Applying the AASF: Guidance Document

This Guidance Document has been developed to assist Australian agricultural industry stakeholders to understand and apply the AASF.

Version 3

November 2024



Australian Agricultural Sustainability Framework



Australian Government

Department of Agriculture, Fisheries and Forestry



Table of Contents

01	Introduction	4
02	Sustainability in Australian agriculture	8
03	About the Australian Agricultural Sustainability Framework	13
04	Using the Framework 4.1 – Guidance for Foundational users 4.2 – Guidance for Intermediate users 4.3 – Guidance for Advanced users	22 26-40 41-55 56-64
05	Support and resources	65
06	<u>Appendices</u>	69















The sustainability landscape is continually evolving and driving significant risks, challenges and opportunities for Australian agriculture

There is a collective ambition and imperative to future proof Australian agriculture and enhance the sector's understanding and communication of its current and long-term sustainability actions, goals and progress. This imperative is driven by a range of factors that are becoming increasingly important in the global context, with downstream impacts on Australian agriculture increasing the importance of a national and coordinated response.

There are four common drivers of global sustainability action (detailed further in Section 2, page 10):









Understanding the impact of these drivers at the organisational level and on supply chains is a critical component to the long-term success of the Australian agriculture sector. Several coordinated opportunities exist to respond effectively to these drivers:

Consistent sustainability language relevant to the Australian context:

Sustainability can mean different things between commodities, supply chains and organisations. While differences exist between commodities, the use of a whole-of-sector common language of material issues and principles of sustainability strengthens the ability to align and communicate clear industry-wide sustainability goals and action.

Aggregation and communication of national whole-of-sector sustainability:

To external or international audiences, Australian agriculture is viewed as one collective. Having nationally consistent language, evidence-based metrics and transparent data strengthens the ability of all stakeholders to communicate their own sustainability as well as the whole-of-sector sustainability.

Interoperability of data through the value chain:

With ever increasing pressure to share, verify and communicate evidence-based sustainable practices there is a need to enable more efficient, effective and trusted ways to collect and share data from all sources. This is needed to underpin and enable consistency of national, industry-wide and individual sustainability action, reporting and benchmarking needs.

Embedding improved sustainability and stewardship:

Supporting research, innovation and incremental improvement of sustainable practices and outcomes across the social, economic and environmental areas of consideration along the value chain will significantly enable Australian agriculture's efficiency, innovative, profitability.







The AASF has been created to communicate the sustainability status and goals of the Australian agricultural sector to markets and the community

The primary feature of the AASF is the Framework itself. This Framework is supported by several other programs of work, such as the Community of Practice (CoP) forum that involves and engages with the sector, the current activities underway to develop Framework reporting and indicators, and the design of a data ecosystem for the Framework and to support the industry to overcome shared sustainability data challenges. More information on these activities can be seen on page 15 and 16.

The Framework provides structure and consistent language for stakeholders to understand, implement and report upon their sustainability activities. It supports capacity building towards improved sustainability outcomes, and serves as a communication tool for individual stakeholders, and the broader agriculture sector, to meet increasing sustainability pressures and requirements.

What the Framework is:

- A mechanism to reflect the most material sustainability issues and areas of focus relevant to Australian agriculture.
- Principle based, i.e. providing a common objective in an area of focus without being prescriptive.
- A tool to support clear and consistent sustainability communication.
- A translation layer between farm practices, markets and the community.

What the Framework is not:

- A mandatory task that requires completion.
- A compliance mechanism.
- A certification scheme.
- Specific to individual industries or geographies.
- A replacement for individual industry sustainability frameworks or schemes.

The AASF has been developed with three key stakeholder groups in mind:



Industry Sustainability Frameworks, schemes and Organisations Representing Producers



Pre and post-farmgate Supply Chain and Service Providers



Government, International Partners and Community







This AASF Guidance Document provides practical information and steps for stakeholders to understand and use the Framework

This document has been developed to support and enable users seeking to start, improve or enhance their sustainability approach, strategies and outcomes. It is designed to be a comprehensive and easy to use document that will continue to evolve as the Framework is updated over time with practical actions to help users.

Users of this document will follow a lifecycle process to implement and build capability to support their sustainability goals and needs:



This Guidance Document has been developed to support users of the Framework in two ways:

- **Direct users** may view this document to help them understand, measure and report on their sustainability activities and outcomes in a consistent way.
- Indirect users (those that are looking for more information on sustainability or who utilise the sustainability reporting of others) may view this document as a reference about sustainability reporting and for the process by which the Framework is used.

What the Guidance Document provides:

- A background on the development of the AASF to-date.
- Practical guidance and support for users seeking to utilise the Framework, applying the Prepare, Implement and Action (P-I-A) Methodology.

What the Guidance Document is not:

- An exhaustive repository of information related to the AASF or agricultural sustainability.
- A static document that remains unchanged over time. As the Framework develops, so too will best practice for its implementation.















Organisations have shifted their focus to risks and opportunities related to sustainability

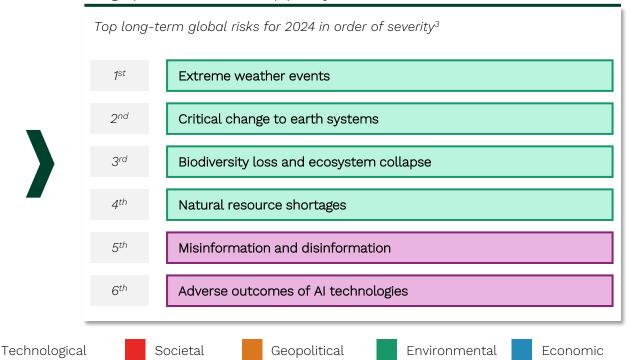
Legend

In under a decade, the perceptions of risk and opportunity has shifted from focusing on economic risks to sustainability-related risks. Sustainability is a broad concept encompassing the longevity and holistic responsibility of an organisation's conduct, and is typically measured through the framework of more specific ESG (Environmental, Social and Governance) practices and considerations.

In 2007, business leaders viewed economic and geopolitical risks as the most severe



In 2024, environmental, technological and social risks have displaced economic and geopolitical risks as the top priority for businesses









Four key market drivers are increasing the relevance of sustainability risks and opportunities

Four key market drivers are increasing the relevance and importance of understanding sustainability risks and opportunities in business operations and value chains. These market drivers are increasing the demand for transparent and evidence-based information and data sharing across the value chain to demonstrate actions, outcomes and access new opportunities such as natural capital markets.

Key drivers

Regulation and market access

ESG is increasingly being embedded in regulation and compliance activities; with a focus on company specific mandatory reporting obligations and trade and market access.

155%

ESG regulation has increased by 155% in the past decade.¹



Listed Australian companies are required to disclose climaterelated information in general reporting by 2024.²

Access to capital

Financial institutions are considering the ESG risks in investment, lending and underwriting decisions. The integration of ESG risks into financial products and services is changing the flow of capital towards economic activities with positive sustainability outcomes.

AU\$13bn

Green bonds issued in Australia in the first half of 2023.



36%

Of professionally-managed assets are sustainability-aligned.⁵

Consumer demand and expectations

Purpose and integrity are playing an increasingly significant role in consumer purchasing decisions with more consumers now preferring to buy brands that align with their values.

2/3



Of consumers say they will pay more for products branded or certified as sustainable.³



78%

Of consumers say that a sustainable lifestyle is important to them.⁴

Social licence to operate

Poor application of sustainability practices within businesses can threaten community acceptance of businesses and have a negative impact on the success and profitability of entire industries.



The 2011 Indonesian live export ban arose due to a loss of social licence over animal welfare concerns, resulting in losses of ~\$600m.6

96%

Of the world's largest 250 companies now report on sustainability.⁷

References:

- 1. Sustainable Future News, guide to ESG Regulation, 2024
- Sustainable Future News, guide to ESG Regulation, 2024
 ClimateWorks, Mandatory Climate-related Financial Disclosures for Australian Companies, 2023.
- 3. Forbes, Consumer demand for sustainable Products, 2022.
- 4. Reserve Bank of Australia, Green and Sustainable Finance in Australia, 2023.
- 5. SDG Action, Clear Regulation for Sustainable Finance, 2023.



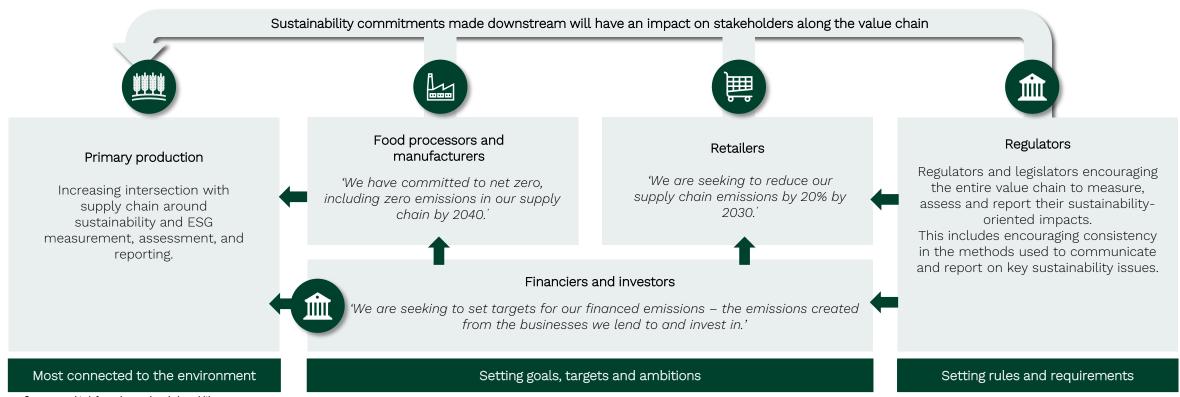




To address risks and opportunities, sustainability activities need to be measured and outcome driven across operations and value chains

To acknowledge and demonstrate current sustainability action, there is an increasing need for evidence-based, uniform data on sustainability activities to be captured, and in some instances, shared. Sustainability frameworks, such as the AASF, provide a valuable translation layer and common point of reference to guide consistency in the data capture, information needs, reporting and communication processes.

Across the value chain, sustainability activities and outcomes can be shared across an 'ecosystem', where different stakeholders may have different motivations and requirements.



Sources used to inform above value chain ambitions:

a2 milk Company, Climate Impact and Natural Resources, 2023
 GrainCorp, Sustainability Report, 2022

4. Coles Group, Responsible Sourcing, 2024

TNFD - Taskforce on Nature-related Financial Disclosures

SDG - Sustainable Development Goals

EU - European Union



As sustainability has increased in importance, reporting expectations have become mainstream, and in some instances, regulated

While the evolution of sustainability standards and reporting has largely been a global focus, the Australian Accounting Standards Board (AASB) aligned with global Standards, has adopted a climate-first approach. Simultaneously stakeholder expectations are emerging on climate and nature-related disclosures. These regulations and emerging disclosure expectations have increased the focus on data collection, measurement, reporting and assurance requirements. The AASF provides an industry, business and jurisdictionally agnostic mechanism to communicate sustainability activities and be an aligned translation tool between other sustainability reporting / framework requirements.

The evolution of sustainability standards and reporting requirements over time:



ISSB - International Sustainability Standards Board

GRI = Global Reporting Initiative













The NFF has led the development of a national framework with the support of the Australian Government unifying sustainability efforts across Australian agriculture

The development of the AASF is funded and supported by the Australian Government, reflecting a high-level recognition of the value and need for a whole-of-sector sustainability framework for Australian agriculture. This recognition is underpinned by the consistent funding and support the AASF has received since 2020.



NFF is the AASF project lead managing the Framework development (Stage 1 and Stage 2 and ongoing AASF projects). Current Stage 2 activities include a materiality assessment, pilot-testing, creating a data ecosystem, development of indicators and AASF reporting.





AASF Stage 1 | Agricultural Biodiversity Stewardship Package

In 2019, the Australian Government announced an **Agriculture Biodiversity Stewardship Package** which funded Stage 1 of the AASF with NFF as the project lead. The key goals of this were:

- Supporting and assisting agricultural industries to **continuously improve on-farm** management practices and reporting;
- Enabling cohesion across these initiatives into the future; and
- Supporting the communication of the sustainability status and goals of the Australian agricultural sector to markets and the community.



AASF Stage 2 | National Agricultural Traceability Grants Program

The Australian Government is supporting strategic partnerships under the Australian Trade System Support—Cultivating Australia's Agricultural Traceability—Promoting and Protecting Agriculture measure. Under which Stage 2 of the AASF has been funded. The Australian Government also supported a Sustainability Reporting Uplift Grant round in 2023 which funded projects to use the AASF and to address industry-wide sustainability reporting challenges.

References

- 1. National Farmers Federation, 2022
- 2. Department of Agriculture, Fisheries and Forestry, 2023







Stage 1: The Framework design and development

Development of the AASF began in 2020 with the Discovery phase, where broad stakeholder consultations contributed to the design of fundamental features of the Framework. In 2021, the AASF was iterated twice, alongside a range of supporting activities exploring incentives, data needs and policy analysis. To find out more about the work completed to date please visit the website - <u>aasf.org.au</u>.

2020 - INITIAL DISCOVERY (Phase 1)

Development commenced in 2020, following extensive Australia-wide industry consultation about sustainability priorities for agriculture. In parallel, detailed mapping of Australian and international sustainability frameworks, schemes and global initiatives was conducted to identify the areas of commonality and to build recommendations.

This found that farmers and supply chain stakeholders were asking for a consistent definition of sustainability and the need for voluntary participation not certification.



2021 - RESEARCH AND DEVELOPMENT (Phase 2)

Over the course of 2021, activities focused on:

• Framework Development

The Framework was developed up to Version 3 and the initial report on options for a future governance structure for the AASF published.

• Financial Incentives & Accounting Systems

The Time is Now report was published, exploring the role of the AASF across sustainable supply chains.

· Industry Program Benchmarking

Industry and environmental frameworks and schemes were mapped for their alignment with the AASF. Findings informed the design of the Framework.

· Data Needs Analysis

The available national data set was analysed to advise on data needs for reporting against all Framework criteria.

• Communication & Engagement

A survey of 600 farmers was conducted which found high awareness and participation in sustainable practices, but there is inconsistency and confusion about how it is defined.

• Legal & Policy Analysis

An initial assessment of legal, tax and policy barriers was completed, assessing proposed legislative changes and their effect on the Australian taxation system as a barrier to the uptake of sustainability payments.

2022 - GOVERNANCE AND TESTING (Phase 3)

Over the course of 2022, activities focused on:

Governance

Activities aimed to explore the most appropriate longterm governance, funding and management structure for the AASF and its operation.

• Community of Practice (CoP)

A forum was founded for industry and environmental frameworks and schemes and stakeholders to work together on increasing alignment and addressing shared challenges.

• Communications campaign

Awareness of the AASF continued to be raised through a variety of communication activities.

• Pilot Co-design

A co-design process was conducted with a range of industry, supply chain and financial stakeholders to identity a pilot program to test the Framework in various contexts.

· Data ecosystem discovery

Across all phases, critical data challenges and opportunities to support framework reporting were identified. All Phase 3 projects continued to touch on data needs and challenges with stakeholders.





Stage 2: Operationalising the Framework to ensure its useability across the value chain

Stage 2 is focusing on operationalisation of the Framework; including through the development of this Guidance Document.

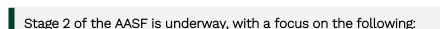


2023 - Stage 2 - Operationalising the AASF



FOCUSED ON: COMMUNITY OF PRACTICE, AASF REPORTING, MATERIALITY ASSESSMENT, INTERNATIONAL ENGAGEMENT, FRAMEWORK
PILOTS, AASF STRATEGY AND OPERATIONS

THE AASF IS NO LONGER A PROGRAM OF WORK, BUT AN OPERATIONAL ENTITY





Continued use and expansion of the Community of Practice (CoP)

The CoP is an information sharing and problem-solving forum where stakeholders can address shared issues and learn about the AASF. It has over 200 members and continues to grow.



Reporting

To enable reporting by users of the AASF, indicators are being mapped and tested for integration into the Framework. The indicators will be mapped to other commodity and sector standards, not generating new indicators.



Materiality Assessment

A Materiality Assessment of the AASF against domestic and international sustainability priorities has been completed. This has identified the current impact and financial issues of material importance to the agriculture industry as well as identifying necessary Framework updates.



Pilots

The Framework is being tested with several organisations to understand how it is being used in practice and how it can be improved.



International Engagement

NFF engages with global stakeholders to ensure alignment and consistency between the AASF and global frameworks. This includes through the Global Forum for Farm Policy and Innovation (GFFPI).



Strategy and Operations

The NFF is exploring the most suitable structure to enable the establishment and operations for the next 5 years to shift from being a program of work to being an operational entity.

The Framework communicates the economic, environmental and social sustainability of the Australian agriculture sector

The Framework was first designed in 2021 and has since undergone continual updates with the latest version released in October 2023. The Framework will be tested and refined further following the completion of the whole-of-sector Materiality Assessment in May 2024. The continued evolution of the Framework, through processes such as the Materiality Assessment, ensures alignment to global Standards and frameworks while being fit for purpose for the Australian context.

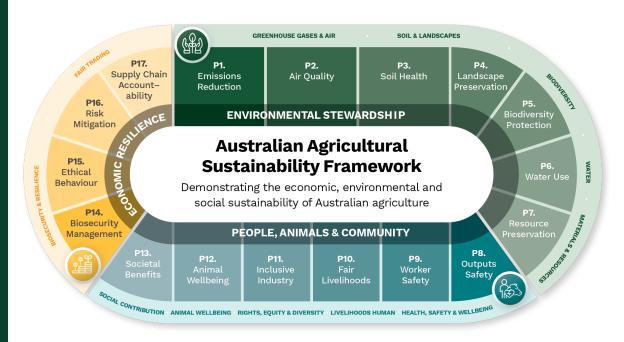


Figure: AASF V4.2

Key Design Features

The Framework comprises 17 principles (i.e. a desired outcome or ideal state) which are underpinned by 43 criteria and grouped within environmental stewardship; people, animals and community; and economic resilience. More information is available on the AASF website, aasf.org.au and page 18.

The Framework principles (P1-P17) and criteria are **high-level**, to allow for diversity across commodities, geography and production systems. The aim is to enable **alignment** across existing and emerging initiatives at a national level.

The Framework has been informed by and aligned with relevant **global** sustainability schemes and standards. It is intended to be applied voluntarily, with no additional direct costs to producers.

The design of the Framework is not intended to enforce compliance, or certification, instead it aims to avoid such requirements by improving consistency and recognition of sustainability in agriculture.

The Framework is built upon 17 principles, supported by criteria and indicators

Each of the 17 principles that make up the Framework are informed by specific criteria, each of which will have supporting indicators (under development). By making progress against the criteria that pertains to a given principle, organisations can demonstrate contributions to that principle. Further, each criteria will be informed by a series of indicators – uniform and measurable states for organisations to monitor their performance against criteria and principles.

Definitions:

Principles

The fundamental (overarching) statements about a desired outcome

Criteria

Conditions which need to be met to comply with a particular principle

Indicators

Measurable states enabling assessment of whether a particular criterion has been met

Example: P6 - Water Use (Water resources are used responsibly and equitably)



C11. Water is used efficiently in agricultural systems

C12. Adverse impacts to surface water and groundwater quality are prevented

Indicator 1

Indicator 2

Indicator 3

Indicator 4

Indicator 5

Note: Indicators for each criteria are currently under development, the latest information on indicators can be found here.

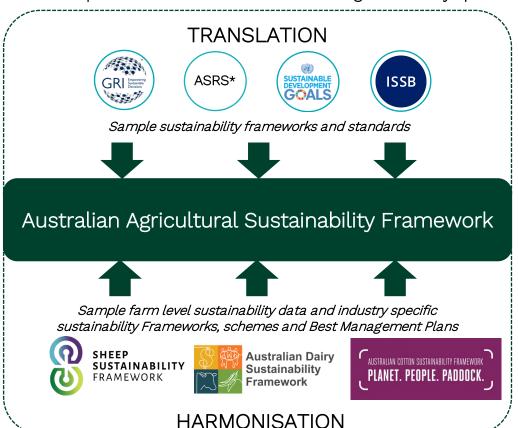






The Framework translates the sustainability priorities of Australian agriculture into a global context

The Framework acts as a mechanism that supports users to align their sustainability activities and outcomes with global frameworks and expectations in the international sphere and to harmonise with existing commodity specific frameworks or best management plans that already exist locally.



The AASF **translates** Australian agricultural sustainability in the global context to:

- Consistently demonstrate Australian agriculture to the world.
- Support the private sector (including food, fibre and beverage companies, financial institutions, and investors) to improve sustainability understanding, measurement and reporting through the value chain, including at the farm-gate.
- Support alignment to their sustainability accounting and reporting approaches.







The AASF harmonises with industry frameworks to:

- Align sustainability expectations.
- Improve the way we communicate sustainable agriculture at a national and international level.
- Increase consistency across initiatives to support the sector to continue to address evolving demands from its stakeholders.

Note: Frameworks and programs are examples only

^{*}AASB Australian Accounting Standards Board, Australian Sustainability Reporting Standard (ASRS)







The Framework is designed to reflect the diversity of Australian agriculture and serve the common needs of sectoral stakeholders

A key design feature of the Framework is that it has the breadth to encompass key issues across the whole of Australian agriculture. However, there was also consideration for the diversity of stakeholders along the agricultural value chain and their differing strategic priorities, risks, reporting requirements, business models and operations. Above all, the Framework provides a consistent definition of sustainability in the context of Australian agriculture.



Industry Sustainability Frameworks and Schemes and Organisations Representing Primary Producers



Pre & Post-Farmgate Supply Chain and Service Providers



Government, International Trading Partners and Community / Consumers

WHY

USF

Primary producers are custodians of our agricultural landscapes. Agriculture underpins the social fabric of rural and regional Australia and contributes significantly to our economy, growing toward being a \$100B sector by 2030.

Supply chain, data and digital technology providers and/or finance organisations (for example) who play a role in getting products to consumers, measuring and sharing data or providing the capital to industry are being asked to prove their credentials against ESG. They pass these requirements through the supply chain to primary producers.



on industry's social licence to operate.

WHY

Industry Sustainability Frameworks, schemes and Organisations Representing Producers may use the Framework to:

- Provide a clear and consistent, commodity agnostic, view of sustainability themes, principles, criteria and issues across the industry to their primary producer stakeholders (without primary producers being direct Framework users, necessarily).
 - Use a consistent set of principles, criteria and indicators when demonstrating sustainability credentials to evidence requestors.

Supply chain organisations may use the Framework to:

- Understand the principles, criteria and indicators being used to communicate sustainability in agriculture and how performance is measured over time.
- Communicate, or being a communication mechanism, of their sustainability performance to downstream customers, owners and investors.

Government, international trading partners and community stakeholders may use the Framework to:

driving sustainability outcome for public and private

good benefits. Additionaly, community stakeholders

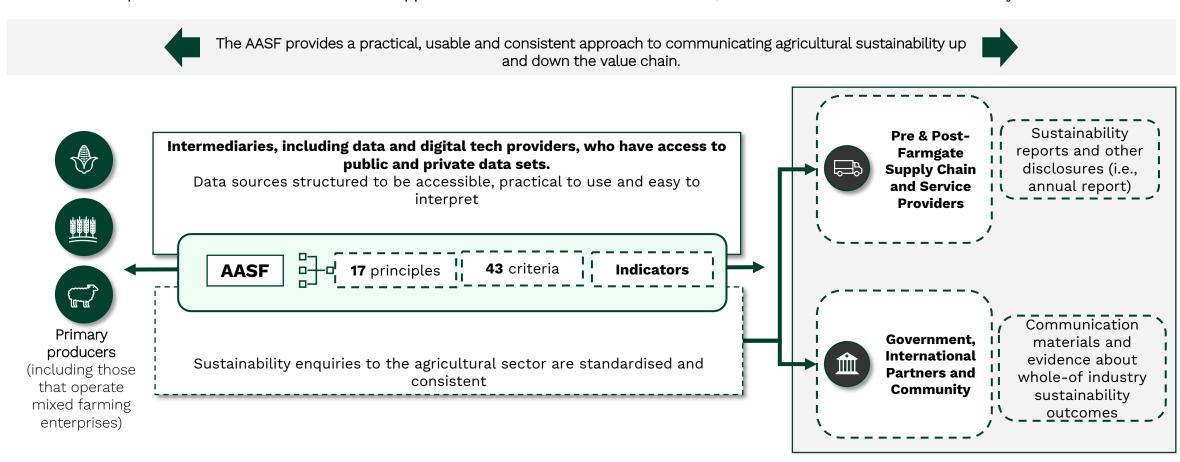
- including consumers - are putting increased focus

- Communicate the sustainability commitments and practices of Australia's agriculture sector.
- Understand the sustainability commitment and practices of Australia as a prospective trade partner or consumer.
- Inform the community and consumers that agriculture is sustainable.



Enabling sustainability to be measured and communicated in a practical, consistent and accessible way

The Framework provides a consistent structure and approach to the methods used to measure, assess and communicate sustainability.

















A five-step, structured and repeatable process to applying the Framework

The Guidance Document outlines a 5-step approach to support organisations using the Framework. Outlined in this Section is detailed information for each step in the process, with an emphasis on the P-I-A steps of the approach.

1 IDENTIFY INTENT

1. Identify your organisational purpose and sustainability objectives, noting this will impact your approach to the later steps.

2 DEFINE MATURITY

1. Define your organisation's current maturity as it relates to sustainability as *Foundational, Intermediate* or *Advanced*.

P – PREPARE

- Map your operations and supply chain.
 Understand your
- Understand your sustainability issues, impacts and dependencies
- Identify data sources that evidence impact across these issues.

I – IMPLEMENT

- Implement business practices to improve sustainability outcomes.
- 2. Gather data to capture baseline and evidence of business practice impacts.

A – ACTION

- Communicate your actions, progress and results.
- 2. Reflect on challenges faced and opportunities for ongoing maintenance and continuous improvement.

AASF Guidance

Discussion questions to support the definition of organisational intent and sustainability drivers (refer to page 26).

AASF Support

AASF Guidance

- Guiding questions and definitions to self-assess organisational maturity (refer to page 26 & Appendix 4)
- Suggested actions segmented by maturity level.

Each P-I-A section contains



Overview and objective of each P-I-A activity



References to resources and tools



Detailed guidance to complete each P-I-A activity



Desired outputs of each P-I-A activity



Potential challenges to consider



Case study examples





Steps 1 and Step 2: Defining your intent and organisational maturity as it relates to sustainability

Step 1 and 2 are self-assessment opportunities for users of the Framework. Each opportunity is designed to help organisations identify the most appropriate place to start applying P-I-A approaches, which can be in full, in part or in simply interacting with the Framework. This level of interaction is influenced by your different intent and maturity and all approaches and activities in the P-I-A methodology are intended to be iterative and suggested.



Identify your intent

All organisations have a unique operating environment and goals and will therefore have unique drivers and intent when applying the Framework, Guidance Document and P-I-A methodology:

- The Guidance Document will assist you if your intent is to:
 - Start, increase or embed sustainability into your operations and/or strategy.
 - Leverage a whole-of-sector sustainability framework to inform or align your sustainability practices, processes and strategy.
 - Learn from worked examples, templates and case studies on how others have used the Framework.
- Alternatively, the Framework and other AASF activities such as the CoP could be useful resources and reference material.

2

Maturity self-assessment to define your entry point

- You have an initial awareness and interest in identifying sustainability risks, impacts and opportunities for your organisation.
- You have not yet taken significant action to understand or address any sustainability risks, impacts and opportunities for your organisation.



- There is an established awareness and understanding of sustainability and material sustainability risks, impacts and opportunities in your organisation.
- Your organisation is beginning to define, baseline and measure its performance in relation to sustainability issues.



Foundational



- Sustainability is embedded in your organisation, such as in its strategic objectives, leadership and operations.
- Your organisation has an established mechanism to continuously monitor and approve its sustainability performance.



<u>Advanced</u>

lf r

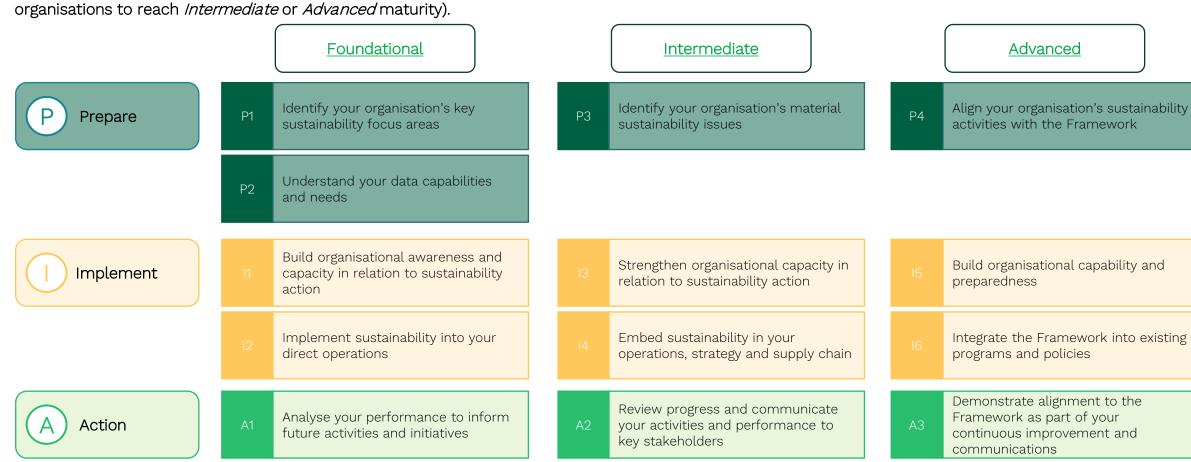
Refer to the detailed maturity level definitions in Appendix 4.



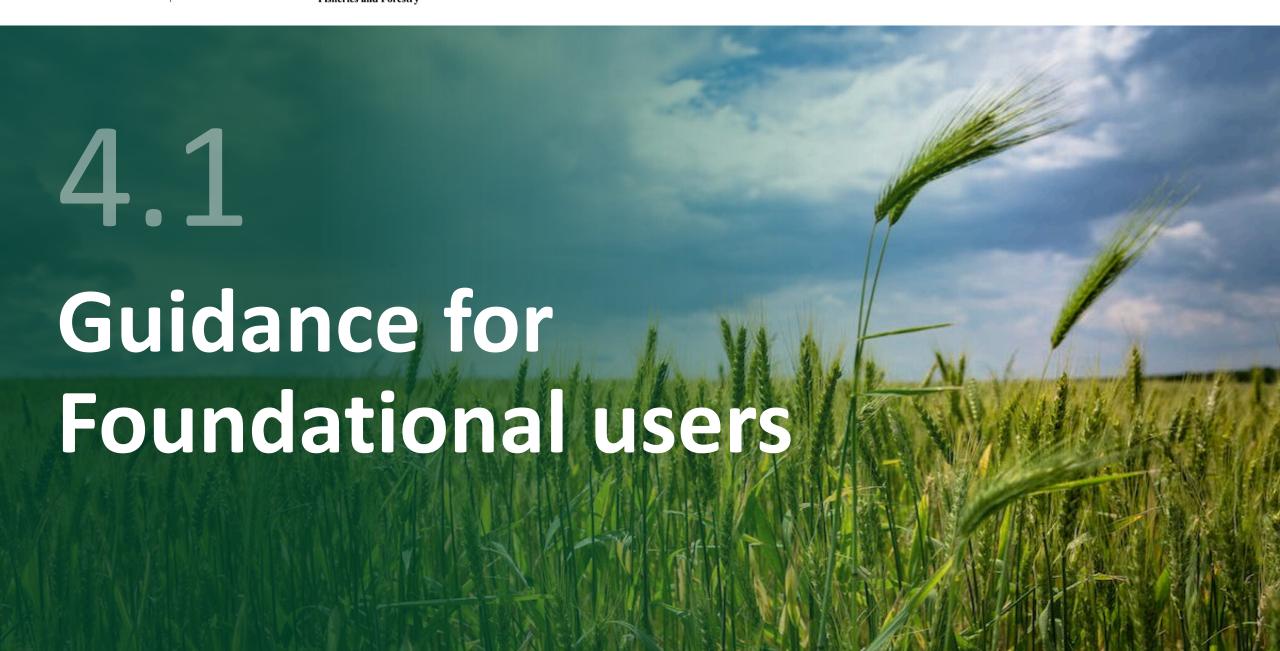


Steps 3, 4 and 5: Application of the P-I-A methodology at the three maturity levels

Application of the Framework and the P-I-A methodology is intended as a cyclical process. By applying the Framework through this methodology, organisations can continuously improve their approach to sustainability and increase their maturity over time (noting that it may not be suitable for all organisations to reach *Intermediate* or *Advanced* maturity).







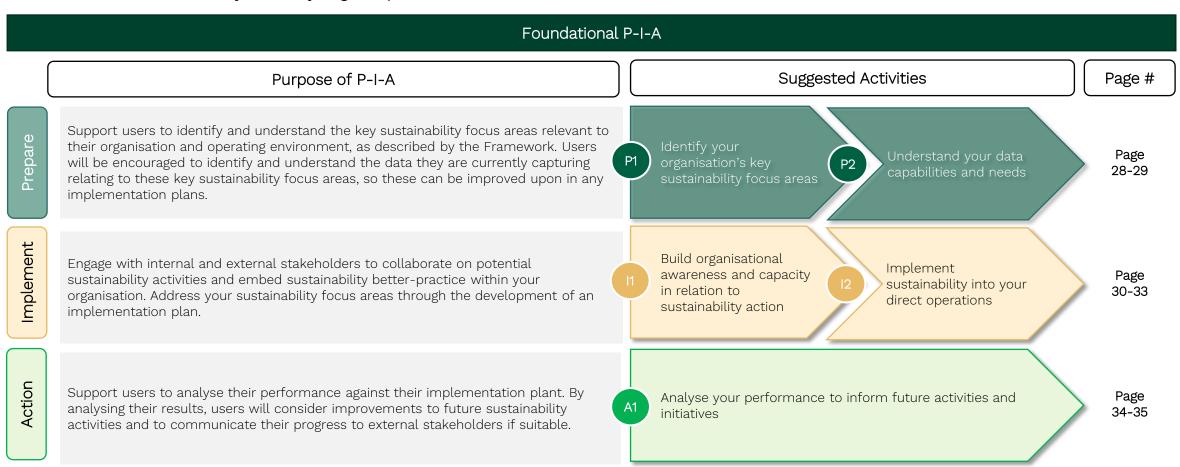






Users at the Foundational level can use the Framework to build their understanding of initial sustainability priorities and activities

Guidance at the Foundational level will support users to identify their key sustainability focus areas, implement sustainability activities in their operations and review their activities to identify how they might improve over time.



Identify your organisation's key sustainability focus areas

Register your interest, engage with the AASF team and join the AASF Community of Practice

Objective:

Become familiar with the AASF and available resources.

Activities:

- Register your interest to apply the Framework with the AASF: This will enable you to be alerted to updated releases or targeted communications relating to the AASF Guidance Document.
- Register and join the AASF Community of Practice (CoP): The CoP is a common space for industry stakeholders to share learnings, network, engage and be kept up to date with the latest AASF activities, events and opportunities.

Output:

Register your intent with the AASF and join the Community of Practice (CoP).

Use the Framework to identify your key sustainability focus areas

Objective:

Identify the sustainability topics that are the most important to your business now and in the near term.

Activities:

- Examine your core business functions (this may be as simple as drawing on a page your key functions, assets, activities and operations). Having this understanding will make it easier to see where sustainability topics are relevant to your long-term business goals and objectives.
- Identify your key sustainability focus areas. To do this, look at the Framework (Appendix 2) and your business functions and operations from (1.2.1 above), identify the Framework principle(s) that you think are most important and relevant to your organisation. It could be one, many or all principle(s).

For example. If you have livestock, then Animal Wellbeing (P12) is likely to be important for you.

Output:

A list of sustainability topics that have been matched with the Framework principles. For each Framework principle, there are specific criteria that correspond (Appendix 3).

Activity P1.1

Prepare

Activity P2.1

4.1. Guidance for Foundational users

Understand your data capabilities and needs

Understand and gather the data your organisation captures that relates to each of your sustainability focus areas

Objective:

Set up a data map that can be used to identify, monitor and assess the sustainability activities completed in the *Implement* phase.

Activities:

- 1. Understand the data you currently capture relating to each of your sustainability focus areas. Communicate internally with those responsible for each of your organisations' key activities from *P1.2*. Specifically, this should also include those in your organisation who are responsible for capturing data related to those activities. Ask them to help you:
 - . Outline the data sources that are currently in place, the data capture process, potential platforms or IT support needs, and any data gaps.
 - II. Map the current data sources against the key sustainability focus areas. Refer to Worked Example 2.
- 2. Determine your data baseline for each of your identified sustainability focus areas: It is important to have a baseline (initial reading at a point in time) against which you can effectively measure progress. To complete this step, take a reading at the current time from the available data sources and record it in the table you created in P1.2.
- 3. If you do not have sufficient data, then you should make establishing a method of capturing this data a priority as part of the Activities you outline in the following stages of *Implement* and *Action*. There is a range of data that may already be available to you in the public domain, a range of these are included in the *Support and Resources* section of this Guidance Document.

Additional supporting information on data and data ecosystem considerations can be found in the data ecosystem activities, see here.

Output:

Data mapped to the table created in *P1.2*, describing your organisation's data capturing capability across each sustainability focus area.

Intended data collection processes.

An initial baseline set of data for your sustainability focus areas.





Build organisational awareness and capacity in relation to sustainability action

Share the outputs of the Prepare phase to secure commitment and engagement with key internal stakeholders

Objective:

Gain support and build the business case within your organisation to enable actions to address identified sustainability topics.

Activities:

Develop a business case for sustainability action: This may consider the financial benefits of addressing your sustainability focus areas, and any commercial opportunities that these actions may enable. To understand the broader context and importance of sustainability to the long-term profitability and viability of your organisation, refer to Section 2 - Sustainability in Australian Agriculture. To reduce complexity, it is suggested that the business case may be largely qualitative and draw heavily on research and resources developed by others or insights gathered from your team members. (Refer to *Templates 1 and 2*)

Output:

Demonstrate commitment to addressing your organisations sustainability focus areas among the key decision makers needed to empower this type of change.

Engage with external stakeholders to collaborate on sustainability activities

Objective:

Understand what your strategic external stakeholders are prioritising in relation to sustainability.

Activities:

- Engage with industry peers and your strategic external stakeholders: Deepen your understanding and gain insight into the types of activities others might be conducting against your prioritised sustainability topics or where there is opportunity to collaborate.
- Engage with your relevant industry representative bodies: These organisations may have targeted assets, support or offer investment opportunities related to various sustainability issues affecting your industry, and provide practical insights into how others are acting in these areas.
- 3. Review your relevant commodity sustainability framework(s) (if it has one): This is likely to be a source of information on your commodities' most material sustainability issues and guidance for actions. Alternatively, you could look to any sector peers or more mature similar organisations to understand their sustainability framework and reporting, to get a better understanding of what others are doing to address sustainability issues.

For example, a mixed grain and livestock producer could review the Grains industry and Beef or Sheep Sustainability Frameworks.

Output:

Understand what other or similar organisations are doing to address sustainability topics. (Refer to Template 3)



Implement sustainability into your direct operations

Identify the sustainability activities to implement and address your sustainability focus areas

Objective:

Select aligned sustainability activities to implement.

Activities:

Use the information you have available and collected to date, including your engagement with internal and external stakeholders, other tools and information provided by sustainability or industry organisations and other <u>AASF</u> resources to guide your selection and prioritisation of sustainability activities.

1. Select sustainability activities: Select the most relevant and high potential activities aligned to the sustainability focus areas identified in the *Prepare* phase, including re-confirming how you will capture required data to measure and demonstrate progress in each of these activities. You may choose one activity to start with and a phased approach to introducing activities, or you may choose multiple if you believe you have the capacity and capability to do so. The scoping of these activities (or activity) are in the next activity.

Consideration: It is recommended that you start small and build your activities and commitment over time to ensure that you are not taking on more complexity than is necessary.

Output:

A detailed list outlining the sustainability activity or activities you intend to implement.



Implement sustainability into your direct operations

Develop a plan that describes objectives, timing, data and resourcing required to successfully implement activities

Objective:

Develop a plan that describes how you will implement the selected sustainability activities.

Activities:

- 1. For each identified sustainability activity, develop a plan that details the following:
 - a) Sustainability activity the specific sustainability activity you are seeking to implement;
 - b) Scope of sustainability activity the operational function(s) that will be involved or impacted by the sustainability activity;
 - c) Goals and objectives clearly stated goals and objectives of the sustainability activity;
 - d) Timeline a detailed timeline outlining key activities and milestones;
 - e) Resourcing and responsibilities delegation of resources and budget required to successfully complete the plan (including accounting for any ongoing maintenance requirements, to sustain the activities over time);
 - Monitoring and evaluation documenting and recording key project activity, decisions, success indicators and outcomes; and
 - g) Data capturing the data necessary to understand the effectiveness of the sustainability activity.

Additional guidance on this activity is provided in Appendix 5.

Output:

A plan detailing how sustainability activities and initiatives will be delivered.



Implement sustainability into your direct operations

Put your implementation plan into action

Objective:

Ensure that your plan is executed and communicated effectively.

Activities:

- 1. Identify any risks or challenges that may occur: For example, these may be funding challenges, problems with data capture or internal resistance to change. Where possible, take action to mitigate or resolve these risks, the earlier the better.
- 2. Set up regular project progress meetings: This meeting should be regular, such as every week, fortnight or every month. This meeting can be used to keep the implementation of sustainability activities front-of-mind and provide a chance for challenges to be raised and resolved, and strategic updates to be shared on the progress of sustainability activities.
- 3. Ensure data is being captured regularly: This will ensure the quality and completeness of the data you will rely on to demonstrate your progress against each sustainability focus area.
- **4. Be ready to change your plan:** This may be necessary if it becomes clear that the plan won't serve its intended purpose. Building flexibility into the plan, such as allowing buffer periods in case of delays and risk mitigation strategies will help with this.
- 5. Communicate frequently with key internal stakeholders: As the plan requires ongoing commitment from these stakeholders, keeping them updated will remind them of the importance of what you are doing, and opportunities for them to support you as you need it. Communicating more broadly within your organisation can also assist to build awareness and support for the positive changes that your organisation is making.

Output:

Sustainability activities are implemented in accordance with the plan.



Activity A1.1

Activity A1.2

Analyse your performance to inform future activities and initiatives

Analyse your performance with the objective of guiding future sustainability activities

Objective:

Collect and review sustainability-related information to evaluate the performance of your sustainability activities.

Activities:

- Collect information relating to the performance of your plan: In 12.2, Foundational users will have developed a high-level monitoring and evaluation plan. The information captured by users as part of the monitoring and evaluation plan may be highly qualitative, and consist of records of projects, decision and outcomes. Users may have some quantitative data relating to sustainability, if you do collate the data into a format that easily analysable.
- Evaluate the performance of your plan: Evaluate your progress and performance against identified Framework principles and criteria as identified in P1.2. Users should also document their performance against the goals and objectives developed in 12.2.
 - When evaluating performance, describe practices implemented to address principles and criteria, highlighting quantitative data where possible. The primary objective is to understand areas of relatively strong and weaker performance against identified principle(s) to inform future actions and activities. It is recommended that users can utilise Worked Example 3 as the basis for this activity.

Output:

A table outlining performance against the Framework's principles and criteria.

Consider opportunities to share sustainability performance information with external stakeholders

Objective:

To meet stakeholder expectation and/or regulatory obligations such as ASRS. Communicate your activities and performance.

Activities:

Map out key external stakeholders: Identify external stakeholders that are likely to have an interest or direct impact on your sustainability performance or regulatory obligations (i.e ASRS*). If possible, note their sustainability reporting requirements to gain a clearer understanding of the type of sustainability information they may be interested in or contribute to.

For example: see Template 3 - your key external stakeholders could be your input suppliers, customers, shareholders or financial institution.

Output:

A stakeholder map and analysis to identify the key stakeholder groups and their respective sustainability reporting requirements.

M Analyse your performance to inform future activities and initiatives

Share feedback on the Framework and this Guidance Document with the AASF

Objective:

Activity A1.3

Support the development of the AASF and the Guidance Document and its value to future users.

Activities:

1. Although not mandatory, sharing your feedback with the AASF contributes directly to developing the Framework and this Guidance Document. The AASF is interested to know how well the Framework served your needs, and how well this Guidance Document supported you as you used the Framework in your organisation.

Worked Example 1 Output of P1.2 - Mapping to the Framework

After reading the guidance for P1.2, the Foundational level business has:

- 1. Used the AASF materiality assessment to identify that methane emissions and land degradation should be their primary sustainability focus areas. They made this choice after reading the assessment as well as observing issues of land degradation on their property.
- 2. The business also identified water use and livestock health as important, but they're already proactively managing these, and therefore aren't currently focussing on them.
- 3. They mapped these sustainability focus areas to the corresponding Framework principles and criteria (Appendix 2).

Key sustainability focus area for milk producer	Framework principle	Framework criteria
Methane emissions	P1. Emissions Reduction	C1. GHG emissions are reduced throughout production lifecycle
		C2. Carbon emissions are sequestered wherever possible throughout production lifecycle
		C3. If C1 and C2 are impractical, GHG emissions are offset throughout lifecycle by purchasing recognised credits or participating in recognised projects
Land degradation as a result of overgrazing	P3. Soil Health	C6. Soils are managed to provide ecosystem services, including sustainable agricultural production
	P4. Landscape Preservation	C7. Land under productive agricultural management delivers beneficial environmental services
		C8. Natural waterways are preserved and improved



Worked Example 2 Output of P2.1 - Data source mapping

Having completed P.1.2, the Foundational level business moved onto activity P2.1.

- 1) Firstly, they mapped their current data sources to the Framework criteria that correspond to the key sustainability issues they identified.
- 2) To increase their ability to provide evidence of sustainability outcomes, the producer decided to implement new data sources for C2 and C6. By doing so, the producer is now capturing at least some data across both of their identified key sustainability focus areas.
- 3) Other criteria that still don't have a data source (C7 and C8), as they were too difficult to implement at this current time, were taken note of for later consideration. For a list of data sources that you may consider in your operation, refer to Support and Resources.

Key sustainability focus area	Framework principle	Framework criteria	Data (e.g. as may be identified in the AASF Data Catalogue)	Intended updates before/during <i>Implement</i> phase
	P1. Emissions Reduction	C1. GHG emissions are reduced throughout production lifecycle	Australian Dairy Carbon Calculator	No update needed
Methane emissions		C2. Carbon emissions are sequestered wherever possible throughout production lifecycle	No current data source	Australian Dairy Carbon Calculator
		C3. If C1 and C2 are impractical, GHG emissions are offset throughout lifecycle by purchasing recognised credits or participating in recognised projects	Record of purchased credits and participation in recognised projects	No update needed
	P3. Soil Health	C6. Soils are managed to provide ecosystem services, including sustainable agricultural production	No current data source	Soil to be tested regularly using Visual Soil Assessment guide
Land degradation as a result of overgrazing	P4. Landscape Preservation	C7. Land under productive agricultural management delivers beneficial environmental services	No current data source	To be reviewed
		C8. Natural waterways are preserved and improved	No current data source	To be reviewed





Templates 1 and 2 Outputs of I1.1: Internal engagement

The Foundational level business has now completed the *Prepare* phase and is ready to start taking action.

Template 1 – Key stakeholder log: As part of 11.1, they mapped out the key internal stakeholders they need support from to implement sustainability activities. This is useful as it will provide insights around potential sustainability initiatives and organisational constraints that need to be considered.

Stakeholder group	Stakeholder	Contacted	Buy-in expressed	Notes
Business owner/managers	Name 1	Yes	Yes	
	Name 2	Yes	Yes	
	Name 3	Yes	No	

Template 2 – Business Case: To facilitate buy-in from key internal stakeholders, the dairy producer prepared a business case covering the following key pieces of information. If specific sustainability activities have not been considered, high-level buy-in may still be sought from internal team engagement.

Business Case section	Key information
Project Background	Summary of work already completed up until this point and through the P-I-A methodology
Executive Summary	Summary of key points in the business case, including an outline of the need for sustainability action and the preferred option for taking sustainability action
The Case for Change	 Drivers of sustainability action Business risks Business opportunities
Financial Analysis	 Expected cost of taking sustainability action, split across a number of options Expected financial benefit of taking sustainability action, split across a number of options
Preferred Option	Identification of preferred option, with rationale
Commercial Analysis	Identification of technical and operational considerations for completing the preferred option
Management Analysis	Governance of implementing the preferred option, including who needs to be involved and who is responsible







Template 3 Outputs of I1.2: External stakeholder engagement

The Foundational level business may use the below table to support their **engagement efforts with a range of external stakeholders**. By identifying the key stakeholder groups that may have experience or insights to share around sustainability activities, the project team is able to keep track of who has been spoken to and what they can learn from these interactions. This document can contribute to the identification of potential sustainability activities in *I2.1*.

Stakeholder group	Stakeholder	Contacted	Insights
	Name 1	Yes	
Industry representatives	Name 2	Yes	
	Name 3	Yes	
Government contacts	Name 4	Yes	
	Name 5	No	
Industry colleagues	Name 6	No	
	Name 7	No	

Worked Example 3 Output of A1.1. – Evaluation of sustainability performance

To complete A1.1, the small dairy producer:

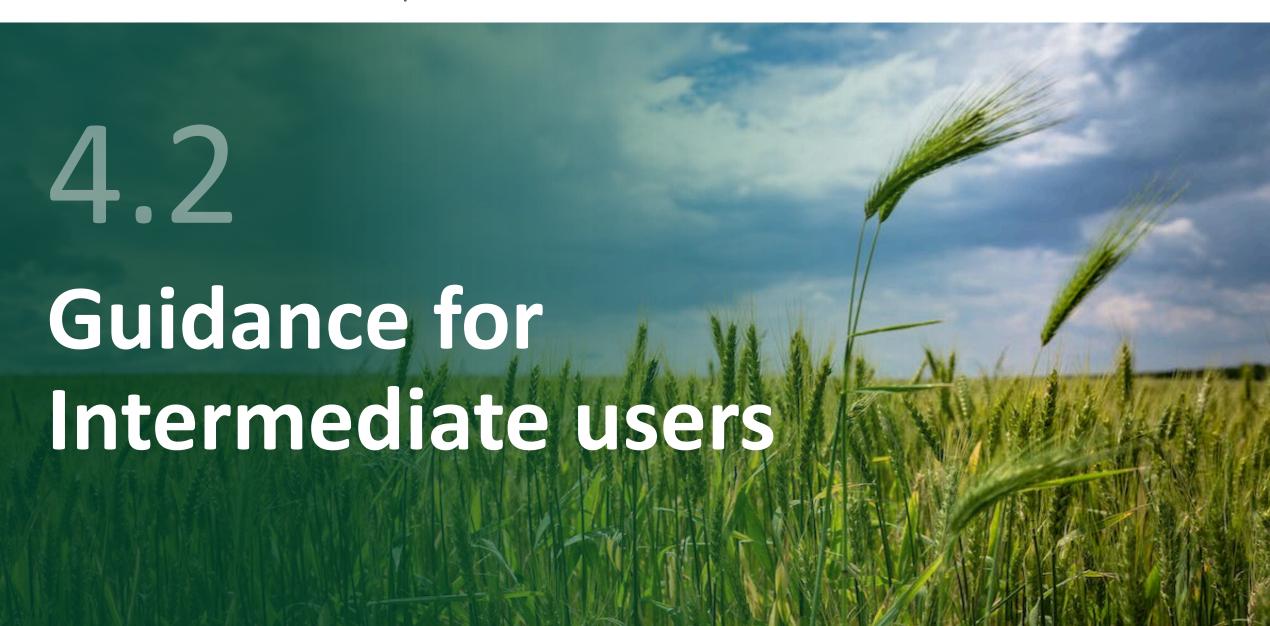
1) Develops a table such as the below to summarise sustainability activities completed, the data that correspond to each, and an assessment of the sustainability activities' performance.

Key sustainability focus area	Framework principle	Framework criteria	Sustainability activities completed	Data (e.g. as may be identified in the AASF Data Catalogue)	Assessment of performance
Methane emissions Reduction		C1. GHG emissions are reduced throughout production lifecycle	Trial and roll-out of methane reducing feed additives	Australian Dairy Carbon Calculator	Tonnes of CO2 emitted across each emission source
	C2. Carbon emissions are sequestered wherever possible throughout production lifecycle	Carbon sequestration through tree planting	Australian Dairy Carbon Calculator	Tonnes of CO2 sequestered	
	C3. If C1 and C2 are impractical, GHG emissions are offset throughout lifecycle by purchasing recognised credits or participating in recognised projects	• Purchased 100 ACCUs (~\$3800)	Record of purchased credits	Value of ACCUs purchased	









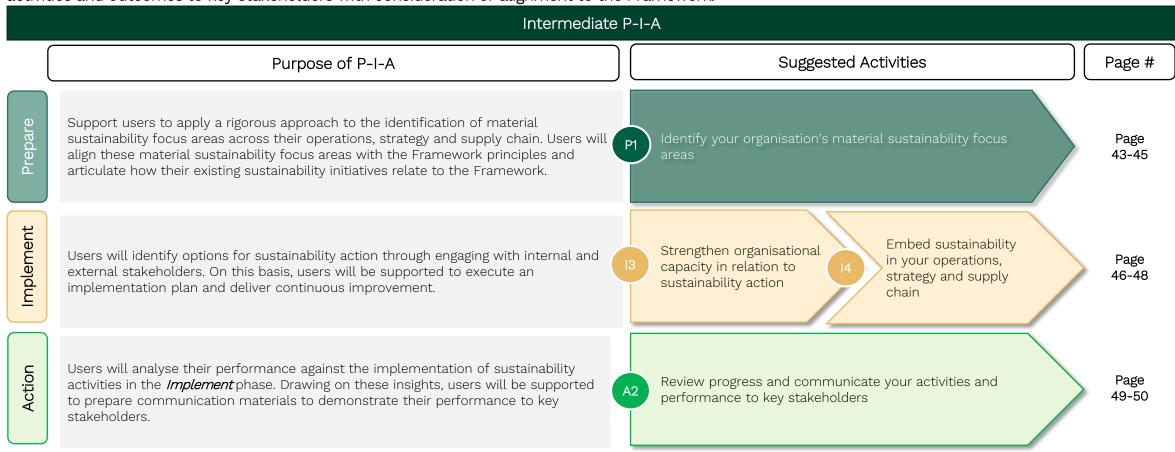






Users at the Intermediate level are likely to already be embedding sustainability approaches into their operations

Intermediate guidance will support users, who are likely already familiar with the concept of materiality, in using it to prioritise their sustainability approaches. Users will be able to lean on the guidance to better integrate sustainability into their business operations, processes, supply chain, and communicate their activities and outcomes to key stakeholders with consideration or alignment to the Framework.



Identify your organisation's material sustainability focus areas

Register your interest and engage with the AASF team and join the AASF Community of Practice (CoP)

Objective:

P3.1

Activity

P3.2

Activity

Become familiar with the AASF and available resources.

Activities:

- Register your interest to apply the Framework via the AASF website: This will enable you to be alerted to updated releases or targeted communications relating to the AASF, including updates on how to use the Framework and Guidance Document.
- Register and join the AASF CoP: The CoP is a collaboration platform for industry stakeholders to share learnings, network, engage and be kept up to date with the latest AASF activities, events and opportunities.

Output:

Register your intent with the AASF and join the Community of Practice (CoP).

Develop a high-level map of your core operations and supply chain dependencies

Objective:

Gain a baseline view of your core operations, and your interaction points with your material sustainability topics across the value chain.

Activities:

- 1. Map your supply chain, including your core operations, including who your organisation interacts with.
- On your supply chain, identify key external stakeholders: This may include suppliers, and other relevant supply chain stakeholders such as banks or government agencies.
- Identify sustainability considerations of your external stakeholders and industry. This will ensure your own activities consider key external stakeholders, emerging topics and industry specific material sustainability topics. This should include:
 - a) Direct engagement with your external stakeholders, customers, supply chain and industry partners identify to understand what sustainability activities they are prioritising. This is also an opportunity to identify any potential collaboration opportunities; and
 - b) Your industry sustainability framework or scheme (if relevant) which should already highlight important sustainability issues and actions to take.

Output:

Demonstrate a clear understanding of your business operations and supply chain activities in relation to your material sustainability focus areas.



Identify your organisation's material sustainability focus areas

Activity P3.2

Cont'd

4. Determine if issues identified in (3) may impact you. From the actions completed in the third part of this activity, outline any impacts that other organisation's sustainability considerations may have for your organisation.

For example: If your financial institution has a GHG emissions reduction target, then you may need to prioritise activities in your supply chain to address emissions to support their target.

Conduct a materiality assessment to identify your organisation's material sustainability focus areas

Objective:

P3.3

Activity

Undertake a robust and defensible process to prioritise sustainability approaches most material to your organisation.

Activities:

Review the AASF materiality assessment: Understand how the whole-of-sector materiality process was conducted and use the AASF materiality assessment as a tool for your organisation to identify or validate your material issues. Leveraging the AASF Materiality Assessment, is a valid opportunity to review and identify the most applicable issues for your organisation to take forward as your material topics to prioritise.

Or,

Conduct your own materiality assessment: Alternatively, you may wish to conduct a materiality assessment yourself. Ensure you can clearly describe/reference your method to conducting the materiality and define the significance of the material issues identified. (Refer to Worked Example 1)

Output:

4.2. Guidance for Intermediate users

Document the material sustainability focus areas for your business, and dependencies on external stakeholders.

Identify your organisation's material sustainability focus areas

Align your material sustainability focus areas with Framework principles and criteria

Objective:

Activity P3.4

Understand the relationship between your material sustainability focus areas and the Framework. This will provide a foundation for articulating how your existing sustainability activities and priorities align to the Framework and the broader Australian Agriculture sector.

Activities:

1. Match your material sustainability focus areas to the Framework: Map your material sustainability focus areas to the relevant Framework principles and criteria. These focus areas may include all material issues identified as part of the materiality assessment completed in the previous activity, or a smaller number of the highest-priority issues.

For example, if carbon emissions is one of your material sustainability focus areas, you may match it to Emissions Reduction (principle 1) and the applicable criteria (criteria 1-5).

2. Identify your existing activities that already align to these material issues. *Intermediate* organisations are expected to already be taking action to improve their sustainability outcomes. Describe how elements of your sustainability strategy and current activities relate to the Framework that have been matched with material sustainability focus areas. When doing this, seek opportunities to align the language and definitions used to describe your ongoing sustainability work in relation to the Framework, as consistency will assist you in unifying your approach to sustainability with the broader sustainability goals of Australian agriculture.

Output:

A table demonstrating the relationship between material sustainability focus areas, existing sustainability initiatives and the corresponding Framework principles and criteria. Refer to Worked Example 2.



I3

Strengthen organisational capacity in relation to sustainability action

Share the outputs of your *Prepare* activities to secure commitment and engagement from key internal stakeholders

Objective:

Secure internal support for your sustainability actions.

Activities:

- 1. **Develop a business case for sustainability action.** This will provide context and a rationale for continuing to progress through the *Implement* phase. This may consider:
 - 1. the financial benefits of addressing your material sustainability focus areas;
 - 2. business continuity benefits; and
 - 3. any commercial opportunities that these actions may enable.

The business case may be largely qualitative and draw heavily on existing research and resources. (Refer to *Template 1* in *Foundational* for support if needed)

2. Secure commitment from key internal stakeholders: Map out the internal stakeholders whose involvement is required for any specific future sustainability actions and secure their endorsements. This will typically include the staff who are in front-line operations in the focus areas making operational decisions and those responsible for shaping the strategic direction of the organisation.

Consideration: If seeking team input and feedback, have a process to ensure input or feedback is addressed, included or communicated back to team members as to why it was or wasn't included at this point.

Output:

Demonstrate commitment to addressing your organisations' material sustainability focus areas among the key decision makers needed to empower this type of change.

Engage with external stakeholders to identify options for sustainability action and collaboration

Objective:

Understand material focus areas your stakeholders are prioritising.

Activities:

- 1. Engage with external stakeholders. Deepen your understanding and gain insight into the types of activities they might be conducting or challenged by. While engaging with strategic stakeholders, ensure you communicate your focus areas too.
- Identify opportunities to collaborate on sustainability activities, this could include shared capacity building, investment or industry representation on R&D forums.

Output:

Understanding of the activities your key stakeholders are participating in.



Embed sustainability in your operations, strategy and supply chain

Identify the sustainability actions and phasing that you will implement to address your material sustainability focus areas

Objective:

Identify the activities for your implementation plan.

Activities:

Determine the sustainability activities that address your prioritised material issues: Identify and determine sustainability activities that you can commit to within your available resources to address your identified material issues. You may already have existing activities in place - these may be able to be enhanced with additional investment. If possible, establish if you can capture data to demonstrate progress in each of these activities and if not, what might be needed to enable data capture.

Consideration: You may choose one activity to start with, or multiple based on your capacity. Each Framework criteria provides guidance of the activities against the prioritised principles. Some Industry Sustainability Frameworks also provide detail for activities aligned to a focus areas.

Output:

4.2. Guidance for Intermediate users

A detailed list of the sustainability activity/ies you intend to implement.

Design an implementation plan that describes objectives, timing and resourcing required

Objective:

Develop the phasing, resourcing, monitoring and data approaches for your implementation plan.

Activities:

- For each identified sustainability activity, develop a plan that details the following:
 - Scope of activities* the extent of your operations that will be impacted by the activities;
 - Goals and objectives* clearly stated goals and objectives of activities;
 - Timeline a detailed timeline outlining key activities and milestones:
 - Resourcing and responsibilities delegation of resources and budget required (including accounting for any ongoing maintenance efforts that may be required to sustain the activity);
 - Monitoring and evaluation documenting and recording key project activities, decisions and outcomes.
 - Data* capturing the data necessary to understand the effectiveness of sustainability activities.

(Refer to *Appendix 6 for additional Intermediate guidance for (a), (b) and (f) and Appendix 5 for additional Foundational guidance for the remaining sections)

Output:

A comprehensive and realistic implementation plan.



Embed sustainability in your operations, strategy and supply chain

Put your plan into action

Objective:

Ensure that your plan is executed and communicated effectively.

Activities:

1. **Execute your plan:** It is expected that organisations at the *Intermediate* level are capable of and equipped to effectively implement their plan. For some additional guiding principles, refer to 12.3.

Output:

Sustainability activities are implemented in accordance with the implementation plan.

Action

Implement



4.2. Guidance for Intermediate users

Activity

Review progress and communicate your activities and performance to key stakeholders

Analyse your performance with the objective of guiding future sustainability activities

Objective:

Review sustainabilityrelated data to evaluate the performance of your activities.

Activities:

- Collect and evaluate information relating to the performance of your implementation plan: This should include a) quantitative data from primary data sources and b) detailed records of projects, decision-making requirements and outcomes.
- Identify considerations for future sustainability activities: Utilise the information gathered and assessed to identify any considerations for your organisation's overall strategy, governance or future sustainability aligned investments.
- Identify areas of relatively strong or weak performance with the objective of continuous improvement and inclusion in future implementation plans: This information can then be communicated to key internal stakeholders and used as an input to successive *Prepare* and *Implement* phases.

Output:

A table outlining performance against your plan and the Framework principles and criteria.

Identify key stakeholders and prepare appropriate communication materials

Objective:

Communicate your sustainability activities and performance to key internal and external stakeholders.

Activities:

Seek external validation or verification (or, if required, limited or reasonable assurance) of your sustainability reporting to support credibility, transparency and trustworthiness of the information you present, which is increasingly important to avoid greenwashing. This is an important step towards accurately communicating information. Examples of mandatory compliance where assurance will be required is the ASRS.

Consideration: There may be initial investment and significant time/effort required in preparation of data for external validation and/or regulatory requirements. Seek professional guidance and advice for your business.

2. Prepare your engagement approach for external stakeholders: This may include external stakeholders you are bringing on your sustainability journey or that require access to key sustainability performance information, such as your financier, customers or supply chain partners.

Output:

Communication materials (possibly, e.g. disclosures) on sustainability performance.



A2

Activity A2.2

Activity A2.3

Review progress and communicate your activities and performance to key stakeholders

Cont'd

Activities (cont'd)

Consideration: It is recommended users engage with these stakeholders throughout the *P-I-A* phases to understand the basis and format of communications and reporting requirements to build and scale data capture capability.

3. Prepare and disseminate communication materials in a specific and discrete way. Communicating sustainability with reference to the Framework, especially to international audiences is designed to help achieve language consistency, comprehension and comparability. In this instance, users may find the example table produced in A2.1 useful in shaping these communication materials.

Share feedback on the Framework and this Guidance Document with the AASF

Objective:

Support the development of the AASF and its value to future users through a feedback loop with the AASF.

Activities:

1. Athough not mandatory, sharing your feedback with the AASF contributes directly to the ongoing development of the Framework and this Guidance Document. The AASF is interested to know how well the Framework served your needs, and how well this Guidance Document supported you as you used the Framework in your organisation.

Output:

Share your feedback with the AASF here.



Worked Example 1 Output of activity P3.3 - Sample Materiality Assessment

In this example an independent supermarket organisation has identified each of their material sustainability focus areas and plotted them on a graph showing their organisational impact and influence on stakeholder decisions (below). This can assist the organisation to prioritise the material areas that require the greatest and most immediate focus.

Alternatively, the organisation may utilise the materiality assessment completed by the AASF to gain an understanding of the material areas across the Australian agricultural sector.

Material Areas¹

- 1. Greenhouse gas emissions
- 2. Food security
- Human health and nutrition
- 4. Product safety
- Product quality
- Traceability
- Product labelling
- Worker health, safety & wellbeing
- 9. Labour rights, practices & working conditions
- 10. Talent attraction & retention.



What is a Materiality Assessment:

- When relating to sustainability, materiality is a concept that refers to the economic, environmental and social impacts that are most significant to an organisation and its key stakeholders.
- A materiality assessment is a rigorous approach to identifying and evaluating these material issues for an organisation at a specific point in
- It is assumed that *Intermediate* and *Advanced* level organisations are establishing or have established a robust and defensible materiality process.

Helpful sources and references:

- AASF Materiality (2024)
- Materiality Briefing Paper (Dairy Sustainability Framework)

Many industry Sustainability Frameworks also have examples:

Materiality Assessment Report 2021 (Australian Beef Sustainability Framework)

51 1. Adapted from draft AASF Materiality Assessment 2024

Worked Example 2 Output of activity P3.4 – Mapping to the Framework

Continuing the same example of the independent supermarket, which has a completed materiality assessment. Let's say they had identified safety of goods sold and supplier relationships as the most material in their materiality assessment. They would then:

- 1. Map these material sustainability focus areas to the Framework principles and criteria (3rd and 4th columns).
- 2. Identify the actions they're already taking in these areas against the material sustainability focus areas (2nd column).
- 3. This allows them to then identify where they need to deliver new actions, capture data and communicate effectively.

Existing sustainability activities	Framework principle	Framework criteria
	• P8. Outputs Safety	C16. Food and fibre is produced, packaged and distributed to world-leading standards of safety
 Weekly testing of food quality by inspection. Quarterly visits to supplier locations to see the production and packaging process in action. 		C17. Food produced by the industry is healthy and nutritional
		C18. Producers practice good antimicrobial stewardship
 Packaging, storing and selling is arranged to ensure that products can be traced back to the supplier. 	P17. Supply Chain	C41. Product provenance information is readily available via robust traceability
		C42. Information asymmetry in the supply chain is eliminated where perverse outcomes are a risk
Clear and agreed supplier contracts in place.	Accountability	C43. Sustainability accounting is harmonised to ensure fair and just assessments of baselines and progress across the industry
	 Weekly testing of food quality by inspection. Quarterly visits to supplier locations to see the production and packaging process in action. Packaging, storing and selling is arranged to ensure that products can be traced back to the supplier. 	 Weekly testing of food quality by inspection. Quarterly visits to supplier locations to see the production and packaging process in action. Packaging, storing and selling is arranged to ensure that products can be traced back to the supplier.



Template 1 Output of I3.1. – Internal stakeholder mapping and engagement log

The same independent supermarket used in our worked examples, has now completed the *Prepare* phase and is ready to start taking action towards their material sustainability focus areas. Using a table like the one below, they:

- 1. Mapped out the key stakeholder groups they need support from to implement sustainability activities.
- 2. Identified the right stakeholders and held initial discovery conversations with them to get high-level buy-in, identify potential sustainability initiatives and collaboration opportunities and acknowledge any organisational constraints that need to be considered.

Stakeholder group	Stakeholder	Contacted	Buy-in expressed	Notes
	Name 1	Yes	Yes	
Company Executives	Name 2	Yes	Yes	
	Name 3	Yes	No	
Board Members	Name 4	Yes	No	
	Name 5	No	No	
Customers	Name 6	No	No	
Suppliers	Name 7	No	No	



Template 2 Output of I3.2. – External stakeholder scan

The supermarket project team seeks to map out the sustainability pressures that are faced by the organisations they are dependent on, such as customers, suppliers and financiers. A table such as the below can be used to keep track of the key sustainability requirements/goals across identified stakeholders, and how that might have an impact on their organisation.

For example, if they need to respond to a supplier's sustainability requirements, this supports the rationale for change and informs the types of changes that may be needed. As a result, this table will feed directly into activity 14.1 (Identifying sustainability activities).

Stakeholder group	Stakeholder	Contacted	Key sustainability requirements/goals for noting and consideration	Potential impacts on us
	Name 1	Yes		
Customers	Name 2	Yes		
	Name 3	Yes		
Cumpliare	Name 4	Yes		
Suppliers	Name 5	No		
Financiara	Name 6	No		
Financiers	Name 7	No		

Worked Example 3 Output of A2.1. – Tracking of data and performance

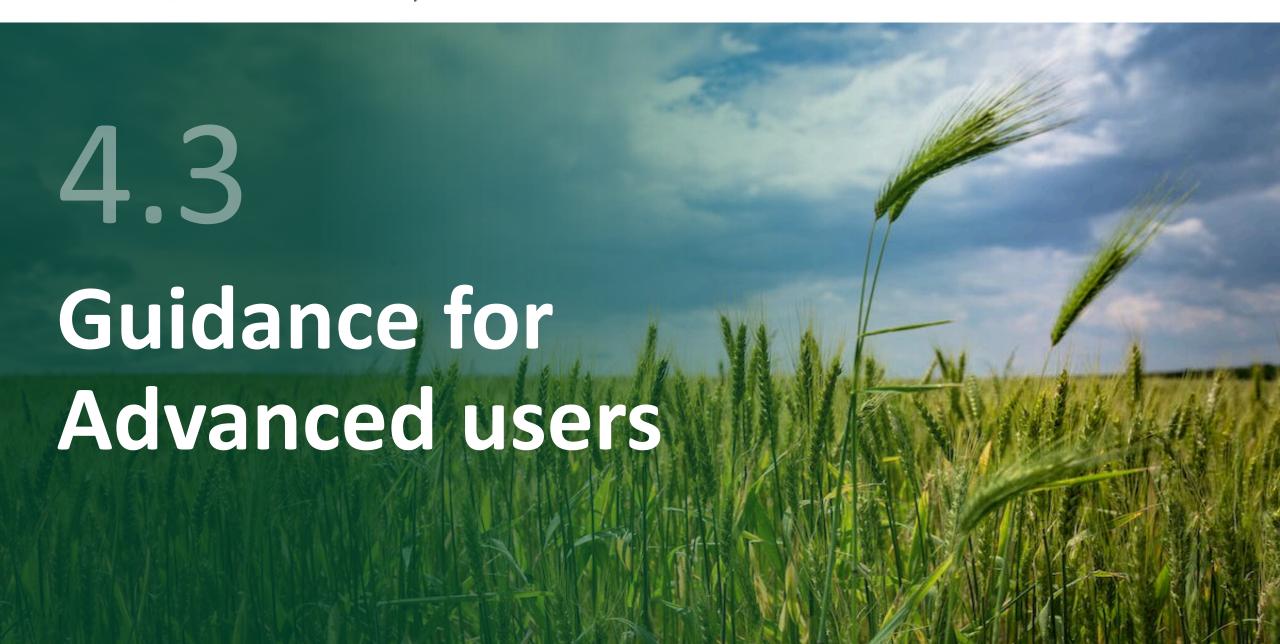
To complete A2.1, the independent supermarket develops a table such as the below to summarise sustainability activities completed, the data sources that correspond to each, and an assessment of the sustainability activities' performance. This example table is only provided as a guide and is purposefully brief.

Material sustainability focus area	Framework principle	Framework criteria	Sustainability activities completed	Supporting data sources/tools (examples)	Assessment of performance (Include references to any specific Sector Standards, or mandatory Indicators used)
		C16. Food and fibre is produced, packaged and distributed to world-leading standards of safety	 Quarterly visits to supplier locations to see the production and packaging process in action. Updated packaging in alignment with Sustainable Packaging Guidelines. 	• Sustainable Packaging Guidelines (Support and Resources).	Proportion of goods sold following Sustainable Packaging Guidelines.
Safety of goods sold	P8. Outputs Safety	C17. Food produced by the industry is healthy and nutritional	 Weekly testing of food quality by inspection. Requested and reviewed supplier spray diaries or similar. 	Spray Diary (Support and Resources).	Percentage of suppliers with adequate spray diaries or similar.
	C18. Producers practice good antimicrobial stewardship	 Requested and reviewed antimicrobial stewardship plans from relevant suppliers. Kept a record of specific production locations product came from. 	 Record of production location for all goods sold Antimicrobial stewardship resource (Support and Resources). 	Percentage of goods sold with a verified production location.	





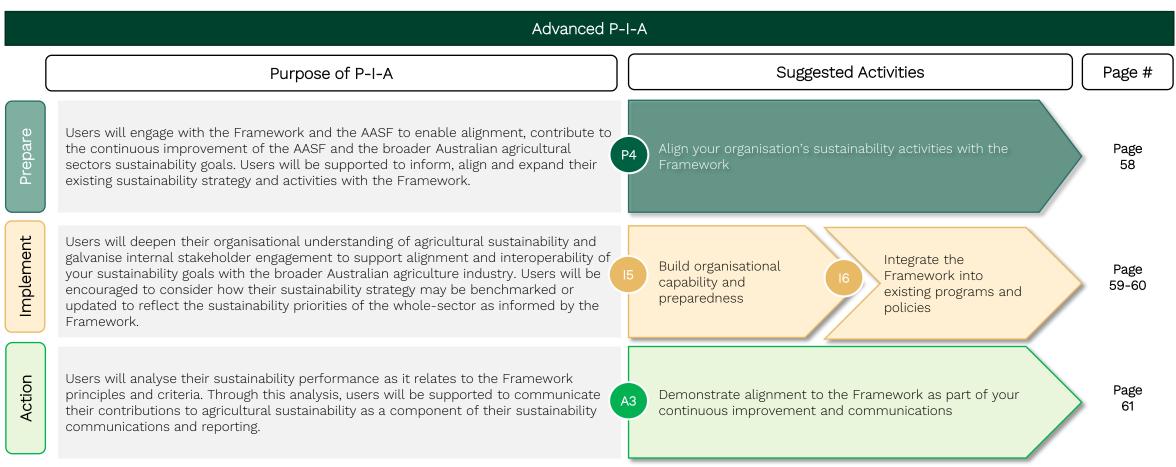






Users at the Advanced level will be guided in using the Framework within their evaluation and communication of their sustainability activities

Guidance at the Advanced level will support users to align organisation's sustainability activities with the Framework, clearly utilising consistent language about sustainability actions and goals for Australian agriculture.



Align your organisation's sustainability activities with the Framework

Register your interest and engage with the AASF team and join the AASF Community of Practice

Objective:

Activity P4.1

P4.2

Activity

If you aren't already, become familiar with the AASF and available resources.

Activities:

- Register your interest to apply the Framework via the AASF website: This will enable you to be alerted to updated releases or targeted communications relating to the AASF, including updates to the Framework and Guidance Document.
- Register and join the AASF CoP: The CoP is a collaborative space for industry stakeholders to share learnings, network and engage and be kept up to date with the latest AASF activities, events and opportunities.

Output:

Register intent with the NFF and join the CoP.

Map the alignment between your existing sustainability strategy and the Framework principles and criteria

Objective:

Identify how your current sustainability strategy aligns with the Framework principles and criteria and indicators.

Activities:

Identify elements of your current sustainability strategy that are most relevant to the Framework principles: To increase the level of granularity and specificity, you may also do this at the criteria level, and indicator level once available. As part of this, perform a gap analysis to identify principles and criteria not yet addressed by your sustainability strategy or plan.

Output:

A table demonstrating alignment between elements of your current sustainability strategy, areas of relevance and the Framework principles. (Refer to Worked Example 1)



15

Build and enhance organisational capability and preparedness

Share the outputs of the Prepare phase to strengthen commitment and engagement from key internal stakeholders

Objective:

Build internal support for aligning your organisation's sustainability strategy with the Framework.

Activities:

1. Obtain engagement from key internal stakeholders: To do this, outline the activities, potential benefits and commercial opportunities that can be achieved or accessed through your actions in these sustainability areas. This may be prepared on a matrix illustrating the benefits/commercial opportunities and risks associated with action or inaction in these sustainability topic areas, split across the short, medium and long term.

Example: For example, you may identify that biodiversity is not currently considered in your sustainability strategy. You may highlight key benefits of action and key risks of inaction in regards to this, such as opportunities for financial gain in biodiversity offset markets and the risks of broader environmental degradation as a result of lost ecosystem services.

Output:

Align sustainability strategy with the Framework, and support for this from key decision makers and team members.

Deepen understanding of agricultural sustainability at the national, whole-of-sector level

Objective:

Review the AASF materiality assessment to ensure its consistency with your own sustainability strategy.

Activities:

- 1. Deepen your understanding of priority Australian agricultural sustainability issues: Leverage the AASF materiality assessment and other CoP activities and communication materials to update or deepen your understanding (or your organisations understanding) of sustainability in Australian agriculture. This will reinforce your organisation's sustainability activities, ensure consistent language and ensure alignment to the Framework.
- 2. Understand what other users of the AASF are doing: by reviewing existing case studies of the Framework in use.

Output:

Demonstrate understanding and awareness of broader agricultural sustainability and its relevance to your organisation.



Integrate the Framework into existing initiatives, policies and programs

Align your sustainability strategy to the Framework

Objective:

Ensure your sustainability strategy is contributing to and aligned with the Framework.

Activities:

- 1. Align your sustainability strategy and priority focus areas to the Framework: Utilise the Framework principles, criteria and indicators to support the design, implementation and evaluation of your sustainability strategy. If your organisation does not currently consider a AASF material issue to be their own material issue, then it may be prompted to consider whether it should be. (Refer to *Worked Example 2*). Current information on indicators can be found here.
- 2. Align the language and definitions used in your sustainability strategy with the Framework: Consistency will assist you in unifying your communication approach with the broader AASF language and definitions being interoperable across multiple contexts, commodities, products, markets and partners. The following guidance is also provided for *Advanced* users to support the alignment of activities with existing methods to define, measure and communicate agricultural sustainability.

Output:

An organisation-specific sustainability strategy with clear alignment to the Framework.



Demonstrate alignment to the Framework in communication materials

Communicate your sustainability performance in alignment with the Framework

Objective:

Demonstrate your contribution to the sustainability objectives of Australian agriculture at the whole-of-sector level.

Activities:

- 1. Evaluate your performance against the Framework: Using your organisation's existing approach to monitoring and evaluating sustainability performance, evaluate your performance against the Framework at the most granular level possible principles, criteria and indicators.
- 2. Communicate your performance against the Framework: Integrate reporting/communication of the Framework into your organisation's existing sustainability reporting process. There are a number of ways to do this. For example, contribution to the Framework could be articulated in your integrated or stand-alone sustainability report. (Refer to Worked Example 3) You could also prepare AASF-specific communication materials articulating your contributions to the sustainability objectives of Australian agriculture at the whole-of-sector level.

Output:

A clear demonstration of your performance with alignment or reference to the Framework's principles and criteria in your sustainability communications.

Share feedback on the Framework and this Guidance Document with the AASF

Objective:

Support the development of the AASF and its value to future users.

Activities:

1. Although not mandatory, sharing your feedback with the AASF contributes to further developing the Framework and this Guidance Document. The AASF is interested to know how well the Framework served your needs, and how well this Guidance Document supported you as you used the Framework in your organisation.

Output:

Share your feedback with the AASF here.

Activity A3.2

Framework

4.3. Guidance for Advanced users

Worked Example 1 Output of P4.2. – Mapping your sustainability strategy to the Framework

In this example a large agricultural investor has an existing sustainability strategy, with the strategies' elements being determined through a materiality assessment.

In *P4.2*, the investor **maps each element of their sustainability strategy to the Framework principles**. This can be done at the level of principles, criteria or indicators (once available). At the level of principles, this may entail taking a high-level view of the objective and activities associated with each element in the sustainability strategy, and seeing which of the Framework principles, if any, these match with.

Elements of your sustainability strategy	Framework principles
Water	Water Use (Principle 6)
Animal Welfare	Animal Wellbeing (Principle 12)
Energy	Resource Preservation (Principle 7)
GHG Emissions	Emissions Reduction (Principle 1)
Nature	Landscape Preservation (Principle 4), Biodiversity Protection (Principle 5)
Waste	Resource Preservation (Principle 7), Societal Benefits (Principle 13)
People and Workplace	Worker Safety (Principle 9), Fair Livelihoods (Principle 10), Inclusive Industry (Principle 11)
Communities	Societal Benefits (Principle 13)
Stakeholders	Societal Benefits (Principle 13), Supply Chain Accountability (Principle 17)
Economic resilience	Risk Mitigation (Principle 16)
Product Quality	Outputs safety (Principle 8)
Productivity	Inclusive Industry (Principle 11)

1. Adapted from AAM 2023 Sustainability Report



Worked Example 2 Table to build upon the output of I6.1. – Gap analysis

As part of activity I6.1., organisations may choose to complete a **gap analysis** of their existing sustainability strategy with the Framework. The Framework is continually updated to reflect the most current material issues for the whole-of Australian agriculture. Therefore, serving as a useful reference for organisations to ensure that they are considering potential material issues and reflecting these in their sustainability strategy.

In this example, an organisation has mapped their sustainability strategy to 13 of the 17 principles, and through this has become aware that they don't have current activities in Air Quality, Soil Health, Biosecurity Management and Ethical Behaviour in their sustainability strategy and thus choose to focus on these areas moving forward.

Framework principle	Is it addressed in our sustainability strategy?	Is it relevant to be considered further?	If it is not relevant, why not?	If it is relevant, what will be done to address it?
P1. Emissions Reduction	✓			
P2. Air Quality		Υ		
P3. Soil Health		Υ		
P4. Landscape Preservation	✓			
P5. Biodiversity Protection	✓			
P6. Water Use	✓			
P7. Resource Preservation	✓			
P8. Outputs Safety	✓			
P9. Worker Safety	✓			
P10. Fair Livelihoods	✓			
P11. Inclusive Industry	✓			
P12. Animal Wellbeing	✓			
P13. Societal Benefits	✓			
P14. Biosecurity Management		Υ		
P15. Ethical Behaviour		Υ		
P16. Risk Mitigation	✓			
P17. Supply Chain Accountability	✓			

Worked Example 3 Output of A3.2 – Demonstrating performance against the Framework

There are several ways organisations can demonstrate their alignment with and performance against the Framework.

- 1) This example is a simple appendix table outlining where each Framework principle is addressed in an existing sustainability report.
- 2) In a more sophisticated example, organisations may wish to integrate AASF language and structure (such as through references to the principles) throughout the sustainability reporting.

Examples of how the AASF is being used can be found <u>here</u>. It should be noted that 'advanced' use of the Framework has not occurred to date.

Framework principle	Element of sustainability strategy	Page/section reference
P1. Emissions Reduction	GHG Emissions	12
P2. Air Quality		
P3. Soil Health		
P4. Landscape Preservation	Nature	18
P5. Biodiversity Protection	Nature	18
P6. Water Use	Water	21
P7. Resource Preservation	Energy	27
P8. Outputs Safety	Product Quality	45
P9. Worker Safety	People and Workplace	47
P10. Fair Livelihoods	People and Workplace	47
P11. Inclusive Industry	People and Workplace, Productivity	47, 53
P12. Animal Wellbeing	Animal Welfare	60
P13. Societal Benefits	Communities, Stakeholders	65, 72
P14. Biosecurity Management		
P15. Ethical Behaviour		
P16. Risk Mitigation	Stakeholders, Economic Resilience	72, 24
P17. Supply Chain Accountability	Stakeholders	72









economic systems



Categories	Principles	Supporting Tools and Resources (relevant to specific principles)	
GREENHOUSE GASES & AIR	P1. Net anthropogenic* GHG emissions are limited to minimise climate change	 Carbon Opportunity Decision Support Tool (CODST), Australian Farm Institute, <u>Link</u> Cool Farm Tool, Cool Farm, <u>Link</u> A farmer's handbook to on-farm carbon management, AgriFutures Australia, <u>Link</u> Greenhouse Accounting Frameworks, Primary Industry Climate Challenges Centre, <u>Link</u> Life Cycle Assessment, Australian Pork, <u>Link</u> Carbon Calculator, Meat and Livestock Australia, <u>Link</u> Refrigerator Cost & Emissions Calculator, Meat and Livestock Australia, <u>Link</u> Carbon 101 – The Toolbox, Meat and Livestock Australia, <u>Link</u> 	
	P2. Adverse impacts to air quality are avoided or minimised	 National Environment Protection (Ambient Air Quality) Measure, National Environment Protection Council, <u>Link</u> National Pollutant Inventory, Department of Climate Change, Energy, the Environment and Water, <u>Link</u> National Clean Air Agreement, Department of Climate Change, Energy, the Environment and Water, <u>Link</u> 	
SOIL &	P3. Soil health and functionality are protected and enhanced	 myBMP, Cotton Research and Development Corporation, <u>Link</u> Soil health and pasture recovery after a fire, Australian Wool Innovation, <u>Link</u> Regenerative techniques and benefits, Australian Wool Innovation, <u>Link</u> Phosphorus tool, Meat and Livestock Australia, <u>Link</u> Visual Soil Assessment, Food and Agriculture Organisation of the United Nations, <u>Link</u> Kicking off with healthy, fertile soils, Meat and Livestock Australia, <u>Link</u> 	
SOIL & LANDSCAPES	P4. Landscape degradation is avoided or minimised	 EverGraze Feed Budget and Rotation Planner, EverGraze, <u>Link</u> NSW Weed Control Handbook, Department of Primary Industries, <u>Link</u> Farm Environmental Tracker, Dairy Australia, <u>Link</u> Feedbase planning and budgeting tool, Meat and Livestock Australia, <u>Link</u> Pasture Paramedic, Meat and Livestock Australia, <u>Link</u> Persistent Pastures, Meat and Livestock Australia, <u>Link</u> Australian Feedbase Monitor, Meat and Livestock Australia, <u>Link</u> 	
BIODIVERSITY	P5. Biodiverse ecological communities are protected and enhanced	 Cool Farm Tool, Cool Farm, <u>Link</u> Biodiversity Management, Department of Industry, Science and Resources, <u>Link</u> Birdcast, Australian National University, <u>Link</u> Regenerative techniques and benefits, Australian Wool Innovation, <u>Link</u> FeralScan, FeralScan, <u>Link</u> 	
WATER	P6. Water resources are used responsibly and equitably	 Cool Farm Tool, Cool Farm, <u>Link</u> myBMP, Cotton Research and Development Corporation, <u>Link</u> Stock water: limited resource after fire, Australian Wool Innovation, <u>Link</u> Regenerative techniques and benefits, Australian Wool Innovation, <u>Link</u> Harvest index, Grains Research and Development Corporation, <u>Link</u> Combined Drought Indicator, Department of Primary Industries, <u>Link</u> 	
MATERIALS & RESOURCES	P7. Finite resources are safeguarded in circular	 Drought and Supplementary Feed Calculator, Department of Primary Industries, <u>Link</u> Stock Assessment Toolbox, Fisheries Research and Development Corporation, <u>Link</u> Foodbase planning and budgeting tool. Most and Livestock Australia Link 	66

• Feedbase planning and budgeting tool, Meat and Livestock Australia, Link



		Fisheries and Forestry	
BEN	Categories	Principles	Supporting Tools and Resources (relevant to specific principles)
PEOPLE, ANIMALS & COMMUNITY	HUMAN HEALTH, SAFETY & WELLBEING	P8. Agricultural outputs are safe and beneficial	 myBMP, Cotton Research and Development Corporation, <u>Link</u> Foot and Mouth Disease facts and resources, Wool Innovation Australia, <u>Link</u> NSW Weed Control Handbook, Department of Primary Industries, <u>Link</u> Refrigeration Index Calculator, Meat and Livestock Australia, <u>Link</u> Spray Diary, SprayDiary, <u>Link</u> Sustainable Packaging Guidelines, Australian Packaging Covenant Organisation (APCO), <u>Link</u> Antimicrobial stewardship, Australian Beef Sustainability Framework, <u>Link</u>
		P9. Safe working environments are provided for employees	 myBMP, Cotton Research and Development Corporation, <u>Link</u> FarmSafe resources, FarmSafe, <u>Link</u> Safety management software, Safe Ag Systems, <u>Link</u> Wellbeing and disaster recovery hub, Meat and Livestock Australia, <u>Link</u> Resources for farmers, University of Sydney, <u>Link</u> Mental Health Resources, National Farmers Federation, <u>Link</u> WHS duties, Safe Work Australia, <u>Link</u>
	LIVELIHOODS	P10. Fair access to a decent livelihood is provided within the industry	 Australian Farm Jobs, National Farmers Federation, <u>Link</u> Minimum wages fact sheet, Fair Work Ombudsman, <u>Link</u> Legal Requirements, People in Agriculture, <u>Link</u>
	RIGHTS, EQUITY & DIVERSITY	P11. Discrimination is not tolerated in an inclusive industry	 myBMP, Cotton Research and Development Corporation, <u>Link</u> Workplace discrimination fact sheet, Fair Work Ombudsman, <u>Link</u> Toolkits, guidelines and other resources, Australian Human Rights Commission, <u>Link</u>
	ANIMAL WELLBEING	P12. Farmed animals are given the best care for whole of life	 Livestock safety during bushfires, Australian Wool Innovation, <u>Link</u> Paraboss tools, Paraboss, <u>Link</u> Health cost benefit calculator, Meat and Livestock Australia, <u>Link</u> Australian Animal Welfare Standards and Guidelines, Department of Agriculture, Fisheries and Forestry, <u>Link</u> Is the animal fit to load?, Meat and Livestock Australia, <u>Link</u>
	SOCIAL CONTRIBUTION	P13. Society benefits from the agricultural industry's positive contribution	 Industry Resources, Australian Food and Grocery Council, <u>Link</u> Materiality Briefing Paper, Dairy Sustainability Framework, <u>Link</u> Materiality Assessment Report 2021, Australian Beef Sustainability Framework, <u>Link</u> Costa Sustainability Report 2022, Costa, <u>Link</u> AACo Sustainability Report 2023, AACo, <u>Link</u>







Fisheries and Forestry			
	Categories	Principles	Supporting Tools and Resources (relevant to specific principles)
ECONOMIC RESILIENCE	BIOSECURITY & RESILIENCE	P14. Biosecurity threats are assessed, mitigated and effectively managed in systems of continuous improvement	 myBMP, Cotton Research and Development Corporation, Link Biosecurity Risk Assessment, Australian Wool Innovation, Link Foot and Mouth Disease facts and resources, Wool Innovation Australia, Link Key Resources for Foot & Mouth Disease, National Farmers Federation, Link
		P15. Resilience is protected and enhanced by assessment, mitigation and management of risks	 Biosecurity Risk Assessment, Australian Wool Innovation, Link Prices & Markets, Meat and Livestock Australia, Link Bushfire Hub, Meat and Livestock Australia, Link Drought Hub, Department of Primary Industries, Link Finance and budgeting tools for agribusiness, Business Queensland, Link
	FAIR TRADING	P16. Industry participants behave ethically and lawfully	 Food and Grocery Code of Conduct, Australian Competition & Consumer Commission, <u>Link</u> Code of Ethics, Ag Institute of Australia, <u>Link</u> Integrity, Department of Agriculture, Fisheries and Forestry, <u>Link</u>
		P17. Supply chain accountability ensures a level playing field and the elimination of unconscionable conduct	 SafeFish, Fisheries Research and Development Corporation, <u>Link</u> Traceability Resources, Agriculture Victoria, <u>Link</u> How NLIS works, Integrity Systems, <u>Link</u> Exporter Supply Chain Assurance System (ESCAS), Department of Agriculture, Fisheries and Forestry, <u>Link</u> Chain of Responsibility (CoR), National Heavy Vehicle Regulator, <u>Link</u>









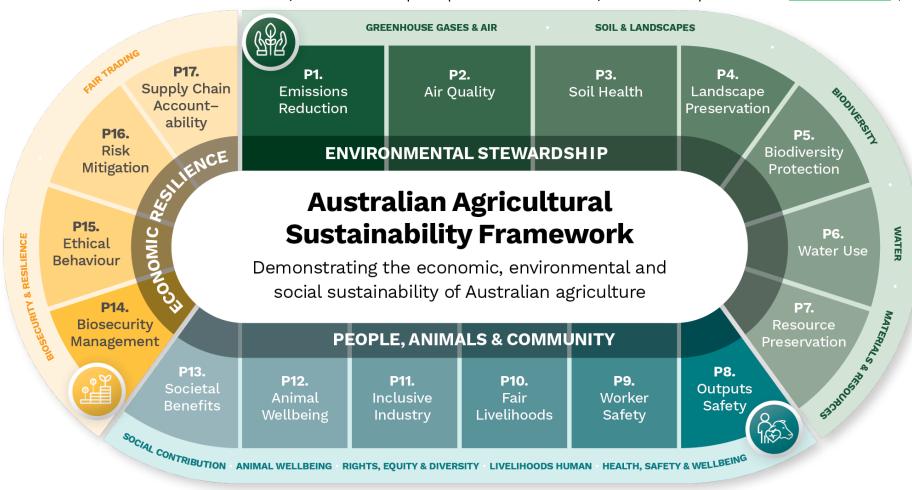
Glossary

For more guidance on these terms in relation to the Framework please visit: <u>Home - AASF</u> (aasf.org.au)

Term	Definition
AASF	Australian Agricultural Sustainability Framework.
Criteria	Conditions which need to be met to comply with a principle.
Framework	A common set of sustainability principles and criteria for the Australian agricultural sector that provides a common understanding and language of sustainability considerations.
Indicator	Measurable states enabling consistent assessment of whether a criterion has been met.
Maturity	An organisation's ability to complete a defined objective or enact a defined capability.
Principle	Fundamental (overarching) statements about a desired outcome or ideal state.
Standard	Documents that set out specifications, procedures and guidelines that aim to ensure products, services, and systems are safe, consistent, and reliable.

The Framework

For downloadable and interactive versions of the Framework (to see detailed principle and criteria level) information please visit: Home - AASF (aasf.org.au)









6	Categories	Principles (desired outcome or ideal state)	Criteria (conditions to be met to comply with a principle)
	GREENHOUSE GASES & AIR	P1. Net anthropogenic* GHG emissions are limited to minimise climate change	C1. GHG emissions are reduced throughout production lifecycle
			C2. Carbon emissions are sequestered wherever possible throughout production lifecycle
			C3. Where necessary (if C1 & C2 are impractical), GHG emissions are offset throughout lifecycle by purchasing recognised credits or participating in recognised projects
		P2. Adverse impacts to air quality are avoided or minimised	C4. Plant, equipment and machinery are appropriately maintained and operated to maximise efficiency
≗			C5. Activities which generate particulate matter are conducted within regulatory guidelines
STEWARDSHIP	SOIL & LANDSCAPES	P3. Soil health and functionality are protected and enhanced	C6. Soils are managed to provide ecosystem services, including sustainable agricultural production
'AL STE		P4. Landscape degradation is avoided or minimised	C7. Land under productive agricultural management delivers beneficial environmental services
N W			C8. Natural waterways are preserved and improved
ENVIRONMENTAL	BIODIVERSITY	P5. Biodiverse ecological communities are protected and enhanced	C9. Farms support a diverse range of beneficial flora and fauna species
EN			C10. Farm-related ecosystems are functioning and thriving
	WATER	P6. Water resources are used responsibly and equitably	C11. Water is used efficiently in agricultural systems
			C12. Adverse impacts to surface water and groundwater quality are prevented
	MATERIALS & RESOURCES	P7. Finite resources are safeguarded in circular economic systems	C13. The use of inputs and resources that cannot be reused or recycled is minimised
			C14. Renewable sources of inputs are prioritised
			C15. Residues, by-products and waste are reused or recycled

^{* &#}x27;Anthropogenic' meaning that which originates from human activity – e.g., emissions from farmed livestock are under human management







Fisheries and Forestry		
Categories	Principles (desired outcome or ideal state)	Criteria (conditions to be met to comply with a principle)
HUMAN HEALTH, SAFETY & WELLBEING	P8. Agricultural outputs are safe and beneficial	C16. Food and fibre is produced, packaged and distributed to world-leading standards of safety
		C17. Food produced by the industry is healthy and nutritional
		C18. Producers practice good antimicrobial stewardship
	P9. Safe working environments are provided for employees	C19. Occupational health and safety are upheld in the working environment
		C20. Labour rights are respected and compliance with relevant legislation is demonstrated
		C21. Physical health and mental wellbeing are valued and actively supported
LIVELIHOODS	P10. Fair access to a decent livelihood is provided within the industry	C22. Profitability and competitiveness are encouraged
		C23. Participants are provided both a living wage and a rewarding, enriching work environment
RIGHTS, EQUITY & DIVERSITY	P11. Discrimination is not tolerated in an inclusive industry	C24. Human rights are unequivocally respected
		C25. Workplace diversity is valued and actively supported
ANIMAL WELLBEING	P12. Farmed animals are given the best care for whole of life	C26. Best practice on-farm husbandry is demonstrated
		C27. Safe transportation of animals is demonstrated
		C28. Humane end of life for farmed animals is ensured
SOCIAL CONTRIBUTION	P13. Society benefits from the agricultural industry's positive contribution	C29. Industry contributes to local community economic growth and social capital
		C30. Indigenous culture is recognised, respected, valued and actively supported
		C31. Community trust in the industry is upheld
FE	HUMAN HEALTH, SAFETY & WELLBEING LIVELIHOODS RIGHTS, EQUITY & DIVERSITY ANIMAL WELLBEING	P8. Agricultural outputs are safe and beneficial HUMAN HEALTH, SAFETY & WELLBEING P9. Safe working environments are provided for employees P10. Fair access to a decent livelihood is provided within the industry P11. Discrimination is not tolerated in an inclusive industry P12. Farmed animals are given the best care for whole of life P13. Society benefits from the agricultural







	Tisheries and Potestry		
	Categories	Principles (desired outcome or ideal state)	Criteria (conditions to be met to comply with a principle)
	BIOSECURITY & RESILIENCE	P14. Biosecurity threats are assessed, mitigated and effectively managed in systems of continuous improvement	C32. Farms have systems in place to monitor risk, prevent and mitigate adverse impacts from biosecurity threats
			C33. Industry has systems in place to monitor risk, prevent and mitigate adverse impacts from biosecurity threats
			C34. Government has systems in place to monitor risk, prevent and mitigate adverse impacts from biosecurity threats
ш		P15. Resilience is protected and enhanced by assessment, mitigation and management of risks	C35. Government and industry develop and extend overarching national scenario planning for industry risks
LIENCI			C36. Industry participants develop, implement and regularly review risk management plans
ECONOMIC RESILIENC			C37. Innovation and infrastructure are well-resourced and supported by government and industry, and can be equitably accessed by industry participants
NONC	FAIR TRADING	P16. Industry participants behave ethically and lawfully	C38. Compliance with applicable laws and regulations is demonstrated
ECC			C39. Fair access to participate equally in markets is ensured
			C40. Zero tolerance for bribery or corruption is demonstrated
		P17. Supply chain accountability ensures a level playing field and the elimination of unconscionable conduct	C41. Product provenance information is readily available via robust traceability
			C42. Information asymmetry in the supply chain is eliminated where perverse outcomes are a risk
			C43. Sustainability accounting is harmonised to ensure fair and just assessments of baselines and progress across the industry







Defining organisational maturity will assist you to set sustainability objectives that are realistic and achievable

Organisational maturity can be categorised into three levels: *Foundational, Intermediate* and *Advanced*. Selecting a maturing level will provide a basis for implementing the P-I-A methodology and recommended approach. In the case where some aspects of your organisation are more mature than others, it is suggested you select the lower overall maturity level to ensure a consistent approach to continuous improvement.

Maturity

Definition

Foundational

- There is a level of awareness or interest to identify or understand sustainability considerations, risks and or opportunities relevant to your organisation.
- · Your organisation is new to identifying and defining sustainability considerations.
- Your organisation is interested in exploring actions to identify sustainability considerations, risks and/or opportunities.

Intermediate

- There is an established awareness and understanding of your organisation's sustainability.
- Your organisation can describe the sustainability considerations or principles that are most important.
- Your organisation is beginning to define, baseline and measure its performance in relation to these key principles.
- Your organisation is already communicating or publishing a level of sustainability information, or is on the path to begin publishing sustainability information in the near future.

Advanced

- Sustainability is embedded within your organisation, such as in its strategic objectives, leadership and workforce culture.
- Your organisation can define the sustainability considerations and principles that are most important.
- Your organisation actively defines, baselines and measures its performance in relation to these key principles and regularly reports sustainability information in line with the AASF.
- Your organisation has an established mechanism for continuous monitoring and improvement in relation to your sustainability ambitions and priorities.



Appendix 5 - Additional Guidance for Activity 12.2

Implement sustainability into your direct operations

ADDITIONAL GUIDANCE FOR ACTIVITY 12.2

ADDITIONAL GUIDANCE: Sustainability Activities

Context: In 12.1, you will have decided the sustainability activity or activities you intend to implement. Setting out a clear view of activities and initiatives over a defined period to support your organisation to align the implementation plan with existing management plans, timelines and approaches. This will also support your teams to set realistic timeframes, milestones and the resources needed for each initiative (i.e., personnel, budget, equipment etc).

Suggested Actions: Develop a detailed outline of the activities, including timeline of project tasks, decision/check in points and overarching milestones.

ADDITIONAL GUIDANCE: Scope of Sustainability Activities

Context: In the *Prepare* phase, *Foundational* users will have developed a high-level view of their business activities, outlining key processes and activities are part of businessas-usual operation. In this activity, you will identify which of these key processes and activities will be impacted or leveraged through the implementation of your selected sustainability activities. The scope of the plan should outline the specific operational activities and requirements needed.

Suggested Actions: Foundational users implement sustainability activities in a portion of their direct operations to reduce complexity; this may be in an individual business unit or product line for instance.

For example, a Foundational user may identify irrigation and pumping activities as a prioritised practice with water and emissions intensity as relevant sustainability focus areas. They will use the scope developed in this section to guide ongoing activities to measure and evaluate their performance as it relates to water use and emissions intensity, as well as against corresponding Framework principles.



Appendix 5 – Additional Guidance for Activity 12.2

Implement sustainability into your direct operations

ADDITIONAL GUIDANCE FOR ACTIVITY 12.2 (Continued)

ADDITIONAL GUIDANCE: Goals and objectives

Context: It is suggested that users set clear goals and objectives to guide their implementation activities. Clear goals will allow an organisation to set the intention and vision for their implementation activities and communicate this ambition to internal and external stakeholders.

Suggested Actions: It is recommended that users adopt the SMART framework to design your goals (Specific, Measurable, Achievable, Relevant and Time-bound) and objectives. Ensuring goals are structured in this way will assist organisations to monitor and evaluate their progress in I2.1.3. Outline your goal and objective for each priority area activity.

ADDITIONAL GUIDANCE: Timeline

Context: Define the realistic time horizons for each sustainability activity, including key check in or progress update timelines.

Suggested Actions: It is suggested to align the activity plan with existing management review and reporting cycles, such as a monthly or quarterly routine. It is suggested that organisations also embed a detailed view of implementation activities and key milestone requirements into short-term, medium- and long-term horizons.

ADDITIONAL GUIDANCE: Resourcing and responsibilities

Context: Consistent with your business or corporate structure, you will need to establish responsibility and accountability for the plan and the defined activities. This is critical to provide genuine accountability and ownership, and ensure successful execution of the plan. It is important that the plan includes resourcing for ongoing maintenance of the activity (i.e. sustaining its output over time).

Suggested Actions: Seek out those in the team responsible or wish to be involved in sustainability or those with the necessary authority and experience in the areas of the business. With these people, establish a sustainability working group that has ultimate responsibility for execution of the plan. The governance of the working group will need to be tailored to your organisational needs. However, it is worth keeping in mind the organisational authority of members (the ability to make decisions needed as part of the plan) and their capacity (the time and resources necessary to follow through on decisions). In a smaller organisation, this process could be simpler. It may entail additional responsibility, given formally, to one or more people responsible for managing the implementation plan.



Appendix 5 - Additional Guidance for Activity I2.2

12

Implement sustainability into your direct operations

ADDITIONAL GUIDANCE FOR ACTIVITY 12.2 (Continued)

ADDITIONAL GUIDANCE: Monitoring and evaluation

Context: Developing an ongoing monitoring and evaluation plan will facilitate tracking progress, identifying issues, and making data-driven decisions. Monitoring the progress of sustainability activities will allow users to better understand the sustainability outcomes they are achieving. Tracking progress in this manner will also underpin continuous improvement and provide input to subsequent implementation plans. Demonstrating performance against identified sustainability focus areas is also essential for organisations to communicate their progress to key external stakeholders (i.e., financiers, supply chain partners). The development of a clear monitoring and evaluation plan is therefore critical for organisations to document their sustainability outcomes to enable reporting where required.

Suggested Actions: Organisations should seek to regularly capture and evaluate information to monitor progress against their goals and objectives developed in 12.2 for each activity. The monitoring and evaluation plan should record the sustainability related projects, baseline, activities, decisions, progress and outcomes. This will ensure that you have the necessary background and context to understand the progression and performance of your sustainability activities over time.

ADDITIONAL GUIDANCE: Data

Context: You will need to have a plan for the capturing of sustainability-related data, which may be included in your approach to monitoring and evaluation. You should already have baselined your sustainability-related data as part of *P2.1*. Where you don't have access directly to data that is relevant to the sustainability activity in your enterprise or with your stakeholders, consider what public scale data may exist that would support your baselining and reporting over time.

Suggested Actions: Ensure that your data capturing processes and mechanisms are in place – it is easiest to start small and targeted, use data that is within your control first before looking for additional data that may be captured by other stakeholders. You may choose to set regular intervals to capture sustainability related data. For example, you may wish to capture data monthly. When considering data not in your control (i.e. data captured by others, but relevant to you), consider the public datasets that are available.





Appendix 6 - Additional Guidance for Activity 14.2

Embed sustainability in your operations, strategy and supply chain

ADDITIONAL GUIDANCE FOR ACTIVITY 14.2

ADDITIONAL GUIDANCE: Scope of activities

Context: It is recognised that measuring sustainability in your direct operations and throughout your supply chain is complex. For many organisations, including agricultural, there are significant sustainability-based risks and opportunities throughout their supply chains. It should therefore be the objective of *Intermediate* users to manage this complexity and engage with suppliers and customers on sustainability to reduce their collective environmental and social impact.

Suggested Actions: Map your suppliers and categorise them into tiers according to their proximity. For instance, your first-tier or tier one suppliers are your direct suppliers, tier two suppliers are the companies that provide inputs to your suppliers and so forth. It is suggested that you focus on your tier one suppliers and customers as they begin to explore supply chain sustainability.

ADDITIONAL GUIDANCE: Goals and objectives

Context: It is recommended that organisations at the Intermediate level begin to measure and assess their performance against material sustainability focus areas with objective and trusted data sources. It is important that the development of goals and objectives are measurable and quantifiable to ensure the communication of performance against identified goals is evidence-based. This will support Intermediate users move towards more sophisticated forms of disclosure to internal and external stakeholders.

Suggested Actions: Refer to the Framework's indicators and recommended data sources to guide the development of SMART goals to ensure they are measurable and consistent with sector-specific and supply chain terminology for agricultural sustainability.



Appendix 6 - Additional Guidance for Activity I4.2

Embed sustainability in your operations, strategy and supply chain

ADDITIONAL GUIDANCE FOR ACTIVITY 14.2 (Continued)

ADDITIONAL GUIDANCE: Data

Context: It is expected that organisations at the *Intermediate* level have an established approach to collecting sustainability-related data. If not, refer to the guidance in P2.1. However, it is acknowledged that in many cases, to accurately report no sustainability progress that organisations will also need data that is outside their business boundaries, such as public data or data from a supply chain partner.

In this instance, data may not apply directly to the user's activities or locations but are representative of them. The data may include modelled data or data originally collected for an alternative purpose. A AASF 'Data Catalogue' has been proposed to support Framework users in identifying appropriate public data sets.

Suggested Actions: As your organisation seeks to map data sources to enable monitoring, evaluation and communication activities you may choose to use less granular data at first and become more specific over time. Your organisation may find it beneficial to set expectations and create a progression plan for improving data as this is critical when assessing and reporting on sustainability.







