costa
well grown

Sustainability Report 2024

Building a sustainable future to feed a global population

Costa Group Consolidated Holdings Pty Ltd

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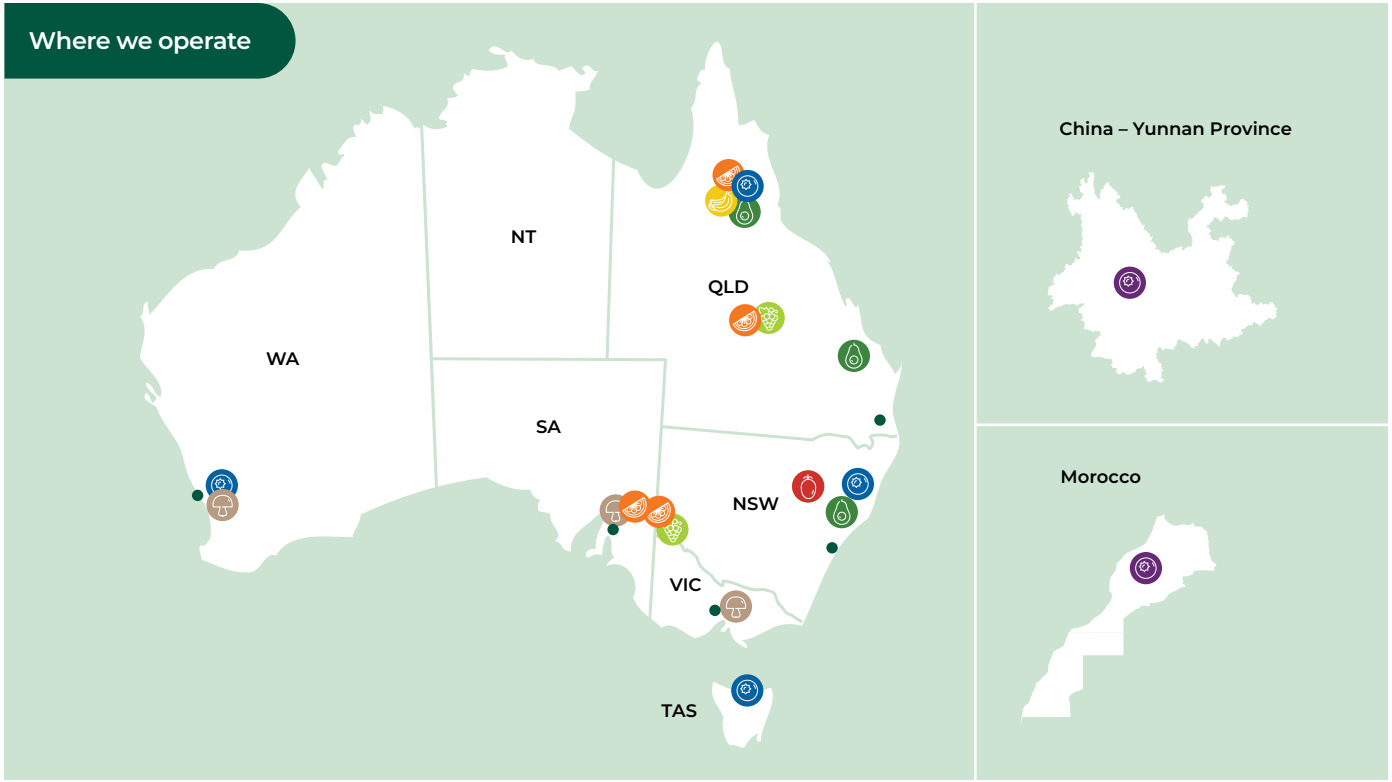
About us

Costa is a global leading grower, packer and marketer of fresh fruit and vegetables. From our farms to your door, we nurture our fruit and vegetables every step of the journey.

Costa has developed a Sustainable Commercial Farming 'Overarching Objective' which broadly defines not only what we are seeking to achieve but also acknowledges the environmental and social responsibilities that go hand-in-hand with integrating Sustainable Commercial Farming into everything we do at Costa.

Where we operate



Western Australia

Berry Farms
Gingin

Compost Facility
Mandurah

Distribution Centre
Jandakot

Mushroom Farm
Casuarina

Select Fresh Group
Canning Vale

South Australia

Adelaide Wholesale Market
Pooraka

Citrus Farms
Amaroo – Murtho,
Pike Creek – Lyrup,
Solora – Loxton,
Bookpurnong

Kangara Citrus Farm and Packhouse
Murtho

Mushroom Farm
Monarto

Yandilla Citrus Farm and Packhouse
Renmark

Victoria

Docklands Support Centre
Docklands

Citrus and Table Grape Farm
Colignan
Nangiloc

Citrus Farm
Lindsay Point

Compost Facility
Nagambie

Melbourne Wholesale Market
Epping

Mushroom Farms
Mernda, Yarrambat

New South Wales

Avocado Farms
Comboyne,
Fishermans Reach

Berry Farms
Corindi

Citrus Farm
Trentham Cliffs

Distribution Centre
Eastern Creek

Table Grape Distribution Centre
Euston

Glasshouses
Guyra

Queensland

Avocado Farms
Atherton, Paddy's Green,
Dimbulah, Childers

Banana Farms
Walkamin

Berry Farms
Atherton, Tolga, Walkamin,
Paddy's Green

Brisbane Wholesale Market
Rocklea

Citrus and Table Grape Farms
Emerald, Dimbulah

Table Grape Farm
Mundubbera

Tasmania

Berry Farms
Dunorlan, East Devonport,
Lebrina, Nine Mile,
Wesley Vale

Berry Distribution Centre and Packhouse
East Devonport

Distribution Centre
Devonport

China

Bailang

Manlai/Manle

Guangmen

Manhong

Shuangqiao (SQ)

Jinji (Agripark)

Xinze

Morocco

Northern farms
Rouiff, Ouled 2, Ouled
Zaouia, Riah
Choauffaa
Baytar 1, Baytar 2
Larache

Southern farms
Massa 1-4
Massa 5

- Avocados
- Bananas
- Berries
- Berries International
- Citrus
- Grapes
- Mushrooms
- Tomatoes
- Distribution Centre/ Support Centre

CEO Report

I am pleased to present our 2024 Sustainability Report. As a leader in the global agricultural industry, we are committed to integrating sustainability into all aspects of our operations and in this report, we highlight our continuing progress and achievements.

The year was another milestone one for Costa as we transitioned to a new ownership structure in February. Our new owners Paine Schwartz Partners, Driscoll's Inc. and British Columbia Investment Management Corporation, have a strong understanding of agriculture and support continued investment in the ongoing growth of our business, including constant improvements in yield and quality.

Costa is committed to achieving net zero carbon emissions by 2050 and our focus remains on identifying, adapting and implementing the most practical and efficient ways in which to achieve this goal.

Our initiatives are centred on our Sustainable Commercial Farming Principles, with particular emphasis on reducing carbon emissions, optimising water use and reducing waste. We also continued planning for the mandatory Australian climate related disclosure reporting which takes effect from 2025.

In 2024 as part of our move towards using more renewable energy sources, we continued to invest in the installation of new solar systems including five systems in Corindi, New South Wales; four in Far North Queensland; and trial systems in Tasmania. At our Monarto mushroom facility in South Australia, which houses Costa's largest solar installation, an additional 1.2MW solar expansion was under construction at the end of 2024, increasing the power generation at the site by 60% to 3.2MW. This will be combined with the installation of a 1MW Battery Energy Storage System to complement the solar generation.

Our Water Risk Strategy, which was developed and endorsed in 2023, details current risks and mitigation strategies and is regularly updated and reviewed. In 2024 our teams have continued to look at new systems and processes to improve our water efficiency. This has included a series of water saving projects at our Casuarina mushroom operation and Nambeelup compost facility.

We have also continued to trial and develop new packaging solutions including the development of a paper-based recyclable band for packaging for bananas and trialling cardboard packaging for cocktail tomatoes.

Our efforts to both reduce the amount of waste we generate and find new solutions for recycling and reuse continued across all our categories. For example, our team at the Guyra glasshouses trialled a new system to convert plant waste material into compost, using an enzyme formulation to accelerate the breakdown of the material. At our Mernda mushroom facility, mushroom stems were processed on site to extract water, reducing the bulk waste by 80%.

Innovation remains key to our operations and throughout the year we have invested in new technology including weather tracking, irrigation, crop and yield monitoring.

In all our operations, our people are central to our success, and it is through their commitment, ingenuity and passion that we continue to be a leader in the agriculture industry. The health and wellbeing of our employees continues to be our highest priority and in 2024 we implemented a new safety strategy – Vision Zero. Zero Serious Injuries. Zero Excuses.

Pleasingly we can report our safety indicators continue to fall year on year, reflecting our strong safety culture.

We also remain proud of our diverse workforce, which numbers 91 nationalities, and continue to build a culture where everyone is treated fairly and with respect. In 2024, we introduced cultural competency training for key personnel working with our employees from the Pacific Islands, and we also launched a new Contact Officer network to provide an additional method for people who want to raise concerns.

Finally, our commitment to supporting our communities is a key pillar of our operations in the many regions in which we operate, both in Australia and in China and Morocco, and we continue to support community organisations and events. Importantly, we also have a focus on promoting education and the benefits of healthy eating. In 2024 we were proud to support the Stephanie Alexander Kitchen Garden Foundation Sustainability Solutions Award and look forward to developing a stronger partnership with the Foundation over the coming year.

Marc Werner
Chief Executive Officer

Sustainable commercial farming principles

Sustainable commercial farming principles	UN Sustainable Development Goals
1. Water use and security We will maintain a focus on reducing water inputs per unit of crop output through efficiency of water use and ensuring water security with a particular focus on water capture and recycling.	
2. Climate change We will continue to meet the challenges presented by climate change, using skills and technology to adapt to changing circumstances. This includes advancing the adoption and continued enhancement of protected cropping across our portfolio, developing new and more climate resilient crop varieties, finding new technological solutions and adopting the use of renewable energy sources where practical to do so.	
3. Waste We recognise that waste in all forms presents challenges with respect to its reduction. This requires a multi-faceted approach that includes adopting practices to reduce the impact on crop yield and quality loss, stringent post-harvest time-temperature management to extend product life cycles, active management of production waste, seeking ways to reduce packaging waste and removing or eliminating non and low value labour intensive activities.	
4. Nutritional inputs We will carefully select and apply crop nutritional elements and where practical endeavour to use organic and biological crop nutritional inputs. Care will also be taken to eliminate or reduce any migration of applied nutrients beyond our farm boundaries.	
5. Biodiversity Retaining a rich variety of plant life, native insects and soil microorganisms will enable us to continue our growing operations successfully and effectively for many years to come. We will prioritise the application of organic and biological pest and disease control methods on our crops where practical and cost efficient. Where chemical applications are required, these will be closely monitored to measure ongoing efficacy of use and to ensure compliance.	

Sustainable commercial farming principles	UN Sustainable Development Goals
6. Production yield We will continue to develop and embrace agronomic technology and practices to increase crop yields for each hectare farmed, including production which occurs out of the soil. We will also seek to better understand the variables in crop production via the use of advanced measurements and analytical tools to obtain improvements in agronomic practices.	
7. Productivity and efficiency We will actively pursue investment that improves our productivity with a focus on the development of harvest and post-harvest automation initiatives to ensure long-term cost efficiency and pricing competitiveness.	
8. Workforce The knowledge and application of our sustainable farming practices is central to the development and training of our workforce. We also recognise they deserve a workplace that respects and recognises their basic human rights, is both safe and healthy, promotes diversity and provides opportunity for career advancement and training, while ensuring they are appropriately rewarded for their efforts.	
9. Community We will build and maintain an active involvement in supporting the social fabric of the many regional and rural communities in which we operate. Our footprint requires us to not only act and behave as a responsible corporate citizen, but also work closely with communities so they can benefit both economically and socially from our ongoing presence.	
10. Health and wellbeing We only grow healthy and nutritious fresh food that is acknowledged as being essential to maintaining a healthy body and mind. We take great pride in the fact nothing artificial is added to our products after harvest and sold fresh just as they are.	

Governance

The Costa Board has oversight of Costa's sustainability strategy and performance including overseeing progress toward achieving our Sustainable Commercial Farming goals.

This role also includes oversight of climate related risks and opportunities. The Board also works with our CEO and Executive Leadership Team to review and evaluate key performance indicators and initiatives and to identify, assess and manage climate related risks.

The Board has responsibility for oversight of the company's Enterprise Risk Management (ERM) program, including climate-related risks that are analysed and reported on by management. Executive Risk Owners are in place for all key enterprise risks including a number that are either directly climate related (e.g., change and weather volatility) or risks that will be significantly impacted by climate change.

Management also provides the Board with an annual Water Risk Management plan, which covers in detail short and long-range climate outlook and category and site-specific risk assessments covering water usage, security, pricing, competing use and climate trends.

The strategic management of sustainability is led by our CEO and the Executive Leadership Team, who develop and monitor sustainability initiatives and projects, policies and standards.

The daily management of our Sustainable Commercial Farming commitments and implementation of objectives is fulfilled by all Costa leaders and their teams.

Strategy

The risks and opportunities arising from climate change is a feature of Costa's strategic planning, capital investment and allocation decisions and is integrated into the Company's Enterprise Risk Management (ERM) program.

In the near-term, the risks and opportunities associated with climate change to Costa's operations and strategy, include:

	Risks	Opportunities
Weather volatility	Impacts our crops and our assets, along with the assets and distribution channels available to key input suppliers and customers. This risk also has the potential to harm our employees and our communities.	Costa's geographic diversification of crop-types and growing regions will provide advantage relative to competitors, as will Costa's continued investment in protected cropping. Additionally, as our customers (major retailers) focus in this area they will increasingly value companies such as Costa that have capacity to manage these risks to ensure consistency of supply. Costa is also exploring adaptations to current agronomic practices which should serve to continue to provide competitive advantage.
Water security	Increasing temperatures and changing climates may impact our ability to source sufficient good quality water, whether that be due to changes in the price or availability of quality water.	Strategic security of water relative to competitors in similar regions, or strategic advantages through operating in more water abundant areas relative to competitors' farming footprints.
Plant and crop quality	As climate changes our plant and crop health and pest and disease pressures will also evolve and may challenge our ability to deliver high-quality fresh produce.	Exploring adaptations to current agronomic practices which should serve to continue to provide competitive advantage, as well as proactively investing in and researching more resilient crop varieties through robust varietal improvement and selection programs.

Costa recognises that its ongoing success will not be immune to transition risks and opportunities relating to climate change – whether that be in the form of changes such as carbon pricing mechanisms or changes to policy maker focus on food security.

Costa's key impacts relating to transition risks are:

- Packaging – many of Costa's products are supplied to consumers in packaging which is necessary to maintain shelf life and longevity while also helping to avoid food waste. Any regulatory changes in this space will require Costa to adjust its operating process or model to adapt.
- Carbon emissions – continued regulation and requirements on carbon emissions will put pressure on Costa to reduce its own carbon emissions footprint, including investment in transitioning to a more renewable energy supply where practicable to do so.

We are continuing to monitor the landscape to proactively adapt to changes when practical, advantageous to do so or necessary.

Governance continued

Risk management

Costa's formalised ERM program was overseen by the Board, Audit & Risk Committee, and the Executive, and is aligned to the principles outlined in AS/NZ ISO31000. Costa's Risk Management Framework consists of a suite of processes and policies that underpin the risk management process:

- Risk Management Policy
- Risk Appetite Statement
- Enterprise Risk Management Framework Document
- Risk Escalation Policy

These documents govern the Group-wide process for identifying, assessing, prioritising and monitoring risks, including those that are climate-change related.

As part of the ERM program the Board and Executive Team have identified a standalone enterprise risk of 'Climate and Environment', whose delegated Risk Owner is the CEO.

Additionally, there are a number of key strategic and operational risks analysed as part of the ERM program that are climate-change related in nature.

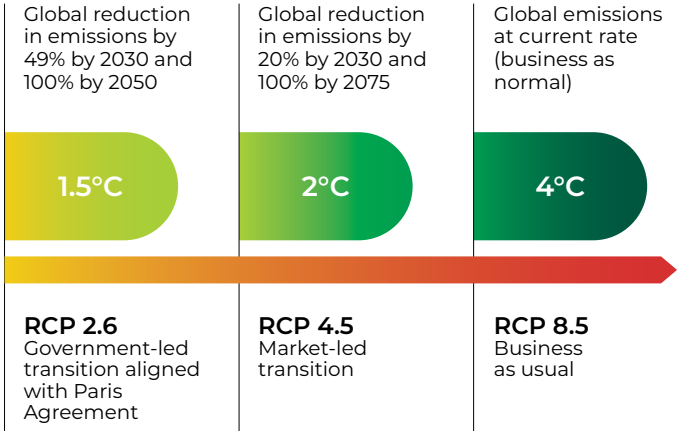
In 2023 the ERM program prioritised risks for additional analysis and Board discussion based on the severity rating assigned to them after risk assessments performed by the Enterprise Risk Owners. Climate and Environment risk was analysed in depth and had a number of risk treatment plans proposed to further enhance the Group's management of this particular risk.

In further analysing existing enterprise risks relating to climate, Costa has historically utilised the UN's Intergovernmental Panel on Climate Change RCPs (Representative Concentration Pathways), which model how concentrations of greenhouse gases in the atmosphere will change in the future as a result of human activities. (See diagram at right)

Outlining these distinct scenarios allows for each risk to be further interrogated and additional consideration given to the possible impacts and the sufficiency of our existing responses and mitigation activities. Climate change risks, as well as opportunities, are described in more detail in Appendix 1.

The time horizons disclosed in the table have been formulated based on Costa's strategic planning horizons, considering a blended 'useful life' of our crop footprint and other strategic imperatives.

Time Horizon	Costa definition
Short Current	Next 18-24 months
Medium	~2 years to 5 years
Long	> 5 years



Sustainable commercial farming principles

Water use and security

Costa has in place a company wide Water Risk Strategy which details current risks and mitigation strategies. Risk assessments were prepared using multiple risk criteria across areas such as water security, price, competing use and climate trends. These risk assessments are regularly updated and reviewed by the Costa Board.

Water consumption by category (ML)

Category	2023	2024	Overall notes
Avocados	4,203	3,772	Reduced water usage due to high rainfall at end of CY23 in Far North Queensland.
Bananas	1,299	269	Reduced water usage due to sale of the Tully banana farm and the ongoing conversion from Lady Fingers to Cavendish at Walkamin.
Berries (Aust)	3,245	2,879	Reduced water use in blueberry and raspberry production due to more favourable rainfall than previous season and redevelopment projects reducing water requirements.
Citrus	39,696	44,537	Increased water use at 2PH due to maturing plantings and lower rainfall. Dryer conditions in southern regions.
Mushrooms	381	423	Slight increase in water use due to operational issues at Monarto and Casuarina and an increased focus on cleaning at Mernda.
Tomatoes	621	494	Reduction in overall water consumption due to lower production.
International – Morocco	2,292	2,328	Slight increase in water use due to maturing redeveloped substrate areas.
International – China	2,479	2,576	Additional water requirements for new Xinze and Agripark farms.
Total	**54,216**	**57,278**	

Sustainable commercial farming principles continued

Water use and security

Water consumption can and will change from year to year, separate to any endeavours to reduce or improve efficiency of such consumption. This is primarily reflective of weather and climate related variables including drought and/or drought like conditions, resulting in less than average rainfall for a particular location or region. This may necessitate increased consumption versus a previous reporting period to achieve the same or similar crop yields and increased financial cost associated with sourcing any additional water requirements which is not directly captured on site or covered by existing allocation entitlements.

Reducing water use

A full review of the irrigation systems at the 2PH farm in Emerald, Central Queensland, was conducted during 2024 with a focus on improving efficiency and reducing water usage per hectare of planted crop. As a result of the review, new irrigation controllers with remote management capacity and additional water meters will be installed in 2025.

In Western Australia, a water management team has been working on a number of water saving projects at the Casuarina mushroom operation and the Nambeelup compost facility. During 2024, underground PVC pipes were replaced, resulting in improved overall quality in the compost and reduced water leaks. Timers have also been installed on the irrigation sprinklers at the Nambeelup compost facility which ensures water is added to the compost at appropriate times to reduce run-off.

All the above projects seek to address the risk from increasing temperature and changing climates which may impact our ability to source sufficient good quality water.

Kilogram of produce per ML of water used

Category	CY2023	CY2024
Avocados	2,213	2,195
Bananas	3,829	2,546
Berries (Aust)		
Blueberries	3,553	3,369
Blackberries	6,310	4,789
Raspberries	3,539	4,171
Strawberries*	15,386	10,914
Citrus	3,234	3,178
Mushrooms	66,156	73,643
Tomatoes	27,569	30,536
International – Morocco	2,738	2,777
International – China	3,463	3,312

* Significant proportion of crop picked in December 2023 rather than January 2024.

Sustainable commercial farming principles continued

Climate change

Costa is committed to achieving net zero carbon emissions by 2050. We will continue to strive to meet the challenges presented by climate change, using skills and technology to adapt to changing circumstances. This includes advancing the adoption and continued enhancement of protected cropping across our portfolio, developing new and more climate resilient crop varieties, finding new technological solutions and adopting the use of renewable energy sources where practical to do so.

Greenhouse Gas (GHG) Emissions (tonnes $C0_2$-e)

National

	Unit	2020–21	2021–22	2022–23	2023–24
Total Scope 1* & 2^	tonnes CO_2-e	121,270	133,601	127,192	132,282
Scope 1**	tonnes CO_2-e	63,967	73,365	77,398	82,767
Scope 2	tonnes CO_2-e	57,303	60,236	49,794	49,515

The National Greenhouse Energy Reporting Scheme is based on the Greenhouse Gas Protocol published by the World Resources Institute and the World Business Council for Sustainable Development (WRI/WBCSD).

International

	Unit	2020–21	2021–22	2022–23	2023–24
Total Scope 1* & 2^	tonnes CO_2-e	NA	8,038	8,885	9,339
Scope 1	tonnes CO_2-e	NA	1,455	1,706	1,791
Scope 2	tonnes CO_2-e	NA	6,584	7,178	7,548

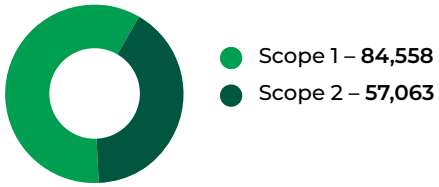
Most recent reporting period for Australian operations only – National Greenhouse & Energy Reporting. 19 Energy and Emissions Report.

* Scope 1 emissions include combustion of fossil fuels (e.g. natural gas, fuel oil, propane, etc.), combustion of fossil fuels (e.g. gasoline, diesel) used in the operation of vehicles or other forms of mobile transportation and unintentional release of GHG from sources including refrigerant systems and natural gas distribution.

** Fertilizer emissions included in 2023-2024 figures.

^ Scope 2 emissions include Indirect GHG emissions from consumption of purchased electricity, heat or steam.

GHG Emissions – Scope 1 and 2 Emissions (National and International)



Sustainable commercial farming principles continued

Climate change

Energy Consumption

National

	Unit	FY2020-21	FY2021-22	FY2022-23	FY2023-24
Total Energy Consumption	GJ	1,090,286	1,161,453	1,223,349	1,185,175
Total Energy Produced	GJ	8,478	7,645	6,608	9,575
Energy Consumed Net	GJ	1,081,808	1,153,808	1,216,741	1,175,600

International

	Unit	FY2021-22	FY2022-23	FY2023-24
Total Energy Consumption	GJ	47,028	52,991	55,650
Total Energy Produced	GJ	–	–	–
Energy Consumed Net	GJ	47,028	52,991	55,650

Calculation of energy to CO_2 equivalent is based on Victorian emissions reporting standards.

Renewable Energy

The transition to renewable energy sources, in particular solar energy, remains an integral part of Costa's sustainability strategy. In 2024, further investment was made in the installation of new solar systems including five systems in Corindi, New South Wales; four in Far North Queensland; and trial systems in Tasmania.

In Corindi, solar was installed on four water pump sheds and the farm workshop, reducing the electricity required from the grid by 50%.

At our Monarto mushroom facility in South Australia, which houses Costa's largest solar installation, an additional 1.2MW solar expansion was under construction at the end of 2024, increasing the power generation at the site by 60% to 3.2MW. This will be combined with a 1MW Battery Energy Storage System to complement the solar generation.

In 2025, Costa will continue to invest in solar systems where practical and most efficient. This includes continuing to explore the potential for installing solar at locations which currently do not utilise renewable energy.

Also in our Guyra glasshouses, all hot water systems were converted through the NSW government energy and carbon saving scheme to heat pump systems in 2024. These hot water systems are used for all hand washing stations and amenities.

In total 16 hot water systems were replaced with 42 heat pump installations, with an estimated reduction in $C0_2$ of between 3,990 tonnes and 4,788 tonnes. This is the equivalent of removing between 868 and 1,041 cars from the road.

At the Trentham citrus farm in Sunraysia, the water pumping systems were upgraded to more economical and efficient systems which run on demand, reducing electricity consumption.

A trial project to capture the $C0_2$ generated in the growing process at the Mernda mushroom farm was conducted in 2024 and will be further tested on a larger scale in a growing room in 2025. The aim is to be able to capture the $C0_2$ and reuse the air within the growing rooms. This will help to eliminate the need to bring fresh air into the growing rooms which can have a negative impact on the growing condition of mushrooms, while also reducing carbon emitted to the atmosphere.

Sustainable commercial farming principles continued

Climate change

Case Study

Transitioning to EVs in China

In China, electric vehicles are being introduced across a number of the farming operations. In 2024 there were two electric commuting vehicles in operation in Banna farm and three in the Baoshan farm. There were a total of 10 electric fruit vans in operation in the Banna and Dali farms, and charging stations have been incorporated at the Banna, Baoshan Jinji and Dali farms. In 2025, it is expected nine petrol trucks will be changed to electric at the Banna farm.

In Australia, Costa continued to trial and explore other electric options, including a Foton electric truck which was trialled at Mernda. Costa is also moving to update its Hilux vehicle fleet across the business, to embrace new technologies which will help to reduce fuel consumption and emissions, reduce ongoing costs and help to reduce our environmental impact.

Total solar energy produced in 2024

Facilities/Farm	kW Installed	Solar Energy Produced 2024 CY
Fishermans Reach Packshed	100	140,340
Renmark Office	30	48,700
Walkamin Berries	30	49,766
Tolga Berries	30	54,484
Atherton Berries	30	47,081
Walkamin Berries Packing*	100	101,161
Walkamin Bananas Packing*	100	79,645
Boonmoo 2PH*	30	37,662
Atherton Berries Thomas*	25	17,571
Corindi Pumpsheds*	120	46,662
Monarto	1,900	2,096,121
EJT	100	34,212
Corindi Floating	70	110,909
Total kWh		**2,864,314**

Note: Solar produced is measured for calendar year 2024 vs. NGERs reporting which is for 2023-24 financial year, hence solar produced by farm in the table above does not reconcile with the 2023-24 reported data under NGERs.

* Indicates sites where solar was installed in 2024

All the above projects and investments form part of our ongoing carbon reduction initiatives to address the carbon emissions transition risks detailed in this report.

Protected cropping

Costa has in place a protected cropping program which addresses weather quality risks and opportunities detailed under the Strategy section of this report. This is focused on berries, citrus, table grapes and avocado substrate. In 2024, 31% of the crops were protected, up from 20% in 2023.

Business unit	Total protected hectares	Total hectares	Percentage protected
Avocado & Banana	23	595	4%
Citrus & Grapes	251	5,588	4%
Tomatoes	40	40	100%
Mushrooms	107	107	100%
Domestic Berries	540	708	76%
International – China	397	397	100%
International – Morocco	1,384	1,384	100%
Total	**2,742**	**8,819**	**31%**

Sustainable commercial farming principles continued

Waste

We take a multi-faceted approach to reducing waste including adopting practices to reduce the impact on crop yield and quality loss, extending product life cycles, managing production waste and seeking innovative ways to reduce packaging waste.

Our goal is to reduce waste at its source, reuse materials within our operations and identify and implement recycling solutions wherever possible.

In 2024, more than 46% of our measured waste streams was mulched and/or composted and more than 35% was recycled and or donated for reuse-recycling, with an additional 12% used for livestock feed.

Packaging

Costa is a member of the Australian Packaging Covenant Organisation (APCO), a not-for-profit organisation leading the development of a circular economy for packaging in Australia. APCO has been charged by government to facilitate the delivery of Australia's 2025 National Packaging Targets which are:

- 100% reusable, recyclable or compostable packaging.
- 70% of plastic packaging being recycled or composted.
- 50% of average recycled content included in packaging.
- The phase out of problematic and unnecessary single-use plastics packaging.

Costa has in place an Action Plan, lodged with APCO, which outlines the steps the business is taking in the transition to more sustainable packaging and compliance with expected packaging legislation. Costa also works closely with industry bodies including the Australian Fresh Produce Association and Horticulture Innovation Australia Limited in providing input and feedback on packaging reforms.

During 2024, Costa continued to trial and develop new packaging solutions. This included the development of a paper-based recyclable band for packaging kids' size bananas, through a collaboration with Woolworths. The grape category also transitioned its packaging, with more than 4.5 million bags changed from plastic to paper, while in citrus more than two million plastic produce bags were converted to paper. The packaging was also recognised in the Packaging Innovation and Design Awards, winning a Gold Award for the Premium Grapes Paper Bunch Bag in the Marketing Design category and the Silver Award in the Food Design category for the Amorette Mandarin bag.

Costa has also worked closely with Woolworths and Opal conducting two 12-week trials in South Australia of cardboard packaging for cocktail tomatoes. Following the success of the trial, all cocktail tomatoes sold through Woolworths will be transitioned to the new packaging in early 2025. The cardboard punnet includes a clear window, which is made of cellulose fibre and the entire punnet is kerbside recyclable.

In 2024, Costa transitioned all mushroom PET packaging to include 60% RPET and all brown punnets have been removed and replaced with clear PET. Label sizes have also been reduced and streamlined to minimise waste.

These projects and investments also address the transition risks relating to any regulatory changes to packaging content and use for our products.

Sustainable commercial farming principles continued

Waste

Recycling

Costa has recycling operations in place across its operations, ranging from the collection and mulching of timber pallets and crates at Corindi, to the composting of waste material at the Guyra glasshouses and the reuse of plant pots in China.

At the Corindi berry farm, approximately 700 cubic metres of mulch has been produced from timber pallets and crates used for transporting raspberry long canes, which are collected over the year and combined with pruned tree waste before grinding. Used plant material is also composted and reused in new raspberry plantings to reduce the amount of new coir required. Plant material at end of life is ground into coir where a portion of it is used as part of inground redevelopment. The balance is removed from site by a contractor and used for landscaping.

Plant pot washing to enable reuse continues to be a significant factor in reducing waste, with approximately 300,000 8-litre round pots, 22,000 28-litre blueberry pots and 140,000 7.5-litre square pots reused on site at the Corindi farm during 2024.

The team in China also has a pot-washing program in place which has been progressively expanded since starting in 2020, with the aim to reuse all pots with future replanting. This represents a significant reduction in plastic waste and financial saving.

At the Manle farm all raspberry and blackberry pots have been washed and reused since 2020 and close to 16,000 blueberry pots were washed and reused in 2024. At Manhong, an additional 34,689 pots were washed and reused in 2024.

In our northern Morocco farms old tunnel steel is currently being recycled. Tunnel hoops and legs which have reached end of life are being re-purposed into trellis frames. These frames are built by the African Blue team and installed to support the crop and improve harvest rates. In 2024 over 10 tonnes of old steel was fabricated into trellis supports.

In Tasmania, a two-hectare trial conducted in 2023 to use plastic troughs to replace plastic grow bags for strawberry plantings proved successful and in 2024 plastic troughs replaced the use of coir bags across the full 18 hectares. This reduces plastic waste. The coir material discarded at the end of each strawberry season is recycled as compost.

Used tunnel plastic from across the Tasmanian berry farms is also baled to reduce bulk density and with no option for recycling in Tasmania, it is sent to the mainland for recycling.

In Far North Queensland, bunch bags used to cover the bananas during the growing period are being reused up to three times as part of the move towards reducing waste. The team is also trialling new compostable twine material used as part of the growing process.

Sustainable commercial farming principles continued

Waste

At the Guyra glasshouses, two small trials were started to convert plant waste material into compost. In the first trial, the team is using an enzyme formulation that accelerates breakdown of green waste material. The pile is inoculated and then covered and left for six to nine months to breakdown.

The second trial is based on a waterproof breathable membrane-covered pile. Air is injected into the pile which is designed to accelerate the composting process. It is then monitored with sensors and computer-controlled injection to maintain heat and humidity.

At the Corindi berry farm, a trial is also under way with a 100-tonne batch of fermented, used raspberry coir (coconut husk used as planting material). A two-part liquid catalyst is added to the moistened coir, and it is covered with plastic for at least six months. The process is intended to neutralise weed seeds and potential plant pathogens and enrich the biological activity of the material. The goal is to be able to reuse a small percentage of waste coir in annual raspberry replanting activities. It is anticipated the first batch of the material will be used in planting in 2025.

Finding solutions for plant waste

At the Mernda mushroom facility, a new project was implemented in late 2024 resulting in a significant reduction in the volume of mushroom stem waste. The stems have traditionally been sent in bulk for use on farms as feed and compost material. In this project, a new process on site is mincing and extracting the water from the stems, with the remaining material being sent as a solid for compost processing. This resulted in an 80% reduction in the volume of waste, with all of the extracted water also recycled and reused in the cleaning process.

The team is also working with Melbourne Polytechnic, which is investigating novel uses for the stems. After the water is extracted, the remaining material is being tested for use in a range of different materials, such as sound proofing in buildings.

Reducing the amount of fruit waste has been a focus for the citrus category in 2024. Historically there has been limited solutions for disposing of mandarins which do not meet retail specifications for customers. In 2024 a proportion of the discarded fruit from the 2PH farm in Emerald was supplied for fresh juice production, while the team also partnered with local businesses to supply fruit for cattle feedlots and composting, with plans to expand the supply in 2025. In the Riverland, compost that was made in 2023 using citrus waste from the 2023 crop was incorporated into the soil prior to planting new orchards in the spring of 2024.

In Sunraysia, almond hulls which are a waste product of the almond industry are being utilised as compost to provide organic material back into the soil.

Sustainable commercial farming principles continued

Nutritional inputs

We will carefully select and apply crop nutritional elements and where practical endeavour to use organic and biological crop nutritional inputs. Care will also be taken to eliminate or reduce any migration of applied nutrients beyond our farm boundaries.

Reducing water and fertilizer inputs on berry crops are among the aims of research trials being conducted at the Applied Research Test Plot in Corindi.

A number of strategies, including applying water stress to promote flowering, are being trialled on test blocks of raspberries and blueberries. The team is also assessing fertilizer application rates, with the goal of reducing overall fertilizer use.

Other trials are looking at ways in which to improve the survival rate of raspberries after pruning. Raspberries are planted for an 18-month period over two crop cycles. Plants are pruned after their first crop and the aim of the trial is to improve the survival rate of the plants to optimise the second crop. A trial was also conducted to assess the feasibility of maximising the life of Arana blueberry plants, with early indications showing plants can maintain yield into the eighth year in a controlled environment.

The Applied Research Test Plot also includes a long-term trial bioreactor system which captures and treats irrigation water through natural processes. The system, designed in-house, is being evaluated for its ability to capture runoff from the pots and mitigate nutrient outflow into farm drainage systems. This system consists of under-pot drainage channel, drainage collection mainlines, two bioreactors and a final vegetated polishing basin.

The pot runoff enters the bioreactor trench which is filled with wood chip. In the bioreactor, growth of biological organisms and chemical processes take place which reduce the nutrient content of the runoff. In the second step, the treated runoff water enters a vegetated basin where plants consume water and further remove nutrients from the solution. Finally, the treated water is discharged into a vegetated drainage line on the farm.

In 2024, a biological catalyst was added to one bioreactor to assess the impact it can have on phosphorous removal.

At our China farms, creek lines and steep slopes have been revegetated with tall grass, which has proven successful in preventing soil erosion and protecting nearby aquatic systems. The tall grasses have also been successful as a windbreak and in dust suppression. In addition, the grasses are cut periodically and used for livestock fodder, providing a renewable resource for local village residents.

Case Study

Reef certification

The avocado and banana farms in Walkamin, Tolga and Childers have Hort360 Reef Certification, demonstrating their environmental stewardship and industry best practice standards in the Great Barrier Reef catchments. The Certification process, which is reviewed annually, helps growers to identify current on-farm practices and demonstrate improvements to the management of nutrient, pesticide, sediment and run-off.

Sustainable commercial farming principles continued

Biodiversity

Retaining a rich variety of plant life, native insects and soil microorganisms will enable us to continue our growing operations successfully and effectively for many years to come. We will prioritise the application of organic and biological pest and disease control methods on our crops where practical and cost efficient. Where chemical applications are required, these will be closely monitored to measure ongoing efficacy of use and to ensure compliance.

The team in China has developed an integrated approach to pest and disease management, effectively combining beneficial insects and organic products to reduce reliance on chemical pesticides.

Key to the success of this program has been the use of predatory mites, such as *Swirskii* and *N. Californicus*, to control pests like thrips and leaf mites. On blueberries, *Swirskii* mites have proven nearly 100% effective in controlling thrips during the flowering and fruiting stages, significantly reducing the need for chemical sprays for thrips. Similarly, the use of *N. Californicus* on raspberries and blackberries has provided year-round control of leaf mites, dramatically lowering the need for Acaricides pesticide. The team also identified wild populations of predatory mites, with ongoing efforts to cultivate these beneficial populations to further reduce pesticide use.

In addition to predatory mites, the team expanded trials using parasitic wasps to manage mealybug populations. Three species—*Anagyrus, Coccidoxenoides peregrinus*, and *Allotropa citri* were found on the Manlai and Manle farms, with *Anagyrus* and *Coccidoxenoides peregrinus* successfully bred and released for further testing. The team is also incorporating biological agents like *Bacillus subtilis* and *Metarhizium* to support the management of various pests and diseases such as thrips, rust and caterpillars, further reducing the need for the application of chemicals.

Another organic product being explored is the use of Kaolin clay on blueberries to mitigate the effects of heat stress during the vegetative and flower bud development stages. Early reports indicate that Kaolin clay not only helps reduce heat damage but also limits the spread of pests, such as mealybugs and thrips, highlighting that the product may provide a multitude of benefits.

The Mushroom team at Mernda in Victoria is continuing to work with Agriculture Victoria on a project investigating methods of controlling pests and disease, using non-chemical alternatives. The target pathogens in the project are sciarid flies and fungal pathogens *Lecanicillium fungicola* and *Trichoderma aggressivum*.

In our citrus orchards, a digital system is now in place to record fruit fly trapping across all sites. This real time data provides information on when and where pressure levels are building to ensure spraying is conducted at the right time and in the right area, minimising chemical use and associated soil compaction from tractors.

Case Study

Co-planting project attracts beneficial insects

In Western Australia, the team at the Gingin berry farm has implemented a co-planting project to attract beneficial insects as part of its Integrated Pest Management strategy. The plantings include alyssum, marigolds and sunflowers in two, 100-metre sections alongside the berry substrate. The flower plantings attract insects which play a key role in reducing pest pressure and in turn reducing the use of insecticide. The Gingin site also includes areas of cultural significance which have been revegetated and are actively protected as per the Aboriginal Cultural Heritage Register and Shire of Gingin's Cultural Heritage Management Plan. The site includes a protected swamp area.

Sustainable commercial farming principles continued

Production yield

We will continue to develop and embrace agronomic technology and practices to increase crop yields for each hectare farmed, including production which occurs out of the soil. We will also seek to better understand the variables in crop production via the use of advanced measurements and analytical tools to obtain improvements in agronomic practices.

Following the trial of the crop load management system Green Atlas on citrus crops in 2023 in the Riverland, South Australia, and Emerald, Central Queensland, the system was commercially implemented in 2024. This system enables the collection and analysis of data across the entire spectrum of the fruit life cycle, resulting in improved forecasting accuracy and optimal crop load management decision making and a reduction in fruit waste. An additional fruit sizing tool, Aerobotics, was also incorporated, providing a faster and more accurate method of determining fruit size and greater visibility of yield and size distribution.

In the Sunraysia region, Phytec dendrometers provide real-time information relating to plant stress to inform irrigation decisions. The data also provides greater visibility of fruit size, which in turn helps to better ensure fruit meets market specifications and reduces waste.

Costa technology tools were successfully implemented with our third-party blueberry growers in Zimbabwe, who work through Zimflex to provide fruit for our African Blue operation. The tools have helped to ensure consistent quality and reduce fruit rejections, as well as streamlining data entry relating to irrigation management.

Sustainable commercial farming principles continued

Productivity and efficiency

We will actively pursue investment that improves our productivity with a focus on the development of harvest and post-harvest automation initiatives to ensure long-term cost efficiency and pricing competitiveness.

A new tracking system was implemented on tractors and other mobile equipment in the Sunraysia and Riverland citrus operations, resulting in reduced travel time for operators and reduced diesel use. The system maps the movements of vehicles to identify the most efficient routes across the farms. This also reduces ground compaction which benefits the soil.

A collaborative project across the Costa teams in Australia, China and Morocco and IT, has resulted in improved data modelling, creating opportunities for more efficient use of seed, fertilizer and water.

Costa Berries and the Berry International teams partnered with the Costa Analytics team to integrate, model and report data from various sensor systems used operationally at the respective farms.

The sensors track irrigation, environmental and weather information at very frequent intervals across the farms. The capability to analyse this data in a methodical way has enabled the categories to gain insights and optimise the use of their drip and drain throughput as well as identify patterns from using different irrigation strategies and the effect of weather patterns on the resulting yield.

An innovative field 'Harvest Delivery' system was successfully rolled out at the Corindi and Far North Queensland Berry farms during the year. The key benefits have been a better and even spread of the driver workload across all drivers which in turn helps to manage fatigue as well as reduction in driver downtime.

The system, developed by the berry and technology teams, was designed to address inefficiencies in the transport of berries from the field to the pack shed and the lack of visibility and traceability through manual paperwork and record keeping. It is used to order a 'pick-up' and track the progress of fruit all the way from field to packing shed. This ensures that truck drivers are notified of fruit pick-ups at the right time ensuring that fruit gets back to the cooled environment within the targeted timeframe to maximise product longevity and ensure premium quality.

Sustainable commercial farming principles continued

Workforce

The Costa business is founded on the principles of People First. We treat our people with respect, offering flexible work, opportunity for career growth, recognition and reward for effort, and fostering an environment that provides comprehensive health and wellbeing support.

We strive for integrity and honesty and seek out these qualities in our partners and employees. By valuing and rewarding character we're ensuring the sustainability, development, and profitable growth of our business.

Employees by location

Locations	Hours	FTE
Costa Group	22,386,554	10,578
Australia	10,670,951	5,400
Morocco	5,666,695	2,270
China	6,048,908	2,908

Number of nationalities

91

Costa Group workforce gender composition*

- 47% Female
- 53% Male

Costa Australian Operations **

23% Women in senior management or above

50% non-manager promotions awarded to female employees

32% manager promotions awarded to female employees

38% of all permanent appointments were female

37% of our agronomists are female

62% of total voluntary resignations were male employees

23% annual attrition

134 permanent employees net reduction

All Costa Board members are male

* Direct hires only, total employees for the year, except China, where average numbers used, consistent with last year (as numbers by month can't be added together). Non-binary remains insignificant, with only 3 identified as non-binary.

** Data for Costa Australia only.

Sustainable commercial farming principles continued

Workforce

Diversity and Inclusion

Costa is committed to creating and ensuring a diverse and inclusive work environment in which everyone is treated fairly, with respect and dignity. In 2024, the Diversity and Inclusion policy was updated to include a specific section on cultural, religious and ethnic diversity. The re-launch of the policy included a training refresh for all employees across the organisation, either via e-learning modules or Toolbox Talk sessions. Costa also launched learning programs on sexual harassment prevention, as well as refreshed training on Discrimination and Equal Employment Opportunities.

There has been a particular focus on building mutual understanding of, and respect for, culture through mandatory 'cultural competency' training for key personnel working with individuals from the Pacific Islands.

Throughout the year Costa also hosted a range of activities to celebrate occasions including International Women's Day and Harmony Day as well as various cultural events and celebrations of significance, such as Diwali, NAIDOC week, and Bhutanese New Year.

In 2024, Costa launched a Contact Officer network and an online 'Report a Concern' option, in addition to existing reporting mechanisms. Contact Officers, who are situated at all our sites, are a vital first point of contact. They are trained employees who confidentially listen to concerns and provide support and advice on complaint options available.

Costa reported that the average total remuneration gender pay gap for the 2023-2024 period was 10.4% resulting in an improvement on the prior year's pay gap of 11.8%. In this reporting period, the CEO was also included for the first time as required by legislation. The results have been driven by Costa's continued investment in building the competence of leaders and HR personnel towards transparent remuneration processes and pay equity.

Case Study

Increasing opportunities for Indigenous employment

During 2024 the team at the Guyra glasshouses developed a program specifically aimed at increasing Indigenous employment opportunities, leading to an increase in Indigenous employees from seven to 22 people in active employment.

The team worked with service provider Joblink Plus to provide new employment opportunities for Indigenous people and opportunities for site visits and introductions to staff to help make the transition into work as easy as possible. Positions include crop work and glasshouse services.

The program is part of an employment strategy to create longer term stability in the workforce, with an emphasis on local employees supplemented by seasonal workers.

Also in Guyra, the team welcomed the first cohort of participants in the Pacific Australia Labour Mobility scheme long-term program, with 18 employees from Pacific Island nations arriving for a four-year engagement with the business.

Sustainable commercial farming principles continued

Workforce

Building leadership capability

Leaders play a crucial role for Costa now and into the future and success profiles are now in place for most key positions across the organisation and a standardised set of capabilities has been defined.

A significant amount of work was conducted in building capabilities of our current leaders, as well as identifying and building leadership capability for the future through talent and succession initiatives.

In 2024, the highly successful Costa Supervisor Development Program continued to be delivered, with programs held this year in Monarto mushrooms and across berry locations. The Program, initiated in late 2022, has been developed for front line supervisors who are responsible for directing and managing teams. Through the program they participate in workshops to build their leadership capability, focusing on developing behaviours and attributes to support work built around safety, quality and productivity.

In addition, the Costa Manager Program was re-introduced into the organisation, with 17 individuals completing the program in 2024, and another 20 who started and will continue in 2025. The Costa Manager Program is an experiential learning program, aimed to provide middle level managers with the knowledge and skills for day-to-day leadership and management of people. A total of 230 people have completed the Manager Program since its inception in 2011.

Costa's performance and development program, called 'iGROW', moved into its third year in 2024 and was further refined and enhanced. It was also rolled out to senior leaders in China and Morocco. This program offers a combination of expectations, tools and training for leaders to have quality conversations with participants on their goals, performance against those, and associated development to further grow and improve.

Profile of Khawla Derstaouieh

Khawla Derstaouieh is the Research and Development Manager for African Blue in Morocco. She grew up in a small city in the Atlas Mountains, in the heart of Morocco and after graduating from high school in 2018, decided to pursue a degree in Agricultural Business Management.

Khawla completed an internship at African Blue on the Choauffaa farm in 2019, and in February 2022, began her first job at African Blue as a Quality Supervisor. After three months as a Quality Supervisor, she moved into a new role as a Test Plot technician, where she also worked with the R&D manager, and was responsible for managing irrigation, phytosanitary practices, and best management practices in the Agadir test plot. In 2023, she took on the role as R&D Officer before moving into her current role of R&D Manager where she is now involved in the Variety Improvement Program, selecting the best varieties for commercialisation, and also managing applied research in the south of Morocco.

"I dedicate most of my time to self-education. I spend nearly all my time at home reading and learning. I also received a lot of support from my colleagues and the Costa team, who have always been there for me.

What I like about my job is that it encompasses a range of activities, from managing trials and collecting data to implementing research findings, which keeps the work both dynamic and engaging. Working with a diverse team of experts also provides opportunities for learning and growth and enhances my professional network. However, what I love the most is the feeling that my efforts directly contribute to the development of the team by keeping them updated with the latest research and results, as well as to the success of the company's products."

Sustainable commercial farming principles continued

Workforce

Modern slavery and ethical sourcing

Costa is committed to respecting human rights across our domestic and global operations. We published our fourth Modern Slavery Statement in 2024, and are continuing to develop and enhance the processes, policies and actions that we have in place to protect human rights.

Following a review of Costa's approach to addressing modern slavery risks conducted by the independent organisation Be Slavery Free, a key activity in 2024 has been assessing the recommendations made by the review. This will be further detailed in our fifth Modern Slavery Statement which will be published in the first half of 2025.

The Ethical Sourcing Program forms part of our approach to mitigate the potential of exploitation of workers including modern slavery in our supply chains. Initially focused on our partner grower base, through the Sedex data platform, we can identify risk and assess management practices employed by our partner growers. This enables us to work together to identify opportunities for improvement, provide support to mitigate risks and take action where necessary. Costa asks all its partner grower base to be registered on Sedex and share visibility of their site information including answers on working conditions with Costa during their supply season. This information is used to risk assess employment management practices and identify the salient human rights issues in our produce supply chain and put in place remediation actions. Based on this assessment best practice guidance was shared with partner growers on topical areas such as selecting and monitoring third party labour hire contractors.

To support the program, training and awareness sessions are provided to key employees to raise awareness of risk areas and Costa's expectations on suppliers to adhere to ethical sourcing requirements.

This program was extended to include service providers and suppliers of goods not for retail, targeting suppliers with our highest spend or an identified risk category such as Labour Providers, Security, Cleaning Contractors and transport to name a few.

In 2024 Costa continued to increase the use of third-party verification within our partner grower base using the Sedex Members Ethical Trade Audits (SMETA). Where compliance issues were identified, remediation activities were implemented then verified as closed. Selected Costa owned production sites also undertake third-party verification of labour and work safe standards through the use of SMETA conducted by an independent audit company.

Costa also has in place a People Assurance Team which collaborates with site teams to develop, review, improve and monitor Costa's labour standards, processes and associated HR policies. They also support teams in preparing for ethical sourcing audits, undertaking a corporate Costa SMETA audit, and are responsible for undertaking audits of direct hire and labour hire engagement processes. In 2024 a detailed labour hire booklet was also developed, outlining the expectations and responsibilities.

Case Study

Costa Graduate Program

Costa offers Graduate Development Programs which aim to develop leaders of the future by providing an intensive hands-on and educational experience across key produce groups, departments, locations or functions over a 12 to 18-month period.

In 2024, six participants commenced the program. Graduates rotate through different categories and/or locations or take on permanent positions across the broader Costa business. Regardless of their position, they are offered the opportunity to participate in the graduate development offering, which includes learning from each other, formal leadership and personal development training, as well as learning through the delivery of an enterprise project.

A recruitment campaign was completed in 2024, resulting in the appointment of an additional 11 graduates to commence their program in early 2025.

Sustainable commercial farming principles continued

Workforce

Health and Safety

In 2024, Costa implemented a new safety strategy – Vision Zero. Zero Serious Injuries. Zero Excuses. The four key strategic safety goals are:

1. Achieve an independent safety culture
2. Safety programs to support commercial outcomes
3. Ensure compliance with legislation and regulations
4. Accomplish best practice safety performance.

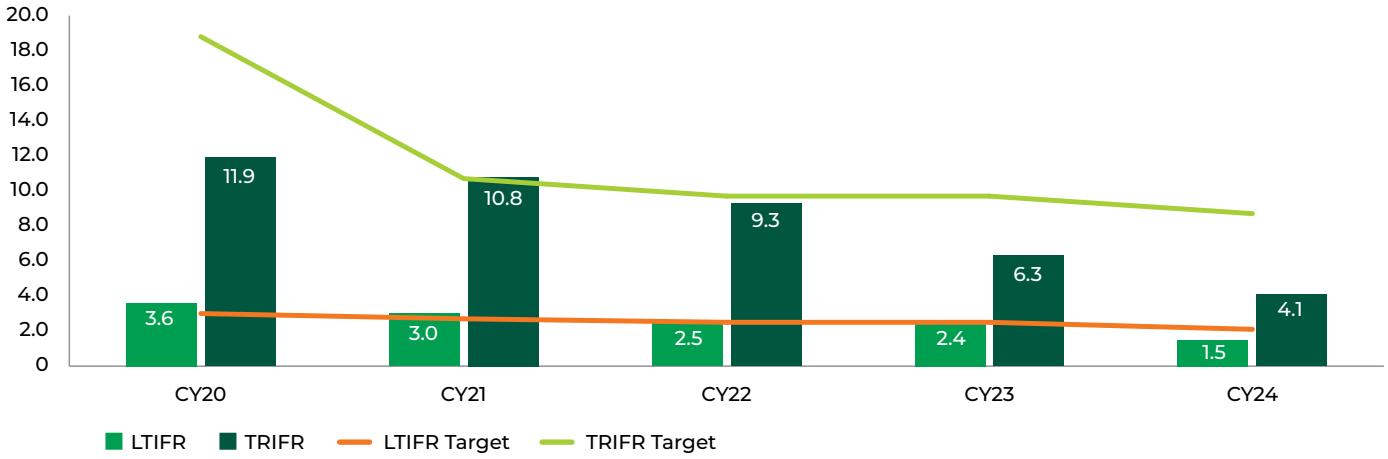
Leading safety indicators, including safety contacts and the reporting of hazards and near misses, showed significant improvement throughout CY2024. Not only was there an increase in reporting, we also achieved a 95% closure rate for reported hazards across the business.

As a result, the Total Recordable Injury Frequency Rate (TRIFR) – the number of injuries requiring medical treatment per million hours worked – decreased by 35% in CY2024, dropping to 4.10 from 6.30 in CY2023. This reflects a sustained positive downward trend.

In addition, the Lost Time Injury Frequency Rate (LTIFR) – the number of lost time injuries per million hours worked – decreased by 37% in CY2024, falling to 1.50.

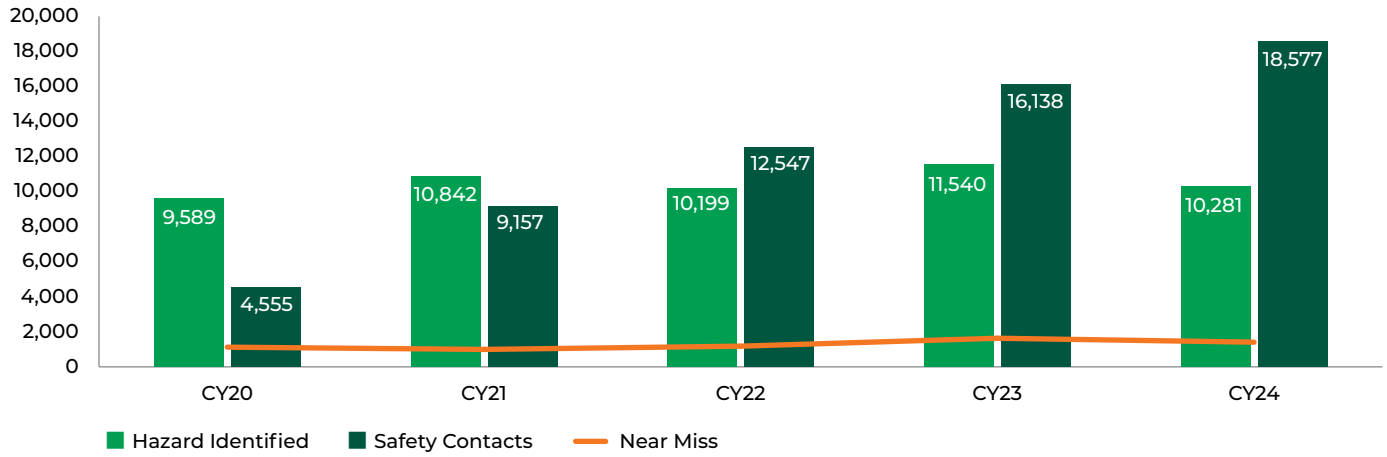
VISION ZERO
Zero Serious Injuries. Zero Excuses.

Costa Group WHS Lagging Indicators



LTIFR – Lost Time Injury Frequency Rate: the number of lost time injuries occurring in a workplace per million hours worked.
TRIFR – Total Recordable Injury Frequency Rate: the number of injuries requiring medical treatment per million hours worked.

Costa Group WHS Leading Indicators



Safety contacts improved by 15%, with more than 1,021 hazards identified and recorded. Higher leading indicators translate into better lagging indicators which continued to fall in 2024.

Sustainable commercial farming principles continued

Workforce

A trial of four harvest picking platforms was undertaken in the citrus category during 2024 and will be extended into 2025. The picking platforms remove the need for pickers to use ladders, reducing injury risk and improving harvest efficiency.

As part of Costa's focus on safety, and in particular reducing risk associated with mobile equipment, new forklifts with advanced integrated safety functions were rolled out across our sites in 2024.

The forklifts, already in use at sites including Mernda, Eastern Creek, Brisbane Market, Walkamin and Casuarina, include a range of safety functions which have resulted in a reduced risk to both operators and pedestrians. Sensors can also detect motion during operation and any potential instability with signals sent to control the range of the forklift to prevent the vehicle tipping over.

There are also SEEN sensors which can detect people within five metres and send an audible alert to the operator, as well as GEO fencing for speed controls at pre-determined locations around the site.

Case Study

Casuarina puts spotlight on safety

At our Casuarina mushroom farm, the team launched Health and Safety Month with a series of engaging activities to emphasise the importance of on-site safety. Throughout the month, key safety messages were displayed on boards across the site, accompanied by department-specific toolbox talks. The team also produced a safety video, delivering the message: make it safe, make it personal, make it home.

Case Study

Accolades for safety strategies

Costa's focus on proactive strategies to reduce safety risks were acknowledged in 2024, receiving accolades in both the commercial and workers' compensation and liability categories in a national award program.

The 16th annual RM Advancer Awards, hosted by Vero and GIO Workers Compensation, celebrate exceptional risk management initiatives in Australian businesses.

Costa Group won the workers' compensation and public liability category, reflecting proactive strategies, such as addressing risks related to heat stress and manual handling injuries and providing support through designated contact officers. These efforts have significantly lowered injury incidents, elevating Costa's workers' compensation practices to best-in-class status.

In Western Australia, the Casuarina Mushroom team received the Health and Safety Representative and Committee Award in the Work Health and Safety Foundation WHS Awards.

Sustainable commercial farming principles continued

Community

Central to our commitment to sustainability is fostering thriving communities and building meaningful relationships to help improve economic and social outcomes. We understand that our success is deeply interconnected with the wellbeing of our employees, customers, partners, and the wider community and we take pride in the role we play in supporting the regions in which we farm.

In 2024, Costa was a proud sponsor of the Stephanie Alexander Kitchen Garden Foundation Sustainability Solutions Award, in their first National Kitchen Garden Awards, which were celebrated at Parliament House, Canberra.

The inaugural National Kitchen Garden Awards recognise the inventive, community-driven ways educators and young Australians are learning about health, wellbeing, and sustainability through kitchen gardening. The Sustainability Solutions Award was presented to the Corowa Public School for their use of eco-friendly gardening practices such as composting, mulching, propagating and managing worm farms.

The Costa team at Guyra also continued with its Well Grown Community Grants Program, providing funding for seven local projects after receiving more than 40 applications. Funding was provided to:

- School project/initiative: Kelly's Plains Public School
- Environmental initiative/activity: Guyra Neighbourhood Centre
- Community Project: Young Life Armidale
- Community Event: Guyra Trout Festival
- Sporting event/activity: Guyra Shamrock Hockey, Armidale Blues Netball, Duval Dam Buster Trail Run.

In other regions, Costa avocados continued as the major sponsor for the Community Lifestyle Support – Fraser Coast Ability Ball held in Hervey Bay, Central Queensland. Costa avocados also supported the Childers' region 'read to me' day, donating books for regional primary and high schools. In Adelaide, the Costa Farms and Logistics team donated to the annual Hero for HeartKids fundraiser, supporting those impacted by childhood-onset heart disease, one of the leading causes of infant death in Australia. They also sponsored the South Australian Produce Market and the State Government second annual charity soccer match to raise funds to reduce financial hardship of primary producers and small related agricultural businesses in South Australia.

In the Riverland, the citrus team sponsored and participated in the annual Renmark Christmas Pageant winning the award for Best Effort. Other community sponsorships in the Riverland included the Renmark Community Museum, Riverland Primary School Musicals, Loxton Lights Up and the Riverland and Malley Vocational Awards. In Far North Queensland, the berries team once again participated in the annual Great Wheelbarrow Race, raising more than $16,000 for charity. The team also took out the award for Team Spirit and came first in the social category and seventh overall out of 34 teams. In Victoria, the mushroom team is an annual supporter of the Nagambie on Water festival, which celebrates the people, produce and culture of the region on the shores of Lake Nagambie.

Across all our regions Costa contributes to a range of sporting organisations including: Riverland Football League and Vitor Renmark Amateur Swimming Club; the Woolgoolga, Red Rock and Port Sorrell Surf Life Saving clubs; Mernda Football Netball Club; Mt Barker Bowling club; Irymple Knights Soccer Club and Tigers Basketball Club; Geelong Cricket; Sunraysia Football and Netball League; Penguin Football Club; North Coast (NSW) Open Squash Tournament; and Beaches Hockey Club (Coffs Harbour).

In China, Costa supports the local Liming middle and high school with expats and other employees teaching one to two English classes per week at the school. They also attend the 'English Corner', where students can discuss daily topics in English to improve their oral English skills.

The China team also continued their participation in the Walk for Schools, contributing along with suppliers, RMB50,000 to support students' education pathways in local schools in Yunnan province.

Sustainable commercial farming principles continued

Community

Case Study

Costa Berries Scholarship in Agricultural Science

Kiah Mansfield, the first in her family to attend university, received the Costa Berries Scholarship in Agricultural Science for 2024 to study at the University of Tasmania.

Growing up on a hobby farm in Ulverston, Tasmania, Kiah always had an interest in agriculture and was keen to explore opportunities in the industry. She completed Year 12 at Hellyer College in Burnie and relocated to Hobart to begin her degree.

"Receiving the Scholarship from Costa has really helped with the cost of relocating and living away from home," Kiah said.

"I have had to get a lot of new things and living in Hobart is a bit more expensive. The scholarship makes it a bit more comfortable, and I can dedicate more time to my studies.

"On completion of my degree it is my intention to spend my time putting my expertise back into the Tasmanian agricultural industry and helping to inspire other talented females to pursue a career in the industry.

"I also wish to travel and experience agricultural innovations across Australia as I'm interested in how the industry creates a more sustainable future. I am excited by the diverse range of research and development opportunities that this degree offers and the opportunities to be a role model for students in my home region."

University Scholarships

Costa remains a strong supporter of education and once again in 2024 offered scholarships at the University of Tasmania, University of New England, University of Queensland and Western Sydney University.

The university scholarships are aimed at assisting people in regional locations to pursue a university qualification, particularly in agriculture and horticulture and enable them to pursue a career in the industry.

Costa also supports a range of schools through annual school prizes and awards and participates in expos and fairs to promote careers in agriculture.

Sustainable commercial farming principles continued

Health and wellbeing

We only grow healthy and nutritious fresh food that is acknowledged as being essential to maintaining a healthy body and mind. We take great pride in the fact nothing artificial is added to our products after harvest and sold fresh just as they are.

Costa is a long-term partner of Foodbank Australia, a leading food and grocery relief organisation. According to the Foodbank Hunger Report 2024, 3.4 million households in Australia struggled to put food on the table and of these, 2 million households faced the most severe level of food insecurity, regularly skipping meals or going entire days without eating.

During 2024, Costa donated a total of

252,444 kg of fruit and vegetables,

which is equivalent to

454,854 meals

These donations included

- **119,744 kg** of citrus
- **116,398 kg** of mushrooms
- **32,387 kg** of avocados
- **16,699 kg** of bananas

In the Sunraysia region, fresh produce was also provided for a regional school breakfast program. Approximately 8,000 kg of citrus was donated over a period of 18 weeks to a total of six schools. This program will continue in 2025 and reflecting the growing seasons, will start with grapes, followed by citrus.

A weekly donation of more than a hundred punnets of fresh berries from Costa proved a hit with students attending school breakfast programs in Tasmania. In 2024 Costa's berry farms supplied around 30 kg of strawberries, blackberries, blueberries and raspberries each week across 16 school breakfast programs in the state's North-West, through the Loaves and Fishes organisation.

The free breakfast program is available to all students from participating schools in response to reports of many students coming to school without breakfast due to time or cost of living pressures.

This is the second year Costa has donated seasonal berries, with supply peaking during summer and continuing until mid-year.

The team also supplies fresh berries to the local Andrews Creek Primary School throughout the berry season, as well as fruit donations to the Cancer Council and the Devonport Devils Masters Swimming club.

Data assurance

The accuracy of this report is important to our stakeholders and to Costa. Senior management and relevant functional specialists have reviewed all information in this report and believe it to be an accurate representation of our sustainability performance over the past year. We will continue to improve our processes and systems to enhance the precision of our sustainability data.

The water usage data is derived from water meters and the Australian greenhouse gas emissions and energy consumption data was compiled by an independent third party.

Costa reports, policies and statements are available at: costagroup.com.au

- Anti-Bribery and Anti-Corruption Policy
- Code of Conduct
- Diversity and Inclusion Policy
- Environmental Policy
- Human Rights Policy
- Modern Slavery Statement
- Privacy Policy
- Sexual Harassment Policy
- Supplier Code of Conduct
- Whistleblower Policy
- Workplace Gender Equality Report

Useful Links

Company website

LinkedIn

Facebook

Appendix 1 – Climate-related risks and opportunities

Time horizon	Risks and opportunities	Risk/opportunity description	Impact	Costa's response
Opportunities				
Short term	Markets	Market dynamics are impacted by an increased frequency and severity of extreme weather events such as hailstorms, cyclones, floods, bushfires causing damage to assets and infrastructure.	• Material price increases when supply is reduced/constrained • Investment moves away from the sector and capital availability is constrained, thus reducing price pressure from any oversupply • Heightened regulatory focus on food security	• Geographic diversification of crop-types, both within Australia and Internationally • Continuing to invest in protected cropping to make the Costa portfolio more resilient to extreme weather
Short to medium term	Resource efficiency	Proactively work to reduce scope 1 and 2 greenhouse gas emissions towards carbon neutrality and increase energy efficiency.	• Costa becomes a more attractive supply partner • Early adoption of certain technologies unlocks competitive advantage	• Identify key areas of the business to transition to renewable energy sources, including the electrification of mobile fleet assets and greater use of solar energy • Continue to identify land management practices that allow for carbon sequestration opportunities
Short to medium term	Markets; Products/Services	Understand the changing opportunities to derive additional value from natural assets and proactively work with public and private institutions to fully leverage Costa's existing natural asset portfolio.	• Potential alternative revenue streams • Improve returns through the adoption of new techniques to capitalise on or utilise natural assets	• Continue to monitor the landscape and partner with subject matter experts on emerging opportunities and technologies • Continue to look for opportunities to circularise organic waste (either internally or with strategic partners) • Start to utilise the concepts outlined in TNFD to identify dependency on natural assets
Medium term	Resource efficiency	A shift towards reuse and recycling reduces our operating costs and enables better access to goods/materials.	• Reduced operating costs • Increase brand value proposition and consumer attractiveness	• Member of APCO Sustainable Packaging from 2022 • Measure our major waste and packaging streams and establish a waste reduction target and continue to find ways to reduce our footprint • Continue to explore reuses for organic waste within Costa's categories or with third parties • Continue to explore reuses for other farm wastes

Appendix 1 – Climate-related risks and opportunities continued

Time horizon	Risks and opportunities	Risk/opportunity description	Impact	Costa's response
Medium to long term	Resilience; Products/Services	Development of more resilient crop varieties through varietal improvement and selection programs.	• Maintain and/or improve the taste profile and aesthetic of our products relative to competitors to generate increased sales revenue • Increase market opportunities for licensing revenue	• Continue to invest in our world-leading blueberry varietal improvement program • Continue to explore proprietary breeding programs and gain rights to commercialise leading varieties • Continue to explore and invest in varietal development and selection programs across other produce categories • Adapt current agronomic practices • Continue to work to improve crop yield forecasting practices
Medium to long term	Markets; Products/Services	Consumer preferences for low environmental impact food increases the consumption of fresh produce and meat-alternative products.	• Increased share-of-plate towards fresh food types increasing market demand for fresh produce • Increased demand for meat-alternative ingredients sourced from fresh produce (e.g. mushrooms)	• Continue to actively explore alternative sales channels and activate via marketing, both within Australia and internationally • Continue to explore and invest in varietal development and selection programs
Risks				
Short to medium term	Physical	Increased frequency and severity of extreme weather events such as hailstorms, cyclones, floods and bushfires.	• Increased safety risk to personnel at our sites • Reduced site capacity and decreased revenue • Pollination availability decreases • Pest and disease pressures change/increase • Damage to third-party grower or supplier assets, or port infrastructure would limit our ability to source key inputs • Major site capacity reductions could result in job losses, impacting community sentiment	• Geographic diversification of crop-types • Continuing to invest in protected cropping • Continue to strengthen workplace health and safety programs, incorporating disaster response strategies • Ongoing reassessment of Integrated Pest Management strategies • Working proactively with local communities on a broad range of issues including climate change adaptation and resilience
Short to medium term	Physical	Increased water stress impacts Costa's ability to source sufficient good quality water to produce the same quality outputs.	• Poor crop yields and reduced financial returns • Changes to existing water licensing structures either increases water prices or reduces water supply • Significant changes in the price of available, quality water	• Strong oversight and governance of water security – continue to monitor the Group's position on water security and water use efficiency and invest as needed • Continuous review of irrigation management to improve water use efficiency through the implementation of new practices and techniques • Continue to explore and invest in water efficiency technology, such as precision monitoring • Geographic diversification of crop-types

Appendix 1 – Climate-related risks and opportunities continued

Time horizon	Risks and opportunities	Risk/opportunity description	Impact	Costa's response
Short to medium term	Transition	Changing regulatory landscape and the implementation of climate-impact mandates or regulations on existing products, introduction of climate-related trade barriers, carbon pricing mechanisms, or soil management and/or biodiversity regulations.	• Increased cost of access, reduced access to or loss of access to key export markets • Increased cost of electricity, water and other inputs, such as transportation and fertilisers • Major changes to overall competitive landscape depending on the maturity of competitors	• Continue to work towards fully aligning our disclosures with the TCFD recommendations • Proactively work to reduce carbon emissions • Proactively work to reduce plastic and organic waste generated by our operations • Explore and invest in low environmental impact supply inputs (e.g. green fertilisers)
Medium to long term	Physical	Increase in average temperature and the frequency of extreme heat days.	• Reduced yields and returns • Reduced attractiveness to key export markets due to changing profile of our product • Reduced worker productivity • Increase in harvest peaks and troughs and possible flow-on impacts to market supply dynamics and pricing • Increased and/or changing pest pressure • Increase in heat-related workforce illness and injuries • Disruption to operations • Increased operating costs • Collapses of natural ecosystems on which we rely • Potential site abandonment	• Maintenance of a portfolio of geographically diverse farming locations • Continuing to invest in protected cropping and protection structures (ventilation, climate control, etc.) • Proactively assess land-use practices, such as the use of cover crops to reduce heat effect, to reduce impacts to soil and crop health • Continue to adapt harvest and postharvest practices and technologies to nurture product quality • Proactively reduce carbon emissions and increase energy efficiency • Continue to invest in varietal selection and improvement programs, and explore proprietary breeding programs • Continue to build Integrated Pest Management strategies • Adapt workplace health and safety programs to emerging risks • Continue to invest in mechanised production systems and harvest assist technology • Rigorous new site assessment process including long-range climate hazards assessment under various climate scenarios

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