

PROPOSED CHANGES TO THE ZESPRI CONSTITUTION: THE VOTING PROCESS AT A GLANCE

To approve the proposed Constitution changes, certain votes will be required of shareholders at the Special Meeting.

CONSTITUTION VOTE

The Companies Act and Zespri's current Constitution require that amendments to the Constitution must be approved by a special resolution of shareholders (75 percent approval of those who vote) in accordance with the current production-based voting cap.

REGULATORY VOTE

The Kiwifruit Export Regulations require changes to the Zespri Constitution to introduce the share cap, voting entitlement and dividend cap to also be approved by 75 percent of those who vote. All shareholders (producers and non-producers) vote on a one-vote-per-share basis.

INTEREST GROUP VOTE

Under the Companies Act, shareholder interest groups have a separate vote. The resolutions must achieve 75 percent support among those who vote on a one-vote-per-share basis.

The definition of an interest group is based on a legal test, and the proposed changes to Zespri's Constitution create two interest groups. These groups are:

1. Producer shareholders – whose voting entitlements and share entitlements will be affected.
2. Non-producer shareholders – whose rights to dividends will be affected.

The Zespri Board is also providing producer shareholders with an additional vote on the dividend cap for future non-producer shareholders, on a one-vote-per-share basis.

PRODUCER

The voting options below show how you as an individual producer might vote, based on which particular outcome you wish to support. For example, if you wish to support the full package of recommended changes to the Constitution which are consistent with the proposals voted for in the KISP referendum, (as permitted under the Regulations) including the share cap, voting entitlement and dividend cap, you would vote in favour of Resolutions one, two, three and five. There are three options.



NON-PRODUCER

The voting options below show how you as an individual non-producer might vote, based on which particular outcome you wish to support. For example, if you wish to support the full package of recommended changes to the Constitution which are consistent with the proposals voted for in the KISP referendum, (as permitted under the Regulations) including the share cap, voting entitlement and dividend cap, you would vote in favour of Resolutions two, four and six. There are four options.



NOTE ON RESOLUTION SEVEN: Shareholders will be asked to consider an additional resolution, which does not relate directly to the proposed changes to the Zespri Constitution. Resolution Seven is to obtain shareholder approval for:

- Share issuances to producers that have no shares or are undershared,
- Buy-backs from shareholders that have no production, are overshared, and/or have shares above one share per tray of actual production; and
- Distribution of any excess capital resulting, subject to the needs of the business at the time,

where these transactions exceed the financial threshold for a major transaction under the Companies Act. This vote is based on the current production-based voting cap. See the Notice of Meeting document for further details.