GREENHOUSE GAS EMISSIONS

INVENTORY REPORT

For the year ended 31 March 2025

INTRODUCTION

This report is for Zespri Group Limited, its subsidiaries and investments in joint operations (collectively 'Zespri').

Zespri is domiciled in New Zealand and is a profit-oriented entity incorporated under the Companies Act 1993 of New Zealand. Zespri's primary activity is the purchase, export and marketing of fresh kiwifruit. The Group's subsidiaries are involved in exporting, importing, selling, marketing, investing, researching and management of New Zealand-grown and non-New Zealand-grown kiwifruit. A list of all subsidiaries can be found in ***Appendix 1***.

Zespri has measured its greenhouse gas (GHG) emissions and assessed the carbon footprint of its supply chain since 2019. In 2020, Zespri announced its first set of targets for reducing emissions across its supply chain.

In response to the strengthening regulatory requirements for sustainability reporting Zespri is in the process of updating its climate strategy. This includes adopting a phased approach to enhance the scope of GHG emissions reporting.

In the current reporting year covering the period 1 April 2024 to 31 March 2025 ('FY25'), Zespri has transitioned from reporting under the ISO 14064-1:2018 standard to the Greenhouse Gas Protocol: A Corporate Accounting Standard and the Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (collectively, the 'GHG Protocol'), which is widely adopted and aligned with evolving global market standards. In parallel, Zespri has also revised our organisational boundary approach from the financial control method to the operational control method. This change provides a more accurate reflection of the emissions from operations over which Zespri has direct influence and responsibility.

The purpose of this report is to transparently disclose Zespri's GHG emissions, including Scope 1, Scope 2 and Scope 3 emissions from sea freight (Category 4) and corporate travel (Category 6). Zespri is continuing its work to address Scope 3 data limitations and expand its reporting to a full emissions inventory (refer to current exclusions in ***Appendix 2***).

Zespri has used reasonable efforts in the preparation of this GHG emissions inventory to provide accurate and transparent information. However, Zespri cautions reliance being placed on representations that are subject to significant risks, uncertainties or assumptions. The calculation of greenhouse gas emissions uses data and methodologies that are continually developing and Zespri acknowledges that the inputs toward understanding the impacts of climate change are constantly evolving.

ORGANISATIONAL BOUNDARIES

Zespri has adopted the operational control approach as defined by the GHG Protocol for emissions reporting in FY25. The transition from the previously used financial control approach has not resulted in notable differences in the reported emissions compared to past years. This methodological refinement does not reflect a change in our underlying environmental performance, but rather enhances the robustness and clarity of our GHG disclosures.

Zespri is deemed to have operational control over an operation when Zespri or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation. Under the operational control approach, Zespri accounts for 100% of emissions from operations over which it or one of its subsidiaries has operational control.

This consolidation approach allows Zespri to place focus on emission sources over which the Group can effectively implement management actions to drive progress.

Zespri owns 100% of all its operations other than its 50:50 joint operation, the Kiwifruit Breeding Centre, which is co-owned by Plant & Food Research and Zespri. A list of all subsidiaries can be found in ***Appendix 1***. No subsidiary acquisitions or divestments were made in FY25.

ZESPRI GREENHOUSE GAS EMISSIONS INVENTORY REPORT

OPERATIONAL BOUNDARIES

Zespri's direct emissions inventory comprises vehicle fleet fuel combustion (Scope 1) and purchased electricity (Scope 2).

Zespri's reported Scope 3 emissions include:

- Fuel combustion emissions related to sea freight of shipping New Zealand-sourced fruit (Category 4); and
- Air travel, mileage, taxi and ride share emissions (Category 6).

This year, Zespri refined its reporting approach for New Zealand-sourced fruit by excluding emissions from ballast (inbound) shipping voyages. This reporting alignment reflects Zespri's focus on emissions associated with laden (outbound) voyages which form the basis of its decarbonisation strategy. The revised calculation methodology reflects a more targeted and strategic approach to emissions accounting, and is consistent with the GHG Protocol, which permits optional inclusion of ballast emissions. This adjustment does not reflect a reduction in operational activity, but rather a refinement in reporting boundaries. Prior year figures have been restated to ensure consistency and comparability over time.

No other major changes have been made to the calculation methodology of our reported inventory to what was reported in accordance with ISO 14064-1:2018 sections 6.2 and 6.3 in prior years.

Refer to ***Appendix 2*** for emission sources that were excluded from reporting and the reasoning behind their exclusions.

Corporate GHG Emissions Inventory

Scope	Emission Source	Carbon emissions (tCO_2-e) FY25 (2024/25)	FY24 (2023/24)	FY23 (2022/23)	FY22 (2021/22)	FY21 (2020/21)	FY20 (2019/20)
Scope 1	Vehicle fuel	**412**	370	263	235	142	345
Scope 2	Office electricity (location based)	**249**	230	288	250	250	310
	Office electricity (market based)*	**237**	184	212	250	250	310
Scope 3 Category 6: Business travel	Air Travel	**4,135**	4,008	4,076	526	345	7,769
	Taxis & staff mileage	**68**	132	144	127	108	164
Total Zespri Corporate emissions		**4,852**	**4,694**	**4,695**	**1,138**	**845**	**8,588**

**For the FY25 reporting period, Zespri used 100 percent renewable, Toitū climate-positive certified electricity, generated from wind, hydro, and solar at our Mount Maunganui head office.*

Zespri's corporate emissions are defined as the direct and indirect emissions associated with Zespri's immediate business activities. Zespri's market-based corporate emissions inventory increased by 3.4% from FY24. This was largely accounted for by an increase in air travel emissions from increased business activity this year. This increase places Zespri at 44% below its FY20 pre-Covid baseline.

Zespri employees in New Zealand were provided with leased vehicles during the 2024 growing season to visit orchards which increased mobile combustion emissions by 11%. This was a change to previous seasons where visits were typically made via personal vehicles hence emissions related to these visits were included within the Scope 3 Category 6 inventory.

Despite the overall increase in mobile combustion emissions, Zespri recognised a 16% decrease from our two historically largest emitting regions, Belgium and Italy. This decrease is testament to efforts in electrifying the corporate fleet in these regions when former leases come to an end.

Zespri's purchased electricity emissions increased by 8% compared to FY24. This increase was partly due to higher actual consumption and mainly influenced by improved data quality. Better data quality reduced the need for estimates and has resulted in more accurate emissions.

ZESPRI GREENHOUSE GAS EMISSIONS INVENTORY REPORT

Shipping GHG Emissions Inventory

Industry emission source	Unit	Carbon emissions FY25 (2024/25)	FY24 (2023/24)	FY23 (2022/23)	FY22 (2021/22)	FY21 (2020/21)	FY20 (2019/20)
Scope 3 Category 4: Upstream Transportation & Distribution (Shipping of NZ-sourced fruit)	Outbound shipping* (tCO_2-e)	**309,253**	221,659	246,282	288,743	235,541	205,147
	kg CO_2-e per kg of fruit shipped	**0.44**	0.44	0.43	0.46	0.42	0.40
	kg CO_2-e per Tray Equivalent (TE)	**1.52**	1.55	1.50	1.61	1.48	1.39

**Reported shipping emissions have been restated to exclude ballast (inbound) leg emissions thus represents only laden (outbound) sea freight of NZ-sourced fruit. Total reported emissions in the FY20 baseline year has been restated from 315,900 tCO_2-e to 205,147 tCO_2-e after excluding for ballast emissions totalling 113,327 tCO_2-e. Emissions relating to refrigerant losses on voyage, and loading & discharge emissions from ports, are also excluded for FY25 and will be included in subsequent years as we move towards a full scope GHG emissions inventory. Refer to exclusions in Appendix 2 for further details.*

Shipping is Zespri's most material industry emission source. Zespri reports its emissions from shipping kiwifruit from New Zealand via both Zespri-chartered shipping vessels and shared container shipping services ('shipping emissions').

Zespri's shipping emissions from New Zealand-sourced fruit increased by 40% compared to our previous season. This was driven by a 42% increase in total fruit shipped, with carbon efficiency measures (tCO_2-e per TE and per kg of Zespri Kiwifruit) both remaining relatively consistent with FY24.

Zespri has made progress on establishing a foundation for implementing a lower emissions intensity shipping pathway, noting forecast Zespri Kiwifruit volumes in coming years will see industry emissions and associated carbon costs continue to increase.

This includes initiatives such as increased container vessel utilisation and working with shipping partners to trial low emissions biofuels alongside advocating for the long-term solutions such as alternative fuel ships, port expansion and regulation which are not yet available for ships berthing in New Zealand.

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DATA COLLECTION & QUANTIFICATION

Table 1 provides details on the calculation methods, data sources, assumptions and estimates, emission factors applied, and data quality and uncertainty of each emission source in quantifying the greenhouse gas emissions reported by Zespri.

Table 1. Zespri GHG data collection and quantification details

Emission source	Emission activities	Calculation method	Data Source(s)	Emission factor and global warming potential (GWP) reference	Assumptions and estimates
Scope 1					
Mobile combustion	Fuel consumed by company vehicle fleet	Fuel-based method	· Purchased fuel records stored in Zespri financial accounting system	· New Zealand Ministry for the Environment (MfE), 2024 – IPCC AR5	· Where units (L) of fuel purchased is unavailable, average location-based fuel prices have been applied to total invoiced spend to derive consumption. · Premium petrol is used as the default fuel type if not otherwise specified.
Scope 2					
Purchased electricity	Grid electricity consumed at premises under Zespri's operational control	Location-based method: emissions based on the average emissions intensity of electricity in the grid region where each facility is located	· Invoices from electricity retailers stored in Zespri financial accounting system · Supplier Certificate of Climate Positive Energy	· MfE, 2024 – IPCC AR5 · European Energy Agency (EEA), 2025 – Varied GWP · International Energy Agency (IEA), 2023 – IPCC AR4 · Singapore Emission Factor Registry (SEFR), 2024 – IPCC AR5 · United States Environmental Protection Agency (EPA), 2024 – IPCC AR5	· Consumption is proportioned by Zespri's leased square footage of the building where consumption data is received for the entire premises. · Annual average monthly emissions assumed where there are gaps in monthly data. · Where data cannot be obtained for an office, a similar office's consumption is used as a proxy and proportioned by the square footage of the office.
		Market-based method: emissions based on relevant contractual instruments for purchasing electricity from low-carbon sources		· BraveTrace, 2024 – IPCC AR5 · Association of Issuing Bodies (AIB), 2024 – Varied GWP · SEFR, 2024 – IPCC AR5 · IEA, 2023 – IPCC AR4 · EPA, 2024 – IPCC AR5	· As residual mix emission factors are not available for offices in Japan, Malaysia, Singapore, South Korea, Taiwan and Vietnam, location-based emission factors have been assumed.
Scope 3					
Category 4 – Upstream transportation and distribution (Shipping)	Outbound (laden) leg of shipping vessels leaving New Zealand	Fuel-based method	· Zespri shipping information management systems · Supplier shipping route distances and transit times · Supplier vessel capacity and fuel consumption rates	· Smart Freight Centre, 2024 – IPCC AR4	· Average vessel speeds have been applied to charter shipping voyages. · Average voyage days and layover days at transhipment ports have been applied to container shipping voyages. · Fuel emission factor has been uplifted to account for additional fuel consumed for refrigerated cargo.

Emission source	Emission activities	Calculation method	Data Source(s)	Emission factor and global warming potential (GWP) reference	Assumptions and estimates
Category 6 – Business travel (Air travel)	Zespri employee flights for work-related travel	Distance-based method	· Air travel booking records provided by travel management suppliers · Employee reimbursement claims	· MfE, 2024 – IPCC AR5 · DEFRA, 2024 – IPCC AR5	· Business class emission factor is assumed for shorthaul premium economy and first class flights. · Where seat class is not identified, relevant average passenger emission factors are applied.
Category 6 – Business travel (Staff mileage)	Fuel consumed by employees' private vehicles	Distance-based method	· Employee expense claims stored in Zespri financial accounting system	· MfE, 2024 – IPCC AR5	
Category 6 – Business travel (Taxi & ride share)	Fuel consumed by taxi and ride share use for work-related travel	Spend-based method	· Employee expense claims stored in Zespri financial accounting system	· MfE, 2024 – IPCC AR5	· Dollar amounts in foreign currencies are converted to NZD using month-end exchange rates.

BASE YEAR AND BASE YEAR RECALCULATION

Zespri's base year for tracking progress against its climate change targets and milestones is the financial year ended 31 March 2020 (FY20). Zespri will recalculate its historic reported emissions if any changes occur that have a cumulative impact of 10% or more on Zespri's emissions inventories.

The types of changes that may have a significant impact on Zespri's reported emissions and trigger the need for a emissions recalculation include: structural changes in reporting or organisational boundaries; changes in calculation methodologies; changes in emissions factors; or the discovery of a significant error, or a number of cumulative errors, that are collectively material.

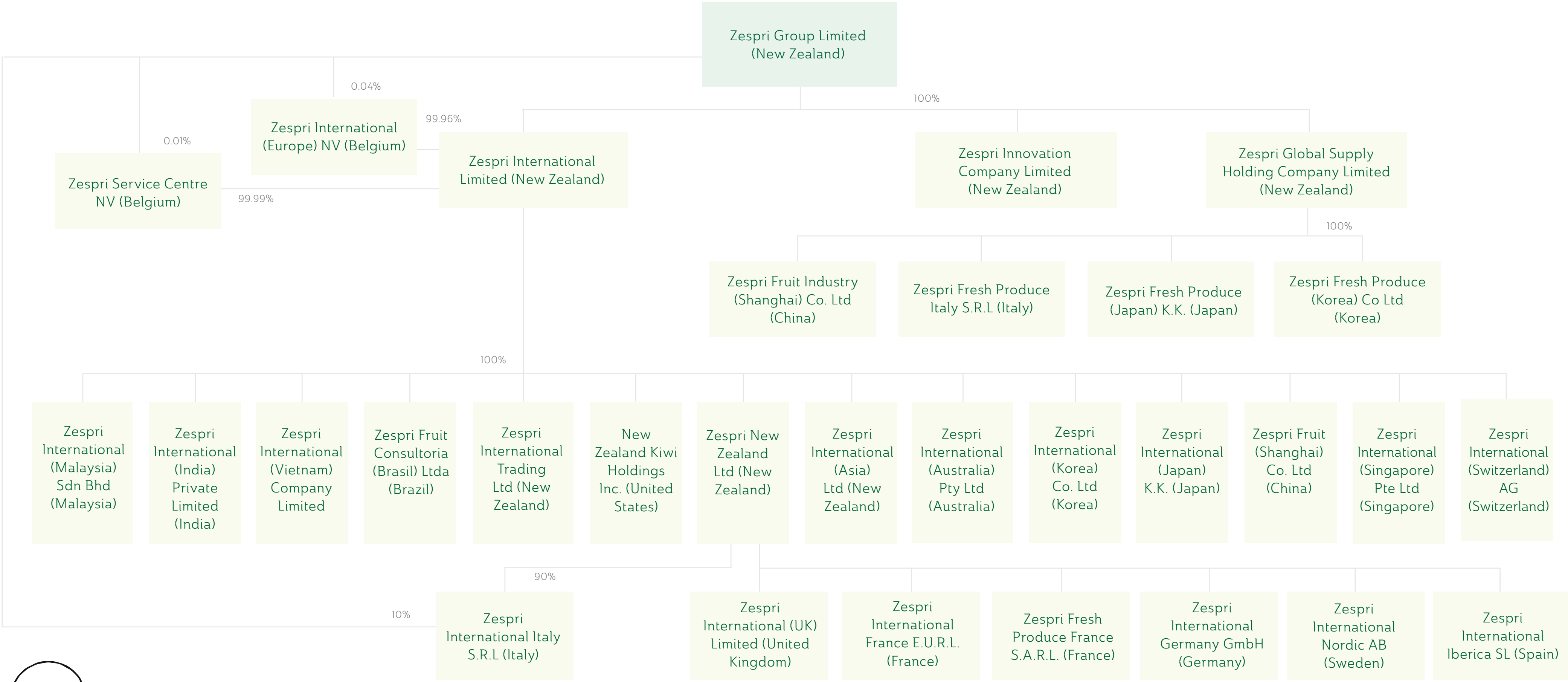
Any changes less than 10% are assessed on a case-by-case basis, and may be updated at Zespri's discretion, especially if it would otherwise compromise the consistency and relevance of the reported GHG information.

Zespri's base year emissions will be recalculated if misstatements or changes in methodology would have resulted in changes of more than 5% of total emissions in the base year. If the recalculation is significantly uncertain or unable to be carried out due to lack of data, then Zespri will establish a new base year.

In FY25, Zespri recalculated its FY20 base year emissions inventory following a methodological change in the treatment of shipping emissions. Specifically, ballast (inbound) voyage emissions were excluded from Scope 3 Category 4 reporting, in line with GHG Protocol guidance, which allows for their optional inclusion. This adjustment aligns the base year inventory with Zespri's revised emissions boundary and target scope, ensuring consistency in performance tracking over time. The exclusion has also been applied retrospectively to emissions reported for the years between FY20 and FY25.

APPENDIX 1 – ORGANISATIONAL BOUNDARIES

Zespri Group Structure Chart (By Function):



APPENDIX 2 – EXCLUDED EMISSION SOURCES FROM REPORTING

For FY25, the following emission sources have been identified and excluded from this GHG emissions inventory. Zespri remains committed to enhancing the completeness of our Scope 3 reporting and are actively working to address current data limitations. This includes efforts to improve coverage of the partially reported Category 4 emissions inventory. Additional categories are under the process of being calculated will be incorporated where emissions are determined to be relevant to Zespri's value chain.

Scope & Category	GHG emission source
Scope 3 Category 1: Purchased goods & services	Cultivation and harvesting of kiwifruit by growers
	Sorting, packaging and transportation of kiwifruit by packhouses
	Corporate supplies and services purchased by Zespri
Scope 3 Category 2: Capital goods	Corporate capital goods purchased by Zespri
Scope 3 Category 3: Fuel- and energy-related activities	Transmission and distribution losses from grid electricity purchased by Zespri
Scope 3 Category 4: Upstream transport & Distribution	Fugitive emissions from refrigerant leakage
	Port emissions (related to loading & discharge of fruit)
	Land transportation of Northern Hemisphere (ZGS) fruit
Scope 3 Category 5: Waste	Waste disposal from Zespri premises
Scope 3 Category 6: Business travel	Staff accommodation when travelling for business purposes
Scope 3 Category 7: Employee commuting	Zespri employees traveling to and from work
Scope 3 Category 9: Downstream transportation & distribution	Land transport of fruit from Zespri hubs to distributors (market specific)
	Transportation and distribution of Zespri's products to consumers, including outbound logistics and warehousing
Scope 3 Category 10: Processing of sold products	*No emissions deemed relevant in this category*
Scope 3 Category 11: Use of Sold Products	*No emissions deemed relevant in this category*
Scope 3 Category 12: End-of-life treatment of sold products	Disposal and treatment of fruit sold by Zespri at the end of their life cycle
Scope 3 Category 13: Downstream leased assets	*No emissions deemed relevant in this category*
Scope 3 Category 14: Franchises	*No emissions deemed relevant in this category*
Scope 3 Category 15: Investments	Emissions associated with 50:50 joint operation - Kiwifruit Breeding Centre

Independent Limited Assurance Report to Zespri Group Limited (the 'Group')

Conclusion

Our limited assurance conclusion has been formed on the basis of the matters outlined in this report.

Based on our limited assurance engagement, which is not a reasonable assurance engagement or an audit, nothing has come to our attention that would lead us to believe that, in all material respects, the Greenhouse Gas Emissions, from the Group's Corporate emissions and the Group's Industry Shipping Emissions from New Zealand sourced fruit (**GHG Statement**), has not been prepared in accordance with the Greenhouse Gas Protocol standards and guidance (collectively, the GHG Protocol) (**the criteria**) for the period 1 April 2024 to 31 March 2025.

Information subject to assurance

We have performed an engagement to provide limited assurance in relation to the Group's GHG Statement included in the Greenhouse Gas Emissions Inventory Report for the period 1 April 2024 to 31 March 2025.

Our conclusion on the GHG Statement does not extend to other information that accompanies or contains the GHG Statement and our report (**other information**). We have not performed any procedures with respect to the other information.

Criteria

The criteria used as the basis of reporting include the World Resources Institute and World Business Council for Sustainable Development's Greenhouse Gas Protocol standards and guidance (collectively, the GHG Protocol):

• Scope 1 emissions have been prepared in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition)

• Scope 2 emissions have been prepared in accordance with The Greenhouse Gas Protocol: GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard and

• Scope 3 emissions have been prepared in accordance with The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard

As a result, this report may not be suitable for another purpose.

Standards we followed

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (New Zealand) 3410 Assurance Engagements on Greenhouse Gas Statements (**ISAE (NZ) 3410**) issued by the New Zealand Auditing and Assurance Standards Board (**Standard**). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our responsibilities under the Standard are further described in the 'Our responsibility' section of our report.

How to interpret limited assurance and material misstatement

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Misstatements, including omissions, within the GHG Statement are considered material if, individually or in the aggregate, they could reasonably be expected to influence the relevant decisions of the intended users taken on the basis of the GHG Statement.

Inherent limitations

GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emissions of different gases.

Use of this assurance report

Our report is made solely for the Group. Our assurance work has been undertaken so that we might state to The Group those matters we are required to state to them in the assurance report and for no other purpose.

Our report should not be regarded as suitable to be used or relied on by anyone other the Group for any purpose or in any context. Any other person who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees accept or assume any responsibility and deny all liability to anyone other than The Group for our work, for this independent assurance report, and/or for the opinions or conclusions we have reached.

Our conclusion is not modified in respect of this matter.

Management's responsibility for the GHG Statement

The Management of the Group are responsible for the preparation of the GHG Statement in accordance with the criteria. This responsibility includes the design, implementation and maintenance of such internal control as the management determine is relevant to enable the preparation of the GHG Statement that is free from material misstatement whether due to fraud or error.

The Management of the Group are also responsible for selecting or developing suitable criteria for preparing the GHG Statement and appropriately referring to or describing the criteria used.

Our responsibility

We have responsibility for:

- planning and performing the engagement to obtain limited assurance about whether the GHG Statement is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Group.

Summary of the work we performed as the basis for our conclusion

A limited assurance engagement performed in accordance with the Standard involves assessing the suitability in the circumstances of the Group's use of the criteria as the basis for the preparation of the GHG Statement, assessing the risks of material misstatement of the GHG Statement whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG Statement.

We exercised professional judgment and maintained professional scepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the GHG Statement that is sufficient and appropriate to provide a basis for our conclusion.

Our procedures selected depended on the understanding of the GHG Statement that is sufficient and appropriate to provide a basis for our conclusion. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

In undertaking limited assurance on the GHG Statement, the procedures we primarily performed were:

- obtaining, through inquiries, inspection and observation, an understanding of the Group's control environment, key processes, data sets and information systems relevant to the preparation of the GHG disclosures. We did not evaluate the design of particular control activities or obtain evidence about their implementation.
- inquiring with relevant staff regarding any matters that arose in the application of the selected boundary in establishing the emissions inventory.
- agreeing a selection of GHG emissions data to relevant underlying source documents and re-performing emission factor calculations for a limited number of items.
- considering the presentation and disclosures of the GHG emissions and explanatory notes against the requirements of the criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality management

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) (**PES 1**) issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (**PES 3**), which requires the firm to design, implement and operate a system of quality control including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our firm has also provided other services to the Group in relation to the audit of the statutory financial statements, other assurance services, agreed upon procedure engagements, taxation advisory and compliance services. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as assurance providers of the Group for this engagement. The firm has no other relationship with, or interest in, the Group.

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KPMG
Auckland

17 June 2025