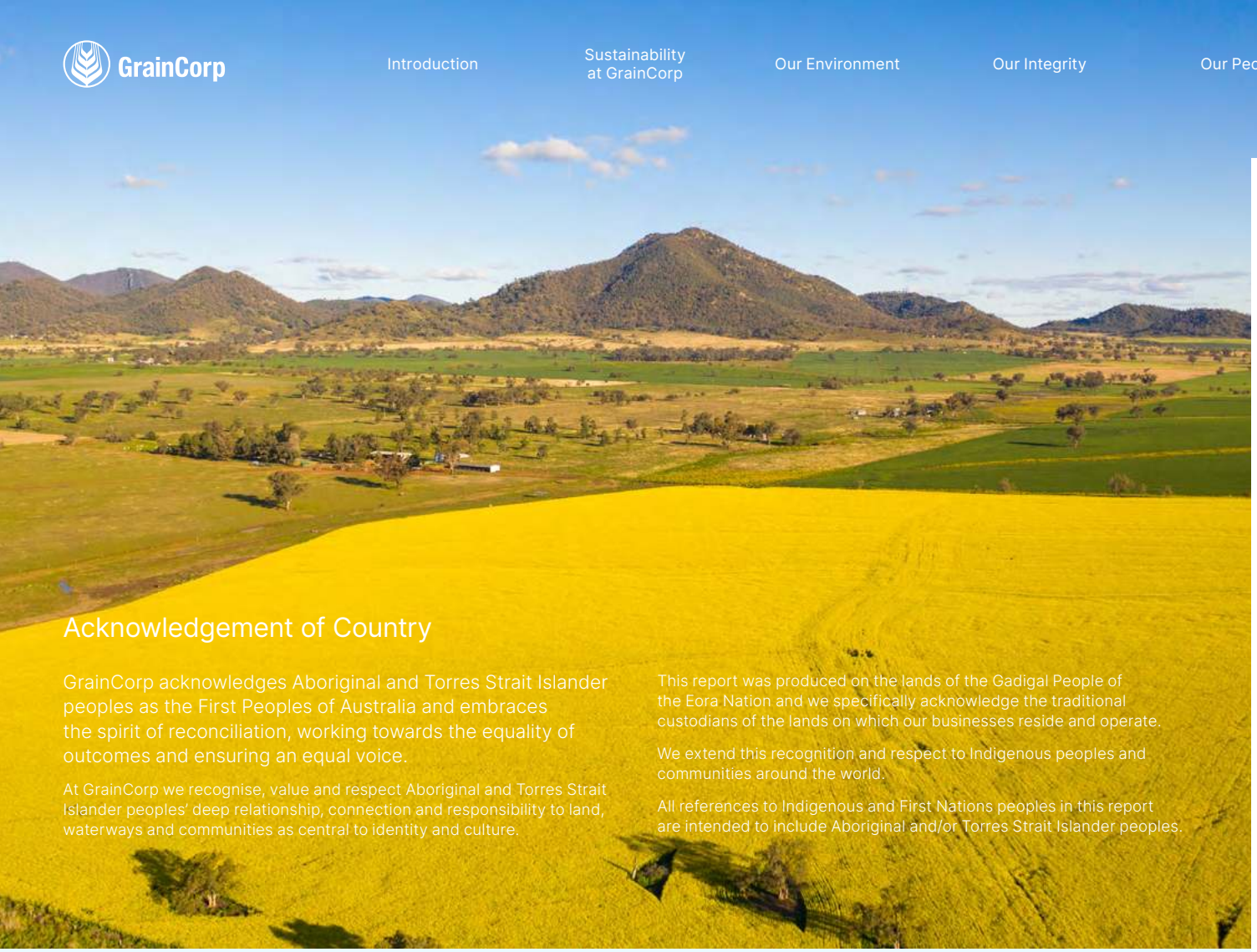
Sustainability Report
2023

GrainCorp



Acknowledgement of Country

GrainCorp acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia and embraces the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

At GrainCorp we recognise, value and respect Aboriginal and Torres Strait Islander peoples' deep relationship, connection and responsibility to land, waterways and communities as central to identity and culture.

This report was produced on the lands of the Gadigal People of the Eora Nation and we specifically acknowledge the traditional custodians of the lands on which our businesses reside and operate.

We extend this recognition and respect to Indigenous peoples and communities around the world.

All references to Indigenous and First Nations peoples in this report are intended to include Aboriginal and/or Torres Strait Islander peoples.

About this report

GrainCorp publishes an annual Sustainability Report to provide an account of our performance in the areas of safety and health, environment, people, community, and governance.

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards. For more information visit www.globalreporting.org. GrainCorp's 2023 Sustainability Report includes information on the entities for which it has direct operational control. The scope of information provided in this report may differ across topics and the boundary of information provided is described in each section and/or included as a footnote to the relevant data point or points. Unless otherwise stated or the context otherwise requires, the term 'GrainCorp' and terms such as 'we', 'us', and 'our' are used in this Sustainability Report for convenience to refer to one or more of the entities of GrainCorp Ltd. The term 'material' is used within this document to describe issues for voluntary sustainability reporting that we consider to be of 'high' or 'medium' importance in terms of stakeholder interest and potential business impact. The terms 'Environment, Social and Governance' ('ESG') and 'sustainability' are used throughout this report. While both ESG and sustainability are concerned with ESG factors, ESG is focused on evaluating the performance of companies based on these factors, while sustainability is a broader principle that encompasses responsible and ethical business practices in a holistic manner.

Cover image: The community of Quirindi, NSW celebrating the official opening of the GrainCorp silos in January 2023. Photo credit: Sophie Harrison, Corporate Affairs Advisor, GrainCorp.

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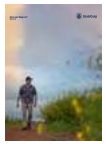
Reporting suite 2023



Annual Report

Sustainability Report

Corporate Governance Statement

These reports are available on our website graincorp.com.au

Our network of assets

GrainCorp is a leading Australian agribusiness and processing company, with integrated operations across four continents and a proud history of delivering for customers for more than 100 years.

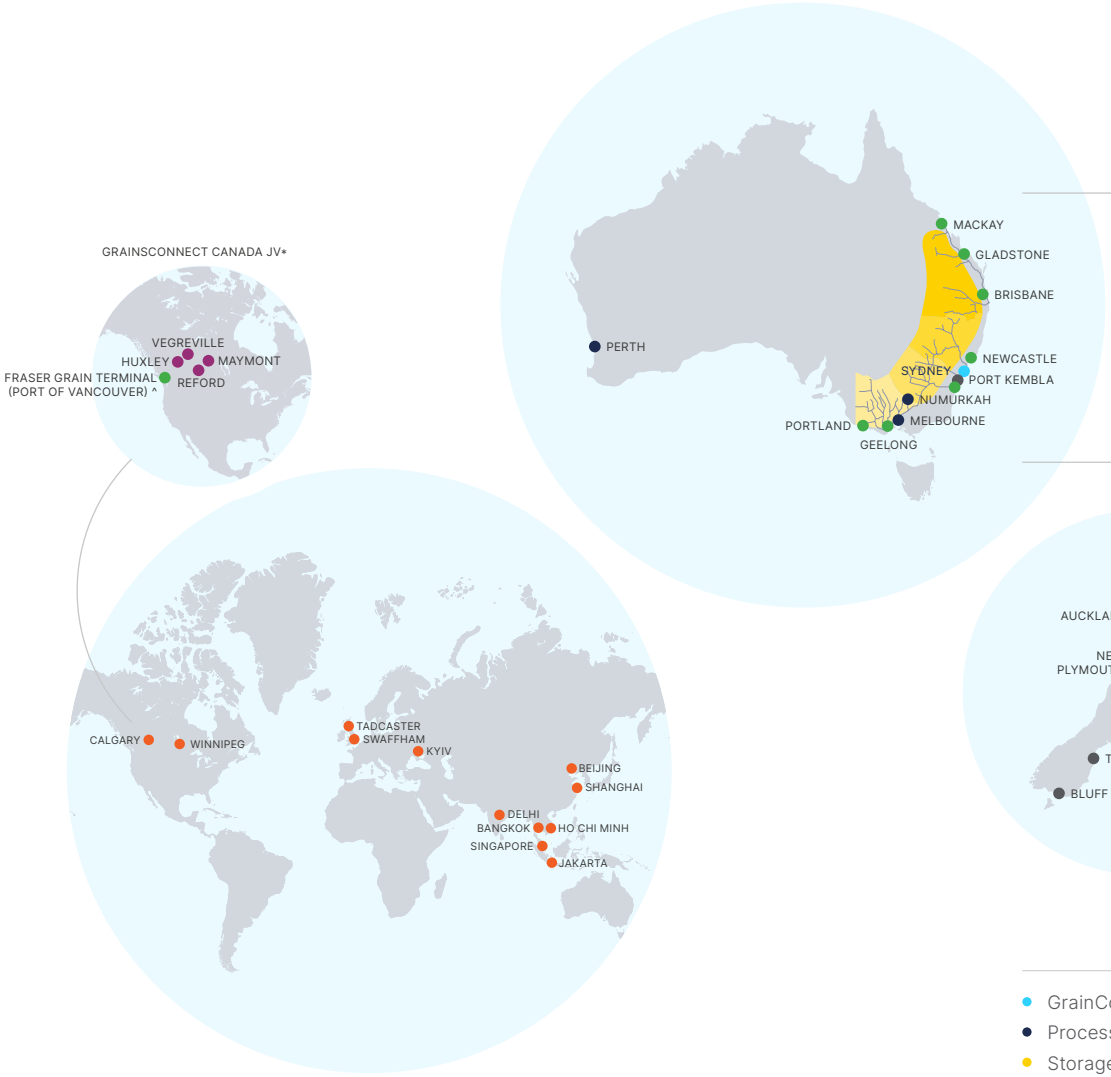
7
Ports across ECA

>160
Grain receival sites throughout ECA

12
Marketing offices globally

500kmt
Oilseed crush capacity

290kmt
Refining, bleaching, deodorising (RBD) capacity



GrainCorp has a significant regional accumulation, storage and handling network on the east coast of Australia.

See our network map
grains.graincorp.com.au/locations

- GrainCorp head office
- Processing facilities
- Storage network – ECA
- Ports
- Liquid Terminals
- GrainsConnect Canada receival sites
- International offices

* GrainsConnect Canada, a joint venture with Zen-Noh Grain Corporation.
^ GrainsConnect Canada joint venture with Parrish & Heimbecker.

How we operate

We partner with growers to maximise the value of their crops, connecting them to domestic and global marketplaces through our end-to-end supply chain and infrastructure assets.

We develop innovative solutions to create high quality and sustainable products across Human Nutrition, Animal Nutrition and Agri-energy for domestic and international customers.

International

- Global network of offices, originating grain, pulses and oilseeds from different regions
- Delivering to 350+ customers in 50+ countries
- Includes GrainsConnect Canada joint venture and Saxon Agriculture

East Coast Australia (ECA)

- Largest grain storage and handling network on ECA
- >160 regional receival sites and seven bulk ports, connected by road and rail infrastructure
- Import/export of other bulk materials, e.g. cement, woodchips and fertiliser

Human Nutrition

- One of Australia's largest refiners of edible fats and oils
- Products include blended and single oils, infant nutrition, bakery products, margarines and spreads and frying shortening
- One of Australia's largest importers of vegetable oils

Animal Nutrition

- One of Australia's largest canola meal producers, a by-product of canola seed crushing
- Supplier of vegetable oil and molasses-based feed supplements to enhance farm productivity
- Presence in Australia and NZ

Agri-energy

- One of Australia's largest collectors of Used Cooking Oil (UCO)
- Australia's largest exporter of tallow and UCO
- Access to the broadest network of liquid tank storage across Australia and New Zealand

FY23 highlights

Financial

Underlying EBITDA
$565m
FY22: $703m

NPAT
$250m
FY22: $380m

Dividends per share
54cps
FY22: 54cps

Core cash
$349m
FY22: $117m

Return on invested capital
18.6%
FY22: 27.9%

Operational

Tonnes of grain handled
37.4mmt
FY22: 41.1mmt

Tonnes of grains exported
8.3mmt
FY22: 9.2mmt

Tonnes of oilseed crushed
496kmt
FY22: 471kmt

Tonnes of food sales volumes
221kmt
FY22: 236kmt

Recordable Injury Frequency Rate (RIFR)
5.6
per million hours worked
FY22: 6.7 per million hours worked

Sustainability

GHG emissions per tonne
0.003tCO_2-e
FY22: 0.003tCO_2-e

Water use per tonne
0.012kL
FY22: 0.012kL

Gender pay gap
8.3%^
FY22: 9.8%

Processing sites – GHG emissions per tonne
0.074tCO_2-e
FY22: 0.083tCO_2-e

Tradewater discharged per tonne
0.005kL
FY22: 0.005kL

^ Based on data submitted for WGEA's Gender Equality Reporting program for the 12 months to 31 March 2022 and published in January 2023.

Intensity metrics are measured per unit of production/throughput tonne. They are influenced by fluctuations in the annual volume of grain handled by GrainCorp, which is directly correlated to the size of the East Coast Australia harvest.

Message from the Chair of the Board Sustainability Committee

As Chair of the GrainCorp Board Sustainability Committee (BSC), I am pleased to present our Sustainability Report for FY23.

This Report highlights the strong progress of our business and our teams across many areas of sustainability in FY23. However, the health and safety of our people remains our first priority and the tragic death of our colleague, at our Moree site in April, highlights the inherent dangers of an operational environment and underscores the ongoing focus and determination from all management and senior leaders at GrainCorp, Executive and Non-executive, to strive towards our goal of zero harm to our people and the environment in which we operate.

FY23 was the first full year of operation of the BSC, and it has been encouraging to observe how the role of the Committee has developed during that time. This year, we have focused on developing our understanding of the areas of sustainability most relevant to GrainCorp and on establishing the most effective ways to guide and support management in driving our sustainability strategy and delivering on our commitments.

As part of the Board and Board Committees education program, the BSC focused on key areas including, global sustainability reporting frameworks, GrainCorp's readiness for the International Sustainability Standards Board (ISSB) standards, climate change risk and associated Directors' duties, the Taskforce on Climate-related Financial Disclosures (TCFD), and others (refer page 16). These sessions were provided by both internal and external subject matter experts, and many included participation from the whole Board and members of senior management.

The GrainCorp Community Foundation has had a remarkable year, supporting more rural communities than ever before, embarking on our corporate partnerships program, and completing three new silo art projects across New South Wales and Victoria.

Message from the Chair of the Board Sustainability Committee

The BSC has worked closely with the Sustainability Management Committee (SMC), particularly in the areas of Responsible Sourcing, Sustainable Agriculture and Nature, and Climate, each of which has significant and direct impact on our business, our supply chain, and our industry. This work was evident in the Board and BSC visit to the Charles Sturt University AgriPark in August this year, which was attended by the BSC, other Board Directors, and members of the Executive Leadership Team (ELT) and the SMC, as well as some members from the GrainCorp Ventures team. Everyone gained real insight into ongoing research and innovation in carbon and soil health and the adoption of technology for future farming.

This year, the SMC held the third internal Annual Sustainability Conference. Over 50 participants from across the business attended the conference which included information sessions, external panel discussions and interactive activities. The focus of the day was how to move GrainCorp from development to delivery, to default to action and achieve the tangible outcomes required to drive GrainCorp's sustainability strategy forward in FY23 and beyond.

We have made progress and celebrated some successes this year. In June, we took a significant and important step towards our Climate goals by formally committing to the Science Based Targets initiative (SBTi), through which we will create our emissions reduction roadmap to meet our commitments on reduction of greenhouse gas emissions (refer page 32). Our SBTi commitment includes GrainCorp's commitment to no deforestation across our primary deforestation-linked commodities, with a target date of end of 2025 (refer page 43).

Notable successes for our teams included the conditional endorsement* of our 'Innovate' level Reconciliation Action Plan by Reconciliation Australia (refer page 70), and a further narrowing of the gender pay gap at GrainCorp to 8.3%, as compared to the Australian Workplace Gender Equality national average of 22.3% (refer page 69).

The GrainCorp Community Foundation (GCF) has had a remarkable year, supporting more rural communities than ever before, embarking on our corporate partnerships program, and completing three new silo art projects across New South Wales and Victoria (refer pages 74–75). Our new corporate partnership, with the GO Foundation and with Ronald MacDonald House Charities, provide an excellent base for this new initiative from the GCF, and exceeded all expectations as to what could be achieved in the first year of the corporate partnership program.

Looking forward to FY24, our focus will remain on the priority areas of Responsible Sourcing, Climate, and on the Environmental Impacts of our Operations. To support this work, and all of our sustainability work across our businesses, we will continue to enhance and develop our data quality, collection, and management. Our three-year rolling road map includes the setting of measurable and manageable metrics, in particular around emissions reductions, energy, and waste. Accurate and complete data sets are fundamental to any group wide metric, and we will continue to enhance our data quality and capabilities in the coming year.

It remains a privilege to chair the BSC and to lead the GrainCorp's efforts in the vital area of sustainability. GrainCorp recognises its unique position in the agricultural supply chain, in our regional communities, and in our industry. This position brings both responsibility and opportunity and, together with my Board and Committee colleagues, I am excited to continue to drive our sustainability goals in the coming year.

Thank you for your continued support.

Clive Stiff
Chair of the Board Sustainability Committee

* Conditional endorsement received post FY23.

Message from the Managing Director and CEO

Throughout FY23, we have strived to enhance and expand our capabilities by integrating sustainability in our commercial, financial, and operational processes and by embedding our sustainability commitments in the mindset of our management, our senior leadership, and all of our teams at GrainCorp.

Sustainability is fundamental to our vision to lead sustainable and innovative agriculture through another century of growth.

Sustainability is embedded in our key strategic priorities as we create and maintain best-in-class sustainable supply chains.

Our sustainability program is led by our Board Sustainability Committee and driven by our Sustainability Management Committee. Throughout FY23, we have strived to enhance and expand our capabilities by integrating sustainability in our commercial, financial, and operational processes and by embedding our sustainability commitments in the mindset of our management, our senior leadership, and all of our teams at GrainCorp.

In FY22, we established a Board Sustainability Committee and appointed a new General Manager of Sustainability; both steps were critical in creating accountability and prioritising sustainable practices moving forward.

In FY23, we built further on this theme of accountability by appointing the members of our Executive Leadership Team to act as sponsors of the nine material topic working groups identified as most relevant to sustainability in our business.

This sponsorship of key working groups, including Climate and Responsible Sourcing, has led to a greater awareness of our goals and of the opportunities available to the business as we drive to achieve those goals.

Message from the Managing Director and CEO

Also, in FY23, we conducted a detailed assessment of the areas of sustainability most relevant to our business, our customers, and our stakeholders. The purpose of this assessment is to ensure the continued relevance of these material topics, and to refine our focus on any specific element that our stakeholders have highlighted as critically important.

As part of this process and as a result of our developing understanding of the material sustainability topics impacting our business, we created an additional working group relating to Sustainable Agriculture and Nature. This group is focused on GrainCorp's approach to building capability and strategy around biodiversity and natural capital. This new working group, together with the groups relating to Climate and Responsible Sourcing, have been the priority focus for our teams in FY23. This focus has generated tangible progress in these areas including, a commitment to the Science Based Targets Initiative (SBTi), issuance of a No-Deforestation Commitment, in line with SBTi guidelines, and, in partnership with growers and key customers, completion of a pilot study on sustainable practices within Australian agriculture.

Another significant project in FY23 was the review and relaunch of the GrainCorp values. As part of the review, extensive research was undertaken to fully understand the tenets of high performing teams and highly engaged cultures. Our new values: We Care, We Deliver, We do what's right, and We stay safe, have been developed to align with the employee view and to have resonance and applicability at both an enterprise and individual level. The values have been very well received by our employees, with the consistent feedback that they are memorable, simple, and free from ambiguity.

During FY23, GrainCorp had the privilege of partnering with other key sustainability leaders and leading industry bodies. Our project partners across the year included CSIRO (page 30), GRDC, Charles Sturt University and several offices and ministers of state and federal government (page 40). In addition, Mick Anderson, our General Manager of Sustainability was re-elected as President of the Sustainable Agriculture Initiative's (SAI) Australian chapter. GrainCorp and SAI continue to benefit from this unique opportunity for our organisations to work together and more information is included on page 39 of this report.

As part of our key stakeholder engagement, I had the pleasure of hosting several of our industry sessions with growers across Victoria and New South Wales as part of GrainCorp's 'partner with the grower' initiative. These sessions focused on building dialogue with Australian growers and developing a joint understanding of the opportunities for our industry in the field of sustainable agriculture. The events also provided the opportunity to discuss the emerging requirements of global markets in relation to sustainability credentials, and the risk versus reward of the on-farm practice changes required to meet such requirements.

We have just marked the second anniversary of the launch of the GrainCorp Community Foundation (GCF) and are delighted to report on the progress we have made across all our GCF goals in FY23. During the year, the GCF played a pivotal role in supporting over 15,000 community members, with funding channelled into key areas, including community improvements, sport and recreation, health and safety, education, disaster relief, diversity and inclusion, and sustainability.

As part of delivering on our key strategic goals for FY23, we established a 3-year corporate partnership with the GO Foundation (page 72), an organisation dedicated to creating opportunities for Indigenous youth in Australia. The partnership centres around the delivery of a scholarship program focusing on cultural and educational enrichment and we are already seeing the benefits to our communities and to GrainCorp and our people, from partnering with this industry leader.

In addition to our exciting work with the GO Foundation, GrainCorp has recently partnered with Ronald McDonald House Charities (RMHC). RMHC provides a 'home away from home' for seriously ill children and their families in regional and remote areas. This partnership holds immense significance for GrainCorp, as it underscores our commitment to enriching the lives of the people in the communities in which we operate, live and work.

FY23 was also an outstanding year for the GrainCorp silo art program. During the year, the team managed to expand the Australian Silo Art Trail with a record three new art works, in Quirindi (New South Wales), Serviceton (Victoria) and Walpeup (Victoria) and more information can be found on pages 74–75. I am enormously proud of this achievement and of all the achievements of the GrainCorp Community Foundation this year and I look forward to seeing how our team will support and enrich our communities in FY24.

As our company and our industry continue to grow and thrive, we must continue to prioritise and drive our comprehensive sustainability program. In FY23, we have made significant progress in many key areas, and we will improve and expand on this success in FY24.

Robert Spurway
Managing Director and CEO

Sustainability at GrainCorp

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Our approach to sustainability

> The aim of our sustainability strategy is to build a sustainable, inclusive and commercial value chain by partnering with our customers, suppliers, communities, and other industry stakeholders.

Our sustainability materiality process is reviewed each year and incorporates a program of internal and external stakeholder engagement, including with industry experts. This helps us report on the issues that matter most to our business and our stakeholders. Details of our 2023 materiality and stakeholder engagement process are available in the Appendix of this report.

Over the last two years we have developed working groups dedicated to driving progress in our material topics and, in FY23, we took the decision to prioritise an additional topic aligned with the increased focus of our business and our stakeholders on sustainable agriculture and nature.

More than 45 of GrainCorp's people including senior management from across our business are members of the working groups and together, they have the knowledge and expertise to design and embed our sustainability strategy. Achieving GrainCorp's sustainability ambition requires strong leadership and the commitment of our entire organisation and, in FY23, our Executive Leadership Team each took on a sponsorship role of the working group(s) most relevant to their business portfolio.

GrainCorp Grower Services Manager Chris O'Rourke at an on-farm grower visit near Boort, Victoria.

Our sustainability strategy is underpinned by the commitments and workplans of each working group with a priority focus on climate, responsible sourcing and sustainable agriculture and nature, as we know that driving progress in these areas will have the greatest impact on sustainability outcomes for our business and our value chain. The commitments against all topics are reviewed annually to ensure alignment with GrainCorp's broader business strategy, and communication on progress is discussed and reported regularly via the sustainability governance mechanisms described in the next section. Communication on sustainability, within our business and more broadly, is socialised throughout GrainCorp via our multiple internal communication channels.

GrainCorp's approach to reporting, measuring, and disclosure, references best practice frameworks, including the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), the Global Reporting Initiative's (GRI) Agriculture, Aquaculture and Fisheries Standard, the Sustainable Accounting Standards Board (SASB) standards, and broadly with the recently released International Sustainability Standards Board (ISSB) standards. We recognise the need to contribute to the 17 interconnected Sustainable Development Goals (SDGs) and we are committed to building credibility in public disclosures by reporting meaningful progress towards the goals in respect of which we can have the most impact. In FY21, we identified four goals closely aligned to our work programs and, in FY23 we have added SDG 15, Life on Land, to reflect our commitment to progress in sustainable agriculture and nature.

As we strive for best practice, we are constantly learning and will continue to adapt our approach to reflect the latest science, innovation, business leadership, and evolving stakeholder expectations.

Our approach to sustainability continued

Global frameworks*

GRI

SASB

Stakeholder engagement

Identify actual and potential impacts

Assess the significance of impacts

Prioritise focus on the most significant impacts

Material topics

Our environment	**Environment**	The environmental impacts of GrainCorp's own operations across water, waste, energy, and Scope 1 and 2 emissions.
	Climate	GrainCorp's exposure to climate change risks and the steps being taken to reduce Scope 3 emissions, mitigate risks, pursue opportunities, and adapt to the impacts of climate change.
	Sustainable agriculture and nature	GrainCorp's approach to building capability and strategy around biodiversity and natural capital.
Our integrity	**Responsible Sourcing**	The incorporation of social and environmental considerations into GrainCorp's supply chain management practices.
	Human rights and corporate governance	Protection of human rights across our value chain.
	Food safety and consumer confidence	Supporting food security by upholding best practice food safety standards and minimising food loss to ensure the supply of ingredients and essential commodities.
Our people	**Community**	Contributing to the economic, environmental, and social wellbeing of the communities local to GrainCorp's operations.
	Workplace health and safety	The safety, health and wellbeing of employees, contractors, seasonal workers, and visitors to GrainCorp sites.
	People	Support for employee engagement, development, diversity, and non-discrimination in GrainCorp's operations.

Related SDGs

2 ZERO HUNGER

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

THE GLOBAL GOALS For Sustainable Development

* GrainCorp's approach is positioned for future alignment with the recently released International Sustainability Standards Board (ISSB) standards.

Our progress

In FY21, we set out a three-year rolling roadmap that summarises key actions across our priority sustainability topics, and details a comprehensive and systematic approach to sustainability.

Our FY22 report included a range of commitments for FY23 that focused on embedding sustainability considerations into our business processes. The next phase of our roadmap is focused on building upon these foundations and improving the scope and integrity of sustainability metrics to develop ambitious and realistic targets that we can take action to deliver.

	2023		2024	2025 and beyond
Stakeholder engagement	Identifying, establishing, and/or enhancing relationships with additional external experts in specific areas of sustainability	✓	Enhance the voice of customer in our sustainability strategy	Refresh formal materiality process to capture shifts in expectations relative to an evolving sustainability landscape
	Continue internal and external stakeholder engagement program	✓		
Climate	Effective disclosure of risk management process and outcomes in the Annual Report	✓	Submit emission reduction targets and roadmaps to SBTi Complete project to implement TCFD recommendations	Deliver emission reductions in line with approved SBTi targets
	Develop emission reduction roadmaps for Scope 1, 2, and 3 to support rapid decarbonisation by 2030	→		
	Review the Science Based Targets initiative (SBTi) Forest, Land, and Agriculture Guidance and determine applicability to GrainCorp	✓		
	Undertake climate change scenario analysis in accordance with the TCFD framework and integrate into annual disclosure	◕		
	Refine Scope 3 inventory methodologies to improve accuracy	→		
	Continue integration of climate risks and opportunities into GrainCorp's strategy	→		
	Continue collecting all relevant data to inform action plan that supports improvement in 2050 net zero commitment	→		

✓ **Achieved** – Action complete ◕ **Partially achieved** – Action behind schedule → **Ongoing** – Action set with the intention to be achieved over one or more reporting cycles

Our progress continued

	2023		2024	2025 and beyond
Environment	Update environmental management system standards to include performance objectives pertaining to energy, water, and waste	✓	Divert more than 95% of Dust and Damaged Grain (DDG) to beneficial reuse Complete a lifecycle assessment of our recycled tarpaulins program Complete Pinch Analysis at Numurkah Conduct energy audit at Port Kembla Embed environment dashboard into groupwide operational performance monitoring Submit Scope 1 and 2 emission reduction targets and roadmaps to SBTi	Deliver scope 1 and 2 emission reductions in line with approved SBTi targets Zero tarps to landfill by 2027 based on application and optimisation of findings of life cycle assessment
	Review energy, water, and waste data currently collected and identify trends, gaps, and opportunities	✓		
	Develop monthly environment performance scorecard	✓		
	Embed Energy Management System at large energy using sites	✓		
	Incorporate consideration of energy and Greenhouse Gas (GHG) emissions into capital investment processes	→		
Responsible sourcing	Continue our comprehensive assessment of all procured goods and services to identify those deemed high-risk and develop appropriate sourcing policies and protocols	→	Implement a revised supplier code of conduct Release an updated grievance mechanism Embed tracking of supplier ESG performance in internal governance structures Execute implementation plan for No-Deforestation Commitment Continue Sedex Members Ethical Trade Audits (SMETA audits) at processing sites and expand Sedex Self-Assessment Questionnaires (SAQs) to include additional GrainCorp sites	Meeting the milestones of our No-Deforestation Commitment Enhancing supplier due diligence processes in line with evolving standard for best practice in human rights Collaborate with customers to deliver on the ground projects that improve social and environmental outcomes
	Conduct due diligence activities on all high-risk suppliers	→		
	Evaluate supply chain deforestation and biodiversity risks to develop an achievable time-bound goal and roadmap	✓		
	Expand scope of ESG supplier risk dashboard	✓		
	Commence implementation of new Supplier Code	→		
Human rights	Conduct human rights risk assessment in GrainCorp's supply chain	✓		
	Formalise processes to better manage identified human rights risks in GrainCorp's operations	→		
	Formalise process for receiving and managing human rights related grievances	→		
	Draw on external human rights expertise relevant to GrainCorp and the agricultural industry	✓		
	Incorporate best practice disclosures into Modern Slavery Statement in line with Australian Border Force recommendations	→		

✓ **Achieved** – Action complete ◐ **Partially achieved** – Action behind schedule → **Ongoing** – Action set with the intention to be achieved over one or more reporting cycles

Our progress continued

	2023		2024	2025 and beyond
Sustainable agriculture and nature*	Partner with growers to conduct pilot study into sustainable agriculture practices in Australia	✓	Support cropping producers to build understanding, measurement, and adoption of sustainable practices Expand focus on supporting dairy, livestock, and mixed farmers to deliver sustainability outcomes Develop sustainability related commercial market opportunities for Australian agriculture Engage with end customers in the Human and Animal nutrition sectors to better connect their needs to the capabilities of our producers Continue to actively partner with industry and government bodies to further develop sustainable agriculture initiatives Assess the recommendations of the TNFD and applicability to GrainCorp	Deliver supply chain initiatives to increase proportion of sustainably sourced grain Support development of methodologies that measure and enhance natural capital in Australian cropping
	Support collaboration across the Australian agriculture value chain on sustainable agriculture and nature topics	✓		
	Proactively engage with key Government bodies on sustainable agriculture topics	✓		

✓ **Achieved** – Action complete ◐ **Partially achieved** – Action behind schedule → **Ongoing** – Action set with the intention to be achieved over one or more reporting cycles

* This topic has been newly included in GrainCorp's sustainability roadmap in FY23. The FY23 priority actions section reflects the key achievements made in this area over the year.

Our progress continued

Our environment

ISCC-EU accredited supply chain

890kmt
of ISCC EU certified grain exported

–11%
emissions per tonne of production across GrainCorp's processing sites

Committed to setting **SBTi target** for Scope 1, 2, and 3 emissions reduction

Completed a pilot study on sustainable practices within Australian agriculture in partnership with growers and a key customer.

Our integrity

Zero
product recalls

Commitment to No-Deforestation by the end of 2025 across primary deforestation linked commodities

Additional working group, dedicated to **sustainable agriculture and nature,** developed

Our people

8.3%^
gender pay gap (closed a further 1.5% from previous year)

>140
Community groups supported via Community Foundation

Conditional endorsement of **'Innovate' level RAP** received* from Reconciliation Australia

^ Based on data submitted for WGEA's Gender Equality Reporting program for the 12 months to 31 March 2022 and published in January 2023.
* Conditional endorsement received post 30 September.

Sustainability governance

The Board sets and monitors the strategic direction of GrainCorp and oversees GrainCorp's environmental, social, and governance (ESG), sustainability and climate-related activities, including its exposure to ESG, sustainability and climate risks, and strategic opportunities.

The Board is supported by the following Committees of the Board:

- Sustainability Committee.
- Audit and Risk Committee.
- Remuneration and Nominations Committee.
- Safety, Health and Environment Committee.

The GrainCorp Board Sustainability Committee (BSC) was established to provide dedicated oversight of GrainCorp's ESG, sustainability, and climate activities. The BSC is comprised of three Non-executive Directors, of which one must be a member of the Audit and Risk Committee. The Managing Director and CEO, Chief Corporate Affairs Officer (CCAO), and General Manager – Sustainability attend all meetings of the BSC.

The biographies of BSC members are available on our website graincorp.com.au

The BSC is responsible for ensuring the strategies, policies, culture, and management leadership are appropriate to drive GrainCorp's sustainability performance. Responsibilities include:

- Considering and recommending to the Board for approval any publicly disclosed safety, health, environmental, sourcing, emissions and/or other targets and initiatives relating to sustainability, including climate change goals and targets (Sustainability Targets).
- Reviewing and monitoring progress towards Sustainability Targets including the assessment of the potential impact of new or changed business activities on Sustainability Targets.
- Approving the adoption of the Company's external sustainability reporting frameworks and reviewing and recommending to the Board for approval, any new policies, or amendments to existing policies, in respect of sustainability matters.
- Oversight of any external assurance engagement related to GrainCorp's sustainability report.

The BSC is chaired by Clive Stiff who has extensive experience in corporate sustainability, sustainability strategy and implementing circular economy initiatives. The work of the BSC is supported by other Board committees, being the Audit and Risk Committee, the Remuneration and Nominations Committee and the Safety, Health and Environment Committee, in recognition of the complexity and breadth of the topics covered by GrainCorp's sustainability strategy and operating landscape.

During FY23, Directors received education sessions from internal or external subject matter experts covering the following topics:

- The global sustainability reporting framework landscape.
- International Sustainability Standards Board (ISSB) readiness.
- Climate change risk and Directors' duties.
- The Taskforce on Climate-related Financial Disclosures (TCFD) and greenhouse gas emissions.
- Nature and sustainable agriculture.
- Modern Slavery.
- Sustainability leadership.
- Community engagement.

We will continue to build on this education program in FY24.

The BSC met three times in FY23.

The Sustainability Management Committee (SMC) is comprised of senior leaders from across GrainCorp and the activities of the SMC are reported to the BSC. The SMC has responsibility for:

- Development of the sustainability strategy.
- Development of the sustainability reporting framework.
- Oversight of nine working groups, each of which is dedicated to one of GrainCorp's nine sustainability strategic priorities.

The CCAO, supported by the General Manager of Sustainability, has executive level responsibility for GrainCorp's sustainability strategy, sustainability activities, external sustainability reporting, engagement with external stakeholders on sustainability matters and is the internal risk owner of sustainability and climate risks.

The SMC met eight times in FY23.

Aligning incentives to sustainability outcomes

GrainCorp's approach to executive remuneration reflects the role of sustainability and climate-related considerations within GrainCorp's strategy. Sustainability and climate-related KPIs (Key Performance Indicators) form a five per cent component of the Group Scorecard and targets are set on an annual basis. The Executive Leadership Team's short-term performance-related incentive outcomes are based on the outcome of the Group Scorecard. GrainCorp's FY23 Remuneration Report is available here.

Sustainability governance continued

Sustainability governance overview

Board of Directors

Reviews GrainCorp's risk management framework that includes ESG, sustainability and climate risks at least annually, to satisfy itself that it continues to be effective and that GrainCorp is operating with due regard to the risk appetite set by the Board.

Approves and monitors GrainCorp's strategy which includes GrainCorp's approach to managing ESG, sustainability and climate-related risks and opportunities.

Sustainability Committee

Has oversight of ESG, sustainability and climate objectives, goals, strategies, external sustainability reporting, and activities.

Audit and Risk Committee

Monitors on a quarterly basis the strategic risk register which includes ESG, sustainability and climate risks.

Has oversight of GrainCorp's preparation for implementation of the International Sustainability Standards Board (ISSB) standards.

Remuneration and Nominations Committee

Has oversight of people, culture, diversity, and inclusion initiatives.

Reviews and approves remuneration programs and performance targets, including ESG, sustainability and climate targets, for members of the Executive Team.

Safety, Health and Environment Committee

Has oversight of safety, health and environment, and food safety and quality objectives, goals, strategies, risks, and activities.

Chief Corporate Affairs Officer

Leads GrainCorp's sustainability efforts, supported by the General Manager, Sustainability.
Reports quarterly to the BSC on ESG, sustainability and climate strategy.
Engages with external stakeholders on sustainability matters.

Sustainability Management Committee

Develops the sustainability strategy

Develops the sustainability reporting framework

Has oversight of nine working groups, each of which is dedicated to one of GrainCorp's nine sustainability strategic priorities.

Working groups:

- Climate
- Human rights and corporate governance
- Environmental performance of GrainCorp's operations
- Workplace health and safety
- Sustainable agriculture and nature
- People
- Responsible Sourcing
- Food safety and consumer confidence
- Community

Our environment

In this section

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Climate 31

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GrainCorp's port operations at Geelong, Victoria.

Environmental impacts of GrainCorp's operations

> As a company with processing operations and a large footprint of assets, our primary environmental impacts occur through our management of energy, emissions, water, and waste.

This section discusses our progress in improving environmental performance across our operations in Australia and New Zealand.

In relation to areas outside our operational control, GrainCorp continues to work with growers, suppliers, and customers to create and support initiatives that have a positive social and environmental impact. For more information, refer to the sustainable agriculture and nature, climate, and responsible sourcing sections of this report.

GrainCorp's Environment Policy and Energy Management Policy are available on our website and guide our approach to managing our environmental performance.

All data: Data range is financial year, 1 July – 30 June. All data is inclusive of Australia/New Zealand operations and excludes divested businesses. FY23 data points indicated by an asterisk (*) are subject to assurance from KPMG. See KPMG's limited assurance report on page 87.

1. Calculated as the total energy (GJ) per production/throughput tonne.
2. Scope 1 emissions are those produced directly by GrainCorp's activities.
3. Scope 2 emissions are indirect emissions, such as electricity consumption.
4. Calculated as the total GHG emissions per production/throughput tonne.
5. Water usage reported is from metered mains supply. Where data is not available, an estimation methodology has been applied.
6. Calculated as the total water use per production/throughput tonne. Water use includes metered water only.
7. Calculated as volume of trade waste generated per production/throughput tonne.
8. Level 5 environmental incidents are ones that cause or threaten material or serious environmental harm which require notification to the authority/regulator.
9. Level 4 environmental incidents are ones that cause or threaten harm to the environment that are notifiable to the authority/regulator
10. Calculated as a percentage of total energy consumed.

We note that the energy and water productivity, and emissions intensity ratios are heavily influenced by fluctuations in the annual volume of grain handled by GrainCorp, which is directly correlated to the size of the ECA harvest.

Total energy use (TJ)

FY23*	1,337
FY22	1,304
FY21	1,207
FY20	1,122
FY19	1,075

Energy use per tonne (GJ)[1]

FY23*	0.026
FY22	0.025
FY21	0.030
FY20	0.055
FY19	0.056

Energy use (GJ) by source FY23[10]

Scope 1 GHG emissions (tCO_2-e)[2]

FY23*	58,301
FY22	56,539
FY21	53,363
FY20	50,349
FY19	48,999

Scope 2 GHG emissions (tCO_2-e)[3]

FY23*	71,928
FY22	79,020
FY21	69,801
FY20	61,850
FY19	61,969

GHG emissions per tonne (tCO_2-e)[4]

FY23*	0.003
FY22	0.003
FY21	0.003
FY20	0.005
FY19	0.006

Water use (kL)[5]

FY23*	604,837
FY22	642,304
FY21	520,755
FY20	530,424
FY19	520,329

Water use per tonne (kL)[6]

FY23*	0.012
FY22	0.012
FY21	0.013
FY20	0.026
FY19	0.027

Tradewaste discharge per tonne (kL)[7]

FY23*	0.005
FY22	0.005
FY21	0.007
FY20	0.012
FY19	0.014

Loss of containment events[8,9]

	Level 5	Level 4
FY23*	0	0
FY22	1	0
FY21	0	0
FY20	0	2
FY19	2	1

Environmental impacts of GrainCorp's operations continued

> GrainCorp's Safety, Health and Environment (SHE) Management System is consistent with ISO14001 and GrainCorp's Australian processing sites at West Footscray, Numurkah, and Pinjarra and our Auscol business in Australia, have used the system to achieve ISO14001 certification.

The environmental impacts of GrainCorp's direct operations are managed through our Safety, Health and Environment (SHE) Management System. This system sets out rigorous, consistent, company-wide standards for monitoring, reporting, auditing and continuous improvement of our environmental impacts. The SHE Management System is consistent with ISO14001 and GrainCorp's Australian processing sites at West Footscray, Numurkah, and Pinjarra and Auscol business, have used the system to achieve ISO14001 certification.

Our operations are subject to multiple national and state-based environmental regulations. These range from managing local issues such as noise and odour, to the reporting of greenhouse gas emissions and the use of chemicals. Thirteen of our sites, comprising six port terminals, three sites and four processing sites, hold environmental licences.

Environmental obligations, compliance (including compliance with a site's environmental licence) and risk are managed and controlled through site registers that reflect each site's location and operating context. Each Site Manager is responsible for overseeing site-specific environmental management processes and employees are trained in the procedures for managing and reporting incidents. A dedicated team of environment professionals provide support and verification across GrainCorp, including the execution of an internal audit program. Twenty-one sites are included in the internal audit register and the 10 sites classified as high-risk are audited annually.

Our internal SHE Management System contains 12 environment standards, focused on key environmental aspects, including water, waste, noise, air, and biodiversity management, that underpin compliance with local, state and federal regulatory requirements. Each year we report the Scope 1 and Scope 2 emissions from our Australian operations under the Australian *National Greenhouse and Energy Reporting Act 2007* and this data can be found here.

Certain chemicals are used across our food processing and ECA grain handling sites in line with food safety and export requirements. More information on our use of chemicals can be found on pages 48 and 51.

Environmental incidents including near misses are tracked through our incident management system, Sphera. This ensures the development and tracking of corrective actions, internal escalation and external notification where required.

Our focus on improving the environmental impact of our operations is supported by our proactive internal environment communication program. This program includes environment-focused Toolbox Talks, activities to recognise World Environment Day and regular updates through our internal communications platforms on the progress of projects related to our energy, emissions, water and waste impacts.

Investing in a greener tomorrow: Capital investment for environmental performance

Environmental compliance is managed through site-specific registers that set out each site's environmental compliance requirements, obligations, and risks, as well as the required processes for measuring, monitoring, and reporting. We have made significant capital investment in recent years to utilise innovative technology and support best practice management of environmental compliance at our processing sites.

GrainCorp's Numurkah and West Footscray facilities represent our largest processing sites. Capital investment at these sites has seen the installation of systems such as noise barrier walls, acoustic panelling, noise meters and biofiltration systems in recent years. Together these systems allow us to maintain environmental amenity and meet our environmental obligations.

The biofiltration systems at Numurkah and West Footscray use woodchips that are covered in a biofilm containing microorganisms to break down gases generated during our production process into carbon dioxide and water that can safely be released to the atmosphere. At the end of their useful life, the woodchips can be recycled by an organic material processor, making the biofiltration system highly resource efficient.

Environmental impacts of GrainCorp's operations continued

Enhancing the SHE Management System

A key part of our FY23 workplan has been to identify opportunities to enhance the environmental components of our SHE Management System. Our business units vary significantly in their day-to-day activities and in their use of energy and water and generation of waste. Minimising our environmental footprint requires the implementation of programs specifically designed to match the relevant business operation. In FY23, we updated our SHE Management System to embed resource efficiency and circular economy expectations into relevant standards that reflect the operating context of different parts of our business.

Toolbox Talks for Water and Waste

We know that engaging our employees is critical if we are to make progress in minimising our environmental impact. GrainCorp's internal program of Toolbox Talks is designed to raise awareness of relevant topics across sites. One important aim of our FY23 environment program was to increase focus on water and waste management, especially at our ECA grain handling sites, where we know that gaps in data collection exist. The Toolbox Talks reiterated the standards GrainCorp has in place for the management of waste and water. Each site's employees have an intimate understanding of their site's operations and the Toolbox Talks included a virtual questionnaire component through which employees could raise issues and provide feedback on opportunities for improvement.

What We've Been Doing

FY23 priority actions		Read more
Improve targeting and efficacy of internal compliance audit process	✓	Raising the bar for internal compliance
Reduce Dust and Damaged Grain (DDG) and Tarpaulins to landfill	→	Dust and Damaged Grain Recycling collaboration to eliminate bunker tarps from landfill
Improve resource efficiency standards. • Updating SHEQ management system standards to include performance objectives pertaining to energy, water and waste.	✓	Enhancing SHE Management System (see opposite)
Improve environmental performance monitoring and analytics capabilities. • Review energy, water and waste data currently collected and identify trends, gaps, and opportunities. • Develop monthly environment performance scorecard.	✓	Progressing data capture at regional ECA grain handling sites – water Progressing data capture at regional ECA grain handling sites – waste Raising the bar for internal compliance
Embed the Energy Management System framework, aligned with ISO50001, into operational processes at processing sites	✓	Energy Management System Energy optimisation
Determine Scope 1 and Scope 2 emissions reduction roadmap	→	Scope 1 and Scope 2 emissions reduction
Build energy and GHG emissions into capital investment process	→	Supply chain optimisation (Climate section)

✓ Achieved ◐ Partially achieved → Ongoing

Environmental impacts of GrainCorp's operations continued

Saeedeh Taheri, Research & Development Scientist at GrainCorp's processing facility in West Footscray, Victoria.

Raising the bar for internal compliance

Each of our operational sites have Environmental Management Pack in place. This includes:

- An Obligations and Consents Register (OCR) which outlines the relevant environmental regulations applicable to the site and the required measures to show compliance.
- An Aspects and Impacts Register which identifies areas and processes with elevated environmental risks, alongside the required controls.
- An Environmental Management Plan that documents the implementation of all environmental management requirements associated with the activities undertaken at the site.

> Our Environment Team conducts internal audits each year, with a focus on sites classified as high-risk.

In FY23, an external auditor was engaged to validate the design and operating effectiveness of this internal audit system. The scope of the audit included a review of the governance structure, compliance controls, and training. A risk-based assessment tool was developed to ensure the accurate prioritisation of sites for audit.

Concurrently, our internal audit program continued and 14 comprehensive internal environmental audits were undertaken. These audits reviewed alignment with relevant permits, licences, and legislation to identify opportunities to enhance our internal compliance process. Opportunities to improve water and waste impacts are discussed later in this section. Other opportunities for improvement include:

- Training and incident response.
- Enhancing land management practices.
- Improving document and record retention processes.

Opportunities have been prioritised based on their positive impact and are being implemented. A performance scorecard has been developed and progress is monitored and reviewed during each site's scheduled monthly meeting. An update is also provided to the Safety, Health and Environment Committee each quarter.

Environmental impacts of GrainCorp's operations continued

Energy and Emissions

Our Approach

Our largest processing sites at Numurkah and West Footscray account for more than half of GrainCorp's energy use. We focus our efforts where we can have the most impact and our processing sites are designed to minimise energy consumption without compromising capacity.

Scope 1 and Scope 2 emissions reduction

Energy is the primary driver of Scope 1 and 2 emissions for our operations meaning that our energy reduction and decarbonisation programs are closely linked. We continue to focus our efforts on understanding our energy use, identifying, and implementing initiatives to reduce energy consumption and our Scope 1 and 2 emissions, and on developing a pipeline of further reduction opportunities. This work will inform the emission reduction roadmap required to achieve our greenhouse gas emissions reduction targets under the Science Based Targets initiative (SBTi).

What We've Been Doing

Energy Management System

An Energy Management System (EnMS) provides a framework for collecting, analysing, and monitoring energy data, identifying opportunities, making decisions, and setting energy targets. We have been working to embed an EnMS aligned with ISO 50001 at our large energy using sites. An important component of a robust EnMS involves measuring and monitoring energy use activities at a granular level. In FY23, we completed the implementation of electrical sub-meters at our processing site at Numurkah and installation is due to be completed at our West Footscray site by the end of the 2023 calendar year.

This submetering enables an understanding of the amount and type of energy being used by each of the major processes at each site and ensures the accuracy of each site's energy baseline, which is fundamental to ISO 50001. It also allows for the development of activity-based costing models per tonne of product, which is a condition for export into certain offshore markets (e.g. US EPA and ISCC+ product-based accreditation). GrainCorp's IT team is developing an automated dashboard that tracks the energy data in real-time, enabling our site engineers to prioritise focus on the most energy-intensive products and processes. Having this system in place means that energy and emissions benefits can be incorporated into capital design and investment as part of our decarbonisation road map.

A new internal Energy Management Standard has been developed that both reflects our enhanced systems and processes and recognises the varied nature of our operations. This will help streamline the future rollout of the EnMS across more of our business.

Process Engineers at GrainCorp's processing facility in West Footscray, Victoria.

Environmental impacts of GrainCorp's operations continued

Energy Optimisation

Through a combination of capital investment and continuous improvement, our processing sites have a pipeline of more than 70 identified initiatives designed to drive resource optimisation across water, waste, and energy. Energy consumption, and its impact on emissions, is the factor with the largest environmental impact at these sites. In food processing, natural gas-powered boilers are used to generate the steam required for a variety of energy intensive processes. In FY23, a heat recovery unit was installed on the boiler at East Tamaki in New Zealand resulting in a four per cent improvement in boiler efficiency. The heat recovery system at West Footscray was also upgraded to better utilise waste heat and the site has scheduled to undertake works on the boiler to further improve its energy efficiency by 10 per cent.

Pinch analysis is a methodology for minimising the energy consumption of chemical processes by calculating thermodynamically feasible energy targets (or minimum energy consumption) and achieving them by optimising heat recovery systems, energy supply methods and process operating conditions. To capitalise on the installation of the submeters, a pinch technology study has been commissioned at West Footscray. The program is in its initial information gathering phase and will shortly move forward into calculation and opportunity identification that will then be incorporated into the existing pipeline. A pinch analysis has also been commissioned at Numurkah and will be completed by the end of the 2023 calendar year. This work will support the continued improvement in energy efficiency at these sites over the coming years.

Processing sites^ – Energy use per tonne (GJ)[1]

FY23	0.94
FY22	1.00
FY21	1.00

Processing sites^ – GHG emissions per tonne (tCO_2-e)[2]

FY23	0.074
FY22	0.083
FY21	0.084

1. Calculated as the total energy (GJ) per production/throughput tonne.
2. Calculated as the total GHG emissions per production/throughput tonne.
^ GrainCorp processing sites at Numurkah, West Footscray, Pinjarra and East Tamaki.

Renewables

GrainCorp recognises the role renewable electricity will play in the decarbonisation of our own operations. Adopting the SBTi methodology will help clarify the timing and scale of GrainCorp's renewable electricity targets to align with our emission reduction goals. This in turn provides important context for our renewable electricity strategy.

Renewable electricity can be generated through on site installations or acquired from off-site renewable energy projects via a range of commercial models. Importantly, State and Federal Governments across our operational footprint have made commitments to increase the proportion of renewable electricity supplied to the grid, resulting in a steadily improving baseline.

GrainCorp has invested in small scale solar projects at multiple regional sites and has received and evaluated proposals for our largest energy using facilities. These proposals, along with other emission reduction projects, continue to be assessed as part of the broader capital investment and master plans for these facilities. Optimising our energy use and understanding future electricity demand is fundamental to the success of renewable electricity projects.

> GrainCorp has commenced a detailed review of the off-site renewable electricity options as part of a broader renewable electricity strategy.

This review will investigate the existing and emerging technologies and commercial models that will support a long-term plan for delivering our renewable electricity goals.

Environmental impacts of GrainCorp's operations continued

Water

Our Approach

Our approach to water prioritises water efficiency and stewardship.

Our focus is driven by two key factors:

- Our largest water users.
- Sites located in regions of extremely high baseline water stress.

Our largest water users are GrainCorp's processing sites. Water productivity data at these sites shows a clear trend of improvement over the last several years due to the implementation of a pipeline of opportunities. These sites also generate the majority of GrainCorp's trade waste, which is managed in accordance with each site's trade waste agreement. The Water and Waste Management Standards, within our SHE Management System, set out the requirements for the operational management of water, stormwater, and trade waste.

Processing sites^ – Water use per tonne (KL)[1]

FY23	0.43
FY22	0.49
FY21	0.51

1. Calculated as the total water use per production/throughput tonne.
^ GrainCorp processing sites at Numurkah, West Footscray, Pinjarra and East Tamaki.

GrainCorp Port Kembla, New South Wales.

Improving water stewardship across our ECA grain handling sites

Thirteen of our sites are in regions of high baseline water stress. In FY22, we engaged an external water specialist to undertake water audits at our Port Kembla port terminal and grain handling sites at Ardlethan in regional NSW, and Dunolly in regional VIC. These are among the 13 sites identified to be in regions of extremely high baseline water stress.

The spread of our regional ECA grain handling sites and the diversity of their operations means that while there are water minimisation opportunities common across sites, there are also opportunities unique to particular sites. To better understand the breadth of opportunities we surveyed employees from our regional sites. Information from the survey, combined with results from the water audits, have resulted in a number of initiatives including:

- Upgrading facilities at Port Kembla where the amenities are responsible for most of the site's water consumption.
- Ensuring that all sites with sediment dams have the appropriate equipment in place to enable collected water to be used for dust suppression.
- Upgrading drainage at sites susceptible to road damage from flooding and where the road repair works result in the creation of large amounts of dust and sediment at site.
- Investigating options for 'dry-clean' processes across all ports.

Implementation of opportunities will be progressed in FY24 based on factors including:

- Water consumption data accuracy at the site.
- Relative materiality of a site's water use.
- Location of site relative to water-stressed regions.

Environmental impacts of GrainCorp's operations continued

Process modifications to minimise water impact

Food processing is a water-intensive industry. We are focused on minimising our water impact by implementing process modifications identified through the ongoing monitoring and evaluation of water and trade waste data.

"The best approach to reducing our water impact is to assess processes and identify opportunities to reduce both inputs as well as outputs," says Quality Manager, Chris Rallis.

"For example, Clean-In-Process (CIP) washes are essential in preventing product contamination. However, this process requires approximately 30,000 litres of water per cycle and is one of the most water-intensive processes at our sites. Through collaboration between our quality, engineering, and manufacturing teams, we have designed a solution to minimise the frequency of CIP washes, without compromising quality, resulting in a reduction in total water used and a reduction in trade-waste output of six million litres annually," he added.

To further minimise our trade waste impact, GrainCorp's processing sites treat wastewater on site using Dissolved Air Flotation (DAF). This is a water treatment process that removes suspended matter such as oil or solid by dissolving air in the wastewater under pressure and then releasing the air at atmospheric pressure in a flotation tank basin. The released air forms tiny bubbles which adhere to the suspended matter causing the matter to float to the surface of the water where contaminants may be removed by a skimming device. Monitoring the levels of contaminants in trade waste is essential in ensuring the quality of the discharged water. Trade waste discharge is heavily monitored using an automated sampling system that collects samples at regular intervals over a seven-day period. These samples are sent to external third-party testing facilities to ensure compliance.

"By decreasing our water inputs and outputs we also save energy by reducing the amount of trade waste that needs to be pumped and discharged – another benefit of process optimisation," Chris concluded.

The Emulsion Preparation Plant at West Footscray, Victoria.

What We've Been Doing

Progressing data capture at regional ECA grain handling sites

In FY23, a review of water data capture processes across GrainCorp's sites highlighted opportunities for improvement at a portion of our regional ECA grain handling sites resulting from:

- Inconsistencies across regions in the way water is invoiced by water providers.
- Leased sites having limited access to accurate water consumption volume information.
- System limitations in recording and tracking water consumption volume data.

Data integrity is fundamental to managing performance and work is underway to align water data capture processes across GrainCorp. We are currently reviewing invoicing mechanisms, liaising with water providers, and reviewing data entry processes to ensure water volume and related information is captured accurately and in its entirety.

Environmental impacts of GrainCorp's operations continued

Waste

Our Approach

We aim to maximise the value of all inputs to our business and recognise that waste represents an underutilised resource.

We have a focus on minimising waste, including food waste, by improving yields within our operations, upcycling by-products and sourcing new solutions.

In FY23, we produced an estimated 4,440 tonnes of waste to landfill.

We know that our most material waste impacts occur through the generation of Dust and Damaged Grain (DDG) and through the treatment of end-of-life tarpaulins. Details of the projects we have in place to divert these waste-streams from landfill can be found opposite and on page 30.

The Waste Management Standard within our SHEQ Management System sets out the requirements for the management of our other primary waste streams comprising general waste, recyclables, and regulated waste (trade waste is discussed in the Water section of this report). Our focus in FY23 has been on developing the processes required to obtain accurate waste data across these major waste streams and throughout our operations and developing a program of improvement opportunities.

Managing Dust and Damaged Grain: A closer look

DDG comprises non-GTA (Grain Trade Australia) standard grain, grain dust, chaff, and other foreign matter. It is generated at various stages of the grain-handling process and is affected by factors including:

- Growing conditions: For example, weather-damaged grain delivered into GrainCorp's grain handling system is more prone to damage and to producing dust.
- Commodity types: For example, canola seed has significantly more chaff than other coarse grains.
- Grain handling and storage process: Dust is generated every time grain is moved through our system resulting in the capture of fine grain particulates in dust extraction systems. Grain can also become damaged during storage and transportation.

We minimise the generation of DDG as part of our business-as-usual processes. However, some DDG is inevitable and in FY23, approximately 89,000 tonnes were written off as DDG (representing approximately 0.6 per cent of grain receivals).

In FY23, we refined our logistics tracking technology to better understand where DDG is sent, and how it can be reused, to identify further opportunities. The majority of DDG is diverted from landfill with approximately 50 per cent transferred to surrounding farms for beneficial reuse, typically being repurposed as animal feed, or used as soil conditioner. Maximising this resource stream is a priority for GrainCorp and opportunities initiated over the year include the development of a reuse agreement with a local Victorian emu farm. Emus are known for their robust digestive system, making DDG a suitable feed.

Supported by our logistics tracking technology, we will continue to develop new reuse pathways and have set a target to achieve 95 per cent diversion from landfill in FY24.

Environmental impacts of GrainCorp's operations continued

What We've Been Doing

Progressing data capture at regional ECA grain handling sites

In FY23, a review of waste data capture processes across GrainCorp's sites highlighted opportunities for improvement at some of our regional ECA grain handling sites.

We have engaged with our waste service providers and their subcontractors to improve the way waste data is reported, reviewed, and utilised by the business. The monthly waste report has been reviewed to include a more granular breakdown of waste metrics and a monthly forum with the service provider has been created to identify any data abnormalities and develop an action plan to support rigorous data collection and reporting.

Processing

Our processing sites contribute the majority of GrainCorp's waste per site. Site engineers are continually reviewing inputs and outputs to optimise process efficiency. Food loss and waste is tracked daily, and this is discussed further on page 48.

During FY23, the environment team reviewed each site's waste profile and undertook internal audits at West Footscray, Numurkah, Pinjarra, and East Tamaki, highlighting the following opportunities to reduce and better utilise waste streams:

- GrainCorp's processing site at West Footscray uses Bleaching Earth, a type of clay, to remove impurities and colour during processing. Spent Bleach Earth (SBE) is rich in energy and nutrients and can be a valuable feedstock for composting. GrainCorp is working with the Environment Protection Authority (EPA) in VIC to identify a suitable composting facility for SBE.
- GrainCorp's processing site at Numurkah uses bark, which produces a substrate for odour reducing bacteria, in its biofilter operation. The bark degrades over time and requires replacement. GrainCorp has been working with a South Australian provider who can treat the bark so it can be put to beneficial reuse.

What We'll Do Next

FY24 priority actions

- Divert more than 95% of Dust and Damaged Grain to beneficial reuse.
- Complete a lifecycle assessment of our recycled tarpaulins program.
- Complete Pinch Analysis at Numurkah.
- Conduct energy audit at Port Kembla.
- Embed environment dashboard into groupwide operational performance monitoring.
- Submit Scope 1 and 2 emission reduction targets and roadmaps to SBTi.

Environmental impacts of GrainCorp's operations continued

CSIRO waste oil recovery

Our approach to managing waste throughout our processing operations is firstly to minimise the waste produced then look for repurposing opportunities. Our process optimisation team has made significant progress in reducing the amount of food grade oil that ends up in waste product. More information can be found in our food loss and waste section on page 48.

We are continually looking at ways to capitalise on new research and technology that will support further reduction in losses and waste in the network. In FY23, we commenced a project with CSIRO to map the different waste streams across production at our Numurkah and West Footscray processing sites in VIC, and pinpoint where major losses of oil are occurring. CSIRO has access to innovative research and literature that can be utilised to understand if there is opportunity for further oil recovery.

One waste stream mapped was that of Spent Bleaching Earth (SBE), a type of clay used to remove impurities and colour during processing. CSIRO identified an opportunity to reduce the proportion of oil present in SBE. This would not only reduce the volume of SBE generated but would make SBE more amenable to recycling. This opportunity, along with others already identified, will be explored further in FY24.

Recycling collaboration to eliminate bunker tarps from landfill

Within our grains operations, tarpaulins (tarps) are used to protect bunkers of grain from weather and other damage. Tarpaulins are an essential part of our storage processes and represent a significant financial investment. We closely manage and track all tarpaulins used across our network, to optimise their useful life.

The ability to recycle tarpaulins at the end of their useful life relies on the availability of service providers with the appropriate technology and facilities. In FY23, GrainCorp partnered with plastics recycler Sustainable Plastic Solutions (SPS) to eliminate grain tarpaulins from landfill by 2027 and we have already recycled 107 tonnes, or 107,000 kilograms of tarps. We are focused on driving circularity where possible and, together with SPS, we are investigating opportunities to restore the recycled tarpaulin material back into new tarpaulins.

Brendan Simpson, GrainCorp's National Assets Manager, said the innovative partnership will help to build a more sustainable tarp management process for the grains industry. "Tarps are a critical part of our storage network, each one protects up to 3,000 tonnes of grain or oilseed in GrainCorp's bunkers," he said.

"We treat them carefully to keep them in operation for as long as possible, but they're exposed to the elements and eventually wear out, which can put anywhere from 250–600kg of material out of action each time.

For this reason, it's great to secure a sustainable waste solution for the end-of-life tarps, and to be exploring the potential for a circular solution over time."

Climate

Our Approach

At GrainCorp, we recognise the significant role the agriculture sector plays in addressing climate change.

We seek to support this transition, working together with growers and other stakeholders to champion Australian agriculture's role in sustainable food systems and a low carbon future.

We support the global ambition to limit global warming to 1.5ºC above pre-industrial levels and recognise the key findings of the *Intergovernmental Panel on Climate Change (IPCC) Synthesis Report*[1], released in March 2023. We acknowledge the IPCC assessment that the impacts of climate change are already being felt, and every fraction of a degree matters, so rapid and meaningful action on both mitigation and adaptation will be required. In FY21, we commenced a four-year project to identify and manage climate change risks and opportunities through a process based on the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) and of the International Sustainability Standards Board (ISSB) S2, released in June 2023. Our approach aims to embed a deeper understanding of climate risks and opportunities in internal business discussions, processes, and strategy.

Climate risk management and strategy

GrainCorp has a risk management framework in place with internal controls to mitigate key business risks including climate. We continue to engage internal and external subject matter experts to increase our understanding of the potential transition and physical risks and opportunities of climate change on our business, and on implementing mitigation and adaptation actions to manage current and future risks according to our management framework. GrainCorp's Board Audit and Risk Committee has oversight of the management framework. We are committed to reducing our emissions footprint in line with the Science Based Targets initiative (SBTi), improving our operational resilience and adapting to the predicted effects of a changing climate. GrainCorp's annual strategic planning cycle incorporates the consideration of climate risks and opportunities in the context of the macrotrends shaping GrainCorp's operating environment. Our strategic objectives, including climate-related risks and opportunities, are approved by the Board.

The Board Sustainability Committee (BSC) is responsible for a more detailed examination of climate specific risks and opportunities (as outlined in our FY22 Sustainability Report), to inform both the risk and strategy processes described above.

Inspecting a barley crop near Boort, Victoria.

1. https://www.ipcc.ch/report/ar6/syr/.

Climate continued

Climate governance

Our Climate Working Group is responsible for developing and maintaining a more detailed understanding of climate-related risks and opportunities and developing our Scope 3 emissions reduction roadmap. The group is made up of key subject matter experts across our grower, logistics, procurement, finance, and risk teams, and works closely with our Sustainable Agriculture and Nature Working Group which is focused on on-farm emissions and nature topics and the Environment Working Group which drives our Scope 1 and 2 emission reduction activities. Greenhouse gas emission impacts are progressively being integrated into GrainCorp's capital investment processes. GrainCorp's approach to Executive remuneration reflects the role of sustainability and climate-related considerations within GrainCorp's strategy. Sustainability and climate-related KPIs (Key Performance Indicators) form a five per cent component of the Group Scorecard and targets are set on an annual basis. The Executive Leadership Team's short-term performance-related incentive outcomes are based on the outcome of the Group Scorecard. GrainCorp's FY23 Remuneration Report is available here.

The Sustainability Management Committee reviews the priorities and progress of the Climate Working Group and the Sustainable Agriculture and Nature Working Group, with oversight provided by the Board Sustainability Committee. The Board Sustainability and Audit and Risk Committees have members in common, ensuring identified climate risks are governed through the appropriate channel.

What We've Been Doing

FY23 priority actions		Read more
Effective disclosure of risk management process and outcomes in the Annual Report	✓	Climate risk management and strategy
Continue integration of climate risks and opportunities into GrainCorp's strategy	→	Continued integration of climate risks and opportunities into GrainCorp's strategy
Review the Science Based Targets initiative (SBTi) Forest, Land and Agriculture Guidance and determine applicability to GrainCorp	✓	Commitment to the Science Based Targets initiative
Undertake climate change scenario analysis in accordance with the TCFD framework and integrate into annual disclosure	◐	Climate scenario analysis update
Refine Scope 3 inventory methodologies to improve accuracy	→	Commitment to the Science Based Targets initiative
Develop emission reduction roadmaps for Scope 3	→	Commitment to the Science Based Targets initiative

✓ Achieved ◐ Partially achieved → Ongoing

Climate continued

As a company heavily dependent on shipping and transport, optimising supply chain logistics and facilitating a shift to more efficient modes of transport are important in managing both the physical and transition risks associated with climate change.

By investing in rail infrastructure, we are enabling a supply chain more resilient to extreme weather while also reducing our Scope 3 emissions.

Supply chain optimisation and capital investment to reduce emissions

GrainCorp's Scope 3 emissions that result from the transport of grain and other commodities via road, rail and shipping are greater than our Scope 1 and Scope 2 emissions combined. Optimising supply chain logistics is a key part of our strategy, is fundamental to our service offering, and is a critical component of our pathway to net zero.

According to the Australasian Railway Association, rail freight produces 16 times less carbon emissions than road freight per tonne kilometre travelled, and we are committed to working with state and federal governments to improve rail infrastructure and support a shift from road to rail.

GrainCorp's grain receival sites at Red Bend and Bellata are well located in NSW's major grain producing regions. The efficiency of these sites was limited by poor rail infrastructure which impacted the time taken to load trains and increased the cycle time to port. Fixing Country Rail (FCR) is a $400 million NSW Government program providing targeted infrastructure funding, in the form of grants, for regional freight projects. The program improves capacity, access, efficiency, and reliability of freight by upgrading parts of the regional rail network and supports the efficient movement of food, produce and raw materials that contribute to economic growth in rural areas. Supported by the FCR program, GrainCorp recently undertook significant upgrades at these sites to increase load capacity and reduce cycle time.

Across VIC, we have invested in the installation of new rail spouts (for loading grain onto trains), enabling larger volumes of grain to be transported by rail, from more sites, through to the bulk freight ports at Portland and Geelong. Despite this investment, there remains challenges in shifting bulk freight to rail, with road remaining the predominant mode of transport for grain in Victoria. We will continue to work with the Victorian Government to improve rail efficiency, including through the Grain Rail Improvement Plan working group, which advises on operational requirements and supports their $181 million investment to deliver infrastructure improvements across the regional freight network.

With a focus on increasing rail axle loads, rollingstock lengths and rail speeds, the working group is a strong example of the grains industry working together with government to improve the productivity and safety of the network, while delivering strong sustainability benefits by reducing the industry's carbon emissions.

In QLD, GrainCorp delivered over one million tonnes by rail into the port facilities at Fisherman Islands, Gladstone, and Mackay for the first time since 2009. The teams lifted the net tonnes per wagon to 43.8 tonnes, which allowed them to move 8,000 tonnes of that grain for no extra cost or additional emissions.

With the closure of some coal mines in grain growing regions and operators no longer requiring use of the freight network, GrainCorp is working with several corporations and

Train unloading sorghum at Port of Mackay, Queensland.

councils to negotiate ongoing access to major lines across regional areas and into the ports.

Overall, these upgrades drive a significant shift in the transport of grain from road to rail, reducing emissions and benefitting growers and customers. These projects also demonstrate the way sustainability credentials, including emissions reduction and energy efficiency, are progressively being integrated into GrainCorp's capital investment processes.

It is critical that state and federal governments continue to prioritise access and strategic investment into the rail freight network on the east coast of Australia, in order to ensure the grains industry can continue to commit to transporting grain to ports in the most efficient and environmentally conscious way.

Climate continued

Commitment to the Science Based Targets initiative

SBTi is a partnership between the Carbon Disclosure Project, the United Nations Global Compact, World Resources Institute, and the Worldwide Fund for Nature, and helps define best practice in emissions reductions and net zero targets in line with climate science.

In September 2022, SBTi launched the world's first Standard for companies in land-intensive sectors such as food, agriculture, and forestry, to set science-based targets that include land-based emissions reductions and removals: the Forest, Land and Agriculture (FLAG) Science Based Targets Setting Guidance. The SBTi FLAG Guidance offers a common, robust, science-based pathway for how much and how quickly a company needs to cut its land-related emissions to limit global warming to 1.5°C.

GrainCorp recognises that our commitment to achieving net-zero emissions needs to be backed by a credible methodology and, in FY23, we reviewed the SBTi (including the FLAG Guidance) to determine its applicability to GrainCorp. In July 2023, we formally committed to developing a near-and long-term SBTi target for Scope 1, 2 and 3 emissions.

Phase 1 of this process involves validating our FY22 Scope 1, 2 and 3 emissions inventories based on SBTi approved methodologies to set the baseline for future targets. Opportunities for improvement were identified in relation to emissions factors (which continue to evolve), the completeness of our own activity data, and the relevance of downstream categories and these are currently being assessed.

Once a robust baseline is set, the SBTi methodologies will be applied to determine targets that align with climate science. As part of this process, GrainCorp will map the interventions required to achieve these targets, developing roadmaps for the key segments of our greenhouse gas inventory (e.g. broadacre farms, transport). Once completed, this information will be submitted to SBTi for review and approval (a process which can take up to nine months). We expect to submit our target to SBTi in FY24.

Climate scenario analysis update

As part of embedding the TCFD recommendations, we recognise that climate change presents both physical and transition risks and opportunities for our organisation and supply chain. In FY22, we developed a detailed table of climate-related risks and opportunities. High level scenarios were used to assess and prioritise these risks and opportunities including:

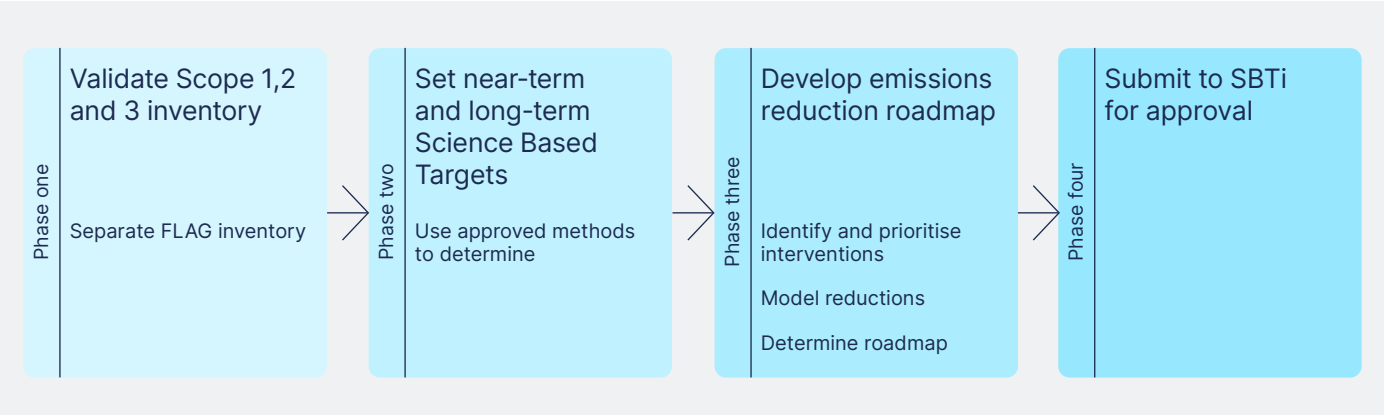
- The International Energy Agency's Sustainable Development Scenario was used to understand potential trends for coal volumes and resulting impacts on rail and port infrastructure.
- Data from the Australian Energy Market Operator aided the assessment of renewables (specifically solar farms) competing with cropping for land use.

The next phase of scenario analysis requires more granular and specific information sources to inform strategic responses to each risk and opportunity. This includes the use of external models as well as utilising internal and external expertise, observations, and data to more thoroughly evaluate our understanding and strategic response.

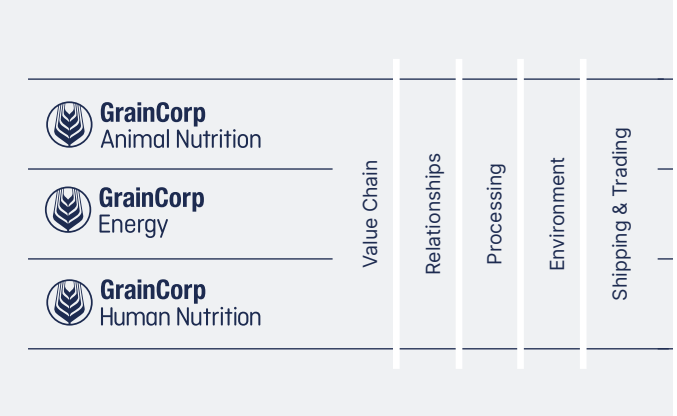
For example, our position as a supplier to the biofuels market was identified as a key transition opportunity. In FY23, we sought to understand how various climate transition pathways impact the size and nature of biofuels related opportunities.

A series of in-depth consultations were undertaken between GrainCorp and global subject-matter experts across topics including energy transition, aviation, sea freight, road transport and agricultural feedstocks. The consultations provided key insights into the potential risks and opportunities associated with the biofuels market over short- medium and long-term time horizons under different scenarios that considered factors including policy incentives, technology pathways and progress toward net-zero targets.

These insights continue to inform our approach as a supplier to the biofuels market.



Climate continued



Continued integration of climate risks and opportunities into GrainCorp's strategy

Managing the impacts of the transition to a low carbon economy is integral to GrainCorp's strategy. Decarbonisation of our own operations is essential to mitigating our exposure to transition risks and the actions we are taking are discussed in more detail on pages 24–25 of this report.

Decarbonisation is also an opportunity for GrainCorp. We are strategically realigning our operating structure to increase value capture across our value chain, including in the renewable fuels market. The development of GrainCorp Nutrition and Energy as a business segment streamlines the customer experience and positions GrainCorp well for growth and scalability. This allows us to respond efficiently to changing market demands, including the demand for products that support a low carbon economy.

Animal Nutrition

Livestock are a major contributor to methane emissions and methane is responsible for more than 25 per cent of the global warming we are experiencing today[1]. The Global Methane Pledge was launched at COP26 in November 2021 to catalyse action to reduce methane emissions by at least 30 per cent below 2020 levels by 2030. The Pledge has over 100 country participants representing nearly 50 per cent of global anthropogenic methane emissions[2]. Australia and New Zealand have joined the Pledge and, through our expertise in animal nutrition, we are well positioned to support our customers in these markets.

Enteric methane is a by-product of the natural digestive process in ruminant animals. GrainCorp's product suite is already designed to provide animals with more nutritious feed so that they are larger, healthier, and more productive, effectively producing more with less. In addition, we are exploring feed formulations containing active ingredients that specifically reduce enteric methane.

In February 2022, GrainCorp, in partnership with Agriculture Victoria, and supported by other industry participants, was awarded a $500,000 grant under the Australian Government's Methane Emissions Reduction in Livestock (MERiL) Research Grants program. The grant was used to conduct trials at Agriculture Victoria's Ellinbank Smart farm of a feed developed by GrainCorp that contains Asparagopsis, a native Australian seaweed shown to reduce enteric methane emissions in livestock. The trial enabled promising research and in March of this year, GrainCorp successfully secured an additional MERiL grant of nearly $3 million to progress trials in a pasture situation. Initial results from this next tranche of research are expected in 2024.

Our Animal Nutrition business in New Zealand is also working on methane reducing feed additives, aiming to help accelerate the reduction of agricultural emissions. Producers are also increasingly seeking to understand the greenhouse gas emissions embedded in animal feed. Through investment in the ecoinvent database, a lifecycle inventory database used to evaluate the environmental impact of a product through its life cycle, we are helping producers formulate a bespoke animal feed blend that optimises both nutritional profile and greenhouse gas footprint.

Through our in-house expertise and ongoing collaboration with industry, we are confident we can develop solutions to support our customers and the agriculture industry, through the transition to a low-carbon economy.

1. https://www.unep.org/news-and-stories/video/whats-deal-methane.
2. https://www.globalmethanepledge.org/.

Climate continued

Biofuels

As countries around the world tackle climate change, renewable fuels have become an important weapon in the fight to cut greenhouse gas emissions.

The agricultural supply chain offers a variety of feedstocks, including by-products, that are a rich source of natural energy and can be converted into renewable diesel and sustainable aviation fuel. GrainCorp's role in the supply chain positions us well to support this global effort, by supplying renewable fuel markets with quality source material. GrainCorp is the largest exporter of renewable fuel feedstock in Australia and New Zealand and our Agri-energy team manages the complete, end-to-end value chain journey for all our renewable feedstock supply.

Tallow

We've partnered with rendering plants across Australia and New Zealand to safely collect, purify, store, and export tallow, previously considered a waste by-product, into the renewable fuel upcycling system.

Canola Oil

Canola oil is an effective and efficient feedstock for biodiesel and our oilseed crushing facilities in VIC and WA are in the heart of Australia's prime canola growing regions. Our crushing facility at Numurkah is ISCC-EU certified allowing for traceability and the export of certified canola oil into international markets for conversion to renewable fuels. We also manage the transport of oilseed from Australian farm gates to international crush facilities across Europe, Asia, and North America.

Used Cooking Oil

Through Auscol, GrainCorp's Used Cooking Oil (UCO) collection business, we provide the expertise, equipment, technology, and service solutions to collect UCO from restaurants and food outlets, transfer it safely into secure storage and export it for upcycling into renewable fuel markets.

What We'll Do Next

FY24 priority actions

- Submit emission reduction targets and roadmaps to SBTi.
- Complete project to implement TCFD recommendations.

Sustainable agriculture and nature

Our Approach

The Australian agriculture sector contributes approximately 17 per cent[1] of Australia's net greenhouse gas emissions and the food system is the primary driver of global biodiversity loss[2].

The case for global action is clearly laid out in recent reports from the United Nations, among others, resulting in the inclusion of sustainability credentials in trade policies across an increasing number of countries. Investors and other stakeholders are looking to frameworks such as the Taskforce on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD) as a means of understanding how companies are addressing these issues.

Sustainability and nature-related topics including biodiversity, soil health, carbon sequestration, pesticide, herbicide and insecticide use, ecosystem conversion and traceability, are of particular importance to participants in the global agriculture industry. It is increasingly understood that managing these topics well, through sustainable land practices, will support a reduction in agricultural emissions and protect against further biodiversity loss, while also improving farm productivity and contributing to global food security.

GrainCorp's role in the supply chain means we form an important interface between Australian growers and domestic and global markets. Measuring sustainability outcomes is becoming increasingly important to ensuring market access into the future. As landholders, Australian growers can generate sought after sustainability credentials, while maintaining the quality of products that we are known for in the global market. GrainCorp has a role to play in connecting growers with industry participants and other experts to develop a mutual understanding of the risks and opportunities presented in a changing market. GrainCorp also seeks to support the development of a data collection and measurement framework that reflects the leading practices already in place on many Australian farms and that satisfies the needs of global customers. By partnering with growers and producers, we are working to develop solutions to meet the challenges ahead.

What We've Been Doing

Recognising the need for a dedicated focus on sustainable agriculture and nature, we have brought together subject matter experts from across our business to create a new Sustainable Agriculture and Nature Working Group, led by GrainCorp's Head of Customer Experience. The scope of the working group includes developing capability and strategy around biodiversity and natural capital within GrainCorp, supporting sustainable agriculture practices among growers and engaging with industry to develop solutions that meet market expectations.

Engaging with growers and producers

Understanding the current level of engagement with sustainability and sustainable agriculture practices among our growers is central to our ability to support progress.

In FY23, we developed and rolled out a program of sustainability-focused grower engagement that included:

- Grower dinners in QLD, NSW, and VIC, where many growers shared the impactful and innovative sustainable agriculture practices they are undertaking. Discussion centred around how GrainCorp can assist in communicating the sustainability credentials of Australian cropping to the broader market. Grower meetings were also held across WA and included discussions on global markets and key aspects of sustainable agriculture.
- Working with producers to develop animal feed solutions that optimise nutrition, based on the quality of pasture and/or fodder available at the time, for increased productivity.
- A series of five sessions with growers across VIC and NSW as part of our 'partner with the grower' strategy. These sessions focused on building dialogue and developing a joint understanding of opportunities in sustainable agriculture for the Australian grower. They also provided the opportunity to discuss emerging requirements of the global market and the risk versus reward of the on-farm practice change that would be needed to meet such requirements. Approximately 100 growers took part in the sessions, providing valuable insights for both GrainCorp and those who attended.
- Discussion with corporate farms to understand and assess their approach, perspective and risks relating to on-farm sustainability.
- A grower survey to understand key factors including:
  - Our growers' current level of knowledge on sustainability.
  - The proportion of growers who are undertaking GHG emission calculations for their farms.
  - Which areas of sustainability growers would like more information on.
- Results clearly showed growers are looking to better understand the sustainability profile of their own farms and are seeking information on market access trends,

1. https://www.agriculture.gov.au/sites/default/files/documents/national-statement-on-climate-change-agriculture.pdf.
2. https://www.unep.org/news-and-stories/press-release/our-global-food-system-primary-driver-biodiversity-loss.

Sustainable agriculture and nature continued

evolving customer requirements, and innovative agriculture practices. This feedback reaffirms GrainCorp's role in connecting growers with sustainability related market information. Feedback from a separate industry survey provided valuable insights into existing sustainable practices such as the use of cover crops, and provided perspective on the difficulties growers see in implementing similar types of practice change.

- Engagement with sustainable agriculture programs looking to develop a certification system for sustainable agriculture and nature.

Connecting growers and global customers

In FY23, we have focused on ways to create value for growers by enhancing understanding of how the sustainability commitments of global customers might lead to opportunities for growers and producers. This has enabled us to identify value creation activities including:

- Supporting supply chain traceability:
  - More than 890kmt of ISCC EU certified grain exported in FY23.
  - ISCC PLUS certification of GrainCorp's processing facilities at Numurkah and West Footscray in VIC, and East Tamaki in New Zealand, brings new opportunities to meet the sustainably sourced ambitions of our Human Nutrition customers. These facilities are expected to achieve certification in January 2024.
- Engaging with local and global customers to understand their sustainability ambitions, the information they are seeking, such as product-specific emissions data, as well as opportunities to collaborate for impact on projects such as reducing supply chain emissions through load optimisation.
- In response to growing interest in opportunities to reduce food waste and loss, GrainCorp hosted a webinar with

Partnering with growers and customers to pilot sustainable agriculture traceability solutions

Our ability to connect growers with global customers provides the opportunity to explore how the adoption of sustainable agriculture practices can translate into the sustainability credentials customers are seeking. In FY23, GrainCorp had the opportunity to bring together 22 canola growers across southern NSW and northern VIC, with a global FMCG customer, as part of a pilot study to gauge the current level of awareness and/or adoption of various sustainable agriculture practices (including practices referred to as regenerative agriculture by global FMCG leaders).

Through the pilot, growers were supported in calculating a greenhouse gas emissions profile for a sub-section of their farm, which enabled assessment of the impact of different sustainable agriculture practices on emissions across the pilot group.

The pilot highlighted that Australian growers already employ a variety of advanced sustainability practices in their farm management, and while yield is the critical influence on decision-making, there is a strong appetite to participate in projects such as this.

We continue to look for opportunities to enhance the collective understanding across the Australian agriculture value chain of solutions that may ensure the productivity and longevity of Australian farms and meet evolving market needs.

Accurate data keeping is critical to advancing sustainable agriculture.

Sustainable agriculture and nature continued

Presidency of SAI Platform Australia

Forums that bring together industry experts are fundamental to driving progress. GrainCorp's General Manager of Sustainability, Mick Anderson, was elected President of the Australian chapter of the Sustainable Agriculture Initiative (SAI) Platform, which provides the opportunity for collaboration between organisations within the food, fibre and fisheries supply chain, for the advancement of sustainable agriculture outcomes.

The Australian chapter of SAI uses a mix of online and face-to-face activities to facilitate the sharing and expansion of industry knowledge. GrainCorp, along with other members, benefit from guiding the focus of these interactions as well as the exposure to leading peers, researchers, practitioners and farmers.

Annual fieldtrips are an important means through which SAI Australia and GrainCorp can facilitate the sharing of industry knowledge. Over the year, SAI Australia members attended field trips in Wagga Wagga and Orange in NSW. The field trip to Wagga Wagga featured presentations from eight producers and industry experts on topics including soil carbon, regenerative agriculture, digital farming innovation and farm level emissions calculations and was followed by a roundtable on the sustainability issues facing Australian producers. The field trip to Orange featured presentations from producers and researchers on topics including carbon sequestration, soil carbon and organic wine production.

Through SAI Australia, members continued to explore topics including climate change and regenerative agriculture. The platform also facilitated the delivery of the Sustainable Sourcing in Food and Fibre MicroCert and commenced a collaborative research project with Agriculture Innovation Australia.

Pictured left to right: Michael Anderson (General Manager, Sustainability), Izzi Hutchinson (Customer Experience Manager), and Klaus Pamminger (Chief Operating Officer), at the SAI Australia field trip to Wagga Wagga, New South Wales.

Sustainable agriculture and nature continued

Stop Food Waste Australia to share insights and facilitate discussion about the role of companies along the agricultural supply chain. More information is provided on page 47 of this report.

- Hosting, facilitating and participating in farm visits and fields days giving key customers and the growers that supply them a chance for direct interaction.

Engaging with industry

Developing solutions that meet the needs of growers, producers and customers means collaborating with broader industry participants. We believe we have valuable insights that can help position Australian agriculture as one of the most sustainable agriculture markets in the world. Our participation in industry forums is summarised below:

- At the Australian Grains Industry Conference (AGIC), GrainCorp's General Manager of Sustainability, Mick Anderson, joined a panel alongside the Australian Farm Institute and the University of Melbourne to discuss sustainability credentials in agriculture. Mick shared insights into the opportunities facing the agriculture sector and how the industry can work with growers to address emissions pre-farm gate.
- GrainCorp CEO Robert Spurway joined a panel discussion at the ANZ Bank Grains Industry dinner to discuss sustainability practices in agriculture and associated opportunities.
- GrainCorp representatives participated in a workshop run by the Cool Soil Initiative (CSI), an organisation working with farmers to test and validate the impact of on-farm sustainable agriculture practices. The session focused on how to translate on-farm benefits and sustainability credentials into verifiable claims for customers and consumers. Attendees included representatives from various farm systems groups and global corporate customers.
- Engagements with each of the NSW Department of Primary Industries (NSW DPI) and the Grains Research and Development Corporation (GRDC) to understand the current focus of their research and identify opportunities for GrainCorp's involvement. This included GrainCorp presenting our perspectives at the NSW DPI's Sustainable Agriculture and Natural Capital Forum and GRDC's Research Updates in Goondiwindi and Mullaley.
- Proactive briefings of Ministerial offices and departments in Agriculture and Emergency Management, Climate Change and Environment and Water on the role GrainCorp plays in the roadmap to sustainable food and feed systems, and net zero emissions in agriculture.
- GrainCorp's General Manager, Sustainability assumed the Presidency position of the Australian Chapter of the Sustainable Agriculture Initiative Platform.
- Involvement in Agribusiness Australia's ESG working group. As a founding partner, GrainCorp joins AACo, Elders, Fletcher International Exports, goFARM, Harvest Road and Woolworths in driving impact across the range of sustainability topics relevant to agribusiness in Australia.
- Engagement with participants in the Australian finance industry to understand opportunities for alignment in approach to supporting sustainable agriculture.
- Provided sponsorship of the International Canola Convention, the peak international conference for canola research and development focused on advancement of global canola production and utilisation. Sustainability and nature were key areas of focus across the agenda, from research and development into seed breeding to discussions on market impacts of sustainability across the supply chain.

What We'll Do Next

FY24 priority actions

- Support cropping producers to build understanding, measurement, and adoption of sustainable practices.
- Expand focus on supporting dairy, livestock and mixed farmers to deliver sustainability outcomes.
- Develop sustainability related commercial market opportunities for Australian agriculture.
- Engage with end customers in the human and animal nutrition sectors to better connect their needs to the capabilities of our producers.
- Continue to actively partner with industry and government bodies to further develop sustainable agriculture initiatives.
- Assess the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) and applicability to GrainCorp.

- Members of GrainCorp's Board Sustainability Committee together with other Directors and members of the Executive Leadership Team, visited Charles Sturt University's AgriPark to gain insights into research and innovation relating to efficiency in feeding, carbon and soil health and the adoption of AgTech for future farming.

Our Integrity

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Rabia Mursaleen, Product Development Technologist.

Responsible sourcing

Responsible sourcing means promoting the adoption of ethical, sustainable, and responsible practices within our supply chain and working to procure goods and services in an environmentally and socially responsible way.

We are focused on the positive impact our responsible sourcing program can have on our broader sustainability goals.

The majority of our procurement spend relates to grain and oilseeds from broadacre farms. For more information on how we partner with the 12,000+ growers in Australia to support sustainable agricultural practices and reduce agricultural emissions, please refer to page 37.

The majority of our remaining spend represents a much more diverse range of commodities, suppliers, locations, and risks.

Our Approach

We procure a broad range of goods and services from thousands of suppliers across our operating regions.

Our goal is to use responsible procurement to influence positive environmental and social performance along our supply chain.

We are building on the responsible sourcing practices across our business to develop a holistic process that will set us up for a sustainable future.

Our Code of Conduct, Environment Policy, Health and Safety Policy, Anti-Bribery and Corruption Policy, Human Rights Position Statement, No-Deforestation Commitment and Supplier Code of Conduct, together outline our own commitments and our expectations of suppliers with respect to environmental, social and governance impacts. These policies are available on our website.

Our Third-Party Due Diligence Procedure provides a framework for entering or renewing existing business relationships. For the onboarding of new suppliers, we take a risk-based, due diligence approach, aligned with our existing Anti-Bribery and Corruption procedures. Defined risk criteria form the basis for determining the level of due diligence required.

All standard suppliers to GrainCorp Human Nutrition are subject to assessments of their Occupational Health and Safety, Environment, and Quality and Food Safety systems.

Our whistleblower hotline is an independently operated service and is available to all GrainCorp employees and employees of our supply chain members. It provides a confidential mechanism for an individual to report possible breaches of a GrainCorp policy, code or standard that they may have observed or experienced. Importantly, GrainCorp's Group Whistleblower Policy affords protections against victimisation and for confidentiality.

What We've Been Doing

FY23 priority actions		Read more
Continue our comprehensive assessment of all procured goods and services to identify those deemed high-risk and develop appropriate sourcing policies and protocols	→	ESG risk assessment of existing suppliers
Conduct due diligence activities on all high-risk suppliers	→	Due diligence and updated supplier code of conduct
Evaluate supply chain deforestation and biodiversity risks to develop an achievable time-bound goal and roadmap	✓	No-Deforestation Commitment
Expand scope of ESG Supplier Risk Dashboard	✓	ESG risk assessment of existing suppliers
Commence implementation of new Supplier Code	→	Due diligence and updated supplier code of conduct

✓ Achieved ◐ Partially achieved → Ongoing

Responsible sourcing continued

No-Deforestation Commitment

Forests and other natural ecosystems are essential for a healthy environment and productive supply chains; they provide critical habitats, biodiversity benefits, support livelihoods, and are an important carbon sink. Despite the significant action taken in recent years to try to stop deforestation and create solutions in key supply chains, the challenge of deforestation remains. Furthermore, recent scientific reports have made it clear that protecting and restoring natural ecosystems, including forests, is an integral part of addressing climate change and limiting global temperature rise to 1.5°C.

GrainCorp's operations rely on agricultural ingredients sourced through global supply chains. We have a role to play in combatting deforestation, land use change, and biodiversity loss. GrainCorp commits to no deforestation across its primary deforestation-linked commodities, with a target date of end of 2025.

This will be achieved by:

- Taking a structured science-based approach to identifying primary deforestation-linked commodities.
- Developing methodologies, appropriate to each commodity, to demonstrate deforestation-free status.
- Adopting the necessary traceability and verification approaches to assess efficacy.
- Reporting annually on our progress.

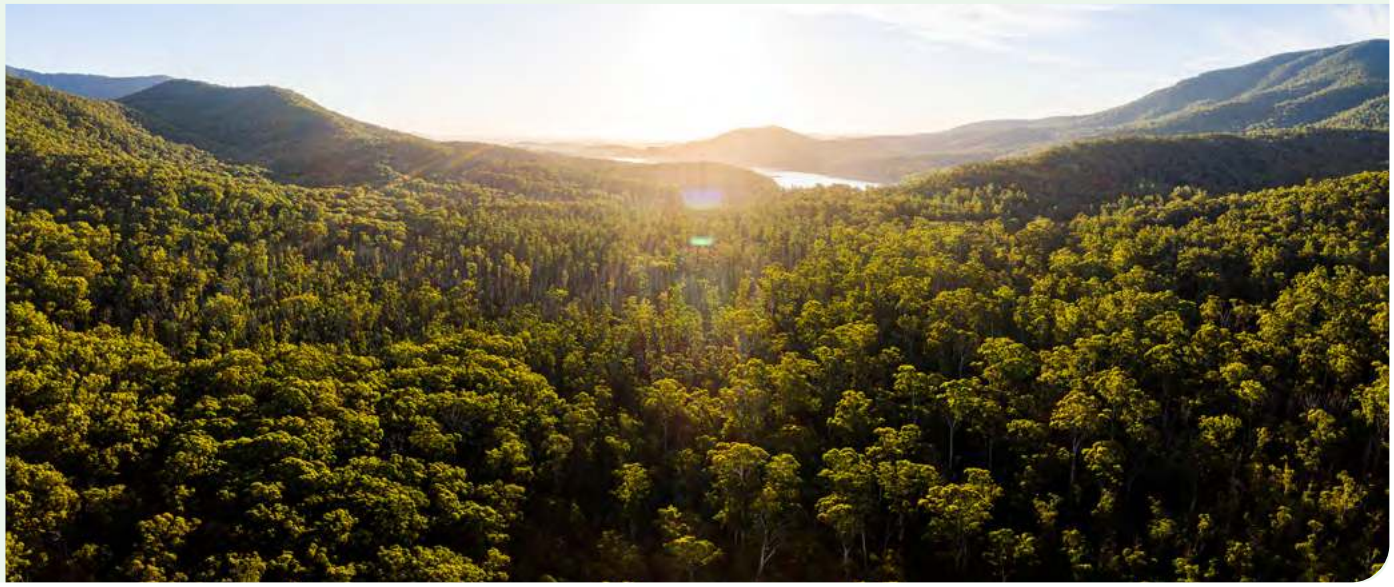
We also recognise there are a range of social issues linked to deforestation, including exploitation. Increasing the traceability and transparency of our supply chains allows us to better identify areas of risk so we can work proactively with suppliers to ensure our position on human rights is upheld.

To support our progress, GrainCorp will work with suppliers that can demonstrate compliance with all applicable national, state, and local laws and regulations and that actively monitor, verify, and implement action plans to help eliminate deforestation in agricultural supply chains.

GrainCorp will communicate progress towards this commitment, in line with the Accountability Framework Initiative, in our annual Sustainability Report and on our company website.

This No-Deforestation Commitment forms part of GrainCorp's broader Responsible Sourcing program, which seeks to provide greater transparency across our supply chains with respect to environmental, social and governance risk. We recognise the opportunity for our sourcing spend to benefit local communities and ecosystems.

The GrainCorp Board, through its Sustainability Committee and Audit and Risk Committee, oversees our supply chain commitments and response to supply chain risks.



Responsible sourcing continued

ESG risk assessment of existing suppliers

In FY22, we commenced building an ESG Supplier Risk Assessment methodology to assess risks in our supply chain and identify areas for immediate focus. The methodology assesses the product or service, operating location, and supplier-specific information to form a risk rating.

The methodology considers ESG risks relating to modern slavery, labour standards, health and safety, business ethics and environmental impacts. A range of globally recognised resources are used as a reference point for the risk assessment including the *UN Human Rights Index*, the *Walk-Free Global Slavery Index* and the *Sedex Radar* tool. Ingredients supplied to GrainCorp Human Nutrition featured among the high-risk category and formed the focus of our FY22 responsible sourcing efforts.

In FY23, in line with a staged implementation of our responsible sourcing program, we took steps to enhance the ESG Supplier Risk Assessment methodology. *Fair Supply*, specialists in providing technology driven visibility over supply chain ESG Risk, conducted specific risk assessments for biodiversity loss and modern slavery, over GrainCorp's spend. For more information on the modern slavery risk assessment, please refer to the Human Rights and Corporate Governance section of this report. The assessment highlighted the risk of biodiversity loss across some of the geographies where GrainCorp sources soybean products, to be greater than in previous assessments.

Soybean products are among our previously identified primary deforestation linked commodities. In FY23, GrainCorp raised the ambition of its existing position statements on Palm and Soy by committing to no deforestation across its primary deforestation linked commodities, with a target date of end of 2025.

Due diligence and updated supplier code of conduct

Suppliers and supplier groups identified as high risk, including suppliers of Soybean and Palm products are prioritised for additional due diligence activities that may include:

- Supplier self-assessment questionnaires.
- Requesting sight of policies, procedures, or records.
- Information provided through mutually recognised compliance programs such as Supplier Ethical Data Exchange (SEDEX) and Sedex Members Ethical Trade Audits (SMETA).
- Conducting onsite visits or an onsite audit where relevant or necessary.

GrainCorp released a Supplier Code of Conduct (Supplier Code) in March 2021 that requires suppliers to comply with legal requirements and industry standards and to have systems in place to manage key ESG risks. The existing Supplier Code is embedded in key legal contracts and provides solid foundations for responsible sourcing.

In FY22, we evaluated our Supplier Code against industry best practice and identified improvement opportunities that were incorporated into a new draft Supplier Code. This review of best practice identified the need to grow internal capability regarding responsible sourcing and this has been the focus of our efforts in FY23. Steps we have taken include:

- Testing of the draft Supplier Code against our customers' supplier codes to support consistency of expectations across the value chain.
- Verification of the standards set out in the draft Supplier Code against GrainCorp's own processes and standards. This highlighted some opportunities for improvement within GrainCorp's operations which are discussed on page 54. We value long-term partnerships with our Suppliers and going through this verification process ourselves supports our ability to work with Suppliers to build capacity and find practical solutions to address potential non-compliances.
- Four additional GrainCorp employees, with responsibility in aspects of procurement and/or quality assurance, completed the Sustainable Sourcing of Food and Fibre MicroCert, co-developed by the Australian SAI Platform and University of Melbourne. (Two members of the Responsible Sourcing Working Group completed this course in FY22).

Together, these actions support enhancement of our due diligence procedures. Our focus in FY24 will be on refining the updated Supplier Code, developing and implementation plan, and progressing supplier engagement activities.

What We'll Do Next

FY24 priority actions*

- Implement a revised supplier code of conduct.
- Release an updated grievance mechanism.
- Embed tracking of supplier ESG performance in internal governance structures.
- Execute implementation plan for No-Deforestation Commitment.

* FY24 priority actions are shared across Responsible Sourcing and Human Rights and Corporate Governance Working Groups.

Food safety and consumer confidence

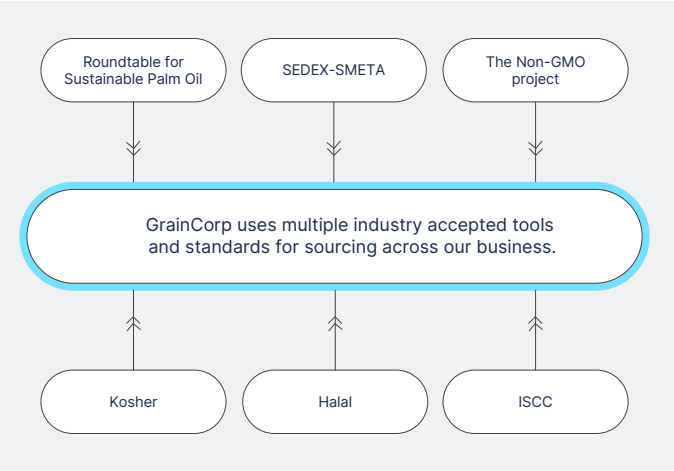
> Delivering safe, reliable, and nutritious ingredients to our customers, and ensuring the supply of essential commodities, is fundamental to our business.

Our focus on minimising food loss throughout our operations underpins our role in supporting food security for the world's growing population.

> ## Our Approach
>
> GrainCorp has comprehensive food safety and quality assurance practices in place across its entire supply and production chains.

In Australia and New Zealand, our policies, standards certifications, and industry certifications are consistent with the Food Standards Authority Australia and New Zealand (FSANZ) framework and are available on our website.

- Human nutrition quality assurance
- Grains quality assurance



Quality Assurance

Food safety concerns the handling of food and feed products in a way that prevents food contamination and foodborne illness. Contamination can occur at any stage of the food production cycle and with operations that span grain handling, storage, transport, oilseed crushing, and food and feed manufacturing, GrainCorp's food safety processes are a critical component of global food safety systems. We use multiple industry accepted tools, certifications, and standards across our business to maintain best-in-class food safety practices.

Certifications and Industry Associations

Certifications/Standards	Human Nutrition	Animal Nutrition	Energy	Grains (Australia)
HACCP	✓			
ISO 9001 (Quality)	✓		✓	✓*
ISO 45001 (OH&S)	✓		✓	
ISO 14001 (Environment)	✓		✓	
SQF/GFSI	✓			
SEDEX Accreditation	✓			
ISCC	✓		✓	
RSPO	✓		✓	
Feedsafe Accreditation		✓**		
Industry Associations				
Australian Renderers Association			✓	
Grains Australia				✓
National Association of Testing Authorities				✓*
ISTA Seed Sampling				✓*
Commodity-specific Receival Standards				✓^
American Oils Chemist Society	✓^^			
Australian Oilseeds Federation	✓^^			
Grain Trade Australia				✓
Stockfeed Manufacturers Council of Australia		✓		
Grain and Feeds Trade Association				✓
Australian lot Feeders Association		✓		

* refers to Grain testing laboratories
^ current receival standards are available on our website at https://grains.graincorp.com.au/standards/
^^ Oilseed crushing facilities
** Australia only

Food safety and consumer confidence continued

GrainCorp's Nuffield Scholars hone in on market access, artificial intelligence, and sustainability

GrainCorp is proud to be an investor in Nuffield Australia, the country's leading agricultural scholarship organisation. The program awards scholarships to primary producers to travel and study agricultural topics of their choice.

In FY23, we were delighted to commence our sponsorship of Tessa Dimond, an agronomist specialising in broadacre and irrigation farming from St George, QLD. Throughout the year, Tessa gained valuable insights into the intricate relationship between Maximum Residue Levels (MRLs) and their implications for Australian grain prices and global market accessibility.

Tessa has spent time in Canada, New Zealand and domestically, actively engaging with agronomists, growers, and industry experts to gain a deeper understanding of various areas, including soil health, food security, agricultural technology, carbon management and pollution. She has been examining how these topics impact the dynamics of international trade.

One particular area of interest for Tessa is the development of alternative harvest aid solutions that minimise the risk of exceeding importing market MRLs. Recently, she participated in a conference held in Dubbo, NSW, where topics of discussion included the relationship between MRLs and the use of weed control techniques such as salvage sprays (which are applied late in the growth stage of a crop).

GrainCorp's 2024 Nuffield Scholar Treen Swift (pictured) is from Parkes, New South Wales.

Tessa's final research trip for Nuffield will span South America and Europe. "The European trip will end in my attendance at the Food and Agriculture Organisation's World Food Forum in Rome, an event that promises to broaden my perspectives on global food security and sustainability", Tessa said.

Following the completion of her travel, Tessa will spend the first half of 2024 consolidating her research and we look forward to her findings.

GrainCorp's 2024 Nuffield Scholar, Katrina "Treen" Swift, is a broadacre crop farmer from Parkes, NSW. Recognising the growing demand for sustainability and biodiversity data through the supply chain, Treen will focus her research on the potential for Artificial Intelligence (AI) to drive large-scale data analysis that improves the management of natural capital inputs and operations.

Katrina's research will take her to the Netherlands, Denmark, Germany, the US, Canada, and Japan, as well as within Australia. While there remains some uncertainty around the broader impact of AI, Treen believes the agriculture sector needs to be on the front-foot in terms of implementation and policy development to ensure AI solutions are tailored to the industry.

"I'm keen to see improvements in biodiversity monitoring, crop inputs and management of data gathered in the course of our routine operations, to drive better economic and environmental decisions on farm", Treen said.

We are excited to see the progress of both our Nuffield Scholars as they continue their journeys into 2024.

Food safety and consumer confidence continued

Food Safety Culture

We believe a strong food safety culture is critical to consumer confidence. Based on Food Safety Australia and New Zealand (FSANZ) guidelines, GrainCorp has developed its own Food Safety Culture model to help ensure that food safety is at the forefront of everything we do.

Pest Management

An Integrated Pest Management System (IPMS) is implemented across all of GrainCorp's operations and includes internal and external hygiene audits, monthly (minimum) site inspections and rigorous product screening. Within our grains operations, the IPMS is critical to delivering grain free of contamination to our customers, and to Australia's reputation for high quality grains in international markets.

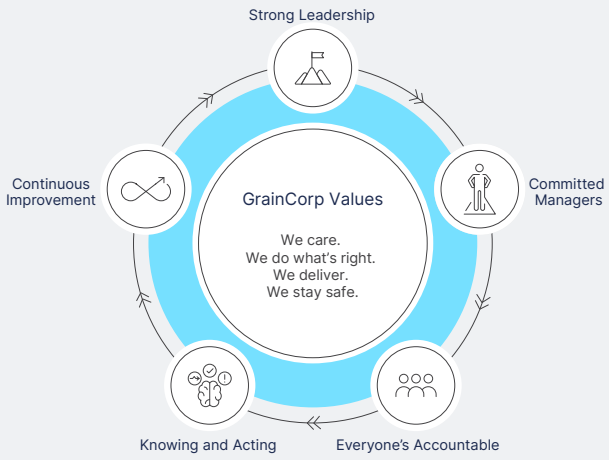
For more information, please see our website.

GrainCorp Human Nutrition

In addition to our own external standards and certifications, our quality and food safety management systems are audited by independent certified auditing bodies, customer auditors and our own internally trained auditors. Ensuring the safety and quality of the ingredients GrainCorp manufactures extends to our supply chain. One hundred per cent of ingredients suppliers to our Human Nutrition business maintain a certified quality program, and over 96 per cent of ingredients suppliers are audited to a Global Food Safety Initiative (GFSI) certification level.

Clear and ongoing communication with our customers is a core part of how we operate. Our customer service and relationship management teams enable direct day-to-day communication, and we have robust root cause analysis processes in place to remediate any customer complaints promptly.

Food safety at GrainCorp



To ensure continuous improvement, internal quality review meetings are held weekly, and food safety and management meetings are held monthly. Our Management Risk Committee reviews a dashboard of Key Performance Indicators (KPIs) including an assessment of any customer complaints, on a quarterly basis. KPIs are also reviewed at Board level through the Audit and Risk Committee.

Eat the Future

Part of our role at GrainCorp is to understand the topics of interest to our customers and other stakeholders. In FY23, we commenced a series of webinars, Eat the Future that bring together customers and food industry experts. The first webinar in the series discussed food production trends across Asia Pacific and featured food futurist Tony Hunter who presented on the rise of flexitarian eating in the region.

Food loss and waste is a topic that has become increasingly important and the second webinar was focused on the environmental and social impacts of food waste and exploring different approaches to preventing, reducing, and repurposing food waste.

Sam Oakden, Head of the Australian Food Pact, and Mick Anderson, GrainCorp's General Manager of Sustainability discussed the many initiatives and collaborations across Australia that are already underway, as well as the opportunities to do more. When asked if he was hopeful Australia could meet its goal to halve food waste by 2030, Sam was optimistic. "Waste represents an underutilised resource" he said, before talking through the ways we can create more value out of food, all the way from the farm to households.

Food safety and consumer confidence continued

Grains

We apply a set of commodity-receival standards when accepting grain into our network. These standards are available on our website. All GrainCorp samplers and grain assessors must complete an online training module, attend practical training run by our Quality Assurance team and pass a practical assessment before they can sample loads. We also conduct out-load training at the end of each harvest. Samples are collected daily at site stands and tested at local Quality Assurance laboratories for analysis and comparison.

We maintain an approved chemical register for all grain protection chemicals and fumigants and undertake a grain selection and screening process to ensure the quality of the grain is maintained throughout the out-loading program. Only certified testing equipment is used, and our grains storage and transport operations are audited by global specialists in auditing against ISO standards.

> Each of our sites is inspected fortnightly on an alternating schedule between the Site Manager and the Pest Control Manager to ensure all aspects of best-practice grain handling are being followed.

Quality review meetings within our grains operations team are held weekly to review an operational scorecard which, in relation to quality, looks at metrics such as grain product failures, grain at risk and any customer complaints. These are reported to senior management and addressed via actions appropriate to the issue, including root cause analysis, to remedy any issue and ensure no systemic quality failures.

Food Loss and Waste

Minimising food loss and waste is critical to addressing food security and making progress toward the United Nations SDG 12.3[1]. As a processor of food and a transporter of grain, food lost or wasted throughout our operations is not only an environmental and social concern, but also impacts our profitability. This minimisation of food loss and waste is a cornerstone of all grain handling and food manufacturing processes.

Our processing sites track food loss and waste (in the form of yield) daily to identify opportunities for improvement. The majority of all food loss and waste in processing is diverted from landfill through specific operational processes including remelt or off-site recycling partners. Despite this, a small amount of waste remains. We continue to assess ways to increase yield and minimise this waste and the losses associated with it. We are also investigating ways in which new research and technology might support a further reduction in losses and waste across our network.

Within our grains operations, ensuring optimal storage conditions and minimising grain spills are core to our quality control processes and fundamental to the prevention of food waste. Any grain that is lost is inevitably combined with dust and other particulates meaning that repurposing this Dust and Damaged Grain (DDG) for human consumption is challenging. More information on our approach to DDG is included on page 26.

Canola meal, a by-product produced by GrainCorp, is repurposed into animal feed and we continue to explore options for the upcycling of by-products into food fit for human consumption.

1. By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.

Chemical Use

Within our Grains operations, chemical use plays a role in maintaining food quality and safety and minimising food loss. We understand we are an important interface between growers and consumers and have a responsibility to maximise transparency and responsibility along the value chain.

When delivering grain into our system, growers must provide a declaration in relation to chemicals used on-farm. Within our own operations, our grain handling sites use insecticides and herbicides to maintain food safety and quality standards and minimise food waste. The use of these chemicals is governed and recorded according to strict regulations and procedures. The levels of specific chemicals are moderated by the Food Standards Code and enforced by Australia's State and Territory food regulatory agencies. A maximum residue limit (MRL) is the highest amount of an agricultural chemical residue that is legally permitted in a food product sold in Australia and a commodity cannot be released for use in food unless it meets the applicable MRL. Different export markets have different and often changing MRL standards. Our chemical protocols mean we can efficiently select, test and transport to port, grain that meets the MRL of a particular market. Prior to export, grain is once again sent for testing to ensure compliance with the chemical and residue requirements of the destination market. More information on MRLs can be found here.

As part of our grower engagement program, we provide the latest information and advice relating to on-farm chemical use, changes to chemical use labels and any changes to the requirements mandated by export destinations. Our goal is to raise awareness around best practice for chemical use and to maintain continued access to export markets. To ensure we stay informed, GrainCorp participates in several industry working groups, committees, and advisory boards, such as Grain Trade Australia.

Food safety and consumer confidence continued

GrainCorp also participates in the Australian National Residue Survey (NRS), a program for managing the risk of chemical residues and environmental contaminants in Australian animal and plant products. Residue monitoring aims to:

- Provide an estimate of the occurrence of residues in products.
- Confirm that residues in products are below set limits.
- Alert industry if, and when, limits are exceeded, so that corrective action can be taken.

Optimising Nutritional Value

GrainCorp's Human Nutrition business manufactures a range of ingredients for use in food manufacturing including blended and single oils, infant nutrition, bakery products, margarines, spreads and frying shortening. We provide customers expertise in formulation to improve the nutritional profile of the ingredients and products we make, while maintaining superior functionality. Examples include the removal of artificial colours and flavours from GrainCorp's own branded products, a reduction in trans fats in line with the World Health Organisation's REPLACE program and infant formula specifically formulated to support age-based growth requirements. Our team of experts continues to actively engage with customers and the industry to provide key insights into ways to improve the nutritional quality of foods. Our unique pilot plant capability enables us to replicate the customer's production requirements and to trial new products cost-effectively and time-efficiently in small batches. The ability to pilot new products in this way also allows for the identification of waste streams that can be minimised prior to commencing production in a full-scale factory. Our capability in Human Nutrition is supported by our highly advanced in-house Gas Chromatography/Mass Spectrometry machines which can test for contaminants down to very low levels. GrainCorp is now one of only a few oil-processing companies in Australia and New Zealand with this in-house testing capability.

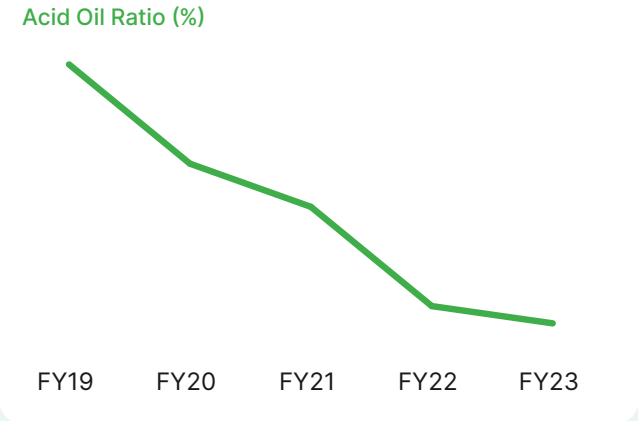
What We've Been Doing

FY23 priority actions		Read more
Develop grains food safety culture survey	→	Food Safety Culture
Execute improvement opportunities identified through Human Nutrition food safety culture survey	✓	Food Safety Culture
Continue to achieve all internal food safety targets and maintain zero product recalls for food safety	✓	Quality Assurance
Strengthen vendor assurance program by maintaining vendor GFSI certification requirements and continuing to assess supplier-risk based on global Food Safety & Quality standards	→	GrainCorp Human Nutrition

✓ Achieved ◐ Partially achieved → Ongoing

Minimising food loss in processing

The presence of oil in waste product from food manufacturing represents an opportunity. Our first line of defence in the fight against food loss and waste is the continuous improvement of processes to retain as much edible product as possible. Our engineering team at our processing facility in West Footscray is focused on ways to reduce the proportion of oil that ends up in the site's waste product. Through a combination of capital investment and process re-engineering, our West Footscray team has successfully reduced the amount of waste product (treated as trade waste) by more than 50 per cent in the last five years, while also reducing the amount of oil in this waste by more than 17 per cent over the same period.



Food safety and consumer confidence continued

Food Safety

In FY23, a combined 44 audits* consisting of 37 audit days* were conducted across our four* processing sites. We are pleased to report zero* product recalls and zero* major GFSI non-conformances. We did however receive 11* GFSI minor non-conformances (down from 12 in FY22), which are all closed out. No regulatory non-compliances were received.

Two of our grain handling sites were audited by customers and no major or minor non-conformances were identified. One on-site external accreditation audit was undertaken at GrainCorp's Geelong port terminal by the British Standards Institution (BSI) with no major non-conformances and one minor non-conformance identified.

Food Safety Culture

We are proud of our strong food safety culture, and we know that a large part of maintaining it relies on monitoring the attitudes, beliefs, practices, and values that underpin the food safety behaviour of our people. One way we do this is through a survey of our employees to identify areas we can improve. Across our processing sites, a survey is conducted every two years and, in FY23, we implemented several initiatives in response to insights gained from the FY22 survey. Initiatives were focused on increasing the ways in which positive food safety behaviours are recognised, raising awareness of best practice techniques, and increasing training on specific aspects of food safety.

In FY23, we commenced the development of a food safety survey specific to our grain handling operations.

As the nature of operations varies across sites, survey questions are being reviewed to ensure they reflect site-specific tasks. The survey is due to be rolled out in FY24, following the current harvest.

* FY23 data points indicated by an asterisk (*) are subject to assurance from KPMG. See KPMG's limited assurance report on page 87.

Taking quality to new heights: Investment into ZoomAgri

Australia is a world leader in the production of high-quality grain. Within our grains operations, stringent quality assurance procedures are crucial to upholding Australia's reputation for high quality grains in domestic and international markets.

Ensuring that the grain we deliver meets the requirements of its destination market means that grain can be analysed up to 14 times along the supply chain.

Improving the speed and accuracy of quality testing is in the interests of the entire agricultural commodity supply chain. That's why GrainCorp has co-led an investment in ZoomAgri, alongside GrainInnovate, the Venture Capital fund partnership between Grains Research Development Corporation (GRDC) and Artesian, with further participation from existing investors SP Ventures.

ZoomAgri is developing solutions for the Testing, Inspection and Certification (TIC) of agricultural commodities, combining technologies such as computer vision and machine learning to assess varietal purity and conduct physical quality determination.

GrainCorp has been trialling ZoomAgri units for the past few years to detect quality defects in barley. Based on the positive results, we believe that expanding testing capability to include other commodities could help manage industry challenges.

By embracing innovative technology, we can elevate quality standards across the supply chain, enabling quicker and more accurate testing to benefit the industry as a whole.

Food safety and consumer confidence continued

Protecting Grains and Oilseeds

At GrainCorp, we work toward minimising chemical use in various ways while maintaining stringent food quality standards and minimising food waste.

We know how long grain can be stored before it requires treatment and the segregation and timestamping of incoming grain receivals means we can prioritise grain for outload, without chemical application, where appropriate. We also employ refrigeration and humidity control techniques to avoid or minimise chemical application where possible.

Grain that is stored for longer periods requires fumigation to prevent insect infestation. Typically, this is achieved using phosphine blankets or phosphine tablets that release gas when activated. Deactivated phosphine blankets are disposed of in an approved disposal pit and, in FY21, we began phasing out phosphine blankets in favour of new technology which enables phosphine gas to be released directly into grain storage. In FY23, we fumigated over 6.4 million tonnes of grain using this technology (up from 6 million in FY22), preventing more than 5,500 phosphine blankets from going into landfill. We have secured leases over additional gas dispersion units and will continue the roll-out of this technology into FY24.

> In FY21, we began phasing out phosphine blankets in favour of new technology which enables phosphine gas to be released directly into grain storage.

Methyl bromide is used as a fumigant to treat grains prior to export, and we use methyl bromide at several of our export terminals situated across ECA. More information on our use of methyl bromide is available on our website. GrainCorp has a statutory obligation to carry out this activity in compliance with national and state based legislative requirements. We look to minimise the use of methyl bromide where possible, while still fulfilling the importing country's biosecurity requirements. In FY22, the NSW Environment Protection Agency (EPA) began discussions with the GrainCorp operations teams at Newcastle and Port Kembla grain terminals to understand the options for reducing the emissions of methyl bromide into the atmosphere. In FY23, we tested a particular technology at Newcastle grain terminal, and we have engaged an expert third party to provide a formal review of this capability that will support further discussions with the NSW EPA in FY24.

What We'll Do Next

FY24 priority actions

- Roll out grains specific food safety culture survey to grain handling site staff following FY23 harvest.
- Reduce Methyl Bromide emissions wherever possible through exploration of feasible alternatives.
- Maintain and improve Vendor Assurance program to ensure food safety and quality are maintained in the supply chain.
- Reduce use of phosphine blankets through optimisation of existing phosphine gas units and/or leasing additional units.

Human rights and corporate governance

Our Approach

Respect for human rights is fundamental to our values, the long-term stability and growth of our business, and to the wellbeing of the communities in which we operate.

At GrainCorp, this means doing business in a way that acknowledges and respects the dignity and human rights of our people, customers, suppliers, and contractors.

GrainCorp is committed to respecting internationally recognised human rights as set out in the Universal Declaration of Human Rights.

We respect the fundamental principles and rights at work as outlined in the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work and we are committed to complying with statutory requirements in the countries in which we operate, and to acting ethically and with integrity in all business dealings.

We are progressively implementing effective systems and controls to understand, manage and minimise instances of modern slavery and human rights risks within our business and supply chain.

Members of GrainCorp's Human Nutrition team at our West Footscray facility, in Victoria.

Our policies and statements on key human rights aspects include but are not limited to:

- Code of Conduct.
- Group Whistleblower Policy.
- Privacy Policy.
- Diversity & Inclusion Policy.
- Preventing Harassment and Bullying in the Workplace Policy.
- No-Deforestation Commitment.
- Supplier Code of Conduct.
- Modern Slavery Statements.

Key policies and statements are supported through training, including compulsory modules covering the Code of Conduct, Preventing Harassment and Bullying in the Workplace, Anti-bribery and Corruption and Modern Slavery.

Much of the work we already do to support human rights is included in the People, Workplace Health and Safety and Community sections of this report and is part of GrainCorp's business-as-usual operation. GrainCorp is also a reporting entity under Australia's Commonwealth *Modern Slavery Act 2018* and our current Modern Slavery Policy and Statement can be found here.

Human rights and corporate governance continued

In line with a progressive operationalisation of the United Nations Guiding Principles on Business and Human Rights (UNGPs), we recognised a need to focus our efforts on the human rights where GrainCorp's actual or potential impact is the greatest. GrainCorp's Human Rights and Corporate Governance Working Group (comprising subject-matter experts from Human Resources, Safety, Legal, Risk and Compliance, and Sustainability) conducted a prioritisation process to:

- Determine stakeholder groups.
- Determine the human rights relevant to these stakeholder groups.
- Prioritise impacts and gaps.
- Develop actions.

The human rights set out in the Global Reporting Initiative's (GRI) Aquaculture, Agriculture and Fisheries Standard and the International Labour Organisation's (ILO) Declaration on the Fundamental Principles and Rights at Work were used as a reference point.

As a result of this process, we prioritised focus on two key stakeholder groups. The following sections discuss our approach to human rights in GrainCorp's supply chain and human rights in GrainCorp's own operations.

What We've Been Doing

FY23 priority actions		Read more
Conduct human rights risk assessment in GrainCorp's supply chain	✓	Human rights in GrainCorp's supply chain (refer below)
Formalise processes to better manage identified human rights risks in GrainCorp's operations	→	Human rights in GrainCorp's supply chain (refer below)
Formalise processes for receiving and managing human rights related grievances	→	Grievance management
Draw on external human rights expertise relevant to GrainCorp and the agricultural industry	✓	Human rights in GrainCorp's supply chain (refer below)
Incorporate best practice disclosures into Modern Slavery Statement in line with Australian Border Force recommendations	→	GrainCorp's next Modern Slavery Statement will be released in March 2024

✓ Achieved ◐ Partially achieved → Ongoing

Human rights in GrainCorp's supply chain

Risk assessment

In FY22, we commenced building an ESG Supplier Risk Assessment methodology to assess risks in our supply chain and identify the areas for immediate focus. The methodology considers risks related to modern slavery, labour standards, health and safety and business ethics.

In FY23, in line with a staged implementation of our responsible sourcing program, we took steps to enhance the ESG Supplier Risk Assessment methodology. Fair Supply, specialists in providing technology driven visibility over supply chain ESG risk, conducted specific risk assessments for biodiversity loss and modern slavery, over GrainCorp's spend.

For more information on the biodiversity risk assessment, please refer to the Responsible Sourcing section of this report. The assessment provided a deeper level of visibility of GrainCorp's modern slavery risk in our Tier 2 and 3 suppliers. The assessment showed GrainCorp's overall modern slavery risk profile remains low. However, the risk profile of certain offshore sectors within our extended supply chain showed a more elevated risk than previously identified. We are currently validating the extent to which GrainCorp is exposed to these industry sector risks. Further detail on this work will be provided in the annual GrainCorp Modern Slavery Statement, due to be released in March 2024.

Human rights and corporate governance continued

Due diligence framework

GrainCorp's responsible sourcing due diligence activities incorporate aspects of human rights, and more information is provided on page 44.

We recognise that modern slavery risk is heightened in sectors and geographies with limited protections for civil liberties and human rights in general[1]. An updated draft Supplier Code of Conduct (Supplier Code) has been developed that sets out GrainCorp's specific expectations of suppliers across sustainability topics including the human rights topics referenced in the GRI Aquaculture, Agriculture and Fisheries Standard and the ILO's declaration on Fundamental Principles and Rights at Work. Our approach to implementation of this updated Supplier Code is detailed on page 44.

Human rights in GrainCorp's own operations

Risk assessment

In FY23, the Human Rights and Corporate Governance Working Group conducted an internal risk assessment of GrainCorp's policies and procedures against the comprehensive set of human rights standards set out in the updated draft Supplier Code. This process identified opportunities for improvement including the refinement of documentation to reflect best practice human rights expectations for young workers and third-party labour hire providers. These actions are included in the FY24 workplans of the Responsible Sourcing and Human Rights Working Groups.

Verification

Sedex Member Ethical Trade Audits (SMETA) are conducted at GrainCorp's processing sites. To ensure we maintain best practice human rights standards throughout our operations, GrainCorp will design and embed fit for purpose verification activities, aligned with Sedex, for our ECA grain handling operations and non-processing facilities in FY24.

Grievance management

Grievance procedure for GrainCorp employees

All GrainCorp employees are protected by our internal grievance processes, as set out in our Grievance Management and Resolution Guidelines. GrainCorp's independent FairCall hotline is also available to GrainCorp employees, should they wish to make a confidential complaint.

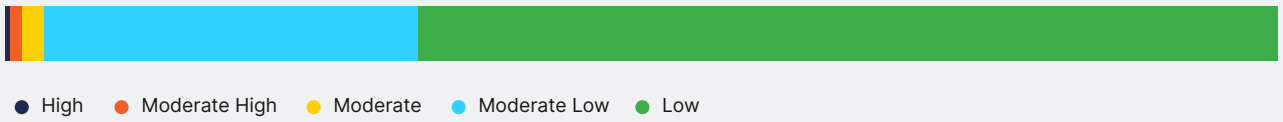
In FY23, as part of GrainCorp's broader independent assurance program, a review of GrainCorp's internal grievance processes and controls was undertaken. In response to the review, GrainCorp has developed actions to further improve our control environment, including enhancement of the proactive steps we take to prevent, identify, and address bullying, harassment, and discrimination.

Grievance procedure for GrainCorp's supply chain

As we strengthen our approach to managing responsible sourcing and human rights, we recognise we must be committed to providing effective grievance mechanisms, to remedy any identified adverse human rights impacts.

Our Supplier Code requires that all our suppliers have their own effective grievance mechanisms in place, and we encourage the use of these channels in the first instance to resolve grievances.

GrainCorp's modern slavery risk profile



1. https://www.walkfree.org/global-slavery-index/findings/global-findings/.

Human rights and corporate governance continued

If these channels are unavailable or ineffective, we are committed to providing a safe, confidential, accessible, and effective mechanism for any supplier or worker in our supply chain to raise grievances.

Grievances may be received through various channels, including anonymously through our independently administered *FairCall* hotline service (online or through the telephone hotline), our human rights email inbox, sustainability email inbox, via audit findings, via suppliers own public grievance trackers, or from third-party stakeholders such as unions and NGOs.

In FY23, we developed an internal tool to document grievances reported across all channels and an initial governance framework for the management of grievances, based on the international best practice UNGP 31. We are 'learning by doing' and adjusting our framework to reflect our in-practice experience. We continue to refine this process and will include the details of our grievance procedure in GrainCorp's FY23 Modern Slavery Statement.

Remediation

GrainCorp is committed to developing its remediation approach in alignment with the UNGPs, which call for companies to consider whether they have "caused, contributed to or are directly linked" to the breach to determine their level of cooperation in remediation. We will determine the appropriate action to take depending on the circumstances in each case.

As our remediation response is operationalised, we are committed to continuous improvement and working with suppliers to ensure appropriate mechanisms are made available within their own supply chains.

Building Capacity

We continue to build the internal capacity we need to support our developing human rights approach. In FY23, we engaged an external modern slavery specialist to provide members of GrainCorp's Board Sustainability Committee with a deeper understanding of best practice modern slavery risk management and human rights due diligence.

Providing the relevant internal partners and commercial managers with the tools and knowledge to support the evolution of our grievance and remediation process is a priority for FY24.

What We'll Do Next

FY24 priority actions*

- Implement a revised supplier code of conduct.
- Release an updated grievance mechanism.
- Embed tracking of supplier ESG performance in internal governance structures.
- Continue Sedex Members Ethical Trade Audits (SMETA audits) at processing sites and expand Sedex Self-Assessment Questionnaires (SAQs) to include additional GrainCorp sites.

* FY24 priority actions are shared across Responsible Sourcing and Human Rights and Corporate Governance Working Groups.

Our People

In this section

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Senani Lelwala Gurugamage, Quality Assurance Technician at West Footscray, Victoria and a member of GrainCorp's Graduate Development Cohort.

Workplace health and safety

GrainCorp has a Safety, Health and Environment (SHE) strategic plan that strives to embed a culture of accountability and ownership of safety outcomes, with a clear focus on continuous improvement.

Our safety culture centres on zero harm and we have an enduring commitment to the safety of our people and the environment in which we operate. Tragically, in April of this year, a fatal truck accident occurred at our Moree site in NSW, resulting in the death of our colleague.

The safety of our employees remains our highest priority. We maintain vigilant oversight of continuous improvement in safety performance through a relentless focus on critical risk and control effectiveness and the efficient execution of key strategic and risk mitigation projects across the business.

Our Approach

Our Health and Safety Policy sets out our commitments and applies to all employees, contractors, sub-contractors, and temporary employees engaged to work for GrainCorp. These commitments are embedded in our operations through our SHE strategy and are managed through our SHE Management System. We are committed to delivering a simple, standardised, and controlled SHE Management System, with clear governance and accountability structures in place. Supporting the effective implementation of the SHE Management System is a disciplined assurance framework to inform risk, control effectiveness and drive continuous improvement.

Fatalities*

1

High Consequence Work-related Injuries*[5]

2

Main Type of Work-related Injury*

Hand

Critical Incident Frequency Rate*[4]

3.1

Lost Time Injury Frequency Rate (LTIFR)[2]

FY23*	2.18
FY22	2.62
FY21	2.31
FY20	0.75
FY19	1.8

Recordable Injury Frequency Rate (RIFR)[1]

FY23*	5.60
FY22	6.71
FY21	8.87
FY20	6.52
FY19	7.71

Recordable Injuries[3]

FY23*	36
FY22	41
FY21	46
FY20	26
FY19	30

Key Lead Indicators

Critical Risk Reviews[7]

16,956

SHE Engagements[8]

21,295

Near Miss Frequency Rate*[6]

118.2

* FY23 data points indicated by an asterisk (*) are subject to assurance from KPMG. See KPMG's limited assurance report on page 87.

1. Recordable Injury Frequency Rate ("RIFR") is calculated as the number of injuries per million hours worked. Includes lost time injuries and medical treatment injuries. Includes permanent and casual employees and GrainCorp controlled contractors.
2. Lost Time Injury Frequency Rate ("LTIFR") is calculated as the number of lost time injuries per million hours worked. Includes lost time injuries which is an injury or occupational illness that results in the loss of one or more complete shifts any time after the day or shift on which the injury or illness occurred. Includes permanent and casual employees and GrainCorp controlled contractors.
3. A Recordable Injury is an injury that is classified as either a Medical Treatment Injury, Lost Time Injury or a Fatality. In previous years this has been shown as "Workforce Injuries".
4. Critical Incident Frequency Rate ("CIFR") is calculated as the number of critical incidents per million hours worked. In FY23 we expanded the definition of Critical Incidents to Level 4 and Level 5 incidents (this was previously defined as Level 5 incidents only). Includes permanent and casual employees and GrainCorp controlled contractors.
5. High Consequence Work-Related Injury defined as a work-related Recordable Injury that results in a fatality or an injury from which the worker cannot or does not fully recover to pre-injury health status within six months.
6. Near Miss Frequency Rate ("NMFR") is calculated as the number of near miss incidents per million hours worked. A Near Miss is defined as an unplanned incident in which no property or environmental damage or personal injury occurred, but where damage or personal injury easily could have occurred but for a slight circumstantial shift (Sustainability Accounting Standards Board, 2018). Calculated per million hours worked.
7. Management led verification activity with workers in the field to observe and check whether critical controls are in place and effective.
8. A safety conversation between a two or more people to reinforce and promote safety.

Workplace health and safety continued

Planning for the time of your Life

During FY23, we implemented a 'Planning for The Time of Your Life' program as part of our Thrive offering. Small group sessions to support late career planning were offered to our people, to facilitate their consideration of their longer-term working needs and to plan for the support that may be required later in life. More than 85 employees took part in the sessions across Australia and New Zealand, with more than 90 per cent providing feedback that the sessions were "great" or "exceptional". Importantly, the sessions prompted our people to think about their next steps. Participants indicated they would like further engagement with their superannuation funds, to speak with their human resources team about flexible options for the future, and to learn more about staying well into the future. We look forward to providing continued support to our people through these important life transitions.

Safety, health and environment strategy

Our SHE strategy ensures GrainCorp provides a safe working environment for our employees, contractors, and visitors. It seeks to prevent critical incidents and catastrophic events, prevent injuries, reduce occupational health and safety risks, promote physical and mental wellbeing, and embed a culture of staying safe.

Certifications

GrainCorp's Australian processing sites at West Footscray, Numurkah and Pinjarra, and national Auscol business, are ISO45001 certified. GrainCorp also holds Office of the National Rail Safety Regulator (ONRSR) accreditation for rail in QLD, NSW, and VIC.

Occupational health and safety management system

Our SHE Management System comprises standards, guidelines and safe operating procedures and is applicable to all workers, contractors, and visitors across our GrainCorp sites and locations.

These documents are designed to address and embed the aspects required to fulfil the commitments of our Health and Safety Policy and continually improve our safety culture. Key areas covered by our SHE Management System are discussed below.

Training

At GrainCorp, all persons (including contractors) undertaking work at our sites undergo induction training that is tracked through our centralised learning system and through site registers. In addition, all employees, contractors, and visitors are informed about the risks, hazards, and control measures relevant to their activities, and undergo specialised training based on an analysis of a role's training needs. Workers are trained to perform procedures for operational tasks safely and individual competence is verified. Task risk assessments are conducted, and procedures reflect the identified hazards and controls to eliminate or mitigate the risk. We recognise ongoing training is critical to ensure a standardised and safe way of operating and reinforce clear roles and responsibilities.

Further supporting the technical training required to complete tasks safely, we have continued to mature the principles of behavioural safety established during our Sentis Behavioural Training program. These principles are reinforced on site daily, through pre-start meetings, on-site safety engagements and Critical Risk Reviews[1].

Each harvest period, GrainCorp employs a significant number of casual grain workers who are often less experienced than our permanent workforce. GrainCorp adopts a standardised approach to the onboarding and training of casual workers, including training on the recognition of hazards and requirements for risk controls. A comprehensive process to verify competence is undertaken prior to the commencement of work tasks.

A program of training and resources has been developed to assist Site Managers in managing the risks associated with a seasonal increase in new employees. This has included coaching in the competence verification process.

Hazard identification, risk assessment, incident investigation and injury management

Our Risk Management Standard comprises a framework for identifying, assessing, controlling, and monitoring risk, relative to the hierarchy of controls. It includes standards for safe systems of work, risk assessments and a critical risk framework. Risk registers are in place across all of GrainCorp and incidents and hazards are reported through an incident reporting database.

1. Management led verification activity with workers in the field to observe and check whether critical controls are in place and effective.

Workplace health and safety continued

We recognise that improved hazard recognition and reporting supports the elimination of the hazards that may lead to incident or injury. GrainCorp encourages all workers (including visitors and contractors) to report all hazards, no matter how small and this message is reinforced as part of our annual Stop for Safety Day.

GrainCorp's operational risk register includes key safety risks and currently 12 of those have been classified as critical based on their potential to cause fatality or significant injury/incident. Risk mitigation frameworks including Critical Risk Reviews are in place.

Our Incident and Injury Management Standard sets out the process for reporting and investigating work related incidents and hazards, determining corrective and mitigating actions and communicating learnings. We proactively drive the reporting of incidents, near misses and hazards as a way GrainCorp can continually improve our safety performance.

Our Emergency Response and Crisis Management Standard requires all sites to develop and implement an Emergency Response Plan. Our Crisis Management Team comprises senior and executive leaders.

GrainCorp's sites interact with many truck movements. In Australia, the Chain of Responsibility law ensures everyone who works with heavy vehicles – from the business that employs a driver to the place where goods are delivered – is accountable for safety. Our Chain of Responsibility Standard sets out the risks and controls in place across our business to ensure our responsibilities are upheld.

Starting each day safely

In 2019, GrainCorp introduced the use of pre-start visual boards and pre-start meetings as part of our standardised work regime to engage teams for a safe and productive day. The team meetings were established to:

- Review, and learn from, the previous day's work.
- Align to the objectives of the current day.
- Discuss risks and hazards associated with the objectives of the day, including a focus on critical risk activities and the effect of other factors such as the weather, or other workgroups (e.g. contractors), on site.
- Capture and discuss opportunities for improvement.
- Discuss progress against Key Performance Indicators.

While the initial implementation of the pre-start meetings was impacted by a combination of COVID-19 and a period of intense grain harvest and outload programs, a solid foundation for these daily meetings had been established.

The prestart meetings have been a focus of our Sentis Behavioural Safety and Licence to Lead training programs that focus on enhancing leadership and presented an opportunity for leaders to implement their learnings. Today, these meetings are leveraged to engage workers in thinking about the shift ahead and to communicate task-specific information, so our people have the information they need to work in a safe way, every day. The pre-start meetings also provide the opportunity for team members to check in and connect with each other and often feature team-led initiatives such as music to accompany pre-shift stretches.

Investing time in our people to establish a clear and consistent process has seen the pre-shift meetings evolve into a positive and engaging way for our teams to start the day.

Workplace health and safety continued

Consultation and communication

Embedding workplace health and safety in our culture, relies on regular consultation and communication with our employees and other stakeholders. Pre-start meetings and SHE Engagements encourage conversations about the hazards of a work task and provide a way of reinforcing positive work practices. Learnings that result from incidents and hazard investigations are shared through Safety Alerts and Toolbox Talks, which are regularly undertaken across the business to share information and reinforce key safety requirements. GrainCorp's values were refreshed in FY23 in consultation with our people. The value "We Stay Safe" reflects the clear focus of our people on safety.

Health and wellbeing

Taking care of the mental health and wellbeing of our employees is of the utmost importance. All GrainCorp employees, casual employees, contractors, and their immediate family are eligible to use GrainCorp's Employee Assistance Program, a free professional and confidential service providing counselling advice to help cope with work or personal concerns. We also support mental health awareness through the recognition of national days of action such as R U OK? Day and World Mental Health Day.

All employees and contractors are provided with access to a health and wellbeing program called Thrive. The Thrive program is designed to promote positive lifestyle choices and improve the overall physical, emotional, and financial well-being of GrainCorp team members. More information on Thrive is provided on page 65.

The view from GrainCorp's post at the Port of Geelong, Victoria.

Tracking performance

Our performance is managed and tracked through our ISO 45001 and ISO 14001 compliant SHE Management System. Regular audits and inspections support continuous improvement in our approach to workplace health, safety, and environmental compliance at our sites. External audits in line with ISO 45001 and ISO 14001 certification occur at our Australian processing sites in West Footscray, Numurkah, and Pinjarra and across our national Auscol sites. We also conduct a program of internal audits, with the frequency of audit being determined by the risk level of the site.

The Safety, Health and Environment Committee (SHEC) is a Board appointed committee made up of three Non-executive Directors. The Board has delegated primary responsibility for all safety, health and environment and food safety and quality matters to the SHEC which meets four times per year and reports to the Board. The Operational SHE Leadership Team (SHE Leadership Team) comprises senior operational leaders and members of the SHE team and meets monthly. The SHE Leadership Team tracks performance across our safety and health objectives, including monitoring of progress against GrainCorp's SHE strategy, targets, lag, and lead indicators. The SHE Leadership Team also considers changes in the external and internal environment, adequacy of resources and opportunities for improvement. The SHE Leadership Team, along with the Executive Leadership Team, submit the annual SHE strategy to the SHEC and key elements and metrics from the strategy are integrated into the short-term remuneration-incentives for eligible GrainCorp employees.

Workplace health and safety continued

Continuous improvement of the SHE Management System

Regularly reviewing our safety standards ensures our SHE Management System evolves in line with GrainCorp's operating environment. Over the year we refreshed the 'Roles and Responsibilities' and 'Mandatory Requirement' elements of key standards to embed the ownership of safety accountabilities at a site-level.

Our internal audit process was also refreshed in line with our ambition to achieve industry leading safe work practices and to reflect the SHE Management System's mandatory requirements. In FY23, 38 audits were undertaken. Identified systemic trends and opportunities have been captured in the FY24 SHE Strategy and include a focus on activities such as the management of risk associated with working in confined spaces.

Our Australian processing sites at Numurkah, West Footscray and Pinjarra are externally audited each year in line with ISO 45001 and ISO 14001 certification. No major non-conformances were received during the reporting period.

Contractor management

The safety of all people on our sites is of paramount importance and we enforce one standardised safe way of working, regardless of worker type. Our Contractor Management Standard sets out the requirements for the management of our contractor workforce and ensures the appropriate controls are in place relative to the nature of the work being performed. Contractors are managed through our on-line contractor management platform which tracks contractor qualifications, insurances, induction, activity, permits, and training. Our focus in FY23 has been on providing Site Leaders with the tools to embed best practice contractor management.

What We've Been Doing

FY23 priority actions		Read more
Drive behavioural safety to create a culture of self-awareness and increased skill to manage the states that lead to incidents and injury by:		
• Simplifying the SHE Management System with a focus on the mandatory role and responsibility elements of key standards.	✓ →	Continuous improvement of SHE Management System (refer opposite)
• Conducting an audit of the mandatory elements of GrainCorp's safety standards to ensure best practice is maintained.	✓ →	Continuous improvement of SHE Management System (refer opposite)
• Ensuring compliance of contractors to GrainCorp's safety standards, supported by a contractor management platform.	✓ →	Contractor management (refer opposite)
Expand health and wellbeing program to support improved social physical and psychological health at work: • Implement strategy to mitigate injuries related to fitness for work.	✓ →	Health and wellbeing

✓ Achieved ◐ Partially achieved → Ongoing

Investing in technology for the safety of our people

Elimination of safety risks is our priority and advances in technology provide the opportunity to invest in automation, removing manual handling risk for common tasks across our business. Key areas of recent investment include:

- Automation of the water sampling process, required for environmental compliance, at GrainCorp's Port Kembla Bulk Liquid Terminal.
- The implementation of robot systems to load, wrap and move pallets of finished product at our processing facility in West Footscray, VIC.

Where hazards can't be eliminated, having effective Personal Protective Equipment (PPE) in place is one of the controls we use to manage risk. An identified hazard of handling grain is foreign bodies to the eyes. During FY22, eyes were the most frequently injured body part, predominantly due to dust. We explored several controls in consultation with our affected workgroups and identified an opportunity to improve our eye protection. The introduction of foamed filled/sealed eye wear and fly nets has eliminated all recordable eye injuries requiring medical intervention during FY23.

Workplace health and safety continued

Critical Risk Review reset

Critical Risk Reviews (CRRs) and SHE Engagements are important lead indicators that support our ambition toward eliminating workplace injuries. We recognise that having the skills to engage employees in meaningful conversation about the safety of a task has the greatest impact.

During FY23, we performed 16,956 Critical Risk Reviews and 21,295 SHE Engagements. We identified an opportunity to leverage the time spent in these engagements to enhance their quality and impact. Elements of the CRR reset included:

- The development of a simple coaching tool that defines the core elements of a quality CRR, including:
  - A disciplined focus on verification.
  - The challenging of current practices.
  - Processes for initiating and closing out actions that improve both system controls and behavioural controls.
- A 1:1 session between each leader and a specialised SHE coach.
- Verification of leader competency.

More than 300 leaders have taken part in the coaching and the CRR reset has delivered a significant improvement in the volume of corrective actions generated. Further coaching is planned throughout FY24 while continuing to build leader capability with respect to SHE responsibilities and accountabilities.

Contractor management (continued)

More than 200 Site Leaders took part in dedicated training sessions that included:

- Upskilling in the operation of the LinkSafe contractor management compliance platform.
- Reinforcing the Roles and Responsibilities elements of the Contractor Management Standard.
- Embedding processes around the provision and management of Permits to Work[1], including the issuing of High-Risk Permits[2].

Contractors are actively included in site safety activities such as pre-start meetings, pre-shift warm-ups, drug and alcohol programs and contractor CRRs. This ensures all people working on GrainCorp sites are aware of the activities which may impact their work tasks.

Critical risk framework

A relentless focus on critical risks is an essential element of our SHE Strategy. We launched our critical risk management framework in FY21, with a focus on verification of the critical controls necessary to prevent fatal or other outcomes. We continue to mature the framework and, in FY24, will review the performance standards and implement assurance activities for identified critical risks.

1. A Permit to Work (PTW) provides a method to ensure that all potentially hazardous work initiated, scheduled, and managed by GrainCorp is carried out in a manner that reduces safety risk exposure. A PTW must be signed by the person performing the work (including workers, contractors, or service providers) prior to commencing and carrying out work for or on behalf of GrainCorp. It sets out the scope of works, acknowledges all associated safety requirements have been fulfilled and that all required safety documentation is complete.
2. A High-Risk Permit must be signed to prior to undertaking any tasks defined at high risk, to acknowledge the required safety assessments have been completed and the required safety controls are in place. A High-Risk Permit is a supplementary permit which must document the hazards and required controls to manage the risk of performing high risk activities.

Workplace health and safety continued

Health and wellbeing

At GrainCorp, we believe in creating an environment where our employees can thrive.

> Our health and wellbeing program focuses on a wide range of physical, emotional, and financial wellbeing benefits. Known as 'Thrive,' we believe in empowering our people by providing them with the tools that will support them to excel in both their professional and personal life.

In FY23, participation in Thrive continued to grow across key offerings:

- More than 680 employees participated in the Safe Spine, Safe Mind injury prevention program.
- Our regular health and wellbeing sessions, known as Wellness Wednesday, Mindful Monday, and Lunch 'n' Learn, continued. Health coaching was offered to both individuals and teams.
- 270 employees participated in a seminar run by a psychologist who talked through the techniques of effective listening in support of the R U OK? Day theme "I'm here to hear".

Physical	Emotional	Financial
✓ Safe Spine Program	✓ Employee Assistance Program (Confidential Counselling)	✓ Financial Wellbeing Seminars
✓ Skin Checks	✓ Life Transition Coaching	✓ Financial Coaching (individual)
✓ Health Checks	✓ Access to Thrive Resource Hub	✓ Retirement Planning
✓ Annual Flu Vaccinations	✓ Health coaching	
✓ Monthly 'Lunch 'n' Learns' on various health and wellbeing topics	✓ Mental Health Essentials Workshops	
✓ Monthly Newsletter and Toolbox Talks on topical issues from wellbeing calendar	✓ *Mindful Monday* online sessions	
✓ *Wellness Wednesday* online sessions	✓ Community Leave	
✓ Access to Thrive Resource hub	✓ ME! Leave (Birthday Leave)	
✓ Virtual Ergonomic Assessments	✓ Flexible Work Options	
	✓ Online Toolkits	

Workplace health and safety continued

What We'll Do Next

FY24 priority actions

- Review the effectiveness of controls for priority critical risk events.
- Build leader capability in core SHE fundamentals, including a focus on risk management, in field leadership and incident investigations.
- Provide and promote additional online health and lifestyle resources as part of GrainCorp's Thrive offering.

The GrainCorp team pictured with' Are You Bogged Mate?' Founder Mary O'Brien and former Australian Test Cricketer Brad Hogg for a special R U OK? Day breakfast in Goondiwindi, Queensland.

Safety is everyone's responsibility

Activities that raise awareness are important in maintaining a strong safety culture. Our Stop For Safety Day and R U OK? Day activities are designed to promote safety by allowing workers dedicated time to stop and reflect on the importance of working safely. GrainCorp has held Stop For Safety Days since 2010 and each year, the theme is developed to reflect current challenges in both the internal and external environment. This year's theme, Playing Our Part, was especially pertinent following the recent fatality of a colleague and we encouraged all our people to stop and reflect on the role they play in providing a safe environment for their colleagues, friends, and families. The day also reflected on the fact that safety is not just physical – "psychological safety" is defined as the belief that you won't be punished or humiliated for speaking up with questions, concerns or mistakes.

R U OK? Day was recognised across GrainCorp in September 2023, with a special emphasis on psychological safety through the theme "I'm here, to hear". Employees were encouraged to participate in a webinar with a leading psychologist who provided insights into the best way to approach mental health conversations and how we can support those around us who may be struggling.

The common message across both days was that we can all play our part in making GrainCorp a physically and psychologically safe place to work.

People

We recognise that our success is a direct reflection of our people and how they share our vision and values. Supporting individual and collective growth is vital to ensuring an engaged and invested workforce. We are committed to cultivating a culture that respects different perspectives, embraces diversity and creates an environment where everybody can thrive.

Our Approach

We take a multi-layered approach to creating an environment where our people can develop and flourish.

The GrainCorp Promise sets out our formal commitments across the pillars of Flexible Working, Professional and Career Development, Personal Wellbeing and Financial Wellbeing and includes our portfolio of health and wellbeing offerings, known as Thrive.

Our people policies* set clear expectations for how our people should act and behave. These policies are supported by formalised learning modules that reflect relevant legislation and norms of behaviour.

We remain focused on identifying and unlocking our people's

Employees by Country*[1]

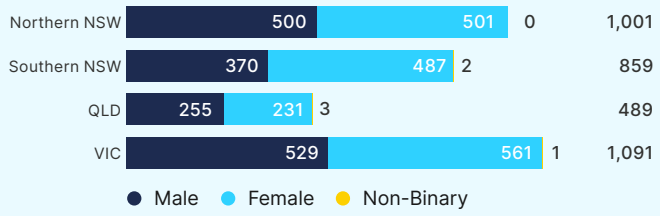
Country	Male	Female	Non binary	Total
Australia	1,267	475	1	1,743
New Zealand	73	47	–	120
United Kingdom	20	21	–	41
Ukraine	4	8	–	12
Canada	4	2	–	6
China	1	1	–	2
Singapore	4	5	–	9
India	–	1	–	1
Total	**1,373**	**561**	**1**	**1,934**

At 30 September 2023 approximately three per cent of GrainCorp's permanent and fixed-term employees worked on a part-time basis.

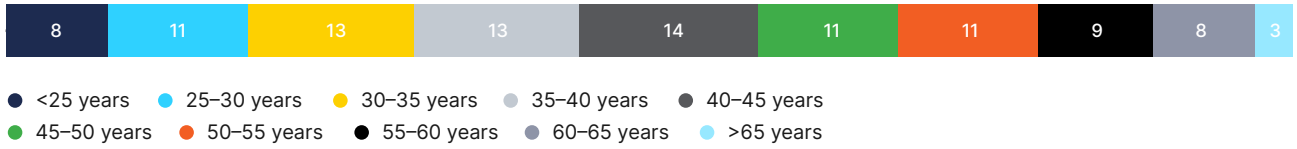
Senior Leadership Composition*[1]

Leadership	Male	Female	Total
Non-executive Directors	3	2	5
Executive Leadership Team	4	2	6
Senior Leaders[3]	46	20	66
Total	**53**	**24**	**77**

Harvest casual workforce – snapshot*[2,4]



Employees by Age Group (%)[1]



* GrainCorp Code of Conduct and other policies and position statements which are available in the corporate governance section of our website.

FY23 data contained within tables indicated by an asterisk (*) are subject to assurance from KPMG. See KPMG's limited assurance report on page 87.
1. All data pertains to permanent and fixed term employees and is taken at 30 September 2023 unless otherwise indicated.
2. Numbers for non-binary captures those employees who have specifically identified as non-binary when onboarding.
3. Employment grades 7, 8 or 9 (excluding traders) to reflect those in leadership positions or positions of influence.
4. Data taken at 30 November 2022 to reflect GrainCorp's harvest casual workforce composition at a time of peak harvest operations.

People continued

potential by developing skills, capability, leadership, and talent through a wide range of development solutions, including coaching, learning, project exposure and regular feedback. Our award-winning Human Capital Management System* enables employees to take ownership of their development by aligning competencies with roles and development opportunities, both professional and personal, and identifying the learning they need to help bridge the gap.

We respect and support everyone's uniqueness and recognise that inclusion and diversity contribute to a stronger, more successful and sustainable business. We integrate this into our business in various ways including through our Inclusion and Diversity Action Plan (iDAP) and our recently endorsed Innovate level Reconciliation Action Plan. With many employees in regional areas, creating a connected and collaborative organisation relies on effective communication and feedback processes and our omnichannel internal communications program is designed to engage across a variety of working environments.

In FY23, our Human Resources (HR) and Organisational Development team gained external recognition of their contribution through the HR Australia Awards*, where they were finalists for the 'HR Team of the Year Award'.

* SAP Best Run Award Human Experience Management winner 2023.

Supporting Inclusion and Diversity

Flexible working support

Flexible and hybrid working guidelines that enable employees and leaders to identify individualised options

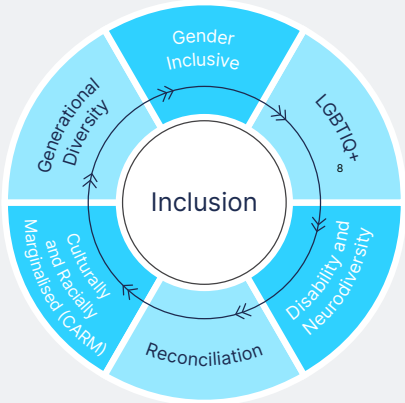
↓

Paid parental leave of 14 weeks for primary care givers and two weeks for secondary care givers

↓

Purchased annual leave of up to four weeks

Inclusion and Diversity Action Plan (iDAP)



A business wide, action-oriented initiative that determines our inclusion and diversity activities and goals across six types of diversity but with a laser focus on inclusion.

Partnerships and memberships

Diversity Council of Australia (DCA)
The independent not-for-profit peak body leading diversity and inclusion in the workplace.

Diversity Works New Zealand
Enabling New Zealand based businesses to integrate diversity and inclusion into the workplace.

The Inclusion Circle
Formerly NEEOPA, a non-profit membership-based network of individuals and organisations committed to advancing diversity, equity and inclusion in the workplace.

National Association of Women in Operations (NAWO)
The leading national network for women in operations, actively led and resourced by an inclusive multi-industry community of industry professionals.

Workplace Gender Equality Agency (WGEA)
An Australian Government statutory agency responsible for promoting and improving gender equality in Australian workplaces.

Australian Network on Disability (AND)
A national not-for-profit organisation that helps organisations engage with people with disability. AND is the only employer-led network in Australia focused on the inclusion of people with disability.

People continued

Training and development

We ensure our employees complete the training they need to do their jobs and track formal learning through our Learning Management System. In FY23, employees completed an average of 18 formal learning events across the year.

The recently launched GrainCorp Development Catalogue provides all employees with easy access to over 400 digital development courses through our continued partnership with Litmos (a recognised leader in online learning solutions). These courses build key skills and capabilities, both for today and into the future. Our partnership with *ExecOnline*, enables identified internal talent to benefit from global experts, receiving recognised accreditations from some of the worlds most distinguished business schools.

While formal training ensures our people have the skills and capabilities to do their jobs, we believe informal learning is integral to an engaged and connected workforce. In FY23, we extended our partnerships with CoachHub, a global leader in virtual coaching, to provide coaching support to a wider selection of individuals. Our learning pathways have been extended with the introduction of a Graduate Development Program and Customer Experience Champions Program. Both these pathways leverage a combination of internal experts, and external specialists to provide immersive learning experiences and expedite career growth.

As an organisation focused on inclusion and diversity, we know we need to equip our leaders with the awareness and capability to demonstrate inclusive behaviours, particularly with a workforce that spans four generations. Our flagship frontline leadership program, 'Licence to Lead', continues to be deployed around the business, complemented by DiSC profiling sessions across teams. DiSC profiles describe human behaviour in different situations and helps leaders understand their preferences and needs of the team, enabling them to adapt their leadership in a way that supports an inclusive environment. Both DiSC and Licence to Lead have become a part of the GrainCorp lexicon.

Inclusion and diversity

At GrainCorp, we value different thinking, different perspectives, and different ideas, to drive innovation and deliver better business results.

In FY21, we launched our Inclusion and Diversity Action Plan (iDAP) and set out the key actions for FY22 and FY23 – more information is available here. From the planned actions, 94 per cent have been completed or are on track to be completed. The next iteration of the iDAP (2.0) has been developed, with actions covering 2023 through to 2025, and will be released in late 2023 in partnership with our Inclusion Ambassadors.

What We've Been Doing

FY23 priority actions		Read more
Gain endorsement for GrainCorp's Innovate Reconciliation Action Plan (RAP) from Reconciliation Australia	✓*	Reconciliation
Deliver committed FY23 actions as part of the RAP	✓	Reconciliation
Review and update our iDAP to 2.0 (2023–2025 actions)	✓	Inclusion and diversity (refer above)
Continue to meet or exceed specified gender targets	✓	Gender inclusive
Extend professional development solutions by expanding the portfolio of development topics. Create engagement and encourage utilisation of digital learning through the launch of an online learning catalogue	✓	Training and development (refer opposite)
Provide targeted, formal learning events for new employees hired into identified graduate positions to expedite development and build capability	✓	Training and development (refer opposite)
Carry out capability assessments for second tranche of roles, providing targeted development options	→	Postponed to FY24 due to competing priorities

✓ Achieved ◐ Partially achieved → Ongoing

* Conditional endorsement achieved from Reconciliation Australia.

People continued

Gender inclusive

GrainCorp is a relevant employer under the *Workplace Gender Equality Act 2012* for the 2022–23 reporting period and this report is available here. This report outlines our workforce profile including employee policies, benefits, and training information. We also have strategies in place that specifically support gender equality in relation to recruitment, remuneration, retention, performance management, promotions, and training and development.

Our diversity targets are supported by measurable internal diversity objectives that are set on an annual basis and focus on aspects such as inclusive leadership, unconscious bias, talent acquisition, development, and retention. We review objectives annually to ensure they remain appropriate to our industry and operating context.

Since FY20, we have partnered with Women & Leadership (Australian School of Applied Management) to bring together women from across the business to drive positive conversations around well-being, gender equality and leadership, while assisting each other's learning and growth. In 2023, we were again oversubscribed with a further 40 women participating.

The theme of this year's International Women's Day, "Cracking the Code", was recognised across GrainCorp with an expertly facilitated panel discussion featuring some of our highly talented women in Science, Technology, Engineering, and Maths (STEM) roles. The panel attracted an audience of more than 500 GrainCorp people who gained an insight into the experiences and advice of the panellists.

We are proud to have achieved our 2023 targets for gender diversity:

- Women comprise not less than 30 per cent of our Board of Directors by 2023 (**achieved**) (40 per cent at 30 September 2023).
- Women comprise not less than 30 per cent of our Executive Leadership Team by 2023 (**achieved**) (33 per cent at 30 September 2023).
- Women comprise not less than 28 per cent of our remaining employees, including harvest casuals, by 2023 (**achieved**) (29 per cent at 30 September 2023).

We continue to build upon our targets and support the increased participation of women in our workforce.

Gender pay equity

We are committed to gender pay equity and the GrainCorp remuneration process is subject to several checks to identify and minimise bias in decision making. These include:

- An annual internal managers' pay equity analysis to ensure performance and reward outcomes are gender neutral, non-discriminatory and free from bias.
- An unconscious bias assessment, undertaken as part of the year-end performance and remuneration review against several criteria.

Our gender pay gap, as measured by Workplace Gender Equality Agency (WGEA), closed a further 1.5 per cent to 8.3 per cent^. While this reflects favourably against the Australian WGEA average of 22.8 per cent, we continue to work to narrow this gap further. Our FY23 pay gap will be publicly available through WGEA and on GrainCorp's website in January 2024.

^ Based on data submitted for WGEA's Gender Equality Reporting program for the 12 months to 31 March 2022 and published in January 2023.

People continued

Generational Diversity

With 20 per cent of our workforce over the age of 55 years, we have continued to develop and deploy our late career and transition to retirement support. We recognise that different people have different needs and, through our 'Preparing for the time of your lives' initiative, we have extended support beyond traditional financial advice to consider physical and emotional wellbeing, personal identity, and impact on others. Different stages of life are synonymous with other major life transitions, and we will continue to evolve the support available. With four generations in the workplace, it's important we provide support to cater for all.

An inclusive organisation recognises the benefits brought by the perspectives of different generations. To attract and retain younger workers, through our 'Early Careers' activity, we have continued to provide apprenticeship opportunities in regional and rural Australia, continued our partnerships with Monash University (Melbourne) and University of New England (Armidale). We have also extended our cooperative scholarships with University of Technology (Sydney) across the Bachelor of Accounting and Bachelor of Information Technology programs to support multiple students on each.

Disability and Neurodiversity

Disability and neurodiversity is one of the focus areas of GrainCorp's iDAP and within it we have set clear actions. This year, GrainCorp became a member of Australian Network on Disability (AND). AND brings together the experience and knowledge of hundreds of Australia's leading organisations who include people with disability as their employees, and will provide expert direction to support our own actions.

In FY23, we ensured that all digital learning is at least Web Content Accessibility Guidelines (WCAG) 'AA' compliant, with all new learning developed targeting the higher 'AAA' compliance. Our planned accessibility review of our corporate and regional office spaces will be supported by AND to ensure we achieve our goal of an inclusive and accessible environment where everyone is supported to reach their full potential.

Culturally and Racially Marginalised (CARM)

Throughout FY23, we continued to recognise and celebrate the cultural and religious dates that reflect our diverse employee base and encouraged employees to share stories and provide insight to different cultures. This has included Harmony Week, Diwali (Indian Festival of Lights), Lunar New Year (celebrated across East and South-eastern Asian countries) Waitangi Day (New Zealand's National Day), and Maori language week.

LGBTIQ+

International days of recognition provide the opportunity to celebrate our LGBTIQ+ community. In addition to the events of Wear it Purple Day, GrainCorp celebrated Pride month and World Pride. Through our premium corporate membership of the National Association of Women in Operations (NAWO), all employees were invited to attend NAWO's Empathy and Inclusive Leadership event for free, to learn more about empathetic leadership and the inclusion of everyone. GrainCorp again shared its rainbow logo across its social media channels and lit up the Carrington silos at Newcastle, NSW to demonstrate unity with the LBGTIQ+ community.

Mahesh Golla, Manufacturing Operator, West Footscray, Victoria.

People continued

GrainCorp Values

It was timely to review the GrainCorp values, implemented in 2016, considering the significant level of change across the business in recent years.

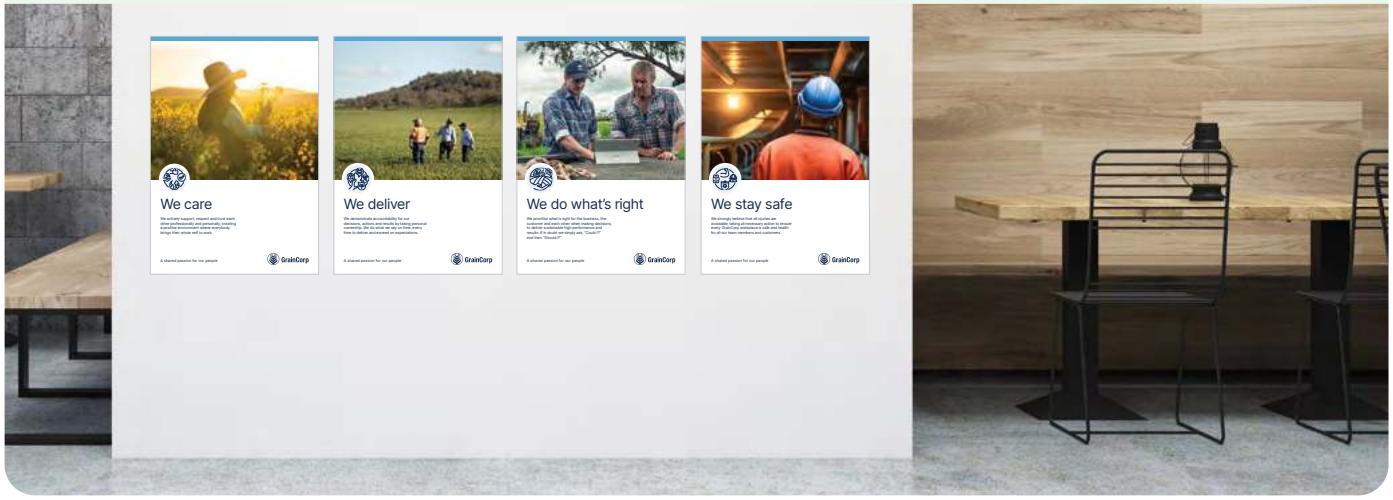
When developing the new values, information gathered from employees helped articulate the culture that they want to be a part of. A review of the last three years of feedback gained through our employee feedback surveys, provided more than 125,000 data points and over 8,000 comments. This allowed rich insight into the existing and aspirational cultures at GrainCorp.

Extensive external research was undertaken to fully understand the recognised tenets of high performing and highly engaged cultures and how these can be aligned to the employee view, to create relevant values that have resonance and applicability at both an enterprise and individual level.

As a result, GrainCorp's new values are:

- We Care.
- We Deliver.
- We Do What's Right.
- We Stay Safe.

The values have received strong employee advocacy, with the consistent feedback being they are memorable, simple, and free of ambiguity. This was certainly brought to life in the #ValuesChamp drive upon launch, where employees were encouraged to recognise each other for demonstrating the values in action, which garnered strong participation.



Reconciliation

As a company with ties to the land, we recognise the role we play in building awareness and advancing reconciliation.

Reconciliation Australia's Reconciliation Action Plan (RAP) Framework provides organisations with a structured approach to addressing Indigenous disadvantage. The RAP network includes more than 2,700 organisations and is having a tangible positive impact on the economic, employment and education opportunities for Indigenous Australians, while building cultural respect and awareness more broadly.

We have received conditional endorsement from Reconciliation Australia for our Innovate level RAP and we are in the process of receiving full endorsement. An Innovate level RAP commitment allows an organisation to gain a deeper understanding of their sphere of influence and establish the best approach to advance reconciliation. We have already commenced activity on the stated actions of the RAP, including establishing a close partnership with The GO Foundation, engaging with Aboriginal employees, and commencing cultural awareness training through our Learning Management System.

People continued

Attraction, retention, and engagement

Our approach to leadership, inclusion, diversity, learning, and development are foundational to creating an attractive work environment and an engaged workforce.

Culture is recognised as the shared values, beliefs, and behaviours of a company's employees. Ensuring appropriate and effective values are in place is key to shaping a culture we can all be proud of. In FY23, we introduced refreshed values to better reflect our current working environment.

We Care.

We Deliver.

We Do What's Right.

We Stay Safe.

A part of your everyday life

We have a shared passion for creating a working environment where you can thrive and where your work and life needs are met. That's why we offer an employment experience that goes beyond the pay packet by focusing on the following areas:

Flexible working

- Annual leave + purchase more leave if you need!
- 14 weeks paid parental leave for all employees who want to take the time as the primary carer.
- Hybrid work options for office-based workers (two days working away from the office in all locations).

Professional & career development

- Study assistance and leave Professional memberships and subscriptions.
- Graduate pathways, internships and scholarships.
- Secondment opportunities.
- Leadership training programs: Women in Leadership, McKinsey Young Leaders and Exec Online.
- Professional coaching support offered through CoachHub.

Personal wellbeing

- ME! Leave (Birthday Leave).
- Various health and wellbeing initiatives through the Fit4Life program.
- Employee Assistance Program.
- First aid and mental health first aid training.
- Community Leave and community initiatives.
- Annual flu vaccinations.
- Safety training and programs.
- Return to Work and Occupational Rehabilitation.

Financial wellbeing

- Salary Sacrifice superannuation.
- Salary Sacrifice novated leases.
- Annual Uniform allowance.
- Employee Referral Program ($2000 AUD).
- Employee insurances.
- Discounted vendor products and services.

We are proud of who we are, where we are going and what we can provide for you, your family and your community. Whether you have joined us already or want to work for us, we have something for you.

To find out more visit: www.graincorp.com.au/our-culture/ or email recruitment@graincorp.com.au

People continued

GrainCorp partners with GO Foundation

In July 2023, GrainCorp entered a partnership with the GO Foundation. GO are an Aboriginal-led and governed organisation, providing education scholarships to Aboriginal and Torres Strait Islander students from primary school through to university in Sydney, Adelaide, and Canberra, with 94 per cent of scholarships awarded to students in public schools.

As a proud partner, GrainCorp will provide direct financial assistance, opportunities, and experiences for students, while also sharing the value of cultural awareness and extending this awareness to our own employees.

We were delighted to have GO Foundation CEO, Charlene Davison, join GrainCorp's Senior Leaders Conference in August, where she shared the Foundation's aspirations and what they look for in a partnership.

"We're grateful firstly to be partnering with GrainCorp and thank you for your support. GrainCorp will be supporting the full program, as a company on a reconciliation journey but who understands the holistic program we deliver. Supporting a connection to culture, access to opportunities as well as financial support. You're not only investing in the foundation, but you're also investing in the young people that we are supporting," Charlene said.

Photo of Uncle Matt appears with kind permission of The GO Foundation.

1,806

(70%) of employees, participated in our annual employee survey

ME! Leave

is an additional day of paid leave for all permanent employees to celebrate their birthday, or simply being 'ME'!

Engagement and employee advocacy

Our annual employee survey informs us of the level of advocacy within our team and how we can further support the capability of our employees to reach their goals. In FY23, a record 1,806 (70 per cent*) employees participated, with results showing that 85 per cent of those respondents felt satisfied working at GrainCorp. Scores were largely consistent across regions and teams.

The results highlight GrainCorp's strong sense of team and the value our people place on flexibility, learning new skills, collaboration, mateship, and the overall working environment.

An action plan focusing on areas for further improvement includes targeted activity to enhance leader impact, communication, collaboration across teams and providing more opportunities for personal and professional development and career growth.

The GrainCorp Promise brings to life the advantages of working at GrainCorp, recognising that different employees value different aspects of their working environment. These additional factors reflect what our employees have told us they value but also appeal to prospective employees. As a result of our 2022 survey, in March we introduced ME! Leave. ME! Leave is an additional day of paid leave for all permanent employees, to be taken in the month of their birthday, and has been universally welcomed. We will continue to look for opportunities to further enhance our promise to our team.

What We'll Do Next

FY24 priority actions

- Relaunch iDAP 2.0 and deliver committed actions.
- Complete disability accessibility review at six identified GrainCorp sites with the Australian Network on Disability.
- Continue execution of Innovate RAP actions (post endorsement from Reconciliation Australia).
- Continue to meet or exceed specified gender targets.

* Employee survey was open to casuals, contractors and permanent employees who were listed as employed in our Human Resources Information System on 17th May 2023.

Community

Our Approach

GrainCorp's success as a business relies on thriving and vibrant rural and regional communities.

We seek to contribute to the social connection of these communities by investing in the local infrastructure and community initiatives that bring people together.

GrainCorp works with community organisations to understand how best to support their needs and directs funding support to the programs and initiatives that have the greatest impact.

In FY23, the GrainCorp Community Foundation (GCF) played a pivotal role in supporting over 15,000 community members. This funding was channelled into various areas, including community improvements, sport and recreation, health and safety, education, disaster relief, diversity and inclusion, and sustainability.

>15,000
Community members supported

GrainCorp Community Foundation

The GrainCorp Community Foundation directs support guided by three pillars and through three major programs:

1 Infrastructure & Capability

Initiatives that provide long-lasting benefits for community members, such as local infrastructure projects, sports facility upgrades and volunteering opportunities.

2 Community Connectedness

Programs that drive community participation and achieve connectedness, development and growth, such as tourism initiatives, sport and recreation group participation and community events.

3 Peace of Mind

Projects that contributes to the health and safety of communities and promote a sense of care and security, such as mental health and wellbeing programs, education and development opportunities and sustainability.

>140*
Community groups supported in FY23 across GrainCorp's operating regions

96*
Sponsorships

48*
Grants

* FY23 data points indicated by an asterisk (*) are subject to assurance from KPMG. See KPMG's limited assurance report on page 87.

Community continued

Katamatite joins the iconic Australian Silo Art Trail

The small regional town of Katamatite in north-east VIC is the 16th project to join the GrainCorp silo art program, earning its place on Australia's now iconic silo art trail.

The Katamatite Lions Silo Art Working Group has been the driving force behind the project, with the support of Moira Shire Council.

"The town has seen a decline in tourism in recent years, with a number of small businesses closing doors," said Julie Ballard, Chair of the group.

"However, the town's greatest strength is its resilience and, after more than five years of planning and fundraising, we have finally seen this project come alive.

"Our vision is for the mural to breathe a bit of life back into local businesses and give as much joy to locals as it does to tourists and passers-by," she added.

The silos at Katamatite were built in 1943, and local artist Timothy Bowtell's mural depicts the pioneering history, indigenous cultural significance, and the natural beauty of the nearby Broken-Boosey State Park.

Tim, who also painted the nearby GrainCorp silos in St James, said he understands how significant the project is for the local community.

"I really enjoy working on these large-scale public works – they challenge me, but more importantly, they help put towns like Katamatite back on the tourism map," said Tim.

Lonnie O'Dwyer, Senior Economic Development Officer at Moira Shire Council, says the north-east Art Trail is one of the region's top attractions and there has been much anticipation about Katamatite joining the trail. The mural at Katamatite joins the family of other GrainCorp silos painted across QLD, NSW, and VIC.

Artist Tim Bowtell applying the finishing touches to the GrainCorp silos at Katamatite, Victoria.

The newly painted GrainCorp silos at Walpeup, in Victoria.

The silos at Quirindi, in NSW, feature both a mural and innovative light show. It was opened in January 2023.

Community continued

Silo Art

Australian towns are renowned for loving 'big things', with many towns highlighting their local industry, history or natural beauty through large outdoor sculptures and murals.

Since 2015, GrainCorp has provided closed silos as 'canvases' for communities to attract tourism and showcase their local creativity and identity.

The large and impactful silo artworks, created by renowned artists and designed in collaboration with community groups, have provided an economic and social boost for rural communities and often encourage visitors and tourists to visit the town.

The popularity of the projects continues to grow and GrainCorp's 17 silo artworks form part of the Australian Silo Art Trail.

For more information, see our silo art web page here.

What We've Been Doing

FY23 priority actions		Read more
Identify opportunities to enhance the GrainCorp Community Foundation through a Community Feedback Survey	✓	GrainCorp Community Foundation
Continue to support GrainCorp's first Nuffield Scholar with her research	✓	GrainCorp's Nuffield Scholars hone in on Market Access, AI and Sustainability
Expand the Australian Silo Art Trail in Quirindi (NSW), Serviceton (VIC), Walpeup (VIC) and elsewhere, supporting each community with publicity and engagement	✓	Silo art (see opposite)
Establish high level community consultation framework and support for business areas that engage with the broader community	◐	Community engagement and consultation
Establish ESG focused corporate partnerships to benefit communities in regional Australia	✓	Corporate partnerships

✓ Achieved ◐ Partially achieved → Ongoing

GrainCorp's silo artwork at Sheep Hills, Victoria.

The GrainCorp silos at Thallon, Queensland.

Community continued

Community Leave: Swapping spreadsheets for strawberries

In a bid to make a meaningful impact on their local community, GrainCorp's Financial Control team traded in their spreadsheets for strawberries to help at Pocket City Farms – and learn about a different type of crop.

Pocket City Farms, a charitable organisation in Camperdown, Sydney, aims to educate communities on critical issues like food security, climate change and ways to improve the natural environment.

This volunteering experience provided the GrainCorp team with a unique opportunity to increase their understanding of sustainable agriculture, while supporting a cause they cared deeply about.

They were instructed in the principles of regenerative agriculture, including the practices of crop rotation, nutrient management and weed control – all vital aspects of sustainable farming.

"Learning about the importance of biodiversity in creating and maintaining sustainable farming operations was a key takeaway for me," said Simon Vranas, Financial Accounting Manager.

The team rolled up their sleeves, engaging in composting, dividing, and re-planting strawberry beds, destined for community produce boxes. They also honed their propagation skills, each taking home a plant they propagated on the farm that day.

Simon added: "Contributing to the community as a team is a fulfilling experience, connecting with the community and each other, and focusing on our growth and development. We'll definitely do it again next year."

GrainCorp actively encourages employees to engage in individual or team volunteering activities that are aligned with supporting local communities and broader sustainability initiatives.

Volunteering

GrainCorp employees are entitled to Community Leave during regular working hours to engage in activities where they can make a positive difference in their communities. We seek to work with organisations that align with the objectives of our broader sustainability strategy and support our people in contributing to the causes that are important to them and their community.

Community Fund

- Our Community Sponsorship program provides financial support to regional sporting clubs and community events every year, to promote social inclusion and positive health outcomes for our employees, customers, and broader communities.
- Our Community Grants program provides financial support to organisations or projects helping communities to recover, renew or contribute to development through:
  - Community-related programs and activities that contribute to social wellbeing, education and sustainability.
  - Community infrastructure projects that aim to provide long-lasting benefits for community members, such as facility upgrades, community improvements and health and safety outcomes.

For more information, see our Community Fund web page here.

Community continued

Supporting rural families with Ronald McDonald House Charities

GrainCorp has partnered with Ronald McDonald House Charities (RMHC) to provide a 'home away from home' to seriously ill children and their families in regional and remote areas.

At the heart of this partnership, we have taken on the role of room sponsor at Ronald McDonald Houses in Brisbane, Sydney, Tamworth, Wagga Wagga and Melbourne, ensuring cost-free accommodation for families while their children receive medical treatment at nearby hospitals.

One of the rooms GrainCorp sponsors is at RMHC Wagga Wagga, which assisted over 150 families throughout 2023.

"Families travel from far and wide, from places like Griffith and Hillston in the west to Jerilderie and Leeton in the south," said Kiara Breust, Marketing Manager from RMHC Wagga Wagga. "Many of these families include mothers with high-risk pregnancies or parents with very sick children, so it's important that we can take the stress out of finding accommodation for them."

GrainCorp Community Engagement Manager Kyle Docherty said the partnership underscores our commitment to enriching the lives of the communities where we operate.

"We're pleased to support RMHC's invaluable services for kids and their families doing it tough – especially those enduring hardships in the bush."

GrainCorp employees are encouraged to use their community leave to volunteer at RMHC, as part of our dedication to strengthen our volunteering program and empower employees to create a meaningful impact in their communities.

GrainCorp Community Engagement Manager Kyle Docherty and Corporate Affairs Advisor Sophie Harrison pictured with RMHC Wagga Wagga's Kiara Breust and a family from Naranderra staying at the facility.

Community continued

We are committed to optimising our contribution to local communities through continued long-term investment. Clear internal workflows are in place for our Grants and Sponsorships Committees, both of which include executive-level membership and meet throughout the year to approve funding. We prepare an annual community engagement report, which includes feedback from the communities we support, obtained through an annual survey. This report provides valuable insights into the tangible impacts of the GrainCorp Community Foundation and is presented to the Executive Leadership Team annually. Emergency aid relief is approved on a case-by-case basis at the executive level. Moreover, our strategy is reviewed annually to incorporate opportunities identified and consider any changes in the external environment before sign-off and approval at the executive level.

Corporate partnerships

We aim to align our support with our overarching sustainability strategy. In FY23, we established a three-year corporate partnership with the GO Foundation, an organisation dedicated to creating opportunities for Indigenous youth in Australia. The partnership centres around the delivery of a scholarship program that focuses on cultural and educational enrichment. Refer to the People section of this report for more information. We also commenced a partnership with Ronald McDonald House Charities and more information is provided on page 77 of this report.

Community engagement and consultation

GrainCorp teams consult and engage with local communities in various ways on topics including silo art development, sponsorship programs, sustainable agriculture, network operations planning and capital investment. Over the year, we commenced an internal review to develop a holistic view of these engagement mechanisms. This will help us identify any improvement opportunities in our community engagement processes.

What We'll Do Next

FY24 priority actions

- Support GrainCorp's Nuffield Scholar, Katrina Swift, with her research into the use of AI to streamline sustainability data in the supply chain while continuing to support FY23 Scholar Tessa Dimond in completing her research.
- Expand the Australian Silo Art Trail in Serviceton (VIC), Lake Boga (VIC), Forest Hill (QLD), and elsewhere, supporting each community with project management, publicity, and engagement.
- More than 1,000 community leave hours contributed through GrainCorp's Community Leave Program.

Community continued

Long Drive for Drought

At GrainCorp we believe it is important to contribute to initiatives and support those organisations that assist our regional communities during weather events and other rural crises.

Long Drive for Drought is a fundraising event that provides much needed support to farmers and their communities. The 50-strong convoy of Land Cruisers started in Goondiwindi and spent nine days on the road, visiting 16 towns before wrapping up in Birdsville for the iconic annual race meet.

"Many of the regions we're visiting this year have been drought-declared for more than six years, and some have also experienced flood, fire, and plagues," said Long Drive for Drought Founder, Brent Reeman.

The Long Drive for Drought is an initiative of the Drought Angels, a charity which began in 2014.

"The Long Drive for Drought is more than a fundraising journey, it's a lifeline connecting hearts across our rural communities," said Drought Angels Founder, Natasha Johnston.

Drought Angels have delivered over $500,000 in financial and in-kind support to Aussie farming families during the 2022–2023 financial year alone, and GrainCorp was proud to sponsor the event.

The second day of the trip included a pit stop for lunch in Garah, NSW, where the local GrainCorp team warmly welcomed the convoy.

"It's a great opportunity for GrainCorp to support a charity that gives back to rural communities, particularly in these important areas where we operate," said Jeff Moodie, GrainCorp's Gladstone Port Operations Manager – who took part in the drive.

"I've been looking forward to getting out on the road with fellow 40-series enthusiasts and raising much needed funds for people doing it tough, while supporting small businesses in the towns we visit. It's a humbling experience," he added.

The Long Drive for Drought visited the GrainCorp silos at Yelarbon in Queensland on the way.

Supporting Information

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GrainCorp Port of Mackay, Queensland.

Appendices

Materiality

Our sustainability materiality process helps us report on the issues that matter most to our business and stakeholders.

In FY21, GrainCorp commenced a rolling three-year program, consistent with the AA1000 Standard and GRI 2016, to identify, prioritise and validate our material sustainability topics and deepen our engagement on sustainability topics with internal and external stakeholders. In recognition of the constantly evolving landscape of sustainability, we have enhanced our program in FY23 to reflect the guidance provided in the updated GRI 3: Material Topics 2021 and to validate and refine the sustainability topics and impacts included in our public reporting.

Phase 1: Identify actual and potential impacts

In FY23 we identified a long list of more than 150 sustainability impacts relevant to GrainCorp by researching emerging sustainability trends, macro forces, competitor sustainability priorities and global reporting standards[1]. This resulted in a refreshed list of sustainability impacts that are directly relevant to GrainCorp across our value chain and reflect both the actual and potential impact of GrainCorp's operations on the external environment and the actual or potential impact of changes in the external environment on GrainCorp's business objectives. Our long list includes new impacts, reflecting recent changes to the sustainability landscape such as the increased focus on nature-related and social topics from some stakeholder groups.

Phase 2: Issue prioritisation

The longer list of impacts was grouped into 23 broad topics. Workplace health and safety and corporate governance are included as an integral part of our broader reporting agenda as a responsible business and were therefore excluded from this particular exercise.

We tested the importance of remaining topics based on the topic's severity and likelihood through two lenses:

1. Importance to our external stakeholders: Assessed using stakeholder feedback collected through formal and informal channels including feedback from targeted stakeholder engagement (such as grower focus groups) and feedback based on day-to-day stakeholder engagement and provided by the responsible function for that stakeholder group.
2. Importance to our internal stakeholders: Assessed with members of GrainCorp's Sustainability Management Committee who were asked to independently assign a ranking to each topic.

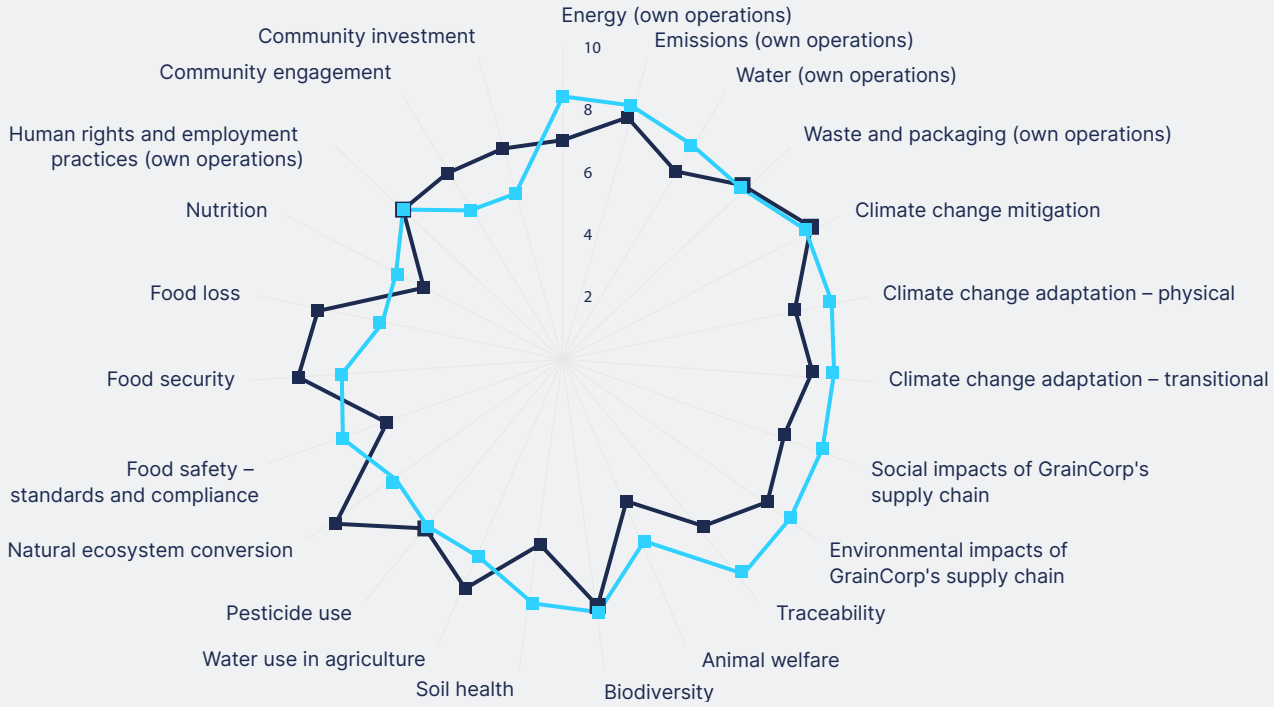
The results were plotted (refer figure 1) and discussed at the Sustainability Management Committee in August 2023. The results were tested and discussed with key external information users in September 2023.

1. GRI Food and Agriculture, Taskforce for Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) Standards, Taskforce for Nature-related Financial Disclosures (TNFD), World Benchmarking Alliance (WBA) Food and Agriculture Benchmark, WBA Nature Benchmark, United Nations Global Compact (UNGC), SEDEX Sedex Members Ethical Trade Audits (SMETA).

Appendices continued

Figure 1

This process confirmed that topics already included as part of our sustainability work plan and reporting are of priority. It also confirmed the need for an increased focus on topics of biodiversity, ecosystem conversion, soil health and pesticide use. This has been reflected in the establishment of a new working group focused on the area of sustainable agriculture and nature.



Stakeholder Engagement

An important part of our materiality process involves understanding and responding to the evolving expectations and concerns of stakeholders.

We seek to maintain an open dialogue with a broad range of stakeholders. We use these interactions to understand and build alignment on the issues that impact our ability to create long-term value for stakeholders. In FY23 we established a mechanism to allow for more robust monitoring of, and responding to, the sustainability topics raised by stakeholders. Key relationship management personnel from around our business submit a quarterly report to the Sustainability Team that documents the sustainability topics raised by their stakeholder group and allows for the identification of key risks and opportunities. Relevant information from this report is discussed at the monthly meetings of the Sustainability Management Committee and the Board Sustainability Committee as appropriate.

Appendices continued

Stakeholder Group	How we engage	Key sustainability-related topics of interest	How we respond
Growers	Ongoing provision of information on changing grain standards for the export market, grain trade information, on-farm storage education, evolving end-customer preferences, and sustainable agriculture through: • CropConnect digital platform. • Grower newsletter. • Grower/end-customer dinner. • Grower focus groups. • Field days. • Surveys. • Social media.	Sustainable agriculture practices and innovation including mechanisms for measurement Changing market regulation	Support for grower participation in sustainable agriculture pilot projects Incorporation of sustainability topics into grower dinners, newsletters and focus groups Incorporation of sustainability focused questions into grower surveys to ensure continuous feedback
Customers	Ongoing reviews of customer requirements satisfaction, feedback, and complaints through: • Ongoing dialogue with relationship manager. • Customer meetings, briefings and workshop. • Collaborating with customers to meet evolving requirements. • Risk assessments and Supplier Code of Conduct. • Customer survey. • Audits.	Regenerative agriculture Sustainable packaging solutions Food loss/waste Climate targets Improved nutritional profile of ingredients Traceability Biofuels Responsible sourcing	Partnering growers with customers to support regenerative agriculture practices Collaborating to improve the sustainability profile of packaging and ingredients Sustainability focused webinars Commitment to SBTi Animal Nutrition Maintaining certifications SEDEX membership Responding to Self-Assessment Questionnaires

Appendices continued

Stakeholder Group	How we engage	Key sustainability-related topics of interest	How we respond
Suppliers	Ongoing discussions related to commercials, standards and issues through: • Supplier meetings, briefing and workshops. • Supplier risk assessment. • Whistleblower hotline. • Innovation programs. • Supplier Code of Conduct.	Evolving sustainability requirements of GrainCorp	Developing an updated Supplier Code of Conduct No-Deforestation Commitment Commitment to working with suppliers to support due diligence requirements
Employees	Ongoing reviews of employee engagement and feedback, culture, strategy and priorities through: • Employee surveys. • Company-wide monthly corporate, operational and commercial calls. • Weekly Managing Director and CEO communications. • Group digital and social platforms including Microsoft Teams and Workplace by Facebook. • Weekly newsletter. • Employee events, conferences, and Town Halls. • Dedicated internal communications contact. • Whistleblower hotline.	Education on sustainability topics GrainCorp's progress in sustainability	Our internal stakeholder engagement program has been designed to meet the needs of our employees and is focused on: • Building awareness around GrainCorp's sustainability function and strategy. • Promoting understanding sustainability as a fundamental part of business, strategy, and growth. • Informing and educating about GrainCorp's ongoing sustainability commitments and targets. Channelling the strong interest that GrainCorp employees have in sustainability to foster a sustainability mindset and encourage action. • Encouraging feedback for continuous improvement. A section of GrainCorp's intranet dedicated to the provision of sustainability resources and updates.
Media	Ongoing discussions related to topics of interest through: • Phone calls, meetings, and emails. • Dedicated media contact. • Briefings and media releases. • Digital and social channels.	Carbon impact of supply chain optimisation	Investment in rail infrastructure

Appendices continued

Stakeholder Group	How we engage	Key sustainability-related topics of interest	How we respond
Investment Community	Ongoing discussions regarding performance and performance-related matters through: • Financial and non-financial reporting. • Dedicated investor relations contact. • Briefings. • Meetings. • Investor Day. • Conferences. • Annual General Meeting. • Surveys.	Taskforce on Climate-related Financial Disclosures (TCFD) Climate targets and Scope 3 emissions Deforestation commitment Green revenues Traceability	TCFD disclosures SBTi commitment No-Deforestation commitment
Non-government Organisations and Industry	Ongoing discussions related to industry matters including education, diversity, and other topics of interest through: • Industry memberships. • Participation in a range of advisory panels, events, and forums. • Ongoing meetings with partner organisations.	Measurement and reduction of Agricultural emissions Circular economy Biodiversity and natural capital Regenerative agriculture	Identifying and engaging with industry forums that will enable industry-wide progress in reducing agricultural emissions through initiatives including: • SAI Platform. • Australian Grains Sustainability Framework. • Targeted industry conferences and events. Collaborating with CSIRO to increase the value of by products
Government and Regulators	Ongoing discussions related to the agriculture and processing industries through: • Meetings. • Compliance reporting. • Audits. • Participation in forums.	Agricultural emissions Supply chain resilience Rail investment efficiency Nature and biodiversity	Proactive briefings to Ministerial offices and departments in Agriculture and Emergency Management, Climate Change, Energy, Environment, and Water on the role GrainCorp plays in the roadmap to sustainable food and feed systems, and net zero emissions Participating in focus groups as part of the Australian Agriculture Sustainability Framework Investing in large-scale dairy and beef grazing trials of low emission feed supplements, supported by Government
Service Providers and Specialist Academics	Ongoing discussion related to a variety of topics of interest and research partnerships through: • Presentations and speaking events. • Education sessions. • Interviews with a variety of sustainability specialists.	Sustainable agriculture Modern slavery Climate disclosure frameworks Global sustainability reporting landscape	Identifying, establishing and/or enhancing relationships with additional external experts in specific sustainability areas including: • Human rights for business. • Climate change and its impacts. • Regenerative agriculture. • Biodiversity.

Industry associations

We proactively engage with relevant industry associations and hold active memberships to those listed below.

Industry body
Australian Human Resources Institute
Australian Lot Feeders Association
Australian Network on Disability
Australian Renderers Association
Bakery Associations (NZ)
Restaurant Association (NZ)
Infant Nutrition Council (NZ)
Infant Nutrition Council (AU)
Baking Association of Australia
Australian investor Relations Association (AIRA)
Diversity Council of Australia
Diversity Works (New Zealand)
National Association of Women in Operations (AU)
Women on Boards (AU)
Australian Association of Graduate Employers
Australian Association of Ruminant Nutrition
Australian Oilseeds Federation

Industry body
Grain Transport Safety Network (AU)
Grain Trade Australia
Stock Feed Manufacturers Council of Australia
Sustainable Agriculture Initiative
Sustainable Grain Australia
Victorian Farmers Federation (AU)
Vic No Till Regenerative Farming
The Grain and Feed Trade Association
The Federation of Oils, Seeds and Fats Associations Ltd (FOSFA)
The Inclusion Circle (AU)
The International Association of Operative Millers
WeQual

KPMG assurance statement

KPMG

Independent Limited Assurance Report to the Directors of GrainCorp Limited

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Information Subject to Assurance, which has been prepared by GrainCorp Limited in accordance with GrainCorp Limited's Basis of Preparation for the 2023 reporting period.

Information Subject to Assurance

The Information Subject to Assurance as included in GrainCorp Limited's Sustainability Report 2023 includes the following Selected Sustainability Information:

- Water, Energy, Trade waste, Loss of containment and Emissions data points (excluding 'Energy use (GJ) by Source FY23') as identified on page 20;
- Food safety data as identified on page 50;
- Safety data as identified on page 57;
- People, Diversity and Inclusion and Employee Engagement data for the year to 30 September 2023 on page 65; and
- Community data as identified on page 73.

Criteria Used as the Basis of Reporting

The Criteria used in relation to the preparation and disclosure of the Selected Sustainability Information are GrainCorp Limited's methodologies and are disclosed in the 2023 Sustainability Report.

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 (Standard). In accordance with the Standard we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the selected sustainability information, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- enquiries with relevant GrainCorp Limited personnel to understand the internal controls, governance structure and reporting process for the Selected Sustainability Information;
- interviews with relevant staff at corporate level and service organisations engaged by GrainCorp Limited responsible for providing data included in the Selected Sustainability Information;

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- analytical procedures over the Selected Sustainability Information;
- agreement of a sample of Selected Sustainability Information to source documentation;
- walkthroughs of the Selected Sustainability Information to source documentation;
- evaluating the appropriateness of the criteria with respect to the Selected Sustainability Information; and
- reviewed the Sustainability Report in its entirety for consistency with our overall knowledge based on the work undertaken during our limited assurance engagement.

How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the intended users taken on the basis of the Selected Sustainability Information within the Sustainability Report.

Use of this Assurance Report

This report has been prepared for the Directors of GrainCorp Limited for the purpose of providing an assurance conclusion on the Selected Sustainability Information within the Sustainability Report and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of GrainCorp Limited, or for any other purpose than that for which it was prepared.

Directors' responsibility

The Directors are responsible for:

- determining that the criteria is appropriate to meet their needs;
- preparing and presenting the Selected Sustainability Information within the Sustainability Report in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation the Selected Sustainability Information within the Sustainability Report that is free from material misstatement, whether due to fraud or error; and maintaining integrity of the website.

KPMG
16 November 2023
Sydney

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Selected Sustainability Information for the 2023 reporting period and to issue an assurance report that includes our conclusion. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our qualified limited assurance conclusion.

Our Independence and Quality Control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

Index

GRI*/SASB/TCFD Indicator	Description	Location
General disclosures		
GRI 2-1	Organisational details	Annual Report 2023
GRI 2-2	Entities included in the organisation's sustainability reporting	About this report
GRI 2-3	Reporting period, frequency and contact point	GrainCorp produces an annual sustainability report. Information in this report generally aligns with financial year: 1 October 2022–30 September 2023. Environment data aligns with the 1 July 2022–30 June 2023 reporting period in line with NGERS requirements. sustainability@graincorp.com.au
GRI 2-4	Restatements of information	Not applicable
GRI 2-5	External assurance	KPMG assurance statement Sustainability governance
GRI 2-6	Activities, value chain and other business relationships	How we operate
GRI 2-7	Employees	People
GRI 2-8	Workers who are not employees	The number of workers who are self-employed, or workers other than employees or supervised workers, including employees and supervised employees of contractors, who perform a substantial amount of work for GrainCorp is not material.
GRI 2-9	Governance structure and composition	Sustainability governance GrainCorp Board of Directors
GRI 2-10	Nomination and selection of the highest governance body	FY23 Corporate Governance Statement
GRI 2-11	Chair of the highest governance body	FY23 Corporate Governance Statement
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability governance Materiality
GRI 2-13	Delegation of responsibility for managing impacts	Sustainability governance
GRI 2-14	Role of the highest governance body in sustainability reporting	Sustainability governance

* GrainCorp has reported the information cited in this GRI content index for the period 1 October 2022–30 September 2023 (unless otherwise stated) with reference to the GRI Standards.

Index continued

GRI*/SASB/TCFD Indicator	Description	Location
GRI 2-15	Conflicts of interest	Conflicts of Interest Policy
GRI 2-16	Communication of critical concerns	FY23 Corporate Governance Statement
GRI 2-17	Collective knowledge of the highest governance body	FY23 Corporate Governance Statement
GRI 2-18	Evaluation of the performance of the highest governance body	FY23 Corporate Governance Statement
GRI 2-19	Remuneration policies	FY23 Annual Report
GRI 2-20	Process to determine remuneration	Remuneration and Nominations Committee Charter FY23 Annual Report FY23 Corporate Governance Statement
GRI 2-21	Annual total compensation ratio	FY23 Annual Report
GRI 2-22	Statement on sustainable development strategy	Message from the Chair of the Board Sustainability Committee Message from the Managing Director and CEO
GRI 2-23	Policy commitments	Refer to all GrainCorp Policies, Position Statements and Codes of Conduct
GRI 2-24	Embedding policy commitments	Refer to all GrainCorp Policies, Position Statements and Codes of Conduct
GRI 2-25	Processes to remediate negative impacts	Whistleblower Policy GrainCorp has formal internal Grievance Management and Resolution Guidelines that are available to all employees. Human Rights
GRI 2-26	Mechanisms for seeking advice and raising concerns	Code of Conduct Whistleblower Policy
GRI 2-27	Compliance with laws and regulations	Environmental impact of our operations
GRI 2-28	Membership associations	Industry associations
GRI 2-29	Approach to stakeholder engagement	Stakeholder engagement
GRI 2-30	Collective bargaining agreements	At 30 September 2023, 41 per cent of GrainCorp's permanent employees were covered by 12 Enterprise Agreements in Australia and 1 Collective Agreement in New Zealand.

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Index continued

GRI*/SASB/TCFD Indicator	Description	Location
Material Topics		
GRI 3-1	Process to determine material topics	Our approach to sustainability Materiality
GRI 3-2	List of material topics	Our approach to sustainability
GRI 3-3	Management of material topics	This report sets out GrainCorp's management approach to each of the topics listed on page 10.
Our Environment		
Water		
GRI 13.7.1	Interactions with water as a shared resource	Environmental impacts of GrainCorp's operations
GRI 13.7.2	Management of water discharge-related impacts	Environmental impacts of GrainCorp's operations
GRI 13.7.3	Water withdrawal	Environmental impacts of GrainCorp's operations
GRI 13.7.4	Water discharge	Environmental impacts of GrainCorp's operations
SASB FB-AG-140a.1	(1) Total water withdrawn	Environmental impacts of GrainCorp's operations
SASB FB-AG-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks.	Environmental impacts of GrainCorp's operations
SASB FB-AG-140a.3	Number of incidents of non-compliance associated with water quality and/or quality permits, standards and regulations.	There are no incidents of non-compliance to report for FY23.
Waste		
GRI 13.8.1	Management of material topics	Environmental impacts of GrainCorp's operations
GRI 13.8.2	Management of significant waste-related impacts	Environmental impacts of GrainCorp's operations
GRI 13.8.3	Waste generated	Environmental impacts of GrainCorp's operations
GRI 13.8.4	Waste diverted from disposal	Tarpaulin recycling Dust and Damaged Grain
GRI 13.8.5	Waste directed to disposal	Waste

* GrainCorp has reported the information cited in this GRI content index for the period 1 October 2022–30 September 2023 (unless otherwise stated) with reference to the GRI Standards.

Index continued

GRI*/SASB/TCFD Indicator	Description	Location
Energy		
GRI 302-1	Energy consumption within the organisation	Environmental impacts of GrainCorp's operations
GRI 302-3	Energy intensity	Environmental impacts of GrainCorp's operations
GRI 302-4	Reduction of energy consumption	Environmental impacts of GrainCorp's operations
SASB FB-AG-130a.1	(1) Operational energy Consumers, (2) Percentage renewable	Environmental impacts of GrainCorp's operations
Emissions		
GRI 13.1.1	Management of material topics	Environmental impacts of GrainCorp's operations and Climate
GRI 13.1.2	Direct (Scope 1) GHG emissions	Environmental impacts of GrainCorp's operations
GRI 103-3	Energy indirect (Scope 2) GHG emissions	Environmental impacts of GrainCorp's operations
GRI 305-1	Other indirect (Scope 3) GHG emissions	GrainCorp has committed to setting an SBTi target for Scope 3 emissions reduction and more information is included in the Climate section of this report
GRI 305-2	GHG emissions intensity	Environmental impacts of GrainCorp's operations
GRI 305-4	Reduction of GHG emissions	Environmental impacts of GrainCorp's operations
SASB FB-AG-110a.1	Gross Global Scope 1 Emissions	Environmental impacts of GrainCorp's operations
SASAB FB-AG-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets and an analysis of performance against these targets	Environmental impacts of GrainCorp's operations
SASB FB-AG-110a.3	Fleet fuel consumer, percentage renewable	Environmental impacts of GrainCorp's operations
Climate		
GRI 13.2.1	Management of material topics	Climate
GRI 13.2.2	Financial implications and other risks and opportunities due to climate change	Climate
TCFD	TCFD Reporting Recommendations	GrainCorp's approach to reporting against core elements of TCFD's recommended climate-related financial disclosures are discussed in the Sustainability governance and Climate sections of this report.

* GrainCorp has reported the information cited in this GRI content index for the period 1 October 2022–30 September 2023 (unless otherwise stated) with reference to the GRI Standards.

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GRI*/SASB/TCFD Indicator	Description	Location
Sustainable agriculture and nature		
GRI 13.3.1	Management of material topics (Biodiversity)	Sustainable agriculture and nature
GRI 13.3.3	Significant impacts of activities, products and services on biodiversity	Sustainable agriculture and nature
GRI 13.4.1	Management of material topics (Natural ecosystem conversion)	Sustainable agriculture and nature
GRI 13.5.1	Management of material topics (Soil health)	Sustainable agriculture and nature
GRI 13.6.1	Management of material topics (Pesticides Use)	Sustainable agriculture and nature Food safety and consumer confidence
GRI 13.6.2	Volume and intensity of pesticides used by the following toxicity hazard levels: • Extremely hazardous; • Highly hazardous; • Moderately hazardous; • Slightly hazardous; • Unlikely to present an acute hazard.	Environmental license reporting
Our Integrity		
Responsible sourcing		
13.23.1	Management of material topics (Supply chain traceability)	Responsible sourcing and Sustainable agriculture and nature
FB-AG-430a.3	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	Responsible sourcing and Sustainable agriculture and nature

* GrainCorp has reported the information cited in this GRI content index for the period 1 October 2022–30 September 2023 (unless otherwise stated) with reference to the GRI Standards.

Index continued

GRI*/SASB/TCFD Indicator	Description	Location
Food safety and consumer confidence		
GRI 13.9.1	Management of material topics (Food security)	Food safety and consumer confidence
GRI 13.10.1	Management of material topics (Food safety)	Food safety and consumer confidence
GRI 13.10.3	Incidents of non-compliance concerning the health and safety impacts of products and services	Food safety and consumer confidence
FB-AG250a.1	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate & (2) Associated corrective action rate for a) major and b) minor non-conformances	Food safety and consumer confidence
FB-AG250a.2	Percentage of agricultural products sourced from suppliers certified to a Global Food Safety Initiative (GFSI) recognised food safety certification program	Food safety and consumer confidence
FB-AG250a.3	(1) Number of recalls issued and (2) total amount of food product recalled	Food safety and consumer confidence
Human rights and corporate governance		
GRI 13.16.1	Management of material topics (Forced or compulsory labour)	Modern Slavery Statement Human rights and corporate governance Human Rights Position Statement
GRI 13.16.2	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Modern Slavery Statement
GRI 13.17.1	Management of material topics (Child labour)	Modern Slavery Statement Human Rights Position Statement
GRI 13.18.1	Management of material topics (Freedom of association and collective bargaining)	Modern Slavery Statement Human Rights Position Statement
GRI 13.24.1	Management of material topics (Public policy)	Anti-bribery and Corruption Policy

* GrainCorp has reported the information cited in this GRI content index for the period 1 October 2022–30 September 2023 (unless otherwise stated) with reference to the GRI Standards.

Index continued

GRI*/SASB/TCFD Indicator	Description	Location
GRI 13.25.1	Management of material topics (Anti-competitive behaviour)	Anti-bribery and Corruption Policy Conflicts of Interest Policy
GRI 13.26.1	Management of material topics (Anti-corruption)	Anti-bribery and Corruption Policy Conflicts of Interest Policy
Our People		
Workplace health and safety		
GRI 13.19.1	Management of material topics	Workplace health and safety
GRI 13.19.2	Occupational health and safety management system	Workplace health and safety
GRI 13.19.3	Hazard identification, risk assessment, and incident investigation	Workplace health and safety
GRI 13.19.4	Occupational health services	Workplace health and safety
GRI 13.19.5	Worker participation, consultation, and communication on occupational health and safety	Workplace health and safety
GRI 13.19.6	Worker training on occupational health and safety	Workplace health and safety
GRI 13.19.7	Promotion of worker health	Workplace health and safety
GRI 13.19.8	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Workplace health and safety
GRI 13.19.9	Workers covered by an occupational health and safety management system	Workplace health and safety
GRI 13.19.10	Work-related injuries	Workplace health and safety
SASB FB-AG-320a.1.	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	Workplace health and safety

* GrainCorp has reported the information cited in this GRI content index for the period 1 October 2022–30 September 2023 (unless otherwise stated) with reference to the GRI Standards.

Index continued

GRI*/SASB/TCFD Indicator	Description	Location
People		
GRI 13.15.1	Management of material topics (Non-discrimination and equal opportunity)	People
GRI 13.15.2	Diversity of governance bodies and employees	People
GRI 13.15.3	Ratio of basic salary and remuneration of women to men	People
Community		
GRI 13.12.1	Management of material topics	Community
GRI 13.12.2	Operations with local community engagement, impact assessments, and development programs	Community

* GrainCorp has reported the information cited in this GRI content index for the period 1 October 2022–30 September 2023 (unless otherwise stated) with reference to the GRI Standards.

Glossary

Acronym	Meaning
AgTech	Agricultural Technology
BCA	Business Council of Australia
BSC	Board Sustainability Committee
CARM	Culturally and Racially Marginalised
CCAO	Chief Corporate Affairs Officer
CEO	Chief Executive Officer
CIFR	Critical Injury Frequency Rate
CRR	Critical Risk Review
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DCA	Diversity Council of Australia
DDG	Dust and Damaged Grain
ECA	East Coast Australia
EnMS	Energy Management System
EnPI	Energy Performance Indicator
ESG	Environment, Social and Governance
EPA	Environment Protection Authority
FLAG	Forest, Land and Agriculture
FY	Financial Year
GCF	GrainCorp Community Fund
GHG	Greenhouse Gas
GRDC	Grains Research and Development Corporation
GRI	Global Reporting Initiative
GTA	Grain Trade Association

Acronym	Meaning
iDAP	Inclusion and Diversity Action Plan
IPMS	Integrated Pest Management System
ISSB	International Sustainability Standards Board
ISCC-EU	International Sustainability and Carbon Certification – European Union
KL	Kilolitres
LGBTIQ+	Lesbian, gay, bisexual, transgender, intersex, queer
LTIFR	Lost Time Injury Frequency Rate
NAIDOC	National Aborigines and Islanders Day Observance Committee
NAWO	National Association of Women in Operations
NSW	New South Wales
QLD	Queensland
RAP	Reconciliation Action Plan
RIFR	Recordable Injury Frequency Rate
SAI	Sustainable Agriculture Initiative
SBTi	Science Based Target initiative
SHE	Safety, Health and Environment
SHEC	Safety, Health and Environment Committee
SMC	Sustainability Management Committee
TCFD	Taskforce on Climate-related Financial Disclosures
UNSDG/SDG	United Nations Sustainable Development Goal
VIC	Victoria
WGEA	Workplace Gender Equality Association

Corporate Directory

Board of Directors

Peter I Richards
(Chairman)

Robert J Spurway
(Managing Director and CEO)

Nicki E Anderson
(Non-executive Director)

Kathy M Grigg
(Non-executive Director)

Daniel J Mangelsdorf
(Non-executive Director)

Clive Stiff
(Non-executive Director)

Company Secretary

Stephanie Belton
Annerly Squires

Registered Office

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AUSTRALIA

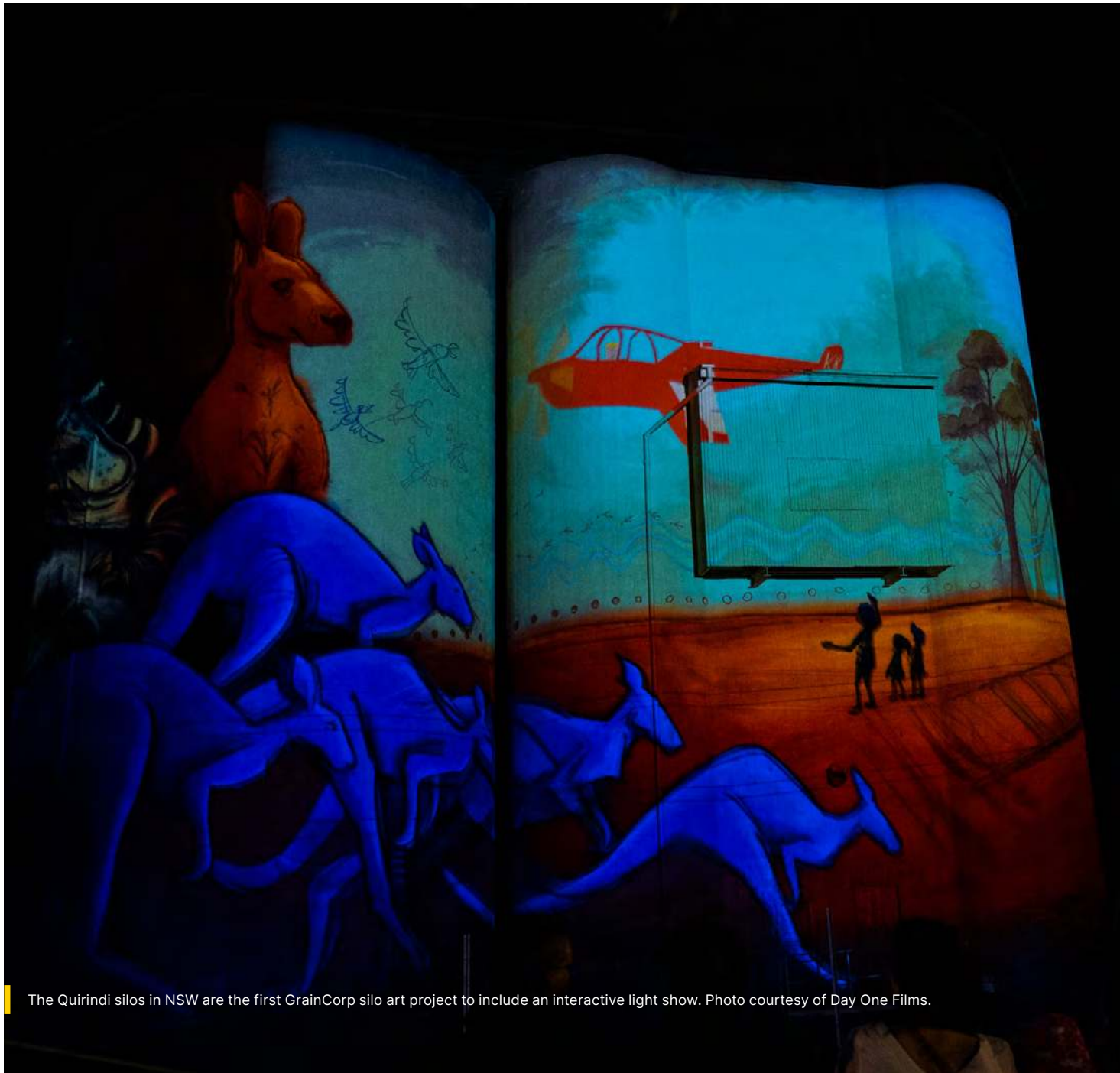
Tel: + 61 2 9325 9100
Fax: + 61 2 9325 9180

Company website
www.graincorp.com.au

Share Registry

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Tel: +61 2 8280 7111



The Quirindi silos in NSW are the first GrainCorp silo art project to include an interactive light show. Photo courtesy of Day One Films.