2019 Priorities

Finalize the USRSB Sustainability Framework

The Indicator Working Group (IWG) and Engagement, Measurement & Progress Working Group (EMPWG) will work to finalize the Sustainability Framework to aid in the interpretation of our indicators and metrics and provide resources to each sector to facilitate improvement against each metric and indicator.

Program Evaluation Process & Program Commencement

The Program Evaluation Committee will establish a process to evaluate supply-chain programs that include or intend to include sustainability parameters in-line and equivalent to the USRSB sustainability framework.

Self Assessment Tools

The Outreach Working Group will build off of the efforts of the IWG and EMPWG and will work to increase awareness, uptake and implementation of the USRSB sustainability framework across all sectors of the beef value chain by encouraging the incorporation of USRSB indicators, metrics and sustainability assessment guide material into existing programs.

Public Facing Materials for Final Framework

The Communications Working Group will execute and implement the USRSB communications plan to advance the mission and vision of USRSB and will strategically identify opportunities to promote and deliver key messages regarding the final Sustainability Framework.
## High-Priority Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>Animal Health &amp; Well-Being</strong></td>
<td>The cumulative effects of cattle health, nutrition, care and comfort.</td>
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<tr>
<td><strong>Efficiency &amp; Yield</strong></td>
<td>Efficiency is the unit of input required to produce a unit of output and yield is the total product generated per unit of time or space. Both concepts address waste as a negative characteristic and drive toward improved profitability.</td>
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<tr>
<td><strong>Water Resources</strong></td>
<td>The volume of water consumed by a sector for each process and any impacts on water quality by a sector for each process.</td>
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<tr>
<td><strong>Land Resources</strong></td>
<td>The stewardship of terrestrial and aquatic habitat in relation to water, soil and biodiversity in an area. Impacts of land use and land use conversion, both caused by and prevented by ranching and farming activities.</td>
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<tr>
<td><strong>Air &amp; Greenhouse Gas Emissions</strong></td>
<td>The cumulative emissions of pollutants, including particulate matter, greenhouse gases and other gaseous emissions from a sector for each process.</td>
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<tr>
<td><strong>Employee Safety &amp; Well-Being</strong></td>
<td>The implementation of safety programs and training to provide a safe workplace and help to prevent workplace accidents and injuries associated with production, processing, and distribution of beef and the relative prosperity of workers employed in those activities.</td>
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Sector Specific Metrics

WATER RESOURCES

The volume of water consumed and any impacts on water quality.

COW-CALF
Is a grazing management plan (or equivalent) being implemented that maintains or improves water resources?

AUCTION MARKET
Are water resource management strategies implemented at the auction market that address water management, water use optimization, conservation and water quality?

FEEDYARD
Are water resource management strategies implemented at the feedyard that address water management, water use optimization, conservation and water quality?
PACKER & PROCESSOR

LEVEL 1
Is a water resource management plan implemented at the facility?

LEVEL 2
Water Quality: How many wastewater permit non-compliances has the facility had in the previous calendar year?
Water Quantity: What is the water use in gallons/head/day (packers) or gallons/pound of beef processed (processors)?

LEVEL 3
Does your company track water quality and quantity over time?
Does your company have set goals for continued improvement?
Does your company make water performance efforts public?
Does your company participate in partnerships, initiatives or programs to further advance water resource management?

RETAIL & FOODSERVICE

LEVEL 1
Has the company assessed the water risk of its operations and locations?

LEVEL 2
Does the company have a plan for water resource and risk management including both quantity and quality impacts?
Has the company assessed the water risk of its direct beef suppliers?
Does the company engage suppliers and encourage adoption of USRSB water metrics in its beef supply chain?

LEVEL 3
Is the company participating in a credible system for measuring and reporting for water stewardship?
Has the company set water targets based on its assessments?
Can the company demonstrate progress toward these targets?
Does the company track performance on water stewardship in its beef supply chain?
Sustainability Assessment Guides

ANIMAL HEALTH & WELL-BEING
EFFICIENCY & YIELD
WATER RESOURCES
LAND RESOURCES
AIR & GREENHOUSE GAS EMISSIONS
EMPLOYEE SAFETY & WELL-BEING

Packer & Processor
Retail & Foodservice
Auction Market
Feedyard
Cow-Calf

High Priority Indicators

Metrics
Animal Health and Well-being

Indicator Definition

The cumulative effects of cattle health, nutrition, care and comfort.

Why is this indicator important to the feedyard sector?

Feedyards have a moral and ethical responsibility to ensure, to the best of their ability, the health and well-being of the livestock in their care.

Metric

Are feedyard employees trained in and Beef Quality Assurance (BQA) principles being implemented at the feedyard?

Why did we choose this metric?

BQA was developed by veterinarians, industry representatives, animal scientists and extension professionals and it is consistent with the World Organization for Animal Health code that provides global standards for animal well-being and beef cattle production systems.
The U.S. Roundtable for Sustainable Beef opened a 60-day public comment period for their Sustainability Framework, a set of resources developed to assist the beef value chain in its efforts to continuously improve the sustainability of U.S. beef.

For more information please visit the USRSB website at www.USRSB.org
FRAMEWORK Development

5 ROUNDS
> 1,250
Internal comments received on the USRSB Framework

USRSB Framework comments received
465
during Public Comment

700 Internal comments on Metrics
350 Internal comments on SAGs

SIX High-Priority Indicators
51 Metrics to support the Indicators

21 Sustainability Assessment Guides
Public Comments

**Producer Comments:** Antibiotics, Production Systems, Grazing Management Plans, Sustainable Feed, Methane Mitigation, Carbon Sequestration

**Packer/Processor Comments:** Levels/Tiers, Place for Innovations

**Retail/Food Service Comments:** Deforestation/Land Conversion, Food Waste

**General Comments:** Organization of Document, Market Concentration, Markets, Lobbying/Regulatory Affairs
USRSB
4 Pilot Projects

Integrity Beef utilizing metrics throughout supply-chain and providing feedback

JBS USA utilizing metrics to test industry-scale adoption

Grass Run Farms testing metrics in grass-finished system

K-Coe Isom testing sustainability outcomes and profitability
PILOT PROJECT GOALS

To improve the sustainability of the entire beef production value chain

Act as a model for the U.S. beef industry

Align with the vision, indicators and metrics of the USRSB

Integrate all phases of the beef supply chain
PILOT PROJECT UPDATE

- **Self-assessment tools** in development for each segment. These include several questions that will assess progress towards the six indicators and provide a summary that will allow year over year comparisons.

- **Initial data analysis has been completed** and cattle performance reports sent to producers, which show how each producers’ calves performed in the feedlot and on the rail with comparisons to non-project cattle on feed at the same time.

- A survey about the cow-calf metrics has been developed to provide feedback about which metrics are being implemented, their usefulness and value. It will also seek input on what metrics should be added to help producers.

- **Signing up producers to participate in the pilot for year two.** Targeting around 2000 head for placement between November 1 and January 15th and another 1500-2000 for March 15-May 15th placement.
JBS USA SUSTAINABLE FEEDYARD PILOT PROJECT

• First company to pilot the USRSB Sustainability Framework at industry scale
• Partnered with 81 feedyards
• 2,904,850 head included (56% of the fed beef supply)
• Success based on history of trust between JBS USA team and producer partners
What's Next?

- Respond to Public Comment
- Focus on Outreach and Uptake
- Develop Additional Pilot Projects
- Conduct Field Trials & Research
- Regular Review

Strong collaboration and support from partners
- Voluntary participation rate of 100% of requested feedyard partners, demonstrating opportunities for future program alignment
- Cattle feeders are eager to tell their story and share their values

100% of pilot project participants address priority topics and best management practices
- Provide employee training in and implement Beef Quality Assurance (BQA) principles
- Utilize an employee safety program to drive safety performance
- Track cattle performance and operational efficiency
- Implement a nutrient management strategy or plan
- Implement water resource management strategies to address water management, water use optimization and conservation, and water quality
- Implement strategies to manage air and greenhouse gas emissions
K-Coe Isom Pilot Project Overview

• Joint initiative undertaken by Hy-Plains Feedyard, World Wildlife Fund, and K-Coe Isom

• **Key Question:** Can genetic performance and herd management decisions in the backgrounder and feedyard sectors not only drive economic outcomes, but also improve environmental outcomes?

• **Goals**
  - Develop a unique and scalable assessment process to assess the impacts of multiple variables at the backgroundering and feedyard phases on key sustainability outcomes
  - Test the process with pilot data from Hy-Plains Feedyard (two groups of cattle with proven genetics against a yard average)
  - Help build the business case for better genetic selection in the beef breeding herd by quantifying environmental and economic benefits

• Analyzed preliminary results and obtained USRSB recognition of pilot project
Industry Implications

• Based on Our Pilot:
  • Importance of linking outcomes across the whole beef production system
    • Fewer enteric GHGs for both test groups when viewed across the total of backgrounding / feedyard
    • Improved business outcomes, such as higher % choice/prime for one test group
  • Need for information-sharing across the entire beef value chain
    • Hy-Plains’ strong relationships with backgrounders
    • Sharing carcass data to demonstrate business outcomes

• Opportunity for achieving improved business outcomes and environmental benefits across the U.S. beef industry:
  • Further testing will help reveal information and practices that can enhance management decisions, increase predictability, and facilitate data sharing
  • This can drive continuous improvement, transparency, and trust
• Crosses Both Cow-calf and Feeder Segments
• Built Surveys Around Both Segment’s Metrics
• Surveys Have Gone Out
• Awaiting Results
USRSB
SUSTAINABILITY ASSURANCE FRAMEWORK

01 INDICATORS FOR BEEF VALUE
Animal Health & Well-Being; Efficiency & Yield; Land Resources; Air & Greenhouse Gas Emissions; Water Resources; Employee Safety & Well-Being

02 SEGMENT SPECIFIC METRICS
Developed for each indicator: Producers, Packers & Processors, and Retail & Food Service with Allied Industry and Civil Society input at every segment

03 SUSTAINABILITY ASSESSMENT GUIDES
Self-assessments / Tools / Resources

04 EDUCATION, TRAINING & OUT-/Throughout the Beef Value Chain

05 EXTERNAL PROJECTS
Pilot Projects / Research

SECOND-PARTY CERTIFICATION
THIRD-PARTY VERIFICATION

[ IMPLEMENTED BY B2B SUPPLY CHAINS ]

USRSB TO DEVELOP, OWN & PROMOTE USE

ENGAGEMENT MEASUREMENT & PROCESS WORKING GROUP

INDICATOR WORKING
USRSB 5TH ANNUAL GENERAL ASSEMBLY MEETING
2019 APRIL 30th - MAY 2nd FRESNO, CALIFORNIA
ACTION INTO ACHIEVEMENT