

ZESPRI'S PACKAGING TARGETS

OVERVIEW

Zespri's has set three packaging targets linked to its goal to support a circular economy. The targets are aimed at finding solutions that reduce our environmental impact, while also ensuring high quality fruit, guaranteeing food safety, and avoiding waste.

Zespri's packaging targets are:

- Our packaging will be 100% recyclable, reusable or compostable by 2025
- Any plastic packaging we use will be made from at least 30% recycled plastic by 2025
- We will reduce our packaging footprint per kg of fruit by 25% by 2030

PERFORMANCE

Zespri reports its performance against each of these targets annually in accordance with Zespri Packaging Targets Basis of Preparation, available at www.zespri.com/en-NZ/Sustainability-Our-Environment. The figures presented in Table 1 have been subject to Limited Assurance.

Table 1. Zespri packaging target performance

Progress on our packaging targets	2022/23	2021/22	2020/21
Our packaging will be 100% recyclable, reusable or compostable by 2025	88%	87%	86%
Any plastic packaging we use will be made from at least 30% recycled plastic by 2025	26%	11%	11%
We will reduce our packaging footprint per kg of fruit by 25% by 2030*	0%	(1%)	Baseline year

*Compared to the 2020/21 baseline year



Independent Limited Assurance Report to the Directors of Zespri Group Limited (the 'Company')

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:

- The Company's packaging metrics detailed on the attached summary and included within the Zespri Group Limited Annual Report have not, in all material respects, been prepared in accordance with the [Zespri Packaging Targets Basis of Preparation](#) made available on the Zespri Corporate website and referred to in Table 1. Zespri Packaging Target performance on page 40 of the Zespri Group Limited Annual Report for the period 1 April 2022 to 31 March 2023; and
- The Company's packaging life cycle assessment performance against the 2021 baseline detailed on the attached summary and included within the Zespri Group Limited Annual Report has not, in all material respects, been prepared in accordance with the [Zespri Packaging Targets Basis of Preparation](#) made available on the Zespri Corporate website and referred to on page 40 of the Zespri Group Limited Annual Report for the period for the period 1 April 2022 to 31 March 2023.

Information subject to assurance

We have performed an engagement to provide limited assurance in relation to Zespri Group Limited's selected non-financial performance measures (together the 'subject matter'), being:

- Packaging metrics (% of recyclable, reusable or compostable packaging and % of plastic packaging made from at least 30% recycled plastic) for the period 1 April 2022 to 31 March 2023; and
- Packaging life cycle assessment for the period 1 April 2022 to 31 March 2023

Criteria

The respective criteria for each selected non-financial performance measure are listed below. As a result, this report may not be suitable for another purpose.

Non-financial performance measure:	Criteria:
Packaging metrics	Zespri Packaging Targets Basis of Preparation
Packaging life cycle assessment	Zespri Packaging Targets Basis of Preparation



Standards we followed

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements other than audits or reviews of historical financial information*. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In accordance with that standard we have:

- assessed the suitability of the circumstances of Zespri Group Limited's use of the criteria as the basis for preparation of the subject matters;
- used our professional judgement to assess the risks of material misstatement and plan and perform the engagement to obtain limited assurance that the subject matters are free from material misstatement, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on the effectiveness of these controls;
- evaluated the overall presentation of the subject matter; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

How to interpret limited assurance and material misstatement

In a limited assurance engagement, the assurance practitioner performs procedures, primarily consisting of discussion and enquiries of management and others within the entity, as appropriate, and observation and walk-throughs, and evaluates the evidence obtained. The procedures selected depend on our judgement, including identifying areas where the risk of material misstatement with the criteria is likely to arise.

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.

Misstatements, including omissions, within the subject matter, are considered material if, individually or in the aggregate, they could be reasonably expected to influence the relevant decisions of the intended users taken on the basis of the subjects matters included within the Zespri Group Limited Annual Report.

Restriction of distribution and use

Our report is made solely for Zespri Group Limited. Our assurance work has been undertaken so that we might state to the Zespri Group Limited those matters we are required to state to them in the assurance report and for no other purpose. No other third party is intended to rely on our report.

Our report should not be regarded as suitable to be used or relied on by any third parties other than Zespri Group Limited for any purpose or in any context. Any other party 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 of employees accept or assume any responsibility and deny all liability to any party other than Zespri Group Limited for our work, for this independent limited assurance report, and/or for the conclusions we have reached.

Management's responsibility for the subject matters

Management of the Company are responsible for the preparation of the subjects matters in accordance with the criteria, which management have determined to meet the needs of the Company. This responsibility includes the design, implementation and maintenance of such internal control as the management of the Group determine is relevant to enable the preparation of the subject matters included within the Zespri Group Limited Annual Report that is free from material misstatement whether due to fraud or error.



Our responsibility

Our responsibility is to express a limited assurance conclusion to the Company on whether anything has come to our attention that the subject matters has not, in all material respects, been prepared in accordance with the criteria for the period 1 April 2022 to 31 March 2023.

Our independence and quality control

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)* 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 (Amended) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our firm has also provided other services to the Company and its subsidiaries in relation to audit of the statutory financial statements, other assurance services, agreed upon procedure engagements, taxation consulting and compliance services and climate change consulting 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 Company and its subsidiaries. These matters have not impaired our independence as assurance providers for this engagement. The firm has no other relationship with, or interest in, the Company.

A handwritten version of the KPMG logo in blue ink, appearing as if written on a white surface. The letters are slightly slanted and have a casual, sketchy quality.

KPMG
Auckland

3 July 2023