

Sustainability Impact Report FY25



**Norco**

Celebrating  
**130** YEARS

Our Planet

Our People

Our Product





### **Interactive content**

Some diagrams in this report have hidden or animated features that are activated by interacting with them. Roll over or tap diagrams on pages where you see this icon.

# Introduction



# About this report

**Norco Co-operative Pty Ltd is Australia's oldest and largest dairy co-operative, committed to sustainable farming practices for many generations to come.**

This commitment is more than a statement, it is a promise to build a brighter, better future. As part of our commitment to making a positive social and environmental impact on our planet and communities, we proudly present our FY25 Sustainability Impact Report, which covers our activities from July 1st, 2024, to June 30th, 2025.

We believe that building long-term, trusted and transparent relationships with our key stakeholders including farmers, customers, financial institutions, communities, government, and regulators, means proactively delivering sustainable outcomes and responding to the real challenges of climate change. In support of this goal, we have voluntarily produced Norco Sustainability Impact Report.

**Our sustainability strategy aligns with the Australian Dairy Sustainability Framework and Norco also supports the United Nations Sustainable Development Goals (UNSDGs).**



# Message from our CEO



As Chief Executive Officer of Norco, I'm proud to present our FY25 Sustainability Impact Report (1 July 2024 – 30 June 2025). This report outlines the progress we've made across our key strategic pillars - **Our Planet**, **Our People** and **Our Product** - and the work still ahead to build long-term value for our farmer-members and communities.

As a proudly 100% farmer-owned co-operative, and guided by our values of Authenticity, Connection, Diversity and Agility, we remain committed to transparent reporting, meaningful engagement with our Members and communities, inclusive decision making and agile responses to changing conditions. This voluntary report shows how we put those values into practice, addressing climate impact and resource efficiency while supporting Member livelihoods and regional resilience.

This year, we achieved a 39% reduction in Dairyfoods carbon intensity and a 32% reduction in absolute carbon emissions. We implemented ISO 50001 energy management across our factories and installed energy metering to provide visibility on our equipment energy consumption. Our milk factories continued to improve, achieving a 5% gain in energy efficiency. We also advanced sustainable packaging by increasing use of

recycled and recyclable materials to create products that provide greater long-term value.

People remain at the centre of everything we do at Norco. With this unwavering purpose, we maintained strong, competitive farm-gate prices for our Members, while investing in a range of wellbeing and development initiatives. These include a dedicated Succession Planning Program, the appointment of a Mental Health Support officer for our Members, and the introduction of "Self Days" to help employees rest and recharge throughout the year.

Our efforts were recognised with the Excellence in Sustainability and Business of the Year Awards at the 2024 Business NSW Northern Rivers Awards and with a Business Leadership Award at the Business NSW State Awards. These honours are a testament to the dedication of our farmer Members and our diverse, 800-strong workforce.

FY25 was a milestone year as we celebrated Norco's 130th birthday, a rare achievement among Australian brands, particularly those that remain 100% farmer-owned. Our founding principles of community, resilience and shared success are as relevant today as they were in 1895.

Looking ahead to FY26, we are committed to building on this strong foundation. We will continue advancing sustainability across our planet, people, and product initiatives, by reducing emissions, investing in our people, and launching innovative products that support a circular economy and deliver long-term value to our co-operative and Members.

Thank you to every employee and Member who contributed to this year's results. I look forward to continuing this important journey together.

Be safe,

**Michael Hampson**

A handwritten signature in black ink, appearing to read 'MHP', with a long horizontal flourish extending to the right.

# Sustainability highlights



**Our Planet** We protect and respect the natural environment



**Our People** We support the people in our business and community



**Our Product** We create products which provide long-term value



## Sustainable operation

We set a target of **30% carbon intensity reduction in scope 1 & 2 by FY30, from FY20 baseline.**

We have reduced our carbon intensity by **39%** and absolute carbon emissions by **32%** to date.

We have implemented **ISO 50001** Energy Management System, and continue to improve energy efficiency across our factories.



## Net zero future

We do what is commercially practical to achieve net zero emissions in our supply chain by **FY50**

We have developed a suite of **initiatives to reduce our carbon emissions** and established policies to ensure our strategy aligns with action.

We continue to measure all our **Members' on-farm carbon emissions** and are exploring decarbonisation solutions at the farm level.



## Safe & inclusive culture

We foster a safe culture by targeting **LTIFR of <4** and promote inclusive and wellbeing initiatives.

We achieved a Lost Time Injury Frequency Rate (LTIFR) of **2.49**, surpassing our goal of <4.

Guided by feedback from our Wellbeing Survey, we introduced new **initiatives to strengthen connections** and foster a thriving workplace.



## Co-operative community

We provide competitive farm-gate milk price to our **Members.**

We continue to support Norco Members by offering competitive farm-gate milk prices at **89.71 cpl** and promoting farmer wellbeing through targeted **initiatives that strengthen our co-operative** community and connections.



## Circular packaging

We choose sustainable packaging materials and align our target to **APCO.**

We continued to achieve APCO's highest rating of **Beyond Best Practice** through:

- 100% recycled PET (rPET) milk bottles.
- 100% dairy products with ARL logo.
- 100% recyclable packaging in our milk products.
- The phase-out of problematic and unnecessary single-use plastic in our dairy packaging.



## Product excellence

We commit to deliver product excellence with zero product recalls.

We are proud to maintain zero product recalls, underscoring our commitment to safety and quality assurance.

Our dairy products have been recognised with multiple wins in prestigious tasting competitions.

# Awards and recognition

Norco received four Business NSW Awards across three categories, a testament to our commitment to excellence and sustainable business practices.



## Excellence in Sustainability Award

The Excellence in Sustainability Award recognises a business that has demonstrated its commitment to sustainable business practices and is working to reduce the impact of its operations on the environment.

NORTHERN RIVERS REGIONAL WINNER

**Norco Sustainability**



Michael Hampson, CEO, and Antene Seah, Sustainability Manager, accepting the Excellence in Sustainability Award at the Northern Rivers



## Outstanding Business Leader Award

The Outstanding Business Leader Award recognises an inspirational business leader aged 36 years or over who has demonstrated a commitment to their workplace, industry, and the community through leadership, whilst providing mentorship to others.

NORTHERN RIVERS REGIONAL AND NSW STATE WINNER

**Norco's CEO Michael Hampson**



Michael Hampson, CEO, won the Outstanding Business Leader Award at both the regional and NSW state level.



## Business of the Year Award

This award is awarded to a Business that has been judged to be an outstanding business, that has provided an entry that demonstrates achievements and excellence over and above all other entrants.

NORTHERN RIVERS REGIONAL WINNER

**Norco Co-operative**



Norco team accepting the Business of the Year award at the 2024 Northern Rivers Regional Business Awards.

# Sustainability framework

At Norco, our sustainability framework is built around **Our Planet, Our People, and Our Product**, with six goals that drive our vision for a more sustainable and responsible future.

This approach reflects our dedication to long-term value creation and ensures sustainability is not only embedded in our operations but also translated into meaningful and aligned action.

Our sustainability strategy aligns with the Australian Dairy Sustainability Framework and Norco also supports the United Nations Sustainable Development Goals (UNSDGs).

## Sustainable operation

We are committed to reducing the carbon emissions of our operations. Our target is 30% carbon intensity reduction in scope 1 and 2 by FY30, from a FY20 baseline. To support the delivery of our decarbonisation goals, all our manufacturing factories have a targeted KPIs to reduce energy consumption.



## Net zero carbon by FY50

To align with climate science, we commit to do what is commercially practical to achieve net zero emissions in our value chain by FY50. We promote initiatives to reduce our carbon emissions and policies to ensure our strategy aligns with action.



## Circular packaging

We are committed to minimising our environmental impact by innovating and choosing sustainable packaging materials, reducing waste generation, and diverting waste from landfill. Our circular packaging goal is measured by the Australian Packaging Covenant Organisation (APCO) reporting performance



## Safe and inclusive culture

Norco working together. We foster a safe and inclusive culture and have strengthened our LTIFR from <4 to <3 for FY26, supported by initiatives that promote wellbeing, mental health, engagement, and skills for the future.



## Co-operative community

Our co-operative model ensures fair pricing and profit-sharing among Members, with profits reinvested into local communities to drive shared success. Norco provides a competitive farm-gate milk price to support farmers and strengthen local economies.



## Product excellence

To sustain high-quality local dairy production, we are committed to delivering excellence in every product we produce. Achieving zero product recalls reflects our commitment to safety, quality, and pride in our products.



# Our history



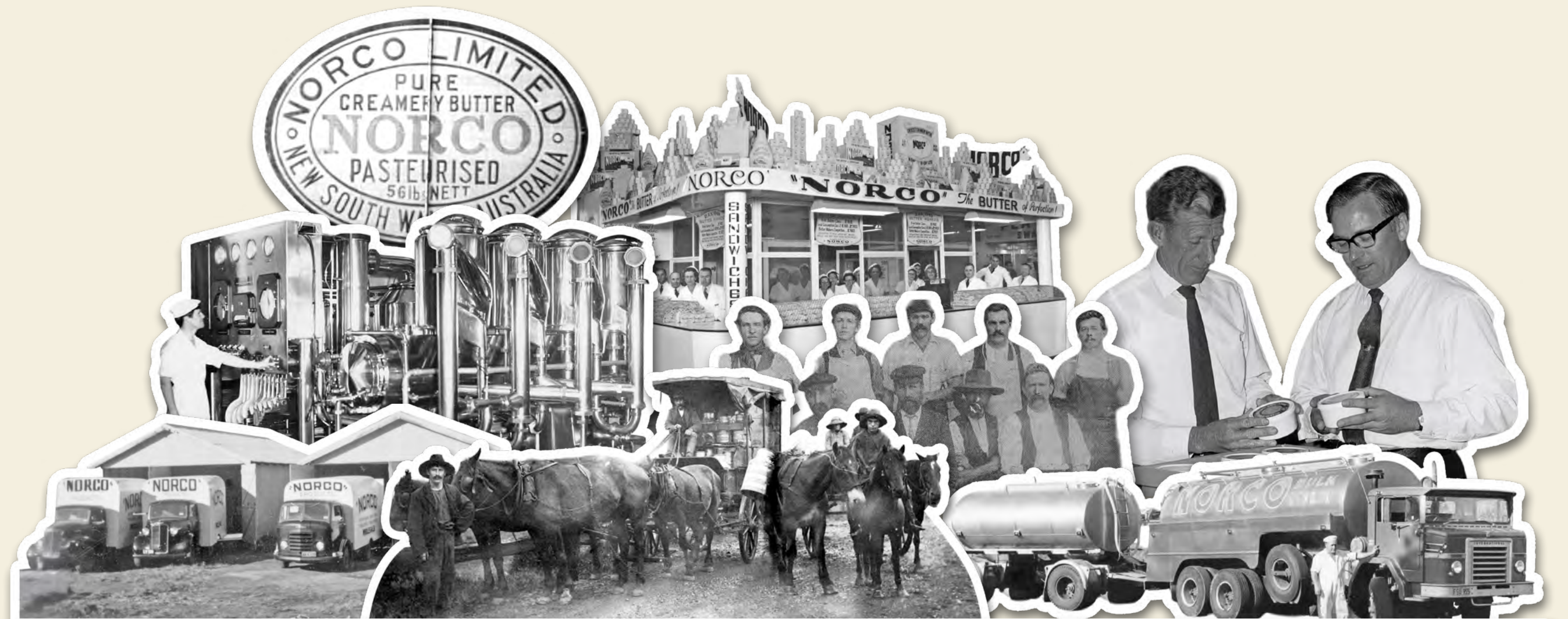
## Celebrating our 130th year

Norco is proud to be Australia's oldest and largest 100% farmer-owned dairy co-operative, established in 1895 when a group of pioneering farmers in Byron Bay united to build a stronger, more profitable future for the Northern Rivers dairy community. Since then, Norco has stood as a testament to the power of working together.

For 130 years, we have remained deeply rooted in our founding values of community, resilience, and shared success. Our commitment to supporting local communities and the broader dairy industry has never wavered, as it is built on mutual respect and the trust of our Members and consumers.

Through generations of change, Norco has evolved with purpose, adapting to challenges, embracing innovation, and leading in sustainability. Today, we continue to grow as a commercially strong, community-driven business, dedicated to creating long-term value and sustainable farming practices for many generations to come.

We operate across Northern NSW and South East Queensland, regions that are home to our farmers, employees, customers, and business members. We support, and are supported by, these communities in a truly co-operative relationship.



# Our history

1895

On 5th June, The North Coast Fresh Food & Cold Storage Co-operative Company Ltd (NORCO) began operations in Byron Bay, NSW.



1904

The company was sold to North Coast Co-operative Limited.



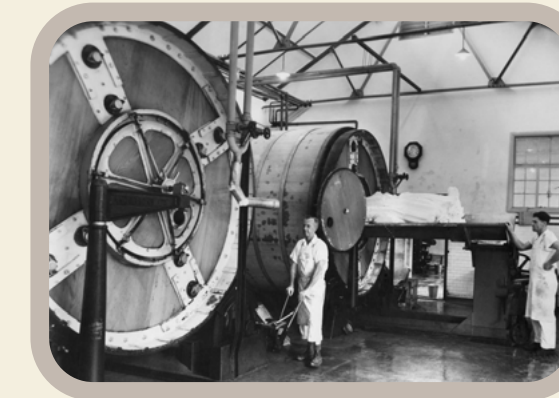
1925

North Coast Co-operative Limited officially changed its name to Norco Co-operative Limited.



2008

The old coal fired boiler system was removed from the Lismore ice cream factory.



2013

Norco became a signatory to the Australian Packaging Covenant Organisation (APCO).



2020

The last coal fired boiler system was removed from the Gold Coast milk factory.



2022

Norco was the first in Australia to launch 100% recycled PET plastic milk bottles on the market.



2023

Norco released its first Sustainability Report and Strategy.



2024

Norco won 'Excellence in Sustainability', 'Outstanding Business Leader', and 'Business of the Year' at the NSW Northern Rivers Regional Business Award.

Norco achieved its 2030 carbon target and was awarded our first 'Beyond Best Practice' grading by APCO.

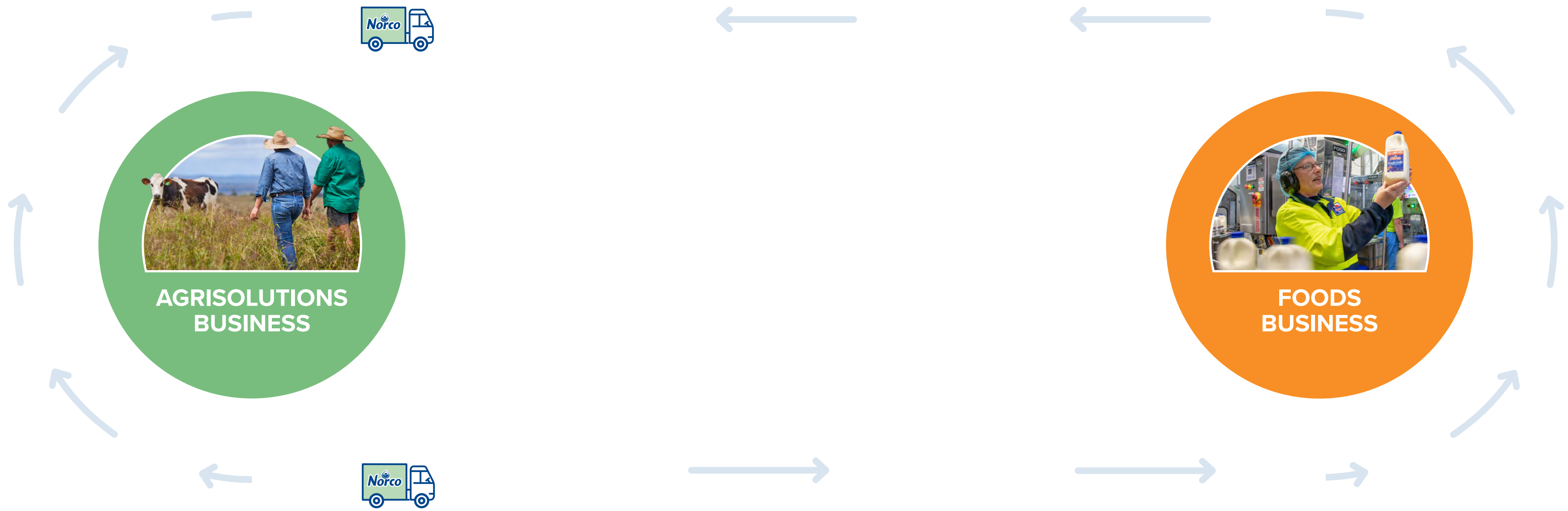


2025

Norco reduced its absolute carbon emissions by 32% and carbon intensity by 39% to date. Norco celebrates its 130th year.



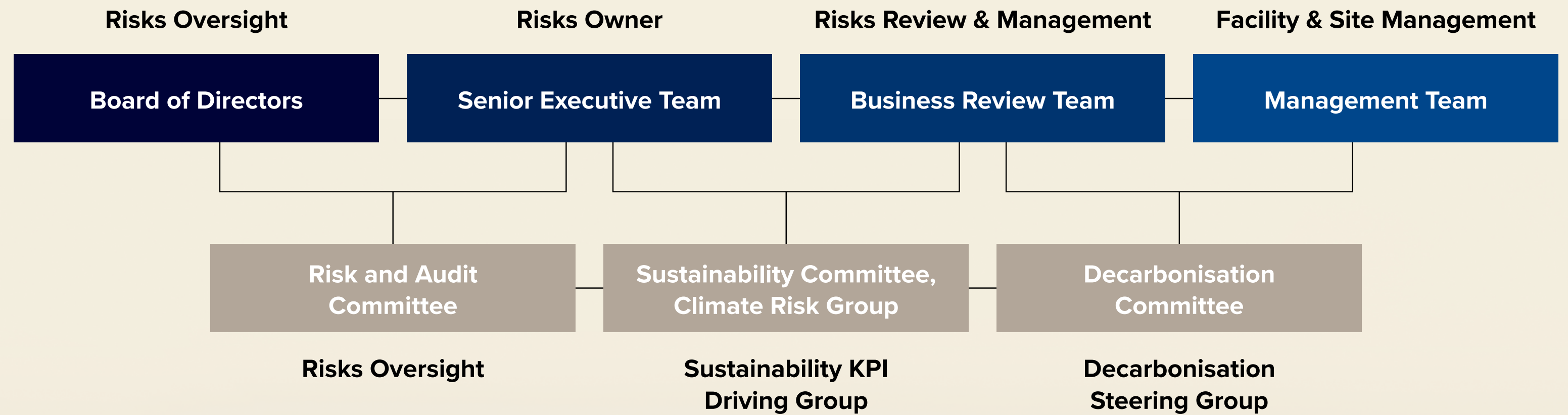
# Our business model



# Governance

To support the implementation of Norco's sustainability strategy, these groups and policies are in place to govern and drive our initiatives.

- Code of Conduct
- Work Health and Safety Policy
- Chain of Responsibility Policy
- Whistleblower Policy
- Ethical Sourcing and Modern Slavery Policy
- Diversity and Inclusivity policy
- Flexibility Policy
- Parental Leave Policy
- Procurement Policy
- Environmental Management Policy
- Energy Policy
- Food Safety Quality Policy
- Sustainable Packaging Policy



## Board Level Governance



The company website lists the members of the Board of Directors. Our Board has primary oversight of Norco's sustainability and climate risks. The Audit and Risk Management Committee and the Sustainability Committee support the Board's oversight. After reviewing company strategies, activities and policies, the Board receives recommendations.

## Management Level Governance



The company website lists the Senior Executive Team members. Our Senior Executive Team is responsible for owning and ensuring the implementation of Norco's sustainability framework through performance measures and driving progress towards our commitment.

# Our Planet



# FY25 emissions outcomes

Norco’s organisational boundaries are set in accordance with the GHG Protocol, and our emissions footprint is calculated using an operational control approach and verified emission factors. To reduce environmental impact across our value chain, we recognise that accurate measurement is the foundation for effective emissions reduction.

GHG Category	Scope Boundary	Emission
<b>Direct emissions</b>	<b>Scope 1</b> (Primary fuel use. Fuel included are coal, diesel, LPG, petrol, diesel)	6,700
<b>Indirect emissions</b>	<b>Scope 2</b> (Primary fuel use. Fuel included is electricity)	17,207
<b>Category 1:</b> Purchased goods and services	<b>Scope 3</b> (Milk supply, raw ingredients such as cocoa and sugar, water, processing facilities outside Norco operational control, packaging materials)	318,795
<b>Category 3:</b> Fuel and energy related activities	<b>Scope 3</b> (Fuel and energy related activities)	3,614
<b>Category 4:</b> Upstream transportation and distribution	<b>Scope 3</b> (Transportation – Raw milk collection)	1,146
<b>Category 5:</b> Waste generated in operations	<b>Scope 3</b> (Waste generated in assets)	2,108
<b>Category 6:</b> Business travel	<b>Scope 3</b> (Business travel)	145
<b>Category 7:</b> Employee commuting	<b>Scope 3</b> (Employees commute and work from home)	68
<b>Category 9:</b> Downstream transportation and distribution	<b>Scope 3</b> (Transportation – Finished goods distribution)	1,625

Our target is a 30% carbon intensity reduction in scopes 1 and 2 carbon emissions by FY30, based on a FY20 baseline. The Dairyfoods business contributes to over 90% of Norco’s operational carbon emissions and is our focus area.



**We have successfully reduced Norco Dairyfoods carbon intensity emissions by 39%.**

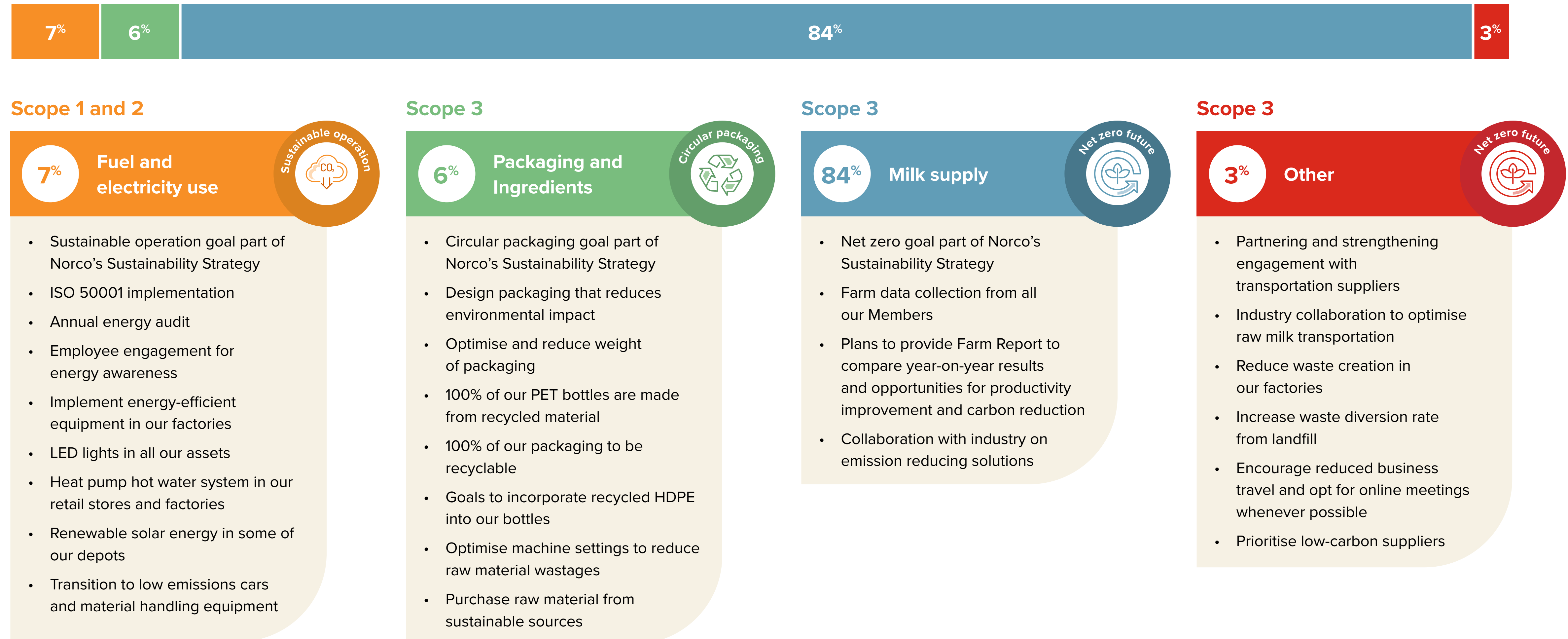


**We have reduced Norco’s operations absolute carbon emissions by 32%.**

Emissions Outcome	Units	FY20 Baseline	FY25 Result
<b>Direct and indirect carbon emissions (Norco)</b>	kTCO2e	35	23
<b>Direct and indirect carbon emissions (Dairyfoods)</b>	kTCO2e	33	21
<b>Carbon intensity (Dairyfoods)</b>	gCO2e/L	138	83
<b>Energy intensity (Dairyfoods)</b>	kJ/L	854	525
<b>Water intensity (Dairyfoods)</b>	L/L	1.56	1.34

# Emissions reduction initiatives

As our company grows, so too may our emissions. We are committed to do what is commercially practical to achieve net zero emissions in our supply chain by FY50, regardless of scale. In alignment with this ambition, Norco has the following initiatives in place.



# On-farm emissions

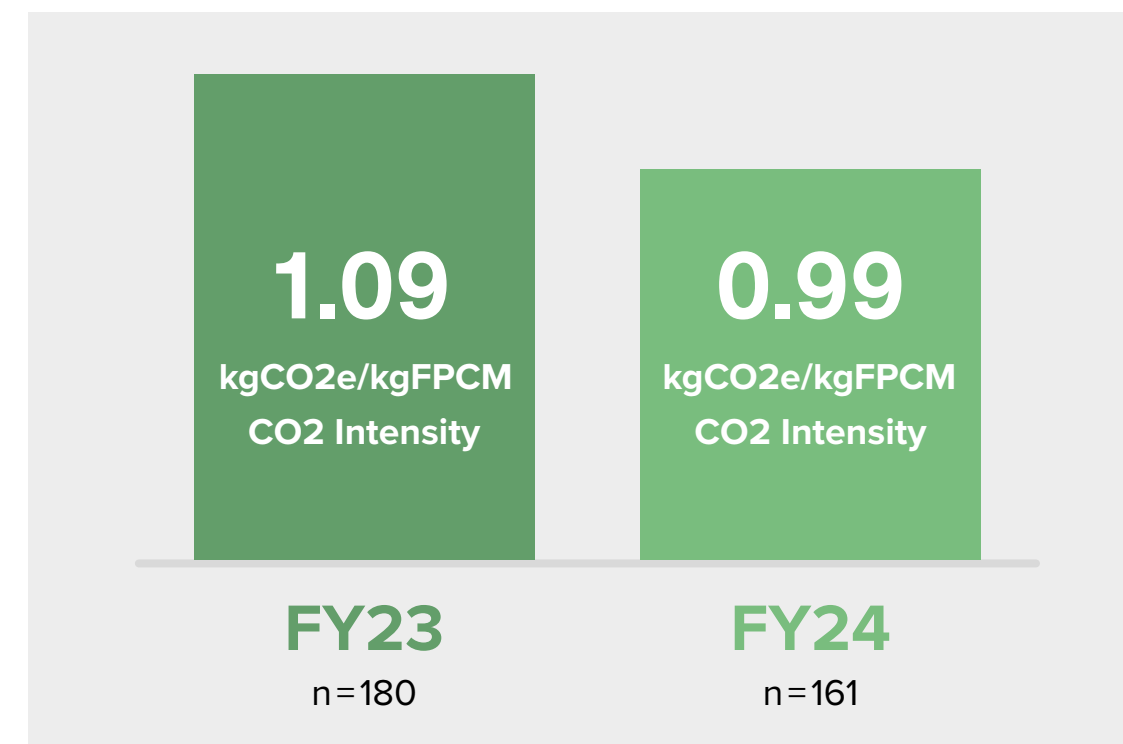
## Understanding and managing on-farm emissions

Norco's most material carbon emissions come from our milk supply. Dairy farming is a significant contributor to greenhouse gas emissions, particularly methane from livestock, and nitrous oxide from manure and fertiliser use. 70% of our Members' on-farm emissions come from the cows' enteric methane release. We are currently exploring various market solutions and collaborating with our partners to help our farmers reduce their primary source of emissions. Other techniques used to control methane emissions include helping our farmers become more efficient so that their cows produce more milk, thereby reducing their carbon intensity. Cows that eat good-quality feed and are healthier will produce more milk. Norco Milk Supply Team and Agrisolutions Team can help farmers select a more nutrient and energy-dense feed, optimise fertiliser use to improve pasture quality, and assist with healthcare to cows.

As part of our commitment to environmental stewardship and sustainable agriculture, we recognise the importance of understanding and managing carbon emissions across our dairy operations.

As part of our commitment to environmental stewardship and sustainable agriculture, we recognise the importance of understanding and managing carbon emissions across our dairy operations. Through collaboration between Our Milk Supply Team and geographically dispersed farmers, we have successfully completed our second year of carbon data collection. We are creating a Farm Report to be shared with Members, showing progress and comparing it against industry benchmark, while helping empower farmers with data-driven decision-making to improve productivity and reduce carbon emissions.

### History



**kgCO2e** is calculated using the Australian Dairy Carbon Calculator. **kgFPCM** is calculated using litres fat% and protein% recorded in Norco's milk supply system.

# 0.99

Farm carbon emission in kgCO2e/kgFPCM

Biological sources as CH <sub>4</sub>	Biological sources as N <sub>2</sub> O	Non-biological sources as CO <sub>2</sub>	Non biological pre-farm gate
<b>Enteric methane</b> Emissions from digestive processes of the rumen <b>0.71</b>	<b>Nitrous oxide from fertilisers</b> Emissions from application of nitrogen based fertilisers <b>0.03</b>	<b>Urea and lime</b> Emissions from the breakdown of carbon dioxide in soil <b>0.02</b>	<b>Purchased fertiliser</b> Emissions from production and transportation of N fertilisers <b>0.05</b>
<b>Manure methane</b> Emissions from manure deposited in the pasture and effluent <b>0.12</b>	<b>Nitrous oxide from pasture</b> Direct emissions from urine and dung deposited in pasture <b>0.06</b>	<b>On farm energy</b> Emissions from electricity and transport fuel <b>0.08</b>	<b>Purchased feed</b> Emissions from production and transportation of feed <b>0.08</b>
<b>Allocation to meat</b> Emissions allocated to other stock not raised to join dairy herd <b>-0.11</b>	<b>Nitrous oxide from effluent</b> Indirect emissions from farms effluent management system <b>0.04</b>	<b>Carbon sequestration</b> Tree planting, negative figures representing carbon sequestered <b>-0.08</b>	

This is the farm scope 1 and 2 emissions

Scope 3 emissions

# Smarter energy management

## Embedding energy efficiency through ISO 50001 implementation

To demonstrate Norco's commitment to sustainability and carbon reduction, we implemented ISO 50001, an international standard for energy management systems. This framework supports improved energy efficiency, cost savings, and environmental performance. As part of this, we established an Energy Policy to formalise strategies such as energy measurement and audit, target setting, employee engagement, and continuous improvement. By reducing energy use, we directly cut carbon emissions, and through responsible energy management and employee engagement, every part of the organisation contributes to Norco's sustainability goals.



## Identifying focus area from energy audits

Norco completed its second annual energy audit to identify opportunities to reduce energy consumption and costs. We evaluated and benchmarked our processes against best practices to uncover gaps and areas of improvement. In FY25, we focused our efforts on energy metering, waste heat recovery, and creating an energy-aware culture in our organisation.

## Installing energy metering to provide visibility

To improve energy monitoring and drive efficiency improvement, we installed sub-metering across our factories as part of a broader Energy Management System (EnMS) aligned with ISO 50001. The system provides visibility of the total site in-feed of electricity, gas, and water, down to individual equipment such as refrigeration compressors and cooling tower feed, enabling precise tracking of energy use. With this insight, we have already identified reduction opportunities for reduction and observed measurable improvements in both energy and water efficiency.



# Smarter energy management

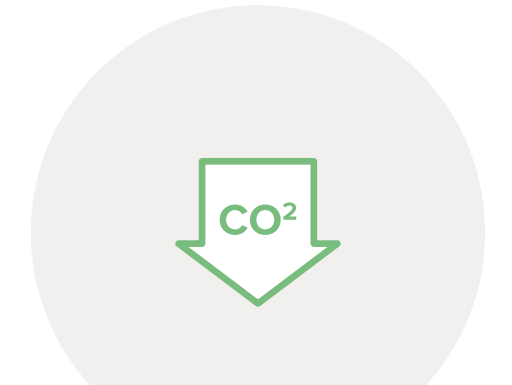
## Improving energy efficiency

Our two milk factories achieved a 5% improvement in energy efficiency compared to the previous year. Key initiatives included upgrading energy-intensive air compressors to variable speed models which resulted in a 22% reduction in electricity use, optimising milk supply to reduce reliance on the evaporator, and recovering waste heat.

Waste heat is typically lost in industrial energy use, but at Norco, we recover and reuse it to improve efficiency and lower emissions. This is done through CIP water recovery and river water cooling. This year, we improved our boiler efficiency at our Labrador milk factory by using flue gas heat to preheat feedwater and recover steam condensate for our hot chemical tanks. In addition to our regular boiler maintenance and leak repairs, our overall boiler gas use has reduced by 12%.



Our two milk factories achieved a **5% improvement** in energy efficiency compared to the previous year



**21% reduction** in corporate vehicle fuel consumption and associated carbon emissions



**12% reduction** in boiler gas use

## Transitioning corporate vehicles to hybrid

We are committed to transitioning our corporate fleet to low-emission vehicles. After assessing the operational needs of our team, particularly the requirement to travel long distances across remote and rural areas, we identified that full electrification was not yet feasible due to limited charging infrastructure along these routes. As a practical first step, we replaced six petrol vehicles with hybrid models. This transition resulted in a 21% reduction in both fuel consumption and associated carbon emissions, marking a key step in aligning our transport operations with our sustainability goals. Following this successful launch, more petrol vehicles are set to be replaced with hybrid models in the next 12 months.

# Energy awareness

## Driving change through energy awareness

Norco launched its Be Energy Smart Program in July 2024. This energy awareness initiative is designed to educate and remind Norco employees about the importance of energy conservation, encouraging meaningful conversations and action across all teams. Each month, an Energy Smart topic is shared with every employee. These topics include an introduction to the various energy sources used at Norco, how our energy KPI is measured, and how to spot energy wastage. These short discussions are a simple way to raise awareness and drive smarter energy use.

At the end of the program, we conducted an engagement survey. 79% of participants who read at least one Energy Smart topic rated the program 72% effective in increasing their knowledge and understanding of energy at Norco, while 38% of participants who read all 12 Energy Smart topic rated it as 82% effective.


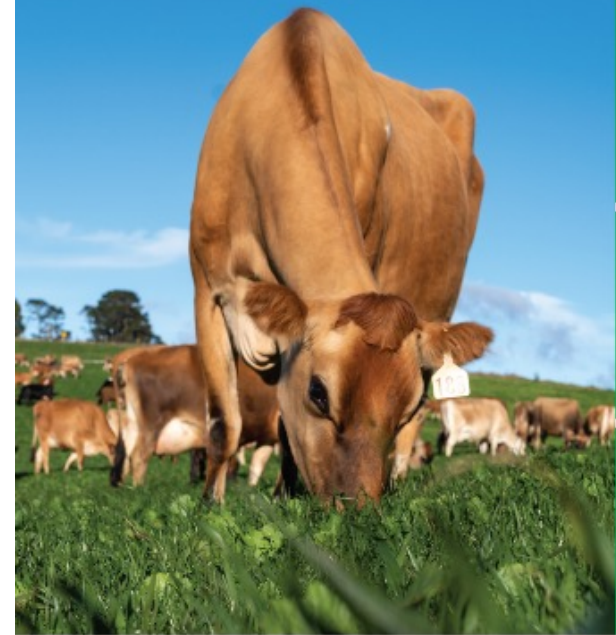


Some feedback from participants:

**“Love this program, very informative.”**


**“The Be Energy Smart Program is a great initiative that gets us all thinking about energy savings and reducing waste.”**








### Energy Aware Calendar 2024/2025

JULY 2024	Be Energy Smart Introduction	AUGUST 2024	Key Performance Indicators	SEPTEMBER 2024	Electricity
OCTOBER 2024	Refrigeration	NOVEMBER 2024	Compressed Air	DECEMBER 2024	Boiler
JANUARY 2025	Water	FEBRUARY 2025	Transport	MARCH 2025	Waste Heat
APRIL 2025	Maintenance	MAY 2025	Renewable Energy	JUNE 2025	Waste



We protect and respect the natural environment.





# Our People

# Supporting farmers



## Supporting farmers today for a sustainable tomorrow

As a farmer-owned dairy co-operative, climate resilience is not just a strategic priority, but essential to the sustainability of our livelihoods and the communities we serve.

Norco operations have been directly impacted by climate-related events such as floods, droughts, and extreme heat, which have disrupted milk production and tested the resilience of our supply chain.

In the last year, our community experienced this firsthand with Cyclone Alfred in March 2025 and the mid-North Coast flooding in May 2025, both of which impacted the fresh milk supply across the region. The estimated loss of fresh milk supply for our business was over 680,000 litres, resulting in an approximate three-week supply shortage for our customers.

Our Members are also experiencing the effects of a changing climate. Heat stress in livestock and larger seasonal variation in pasture and crop growth are becoming more frequent challenges. Flooding poses a serious risk to our infrastructure, from damaging milking sheds and feed stores to cutting off transport routes and power supplies. These disruptions have led to milk wastage, increased costs, and lost income, affecting not only individual farms but also their local communities and the broader Norco co-operative.

To support our Members in these difficult times, we continue to provide milk payments to assist the farmers, ensure ongoing access to our cow financing scheme, and have increased their extended credit through our Agrisolutions retail stores.

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# Supporting farmers

## Securing Norco's future for sustainable dairy

To help farmers proactively plan and ensure the next generation can continue to produce high-quality, sustainable dairy, Norco has initiated a Succession Planning Program for Members. By preparing early for leadership and ownership transitions, farms can safeguard valuable operational knowledge, maintain productivity, promote intergenerational equity, and strengthen long-term financial stability. As part of the program, Norco will provide financial support to Members undertaking succession planning. This initiative also supports Norco's long-term goal of retaining valuable farming assets and ensuring that farms remain dedicated to dairy production.

## Recognising year-round effort with a Christmas bonus

Norco is committed to supporting our Members and sustainable milk production all year round. On Christmas Day, our farmers delivered around 615,000 litres of milk. To recognise their longstanding dedication, Norco paid farmers a Christmas Bonus of an additional 15 cents per litre of milk, equivalent to approximately \$92,000 in total, marking the third consecutive year this bonus has been awarded.

## Providing long-term farm-gate value for Members

Norco continues to deliver an industry-leading milk price at 89.71 cents per litre for our Members. Farm-gate returns are key to supporting farmers and strengthening local economies. Through our co-operative model, value is returned equitably to our Members' shareholders and reinvested into local communities to help drive shared success.



# Supporting farmers



Norco Members have access to someone who understands their world and speaks their language



## Mental Health Support Officer for Members

Findings from the 2023 National Farmer Wellbeing Report revealed high rates of depression and anxiety among farmers, mainly attributed to financial stress. The impacts of Cyclone Alfred and the mid-North Coast flooding have also intensified these pressures, disrupting livelihoods and compounding emotional strain across farming communities.

In response to these findings, and to ensure Norco Members have access to someone who understands their world and speaks their language, Norco has retained Mr Craig Waddell, a former dairy farmer of 45 years, as a Mental Health Support Officer to offer support to our farmers. Mr Ross Blanch, a highly experienced Lifeline Counsellor and a Norco Member, also remains available to provide support from a place of lived experience.

This initiative is part of Norco's broader commitment to improving farmer wellbeing and reflects our belief that mental health support is essential to both individual resilience and community recovery.

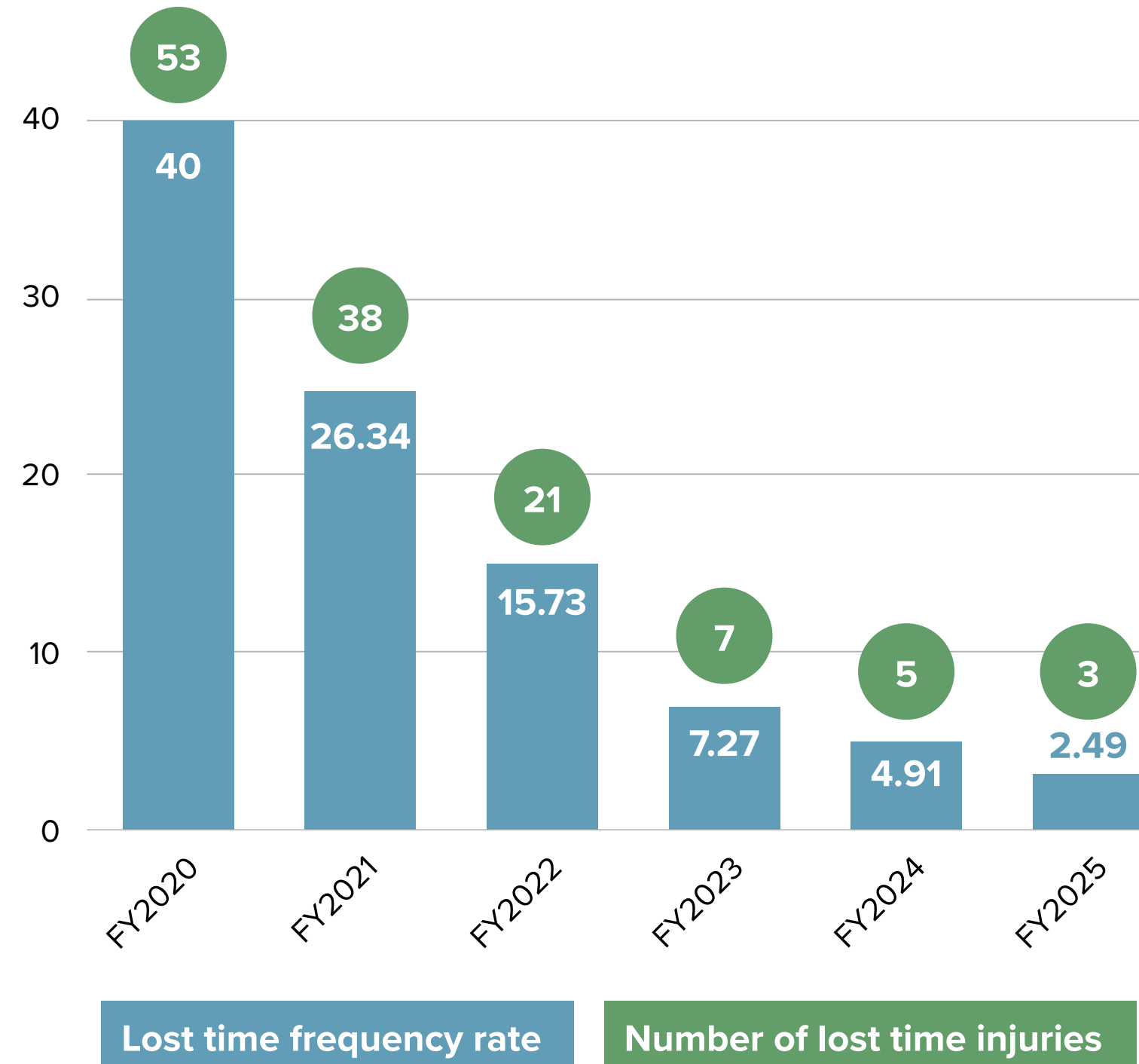
# Workplace safety

## Our commitment to a safer healthier workplace

Norco is driving excellence in workplace safety, with measurable improvements in safety performance. Staff engagement with safety training reached a record high of **76%**, reflecting a deeply embedded culture of care and accountability. A monthly safety topic is embedded into our compulsory safety toolbox talk, to ensure consistent education and engagement across the workforce.

Key performance indicators demonstrated significant improvement, with our lost time injury frequency rate (LTIFR) reduced from 4.91 to **2.49**, well below the target of <4 and the industry average of 9.85. These results come from our proactive risk management approach. 1,262 hazards were reported, and 235 risk reviews were conducted, representing a 42% and 80% increase from the previous year, respectively.

The business also completed 389 management safety walks (MSW) and has awarded 159 individuals through WHS reward and recognition programs. We had training initiatives supported by Black Dog and Lifeline as part of our commitment to mental health and wellbeing, along with business-wide R U OK Day and International Women's Day events. These practices have improved not just our operational excellence in safety, but also our people's wellbeing.



# Wellbeing and development



## From feedback to action for a thriving workplace

At Norco we are 100% committed to providing a healthy workplace and nurturing the wellbeing of our employees. When our people feel more supported, they're more engaged, motivated and create an inspired, positive workplace culture.

Following Norco's Wellbeing Survey, conducted company-wide, we partnered with Southern Cross University to research and review insights into employee satisfaction, challenges, and areas of improvement. The following initiatives were identified and implemented this year.

### Increase sociability

To improve workplace culture and morale, we increased the number of company social events this year. This includes resuming family fun days and sponsoring morning teas and BBQs across the entire organisation. Events hosted include R U OK day, International Women's Day, and Norco's 130th Birthday Celebration.

## Employee recognition

To foster a culture of appreciation and recognition, Norco introduced a peer-nominated recognition program, where employees nominate their peers based on company values and safety initiatives, to celebrate individuals who embody company values. We recognise five individuals per quarter, one from each business unit.

## Leadership development

To promote fair and transparent management practices, Norco introduced a set of learning modules for leadership development. Over 800 hours of training were delivered in the first year, with tremendous engagement from everyone involved. We have commenced our second set of learning modules for the next year, which are available to all staff.

“When our people feel more supported, they're more engaged, motivated and create an inspired, positive workplace culture.”

Over **800** hours

of training were delivered in the first year, with tremendous engagement from everyone involved.



# Wellbeing and development

## Employee upskilling and continuous learning

To strengthen workplace capability and foster a culture of continuous learning, Norco delivered mental health awareness training to all employees and introduced targeted IT upskilling for interested team members. We refreshed our Learning and Development policy, which supports eligible employees in identifying and pursuing professional growth, covering course fees, materials, travel, and study leave as needed. This commitment ensures our people have the tools they need to develop professionally and support Norco's continuous success.

## Self days

To promote the wellbeing of our salaried employees, we introduced Self Days. This policy entitles each salaried employee to four Self Days per year, which can be used for personal wellbeing, work-life balance, or simply completing some of those life chores.

**This commitment ensures our people have the tools they need to develop professionally and support Norco's continuous success.**

## Parental leave

Modern families come in many forms with various family structures, and it is important to attract and retain a diverse workforce. Our Parental Leave Policy is gender-neutral and categorises caregivers as primary and secondary. Paid parental leave benefits the physical and mental health of both the parent and the child. Norco employees can access up to 26 weeks of paid parental leave and up to 24 months of a combination of paid and unpaid parental leave. We also introduced a special leave category for fertility appointments.

## Communication

To promote regular, open, and transparent communication from leadership to staff, a monthly Business Results Toolbox is distributed to all leaders. This resource is designed to support face-to-face team meetings where key updates can be shared. A Monthly Safety Toolbox is also distributed to everyone in the business. In addition, more frequent business updates are published on the Norco intranet across all business units, ensuring that employees have access to broader organisational insights beyond their immediate teams.



# Celebrating Norco

## Bringing our Norco family together

Norco hosted three Family Fun Day events across our food factories to strengthen connections among employees and their families, boost morale, and support a healthy work-life balance. This is part of our commitment to create a positive workplace culture and make Norco a great place to work. Our smoker trailer visited multiple food factory locations, serving up great food, fostering connections, and celebrating the people who make Norco thrive.



# Celebrating Norco

## Celebrating 130 years with our community

On 5th June 2025, Norco celebrated its 130-year anniversary as an operating co-operative, taking time to celebrate the vision of our forefathers and what it means to be Norco in the present day. We held celebrations at each of our sites, focusing on our heritage and ownership by our dairy farmers. In the Lismore region - the birthplace of Norco 130 years ago, we brought back the free school milk program for a day for all schools, celebrating the work that our local farmers do day in and day out to bring quality fresh milk to families and households.

On the Gold Coast, we engaged the local community with milk give-aways and a family-friendly open day celebration for the public, where many families, in some

instances three generations, spent the afternoon on the grounds of our Labrador site celebrating the 130th anniversary and the enduring work that our farmers do to bring them quality fresh milk.

We also partnered with our neighbouring school A.B. Patterson College, named after the famous Banjo Patterson whose iconic lyrics of Waltzing Matilda were first scripted in 1895, the year that Norco was founded. Together, we buried a time capsule on the grounds of the Labrador property to remind future generations of what Norco looks like today, while preserving the hopes and dreams of the current year 8 high school students. The intention was to capture a special moment in time that could be reflected upon at Norco's 150th anniversary.



Guests enjoyed free milk and ice cream, met friendly animals at the petting zoo, tried their hand at milking cows, and joined in face painting, games, and giveaways.



# Our Product



# APCO commitment

## Sustainable packaging

Norco has been a member of the Australian Packaging Covenant Organisation (APCO) since 2013. We report our sustainable packaging practices annually, and align our circular packaging goals with APCO's target and report performing score. We are delighted to report that we have achieved the highest level in the APCO reporting criteria for the second year – **Beyond Best Practice**.

Through Norco's Sustainable Packaging Policy, we are able to design and procure our packaging to be recyclable, use recycled material, apply disposal labelling to 100% of all our products with the Australian Recycling Logo (ARL), and phased out 100% of problematic single-use plastic in our milk and ice cream packaging.

To reduce waste generation, we have optimised our bottle design and operational efficiency to generate less waste.

We continue to divert waste from landfills by recycling our bottle storage soft plastic bags to a local recycling facility, sending used backpaper liner to recycling partners, and reusing paper liner boards from our milk factories in our animal nutrition feed mill.

In the more regional areas where we operate, we have more work to do to improve our on-site waste management as we explore nearby or on-site recycling options.

We are also implementing additional initiatives to improve our product recoverability with recyclable material alternatives.



**We are delighted to report that we have achieved the highest level in the APCO reporting criteria for the second year – Beyond Best Practice.**



# Packaging materials

## Supporting a circular economy through smarter material choices

### Use of recycled plastic in our milk bottles.

All our PET bottles are made of 100% recycled plastic, and we have machines available to extend the use of recycled material to include HDPE in future. We have successfully completed trials for recycled HDPE blends and are currently working on a sourcing strategy in this space.



### Trialling a recyclable ice cream paper tub

Recently, APCO has updated its guidance on the recyclability of paper-based tubs, as many contain double-sided plastic linings and are difficult to recycle through standard paper streams. Norco's current double-sided coated paper tubs were reclassified as non-recyclable under these new guidelines.

In response, Norco has been trialling single-sided PE-coated paper tubs, which have shown promising recyclability outcomes and passed the Australian repulpability test. We are now preparing to roll out this more sustainable packaging solution across our entire ice cream tub portfolio, with a targeted launch in FY26.



### 100% recyclable ice cream seal membrane

Norco has transitioned the seal membrane material used in ice cream paper tubs from polyethylene terephthalate (PET) to biaxially oriented polypropylene (BOPP). This change aligns with updated soft plastic recyclability guidelines from the Australian Packaging Covenant Organisation (APCO) and supports our efforts to meet the 2025 National Packaging Targets.

PET seal membranes are no longer accepted in the recycling stream alongside other accepted soft plastics, as they face challenges in the recycling facilities. In contrast, BOPP is a polyolefin that is readily accepted in the current recycling streams in Australia.

This transition reduces contamination in the recycling stream, thereby improving the quality of recovered materials, contributing to a more circular economy. Our transition to BOPP removes approximately 8,430 kg of PET soft plastic from the market per year.



# Packaging materials

Norco Agrisolutions has transitioned its polypropylene (PP) plastic stockfeed bags to 100% recyclable paper packaging.



## Supporting a circular economy through smarter material choices

### 100% recyclable paper stockfeed bags

As part of our ongoing commitment to sustainability and delivering environmentally responsible products, Norco Agrisolutions has transitioned its polypropylene (PP) plastic stockfeed bags to 100% recyclable paper packaging.

Polypropylene is derived from non-renewable fossil fuels, can take centuries to break down and leaves behind harmful microplastics. Paper, on the other hand, is made from renewable resources and is both biodegradable and compostable. Additionally, it is more widely accepted in recycling systems and easier to process. Since implementing this transition, we have removed approximately 77,800 kg of PP plastic from the market.



# Product excellence



## Delivering excellence and quality to the consumer

At the heart of our sustainability journey is a deep commitment to quality — not just in how we operate, but in what we deliver. Norco's reputation for consistently producing top-quality, delicious milk is more than a testament to our craftsmanship; it reflects the care and responsibility we embed in every step of our process. Because at Norco, delicious dairy starts from the ground up. From farm to fridge, every product meets the highest standards of taste and quality assurance. Our award-winning milk is more than a product — it's our promise: to deliver excellence in every drop.



At the Sydney Royal Show, Norco won Champion Flavoured Milk for Triple Shot Iced Coffee and Gold for Coffee Double Shot Flavoured Milk.

Norco also shone at the DIAA Australian Dairy Product Competition, collecting an outstanding array of accolades, including 12 gold and 14 silver medals across its milk, cream, flavoured milk, and Cape Byron ice cream ranges. Highlights include Gold for Norco Jersey Milk, Lactose Free Full Cream Milk, Our Finest Full Cream and Unhomogenised, Coffee Double Shot, Chocolate Honey Malt, and Cape Byron Affogato 4pk sticks and Caramel Pecan Pie Tub, and Thickened Cream.

**These accolades reflect Norco's unwavering dedication to innovation, quality, and regional pride.**

# Looking Ahead



# FY26 and beyond

**In FY26 and beyond, we aim to strengthen transparency and demonstrate Norco's ongoing commitment to sustainability. We are actively looking ahead and planning for the future.**

## Climate risks

As we work to grow our understanding of both physical and transition climate risks, we will look to implement further strategies to manage our risks and capitalise on climate-related opportunities.

## Planet

As our business grows, we closely monitor our carbon footprint to ensure we remain on track for our carbon targets. We continue to set targeted KPIs to reduce energy consumption across all our manufacturing factories. As a dairy co-operative, climate resilience is vital to our operations. We are currently exploring more ambitious climate targets, including alignment with the 1.5°C pathway of the Paris Agreement.

For our most material emissions, we are creating a Farm Report that will be shared with Members, to demonstrate carbon progress, compare against industry benchmarks, and empower farmers to make data-driven decisions.

## People

We commit to investing in our people and developing key strategies to improve safety, wellbeing, inclusivity and engagement.

We sponsor community and business events every year and regularly contact our farmers to provide individualised support.

## Product

We are preparing to launch initiatives to improve our product recoverability with recyclable material alternatives. We have more work to do to improve our on-site waste management, and we are exploring nearby or on-site recycling options.

We are also planning exciting, sustainable, innovative and nutritious products. These will support our Norco Members by providing ongoing demand for their products, growing our economic output and enabling fair milk prices.



As our business grows, we closely monitor our carbon footprint to ensure we remain on track for our carbon targets.





Norco Co-operative Pty Ltd ABN 17 009 717 417

**Address** 'Windmill Grove' 107 Wilson Street, South Lismore, NSW 2480

**Telephone** 02 6627 8000 **Website** [www.norco.com.au](http://www.norco.com.au) **Email** [Sustainability@norco.com.au](mailto:Sustainability@norco.com.au)