

KIWIFRUIT INDUSTRY SUSTAINABILITY POSITION STATEMENT



SUSTAINABILITY IS A MAJOR FOCUS FOR US AT ZESPRI – IT SITS AT THE HEART OF OUR PURPOSE TO HELP PEOPLE, COMMUNITIES AND THE ENVIRONMENT THRIVE THROUGH THE GOODNESS OF KIWIFRUIT.

Zespri Kiwifruit is trusted and sought out by millions around the world, renowned for its delicious taste and the nutritional boost it offers. We take our role as kaitiaki (guardians) for our future generations seriously. While playing that role we tread lightly on the land and support communities both in New Zealand and globally but know we can do more. Our consumers expect that of us as we do ourselves.

Our ambition is to make sure as we continue to grow, we do so in a way that respects and enhances our people, the environment and the communities around us, helping them thrive and grow stronger. That is why we have established 'Better Tomorrow' as one of our four core strategic priorities. Underpinned by our company values and purpose, Better Tomorrow is about developing new sources of value, improving our business for the long-term, and leading sustainability in our industry.

We have developed a Kiwifruit Industry Sustainability Framework that defines our top sustainability priorities. The framework, illustrated below, has been developed through conversations with key stakeholder groups including New Zealand and internationally based growers, packhouse and coolstore representatives, industry representative groups, Māori Kiwifruit Growers, Zespri's global distribution partners and Zespri employees.

KIWIFRUIT SUSTAINABILITY FRAMEWORK

OUR PURPOSE IS TO HELP PEOPLE, COMMUNITIES AND THE ENVIRONMENT AROUND THE WORLD THRIVE THROUGH THE GOODNESS OF KIWIFRUIT

Our Leadership Statements

Helping people around the world make healthier lifestyle choices

Creating a circular economy for our packaging

Enhancing the environment through the way we grow our kiwifruit

Building thriving communities, by supporting growers, employment and local economies

Our Priorities



OUR KIWIFRUIT

HEALTH | FOOD SAFETY



OUR ENVIRONMENT

PACKAGING | WATER | CLIMATE CHANGE



OUR COMMUNITIES

GROWERS | WORKFORCE | MARKETS

Guided by the framework (detailed on the [Zespri website](#)), we have also set ourselves ambitious targets and commitments which focus on creating a more sustainable future for our industry. Linked to our priorities, our eleven sustainability targets include the following:

OUR KIWIFRUIT	HEALTH	<ul style="list-style-type: none"> We will offer over 6 billion healthy eating occasions to people around the world by 2025
OUR ENVIRONMENT	PACKAGING	<ul style="list-style-type: none"> Our packaging will be 100% recyclable, reusable or compostable by 2025 If we use plastic packaging, it 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 (<i>footprint means carbon impact [Global Warming Potential] as defined by a lifecycle assessment</i>)
	CLIMATE CHANGE	<ul style="list-style-type: none"> We will work with our partners to be carbon positive by 2035, including the key milestones of: <ul style="list-style-type: none"> Zespri corporate will be carbon neutral by 2025 Our industry will be carbon positive to our retailers by 2030 We will report on our climate risks and opportunities by August 2021 and will build an industry wide adaptation plan by 2022
	WATER	<p>By 2025, Zespri growers are:</p> <ul style="list-style-type: none"> Protecting water quality by demonstrating alignment of nutrient inputs and losses to good practice limits Using monitoring technology to actively manage and demonstrate efficient use of our precious water resources
OUR COMMUNITIES	GROWERS	<ul style="list-style-type: none"> People want to work in the kiwifruit industry and every employee will be valued, safe and supported in their jobs
	WORKFORCE	<ul style="list-style-type: none"> We will attract talent and continue to build a thriving workforce amongst our value chain by 2030 (<i>thriving means continually improving social practices in relation to working conditions, pay, health & safety, development, and diversity and inclusion</i>)
	MARKETS	<ul style="list-style-type: none"> We will partner within communities on healthy lifestyle programmes in our major markets by 2022

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CLIMATE CHANGE AND SUSTAINABILITY IS GOVERNED BY THE ZESPRI BOARD AND EXECUTIVE AND IS SUPPORTED BY A ROBUST RISK MANAGEMENT STRUCTURE.

In the coming years, our sustainability governance will be supported by the establishment of an Industry Stakeholder Advisory Group aimed at strengthening industry-wide governance, and an Independent Global Advisory Group. Our sustainability governance structure is described in further detail below.

CLIMATE CHANGE & SUSTAINABILITY GOVERNANCE

Risk Management

AUDIT & RISK MANAGEMENT COMMITTEE

A sub-committee of the Board, responsible for reviewing risk management strategies, internal controls and compliance processes, including those relating to sustainability and climate change.

RISK MANAGEMENT POLICY

Provides the overarching framework for assessing, monitoring and managing risks, including those relating to sustainability and climate change.

Responsibilities

ZESPRI BOARD OF DIRECTORS

Responsible for integrating environmental and social considerations into Zespri's assessment of business risk, strategy development and performance.

ZESPRI GLOBAL EXECUTIVE TEAM

Provide executive management and oversight of Zespri's sustainability objectives, ensuring the associated projects and work-streams remain on track and deliver against stated objectives.

BUSINESS UNIT MANAGERS

Support with the development, implementation and monitoring of climate change and sustainability-related projects, workstreams and risks.

Specialised Committees

INDUSTRY STAKEHOLDER ADVISORY GROUP

Planned for establishment in 2021 to strengthen industry-wide governance and support the integration and implementation of sustainability priorities across the industry.

INDEPENDENT GLOBAL ADVISORY GROUP

Planned for establishment in 2022 to build knowledge and capability required to realise our sustainability leadership ambitions.

The Zespri Board of Directors is responsible for integrating environmental and social considerations into Zespri's assessment of business risk, strategy development and performance. The Zespri Executive Team is charged with providing executive management and oversight of Zespri's sustainability objectives, ensuring associated projects and work-streams remain on track to deliver against stated objectives.

The priority areas identified within our Industry Sustainability Framework provide the basis for identifying strategic sustainability risks to the business. Each business unit is responsible for having appropriate risk mitigation controls in place and maintaining risk documentation to monitor and report risks that threaten achievement of their key objectives. Zespri's Risk and Assurance Team, in collaboration with individual business units, update the Group Corporate Risk Register from department risk documentation and report this result to the Audit and Risk Management Committee on an annual basis.

Zespri's Risk Management Policy provides the overarching framework for assessing, monitoring and managing risks, including those relating to sustainability and climate change.