



MANAGEMENT APPROACH

Emissions



NCIG's core focus is on reducing Scope 1 and Scope 2 operational emissions since these are within our direct control. Part of setting our ambition in this area is developing a feasible pathway and an achievable target to reach net zero operational emissions on a timeline consistent with our stakeholders, peers, and the industry.

NCIG recognises the critical challenge the world faces to respond effectively to the risks of climate change, and the importance of a transition over time to a lower carbon-intensive economy. We recognise that many countries, including Australia, have committed to emission reduction targets that align with the Paris Agreement, as evidenced in their Nationally Determined Contributions (NDCs). As an Australian business, we are committed to operating as sustainably as possible, and to actively working to reduce the greenhouse gas emissions within our direct control. Concurrently, we also acknowledge that the exact pace of global decarbonisation efforts is uncertain and that the pathway to net zero will take time. We also believe that high quality coal will remain part of the global energy mix for some time, as a mixture of cleaner forms of energy and innovative technologies, such as carbon capture and storage, will be imperative to meeting net zero commitments. The high-quality coal NCIG handles on behalf of our customers will play an important role in this transition, particularly for Asian economies, to help to ensure energy continuity, affordability and reliability to enable their social development ambitions to be met during this period. We base our planning on a range of plausible and internationally recognised climate-related risk scenarios to periodically assess future demand for thermal coal and our customers' subsequent demand for our services.

GOVERNANCE

The NCIG Board oversees strategic and sustainability-related decisions, including emissions, and reviews monthly sustainability reports from management covering performance metrics, incidents, and compliance.

RISK MANAGEMENT

The Executive Leadership Team (ELT) is responsible for strategy implementation and risk management, with the Sustainability Team managing day-to-day emissions performance. Risks are reviewed annually, and Risk Control Action Plans (RCAPs) are put in place to manage materially high risks.

METRICS & TARGETS

The ELT establishes goals every three years aligned with strategy and budget cycles. Performance is tracked using relevant legislated, industry, and global sustainability metrics. For emissions, we monitor Scope 1, Scope 2 and emissions intensity.

COMMITMENT

To achieve Net Zero operational emissions by 2030.

GOAL

To reduce our total operational emissions (scope 1 and 2) in accordance with our Net Zero Transition Plan.

FY27 TARGET

To achieve Net Zero by 2030.



SYSTEMS AND PROGRAMS

Identifying and Quantifying our Emissions

NCIG's approach to identifying the emissions sources within our direct control reflects the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard, which classifies GHG emissions into three broad scopes:

- **Scope 1 emissions** are the direct emissions created from an organisation's owned or controlled sources, including company facilities and vehicles. Our Scope 1 emissions relate primarily to onsite machinery and vehicle consumption of diesel, oil and petrol.
- **Scope 2 emissions** are the indirect emissions associated with an organisation's operations, primarily purchased electricity, steam, heating, and cooling. Our Scope 2 emissions primarily relate to electricity purchased from the grid, of which 99% is used to operate our infrastructure assets such as conveyor belts, stacker reclaimers and shiploaders.
- **Scope 3 emissions** are the indirect emissions that occur in our value chain. For NCIG these relate to emissions derived from the production of goods and services procured by NCIG in order to execute the logistical plan required by our customers. Informed by the GHG Protocol, and aligned to peers and comparable organisations, we have identified the key sources of the Scope 3 emissions in our value chain. For NCIG these sources include capital goods, purchased goods and services, fuel and energy related activities, waste generated by our operations, business travel, and employee commuting. We have actively sought to identify strategies to reduce our Scope 3 emissions with initial analysis identifying opportunities relating to employee commuting and waste management. NCIG considers that the emissions related to the end use of coal are beyond the boundaries of our Scope 3 emissions as the coal is not owned nor sold by NCIG. We recognise the steps that are being taken across the coal chain to increase efficiency and reduce emissions associated with the production, transportation and use of coal, and continue to engage with industry on the emissions footprint of the broader Hunter Valley coal supply chain.

Emissions Reduction Strategy

We are committed to achieving Net Zero operational emissions by 2030 and maintain an approach to reducing our emissions where feasible, affordable and within our control. Our strategy is to focus on reducing operational emissions that fall under Scopes 1 and 2. Our Net Zero Transition Plan includes current and future initiatives and is integrated into our overall business strategy and financial planning. The Plan sets forth strategic considerations for operational and financial planning beyond 2040.

Renewable Energy Project

In 2024, NCIG committed to a long-term Power Purchase Agreement (PPA) that will see the development of a large-scale solar farm in the Upper Hunter Region. The PPA secures a reliable, locally sourced renewable energy supply that will see NCIG entirely powered by renewable energy from 2030 onwards, effectively offsetting our Scope 2 emissions.

Fleet Electrification

NCIG's goal is to achieve a fully electrified operational vehicle fleet by 2030, and we are actively converting our fleet to electric vehicles. The transition is ongoing and reliant upon market availability of suitable vehicles, given the nature of our workplace. To power our growing EV fleet, electric vehicle fast chargers have been installed onsite, ensuring efficient and reliable charging. To encourage and support our workforce transitioning their personal cars to electric vehicles, we have also extended charging capabilities for their personal use and charge a highly competitive discounted rate, thereby progressively helping to reduce our Scope 3 emissions associated with employee commuting.

Waste Management

Our ongoing focus on the reuse and recycling of waste streams generated by the NCIG operations, particularly oils and greases, continues to reduce associated Scope 3 emissions.

TRAINING AND COMMUNICATION

Emissions management at NCIG is communicated through our site induction and general environmental awareness training for our employees and contractors. For example, as part of a vehicle fleet electrification project, we provided awareness training to staff and contractors on the benefits of owning or leasing an EV.

REPORTING

We publicly report our emissions performance in our annual Sustainability Report and in our bi-annual ESG scorecards on our website. Meeting compliance obligations, we also report annually under the Australian Government's National Greenhouse Gas and Energy Reporting Scheme (NGERS). Our annual NGER's Report is reviewed and authorised by NCIG's Chief Executive Officer. Reports submitted under the NGER Act are reviewed and assessed by the Clean Energy Regulator for potential non-compliance with legislative obligations.