

obeorganic flourish



SUSTAINABILITY REPORT

2017/18

OBE Organic is Australia's oldest organic beef marketing company. We were formed over 20 years ago by a group of outback family farmers as Australia's first and only premium meat exporter 100% dedicated to the production of organic beef.

Our mission is to help people live better, healthier lives.

Sustainability helps us achieve this mission. We have been managing sustainability through our FLOURISH sustainability program since 2015 to demonstrate to consumers our organic beef supply chain is good for the environment, animals and people.

At the same time, our sustainability work is protecting the future of family farmers by helping them to innovate, be more productive, profitable and meet consumer expectations.

I hope you enjoy reading about our sustainability work, why we are doing it and how we consistently strive to do better.

Dalene Wray
Managing Director

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If you would like more information about our sustainability program or would like to make comments to help us improve, please email obe@obeorganic.com.

Find out more about us at www.obeorganic.com or connect with @obeorganic:



ABOUT THIS REPORT

This report describes actions taken to manage material topics for the 12 months ended 30 June 2018. It primarily covers the activities of the OBE Organic entity, OBE Beef Pty Ltd.

Our approach to sustainability

We are one of the first Australian beef supply chains to formally manage sustainability. We take a measured and strategic approach to sustainability based on the [AA1000 AccountAbility Principles Standard](#) and its principles of Inclusivity, Materiality and Responsiveness.

We have identified and mapped 37 stakeholder groups, including employees, producers, supply chain partners, organic industry bodies, distributors and retailers and consumers. We review this list periodically to ensure it remains relevant.

We work to understand what is important to these stakeholders through a range of engagement processes including:

- Providing information on our website, social media platforms and quarterly e-newsletters
- Monitoring media, research papers and industry and government developments
- Seeking feedback through social media platforms, producer surveys at events we support, our participation in various industry groups and through direct feedback on our two previous sustainability reports
- Consulting with key stakeholders through meetings and consultative groups.

We cross-check the topics identified through these steps for completeness against other sustainability frameworks including the [Australian Beef Sustainability Framework](#), the [Global Roundtable for Sustainable Beef](#), the [Global Reporting Initiative](#) and the [Sustainability Accounting Standards Board](#).

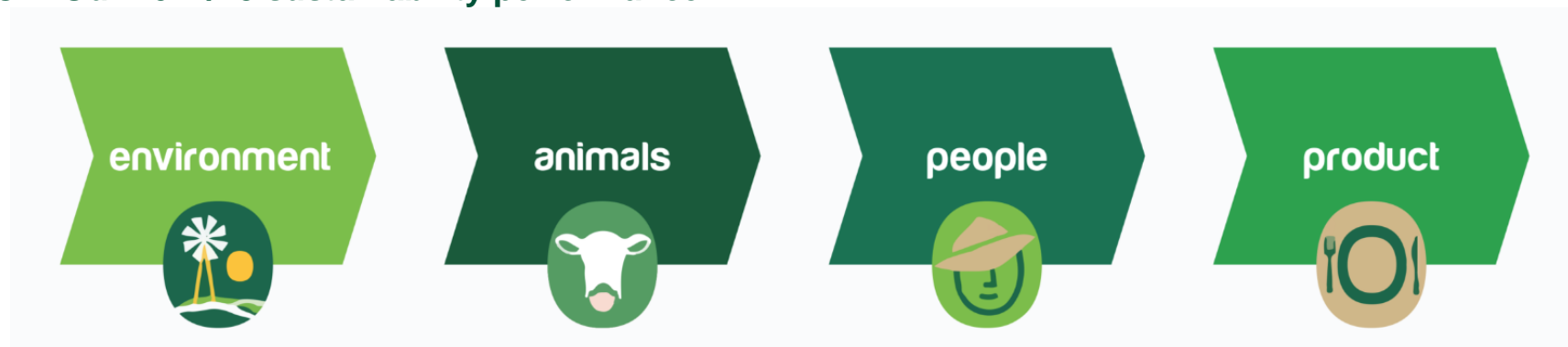
Finally, our staff assess the relevance to stakeholders of topics identified through this process and the significance of each topic to OBE Organic's operations. The end result is a small number of material topics we seek to proactively manage in our FLOURISH sustainability program.

OBE Organic buys organic cattle and sells chilled and frozen beef around the world. The largest impacts and potential for change in our supply chain lie outside the boundary of our office and are primarily on-farm. Our major challenge is sourcing accurate data from busy farmers to set meaningful targets and measure the outcomes our sustainability work produces. Instead of asking our farmers for additional sustainability data, we are exploring innovative ways of measuring sustainability impacts, including:

- Using existing but unused data to help quantify sustainability performance, such as self-assessment scores in Grazing BMP, developing the Feedback Loop for animal welfare, or spatial mapping for environmental indicators
- Explore partnerships with technology companies to gather on-farm data in a simple way and search for practical solutions for improved Internet connectivity.

If you have suggestions or would like more information about what we do, please email obe@obeorganic.com.

AT A GLANCE: Our 2017/18 sustainability performance.



	<ul style="list-style-type: none"> • Land • Water • Climate change 	<ul style="list-style-type: none"> • Animal wellbeing 	<ul style="list-style-type: none"> • Safety • Resilience • Diversity 	<ul style="list-style-type: none"> • Safety and nutrition • Waste
2020 Goal	To show we are managing environmental impacts in line with what science says is needed to keep the planet healthy.	To be a recognised world leader in rangelands animal welfare.	To be recognised as a company that improves the wellbeing and resilience of our producers and employees.	To deliver on our mission of helping people live better, healthier lives.
What we did in 2017/18	<p>Supported 2 Grazing BMP workshops, part of our work to encourage producers to continually improve environmental management.</p> <p>Investigated 4 partnerships to help producers better measure environmental management, and link this to enterprise productivity.</p>	<p>Formed an Animal Wellbeing Committee.</p> <p>Gave producers an animal wellbeing scorecard for every load of cattle supplied to us.</p> <p>Finished research confirming processing data can be used to give animal health insights to producers.</p>	<p>0 workplace injuries.</p> <p>Diversity: 70% female employees and 60% female directors.</p> <p>Became one of the first agribusiness to have a Reconciliation Action Plan.</p> <p>Developed an online farm safety induction tool with our partners.</p>	<p>Zero food safety recalls.</p> <p>Began promoting balanced meals of appropriate portions in our blog pages.</p>
Progress to Goal				

Awards

- Queensland Country Life Red Meat Achiever of the Year (Dalene Wray)
- Chief Executive Women (CEW) Austrade Women in Export Scholarship (Dalene Wray)
- Finalist, Queensland LandCare awards.

ENVIRONMENT: Well-managed healthy landscapes create healthy food. We're working to show they also make farmers more productive and create environmental value.

We know all food production has impacts. We also know landscapes are complex systems where everything is linked: good grazing management preserves vegetation which improves soil health, increases water retention, reduces erosion, and stores more carbon in vegetation and soil. Our organic cattle producers have been managing their environment for generations. We're working to help them improve even more so they can improve land condition, produce more beef per hectare, and reduce their carbon footprint.

What we have	The impact our business has	2020 goal	What have we done so far?		What do we still need to do?
			Previously	In 2017/18	
<p>Our producers manage millions of hectares of certified organic rangelands. Most of this is in the Lake Eyre Basin, one of the world's great free-flowing inland river systems. Countless floods have deposited rich nutrients to create vast, fertile outback floodplains – so remote they have been virtually untouched by chemicals since the beginning of time.</p> <p>Over 250 species of natural grasses and pastures grow year-round and flourish when intermittent floodwaters recede. Cattle roam freely to graze on these seasonally-changing pastures, choosing what they need and what is in season.</p>	<p>Our small office of 10 people has minimal environmental impact, so the focus of our environmental efforts is on-farm.</p> <p>We have influence but no control on farms, so our focus is to link environmental management to productivity.</p> <p>Like all food production, beef production has land use, water and climate change impacts.</p>	<p>To show managing environmental impacts in line with what science says is needed to keep the planet healthy.</p> <p>To do this, we are investigating practical ways to measure on-farm environmental impacts, so producers can make better decisions and more clearly see links between good environmental management and productivity, and to work towards UN Sustainable Development Goals.</p>	<p>First organic beef marketing company in Australia.</p> <p>Organic standards have strict environmental management requirements, with chemicals and synthetic fertilisers prohibited. 5% of organic land must be maintained to facilitate biodiversity or nature conservation.</p> <p>First Grazing BMP corporate partner, to encourage producers to continually improve environmental management.</p>	<p>Investigated 4 partnerships to better measure environmental management, and link this to enterprise productivity.</p> <p>Attended 2 Consultative Committee meetings of the Australian Beef Sustainability Framework to contribute to environmental (and other sustainability) management ambitions for the beef industry.</p>	<p>Measuring on-farm environmental impacts is difficult because of the sheer scale of many of our properties, and the absence of agreed national indicators.</p> <p>To meet this challenge, we are supporting the industry to better manage environmental impacts, and exploring partnerships to use technology to do this in a way that is simple, accurate and helps farmers tie environmental health to farm productivity.</p> <p>If we achieve this, it will benefit the environment, farmers and policy-makers, while allowing for a more accurate understanding of our environmental impacts.</p>

ANIMALS: We must treat animals in our care well. Everyone in our supply chain has a responsibility to promote positive animal welfare.

Apart from the legal and ethical obligation to meet the basic needs of cattle, good animal wellbeing is good business: healthy cattle living freely in an appropriate environment are less susceptible to disease, more productive and produce high quality beef.

What we have	The impact our business has	2020 goal	What have we done so far?		What do we still need to do?
			Previously	In 2017/18	
<p>Our cattle are raised the organic way, with no growth hormones in a completely natural environment free from chemicals and pesticides.</p> <p>With few fences across millions of hectares, cattle follow their natural instincts to roam and forage freely with minimal human interaction.</p> <p>Our cattle are predominantly Herefords – a British breed that ironically has thrived in outback conditions for well over a hundred years.</p>	<p>Animal wellbeing is an important part of an organic livestock program, and producers must meet stringent legal and organic standards for animal welfare.</p> <p>All food production has impacts on animals. Our obligation is to remove, replace or reduce any practices that cause negative experiences for animals in our supply chain.</p>	<p>To be a recognised world leader in rangelands animal welfare.</p> <p>To achieve this we benchmark our systems against best practice to identify areas for improvement, and are looking to use data to track performance and changes over time.</p>	<p>Feedback sheets give producers an animal wellbeing scorecard for every load of cattle they supply us.</p> <p>Partnered with Livestock Biosecurity Network to create a Biosecurity Planning Workbook for Organic Livestock Enterprises, to make it easier for organic producers to reduce the risk of pest and disease.</p>	<p>Formed an Animal Wellbeing Committee with producer, vet and retailer representatives. This Committee will help us identify priorities for continual improvement and appropriate management responses.</p> <p>Feedback Loop project supported by MLA Donor Company confirmed data collected at processing can be a valuable source of animal health information for producers. By giving this data to farmers in a way that helps them make better decisions, we hope to improve animal health and welfare outcomes, improve producer productivity and reduce waste.</p>	<p>Effectively run our Animal Wellbeing Committee to identify areas for improvement and develop management responses.</p> <p>Improve our feedback sheets to better drive change and monitor outcomes. The Feedback Loop project showed data gathered at processing can give producers insights into animal health and wellbeing; we are exploring funding opportunities to provide this information to producers in real time.</p>

PEOPLE: Supporting our employees and producers will build a stronger business for us, and a better life for them.

Investing in human capital helps us build a more resilient beef value chain. We focus on:

- Supporting our **producers** to be profitable and productive because without them, we have no product to sell and cannot achieve our mission. We are owned by family farmers and are run on co-operative principles to maximise returns to all producers who supply us.
- Building a **workplace** that is safe, has a culture of continuous improvement, and champions diversity. We believe a diversity of genders and backgrounds creates a diversity of thinking, and continually pushing to improve means we are less likely to be left behind.

What we have	The impact our business has	2020 goal	What have we done so far?		What do we still need to do?
			Previously	In 2017/18	
Producers: We're proudly owned by family farmers. Our founding farmers established the organic beef supply chain in Australia in the mid-1990s. Continuing generations of family farming traditions, they are united by a shared belief to respect and work with the environment and their animals.	By creating Australia's first organic beef value chain we opened an entirely new market for cattle producers, especially in remote areas. Producers are typically paid a premium for organic cattle. We also provide additional resources to producers, so the combination of organic premiums and capacity building will help them run flourishing family farms.	To be recognised as a company that improves the wellbeing and resilience of our producers and employees. To achieve this we work hard to give producers the tools and skills to be safe and resilient, and invest in training and diversity for our employees.	96 producers (cumulative) attended OBE Organic GrazingBMP workshops in outback Queensland.	24 producers attended 2 Grazing BMP Forums.	Identify new ways to support producers, especially with tools that help them use data to make better decisions to improve productivity. Look to broaden uptake of existing initiatives, especially safety and Grazing BMP programs.
			236 people joined safety webinars we arranged with Workplace Health and Safety Queensland and WorkCover.	Created the Online Rural Property Induction in partnership with Palgrove and Olive Media to provide a comprehensive but low-cost way to help producers better manage farm safety.	
Workplace: Because OBE Organic is run on co-operative principles to maximise returns to family farmers, we run a lean	OBE Organic is an agile small business investing heavily in training and innovation.		16 producers attended spatial mapping training.	Supported a trial to improve broadband connectivity for remote cattle properties, which saw new modems and wi-fi infrastructure installed on 4 OBE producer properties. Activ8 used the results of this trial to develop a commercial offering for remote grazing businesses.	Effectively implement and expand our RAP.
			28 producers attended Succession Planning training.	Maintain a Facebook Group for organic beef producers to share knowledge and ask questions.	
			0 lost time injuries	0 lost time injuries	

and efficient business. At 30 June 2018 we had 10 fulltime employees. Safety and professional development are priorities for our people.	We also have a history of partnering with organisations to deliver better outcomes to organic cattle producers.		66% female employees, 40% female Directors ¹ 33.8 hours professional development / employee ¹	78% female employees, 60% female Directors 26 hours professional development / employee Became one of the first agribusinesses to have a Reconciliation Action Plan Provided an EAP Assist mental health service for employees	Continue to improve employee training and retention.
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OBE Organic's Reconciliation Action Plan

In November 2017, OBE became (to our knowledge) just the fourth agribusiness to have a Reconciliation Action Plan (RAP) endorsed by Reconciliation Australia. RAPS are simple, practical plans, developed with the support of Reconciliation Australia, to document what an organization plans to do to build respectful relationships and create opportunities for Aboriginal and Torres Strait Islander peoples.

Our RAP implementation is broadly on track. Highlights in the eight months to 30 June 2018 included

- Hosting a screening of *Gurrumul* in May for National Reconciliation Week, with OBE staff and guests attending
- Forming a Working Group to oversee our RAP implementation. Membership includes two aboriginal women who provide invaluable advice and support along our journey
- Advocating widely for other agribusinesses to adopt a RAP, including directly to industry leaders and via interviews or presentations
- A media release announcing our RAP led to articles in industry media
- Making 26 social media posts aimed at raising awareness of RAPs and reconciliation in agribusiness
- Developing draft procurement and employment strategies.

¹ 2016/17

PRODUCT: Lean beef, eaten as part of a balanced diet, offers exceptional nutritional benefits to people of all ages and levels of health.

The result of our unique farmer-owned supply chain is certified organic beef from cattle that roam across millions of hectares in the pure heart of Australia. The seasonal characteristics of this pristine land are infused into every cut of OBE Organic beef.

Food safety

The Australian meat industry protects its reputation for producing clean, green and safe red meat products with several traceability and quality assurance programs. These include the National Livestock Identification System, which allows for electronic traceability of every animal in Australia, numerous legislative requirements and industry standards at processors and inspections by importing authorities.

OBE Organic beef travels through an unbroken cold chain from the time it leaves our processing facility until it reaches its final destination. Our beef is stacked fresh in premium retailers and restaurants with speed and safety.

Nutrition and organic certification

The [Australian Dietary Guidelines](#) say lean beef is part of the 'protein-rich' food group people should eat every day (poultry, eggs, nuts and seeds and legumes/beans are other foods in this food group). Lean red meat is a particularly good source of iron, zinc, B12 and is easily absorbed. It can be especially important for some groups including infants, children, women (particularly when pregnant) and athletes.

The Guidelines recommend one to three serves of the protein-rich foods each day, depending on age. For adults, a maximum of 700 grams of lean red meat (raw, or about 455 grams cooked) per adult per week is recommended. While most Australians need more of this food group, many Australian men would benefit from eating less red meat.

Our beef is 100% certified organic by independent auditors. That means our products are:

- Free of antibiotics
- Free from added hormones
- Free from genetically modified feed
- Free from pastures treated with chemicals.

Minimising waste

The UN's [Food and Agricultural Organization](#) estimates one third of all food is wasted along the value chain. Wasting food wastes money, wastes resources used to produce that food, reduces the planet's ability to feed a growing population – and for us, is supremely disrespectful to the animal that provided that food.

We track product supply chain loss from processor to customer, and have found the losses are quite small. By thinking laterally, we identified lost productivity at farm and processing as a much larger source of waste than from processor to customer. Our Feedback Loop project (see ANIMALS) and producer support (see PEOPLE) are working to address this.

ABOUT OBE ORGANIC: Farmer-owned, certified organic grass-fed beef from free-roaming cattle in the pure heart of Australia.

OBE Organic began over 20 years ago as Australia's first and only premium meat exporter 100% dedicated to the production of organic beef. Formed by a group of pastoral families, our company was founded on century old traditions - raising cattle exactly the way nature intended. No chemicals, no pollutants, no hormones. Just a whole-hearted commitment to letting the most enriching natural forces and environment produce the very best beef.

Business structure

We are a private company based in Brisbane, owned by our founding family farmers and their descendants. We buy cattle from certified organic cattle producers and sell grass-fed, certified organic beef in Australia, Asia, North America and the Middle East. OBE Organic operates on co-operative principles to maximise returns to the family farmers we rely on to supply us.

The OBE Organic Board of Directors is responsible for overseeing the strategic direction of the company, ensuring compliance with legal obligations and assessing risk. At 30 June 2018 our Board was comprised of four producer directors and one independent director.

We aim to be honest and accurate in all our marketing communications. We have the correct certification to support our organic, NOP and halal claims in our marketing.

Our [privacy policy](#) is available on our website.

Industry involvement



As a small company with big ambitions, we need to use our resources wisely to make an impact, so forming partnerships is fundamental to our approach. We also think we have an obligation to contribute to industry and broader society through memberships in various committees.

Partnerships in 2017/18	Memberships in 2017/18	Committees / Boards in 2017/18
<ul style="list-style-type: none"> • Grazing BMP (to deliver producers workshops) • MLA Donor Company (to deliver the Feedback Loop research project) • Palgrove and Olive Media (to develop an online farm safety induction) • Queensland Department of Agriculture and Fisheries (various projects and support) • Activ8 (to deliver a remote broadband connectivity trial) 	<ul style="list-style-type: none"> • AgForce • AMIC • Australian Arab Chamber of Commerce & Industry (AACCI) • Beef Australia • Chamber Commerce & Industry Queensland (CCIQ) • Export Council of Australia (ECA) • FemEconomy • NASAA Certified Organic (NCO) • Rural Press Club • Australian Institute of Management – Education and Training (AIM Training) • Aus-Meat (Annual Non-Packer Export Accreditation) 	<ul style="list-style-type: none"> • Department of Foreign Affairs and Trade Council for Australia Arab Relations (Dalene Wray, Deputy Chair) • Telstra Queensland Regional Advisory Council (Dalene Wray, member) • Australian Government Farm Cooperative Project (Dalene Wray, Industry Advisory Group member) • Australian Organic Industry Working Group (member) • Australian Meat Industry Council (Dalene Wray, Alyce Teys, committee members)






OBE Organic and the Sustainable Development Goals

To ensure the work we do contributes to a better world, as well as strengthening our own business, we are increasingly referring to the UN [Sustainable Development Goals](#) (SDGs). Some SDGs relate to areas we can directly deliver on, while others are more relevant to other parts of our supply chain where we may have less control.

SDGs we aim to contribute to directly.

SDG Goal			
SDG Target	Achieve gender equality.	Promote safe and secure working environments for all workers	Multi-stakeholder partnerships that mobilise and share knowledge, expertise and resources
Our work	<ul style="list-style-type: none"> Majority female Directors and employees Promote gender equality 	<ul style="list-style-type: none"> Grazier safety webinars Livestock property online induction tool 	<ul style="list-style-type: none"> Partnerships with 6 organisations

SDGs we aim to influence our supply chain to contribute to.

SDG Goal					
SDG Target	Double farmer productivity and increase the resilience of production systems by 2030	Reduce food losses along supply chains	Ensure sustainable management of water.	Strengthen climate resilience and adaptive capacity	Protect, restore and promote sustainable use of terrestrial ecosystems
Our work	<ul style="list-style-type: none"> Grazing BMP partnership to improve productivity 	<ul style="list-style-type: none"> Promote appropriate portion sizes Help improve productivity on farms and in processing 	<ul style="list-style-type: none"> Exploring technologies to measure on-farm impacts, and show link between natural capital, farm productivity and profitability Grazing BMP partnership for producers to benchmark themselves against best practice, improve productivity, and pinpoint areas for improvement 		

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