



27 April 2023

NAMOI COTTON LIMITED (ASX: NAM)

SUSTAINABILITY REPORT 2023

Namoi Cotton Limited ('Namoi Cotton' or the 'Company') is pleased to announce the release of its Sustainability Report for 2023. The report is attached and is available on our website namiocotton.com.au/about/sustainability.

This is Namoi Cotton's inaugural standalone sustainability report which forms part of our corporate reporting suite for the 2023 financial year which discloses our ten most relevant Environment, Social, and Governance (ESG) indicators, base year metrics (where available) and targets (where available) across the near term (1-3 years) and long-term (to 2040). Namoi Cotton is committed to transparency and will regularly report on our sustainability-related impacts and progress towards achieving our sustainability goals.

Namoi Cotton is Australia's largest cotton ginner. Our business spans fibre, feed, supply chain and marketing, with ginning being at the core.

This announcement was approved by the Board of Namoi Cotton.

For further information, please contact:

Namoi Cotton Limited

John Stevenson

Chief Executive Officer

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NAMOI COTTON

SUSTAINABILITY REPORT

2023



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This report is completed in reference to the Global Reporting Standard (GRI) and drew upon the Sustainability Accounting Standards Board (SASB) and the United Nations Sustainable Development Goals (UNSDGs). This report is the culmination of nearly a year of strategic sustainability work in which we leveraged subject matter expertise from third party sustainability advisory firm Ndevr Environmental.

1. INTRODUCTION

1.1 Acknowledgement of Country

Namoi Cotton acknowledges the traditional owners of the lands on which we operate, the Jagera, Giabal, Jarowair, Kamilaroi, Bigambul, Boggabri, Wiradjuri, Ngiyambaa, Wangaaypuwan, and Wayilwan peoples. We pay our respects to their Elders past, present, and emerging.

1.2 Inaugural Sustainability Report

This is Namoi Cotton Limited's inaugural stand-alone sustainability report which builds upon years of sustainability-related disclosure integrated within our annual reporting. This report forms part of our corporate reporting suite for the 2023 financial year. Namoi Cotton is committed to transparency and will regularly report on our sustainability-related impacts and progress towards achieving our sustainability goals.

1.3 Namoi Cotton Explained

Namoi Cotton was established in 1962 as a grower owned cooperative in Wee Waa, New South Wales by a small group of pioneering cotton growers. In 2017, after 55 years operating as a grower owned co-operative, Namoi Cotton completed a corporate restructure to become Namoi Cotton Limited, a fully ASX listed public company with an integrated ginning and warehouse network based in NSW and Queensland and a permanent employee base of 150 people. Namoi Cotton has 10 operational cotton processing facilities (gins) located from Goondiwindi, QLD in the north through to Hillston, NSW in the south. These gins are capable of processing 84,000 cotton bales per week.

Namoi Cotton sits in the ginning stage of the cotton manufacturing process, meaning we manage the delivery of raw cotton from our network of cotton growers, process and separate the cotton fibres from the seed, provide storage and manage outbound logistics, supply bales of processed cotton lint to merchants and spinning mills and, supply cotton seed to domestic and international livestock feed markets.

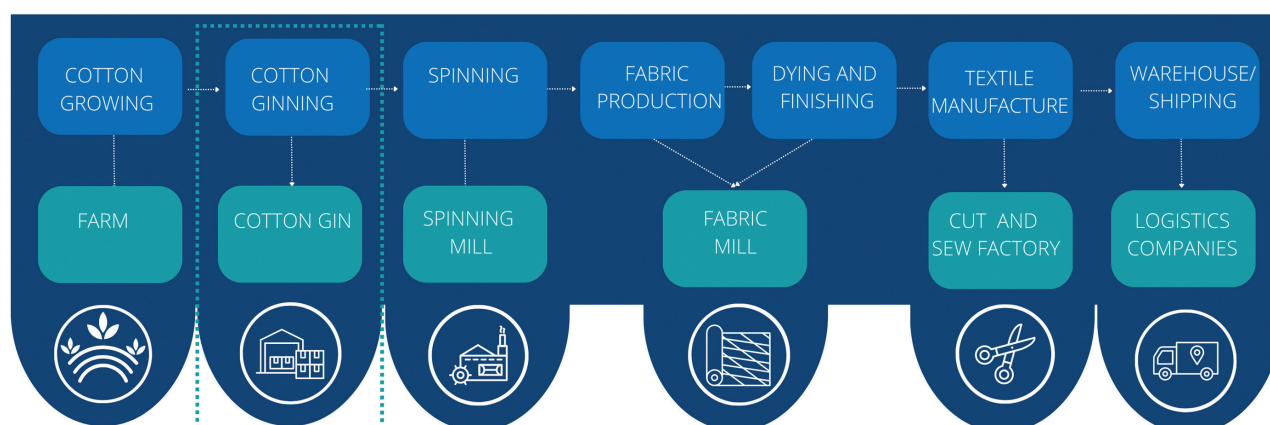


Figure 1. Namoi Cotton's position in the cotton manufacturing process (sourced from from Australian Cotton).

1.4 Statement from the CEO

I am pleased to present Namoi Cotton's inaugural sustainability report.

We recognise that sustainability goes beyond E (Environment) and must consider S and G also (Social and Governance). ESG goals that are clearly stated and conveyed can serve as a compass for sustainable management, and a basis for creating value for all stakeholders.

Namoi Cotton is an integrated cotton agribusiness with ginning at our core. We are committed to safety, teamwork, integrity, and excellence. We have a unique position within the cotton supply chain. We are the filter between the upstream supply, and the downstream use of cotton. This position enables an opportunity to drive positive ESG practices around traceability, waste reduction, and environmental sustainability.

For Namoi Cotton, sustainability means ensuring cotton meets industry needs without compromising people and planet. We are proud to work with this natural and traceable product that holds real sustainable advantages over alternatives.

The world at large, and people's view of sustainability, is changing fast and dramatically. ESG considerations have moved from a "nice-to-have" to becoming an integral part of the industry's "licence to operate". Increasingly, the cotton industry will expect a similarly principled approach from all participating business partners, suppliers, and service providers; small or large. While our position as a service business is insulated from areas of the industry with heavier environmental and social impacts, we acknowledge the importance of a coordinated response for tackling indirect issues in the cotton supply chain, such as water usage, pesticide, and human rights.



Namoi Cotton has been practicing aspects of sustainability best-practice for years which we are now formalising around an ESG strategy.

Late in 2022, we conducted an ESG materiality assessment to identify our main areas of opportunity and improvement. Next, we are building an action plan to track and improve upon our most important sustainability issues.

We know that climate change is affecting the cotton supply chain and we are committed to minimising our impact on the issue starting by measuring our carbon footprint and setting a plan to reduce those emissions over time. Under our ESG strategy, we will also pursue other sustainable practices around water and waste to increase efficiency and do our part.

Yet many of these sustainability challenges are far bigger than Namoi Cotton, so we are looking at ways to collaborate with the broader industry to increase our collective impact and support Australia to become a global leader in sustainable cotton production.

We know there is plenty more to do but, with this first sustainability report as an indicator, we are moving in the right direction and actively contributing to build a more sustainable future-fit global cotton industry.

John Stevenson

Chief Executive Officer, FCA, GAICD, FGIA, B.Bus

with the UN SDGs to achieve its vision of being a global leader in sustainable cotton production. It recognises that sustainability needs to be an integral part of this industry.

Despite the sustainability challenges the industry faces, significant progress has been made. Cotton growers have made a concerted effort to reduce the use of toxic pesticides, resulting in a 5% reduction in Environmental Toxic Load over five years to 2021. Water use efficiency has improved by 48% from 1993 to 2021 in terms of volume of water needed to grow a bale of cotton, with a draft target to continue a 2.5% year-on-year improvement in water use efficiency.

A collaborative circular economy program was developed by Coreo (a circular economy consultancy), the QLD Government's Department of Environment and Science, and the local people of two QLD regions (Goondiwindi and Cairns) which includes a project investigating circular cotton. This project aims to develop an alternative solution for end-of-life cotton garments, diverting them from landfill and directing cotton waste back into the soil.

Due to Namoi Cotton's position (ginning) in the larger cotton supply chain, we do not directly influence or contribute to environmental and social impacts associated with upstream cotton growing, downstream manufacturing, and end-of-life disposal. Nonetheless, we recognise the importance of every entity in the industry acknowledging the challenges including exploitation of labour and environmental degradation. We seek to contribute to improvements by working with Australian industry bodies and partnering to improve traceability in cotton products and support sustainability initiatives in supply chains (see Case Study 1).

2. OUR SUSTAINABILITY STRATEGY

2.1 General cotton industry highlights

The main sustainability challenges for the Australian cotton industry, similar to any other agricultural industry, largely revolve around water and chemical usage, soil degradation, climate change, traceability, community engagement, and human rights in labour practices.

Upstream stages in the supply chain are largely impacted by environmental issues, while the downstream stages face challenges in maintaining traceability and labour practices in manufacturing and production. Packaging waste and transport emissions also remain significant issues in the industry.

The Australian cotton industry has adopted a "planet, people, paddock" framework aligned



Figure 2: Australian Cotton's sustainability framework for the industry



2.2 Identifying our most material issues

This year, we embarked on a process to identify, assess, measure, and set targets for our most material Environmental, Social, and Governance (ESG) issues. Namoi Cotton plans to begin measuring and reporting on these issues consistently, starting small with this sustainability report but increasing our maturity annually. We believe this reporting aligns with our position on climate change, to doing our part, and to transparency.

Namoi Cotton closely considers the impact we have on people, our communities, and the environment in which we operate. In FY2022, we conducted a materiality assessment to determine

our most significant impacts and frame our Environmental, Social, and Governance (ESG) strategy. We engaged specialist sustainability advisory firm Ndevr Environmental to guide our materiality assessment and increase best-practice alignment.

The first step in our materiality review process was to assess Namoi Cotton's current organisational context including our activities and stakeholders. In relation to our activities, we considered our purpose, our business model and strategy, our industry and where we fit in the cotton supply chain, our employees and other workers, as well as our geographic and local contexts of operation.

In the next step we identified all relevant actual and potential ESG issues by consulting with a wide range of sources including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and the International Sustainability Standards Board (ISSB).¹ We considered a large group of relevant issues, including long and short-term issues, those stemming from high and low-likelihood events, and those affecting a diverse range of stakeholders

1 Consulted reference material at this stage included: GRI 13 Agriculture Aquaculture and Fishing Sectors 2022; SASB Apparel, Accessories & Footwear Standard; and SASB Agricultural Products Standard.

both inside and outside the company. Stakeholders considered for this assessment included our leadership team, select business partners and peer organisations, employees, local communities, clients and buyers, regulators, and industry bodies.

2.3 Assessing our material issues

In the third step of Namoi Cotton's inaugural ESG materiality assessment we assessed the significance of our ESG impacts by consulting a range of relevant stakeholders, standards, and experts to score impacts by scale, scope, irremediability, and likelihood. This allowed us to set a significance threshold to narrow down the initial list of over 90 issues identified across the E, S, and G dimensions to a short-list ready for prioritisation.

Our final step was to test the selection of material topics against GRI and SASB standards, as well as the cumulative experience and knowledge of cross-

functional business during an expert-facilitated workshop. This workshop included members from our executive, finance, operations, strategy, people safety & culture, and engineering teams.² Once tested, workshop participants then evaluated each issue by (a) influence on our stakeholder's assessments and decisions about our business, and (b) significance of each impact. This process enabled Namoi Cotton to map our most material issues across the matrix in Figure 2 below.

Our selection of material ESG issues for 2022 was reviewed and approved by Namoi Cotton's Chief Executive Officer (CEO) in September 2022, our Board 'Safety, Health & Environment' (SHE) Committee in October 2022, and then by our Board of Directors (the Board) in early 2023. The Board is our highest governing body and is responsible for the oversight and governance of our material ESG topics, while the day-to-day management of these issues is the responsibility of the CEO and is further delegated to the executive team accordingly.

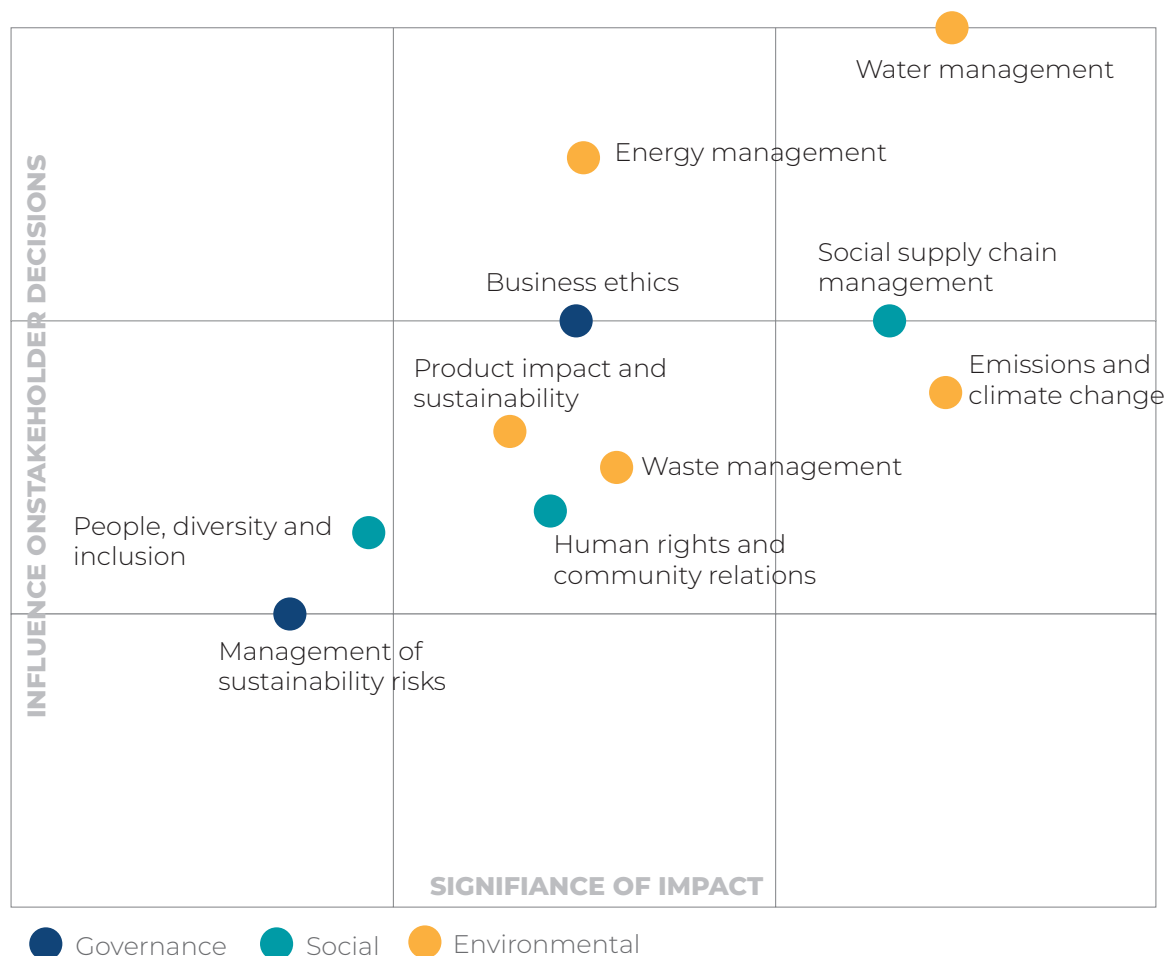


Figure 3: ESG Materiality Matrix

² Workshop in September 2022 included our CEO; full executive team and representatives from throughout the organisation.

Table 1: Material ESG Topics and Framework

Environmental	Social	Governance
<p>Emissions and climate change: Greenhouse gas emission, and climate-related adaptation and resilience issues throughout the cotton industry</p> <p>Energy management: How energy is used and managed mostly in our direct operations and how that affects external stakeholders such as surrounding communities, as well as the use of renewable energy throughout production and operations</p> <p>Water management: Water management within our operations, but most importantly in the upstream cotton growing industry where water use is a common concern for stakeholders</p> <p>Waste management: Management of the waste generated across the cotton supply chain, including considerations of cotton packaging and waste</p> <p>Product impact and sustainability: Management of a product's total environmental impact across its lifecycle, including natural ecosystem and biodiversity impacts as well as—in some countries—the use of dye and chemicals</p>	<p>People, diversity, and inclusion: The occupational health and safety of our people and anyone around our operations, as well as the diversity and inclusiveness of our workforce, training and upskilling opportunities, women empowerment and non-discrimination, and equal opportunities across the company</p> <p>Social supply chain management: Labour and social conditions in the cotton industry generally, within our business partners, or in our supply chain (e.g., issues of forced and slave labour)</p> <p>Human rights and community relations: Human rights (labour standards in our business operations, land and resource rights, and the rights of Indigenous Peoples), community and stakeholder engagement, community contribution and impacts</p>	<p>Management of sustainability risks: The policies and processes that increase business resilience, mitigate sustainability-related risks, and enable our response to related shocks</p> <p>Business ethics: Our performance and completeness in complying with laws, regulations, disclosure requirements, and ethical business standards and practices</p>

2.4 Developing indicators, measuring our base year, setting targets

Namoi Cotton has developed indicators for each material sustainability topic through a combination of reviewing GRI guidance and industry best practices, external consultation with sustainability specialists, and workshoping with key internal technical experts.

Being our inaugural ESG assessment and reporting year, we do not yet have complete base year data for our selected indicators. We are starting to collect this information and over subsequent reporting cycles plan to increasingly disclose our current-state and progress year-on-year.

As Namoi Cotton increases its understanding of its current ESG position, we will also set attainable and impactful targets for improvement. These will be grounded in industry best-practice, stakeholder expectations, and an assessment of where we can produce positive impact.

the agricultural industry plays in supporting and enabling a socially just transition to a more sustainable future.

We expect climate change to impact Australia's cotton growing regions with higher temperatures, increased evaporation, and less frequent but heavier rainfall. While farmers are working to adapt to these changes, we expect more pronounced swings in cotton yields with some years producing record amounts and others very low.

According to Cotton Australia's most recent sustainability report,³ cotton production is responsible for an estimated 0.2 percent of Australia's emissions (488 million tonnes of carbon dioxide equivalent (Mt CO₂-e)), while ginning accounts for 10% of emissions in the process of growing, ginning, and shipping-to-port one bale of cotton.

Nearly all emissions in the ginning process come from electricity use, providing Namoi Cotton an opportunity to reduce our greenhouse gas emission in the years to come. We will measure our direct (scope 1) and indirect (scope 2) emissions and identify methods to make reductions through initiatives such as rooftop solar installation, efficiency gains, waste-to-landfill reduction, and the reuse of cotton "trash" from ginning as mulch. There will also be a natural "greening" of the electricity grids across our operations as New

3. SUSTAINABILITY PERFORMANCE (ESG)

Our inaugural sustainability report includes disclosures of the ten most relevant ESG indicators, base year metrics (where available) and targets (where available) across the near term (1-3 years) and long-term (to 2040). We envision expanding reporting and disclosures across our other material topics in subsequent reporting years.

3.1 Environmental sustainability performance

Emissions and climate change. Namoi Cotton recognises the scale and urgency of the challenges presented by climate change and the role that

³ <https://cottonaustralia.com.au/sustainability-reports>





South Wales and Queensland progress their 2025, 2030, and 2050 emissions reduction targets.

Energy management. Namoi Cotton is proud of our efficient power factor. We focus intently on maximising our power factor correction and increasing ginning efficiency wherever possible. This aligns with both our business imperative as well as our environmental priorities.

Going forward, Namoi Cotton will continue to make energy intensity reductions through efficiency gains, as well as look for ways to increase our renewable energy consumption both through direct intervention (e.g., installed rooftop solar) and benefiting from an increasing proportion of renewable energy in electricity grids where we operate.

Water management. While the cotton industry uses water at the upstream growing stage, our ginning processes use relatively little water and effectively recaptures and re-uses water. Even still, Namoi Cotton is aware of the importance of water-use efficiency and conservation in the cotton industry and takes this issue seriously.

We are in the process of metering our on-site water bores to enable us to precisely measure our water use, report and disclose the volumes used, and develop additional reduction methods via efficiency gains and increased rainwater capture, storage, and substitution.

Namoi Cotton acknowledges the use of water in the cotton industry, and we applaud the progress made throughout the past 30 years to reduce any negative impact. Cotton Australia's most recent sustainability report states that from 1992 to 2019, there has been a 48 percent decrease in water required per bale of cotton. Put another way, Australian cotton growers are using nearly half the water to produce a bale of cotton compared to 1992.

Waste management. As part of our ESG Strategy development, Namoi Cotton has classified our waste into three types: packaging materials used to produce and package cotton, hazardous waste, and non-hazardous waste. We are now working to

identify, measure, and track these types by volume (tonnes) and their respective disposal types, such as on-selling as part of our product, reusing, recycling, composting, recovery, on-site storage, landfill, or other.

Namoi Cotton uses material to package the finished cotton lint bales for shipping. This includes a mix of renewable and non-renewable materials. 100 percent of Namoi Cotton bales are wrapped in organic canvas as opposed to plastic used in other countries and are bound with roughly 1.5 kg of recyclable PET plastic strap to hold them together.

Canvas wrapping bags are made from organic materials and therefore classified as renewable. We do not fully understand the sustainability objective trade-offs between canvas and plastic bags in regards electricity usage and associated carbon emissions, disposal in landfill vs composted, and the human rights standards for the production and transport of both plastic and canvas bags. We intend to conduct an impact assessment on which packaging method better aligns with our broader environmental and social priorities.

The hazardous waste produced by Namoi Cotton is minimal and is tightly controlled by regulations from the Environmental Protection Agency (EPA). Our machines produce a minimal amount of hydraulic oil waste which we re-sell to a collector, and we store used tyres for periodic collection by a third-party service.

Much more of our waste is non-hazardous, with the largest being plant by-product from the ginning process called "cotton trash." Of each cotton module processed, roughly 60 percent is seed which we extract and re-sell, 30 percent is pure cotton, and 10 percent is this cotton trash comprising sticks, stem, dirt, etc. Volumes vary each season, at full capacity this accounts for as much as 62175 tonnes of plant by-product, which is why we are really excited about sustainable uses for this product. Increasingly, we are turning it into ground mulch which serves as soil fertiliser and returns a proportion of carbon to the ground. In extreme droughts, the mulch also becomes attractive as an animal feed. This greatly reduces

our single largest waste source while also reducing risks of stored cotton trash getting into waterways or becoming a fire hazard. Namoi Cotton is also exploring ways to use this cotton by-product for other purposes like biofuel or carbon credit creation, but these projects are in early stages.

Table 2: Waste & Recycling Amounts

Classification	Type of waste	Amount (2022)	Disposal type/method
Non-hazardous	Cotton “trash” ginning (by-product)	62175 Tonnes	Reuse as mulch
Non-hazardous	Canvas bale packaging	792 Tonnes	Sold with product, compostable
Non-hazardous	PET plastic strapping	528 Tonnes	Recycle or landfill (sold downstream)
Non-hazardous	Plastic module packaging	587 tonnes	Recycled
Non-hazardous	Timber pallets	245	General waste
Non-hazardous	Cardboard	2,000m ³	Recycled
Hazardous	Hydraulic oil waste from small oil escape in machines	Derriving base here	Re-sold
Hazardous	Vehicle tyres	Derriving base here	Recovered



3.2 Social sustainability performance

People, diversity, and inclusion. Namoi Cotton takes safety of its people as its number one priority. Our focus is on delivering improved safety performance every year while ensuring everyone goes home safe and happy each and every day.

Last year we implemented a new safety management system to improve hazard tracking with a goal of reducing our long-term injury frequency rate (LTIFR) to below 12. Actual LTIFR for the 2023 financial year (FY2023) was 7.48 and we remain committed to continually improve this result.

To help drive our commitment to a strong safety culture, each of our employee's made a

commitment for themselves, their peers, families, and communities to be safe and stay safe each and every day.

■ Table 3: Three year Long-Term Injury Frequency Rate (LTIFR)

Financial year	2023	2022	2021
Long-term injury frequency rate (LTIFR)	7.48	14.61	9.00

We believe that a major contributor to our improved safety results in FY2023 is our deepened emphasis on safety culture improvements. We invested in setting up a focused and accountable framework where safety is a priority topic from our Board right down to the front line. Our safety team is integrated across all our sites and spent this past year coaching and training sites managers and staff on what it looks like to have a strong safety culture. Last year we conducted monthly safety coaching and training with leadership and employees.

Namoi Cotton believes that health and safety is more than just physical and includes mental and



■ Image: We asked all our employees to tell us their health and safety commitments this year. We generated a series of posters based on the common themes around these commitments, which will be displayed throughout our workplaces.

Here are Moomin Ginner, Josh Newman's kids colouring in our posters. Josh's kids are just some of the extended Namoi family that have been colouring in the posters to remind their parents to work safely every day.

social wellbeing. We believe that strong diversity and inclusiveness contribute to a healthy and safe working environment for all people. We aim to increasingly measure and promote diversity throughout our business and make improvements over time. For now, we are aware of a gender imbalance across our board of directors and our executive leadership team and aim to make this more balanced in the long-term.

Table 4: Gender Diversity of Executive

Identified gender of Executive	Male	Female	Other
Board of Directors	4	1	0
Executive Leadership Team	6	2	0

While we still have room to improve on the diversity of our leadership team, we are proud that our remuneration is reflective of the deep expertise and skill brought to bear by the women on our team. Within our executive leadership team of eight people, we have a negative gender pay gap ratio of -8% for both average and median pay. The term “gender pay gap” refers to the difference in average earnings of men and women in comparable roles at same organization as a ratio.

Namoi Cotton complies fully with the Australian Workplace Gender Equality Act 2012 by submitting annual reports which help contribute to the Workplace Gender Equality Agency’s world-leading dataset on gender equality in Australian workplaces.

Table 5: Gender Diversity of Executive

Identified gender of Executive	Average salary	Median salary	Methodology
Remuneration of male executives	\$266,152.51	\$265,747.00	100% x (men's average total remuneration - women's average total remuneration) / men's average total remuneration
Remuneration of female executives	\$286,363.75	\$286,363.75	(Median salary of man – median salary of woman) x 100] / median salary of man
Executive team gender pay gap	-8%	-8%	A negative gender pay gap (e.g. -10%) indicates an inequality in earnings that favours female employees on average



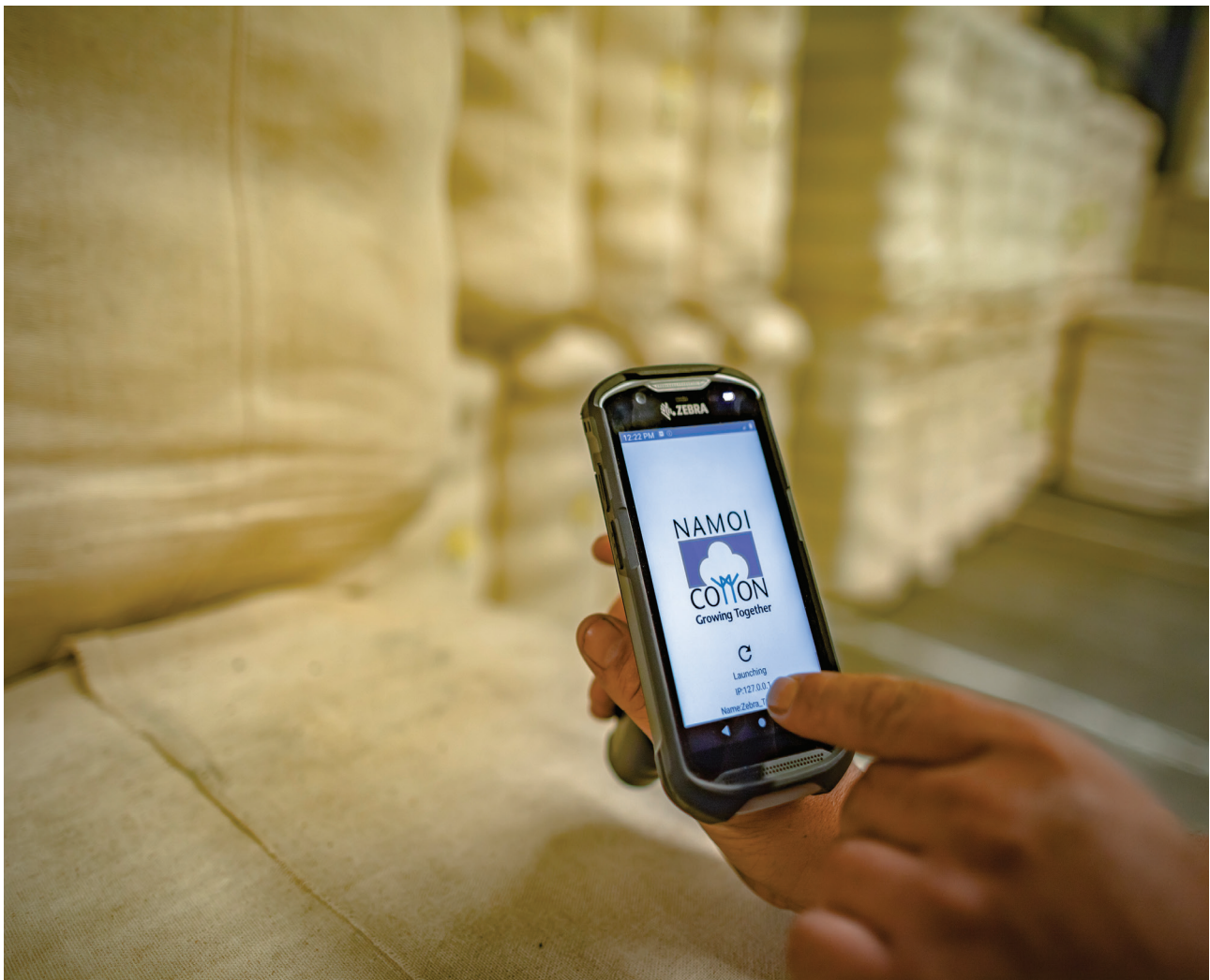


Social supply chain management. Namoi Cotton is part of a large global industry with supply chains that span the world. Cotton is used to make clothes, homewares, and industrial products used by billions of people. While this natural and sustainable product has many advantages, we know that in some parts of the world it is used in factories which fail to uphold basic human rights. Namoi Cotton acknowledges serious violations of human rights in the broader industry, and we are committed to doing what we can to ensure that the cotton bought and used by consumers is ethical and traceable.

Traceability is the key here. Consumers need to be able to trace their cotton-based product back from the store to a factory, then to a fabric mill, a spinning mill, a gin, all the way to a farm. This level

of traceability will help to ensure standards are upheld throughout the production chain.

Namoi Cotton is in the unique position of knowing the source and certain conditions of all cotton and by-product that passes through our facilities. We can tag this data against specific physical output that can add-value to the downstream cotton industry all the way through to consumers. This is an exciting opportunity that we are pursuing with traceability organisations like FibreTrace (see Case Study 1) and will explore how to increasingly support a just down-stream cotton industry as a nexus of traceability.



Case Study 1 –Wathagar Ginning: FibreTrace

Namoi Cotton and Sundown Pastoral Company are partners in The Wathagar Ginning Company.

Using FibreTrace®¹, a physical tracer connected to a blockchain-based traceability platform, Sundown Pastoral Company's goal was to enable the traceability of their cotton lint bales to provide honest ESG requirements for their Good Earth Cotton® brand to the downstream supply chain.

Both companies recognised the need for transparency in the cotton supply chain to provide customers with greater visibility into the origin and journey of their cotton products.

The cotton supply chain is complex, with multiple stakeholders involved in the production, processing, and transportation of cotton. This complexity makes it difficult to track the origin and journey of cotton from farm to finished product.

Issues with compliance and risk management for the downstream supply chain, along with consumer trust and damage to brand reputation, are all challenges for stakeholders.

To address these challenges, Sundown Pastoral Company, The Wathagar Gin and Namoi Cotton became Australian early adopters of the FibreTrace® technology - allowing end-users

to scan the final product to track and receive visibility of the finished product through to reuse and recycle.

The FibreTrace® research team worked alongside the Wathagar Gin team to develop a machine that blends the FibreTrace® patented tracer fibre into each cotton bale at a blending rate of less than 0.01% (an average cotton bale weighs 227kg). This process introduces a unique, traceable signature into each bale of cotton and enables information tracing from the origins of the cotton, the date it is ginned, GPS location, the compliance officers' identification, and its journey through the supply chain.

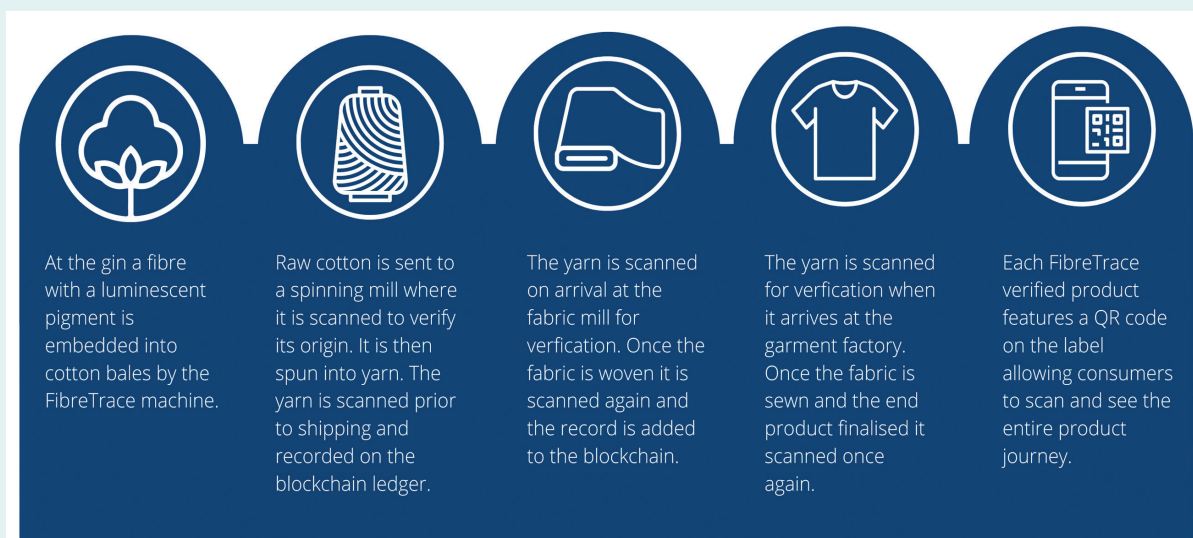
After this innovative process, Sundown Pastoral Company is responsible for selling the bales, coordinating the mills, and negotiating the retail cost with customers.

The FibreTrace® technology has allowed customers to track each bale of cotton as it moves from the farm to the gin and beyond.

This joint venture between The Wathagar Ginning Company and Sundown Pastoral Company using FibreTrace® has been successful and has the potential to be used to improve transparency and traceability in the supply chain for all Namoi Cotton affiliated growers.

¹ <https://www.fibretrace.io/>

HOW IT WORKS



■ Figure 4. How FibreTrace enables supply chain traceability from farm to consume. (Illustration based on Nobody Demin diagram <https://nobodydenim.com/pages/fibretrace>).

Human rights and community relations:

Namoi Cotton is committed to positive relations and adding value to the communities where we live and work. We have engaged our communities and other stakeholders on our safety approach and worked together on positive environmental outcomes in the area. We are increasing our financial contributions in local areas and developing a more targeted community investment approach.



Through engagement, our communities have told us they care about the impact of our operations, including around water, air, and noise. They want ethical business conduct and transparent communication, economic opportunities including employment and procurement, and they want our operations to be safe and secure.⁴

3.3 Sustainability governance performance

Management of sustainability risks. Namoi Cotton has been managing sustainability-related risks for decades. However, only recently have we started framing these risks around ESG and maturing how we think about them as both inbound (sustainability related risks to our business) and outbound (our impacts on stakeholders).

We have three Board committees at Namoi Cotton which share governance of most sustainability-related issues mentioned above: the Audit, Risk and Compliance Committee; the People, Culture and Nomination Committee; and the Safety, Health and Environment Committee.

We also have an enterprise risk management system that tracks all our corporate risks, including several linked to sustainability related issues like

flooding, community relations, or sever injury. In the future, we plan to increasingly align our ESG strategy with our risk management governance to ensure the two are complementary.

An important sustainability-related risk for Namoi Cotton is climate change. We know that climate change is affecting the cotton supply chain and we are committed to minimising our impact on the issue by measuring our carbon footprint and setting a plan to reduce those emissions over time. Under our ESG strategy, we will also pursue other sustainable practices around water and waste to help increase efficiency and do our part.

Namoi Cotton knows that we will be increasingly affected by various sustainability-related risks and opportunities. Several risks that we are tracking include water availability, hazardous chemicals, waste disposal, supply chain disruptions, and raw material supply issues. On the other hand, we also see emerging opportunities for our business to help transition towards a more sustainable future, including by driving increased transparency in the cotton supply chain and reducing environmental issues caused by synthetic fabrics by producing organic materials. We acknowledge this is not a comprehensive list above and we will be focusing more on unfolding sustainability and climate-related risks and opportunities to our business.

⁴ Namoi Cotton Annual Report 2022 page 17

4 APPENDIX: GRI CONTENT INDEX

Statement of Use	Namoi Cotton Limited has reported with reference to the GRI Standards for the period 1 March 2022 to 28 Feb 2023.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022

GRI Standard	Disclosure	Page location 2023 Sustainability Report (SR) 2022 Annual Report (AR)
GRI 2: General Disclosures 2021	2-1 Organizational details	3 SR, 11 AR
	2-3 Reporting period, frequency, and contact point	3 SR
	2-6 Activities, value chain and other business relationships	14 SR
	2-7 Employees	12-13 SR
	2-9 Governance structure and composition	3 SR, 26 AR
	2-11-21 Governance	26-42 AR
	2-22 Statement of sustainable development strategy	4-8 SR
	2-23 Policy commitments	17 AR
GRI 3: Material Topics 2021	3-1 Process to determine material topics	6-7 SR
	3-2 List of material topics	7-8 SR
	3-3 Management of material topics	8 SR
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13-1 Emissions	8-9 SR
	13-2 Climate adaptation and resilience	4, 16 SR
	13-7 Water and effluents	10 SR
	13-8 Waste	10 SR
	13-12 Local communities	16 SR
	13-16 Forced or compulsory labor	14 SR
	13-17 Child labor	14 SR
	13-19 Occupational health and safety	12-13 SR, 29, 31 AR
	13-23 Supply chain traceability	14-15 SR

GRI Standard	Disclosure	Page location 2023 Sustainability Report (SR) 2022 Annual Report (AR)
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	10 SR
	302-4 Reduction of energy consumption	10 SR
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	10 SR
	303-5 Water consumption	10 SR
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	12-13 SR, 29, 31 AR
	403-2 Hazard identification, risk assessment, and incident investigation	12-13 SR, 9 AR
	403-9 Work-related injuries	12 SR, 9 AR
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	13 SR, 16, 29 AR



OUR SITES

CORPORATE OFFICE

259 Ruthven Street
Toowoomba QLD 4350
07 46 316 100

NAMOI COTTON GINS

North Bourke Cotton Gin

Wanaaring Road
Bourke NSW 2380
(02) 6872 1453

Wathagar Cotton Gin

(Namoi Cotton/Sundown Pastoral Co Pty Ltd Joint Venture)
Collarenebri Road
Moree NSW 2400
(02) 6752 5200

MacIntyre Cotton Gin

Kildonan Road
Goondiwindi QLD 4390
(07) 4671 2277

Mungindi Cotton Gin

Bruxner Road
Mungindi NSW 2406
(02) 6753 2145

Moomin Cotton Gin

(Namoi Cotton/Harris Joint Venture)
Merrywinebone
Via Rowena NSW 2387
(02) 6796 5102

Boggabri Cotton Gin

Blairmore Road
Boggabri NSW 2382
(02) 6743 4084

Merah North Cotton Gin

Middle Route
Merah North NSW 2385
(02) 6795 5124

Yarraman Cotton Gin

Kamilaroi Highway
Wee Waa NSW 2388
(02) 6795 5196

Trangie Cotton Gin

Old Warren Road
Trangie NSW 2823
(02) 6888 9729

Hillston Cotton Gin

Roto Road
Hillston NSW 2675
(02) 6967 2951

OTHER JOINT VENTURES

Namoi Cotton Alliance

MacIntyre Warehouse
Kildonan road
Goondiwindi QLD 4390
(07) 4671 1449

Wee Waa Warehouse
Pilliga Road
Wee Waa NSW 2388
(02) 6790 3139

Warren Warehouse
Red Hill
Warren NSW 2824
(02) 6847 3746

Namoi Cotton Marketing Alliance

Corporate Office Suite
13 Kitchener Street
Toowoomba QLD 4350

NAMOI



COTTON

Growing Together



namoicotton.com.au