Australian Beef Sustainability Framework

MEETING STAKEHOLDERS' SUSTAINABILITY EXPECTATIONS

Pip Band – Manager Sustainability Strategy & Stakeholder

Tony Hegarty – Producer and member of Sustainability Steering Group

AUSTRALIA

1. The Framework approach
2. What consumers expect
3. Achievements and lessons
4. Where to next

FRAMEWORK APPROACH

Tony Hegarty –
Producer and member of Sustainability Steering Group

THE FRAMEWORK

"

Our vision

A thriving Australian beef industry that strives to continuously improve the wellbeing of people, animals and the environment.

How we define sustainability

Sustainability is the production of beef in a manner this socially, environmentally and economically responsible. We do this through the care of natural resources, people and community, the health and welfare of animals, and the drive for continuous improvement.

"

OUR SIX KEY PRIORITIES

WELFARE

- Animal husbandry techniques

ECONOMIC

- Profitability across the value chain

ENVIRONMENT

- Balance of tree and grass cover
- Climate change risk

COMMUNITY

- Antimicrobial stewardship
- Health and safety of people in the industry

PRIOR TO DEVELOPMENT

UNIVERSE OF ISSUES

AA1000 5 Part Materiality Process to identify all the potential issues for the beef industry, undertaken by Net Balance/EY.

TECHNICAL REVIEW

An industry technical group priority areas based on perceived importance to the industry and stakeholders.

DATA AVAILABILITY ASSESSED

Deloitte appointed to review what data exists to enable industry to report against draft priority areas.

SOCIAL LICENCE REVIEW

Multi-stakeholder project undertaken by Social Licence company Futureye to assess social licence risks to industry.

SUSTAINABILITY STEERING GROUP FORMED

Red Meat Advisory Council appoints a Sustainability Steering Group to lead the development of the first Sustainability Framework.

2011 2014 2015 2016

Informing the process: Consumer research, retailer discussions, NGO discussions, global frameworks reviewed

FRAMEWORK DEVELOPMENT

Key activities undertaken to inform development

SUSTAINABILITY STEERING GROUP FORMED

Red Meat Advisory Council appoints a Sustainability Steering Group to lead the development of the first Sustainability Framework.

INDUSTRY CONSULTATION

A review of key issues, indicators with producers, lot-feeders, processors and live exporters.

EXTERNAL CONSULTATION & MATERIALITY REFRESH

The views of stakeholders from outside the beef industry, including special interest groups were sought.

ONLINE CONSULTATION

Community consultation website enabled views of grass roots industry and external stakeholders to be gathered.

REPORT RELEASE

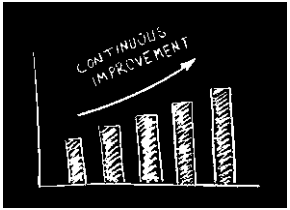
First report released and new Sustainability Steering Group appointed to lead implementation.

Feb 2016 | **Apr-Jun 16** | **Sep – Oct 16** | **Jan – Feb 17** | **April 2017**

Informing the process: Consumer research, retailer discussions, NGO discussions, global frameworks reviewed

HOW IS THE FRAMEWORK USED?

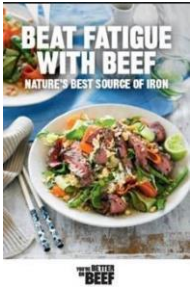
Advise industry where investment in research, development and adoption is required



Foster constructive relationships with stakeholders

Help protect and grow access to investment, market access and finance

Promote our industry to the community and customers



GOVERNANCE STRUCTURE

Approve	RMAC	
Direct	Sustainability Steering Group	
Consult	Consultative Committee	Technical experts
Support *Deliver research, development, extension and secretarial support*	Industry service companies (MLA, AMPC and Live Corp)	
Adopt best practice	Producers, processors, feedlots, transport	

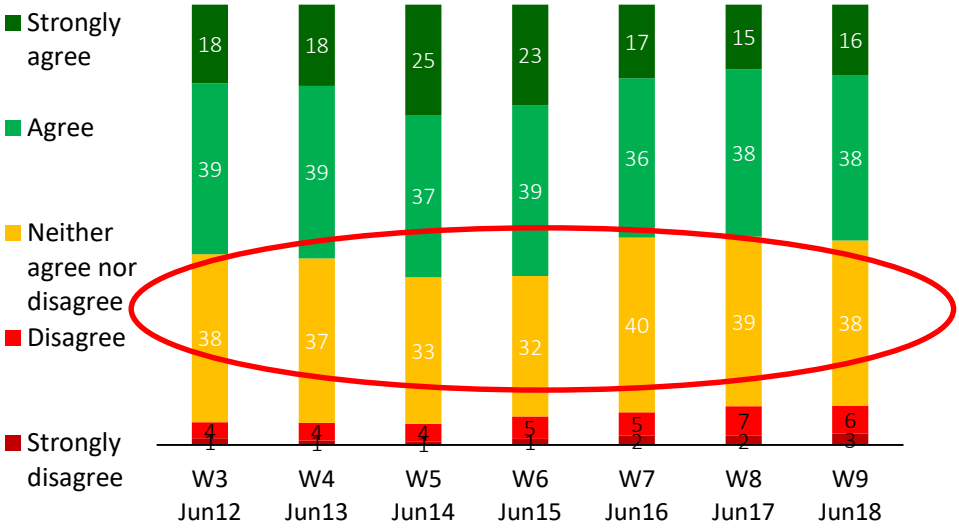
Ongoing measurement

WHAT CONSUMERS EXPECT AND WANT

Pip Band
Manager, Sustainability Strategy & Stakeholder

IS BEEF SUSTAINABLY PRODUCED?

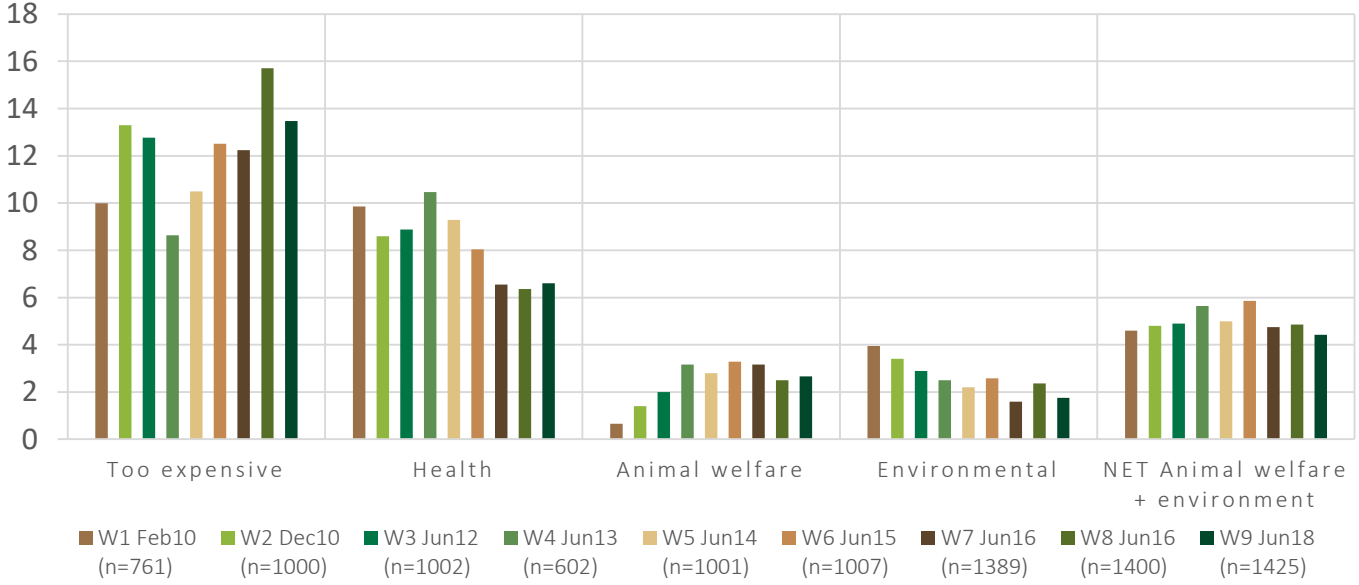
Belief that the Australian red meat industry is committed to sustainable production **remains around 50%,** a high level, but **not as high as 3-4 years ago**



REASONS FOR EATING LESS RED MEAT

Only 1.8% of Main Grocery Buyers are eating less red meat primarily due to environmental concerns.

Main reason for eating less red meat (%) (re-based to total meat eating sample)
FORCED ONE RESPONSE ONLY

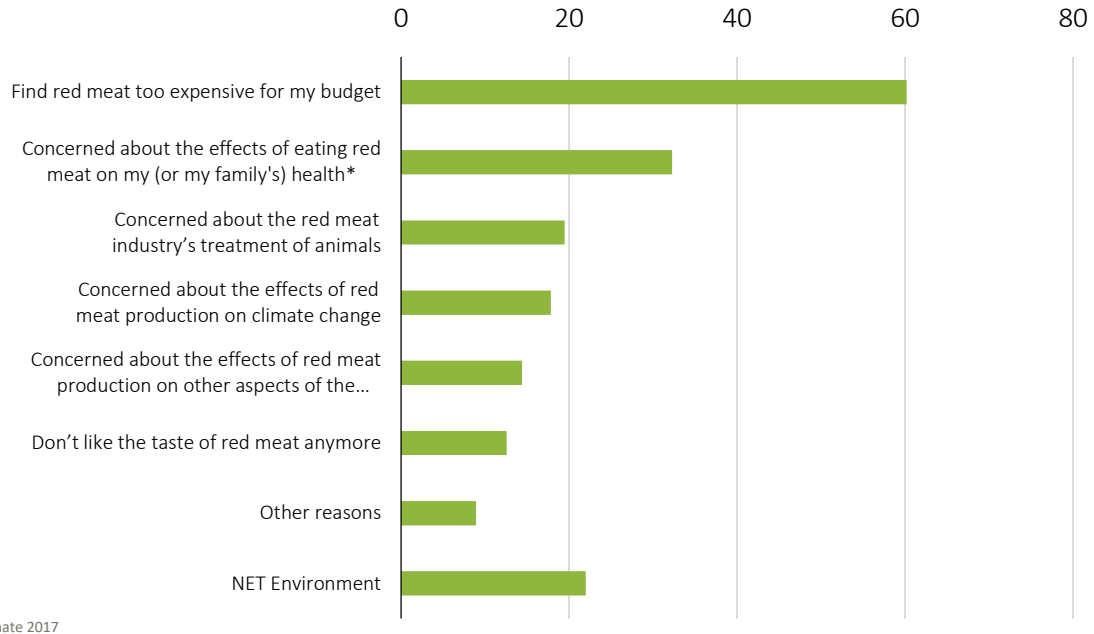


A9. And which ONE of the following best describes why you have reduced the amount of red meat you are eating? Base: Total meat eating sample

KEY REASONS REDUCERS

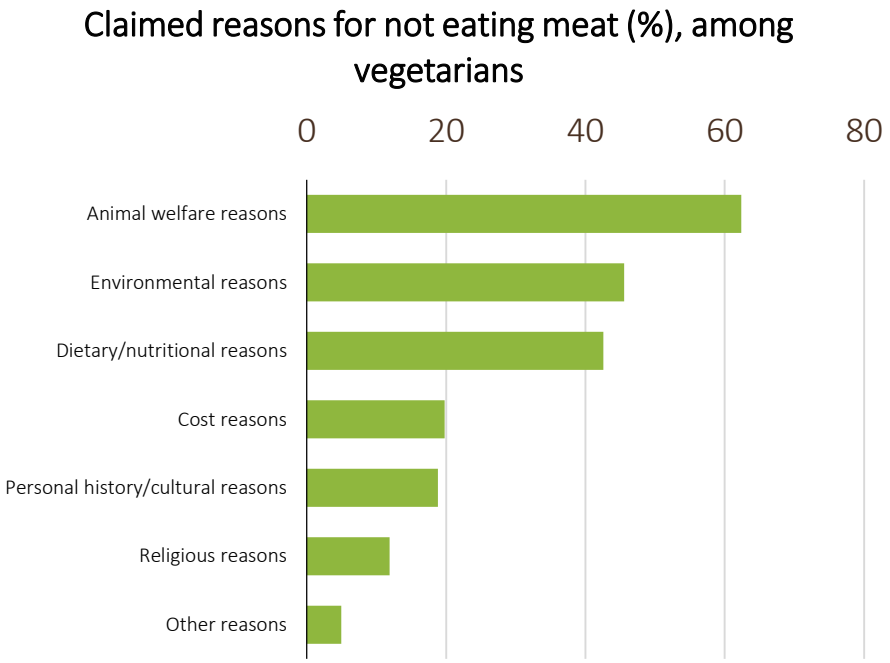
Reasons for eating less red meat (%), among red meat reducers

(Respondents could pick as many reasons as appropriate)



Source: Pollinate 2017
V4. What are the main reasons you reduced eating red meat?
Base: Eat red meat LESS often now, compared to 1 year ago, N= 437
* Or my family's added to reason in Jun '17

KEY REASONS VEGETARIANS

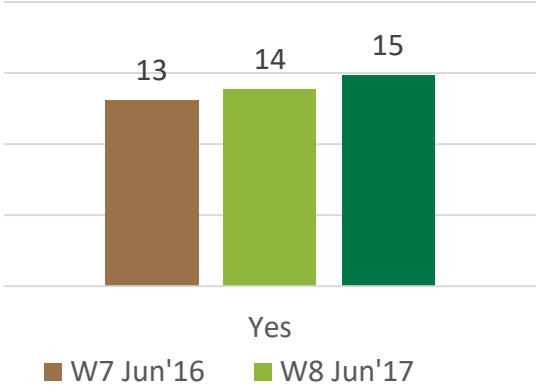


Source: Pollinate 2017
V2. What are the main reasons you don't eat meat?
Base: Vegetarians and red meat rejectors, n=111 / 101

BUT WE BRING THEM BACK!!!

(Driven primarily by health concerns)

Ever been a vegetarian (%)?
Among current red meat eaters



V6. Have you ever been a vegetarian (i.e. stopped eating meat for a while)?
Base: MGB/MMP who are non-rejectors of red meat (i.e. must eat beef and/or lamb) n=1389 / 1400 / 1425

MILLENNIALS LEAD ETHICAL PUSH

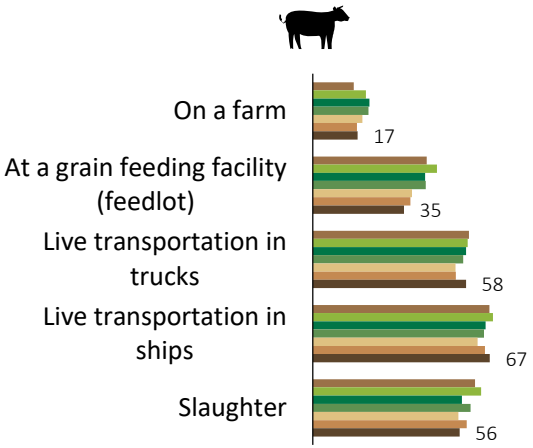
	% of Gen Y (Millennials)	% of Gen X	% of Boomers	% of Silent Generation
Ethical reasons	24%	18%	14%	11%
Environmental reasons	32%	23%	17%	11%
Religious reasons	13%	9%	4%	2%
Health reasons	37%	36%	28%	18%
Taste reasons	21%	18%	15%	9%
None of the above - I would never eat this	29%	38%	51%	66%

Source: GlobalData Global Consumer Survey 2018

Which of the following reasons would make you consider eating 'vegan meat?

LIVE TRANSPORT AND SLAUGHTER ARE OF GREATEST CONCERN

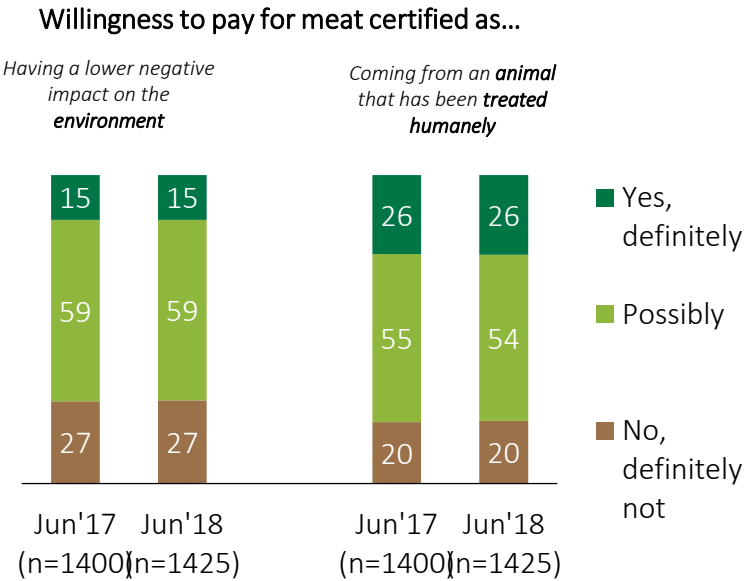
Concerns related to specific production stages
(Total concern, T2B%) Among red meat eaters



W3 Jun12… W4 Jun13… W5 Jun14… W6 Jun15…
W7 Jun16… W8 Jun17… W8 Jun18…

C5/C5b. Please indicate how concerned you are about the following stages of [beef/lamb] production
Base: MGB/MMP who are non-rejectors of red meat (i.e. must eat beef and/or lamb)

AUSTRALIANS MIGHT PAY EXTRA FOR CERTIFIED ETHICALLY MEAT



X3. Would you pay more for meat (e.g. beef) that is 3rd party certified as having a lower negative impact on the environment? X5. Would you pay more for meat (e.g. beef) that is 3rd party certified as coming from an animal that has been treated humanely? Base: Total meat eating sample n=1400 / 1425

CONSUMER RESEARCH

What do consumers think of red meat?

- Tastes great
- Provides variety
- Dietary staple for family
- Spaghetti Bol. #1 go-to meal for kids
- Steak is a looked-forward-to reward
- Good for me
- Source of protein and iron

There is a genuine love for red meat, but we need to maintain trust.

CONSUMER VIEWS

51% Are interested in finding out about the indicators in the framework

63% Feel more confident in industry knowing this information is available

63% Think that having the involvement of animal welfare and environment groups make them more confident in the integrity of the industry

CONSTRUCTIVE COLLABORATION

Animal activists – no use of animals	Moderates that will work with industry	More likely to work with industry and support best practice
PETA Animals Australia – the voice for animals voiceless – the animal protection institute	ANIMALS' ANGELS – wir sind bei den Tieren	RSPCA – for all creatures great & small Landcare Australia WWF

FOCUSING ON THE INFLUENCERS

Industry

Peak councils, bodies

RMAC RED MEAT ADVISORY COUNCIL
ALFA AUSTRALIAN LOT FEEDERS' ASSOCIATION
ALPA
mla MEAT & LIVESTOCK AUSTRALIA
Australian Livestock Exporters' Council ALEC
AMPC AUSTRALIAN MEAT PROCESSOR CORPORATION
Dairy Australia
CATTLE COUNCIL OF AUSTRALIA
LIVECORP
National Farmers' FEDERATION

External

Customers, NGOs, think tanks, government, business, interest groups

THE WILDERNESS SOCIETY
SoilsForLife AN OUTCOMES AUSTRALIA PROJECT
ClimateWorks AUSTRALIA
Woolworths
RSPCA
animalhealth AUSTRALIA
Australian Government Department of Agriculture and Water Resources
nab
coles
Rabobank
DAVID JONES
PRIMESAFE
riaa Responsible Investment Association Australasia
WWF
Westpac
AUSTRALIAN FOOD & GROCERY COUNCIL

ACHIEVEMENTS & LESSONS LEARNT

Tony Hegarty

HIGHLIGHTS

1. The Framework approach
2. What consumers expect
3. Lessons learned to date
4. Producer engagement

FRAMEWORK HIGHLIGHTS

Established an expert panel on balance of tree and grass cover

Decided on 6 key priority areas for industry focus

HIGHLIGHTS

ANIMAL WELFARE

$35m research partnership established

51% COWS POLLED

71% BULLS POLLED

High proportion of cows and bulls are polled and don't require dehorning

Pain relief made commercially available for use on cattle in late 2016

ECONOMIC RESILIENCE

$120m

$120m in farmgate returns from the Meat Standards Australia beef program

30% PRODUCER KNOWLEDGE AND SKILLS

Rollout of Profitable Grazing Systems, with a potential 30% boost to producer knowledge and skills

HIGHLIGHTS

ENVIRONMENTAL STEWARDSH

CO_2 NEUTRAL 2030

Pathways investigated for the red meat industry to become carbon neutral by 2030

PEOPLE & THE COMMUNITY

Established a proactive antibiotic monitoring program in Australian feedlots

58%

58% of Australians consider beef part of a healthy, balanced diet

STOCKTAKE OF ACTIVITY

Priority areas for action	Research	Adoption	Industry & data systems
Animal husbandry techniques	🟢	🟡	🟡
Profitability across value chain	🟡	🟡	🔴
Balance of tree and grass cover	🟡	🟡	🟡
Antimicrobial stewardship	🟡	🟡	🟡
Manage climate change risk	🟢	🟢	🔴
Health and safety of people in the industry	🟢	🟡	🔴

🟢 Activities have been significantly progressed

🟡 Activities have been progressed

🔴 Activities are in their early stages

LESSONS LEARNT

1. The Framework approach
2. What consumers expect
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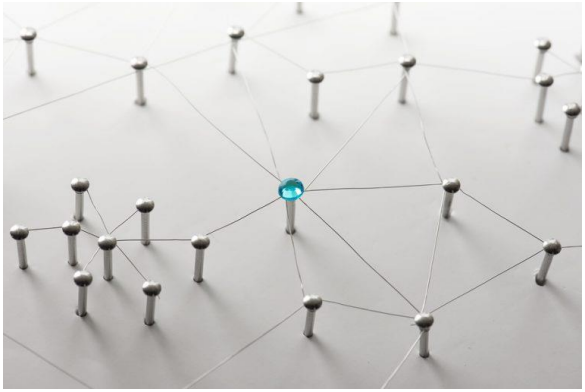
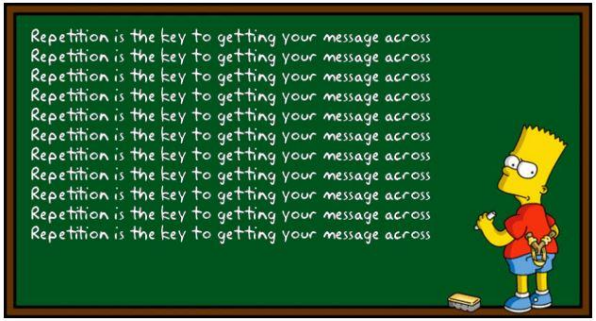
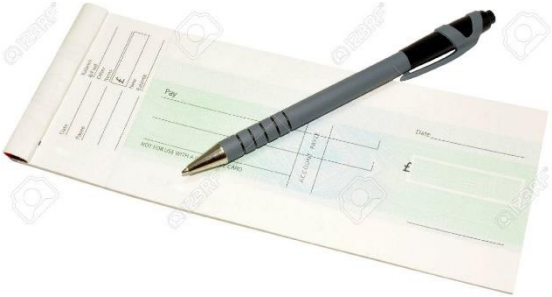
4. Producer engagement





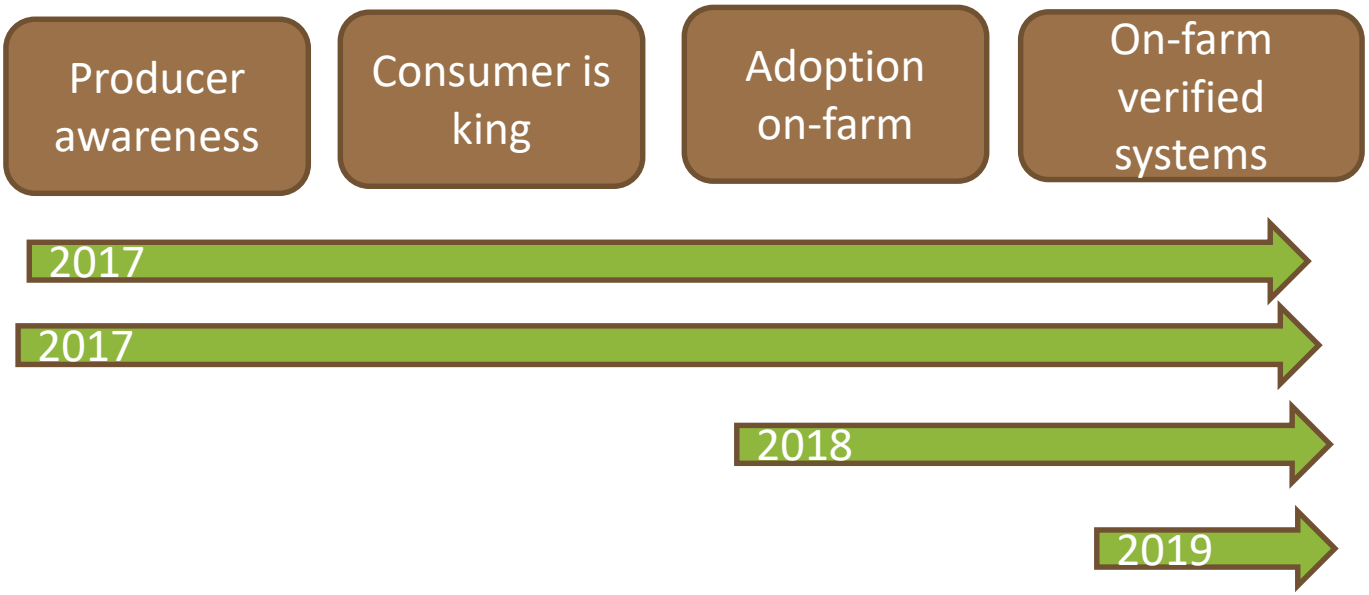


WHERE TO NEXT?

Pip Band

SPREADING THE WORD

CHANGING PRACTICES



MAINTAINING COMMUNITY TRUST

National approaches

TM GRSB

Global message alignment


ROAD
TRAIN