson and Chief Operating Officer Jason Te Brake also attended the Q&A session at the end of the event.

An education tour to Asia is scheduled for July 2024, and will be led by Zespri Head of Māori Alliances Kiriwaitangi Rei, and MKGI General Manager Amy Tocker.



NEW CANOPY IS LIVE

The new Canopy portal was launched in December.

The new site has been designed to deliver you a better experience with a focus on making sure Canopy is easier to navigate. Key information is at your fingertips, and the new optimised search will quickly help you find exactly what you're looking for.

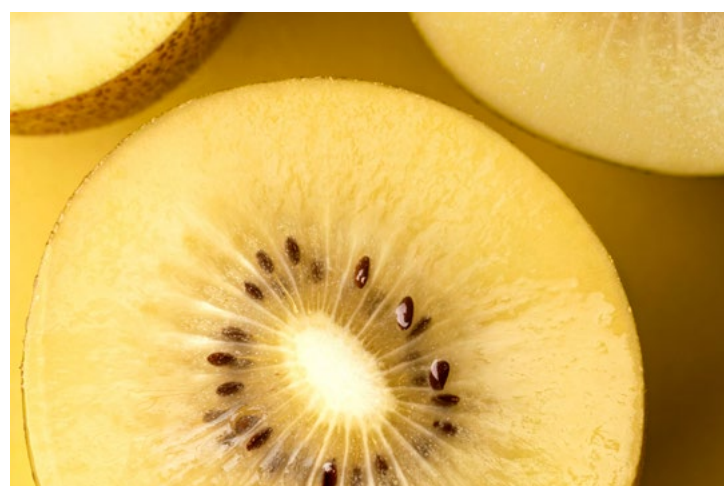
To access the site, visit <https://canopy.zespri.com>.

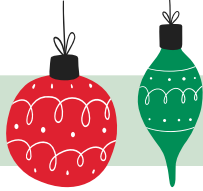
"This is the first step in a better experience for growers, and putting this platform in place will allow future tools and features that weren't possible on the last platform," says Tracy McCarthy, Executive Officer, Grower and Industry Engagement.



GOT FEEDBACK?

We will continue to make tweaks to Canopy into the New Year and would value your feedback. If you've got any thoughts on how we can further improve the site, please share them via contact.canopy@zespri.com.





Q&A

FROM THE FIELD

KEY CONTACTS:

Grower & Industry Relations Manager Malkit Singh: 027 665 0121	Sylvia Warren – Gisborne, Ōpōtiki, Whakatāne, Pukehina, Pongakawa: 022 101 8550	Brad Ririnui – Tauranga, Paengaroa, Hawke's Bay: 021 757 843
Grower Relations Managers Sue Groenewald – GRM Red, Athenree, Waihi, Coromandel, Lower North Island: 027 493 1987	Jemma Pryor – Te Puke: 027 283 6192	Robin Barker Gilbert – Katikati, Nelson: 027 779 5910
	Richard Jones – Waikato, Auckland, Northland, Ōropi, Omanawa, Lower Kaimai: 027 255 6497	Teresa Whitehead - Organics: 027 257 7135

What if my block has gone from non-producing to producing?

It's really important to update your producing areas each year. This not only helps with market access, but also helps ensure a more accurate crop estimate. To check your block information is correct, visit Spray Diary here: <https://cropprotection.zespri.com/default.aspx>.
If you need assistance with updating your blocks, please email contact.canopy@zespri.com or phone 0800 155 355.

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

The Zespri Residue Programme helps mitigate the risk of residues and protects Zespri's premium brand in the marketplace. Each year, Zespri conducts pre-season testing, in which randomly selected orchards are sampled well before harvest to understand and mitigate the risk certain compounds may cause by identifying areas of potential risk for the upcoming season.
If you have received an email advising you have been selected for pre-season testing, and would like to have a sample taken from your orchard, please ensure you respond to the email with permission, and update all of your orchard information/hazards/contacts through the MCS system. Pre-season sample collection will start the week beginning 15 January 2024. Please note, pre-season testing does not replace the pre-harvest test.

I need a copy of my licence, how can I get this information?

You can access your licence documents via the Portal found on the Zespri Canopy website. If you require help accessing any information, please reach out to the Grower Support Services Team on 0800 155 355 or if you are requesting a copy of your licenses, please email new.cultivars@zespri.com.

CHRISTMAS SHUTDOWN HOURS ✨

Zespri's New Zealand office will close for the Christmas break from 3pm on Thursday 21 December, and will reopen on Monday 8 January. There will be no New Zealand staff on site during this time. It's a great opportunity for our team to spend some quality time with family and friends, and to recharge over the summer holiday season.



FOR URGENT CALLS DURING THE OFFICE CLOSURE

If you have an urgent matter and need to speak with someone from the Grower Relations Team, please contact:
Mal Singh 027 665 0121
Sue Groenewald 027 493 1987
If your call is relating to KiwiGreen, crop protection, or pests, please contact:
Melanie Walker 021 182 2343
Ash McMahon 022 361 1707

UPCOMING EVENT



2024 ZESPRI SOUTH ISLAND GROWER TOUR

Our South Island Carbon Emissions Reduction Tour explores some of New Zealand's leading examples of sustainable practices in the primary industries and their approaches to sustainability and value creation. This tour offers a unique opportunity to learn more about these practices and directly addresses the industry's call to identify applicable practices to enhance our collective impact in the kiwifruit industry.
The tour will depart on 19 February, returning on 22 February. Growers will visit:

- Lake Hawea Station
- Silver Fern Farms
- Forest Lodge Cherry Orchard
- Tinwald Farms
- Peregrine Wines

Each visit will provide insights into sustainable agriculture that can be applied to our own industry. Engage with industry experts and understand the challenges, successes, and impact of sustainable practices in the primary industries.
For more information, including pricing and the full tour itinerary, email Zespri Grower Tour Coordinator Lindsay Crean at carbonneutraltrial@zespri.com or 027 628 8651. To secure a place, a deposit and completion of our booking form is required.

EXPRESSIONS OF INTEREST



ORGANIC GROWER TOUR TO KOREA AND JAPAN 2024

Korea and Japan are extremely valuable and sizable markets for our organic portfolio.
The tour is an opportunity to learn more about our consumers and customers and to enjoy the culture and sights of these countries.
Tour highlights include:

- Zespri Global Supply orchards in Fukuoka
- Hiroshima, Osaka
- Tokyo markets
- Korea markets
- Customer visits
- Port tour

For more information regarding the tour, or if you wish to attend, please contact Teresa Whitehead: teresa.whitehead@zespri.com or 027 257 7135.



NORTH AMERICA AND CHILE GROWER TOUR 2024

Zespri is keen to host growers on a tour of North and South America in 2024.
This tour will cover the east coast of North America, visiting New York, Boston, Washington DC and Los Angeles, as well as a trip to Chile to meet with growers and see how kiwifruit is grown in South America. Tour highlights to include:

- Orchards in Chile
- Sights and sounds of New York
- Chance to see a sporting game
- Visit to the US capital, Washington, D.C
- Port visit in Los Angeles
- Various sightseeing along the way.

Zespri Grower tours are an opportunity to connect with other growers by travelling to Zespri's key markets, seeing competitor fruits and repacking facilities. Growers who have been on the tours get to see the Zespri system from orchard to plate. You will engage with retailers and customers and hear firsthand about the sale and marketing of Zespri Kiwifruit. The tours also include seeing kiwifruit grown offshore.

If you're interested in taking part, contact Zespri Grower Services Coordinator, Erin Herbert: erin.herbert@zespri.com or 027 232 5533.



CUSTOMER TOURS 2024: PICNIC UNDER THE VINES

Are you interested in hosting Zespri Tour Groups on your orchard?
Our tour programme is a valuable part of showcasing our industry to customers, media and many other people looking to education themselves from orchard to plate. One way we provide an interesting and engaging experience is enjoying an orchard tour and/or a meal at a grower's home. Locations will need to have suitable bus parking and appropriate facilities to host groups of varying sizes.

For more information about hosting a group as part of next year's tour programme, contact your Grower Relations Manager (GRM) or email tours.events@zespri.com to arrange an initial GRM visit.

HAPPY HOLIDAYS
FROM ZESPRI

