

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. have been subject to Limited Assurance.

The figures presented in Table 1 include all Zespri transport packaging products and components used in Zespri’s markets worldwide, and all consumer-facing packaging products and components used in Zespri’s primary markets identified as Australia, Belgium, Canada, China, France, Germany, Hong Kong, Italy, Japan, Netherlands, New Zealand, Singapore, South Korea, Spain, Taiwan, United Kingdom, and the United States. The figures have been subject to Limited Assurance.

Table 1. Zespri packaging target performance

Progress on our packaging targets	Target	2023/24	2022/23	2021/22	2020/21
% of packaging, by weight, which is recyclable, reusable or compostable	100% by 2025	88%	88%	87%	86%
% of plastic packaging, by weight, which is made from recycled plastic	30% by 2025	16%	26%	11%	11%
(%Reduction) / % increase in our packaging carbon footprint per kg of fruit compared to the Baseline year	25% reduction to Baseline by 2023	8%	3%*	(1%)	Baseline year

**Corrections made to historic packaging data over FY2023/24 resulted in the recalculation of performance against Zespri packaging carbon footprint target for FY2022/23. These adhere Zespri’s policy for changes to historical data, as detailed in Zespri’s Packaging Targets Basis of Preparation at <https://www.zespri.com/en-NZ/Sustainability-Our-Environment>. The additional packaging data did not materially impact the other two targets.*



Independent Limited Assurance Report to the Directors of 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:

- The Group's packaging metrics included in the Zespri Group Limited Annual report have not, in all material respects, been prepared in accordance within the basis of preparation available at <https://www.zespri.com/content/dam/zespri/nz/sustainability/Zespri-Packaging-Targets.pdf> for the period for the period 1 April 2023 to 31 March 2024.; and
- The packaging life cycle assessment performance for the period for the period 1 April 2023 to 31 March 2024 against the 2021 baseline included in the Zespri Group Limited Annual report has not, in all material respects, been prepared in accordance within the basis of preparation available at <https://www.zespri.com/content/dam/zespri/nz/sustainability/Zespri-Packaging-Targets.pdf>.

Information subject to assurance

We have performed an engagement to provide limited assurance in relation to the Group'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 2023 to 31 March 2024; and
- Packaging life cycle assessment for the period 1 April 2023 to 31 March 2024

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 *

* The basis of preparation is available at <https://www.zespri.com/content/dam/zespri/nz/sustainability/Zespri-Packaging-Targets.pdf>

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 the Standards, we have:

- assessed the suitability of the circumstances of the Group's use of the criteria as the basis for preparation of the subject matters;
- used our professional judgement to plan and perform the engagement to obtain limited assurance that the information subject to assurance is 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; 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 information subject to assurance is considered material if, individually or in the aggregate, it could reasonably be expected to influence the relevant decisions of the intended users taken on the basis of the information subject to assurance.

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 is released to the intended users on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent.

Our report should not be regarded as suitable to be used or relied on by anyone other than the Group 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 or employees accept or assume any responsibility and deny all liability to any one other than the Group for our work, for this independent limited assurance report, and/or for the conclusions we have reached.

Our opinion is not modified in respect of this matter.

Management's responsibility for the subject matters

Management of the Group are responsible for the preparation of the subject matters in accordance with the criteria, which management have determined to meet the needs of the directors. This responsibility includes such internal control as the management determine is necessary to enable the preparation of the subject matter 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 Group on whether anything has come to our attention that would lead us to believe that, in all material respects, the subject matter has not been prepared in accordance with the criteria for the period 1 April 2023 to 31 March 2024.

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, 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.



KPMG
Auckland

21 June 2024