

AUSTRALIAN COTTON SUSTAINABILITY REPORT 2024



2023/2024 SUSTAINABILITY SNAPSHOT

This snapshot provides a summary of the Australian cotton industry's sustainability progress for the 12 months to 30 June 2024 across its most important PLANET (environment), PEOPLE (social) and PADDOCK (economic) topics.



THE FULL 2023/24 SUSTAINABILITY REPORT AND ADDITIONAL DETAILED INFORMATION IN AN ONLINE DATA PACK IS AVAILABLE HERE



Annual performance and trends.

In farming systems, seasonal variations can make a single year look much better or worse than average. As a result, in the body of this report, data is reported for multiple indicators to show change over one year, and change over longer periods to give a truer indication of what is happening. The snapshot below summarises 2023/24 annual change and longer-term trends:

- + Clear positive annual change; clear positive trend over the previous five years
- No significant change; generally flat trend
- x Clear negative annual change; clear negative trend over the previous five years.

| | SDG Alignment | Targeted Outcomes | Five-year trend | 2024 | KEY 2024 TAKEOUT | |
|----------------|-------------------------|---|---|--|---|--|
| PLANET | Water | Increase water use efficiency, within sustainable river and ground system limits | - | - | Water use efficiency improved slightly. About 50 per cent less water is used to grow a bale of cotton compared to 1997 in most seasons. In very wet or dry seasons, water efficiency is lower. | |
| | Soil | Sustained cotton productivity growth by improving soil health | - | No annual data | Regenerative soil health practices are commonly used by growers. The cotton industry is collaborating with other sectors on a consistent way to measure soil health. | |
| | Biodiversity | Native vegetation management on cotton farms contributes to regional priorities | - | - | Around four per cent of the area of an average cotton farm is actively managed for conservation. A collaborative project to manage and measure native vegetation on cotton farms continued to progress. | |
| | Greenhouse gases | Contribute to the Paris Agreement's aim of a climate neutral world | - | - | Defining a credible long-term emission reduction path is a current priority. On average 55 per cent of greenhouse gas (GHG) emissions come from fossil fuels in fertiliser manufacturing and farm machinery, and 40 per cent come from on-farm nitrogen use. | |
| | Pesticides | Support optimal crop production while having no negative impact on human & environmental health | + Bees x Algae | + x | The hazard to bees (from insecticides) and algae (from herbicides) reduced by 91 per cent and 52 per cent respectively since 2004. However, successive wet seasons and harder-to-control weeds have increased herbicide use in recent years. | |
| | PEOPLE | Workplace | Keep farmers & core employees Attract casuals & contractors Keep everyone safe & skilled | No trend data No trend data No trend data | | New, insightful indicators are being worked on. Our revamped sustainability data framework has made our workplace dependencies and impacts clearer and sharpened our thinking on how to measure them. Data will be reported from next year. |
| PADDOCK | | Productivity | Increase yield within sustainable environmental boundaries | + Irrigated + Dryland | - - | 4.8 million bales picked, 78 per cent more than the long-term (35 year) average. The yield gap between irrigated and dryland cotton shows the importance of sustainable withdrawal of water to deliver sustainable intensification. |
| | | Economic contribution | Resilient farms able to invest in their business & community | + | - | \$3.1 billion gross value of production in 2024. On average, 67 per cent of gross irrigated cotton revenues flow back into the economy. |

THE AUSTRALIAN COTTON INDUSTRY...



Up to **1,500 farms**, depending on seasonal conditions.



Direct employment on farms and gins of **7,222 people**.

A collaborative industry structure:



Policy & advocacy



Research & development



Extension of research to growers



Adoption of best practice by growers

PRODUCES COTTON LINT AND SEED...



\$3.1 billion gross value of production in 2024.



Long term trend of **2.4 times more cotton from 1.7 times more land** over the past 30 years (based on five-year averages).

Australian cotton production (million bales)



WITHIN A COMPLEX OPERATING ENVIRONMENT.

INSIDE OUR CONTROL

- Policies & strategic direction
- Efficient resource use
- Use of innovation & technology
- Quality of Australian cotton.

OUTSIDE OUR CONTROL

- Seasonal and climatic changes
- Macroeconomic conditions
- Tariffs & other trade barriers
- Domestic legislation.

COMPETITIVE ADVANTAGES

- **High quality** cotton fibre with a track record of quality improvements over time
- **myBMP** certification program & **PLANET. PEOPLE. PADDOCK.** Sustainability Framework
- **Natural and biodegradable** fibre.

PLANET. PEOPLE. PADDOCK. COORDINATES A WHOLE-OF-INDUSTRY APPROACH TO...

AUSTRALIAN COTTON SUSTAINABILITY FRAMEWORK PLANET. PEOPLE. PADDOCK.

IDENTIFY NON-FINANCIAL RISKS & OPPORTUNITIES...



Water



Greenhouse gas emissions



Native vegetation



Pesticides



Soil Health



Workplace



Productivity



Economic contribution

AND APPLY STRATEGIES TO MANAGE THEM.

PLANET. PEOPLE. PADDOCK. is the Australian cotton industry's sustainability framework. It guides work to identify the environmental, social and economic topics assessed as being most important to industry and its stakeholders; coordinate a whole-of-industry strategy to manage these topics, and; engage with stakeholders on actions and progress.

PLANET. PEOPLE. PADDOCK. is not a compulsory standard or a brand. It provides a path for the entire industry to benefit from improving sustainability performance.

PLANET. PEOPLE. PADDOCK. is delivered by a Sustainability Working Group comprised of industry representatives from Cotton Australia, Cotton Research and Development Corporation, CottonInfo, myBMP and the Australian Cotton Shippers Association.



AUSTRALIAN COTTON SUSTAINABILITY FRAMEWORK PLANET. PEOPLE. PADDOCK.



scan to visit the Sustainability Hub

