

CONTENTS

Introduction	3
History	3
Organisational structure	4
Key roles and responsibilities	4
myBMP program structure	6
How it works	7
Auditing	8
Certification audits	8
Random audits.	8
Performance monitoring of audit process	9
Handling Complaints	9
Obligations and expectations of myBMP auditors	9
Procedures, Guidelines and Ethics	9
Conflict of Interest	9
Confidentiality	9
Program growth	10
Global recognition for Australian cotton sustainability	11
Better Cotton Initiative	11
Cotton LEADS™ Program	12
Textile Exchange's Preferred Fiber and Materials Market Report (PFMR)	12
Partnership for Sustainable Textiles	12
myBMP facts and statistics	13
Appendix A - Sample Farm Self-Assessment	14





INTRODUCTION

myBMP - Best Management Practices - is the Australian cotton industry's voluntary cotton production certification standard. It is a comprehensive environmental management system designed to improve on-farm cotton production. myBMP uses practical tools to ensure growers are implementing world's best practice to produce economically, socially and environmentally sustainable cotton.

myBMP provides Australian cotton growers with:

- a central online portal to the industry's best management practice standards
- practical tools and resources to improve and transition to more sustainable practices
- · technical support from a team of experts
- · self-assessment checklists
- · independent auditing
- an industry extension team to support growers on-farm

myBMP also helps the industry to manage risks, and provides evidence to stakeholders and the wider community that it is committed to the highest possible social and environmental standards of practice.

HISTORY

In the past, there was considerable scope for cotton farming practices to improve, modernise and become safer, lower-impact and more efficient.

myBMP was developed in response to the need for the industry to manage risks and respond to growing community concerns. The program originated in an extensive joint research and development program, and continues to be informed by the latest research findings. It took several years to develop and is the result of consultation with growers, researchers, industry bodies, governments and NGOs, taking into consideration the requirements of the cotton industry now and into the future

The original BMP program began in 1997 and continues to evolve in line with legislation, industry issues and customer needs.



ORGANISATIONAL STRUCTURE

Cotton Australia, the peak body for Australia's cotton producers, is the lead organisation for myBMP and works closely with key industry partners to deliver the program. myBMP is integrated into a number of industry programs:



Cotton Australia's myBMP office is located in Toowoomba, Queensland, to support growers in the implementation and auditing of the program.



CottonInfo is the cotton industry's joint extension program, delivering research outcomes to industry in line with myBMP.



The Cotton Research Development Corporation invests in cotton research, development and extensions to support *myBMP*.



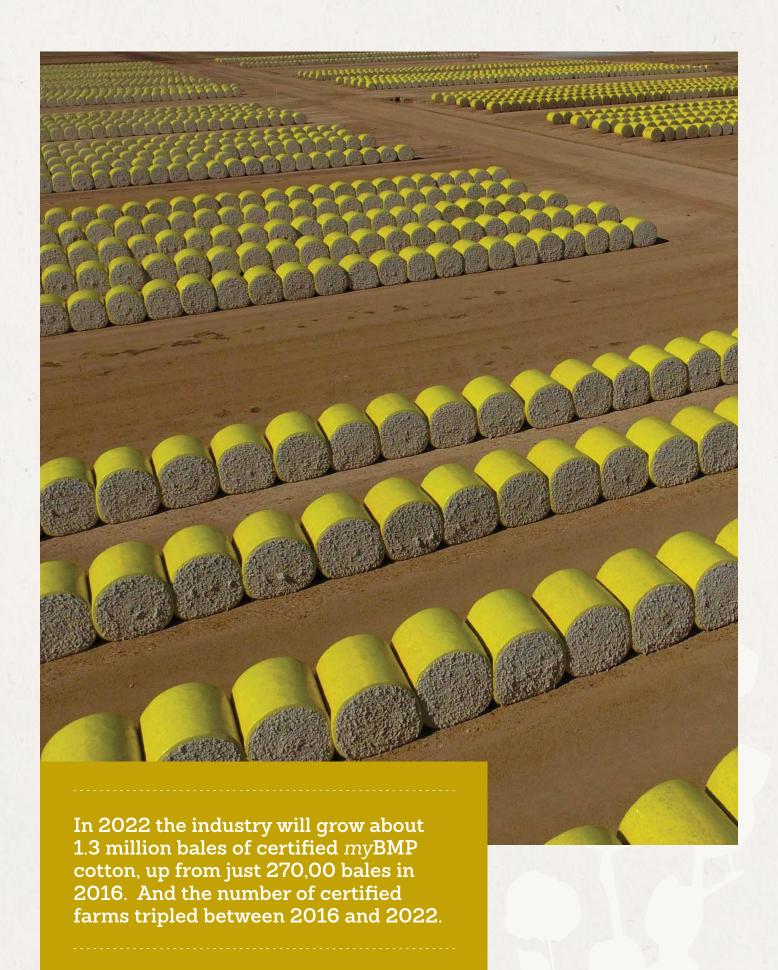
Cotton Australia's Cotton to Market Strategy is positioning Australian cotton in the world textile market.



ROLE	WHO IS RESPONSIBLE?
Standard setting and revision	Cotton Australia with stakeholder engagement
On-farm implementation	Cotton Australia's Regional Managers and CottonInfo team
Technical support	Cotton Australia's myBMP Office
Data collection	Cotton Australia's myBMP Office
Program administration and auditing	 myBMP data: Cotton Australia industry-wide sustainability data: CRDC







my BMP PROGRAM STRUCTURE

myBMP is structured into 10 key modules for growers, covering all aspects of Australian cotton production

MODULE	SUMMARY DESCRIPTION	NO. OF CHECKLIST ITEMS
Water Management	Water use efficiency and water quality	67
Soil Health	Maintaining and/or improving soil quality and fertility	20
Sustainable Natural Landscape (Natural Assets)	Managing the biodiversity of native plant and animal life	28
Integrated Pest Management (IPM)	Management of pests, weeds and diseases to minimise synthetic pesticides	31
Energy and Input Efficiency	Maximising efficiency of energy inputs such as electricity, fuel and fertilisers, including reduction of greenhouse gas emissions	18
Human Resources and Work Health and Safety	Supporting growers in managing employees and contractors while providing a safe and compliant workplace	65
Pesticide Management	Minimising pesticides and safe storage and use on-farm	82
Fibre Quality	Growing the best quality cotton possible	13
Petrochemical Storage and Handling	Safely managing fuels and lubricants on farm	73
Biosecurity	Avoidance, management and control of pests and diseases	16

Under each of these 10 modules are key areas. Each key area has standards listed that are supported by checklists, information about how to improve, latest research and resources.

Each checklist item is assigned a level:

- · Level 1 Identified legal requirements (what you must do)
- · Level 2 Industry identified best practices (what you should do)
- · Level 3 Innovative practices (new technology and cutting-edge practices)

All levels are updated annually in line with State and Australian legislative requirements and new research findings. To achieve full certification, farms must meet **all** level 1 and level 2 standards of the *myBMP* program.

Cotton production post-farm gate is also covered by myBMP with Ginning and Classing modules available for the Australian cotton ginning and classing facilities.



HOW IT WORKS

To get involved in the program, farmers complete the following steps:

REGISTER ONLINE

Register online at www.mybmp.com.au

myBMP INTRODUCTION

The myBMP office:

- Sets up a user account for the farmer, associated farm and business(es)
- Welcomes the grower to myBMP
- Provides instructions on how to conduct a farm self-assessment
- Directs the grower to their regional Cotton Australia Regional Manager for assistance

SELF-ASSESSMENT

Grower works through the self-assessment checklists for all modules.

COMPLETE CHECKLIST

Grower is invited to request an audit when all Level 1 and Level 2 checklist items are complete and then selects an auditor from a list of accredited independent auditors.

ARRANGE AUDIT

The audit is arranged with the grower (see next section for details on the audit process).

AUDIT AND CERTIFICATION

Once the farm is audited and meets all requirements, it is certified as a myBMP farm.





AUDITING AND GOVERNANCE

CERTIFICATION AUDITS

Once the farmer is confident that all myBMP standards have been met, they can choose to be audited to achieve certification. The auditor reviews the grower's self-assessment and myBMP history prior to conducting an on-farm audit.

The auditor follows the myBMP Audit Procedures and Guidelines when conducting the on-farm audit. This pays particular attention to observing and discussing:

- Sensitive areas, such as native vegetation, riparian zones, buffer areas, water bodies, neighbours, houses and infrastructure
- On-farm natural resources and management practices (e.g. soil, water sources and quality, vegetation)
- · Irrigation design and drainage layout and practices
- · Chemical storage and application equipment
- · Petrochemical storage areas and management practices.

The audit report is written to determine whether the grower has achieved all the myBMP certification standards and should be certified. If granted, the myBMP certification remains in place for five years.



RANDOM AUDITS

To monitor the effectiveness of the certification process, random surveillance audits are conducted annually across certified farms.

Random Surveillance Audits are conducted by independent myBMP auditors and follow the same procedure as the certification audits.

On successful completion of a random surveillance audit, the grower's certification period starts again (i.e. certified five years from the date of the random audit).

The objectives of the Random Surveillance Audit are to:

- Verify that growers are maintaining or improving their practices and management during their five-year certification period, to ensure the process remains credible.
- 2) Provide feedback to the industry on the performance of growers during the certification period, to help target research and extension needs.

Both the certification and the random surveillance audits consist of five core modules and one random module, selected by the myBMP office using a random generator. The five core modules included in every audit are:

- · Pesticide management
- · Water management
- · Natural assets
- · Soil health
- · Petrochemical storage and handling

The random module, selected from the remaining five modules by the *myBMP* office, will be assigned in a way to ensure that all modules, over time, receive enough coverage to make their results statistically relevant.

PERFORMANCE MONITORING OF AUDIT PROCESS

The industry, through the myBMP Office, undertakes regular performance monitoring of auditors to assess their technical capacity, competence and adherence to myBMP Procedures. This is in the form of:

- · Scrutineering Auditors will have their audit reports scrutineered in accordance with the myBMP Scrutineer Procedure.
- Annual performance review every year the lead auditor assesses the performance of the audit team by scrutineering individual audit reports, referring to post audit surveys and conducting an interview with each auditor. Biannually each auditor has an in-field mentored audit in accordance with the myBMP Auditor Mentoring Procedures. This is an opportunity for auditors to seek feedback on their performance, and for the myBMP Office to verify performance, and identify training needs and gaps. If the mentor assesses an auditor as not competent, the auditor will be re-mentored until such time as the mentor is satisfied with the auditor's performance.



The myBMP Office will investigate any complaints received by growers on the performance of an auditor. The myBMP Resolution of Complaints Procedure outlines the process to be followed.



OBLIGATIONS AND EXPECTATIONS OF MYBMP AUDITORS

PROCEDURES, GUIDELINES AND ETHICS

Registered myBMP auditors are expected to follow the auditing process and procedures at all times when organising, preparing for, conducting and reporting on a myBMP audit. Whenever a procedure or guideline of relevance to auditors is updated, it will be provided by the myBMP Office to registered myBMP auditors.

CONFLICT OF INTEREST

Auditors must disclose and discuss with the myBMP Office any potential conflict of interest that exists prior to any audit activity commencing.

Auditors must not audit their current clients or partners' clients, where a client is described as someone where advice on a commercial basis is provided that is directly related to the content of the myBMP program.

Situations where auditors have assisted growers implement and/or complete their myBMP risk assessment are deemed a conflict of interest and auditors may not audit clients falling in this category. Auditors may also not audit family members (direct or related by law, e.g. marriage).

The myBMP Office reserves the right to determine whether a conflict of interest exists.

CONFIDENTIALITY

It is expected that myBMP auditors ensure confidentiality in all aspects of their work. This includes:

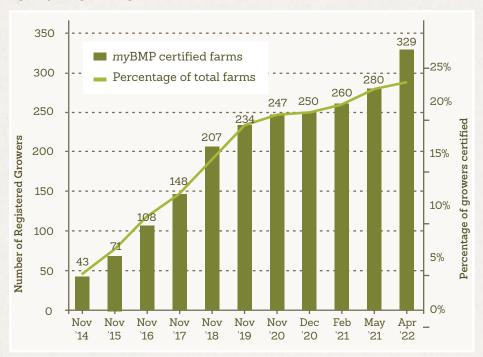
- · Contractual arrangements with the myBMP Office
- · Grower details and performance during an audit
- · myBMP website access details

The privacy of the growers who participate is to be maintained at all times.

PROGRAM GROWTH

In 2013, around 7% of Australian cotton bales were produced on certified myBMP farms. By 2021, the number of bales shipped from myBMP certified farms was about 25% – a substantial increase that is a testament to the value the program is delivering to growers. The number of bales produced continues to rise as more farms move through the program to full certification.

Fig 1: myBMP grower registrations 2014-2022



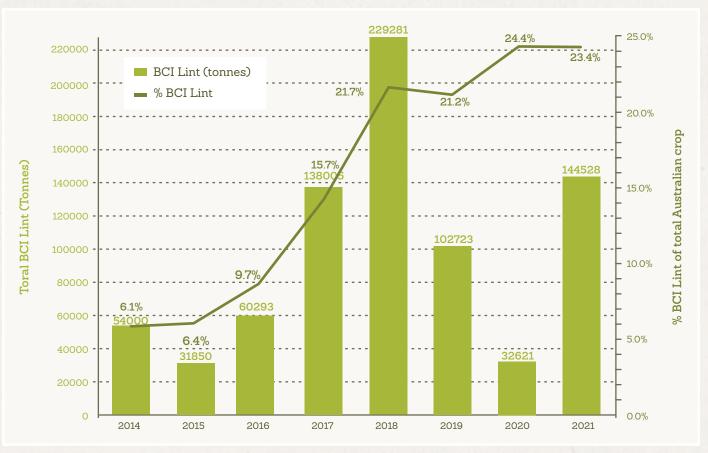
AROUND 80% OF FARMS REGISTERED FOR #\$BMP

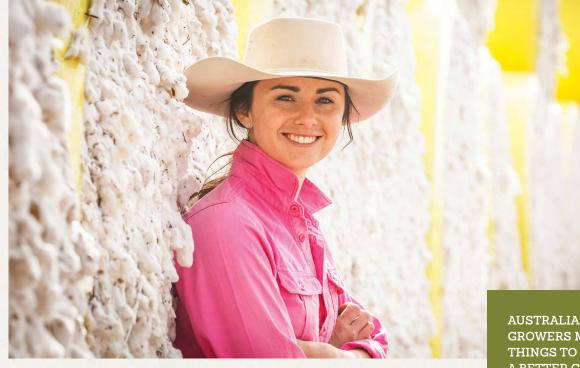
About 80% of Australia's cotton farms are registered for the myBMP program with the implementation team working with these farmers to help them participate and improve. Certification occurs at a farm level, as some growers may own or manage more than one farm, and each farm may be at a different stage of its myBMP compliance journey.

In 2022 the industry grew about 1.3 million bales of certified myBMP cotton, up from just 270,00 bales in 2016. And the number of certified farms tripled between 2016 and 2022.

Both participation and certification in the *my*BMP program continues to grow.

Fig 2: Australian 'Better Cotton' production from 2014 to 2021





GLOBAL RECOGNITION FOR AUSTRALIAN COTTON SUSTAINABILI

The certification standards of the myBMP program are among the most rigorous in the world and participation in myBMP has allowed Australian growers to access cotton markets by opting into programs such as Better Cotton.

BETTER COTTON

Better Cotton is a global sustainability program focused at farm-level improvements. It trains and certifies farmers to a set of standards covering social and environmental issues like pesticide management and child labour. Brand and retail members in turn demand Better Cotton in their supply chains.

Better Cotton is a global, multi-stakeholder organisation that operates throughout the world and:

- Partners with brands and retailers to encourage demand for Better Cotton
- · Channels funds from membership and public-private partnerships back into the supply of Better Cotton through farm-level training and verification
- · Facilitates Better Cotton into the supply chain using a mass balance model In 2012, Cotton Australia joined the then Better Cotton Initiative

In 2014, following a resolution on the alignment of the myBMP and Better Cotton standards, a formal partnership agreement was signed on behalf of Australia's cotton industry. Now cotton produced under Australian myBMP certification can be sold into the global market as Better Cotton.

AUSTRALIAN COTTON **GROWERS MUST DO THREE** THINGS TO QUALIFY AS A BETTER COTTON GROWER:

- Achieve myBMP certification
- Pay their full Cotton Australia levy
- Register with Better Cotton (through Cotton Australia)
- Annually report impact data

myBMP growers who are also accredited as Better Cotton growers receive Better Cotton Claim Units (BCCUs) when selling their cotton, which can attract a premium.





COTTON LEADS SM PROGRAM

Cotton LEADS $^{\text{SM}}$ is a joint program, initiated by Cotton Incorporated in the U.S. and Cotton Australia. It offers manufacturers, brands and retailers a reliable cotton supply chain solution and confidence that their raw material is responsibly produced and identified.

myBMP's certification standards and continuous improvement approach dovetails neatly into the Cotton LEADS SM objectives.

Cotton LEADSSM program partners include over 700 manufacturers, brands and retailers that have supported the program by signing The Commitment to Cotton. Cotton LEADSSM partners have the opportunity to be active participants by supporting research projects, helping to disseminate information on best practices, or creating partnerships for continual improvement. Partners who choose to donate funds support activities under the Cotton LEADSSM program and contribute to continuous improvement in cotton production globally.

TEXTILE EXCHANGE'S PREFERRED FIBERS

Textile Exchange is a global non-profit seeking to drive industry transformation in preferred fibres, integrity and standards, and responsible supply networks. It helps brands, retailers, educators, NGOs and those participating in the textile supply chain to understand the preferred fibre and materials market. Textile Exchange researches and consults with all sectors of the textile supply chain to nominate its 'preferred fibres' which includes Better Cotton & myBMP.

PARTNERSHIP FOR SUSTAINABLE TEXTILES

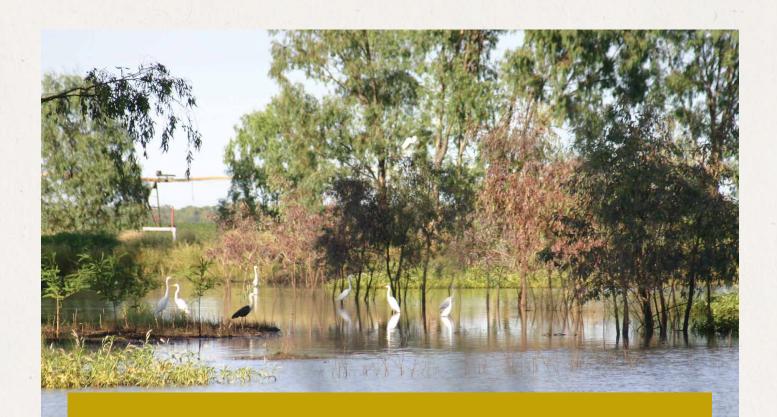
The Partnership for Sustainable Textiles is a multi-stakeholder initiative with around 150 members. Together they strive to improve conditions in global textile production – from the production of raw goods to the disposal of textiles.

In 2017, the *myBMP* Certification Standard was accredited by the Partnership for Sustainable Textiles, a multi-stakeholder initiative comprising representatives of business, civil society, the German Government, standards organisations and trade unions. The Partnership is committed to bringing about social, environmental and economic improvements all along the textile supply chain.



COTTON LEADSSM
IS BUILT UPON
FIVE CORE PRINCIPLES:

- 1 COMMITMENT to sustainably balance social, economic and environmental factors.
- RECOGNITION that
 we must continue
 to improve, invest,
 research and
 implement best
 practices.
- 3 UNDERSTANDING that working at a national level drives large-scale improvements.
- 4 BELIEF in working cooperatively to advance sustainable cotton sourcing and production.
- 5 CONFIDENCE in transparent and traceable cotton identification systems.



myBMP FACTS AND STATISTICS



85% of Australian farms participating in the myBMP program.



More than 400 certification standards across the whole program.



Independent



More than 1.8 million bales produced from myBMP certified farms in the 2020-21 season.



Program participation growing at 20% every two years.



Number of certified farms has increased 23% in the last eight years.



DISCLAIMER

This material has been prepared for information and educative purposes only. The content does not constitute legal advice or recommendations and should not be relied upon as such.

MORE INFORMATION

www.australiancotton.com.au cotton2market@cotton.org.au

FOLLOW COTTON AUSTRALIA ON



