

Costa Berry Laos Sole Co Ltd blueberry development

Supporting the goals of key Laos agricultural development policies



Costa Berry Laos Sole Co Ltd is a wholly owned
subsidiary of Costa Group Consolidated Holdings

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Message from Costa Group CEO – Mr Marc Werner



Costa Group has a proud history dating back more than 130 years, when the Costa family established the business in regional Victoria, Australia. Today Costa has grown into the global leading fresh produce business, growing a range of sustainable and nutritious fruit and vegetables supplied to consumers across the world.

The company is known as a leader in agricultural production, innovation, technology and marketing, with over 8,000+ planted hectares of farmland in production in three different continents. The fresh produce we grow includes blueberries, raspberries, blackberries, strawberries, citrus, mushrooms, glasshouse tomatoes, avocados and table grapes.

In establishing our Laos operations, Costa has utilised its world leading blueberry varieties to build strong modern agricultural operations to supply consumers with premium healthy berries.

Costa's established blueberry Variety Improvement Program which has been operating for 30 years, is focused on developing new blueberry varieties through our own proprietary genetics. Costa's blueberries are suitable for a range of global growing conditions, including now Laos. The program is globally recognised, with varieties licensed in regions including China, the Americas, Morocco, and Southern Africa.

Costa recognises that it has been afforded a great privilege by the government to farm and grow blueberries in Laos. The company is therefore committed to ensuring it makes a positive and lasting contribution to the development of Laos agriculture.

We are starting our Laos operations in Pakse in the Bolaven Plateau with an initial 17 hectares of blueberry crop, with plans to then plant a further 50 hectares in 2026, and 200 hectares by 2028.

Our Laos operations are underpinned by our focus on Sustainable Commercial Farming, combining our technological expertise with innovative practices to reduce our environmental impact and help to modernize agriculture and rural areas.

Through the introduction of world leading agronomic and technical expertise, including substrate (out of the soil) plantings and protected cropping, we seek to work with the government and local communities to play a key role in driving the continued positive momentum in agricultural and rural development in Laos.

Costa has a distinguished and successful track record of partnering with communities and local workforces to drive social and economic value for regions and communities. We are currently employing 65 local people as of March 2025. As the development of our Laos operations progresses, Costa is committed to employing more locals, through developing and training a local workforce, where there are opportunities at every level of the operation, be it on farm roles, specialist horticulture roles and supervisor/management roles.

When we reach the planned production footprint of 200 hectares, our workforce should grow to employing up to 2,000 locals.

As noted, Costa has been afforded a great privilege by the government to farm and grow blueberries in Laos. The company is committed to making a positive and lasting contribution to the development of Laos agriculture and the health and wellbeing of the general population through the growing and supply of sustainable, healthy and nutritious food.

Marc Werner
Chief Executive Officer

Executive summary

Costa Group is a world leading, vertically integrated fresh produce company, with farming operations across three different continents, supplying fresh, healthy and nutritious food to a global population. Fresh produce grown by Costa includes blueberries, raspberries, blackberries, strawberries, citrus, table grapes, mushrooms, glasshouse tomatoes, avocados and bananas.

Costa is recognised as both a global leading blueberry grower and developer of unique blueberry varieties, through our blueberry Variety Improvement Program, which has now been successfully operating for 30 years.

We are committed to supporting the goals of key Laos agricultural policies with the aim of achieving positive outcomes in terms of employment, rural economic improvement, including accelerating innovation and the modernization of agriculture in Paksong and positive environmental impacts through rural revitalization and the wider social good.

Costa looks forward to growing our Laos operations and further investing in its expansion.

This document provides a summary of Costa's Laos operations, including:

- Our Vision
- People & Employment
- Workplace Health and Safety
- Variety Improvement Program
- Sustainable Agriculture
- Community
- Future Plans

Key ingredients to success – people, product and collaboration



People – Agronomic and technical expertise and know-how that our people have is second to none in the global berry business.



Product – Global industry leader in blueberry variety improvement and development, utilising plant genetics to breed premium varieties.



Collaboration – Strong emphasis on economic and social development in the rural regions in which we operate.



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our Laos operations and further
investing in its expansion.

Costa Laos operations

Costa Group CEO Marc Werner joined with a number of local dignitaries including the Governor of Champasak Province, Mr Alounxai Sounnalath and the Australian Ambassador to Laos, Her Excellency Megan Jones to officially launch Costa's new investment in establishing an initial 17 hectares of blueberry crop at Paksong on the Bolaven Plateau in Laos in March 2025.

This is not only an important project for the Costa Group in developing the company's international berry growing operations, but also in establishing what Costa believes will be a major investment in berry farming in Laos that will promote economic development, provide benefits for the local agricultural sector, and support local communities.

In addition to the initial 17 hectares of crop, Costa intends to plant a further 50 hectares in 2026, and an anticipated 200 hectares by 2028.

Forecast planting program

| Year | Hectares |
|--------------|------------|
| 2025 | 17 |
| 2026 | 50 |
| 2027 | 70 |
| 2028 | 63 |
| Total | 200 |

Paksong in Champasak province was identified as providing the best opportunity to farm blueberries due to the following factors:

- The ideal climatic conditions and geographical advantages and the impact on crop timing.
- The availability of suitable land and quality water.
- The importance of agriculture to the local economy and the combination of national and regional policies to support the initiative.
- Availability of labour.

Costa supports the Australia-Laos Comprehensive Partnership, and notes Australian Prime Minister Anthony Albanese's comments that:

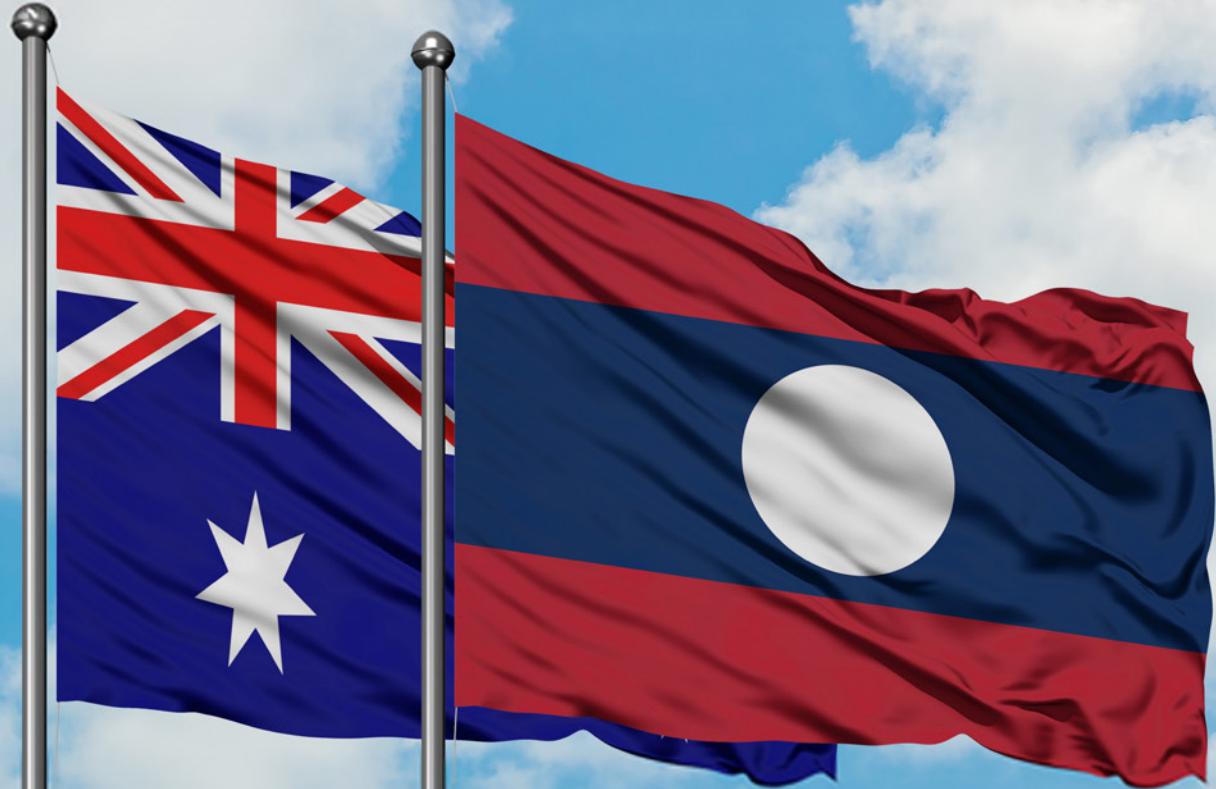
***'Australia is proud to be one of Laos' longest-standing partners, a relationship built on mutual respect, understanding and close cooperation.'*¹**

The Australia-Laos Comprehensive Partnership will drive bilateral cooperation across four pillars, reflecting the two countries' shared priorities for the future:

- People, education and human resource development;
- Economics, trade and investment;
- Climate, environment and energy; and
- Defence and law enforcement.



1. <https://www.pm.gov.au/media/stronger-partnership-between-australia-and-laos>



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Our Vision

We recognise and value the importance of working cooperatively and harmoniously with the local government, officials, employees, local villages, and the surrounding population.

Costa notes agriculture is a priority sector for Laos in terms of workforce employment and economic development for the country. The Government seeks to invest in existing farms and enterprises to make them more productive and attuned to market demands, as well as attracting domestic and foreign agribusiness investors to further intensify and accelerate the development of the sector.²

Costa is privileged to be part of this and is committed to supporting the goals of key Laos agricultural policies with the aim of achieving positive outcomes in terms of rural economic improvement and rural revitalization. This includes accelerating innovation and the modernization of agriculture in Champasak, positive environmental impacts through rural revitalization and the wider social good.

Through the introduction of world leading agronomic and technical expertise, including substrate (out of the soil) plantings and protected cropping, we seek to work with the government to play a key role in driving the continued positive momentum in agricultural and rural development in Laos.



2. Green and Sustainable Agriculture Framework for Lao PDR to 2030 – June 2021



We seek to work with the government to play a key role in driving the continued positive momentum in agricultural and rural development in Laos.

People & Employment

As of March 2025, Costa provides employment for 65 local people in Paksong. As our Laos development progresses, Costa is committed to employing more locals, through developing and training a local workforce, where there are opportunities at every level of our Laos operation, be it on farm roles, specialist horticulture roles and supervisor/management roles. When we reach the planned production footprint of 200 hectares, our workforce should grow to employing up to 2,000 locals.

A successful blueberry farm operation is labour intensive, and we recognise its success will be built on local expertise and resources. Costa is committed to:

- Respecting and complying with all local labour laws and regulations.
- Providing fair remuneration and incentives for workers.
- Development and implementation of sound and proven workplace safety practices.
- Training, skill and personal development initiatives for staff.
- Clean and safe accommodation (where required to be provided).
- Development of career opportunities and pathways for local people, with a particular focus on young people.
- Providing employment for local casual labour.
- Transform local farmers to agriculture industry workers.

Our workforce is predominantly Lao, with three expatriates supporting the local team.





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Workplace Health and Safety

Costa is committed to providing safe and healthy working conditions for all our employees.

We aspire to be a leader in safety, both within our industry and throughout the regions in which we operate.

We place a high priority on preventing and reducing agricultural safety risks for workers and are focused on ensuring the quality and safety of our agricultural products.

Costa's *Three Pillars of Safety* model is an effective Work Health and Safety vision supporting our strategy to work towards zero injury:

- To protect
- To improve culture
- To be the best

Our Laos operations have workplace safety coordinators, who are responsible for reporting safety hazards and accidents, overseeing the proper use of personal protective equipment, safety training, and the follow-up of safety actions.

Costa's Three Pillars of Safety

→ To protect

To look out for your work colleagues

To point out any work practice you think is unsafe

To treat company plant and equipment as if it were your own

To prevent damage being done to our sites/properties

→ To improve culture

To create and maintain a workplace where people feel safe at all times

To create and maintain a working environment where people feel comfortable to raise safety concerns

→ To be the best

To continually strive to improve our people behaviours, knowledge and systems

To achieve safety outcomes that set high standards and benchmark among the best in our industry



We aspire to be a leader in safety, both within our industry and throughout the regions in which we operate.

Variety Improvement Program

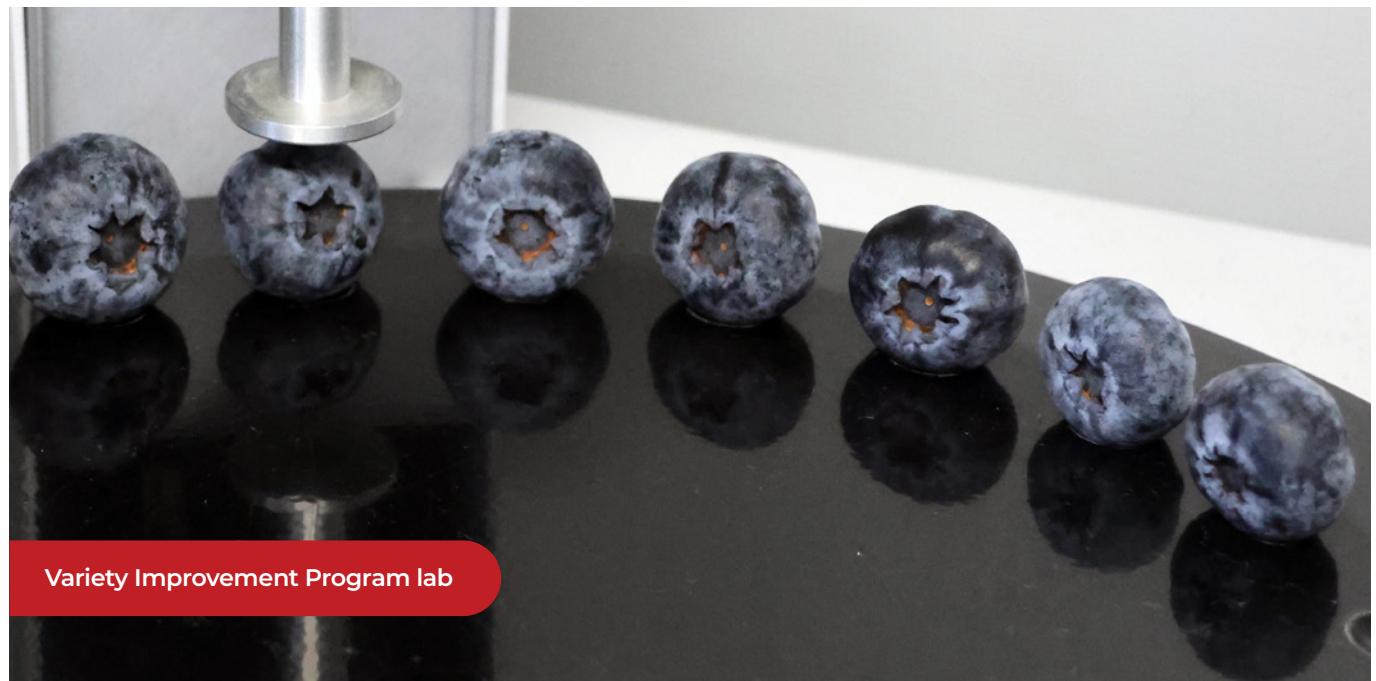
Costa's blueberry Variety Improvement Program is globally recognised, with Costa varieties licensed and grown in regions including China, the Americas, Morocco, and Southern Africa.

Costa's blueberry varietal production is also developed to suit specific climatic conditions. Using traditional plant breeding techniques, Costa identifies and develops plant selections chosen for their performance across key areas of fruit quality, productivity, and agronomic outcomes.

Costa has the capacity to trial 20,000 seedlings per year through its Variety Improvement Program.

Among the best-known variety to come through the Variety Improvement Program is Arana, now one of the most sought-after blueberry varieties around the world. Its superior size, flavour and quality derives a price premium.

Arana is the key variety grown on the Company farms in Laos and can play a key role in developing Paksong Province's reputation for superior agricultural products and its fruit industry.



Sustainable Agriculture

Finding more sustainable ways to make fresh, healthy food available for everyone is one of the most critical issues of our times and we believe that Costa has a vital role to play.

Costa supports the Laos Government's Green and Sustainable Agriculture Framework to 2030, which aims to modernize the agricultural sector and ensure sustainable practices.

The objective is to achieve sustainable production, conserve resources (such as water and soil), ensure long-term high-quality output of Lao agriculture and guarantee the health and safety of all producers, handlers and consumers of products.³

Costa has developed a global reputation as a leader in the development of new sustainable agronomic practices, including the introduction and commercialisation of growing blueberries in substrate and the development of new varieties suited for tropical latitude environments.

Protected cropping

All berry plantings are grown under protective poly tunnels, which are designed to protect the crop from extreme weather and provide a microclimate to assist in optimising yield and reducing the risk of pest and disease.

Soil

All farms use the substrate growing systems which means the soil is left untouched. It also ensures the plants are free from soil-borne pests and diseases and provides direct control over the aeration, moisture and nutrition for the plant.

Irrigation

Company irrigation systems are fully automatic to give the plants exactly what they require in relation to water and nutrients. This not only reduces the use of water, nutrients and pesticides, it also has a positive impact on improving soil health.

Our team in Laos has worked closely with our Australian berry team to design a fit for purpose irrigation drain recapture system that can be specifically used in protected blueberry production.

Use of pesticide/fertilizer minimisation

In addition to targeted irrigation use, Costa has a technical team which closely monitors plant nutritional requirements and pest levels. This ensures that actions to rectify any issues only take place when there is a specific need. This reduces the level of inputs for control.



3. Green and Sustainable Agriculture Framework for Lao PDR to 2030 – June 2021

Community

Costa strongly supports an emphasis on social development in the regions in which we operate and seeks to contribute to community good, rural development and revitalization.

Our footprint requires us to not only act and behave as a responsible corporate citizen, but to also work closely with communities so they can benefit both economically and socially from our ongoing presence.

Our farms support the government policies in place to strengthen agriculture, benefit farmers and raise rural living standards.

As Costa develops its Laos operations, it is committed to:

- Participating in specific community support programs which support local initiatives.
- Supporting staff engagement in local festivals and events.
- Sponsoring educational support for young people.
- Maintaining consistent and proactive levels of communication with community representatives.
- Respecting the local neighbouring farmers and ensuring that farming operations do not have any negative effect on neighbours and communities.





Our farms support the government policies in place to strengthen agriculture, benefit farmers and raise rural living standards.

Future Plans

Costa is privileged to have the opportunity to establish an agricultural blueberry growing operation in Laos. This includes playing a role in not only introducing innovative agronomic practices and world leading blueberry varieties but also making a positive contribution to improving the economic and social wellbeing in Paksong, Champasak Province.

This will include providing employment and working with government and the community to support endeavours that enable local residents to pursue educational opportunities.

Costa will also work with local communities and educational institutes to boost employment and develop vocational education and training programs.

Costa looks forward to growing our Laos operations and the opportunity to further invest in its expansion. This includes responsibly and cooperatively working with government to further develop our operations in a manner that complies with all relevant laws and ensure the land we use to grow our crops is the most agriculturally suitable and environmentally sustainable, while also recognising the importance of food security for the Laos people.

Work on the development of environmentally low impact pest control and irrigation systems will be a priority. This will include the development and planting of high yielding pest resistant blueberry varieties.

Through this action Costa looks forward to investment in new blueberry plantings, the creation of more employment opportunities and supporting the people of rural Laos to pursue economic security and prosperity through their participation in agriculture.





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