#GlobalBeef18

SUSTAINABILITY IN ACTION: IMPACT ON THE GROUND

October 9-12, 2018
Lyrath Estate, Kilkenny, Ireland

Co-hosted by

#GlobalBeef18
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Vice Chair, Cattle Council of Australia
MEETING STAKEHOLDERS’ SUSTAINABILITY EXPECTATIONS

Pip Band – Manager Sustainability Strategy & Stakeholder

Tony Hegarty – Producer and member of Sustainability Steering Group
1. The Framework approach
2. What consumers expect
3. Achievements and lessons
4. Where to next
Tony Hegarty –
Producer and member of Sustainability Steering Group
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

1. Animal husbandry techniques
2. Profitability across the value chain
3. Balance of tree and grass cover
4. Climate change risk
5. Antimicrobial stewardship
6. Health and safety of people in the industry
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.

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.

**Informing the process:** Consumer research, retailer discussions, NGO discussions, global frameworks reviewed
HOW IS THE FRAMEWORK USED?

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

**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

<table>
<thead>
<tr>
<th>Approve</th>
<th>RMAC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>Sustainability Steering Group</td>
</tr>
<tr>
<td>Consult</td>
<td>Consultative Committee</td>
</tr>
<tr>
<td></td>
<td>Technical experts</td>
</tr>
<tr>
<td>Support</td>
<td>Industry service companies (MLA, AMPC and Live Corp)</td>
</tr>
<tr>
<td>Adopt best practice</td>
<td>Producers, processors, feedlots, transport</td>
</tr>
</tbody>
</table>
WHAT CONSUMERS EXPECT AND WANT

Pip Band
Manager, Sustainability Strategy & Stakeholder
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.
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
Reasons for eating less red meat (%), among red meat reducers
(Respondents could pick as many reasons as appropriate)

- Find red meat too expensive for my budget
- Concerned about the effects of eating red meat on my (or my family's) health*
  - Concerned about the red meat industry’s treatment of animals
  - Concerned about the effects of red meat production on climate change
  - Concerned about the effects of red meat production on other aspects of the...
- Don’t like the taste of red meat anymore
- Other reasons
- NET Environment

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

Claimed reasons for not eating meat (%), among vegetarians

- Animal welfare reasons: 60%
- Environmental reasons: 40%
- Dietary/nutritional reasons: 20%
- Cost reasons: 10%
- Personal history/cultural reasons: 5%
- Religious reasons: 2%
- Other reasons: 0%

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*

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>W7 Jun'16</td>
<td>13</td>
</tr>
<tr>
<td>W8 Jun'17</td>
<td>14</td>
</tr>
<tr>
<td>W8 Jun'17</td>
<td>15</td>
</tr>
</tbody>
</table>

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

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

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.

On a farm: 17%
At a grain feeding facility (feedlot): 35%
Live transportation in trucks: 58%
Live transportation in ships: 67%
Slaughter: 56%

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

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

CS/CSb. 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).
### Willingness to pay for meat certified as...

<table>
<thead>
<tr>
<th></th>
<th>Jun'17</th>
<th>Jun'18</th>
<th>Jun'17</th>
<th>Jun'18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Having a lower negative impact on the environment</td>
<td>15</td>
<td>15</td>
<td>26</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>59</td>
<td>59</td>
<td>55</td>
<td>54</td>
</tr>
<tr>
<td></td>
<td>27</td>
<td>27</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Coming from an animal that has been treated humanely</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes, definitely</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Possibly</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No, definitely not</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Base:** Total meat eating sample, n=1400 / 1425

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

<table>
<thead>
<tr>
<th>Animal activists – no use of animals</th>
<th>Moderates that will work with industry</th>
<th>More likely to work with industry and support best practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>PETA</td>
<td>Animals Australia</td>
<td>RSPCA</td>
</tr>
<tr>
<td>Animals Australia</td>
<td>ANIMALS' ANGELS</td>
<td>Landcare Australia</td>
</tr>
<tr>
<td>voiceless</td>
<td></td>
<td>WWF</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Industry</th>
<th>External</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peak councils, bodies</td>
<td>Customers, NGOs, think tanks, government, business, interest groups</td>
</tr>
</tbody>
</table>

- Industry:
  - RMAC
  - ALPA
  - MLA
  - ALEC
  - AMPC
  - Dairy Australia
  - Cattle Council of Australia
  - LiveCorp
  - National Farmers’ Federation

- External:
  - The Wilderness Society
  - SoilsForLife
  - ClimateWorks Australia
  - Woolworths
  - RSPCA
  - Animal Health Australia
  - Rabobank
  - David Jones
  - Australian Government Department of Agriculture and Water Resources
  - WWF
  - Westpac
  - McDonald's
  - Australian Food & Grocery Council
  - National Farmers Federation

1. The Framework approach
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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

1. The Framework approach
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ANIMAL WELFARE

- $35m research partnership established
- 51% COWS 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 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

1. The Framework approach
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ENVIRONMENTAL STEWARDSHIP

CO₂ 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% of Australians consider beef part of a healthy, balanced diet
## STOCKTAKE OF ACTIVITY

<table>
<thead>
<tr>
<th>Priority areas for action</th>
<th>Research</th>
<th>Adoption</th>
<th>Industry &amp; data systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Animal husbandry techniques</td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Yellow" /></td>
</tr>
<tr>
<td>Profitability across value chain</td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Red" /></td>
</tr>
<tr>
<td>Balance of tree and grass cover</td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Yellow" /></td>
</tr>
<tr>
<td>Antimicrobial stewardship</td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Yellow" /></td>
</tr>
<tr>
<td>Manage climate change risk</td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Red" /></td>
</tr>
<tr>
<td>Health and safety of people in the industry</td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Yellow" /></td>
<td><img src="#" alt="Red" /></td>
</tr>
</tbody>
</table>
LESSONS LEARNT

1. The Framework approach
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Repetition is the key to getting your message across
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WHERE TO NEXT?

Pip Band
SPREADING THE WORD
CHANGING PRACTICES

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

Producer awareness
Consumer is king
Adoption on-farm
On-farm verified systems

2017
2017
2018
2019
MAINTAINING COMMUNITY TRUST

National approaches

Global message alignment
1. The Framework approach
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SUSTAINABILITY IN ACTION:
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Co-hosted by
Christine Yamba Yamba
South Africa
GLOBAL SUSTAINABILITY IMPACTS IN SOUTHERN AFRICA

Max Makuvise & Christine YambaYamba
GLOBAL COMMODITY OVERVIEW

50% of global agricultural output in value terms will come from the Livestock sector in the next 10 years, currently this is 40%.

35% Tanzania holds SADC’s largest cattle herd of 35% but only produces 15% of the region’s beef.

6% SADC holds 6% of the world’s cattle population and produces 3% of the world’s beef.

THE TOP 10 beef producing countries account for 84% of global beef production and 95% of global cattle herd.
GLOBAL COMMODITY OVERVIEW

25% of dietary protein and 15% of total food energy comes from livestock.

South Africa is Africa’s largest beef producer, ranks 13 globally with a market share of 2%.

26% of the earth’s terrestrial surface is used for livestock grazing.

SADC lost 1% of its total cattle population to the 2015/16 drought.
CONNECTED BY CATTLE

1840 The Kololo overthrow the Lozi State
1837 The Ndebele attacked by Afrikaners
1828 British colonial forces disperse the Ngwane
1825 The Ngwane annihilate the Hlubi
1823 The Kololo turned back by the Griqua
1834 The Jere (later called Ngoni) under Zwangendaba defeat the Rozwi Empire

Groups fleeing Zulu warfare:
- Gaza
- Kololo
- Swazi
- Ngwane
- Jere/Ngoni
- Hlubi
- Ndebele
- Mfengu
- Sotho

New states established by migrating groups:
- Gaza Empire
- Swazi Kingdom
- Ngoni Kingdom
- Bulawayo
- Sotho Kingdom

Major battle involving migrating groups
THE BIGGEST ROOM IS FOR GROWTH

TRADE: REGIONAL - SADC

MOST OF SADC’S MEAT AND EDIBLE OFFAL COMES FROM WITHIN THE REGION ITSELF – THE TOP IMPORT REGIONS OUTSIDE OF AFRICA ARE EUROPE AND ASIA

### Top 5 production ('000) ‘15

<table>
<thead>
<tr>
<th>Country</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>1,039 – 58%</td>
</tr>
<tr>
<td>Zambia</td>
<td>524 – 29%</td>
</tr>
<tr>
<td>Botswana</td>
<td>64 – 4%</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>43 – 2%</td>
</tr>
</tbody>
</table>
| Namibia, Malawi | 41 – 2% | Total SADC 1,794

### Top 5 exporters (US$ ‘000) 2016

<table>
<thead>
<tr>
<th>Country</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>43,327</td>
</tr>
<tr>
<td>Mozambique</td>
<td>41,830</td>
</tr>
<tr>
<td>Lesotho</td>
<td>37,305</td>
</tr>
<tr>
<td>Namibia</td>
<td>25,785</td>
</tr>
<tr>
<td>Swaziland</td>
<td>11,129</td>
</tr>
</tbody>
</table>

### Top 5 importers (US$bn) 2016

<table>
<thead>
<tr>
<th>Country</th>
<th>Import</th>
</tr>
</thead>
<tbody>
<tr>
<td>Netherlands</td>
<td>101,898</td>
</tr>
<tr>
<td>Spain</td>
<td>57,104</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>46,230</td>
</tr>
<tr>
<td>Namibia</td>
<td>31,130</td>
</tr>
<tr>
<td>Belgium</td>
<td>29,395</td>
</tr>
</tbody>
</table>

Key: Top trade flows
1. Production of beef and veal
2. Top exporters meat and edible meat offal
3. Top imports for meat and edible meat offal
Total and market share not provided as this had to be done on individual country analysis
**STRENGTHS**
- Agriculture is used to diversify and drive the economy
- Population growth and urbanisation is driving the consumption of beef
- Beef by-products such as offals are a delicacy in Southern Africa
- Immensely diverse and rich animal stock

**WEAKNESSES**
- Poor infrastructure and transport networks
- High cost of setting up and maintaining infrastructure
- High dependence on government and donor financial support
- Limited access to financial services
  Limited mechanisation and high use of manual labour

**OPPORTUNITIES**
- Beef will benefit regional and international export opportunities
- Beef production will be driven by increasing use of ICT
- Rural consumers will remain a dominant consumer segment
- Increased urbanisation and population growth will continue to drive demand in beef

**THREATS**
- Beef sector is vulnerable to extreme weather like El Nino and La Nino
- Food security is a major threat and challenge for the region
- Outbreaks of livestock diseases such as foot and mouth
- High probability of attacks on cattle feeds like maize/soy e.g. armyworm
- Continued keeping of cattle for prestige
THE MARKET CHAIN OF CATTLE AND GOATS IN ZIMBABWE AND MOST CRITICAL CONSTRAINTS.

Major market flows:
- Cattle and goats
- Cattle only
- Goats only

- Lack of information on consumer preferences and willingness to pay
- Lack of slaughtering and processing facilities
- High transaction costs (levy, clearance, transport, slaughtering)
- Lack of information on markets, prices and grading
- Lack of market access, organization transparency, control
- Low production and low prices for goats
- Launched in Mangochi District in Malawi - 6th to 7th February 2018 Malawi, Zambia, Swaziland, Namibia, Mozambique, South Africa and Zimbabwe are the pilot countries
- Main objective
  - unified body regarding the beef sector involving all the participating member states.
  - realizing their interdependence and come together to solving problems
- Specifically the platform shall:
  - Bring together and coordinate multi-stakeholder actors and interests,
  - Advocate for greater recognition and investments. (Polices)
  - Stakeholders will avoid replication of activities along the value chain
  - Partners in the sector will have a platform where they can share experiences, lessons and challenges and have collective solutions to rescue the situation out of the threats surrounding the sector.
- To date
- Regional board in place with two year mandate
- Committees
  - Finance and Resource mobilization
  - Admin and communication
  - Technical
- Recruiting members across the value chain.
- Countries at different levels
  - Consumers - Information on quality and grading of meat
    - Awareness campaigns
    - Marketing systems

Solidaridad
REGIONAL DIGITAL SOLUTIONS

Live Cattle Grading
Farming Solution
Business Solution
Extension Solution
JOIN US
FOR CHANGE THAT MATTERS
GLOBAL CONFERENCE ON SUSTAINABLE BEEF

SUSTAINABILITY IN ACTION: IMPACT ON THE GROUND

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Ashley Lyon McDonald

US Roundtable for Sustainable Beef

@ashley.l.mcdonald
U.S. Roundtable for Sustainable Beef
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.

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.

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.

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

| **Animal Health & Well-Being**: The cumulative effects of cattle health, nutrition, care and comfort. |
| **Efficiency & Yield**: 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. |
| **Water Resources**: The volume of water consumed by a sector for each process and any impacts on water quality by a sector for each process. |
| **Land Resources**: 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. |
| **Air & Greenhouse Gas Emissions**: The cumulative emissions of pollutants, including particulate matter, greenhouse gases and other gaseous emissions from a sector for each process. |
| **Employee Safety & Well-Being**: 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. |
High Priority Indicators

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

Sustainability Assessment Guides

Metrics

Pack & Processor

Retail & Foodservice

Auction Market

Feedyard

Cow-Calf
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?
**Sector Specific Metrics**

**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/compactor (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?
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.
ANIMAL HEALTH & WELL-BEING
EFFICIENCY & YIELD
WATER RESOURCES
LAND RESOURCES
AIR & GREENHOUSE GAS EMISSIONS
EMPLOYEE SAFETY & WELL-BEING

Sustainability Assessment Guides
Metrics
High Priority Indicators
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
Stakeholder Feedback

Framework Development

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

700 Internal comments on Metrics
350 Internal comments on SAGs

6 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.
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
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 backgrounding 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

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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

[ IMPLEMENTED BY B2B SUPPLY CHAINS ]

SECOND-PARTY CERTIFICATION

THIRD-PARTY VERIFICATION

[ INDICATOR WORKING & ENGAGEMENT MEASUREMENT & PROCESSES WORKING GROUP ]

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Select SCHEDULE

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