



Sustainability matters for Australian tree nuts

Materiality assessment and assurance and evidence expectations
of major customers

March 2022



Executive summary

Responsible sourcing and sustainable supply chains are of increasing importance to global food markets, investors and communities. In 2021 the Australian horticulture sector consulted with a wide range of stakeholders to identify the environmental, social and governance topics that influenced their decisions about Australian horticulture.

The Australian nut industries are seeking to further understand the specific drivers for sustainability amongst the customers and supply chain for Australian nuts and expectations the customers have for assurance, certification or data requirements.

Building from the Australian-grown horticulture sustainability framework, this materiality assessment has:

- ▶ Reviewed corporate documents of 21 major customers or potential customers of Australian nuts
- ▶ Investigated relevant international trade policies and commitments
- ▶ Gathered priorities from the nut industry market chain
- ▶ Reviewed certification and assurance programs
- ▶ Scoped public opinion from media and public sources
- ▶ Interviewed topic experts and reviewed scientific literature.

Topics important to stakeholders of Australian horticulture are also important for Australian nuts.

Customers who have made sustainability commitments and who report on their sustainability performance are increasingly looking to measure and report on the sustainability of actions through their supply chain. It can be expected that businesses supplying these corporations will need to be able to provide data on their sustainability performance. A number of certification and assurance programs have been overviewed in this report, these programs have the potential to meet some of those reporting expectations. It is highly likely that evidence-based data on inputs and impacts will be required in the near term.

The following topics were identified as significant for Australian Tree nuts:

Highly material

- ▶ Quality
- ▶ Trusted food safety, traceability
- ▶ Sustainable agricultural practices
- ▶ Water management
- ▶ Chemical use
- ▶ Pollinator health
- ▶ Greenhouse gas emissions
- ▶ Ethical and safe work

Material:

- ▶ Downstream environments
- ▶ Biodiversity
- ▶ Climate resilience
- ▶ Packaging & waste
- ▶ Communities
- ▶ Transparency & data

Important:

- ▶ Nutritional value
- ▶ Price
- ▶ Australian-grown
- ▶ Good business governance
- ▶ Trade value.



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Australian tree nuts

Australian tree nuts are significant crops to both domestic and export trade. The largest markets are India, the European Union, China and Vietnam. There are significant exports to other Asia markets, the Middle East, Africa, Latin America, North America and the United Kingdom.

Australian tree nuts are undergoing a period of significant expansion, particularly in the planting of almond and macadamia groves. A forecast three-fold increase in planted area from 2011 to 2030 is expected to generate an almost seven-fold increase in annual farm gate value to \$2.2 billion.ⁱ

\$1.2 billion annual farmgate value	1/3 of Australia's horticultural exports	\$ 30,000 / ha gross revenue
4.5 times increased production forecast 2011-2030 to \$2.7 billion annual farmgate value	5.6% annual growth in domestic nut consumption over the past 20 years	Macadamias are the only Australian native food plant to be widely traded internationally

Major growing regions

	QLD	NSW	VIC	SA	WA	TAS
Almonds		Riverina	Sunraysia	Adelaide and the Riverland	Swan region	
Chestnuts		Central and Southern Tablelands, Blue Mountains and Batlow	North-east and Central; East of Melbourne	Adelaide Hills	South-west	Northern and Central
Hazelnuts		Central Tablelands	Central and eastern			Northern
Macadamias		Eastern seaboard from Port Macquarie to Atherton Tablelands			South of Perth	
Pecans		Gwydir valley				
Pistachios		Riverina	Murray River Valley	Swan Hill to Waikerie		
Walnuts		Riverina	Goulburn Valley, Murray Irrigation area			

Sustainable nut production

Australia's tree nut industries recognise the importance of sustainability to their production systems, their communities and their markets.

Differences in landscape types and production systems contribute to differing sustainability challenges being faced by each nut industry.

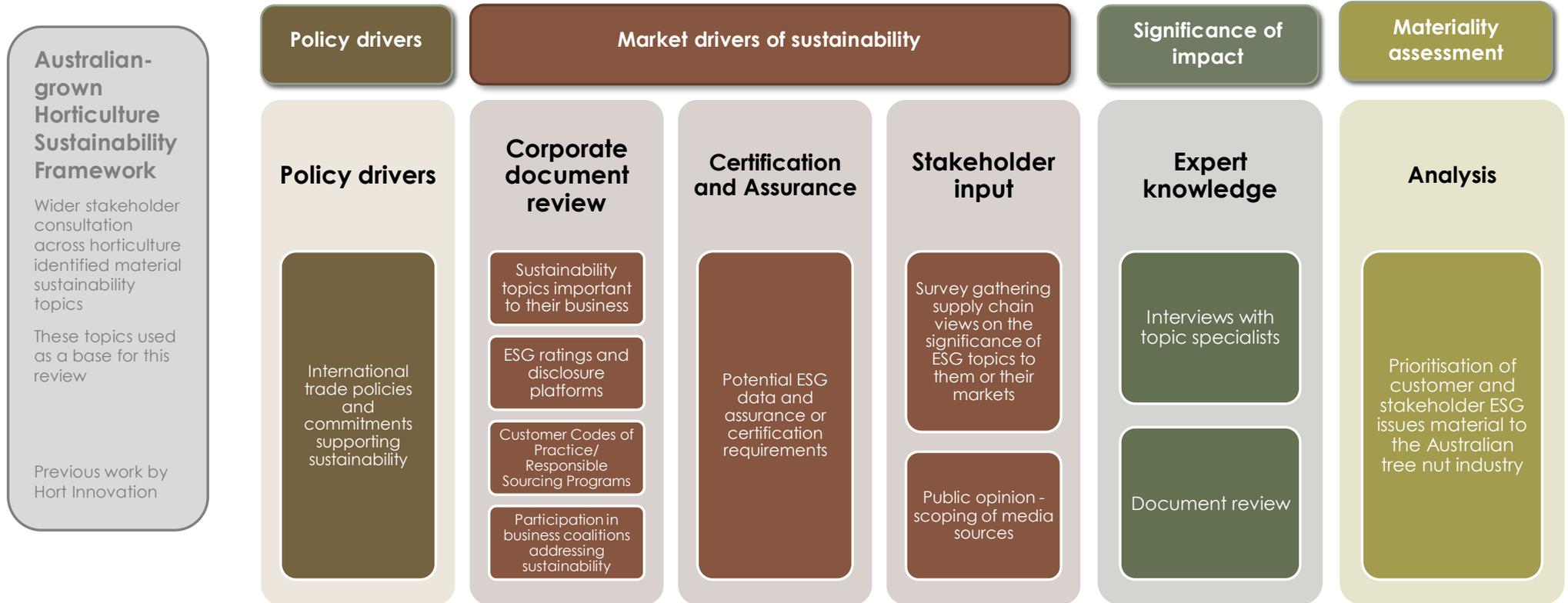
CLEAN, GREEN AND SUSTAINABLE

"Consumers today not only want foods that are of good quality, but also that have been produced safely and sustainably. Australia is recognised internationally as a 'clean and green' producer, more so than other nut producing countries. This reputation is constantly being safeguarded by attention to biosecurity and environmental issues by both governments and growers. It is a powerful marketing point of difference."

ANIC 2022 Growing for Success

Approach

This review built on the whole-of-horticulture materiality assessment to identify specific priorities for customers of Australian tree nuts.



International policy drivers for sustainability

National and international policies seek to improve sustainability outcomes through guiding both regulation and market influence.

The United Nations in 2015 developed 17 Sustainable Development Goals (SDGs), with most targets set for 2030. The SDGs are widely adopted by corporations and governments alike to guide commitments and to measure and report sustainability performance. Translating this to an agricultural context, the Food and Agriculture



Organisation (FAO) developed a guideline with 20 actions for [Transforming Food and Agriculture to Achieve the SDGsⁱⁱ](#). Whilst some actions focus on challenges of developing nations, there are several of relevance to the Australian nut industry including in areas of: diversification, soil health, water, biodiversity, ecosystem resilience, waste, resilience to shocks and adaptation to climate change.

The [Australian-grown Horticulture Sustainability Frameworkⁱⁱⁱ](#) mapped the material topics for horticulture's stakeholders to the United Nations' Sustainable Development Goals and targets.

Although the UN SDGs are widely adopted, countries differ in their priorities for agricultural sustainability^{iv}. To understand potential impacts on trade, it is relevant to look at the trade policy measures being developed by governments and trading blocs which may demand equivalence to their own sustainability standards in food production.

Sustainability policies often provide aspirational frameworks and targets that will be implemented through both government interventions and corporate commitments. For example, the European Green Deal and Japan's MeaDRI initiatives (next page) both aim to develop more sustainable food systems, with a particular focus on mitigating impacts on climate change.



European Green Deal and Farm to Fork Strategy

The [European Green Deal](#) aims to turn the EU into the first climate neutral continent by 2050 through a combination of legislation, policies and incentives. It includes the [Farm to Fork Strategy](#) (F2F)^v to transition to a sustainable food system focused on neutral or positive environmental impact, mitigating and adapting to climate change, reversing the loss of biodiversity, food security, nutrition and public health. It includes a pesticide reduction target of 50%.

F2F strategies are designed to help raise standards globally, to avoid the externalisation of unsustainable practices and protect the livelihoods of EU producers^{vi}. The EU will seek for all EU bilateral trade agreements to have an ambitious sustainability chapter.

In 2021 the F2F strategy released the European Union (EU) Code of Conduct for Responsible Food Business and Marketing Practices ([The Code](#)). The Code encourages actors ‘between the farm and fork’ to voluntarily commit to actions that improve their sustainability performance. These actors include food processors, food service operators and retailers. Companies including Ferrero, Kellogg’s, McCains, Mondelez, Nestle, Tesco and Unilever are signatories.

The European Green Deal’s Biodiversity Strategy for 2030 (BDS) will have major implications within Europe for agricultural production, commodity prices, impact on farmers, cost to the consumer and effect on EU trade policy.

Implications for the Australian Nut Industry

Short term: businesses that supply product to companies that are signatories to The Code may have a competitive advantage if they provide evidence of their contributions towards targets, particularly for greenhouse gas emissions, pesticide use and sustainable management and efficient use of natural resources.

Longer term: the stated intent of the EU to use trade policy to demand equivalence to EU standards in sustainable food production has implications for Australian producers in areas that have no equivalent legislated Australian standards. For example, fertiliser management, enhancement of biodiversity, greenhouse gas emissions and pesticide use.

Japan’s MeaDRI

Japan’s Green Food System Strategy^{vii}, the *Measures for achievement of Decarbonization and Resilience with Innovation* (MeaDRI) aims to create a sustainable food system by improving environmental, social and economic outcomes. Whilst mostly focused on Japanese food production one target has relevance direct to exporters. That “*Food producers import sustainably produced ingredients by 2030*”.

To support the Strategy the Japanese Government has launched ‘Sustainable Consortium 2030 - for Agriculture, Forestry, Fisheries and Food - a consortium of companies and organizations which are engaged in actions to achieve the food and agricultural sustainability. Members include Nestle Japan and Meiji Holdings.

Implications for the Australian Nut Industry

It is likely importers of food products in Japan will increasingly require evidence of sustainability credentials. More Japanese investors and importers are integrating the Strategy into their investment and purchasing decisions. This may be expressed through requirements for participation in sustainability certification or disclosure platforms.

There may also be a bias towards product with sustainability credentials that also deliver against the Strategy targets for Japanese agriculture. These include:

- ▶ Net zero emissions from primary industries (by 2050)
- ▶ Increase organic farming area to one million hectares (by 2050)
- ▶ 50% reduction in agri-chemical use (by 2050)
- ▶ 30% reduction in chemical fertiliser use (by 2050)
- ▶ 30% greater productivity by food manufacturers through automation (by 2030).

An example of how the strategy may be implemented is through tools such as the company supplier codes of conduct. For example, the Meiji Group Supplier Code of Conduct procurement section requires suppliers to prioritize use of products with certification systems for environmental or human rights concerns.

Market drivers of sustainability

Global consumer and investor markets are leading the demand for proven sustainable, ethical production. Consumer interest in social responsibility and environmental sustainability is increasingly being reflected in purchasing patterns, including food and beverage products. Premiums are being paid for more sustainably produced products.

Investors are driving market demand for measured sustainable and ethical performance as they see clear commitments to sustainability reflected in the share value of major corporations. Globally capital markets are moving to align with sustainability goals through standards and regulation. It is highly likely access to capital will continue its trend of requiring evidence-based information about how ESG risks are being managed^{viii}.

Sustainability or ESG reporting is now standard for major corporations, including food and drink manufacturers and retailers^{ix}. More than 90% of the top 500 companies in the world prepare ESG reports^x, many of these using the standards for assessing, measuring and reporting on material sustainability risks and priorities developed by the Global Reporting Initiative (GRI). Material topics are those issues that could make a major difference to an organisation's economic, environmental, and social impacts and/or to stakeholders' and investors decisions.

As markets and consumer groups become more informed about sustainability, overclaiming sustainability without enough evidence of good practices across all areas is risky. For example, a recent 'better for the planet' advertising campaign of drinks company Innocent was labelled "greenwashing"^{xi} as the company, which despite its largely good credentials around carbon and sustainability, was criticised for its single use plastic packaging.

What matters to the markets for Australian nuts?

Corporate documents and sustainability initiatives of twenty-one companies were reviewed, including company websites, annual reports and initiatives and ESG related reports. These companies, nominated by the Australian Nut Industry Council, represented a range of existing and potential customers of Australian nuts.

A survey was distributed by ANIC to its industry and trade networks, asking them to invite input from their markets and also share their experiences of the topics that matter to their customers. Wider stakeholder input gathered through the whole-of-horticulture review was also considered in this assessment.



Sustainability topics significant to major customers

The material or significant ESG issues identified for each of the nominated retail and manufacturing companies are depicted in this heat map diagram.

Over 80% of the ANIC nominated food and drink retailers and manufacturers identified the following ESG issues as being highly or significantly material topics:

- Healthy, nutritious food
- Safe, traceable and quality food
- Human rights
- Safe and ethical work
- Sustainable agricultural practices (includes regenerative agriculture, organics, pollination, biodiversity & certification)
- Climate
- Packaging and waste.

This analysis is a snapshot in time and maybe incomplete as companies are rapidly responding to changing customer, government, and investor expectations.

Heat map

	Aldi	Coles	Costco**	Kroger	Lidle	Tesco	Trader Joes*	Walmart	Woolworths	Ferraro	General Mills	Kelloggs	Mars	McCains	Meiji	Mondelez	Unilever	Yamazaki*	Smuckers	Nestle	Chobani
Healthy nutritious food	High	Significant		High	High	High		High	Significant	High	High	High	Significant	High	High	High	High			High	High
Safe, traceable quality	Significant	High		High		High		High		Significant		High	High	High	High	Significant	High			High	High
Food security				High	Significant	High		High				High			High						Significant
Profitable suppliers		Significant	Significant		Significant	Significant		High					High				Significant				
Human rights	High	High	High	High	High	High		High	Significant	High	High	High	High	High	High	High	High			High	High
Safe and ethical work	High	High		High	High	High	Significant	High	High	High	High	High	Significant	High	High	High	High			High	High
Leadership/ Governance		Significant		High		Significant		High		Significant		Significant				Significant	High			Significant	High
Thriving communities	Significant		Significant	Significant	Significant	High	Significant	High	High			Significant		Significant		Significant	High			Significant	Significant
Sustainable Ag Sourcing	High	Significant	High	High	Significant	High		High	Significant	High	High	Significant	High	High	High	Significant	High			High	High
Water	Significant			High	High					Significant		High	High	High	High	High	High			High	High
Landscapes	High		High	High	High	High		High	High	Significant	High	High	High	High	High	Significant	High				Significant
Climate	High	High	High	High	High	High		High	High	High	High	High	High	High	High	High	High			High	High
Energy	High	High			Significant			High	High		High	Significant	High	High	High			Significant		High	High
Biodiversity	High		Significant	High	High			High		High	High	High		High	High		High			Significant	
Pollination			High	High				High						High	High		High				
Chemicals	High		High	High	High					Significant	High				Significant	Significant					
Zero/less waste	Significant		Significant	High	High	High		High		Significant				High	Significant		High			High	Significant
Food waste	High	High	High	High	High	High		High	High	Significant	High	High			Significant	Significant	High	High			
Packaging	High	High	Significant	High	High	High	Significant	High	High	High	High		High	High	High	High	High	High	High	High	Significant

* No ESG report or sustainability plan ** Just commencing sustainability reporting

Suppliers' codes of conduct and responsible sourcing programs

Supplier Codes of Conduct and/or Responsible Sourcing Programs are used by most of the twenty-one companies reviewed to reduce the material risks to the business from poor practices along the supply chain. A supplier code of conduct commonly includes components addressing labour practices; work, health, and safety; business practices (ethics) and increasingly environmental considerations. They may include a review and documentation policy and require compliance with nominated standards or certification. Certification is more likely to be required for products considered high-risk with respect to their production practices, for example, palm oil. Suppliers of products from countries with strong regulations for human rights and food safety are usually rated as low risk and may not be required to meet company sustainable sourcing standards or certification requirements.

Two of the companies included in this review nominate nuts as a priority product:

- ▶ Ferrero's Farming Values (FFV) Hazelnut Production Standard
- ▶ Chobani's sustainable sourcing commitment for almonds with water efficiency as the key issue of concern.

Emissions and the Science Based Targets Initiative (SBTi)

Fifteen of the 21 companies have set Scope 3 reduction targets through the Science Based Targets initiative (SBTi) and another two intend to set targets.

Scope 3 emissions are the indirect (or value chain) greenhouse gas emissions resulting from the organisation's operations and include the emissions embedded in the products they purchase. Science-based targets provide companies with a clearly defined path to reduce emissions in line with the Paris Agreement goals. The [SBTi](#) is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF)^{xii}.

To date most food companies have made minimal or no progress on their Scope 3 targets. To reduce their Scope 3 emissions some companies are making commitments to increase their percentage of plant-based products, a potential opportunity for the nut industry.

Appendix 1 summarises each company's sustainable sourcing requirements and commitments to reducing Scope 3 greenhouse gas emissions through the Science Based Targets Initiative.

	Aldi	Coles	Costco	Kroger	Lidl	Tesco	Trader Joes	Walmart	Woolworths	Ferraro	General Mills	Kelloggs	Mars	McCains	Meiji	Mondelez	Unilever	Yamazaki	Smuckers	Nestle	Chobani	
Have published Scope 3 reduction targets or supplier data requirements	*				*	*		*	*	*	*	*	*	*	*	*	*		*	*		
Intend to set targets			*																			*

Participation in sustainability ratings and disclosure platforms

Companies are able to assess the environmental, social and governance performance of their business by participating in ESG ratings platforms that provide a data management service to manage, collate and analyse information on the ESG performance of their value chain. Platforms that have disclosure as a core principle publish the performance ratings of participating companies. Company participation in these ESG rating platforms is expanding.

The platforms enable suppliers to share information with relevant companies and/or organisations, potentially reducing the need for multiple assessments. Investors also use information from these ratings platforms to inform their decisions. Platforms include:

- ▶ CDP: a disclosure and ratings platform focusing on climate change, water security and forests.
- ▶ EcoVadis: environment, labour and human rights, ethics, sustainable procurement and carbon.
- ▶ Thesis: a third-party survey tool of key performance indicators for a range of ESG issues.
- ▶ amfori BSCI: social and human rights issues.

95% of large purchasing organizations working with CDP are using or planning to use environmental metrics, including data from CDP, within their procurement processes^{xiii}.

Further information about these ESG data reporting platforms used by major customers of Australian tree nuts is included as Appendix 2.

* use the platform	Aldi	Coles	Costco	Kroger	Lidl	Tesco	Trader Joes	Walmart	Woolworths	Ferraro	General Mills	Kelloggs	Mars	McCains	Meiji	Mondelez	Unilever	Yamazaki	Smuckers	Nestle	Chobani	
CDP				*		*		*	*		*		*	*	*	*	*	*	*	*	*	
EcoVadis													*	*								
THESIS				*				*								*		*				
Amfori BSCI	*				*				*													



Participation in business coalitions addressing sustainability issues

Food and drink retailers and corporations recognise that some sustainability issues, in particular climate change and biodiversity are more effectively addressed through collaborative approaches.

Coalitions most relevant to the Australian nut industry include the Consumer Goods Forum, the Cool Farm Alliance, the Alliance for Water Stewardship, the Aqueduct Alliance and One Planet Business for Biodiversity.

The Consumer Goods Forum includes coalitions focused on Environmental Sustainability, Human Rights, Health and Wellness, Food Safety and Product Data.

More detail about these coalitions is provided in Appendix 3.



* = member	Aldi	Coles	Costco	Kroger	Lidl	Tesco	Trader Joes	Walmart	Woolworths	Ferraro	General Mills	Kelloggs	Mars	McCains	Meiji	Mondelez	Unilever	Yamazaki	Smuckers	Nestle	Chobani	
Consumer Goods Forum	*		*			*		*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Cool Farm Alliance						*		*				*	*	*		*	*				*	
Alliance for Water Stewardship	*				*						*		*				*				*	
Aqueduct Alliance															*	*						
OP2B								*					*	*		*	*				*	

Supply chain views on the importance of sustainability in nut production

An online survey was distributed late 2021 by ANIC members to their industries and trade partners, inviting them to seek input from their market networks. It sought views direct from customers and also asked industry respondents to share the feedback on the messages they hear from the market. Input was received from forty-five people, including wholesale customers, food manufacturers, retail customers, consumers, exporters, brokers, government or trade advisers, investor, processors, growers and industry organisations. All tree nut industries were represented. The survey did not specifically seek input from other stakeholders as their views were taken from the whole of horticulture assessment.

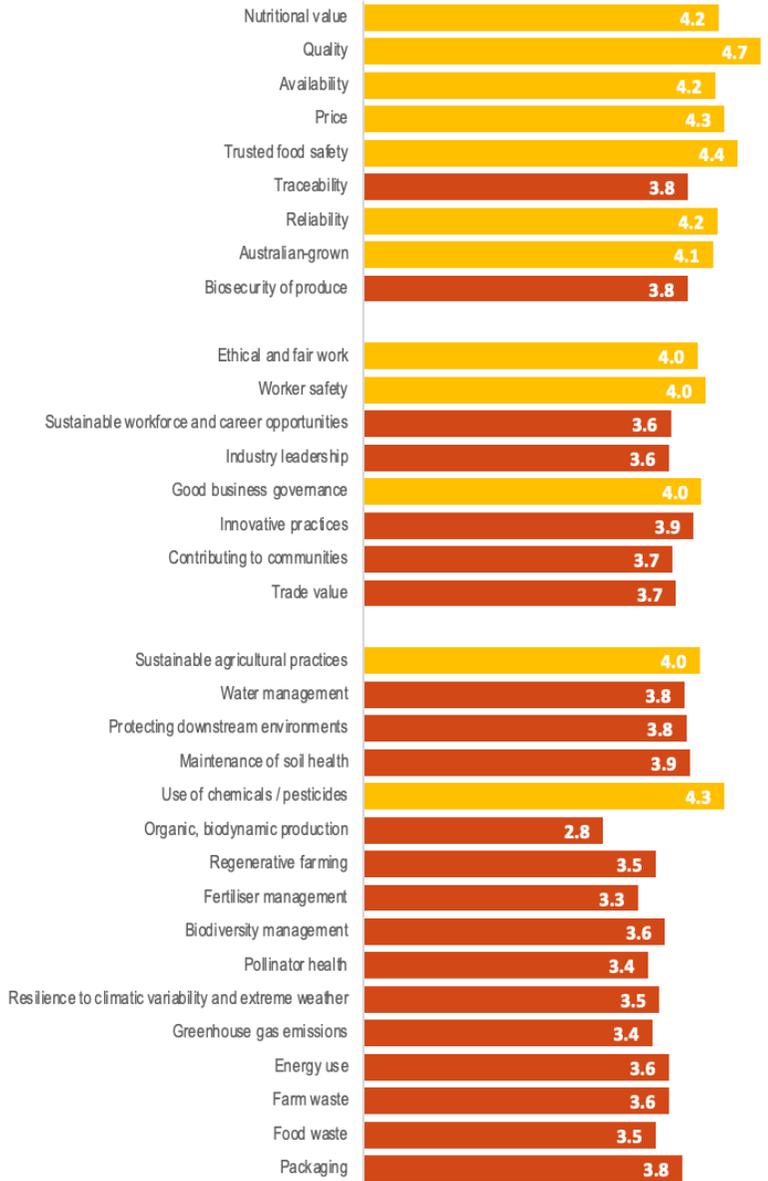
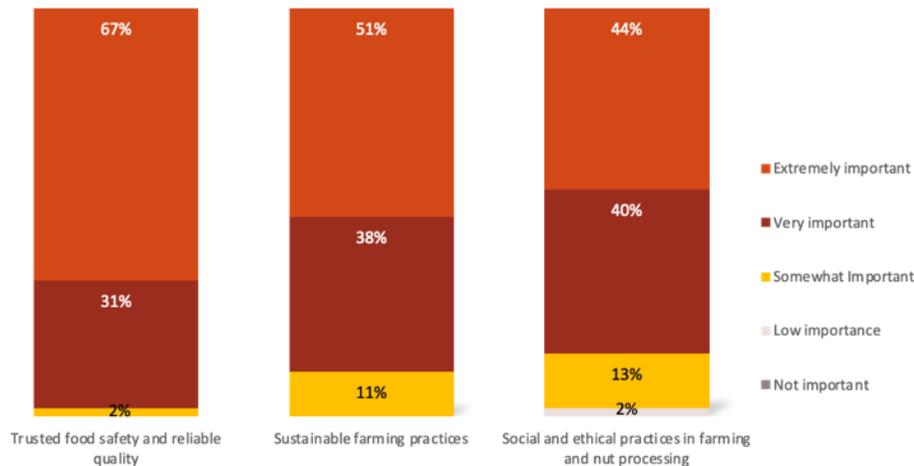
Sustainable practices were important to all respondents, in particular in relation to food safety and quality.

Respondents were asked to rate the significance to customer’s decisions of the material topics identified in the Australian-grown Horticulture Sustainability Framework and some additional topics added by the nut industry. All of these topics were, on average, at least moderately significant to the nut industry’s customers.

The most significant topics for nuts related to:

- ▶ Quality, nutritious, safe food
- ▶ Availability and reliability
- ▶ Price
- ▶ Australian-grown
- ▶ Ethical, fair and safe work
- ▶ Good business governance
- ▶ Sustainable agricultural practice
- ▶ Chemical and pesticide use.

Proportion of businesses identifying practices relating to tree nuts as important



Average rating of importance on scale of 1= Not at all, 2= slightly, 3= moderately, 4= significantly, 5=very significantly important

Public opinion

Whilst the importance of ESG issues to community stakeholders varies between regions and nut commodities the rapid expansion of tree nut plantations in the lower Murray Darling Basin and the eastern coastal lands has stimulated community concerns about the sustainability practices of the tree nut industries.

Key issues of concern identified through scoping of media reports, social media and targeted interviews were:

- ▶ **Groundcover**
Insufficient groundcover between the trees is regarded as causing unacceptable levels of soil, nutrient and chemical runoff impacting soil health, catchment water quality and biodiversity across all industries and regions.
- ▶ **Chemical and fertiliser spray applications** and associated run-off into coastal waters and competing land use.
This is a key issue for tree nut plantations located along the eastern coastal strip in areas of higher population, tourism, higher rainfall climates and sensitive catchments including the Great Barrier Reef.
- ▶ **Water use**
Almonds, walnuts, and pistachios located in drier, inland areas of the Murray Darling Basin are subject to local and wider community concerns over water use (particularly through recent droughts).
- ▶ **Community**
Lack of engagement by corporate agriculture with local communities in the lower Murray Darling Basin.
- ▶ **Pollinator health**
Concerns about the high requirements for bees for almond pollination and impact on pollinator health.
- ▶ **Biodiversity**
Less a local community issue and more a general social licence issue associated with large scale corporate monocultures.

Expert information

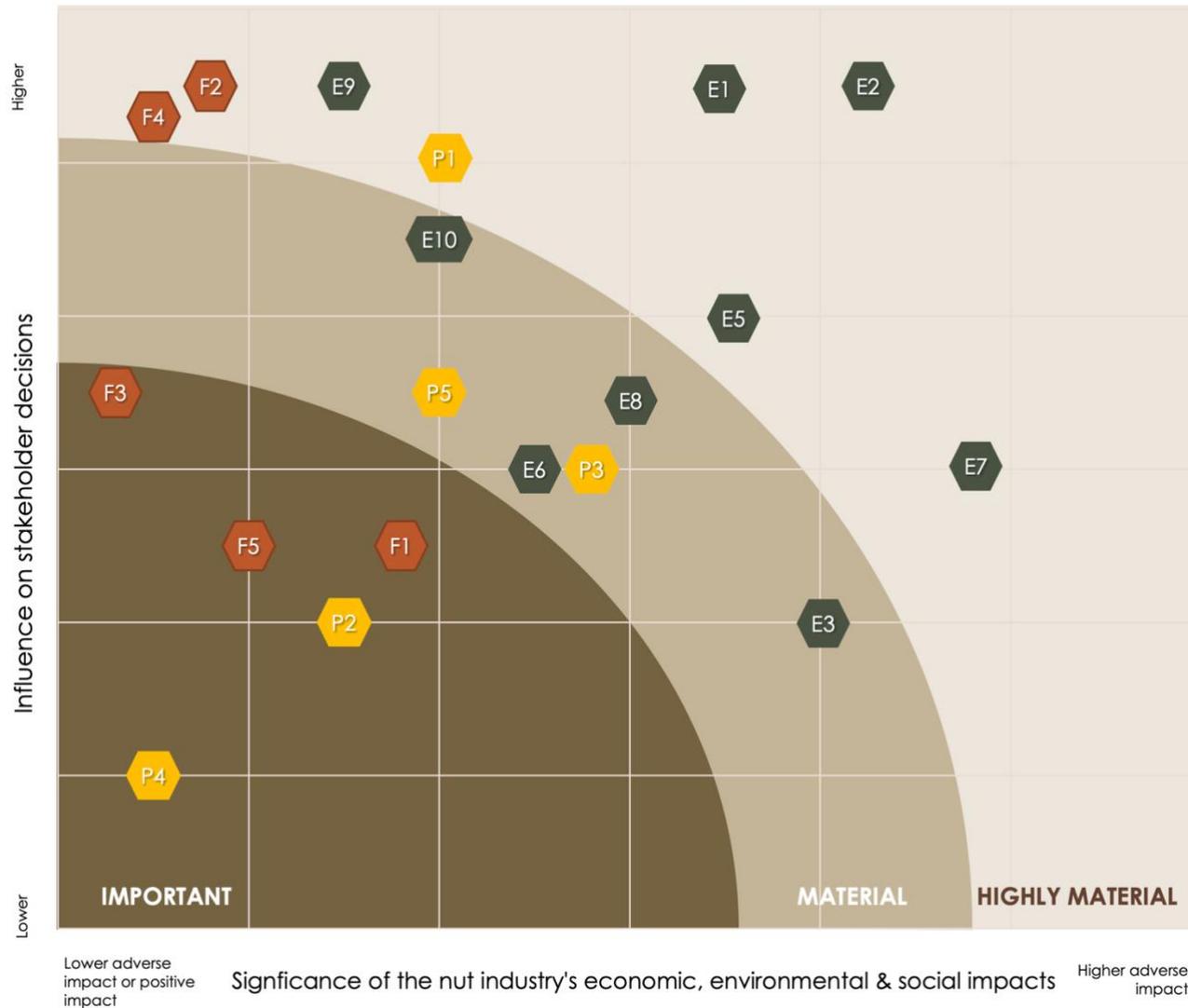
The significance of social, economic and environmental impacts was assessed from expert opinion gathered through interviews and a targeted review of scientific publications.

The significance of impact of some topics varies for different nut industries, primarily because of differences in climatic conditions, landscapes and environments in their growing regions. Where there are differences in impact between industries or landscape types, the highest rated level of impact has been used.



Materiality assessment

This assessment balances the relative priorities and information gathered across all sources of information.



Food

F1	Nutritional value
F2	Quality
F3	Price
F4	Trusted food safety & traceability
F5	Australian-grown

Environmental care

E1	Sustainable agricultural practices
E2	Water management
E3	Downstream environments
E4	Soil health
E5	Chemical use
E6	Biodiversity
E7	Pollinator health
E8	Climate resilience
E9	Greenhouse gas emissions
E10	Packaging & waste

People

P1	Ethical and safe work
P2	Good business governance
P3	Communities
P4	Trade value
P5	Transparency

Key aspects of the material topics

Highly material topics			Material Topics			Important		
F2	Quality	Reputation for reliable quality is important to customers and a positive for the Australian tree nut industry	E3	Downstream environments	Soil erosion and fertiliser movement from lack of groundcover, especially in shaded orchard floors and in response to some harvest practices. Erosion can be reduced by 99% through management ^{xiv} .	F1	Nutritional value	High nutrition value, Nutritional value by footprint ^{xv} , Consumption rates are below RDI
F4	Food safety, traceability DATA	Participation in food safety assurance and traceability	E6	Biodiversity DATA	Concerns about large monocultures with limited orchard floor diversity and land clearing for development. Biodiversity impacts could become more significant if industry expands beyond cropped area into native vegetation.	F3	Price	Price sensitive markets
E1	Sustainable agricultural practices DATA	A focus of major corporations and community perceptions. Principles of regenerative agriculture including preserving soil health and landscapes. Increased pressure on companies to provide evidence-based data will drive a requirement for data down the supply chain. Industry currently lacks evidence to prove its credentials. Soil health decline is an issue for macadamia producers ^{xvi} .	E8	Climate resilience DATA	Risks of extreme weather and water shortages impacting on reliability and profitability. Businesses will need to tell how this risk is being managed as the focus on climate risk is likely to increase in response to recent global supply chain disruptions.	F5	Australian-grown	Trusted for quality and reliability, increased focus on local
E2	Water management DATA	Water extraction, particularly in Murray Darling Basin has been controversial. Industry needs to measure and communicate water efficiency and productivity and the context of allocations. Salinity is potentially an issue for almonds in the LMDB.	E10	Packaging & waste	Targets for single use packaging to be replaced with recyclable, re-usable or compostable. Where husk and shell are utilised, there is potential for higher value add.	P2	Good business governance	Important to investors and business profitability
E5	Chemical use DATA	Chemicals use concerns about spray application and impacts. Industry's food safety record is good with data showing a very low incidence of breaches of chemical residues limits ^{xvii} .	P3	Communities	Social licence risk. There is a variable perception of contribution to local employment and communities or local procurement.	P4	Trade value	High trade value
E7	Pollinator health	High dependence on large numbers of bees as pollinators, impact on pollinator health and economic risk if insufficient pollinators ^{xviii}	P5	Transparency & data	Availability of information and data			
E9	Greenhouse gas emissions DATA	High importance to stakeholders. Potentially a positive for the industry as existing data suggests measured emissions per unit of product are low to neutral. ^{xix}						
P1	Ethical and safe work DATA	Important to responsible sourcing, generally managed through Australian regulation and assurance programs.						

DATA denotes topics where the market is seeking evidence or data of practice and/or impact. Lack of data in these areas may be a material risk

Sustainability assurance standards, certification and data platforms

One-third of the major companies reviewed publicly stated they require from their suppliers some form of externally audited sustainability and/or food safety assurance certification.

The most commonly accepted standards are GLOBAL G.A.P. and the Global Food Safety Initiative (GFSI). Note that the GFSI is seeks to harmonise food safety certification for consistent standards “*Safe food for people everywhere*” and several food safety programs in Australian are benchmarked against the GFSI.

A selection of farm-based certification and assurance programs are summarised in Appendix 4.

* standard / certification required	Aldi	Coles	Costco	Kroger	Lidl	Tesco	Trader Joes	Walmart	Woolworths	Ferraro	General Mills	Kelloggs	Mars	McCains	Meiji	Mondelez	Unilever	Yamazaki	Smuckers	Nestle	Chobani	
GLOBAL GAP					*	*			*					*								
Global Food Safety Initiative	*								*	*						*	*					
Farm certification schemes						*			*													

Quality assurance, food safety and chemical pesticide usage were the most common certification or assurances identified by survey respondents. A food safety program would typically include all these elements.

69% of survey respondents identified a need for third party audited certification. It was commented that “currently industry led best practice management programs do not have an aspirational area”.



Do you or your customers require your suppliers to provide certification or other demonstration of good practices in any of the following areas, or do you expect to in the next 5 years?

	% respondents
Quality assurance	90%
Food safety	88%
Chemical pesticide usage	81%
Sustainable agricultural practices	62%
Social aspects eg fair work	50%
Greenhouse gas emissions	38%
Biodiversity protection	38%
Climate risk resilience	31%
Other *	10%

* Other = Soil quality and health; Protection of crop wild relatives and their habitat, recognition of Indigenous Cultural and Intellectual Property; Carbon neutral

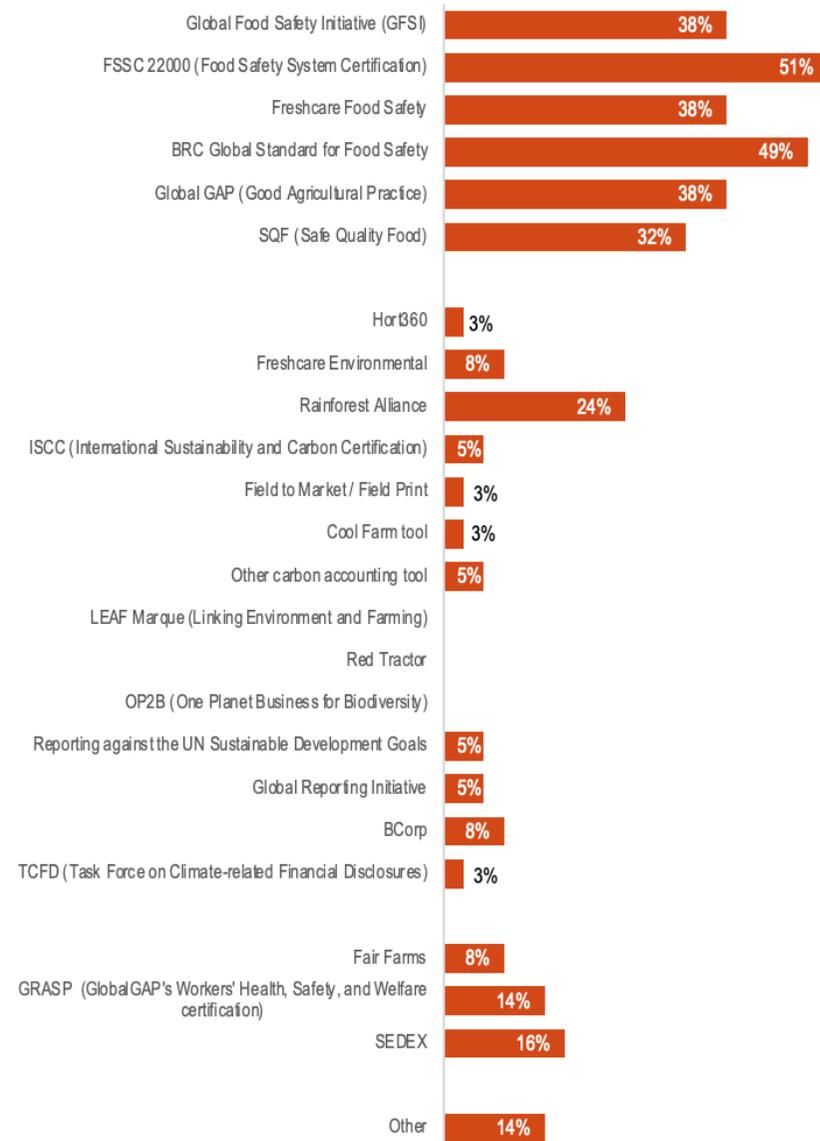
A diversity of certification programs are required or desired by buyers of Australian tree nuts as illustrated by survey responses (at right).

Some of these programs are interlinked, for example:

- ▶ Each of the other food safety programs listed in the chart are benchmarked against the Global Food Safety Initiative (GFSI).
- ▶ Freshcare Environmental is the auditing and certification pathway for growers participating in the industry led Hort360 program.
- ▶ Rainforest Alliance has merged with UTZ certification, it is widely used in the chocolate and confectionary sector.

The UK schemes LEAF Marque and Red Tractor were not used, exporters to EU and UK markets may in time need an equivalence to these.

Certification or assurance programs required or desired - % respondents



Comments on 'Other':

Third party certifications will be needed, but not specific certifications in each area e.g. for Food Safety it could be either Freshcare Food Safety or Global GAP, but Global GAP would be rated more highly.

Consistency in the approach is key to success.

GRI, SASB, Global GAP, CERES, GRESB, TCFD, PRI, ISO, SFDR, CDSB.

Any that have some accreditation and credibility

Recommendations

Data

Invest in activities to support the industry and/or individual businesses to collect evidence-based data that can be used to demonstrate and communicate performance against material ESG risks. A lack of evidenced based data to inform customer ESG reporting (and investment) and emerging trade requirements is a potential risk to industry.

With the proliferation of different certification schemes and standards it maybe more useful to focus on collecting evidence against key material topics rather than lots of topics.

The Australian tree nut industry has a positive story to tell around greenhouse gas emissions per unit of product yet currently lacks comprehensive data that meets international standards for greenhouse gas emissions reporting.

Guidance and support

Consider preparing guidelines or a code of recognised best practice to guide consistent data collection by individual businesses across the industry. These guidelines could be supported by an evidence-based data platform that small- and large-scale businesses can use to capture and collate data. There are commercial examples of such platforms.

Existing industry assurance programs currently meet some company ESG reporting requirements however this may change as companies come under increasing pressure to prove their sustainability claims are not 'greenwashing'.

Actively engage with regional communities

There is a perception among some regional communities that the value of tree nut production flows out and the industry does not engage constructively or source employment, goods and services locally. Individual businesses may consider prioritising their engagement with and profile in local communities, including local procurement.

At an industry level consideration could be given to developing material/activities to communicate and engage with consumers and communities around issues of concern, for example, water use and chemical spraying.

Appendix



1. Supplier code of conduct or responsible sourcing programs, certification and SBTi Scope 3 commitments of major customers

Retailers	Supplier Code of Conduct/Responsible Sourcing	Certification requirements	SBTi commitments (Scope 3 only) ^{xx}
Aldi	All suppliers are contractually bound to follow their Suppliers Code of Conduct at a minimum across all product categories and throughout the supply chains. Focus on Human Rights, Chemical Management and Responsible Sourcing . They aim to be sourcing 80% of their buying volume from responsible suppliers by 2030.	All production facilities of ALDI branded Food and Beverage Products and Pet Food Products are required to be certified to a GFSI (Global Food Safety Initiative) recognised standard. Nut supply chain traceability project mainly concerned with cashews and Brazil nuts. Australian nuts are not included.	75% of its suppliers by emissions covering purchased goods will have science-based targets by 2024.
Coles	Code of Conduct mostly focused on Human Rights and OHS. Code Of Conduct.pdf (colesgroup.com.au) .	Support independent certification or verification of Coles Own Brand products with higher environmental and labour risks.	
Costco	Suppliers Code of Conduct mainly focused on Human Rights and WHS, with some environmental management considerations.	Home brand Kirkland suppliers must meet their Forest Conservation Commitment to reduce loss of forests and high conservation areas. They strongly encourage suppliers to follow the principles of regenerative agriculture. Pollinator friendly program.	Developing priorities. Intend to include Scope 3 emissions
Kroger	Responsible Sourcing Framework . The framework includes a Statement on Human Rights, a Vendor Code of Conduct, Social Compliance Program Requirement, a Social Compliance Audit, a No Deforestation Commitment and a Pollination Protection statement	No Deforestation commitment and pollination protection statement. Zero-deforestation requirement for own brand products. Sustainable agricultural practices include responsible pesticide, fertiliser, soil health practices; and minimal impact on pollinators.	
Lidl	Business Partner Code of Conduct supported by a responsible sourcing program which includes environmental standards.	Suppliers of raw materials require certification in accordance with GLOBALG.A.P. or QS quality standards. They have a strong commitment to certified organic and biodynamic products. Biodiversity: Lidl is developing the first biodiversity focused standard for conventional fruit and vegetable producers. It will be developed as a GLOBALG.A.P. add-on module.	Will require suppliers to commit to their own climate protection targets according to the methodology of the Science Based Targets Initiative by 2026.
Tesco	No external suppliers Code of Conduct. The majority of their meat, fish, fruit and vegetable products produced outside of the UK and Ireland are required to meet the GLOBALG.A.P. standard, or an appropriate equivalent.	Fruit and vegetable growers must also meet the Tesco NURTURE Programme, Nurture module. In the future Tesco is committed to Leaf Marque. The retailer will begin the process of certifying its global grower base from 2023, with the aim of completing the transformation by 2025. Click here for more information.	Reduce its scope 3 GHG emissions 17% by 2030, using a 2015 base-year. The emissions categories covered by the scope 3 target include purchased goods and services (supply chain). <i>Committed to increasing % of plant-based offerings.</i>

Retailers	Supplier Code of Conduct/Responsible Sourcing	Certification requirements	SBTi commitments (Scope 3 only) ^{xx}
Walmart	Walmart's Standards for Suppliers set out their expectations of suppliers and supply chains, including the dignity of workers in the supply chain, environmental protection, food and product safety, and ethics and integrity. The Standards are supported by their Human Rights Statement and complemented by several supplier compliance policies, including their Global Forced Labor Prevention Policy, Global Responsible Sourcing Policy, and Global Food Safety Policy. It has a focus on priority commodities.	Walmart ask their suppliers to validate selected commodities (currently not nuts) have been produced to specific certification standards. They also work with suppliers to source from place-based efforts that help preserve natural ecosystems and improve livelihoods. Walmart aspire to be a regenerative company .	Aims to reduce CO2e emissions from upstream and downstream scope 3 sources by one billion tonnes between by 2030 from a 2015 base year.
Woolworths	Responsible Sourcing (RS) Program to manage risks to workers and their business in their global supply chain. An initial supplier risk assessment determines the level of supplier due diligence and compliance monitoring against their Responsible Sourcing Standards. Suppliers are segmented into four risk categories: • Priority, • Moderate, • Specialised, • Minimum. Priority and moderate risk sites are required to undergo a third-party audit, with the former being prioritised for corrective action and follow-up and site visits.	Suppliers in the moderate and priority risk segmentations are required to submit a social compliance audit. Woolworths mutually recognise third party programs and accept seven national and global schemes. The schemes are: amfori BSCI (only reports graded A, B and C); Supplier Ethical Data Exchange (SEDEX) and SMETA; Social Accountability (SA) 8000; Worldwide Responsible Accredited Production (WRAP); GLOBALG.A.P. Risk Assessment on Social Practice (GRASP); Fair Farms (Australia only).	Reduce absolute scope 3 GHG emissions 19% by 2030 from a 2015 base year.

Food manufacturers	Supplier Code of Conduct/Responsible Sourcing	Certification requirements	SBTi commitments (Scope 3 only) ^{xxi}
Ferraro	Supplier Code which applies to all Suppliers, i.e., all vendors and sellers that produce, trade, sell, lease and/or provide goods or services that enter Ferrero's supply chain and where such vendors and sellers have a direct commercial relationship with Ferrero (Supplier). Focuses on Human Rights and Social Practices, Environmental Protection and Sustainability and Supplier Transparency.	Responsible Sourcing strategy is based on a Four Steps Approach: the higher the risk, the stronger the level of understanding and protection of the supply chain. Ferrero has a Farming Values (FFV) Hazelnut Production Standard , supported by a demonstration farm in Australia. This standard includes optimisation of water use. They are developing specific farming indicators as part of an environmental and social benchmark scoring system that appraises each farm's operations.	Reduce Scope 3 GHG emissions 43% per metric tonne of product from a 2018 base year by 2030.
General Mills	Global supplier code of conduct . General Mills expect their suppliers to comply with four pillars of responsible sourcing: Human Rights, Health and Safety, Environment & Business Integrity.	Use Food Safety Systems Standards certification, and Global Food Safety Initiative certification for suppliers. Shifting from requiring sustainable practices to a greater focus on regenerative practices. Nuts are included in their Regenerative Agriculture focus which is currently confined to the US and driven by GHG emissions. Support Alliance for Water Stewardship Standard with a focus on high-risk catchments.	Reduce absolute scope 3 GHG emissions 30% by FY2030 from a FY2020 base year.

Food manufacturers	Supplier Code of Conduct/Responsible Sourcing	Certification requirements	SBTi commitments (Scope 3 only) ^{xxi}
Kellogg's	Global Supplier Code of Conduct which covers Business integrity, Quality Health and Safety, Labour Standards, Sustainability and Landuse and Management Practices.	Kellogg's collaborates with suppliers and farmers to collect information with industry-standard tools such as the Fieldprint® Platform, Cool Farm Tool, and SAI Farm Sustainability Assessment, as well as their Kellogg Grower Survey focusing on key ingredients. Involved in pollinator initiatives.	Reduce absolute scope 3 emissions 20% by 2030 from a 2015 base year. <i>Committed to increasing % of plant-based offerings.</i>
Mars	Supplier Code of Conduct covers Child Labor, Compensation and Benefits, Discrimination, Environment, Ethics, Forced Labor, Freedom of Association, Health & Safety, Issue Reporting and Work Hours.	Next Generation Supplier program is their approach to supplier sustainability. Developing a quantitative metric for tracking reductions in deforestation.	Reduce absolute scope 3 GHG emissions 27% by 2025 and 67% by 2050 from a 2015 base-year
McCains	Supplier Code of Conduct covering Human Rights and Food Safety issues.	Support suppliers to use GLOBALG.A.P. Strong commitment to Regenerative Agriculture. Partner of One Planet Business for Biodiversity (OP2B). Target to improve water use efficiency by 15% in water stressed regions.	Reduce scope 3 GHG emissions 31% per tonne of finished product by FY2030 from a FY2019 base year.
Meiji	Meiji Group Supplier Code of Conduct . Covers Human Rights, Safe and Healthy Working Environment, Fairness, Consideration of the Environment and Sustainable Procurement. Procurement section requires suppliers to prioritize use of products with certification systems for environmental or human rights concerns.	Conduct a Sustainable Sourcing Survey with Meiji Group's suppliers. The surveys make use of either the EcoVadis sustainability rating system, or Meiji's original rating system. Committed to addressing water risks in regions where they procure raw materials.	Reduce absolute scope 3 GHG emissions from purchased goods and services, capital goods and services, upstream and downstream transportation and distribution, and end of life treatment of sold products 14% by FY2030/31 from a FY2019/20 base year.
Mondelez	Supplier and Partner Code of Conduct covering ethical, human and business practices. Also have signature sustainable sourcing programs for key commodities.	Suppliers required to monitor and measure the environmental and economic impact of selected practices which vary with the commodity. Goal of 100% Global Food Safety Initiative certification for manufacturers and suppliers.	Reduce absolute 3 (purchased goods and services and waste generated in operations) GHG emissions 10% by 2025 from a 2018 base year.
Unilever	Responsible Sourcing Policy (RSP) applies to all suppliers. 12 fundamental principles, which cover a range of human rights and environmental impacts	The Unilever Sustainable Agriculture Code (SAC) and the Unilever Regenerative Agriculture Principles (RAPs) underpin Unilever's sustainable sourcing programme. The Unilever Sustainable Agriculture Code requires their suppliers or farmers to prepare a Biodiversity Action Plan (BAP). Plan to implement water stewardship programs in 100 water stressed areas by 2030.	Reduce GHG emissions from the life-cycle of their products 50% per consumer use by 2030 from a 2010 base-year. <i>Committed to increasing % of plant-based offerings</i>
Smuckers	Global Supplier Code of Conduct that sets out expectations of suppliers with respect to Compliance with Laws, Labor Practices and Human Rights, Business Integrity, Environment, and Animal Welfare. The Supplier Code of Conduct is supported by Smuckers Responsible Sourcing Program which outlines supplier expectations.	The Global Responsible Sourcing program is coordinated through assessments of all direct suppliers. Suppliers are expected to complete detailed questionnaires on their processes. Social compliance audits are completed by an independent third party.	Reduce scope 3 GHG emissions 22% per unit of sold product by 2030 from a 2019 base year.

Food manufacturers	Supplier Code of Conduct/Responsible Sourcing	Certification requirements	SBTi commitments (Scope 3 only) ^{xxi}
Nestle	<p>Responsible Sourcing Standard describes their requirements with respect to suppliers and other parties. Covers a wide range of areas including Human Rights and Labor Practices, WHS, Business Integrity, Sustainable Agriculture Practices and Biodiversity.</p>	<p>Nestle have a target is to source 20% of their key ingredients through regenerative agriculture by 2025, and 50% by 2030. They state they will pay premiums for regenerative agriculture goods.</p>	<p>Reduce absolute scope 3 GHG emissions 20% by 2025 and 50% by 2030 from a 2018 base year. <i>Increasing the number of 'carbon neutral' brands to give consumers the opportunity to contribute to the fight against climate change (includes increasing % of plant-based offerings.).</i></p>
Chobani	<p>Supplier Code of Conduct covers Human Rights, Workplace Health and Safety, Animal Welfare and Environment.</p>	<p>Have key goals (targeting material issues and a sustainable sourcing commitment for six high priority ingredients, one being almonds. Water efficiency is the key issue of concern with almonds.</p>	<p>Committed to Joining the Science Based Targets Initiative, currently developing targets.</p>

2. Detail on selected ESG and sustainability ratings and disclosure platforms

ESG data reporting platforms used by major customers of nuts include:

CDP

CDP is a not-for-profit charity that runs a global disclosure system enabling companies, cities, states, and regions to measure and manage their environmental impacts, with a focus on climate change, water security and forests. CDP’s annual reporting process assesses the information supplied to score companies based on their journey through disclosure and towards environmental leadership. To inform the ratings companies and suppliers provide data on environmental impacts, risks, opportunities, investments, and strategies. CDP supports the Science Based Targets Initiative (SBTi).

In 2020, over 9600 companies disclosed through CDP. 95% of large purchasing organizations working with CDP used or planned to use environmental metrics, including data from CDP, within their procurement processes. Purchasing organizations use CDP data to benchmark suppliers’ year-on-year and assess a company’s performance against their peers. Some use CDP data as part of supplier evaluations and performance reviews.

Companies that are CDP supply chain members can request their key suppliers to report environmental data through CDP’s questionnaires. CDP provides a report on suppliers’ data along with analysis and insights. CDP is used by Kroger, Tesco, Walmart, Woolworths, General Mills, Mars, Meiji, Mondelez, Unilever, Smuckers and Nestle.

CDP company ratings and response summaries are available at: [cdp.net](https://www.cdp.net)

EcoVadis

EcoVadis provides business sustainability ratings for companies, financial institutions, and public organizations for a subscription fee. EcoVadis sustainability assessments cover the four sustainability themes of Environment, Labor and Human Rights, Ethics, and Sustainable Procurement plus a dedicated scorecard on carbon. Its scorecards provide benchmarks, insights, and a guided improvement journey for environmental, social and ethical practices. Mars and Meiji assess the sustainability performance and social compliance audit results of prioritized suppliers using the EcoVadis online platform.

THESIS

THESIS is a science-based, third-party survey tool developed by The Sustainability Consortium. THESIS enables suppliers to report on key performance indicators for the most relevant environmental and social issues across the lifecycle of a product. Suppliers report on topics like waste, water usage and animal welfare through THESIS and can use the system to determine where they have gaps and how to focus their efforts. Members include Kroger, Smuckers, Unilever and Walmart.

amfori BSCI Business Social Compliance Initiative

amfori BSCI supports members to improve the social performance of their supply chain. Areas covered include fair remuneration, OH&S, bonded labour, ethical business behaviour, child labour, workers’ rights and protection of the environment. The amfori BSCI platform allows members to request monitoring activities for the factories and farms in their supply chain. The results are uploaded on the amfori BSCI platform, where both companies and producers can track their performance. Members who share a producer can share the results, avoiding duplication of efforts and therefore saving money. Producers can take an active role by keeping their information up to date.

amfori BSCI has over 2400 members and 54000 producers across 46 countries, including Aldi, Lidl and Woolworths.

	Aldi	Coles	Costco	Kroger	Lidl	Tesco	Trader Joes	Walmart	Woolworths	Ferraro	General Mills	Kellogg	Mars	McCains	Meiji	Mondelez	Unilever	Yamazaki	Smuckers	Nestle	Chobani	
* use the platform																						
CDP				*		*		*	*		*		*		*	*	*		*	*		
EcoVadis													*		*							
THESIS				*				*									*		*			
Amfori BSCI									*													

3. Participation in business coalitions addressing sustainability issues

Food and drink retailers and corporations recognise that some sustainability issues, in particular climate change and biodiversity maybe more effectively addressed through collaborative approaches. Coalitions most relevant to the Australian nut industry include:

Consumer Goods Forum

The Consumer Goods Forum organisation is formed from the CEOs and senior management of over 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries. Its purpose is to support retailers and consumer goods manufacturers to drive positive change through collaboration. It works from the top down, on issues that require CEO-level guidance. Its aim is to position the consumer goods industry as a leader in tackling climate change, reducing waste and improving environmental stewardship in global supply chains through 5 umbrella areas of focus:

- Environmental sustainability** – Forest Positive Coalition, Plastic Waste Coalition, Food Waste Coalition, Sustainable Supply Chain Initiative, Refrigeration Project.
- Social Sustainability** – Human Rights Coalition- Working to End Forced Labour, Sustainable Supply Chain Initiative
- Health and Wellness** – Collaboration for Healthier Lives Coalition, Global Learning Mechanism
- End to End Value Chain**- Product Data Coalition, E2E projects
- Food Safety** – Global Food Safety Initiative

One Planet Business for Biodiversity

One Planet Business for Biodiversity (OP2B) is an international cross-sectorial, business coalition on biodiversity with a specific focus on agriculture. The coalition aims to drive transformational systemic change and catalyse action to protect and restore cultivated and natural biodiversity within value chains, engage institutional and financial decision-makers, and develop and promote policy recommendations. Actions are focused around three pillars: scaling up regenerative agricultural practices; boosting cultivated biodiversity and diets through product portfolios; and eliminating deforestation/enhancing the management, restoration, and protection of high-value natural ecosystems.

Alliance for Water Stewardship

AWS is a global membership collaboration comprising businesses, NGOs and the public sector. Members contribute to the sustainability of local water-resources through their adoption and promotion of a universal framework for the sustainable use of water – the International Water Stewardship Standard, or AWS Standard – that drives, recognizes and rewards good water stewardship performance. It is the only framework focused on water that is fully ISEAL Code Compliant.

Aqueduct Alliance

The Aqueduct Alliance is led by the World Resources Institute's (WRI) and is a partnership of companies, governments, and foundations to gain strategic guidance and industry insight from the and water stewardship activities. Aqueduct’s tools map water risks such as floods, droughts, and stress, using open-source, peer reviewed data. The Aqueduct Water Risk Atlas identifies priority sites in areas where water is most scarce and targets reduction efforts on these locations. Mondelez and Meiji use Aqueduct to assess the water risks of their supply chain.

Cool Farm Alliance

The Cool Farm Alliance is a partnership of food retailers, manufacturers, input suppliers, NGOs, universities, and consultancies whose mission is to “enable millions of growers globally to make more informed on-farm decisions that reduce their environmental impact”. The alliance initially focused on supporting the development and implementation of the Cool Farm Tool, an on-farm greenhouse gas calculator. The calculator now includes modules on water and biodiversity.

	Aldi	Coles	Costco	Kroger	Lidl	Tesco	Trader Joes	Walmart	Woolworths	Ferraro	General Mills	Kelloggs	Mars	McCains	Meiji	Mondelez	Unilever	Yamazaki	Smuckers	Nestle	Chobani	
* = member																						
Consumer Goods Forum	*		*			*		*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Cool Farm Alliance						*		*				*	*	*		*	*				*	
Alliance for Water Stewardship	*				*						*		*				*				*	
Aqueduct Alliance																*	*					
OP2B								*					*	*		*	*				*	

4. Overview of major certification and assurance programs and data platforms

Program	Third party audit	Detail
Farm Assurance - General		
GLOBALG.A.P.	Yes	<p>This standard covers Good Agricultural Practices for agriculture, aquaculture, livestock, and horticulture production. It also covers additional aspects of the food production and supply chain such as Chain of Custody and forms the basis for the GGN label, a consumer label for certified, responsible farming and transparency. GLOBALG.A.P. Certification covers:</p> <ul style="list-style-type: none"> ▶ Food safety and traceability ▶ Environment (including biodiversity) ▶ Workers' health, safety and welfare ▶ Animal welfare ▶ Includes Integrated Crop Management (ICM), Integrated Pest Control (IPC), ▶ Quality Management System (QMS), and Hazard Analysis and Critical Control Points (HACCP) <p>The GLOBALG.A.P. IFA Standard V5 is built on a system of modules that enables producers to get certified for several sub-scopes in one audit. It consists of:</p> <ul style="list-style-type: none"> ▶ General Regulations: These map out the criteria for successful Control Points and Compliance Criteria (CPCC) implementation as well as set guidelines for the verification and the regulation of the standard. ▶ Control Points and Compliance Criteria (CPCC) clearly define the requirements for achieving the quality standard required by GLOBALG.A.P. <ul style="list-style-type: none"> ○ The All Farm Base Module: This is the foundation of all standards and consists of all the requirements that all producers must first comply with to gain certification. ○ The Scope Module: This defines clear criteria based on the different food production sectors. GLOBALG.A.P. covers 3 scopes: Crops, Livestock and Aquaculture. ○ The Sub-scope Module: These CPCC cover all the requirements for a particular product or different aspect of the food production and supply chain. <p>To get certified, producers must comply with all the CPCC relevant for their sub-scope. For example, a strawberry grower must comply with the All Farm Base CPCC, the Crops Standard CPCC and the Fruit & Vegetables CPCC to receive a GLOBALG.A.P. IFA Fruit & Vegetables Standard Certificate. GLOBALG.A.P. also provides checklists for each module to help producers better prepare their farms and make the necessary changes before a certification body inspector performs an audit or inspection.</p> <p>GLOBALG.A.P. supports a certified label - the GGN label. This label is for fruit and vegetables, farmed seafood and algae, flowers and plants. The GGN label stands for certified, responsible farming and transparency.</p> <p>For products to be eligible for the GGN label, each member in the supply chain must have the relevant certification and/or level of assessment compliance. Agriculture Products (Fruit and Vegetables) require:</p> <ul style="list-style-type: none"> ▶ Integrated Farm Assurance (IFA) certificate for Fruit and Vegetables at farm level (or a GLOBALG.A.P. equivalent benchmarked scheme) ▶ Full compliance with the GLOBALG.A.P. Risk Assessment on Social Practice (GRASP) at farm level ▶ Maximum residue levels monitored by a GLOBALG.A.P. approved residue monitoring system ▶ Chain of Custody certification for supply chain members ▶ GGN label license for the business responsible for labelling the product.

Program	Third party audit	Detail
Rainforest Alliance	Yes	<p>Rainforest Alliance is an international non-profit organization alliance of farmers, forest communities, companies, and consumers. The Rainforest Alliance seal means that the product or specified ingredient was grown on farms certified to the Rainforest Alliance Sustainable Agriculture Standard and/or the UTZ Code of Conduct. Farms and companies with an UTZ certification are <u>transitioning over</u> to the Rainforest Alliance 2020 certification program. The standard has separate farm requirements and supply chain requirements.</p> <p>The Rainforest Certification focuses on four themes:</p> <ul style="list-style-type: none"> ▶ Forests: Best practices for protecting standing forests, preventing the expansion of cropland into forests; fostering the health of trees, soils, and waterways; and protecting native forests. ▶ Climate: Responsible land management methods that increase carbon storage while avoiding deforestation and building resilience to droughts, flooding, and erosion. ▶ Human Rights: Child labour, forced labour, poor working conditions, low wages, gender inequality, and the violation of Indigenous land rights. ▶ Livelihoods: Improving sustainable livelihood opportunities for smallholder farmers and forest communities. <p>Its programs focus on coffee, cocoa, tea, bananas and other commodities. It may be of particular relevance for nuts destined for chocolate and confectionary.</p>
Freshcare – Environmental Code of Practice (ENV3)	Yes	<p>The Freshcare ENV3 program is an industry-recognised environmental assurance program. The ENV3 has two parts:</p> <ol style="list-style-type: none"> 1. Management: covers areas like documentation, training, and internal audit, and customer requirements. 2. Environment: for areas like land and soil, biosecurity, water, biodiversity, waste, and resource use. <p>Growers can prepare for Freshcare Environmental using the Hort360 Self-assessment tool.</p>
B Corp	Remote review	<p>B Corp can be used by a wide range of businesses to gain certification on social and environmental management. The B Impact Assessment Standards can be access in a tailored form relevant to the business type. A module specific to tree crops is available.</p> <p><u>Certified B Corps</u> will:</p> <p>Demonstrate high social and environmental performance by achieving a B Impact Assessment score of 80 or above and passing our risk review. Multinational corporations must also meet baseline requirement standards.</p> <p>Make a legal commitment by changing their corporate governance structure to be accountable to all stakeholders, not just shareholders, and achieve benefit corporation status if available in their jurisdiction.</p> <p>Exhibit transparency by allowing information about their performance measured against B Lab’s standards to be publicly available on their B Corp profile on B Lab’s website.</p>

Program	Third party audit	Detail
Food Safety		
<u>Global Food Safety Initiative (GFSI)</u>	Yes	<p>The Global Food Safety Initiative Standards & Schemes (audit and certification) is a Coalition of Action from The Consumer Goods Forum (CGF). GFSI-recognised certification is recognised as being one of the highest standards in food safety, allowing food businesses that hold these certificates to access all corners of the global market. GFSI conducts benchmarking and harmonisation activities to enable mutual acceptance of GFSI-recognised certification programs across the food industry and enables a simplified once certified, recognised everywhere approach. The aim is to reduce inefficiencies from duplication of audits and help reduce trade barriers.</p> <p>Aldi, Walmart, General Mills, Mondelz and Unilever require GFSI certification for food sites and/or suppliers.</p>
<u>BRC Global Standards</u>	Yes	A framework to manage product safety, integrity, legality, quality, and the operational controls in the food, food ingredient, manufacturing, processing, and packaging industries. It is benchmarked to the Global Food Safety Initiative (GFSI).
<u>Safe Quality Food Institute (SQF) Program</u>	Yes	Recognised by the Global Food Safety Initiative (GFSI), the SQF Program is designed to meet the needs of suppliers throughout the food chain through its food safety and quality codes. The SQF codes are designed to meet the needs of the specific sectors in the food supply chain. They provide for certification of primary production (agriculture and aquaculture), food manufacturing, packaging, distribution, retail, food service as well as the additional quality code. SQF certification is supported by an increasing number of significant retailers and food service providers.
<u>FSS 22000 - FSSC 22000</u>	Yes	A food safety certification scheme that creates a framework for food safety management, total supply chain management, and control of food safety hazards. It incorporates hazard analysis and critical control point (HACCP) principles, implementation plans, and prerequisite programs (PRPs), and additional GFSI requirements. It builds on ISO 22000 Food Safety Management and is recognized by the Global Food Safety Initiative (GFSI)
<u>International Featured Standards</u>		The IFS comprise eight different food and non-food standards, covering the processes along the supply chain. IFS do not specify what these processes must look like but merely provides a risk-based assessment of them. The different standards are used by manufacturers and retailers worldwide to meet new requirements for quality, transparency and efficiency resulting from globalisation. All standards are process standards which help users when implementing legal provisions regarding food and/or product safety and provide uniform guidelines on food, product safety and quality. IFS is recognized by the Global Food Safety Initiative Benchmarking Requirements Version 2020.1
<u>Freshcare – Food safety standard</u>	Yes	<p>The Freshcare food safety and quality program provides growers and grower-packers with the essential on-farm good agricultural practices and post-harvest food safety criteria that are required to be met and maintained to assure customers of the quality and safety of the fresh produce produced. The Freshcare Food Safety and Quality Standard Version 4.2 (FSQ4.2) is the current standard for grower and grower-packer participants seeking certification.</p> <p>The FSQ4.2 standard meets the latest market requirements and international standards, with the FSQ4.2 achieving benchmark to the Global Food Safety Initiative (GFSI).</p>
<u>Freshcare – Supply Chain Standard</u>	Yes	The Supply Chain Standard provides a food safety and quality management program for businesses involved in fresh produce supply chain operations. Edition 2 was released in 2021 to meet the latest market requirements and international standards and to gain recognition against Global Food Safety Initiative (GFSI) Version 2020.1 benchmark requirements.

Program	Third party audit	Detail
Social Performance Standards		
GRASP	Yes	GRASP (Global Risk Assessment on Social Practice) is a voluntary add on module for GLOBALG.A.P. This ready-to-use module assesses social practices on the farm, such as specific aspects of workers' health, safety, and welfare.
SEDEX	Yes	SEDEX is an information exchange platform and risk assessment tool for companies to manage responsible sourcing of working conditions in global supply chains to combat modern slavery. Horticulture producers supplying companies that are using the SEDEX platform complete a self-assessment questionnaire and participate in a detailed third party audit. Businesses do not receive certification. The report of the audit is made available to members of SEDEX (including food manufacturers and retailers). The audit is based on SMETA which is based on several global labour standards and may also include customer specific ethical sourcing requirements.
Fair Farms	Yes	Fair Farms is an industry-led initiative aimed at fostering fair and responsible employment practices in Australian horticulture. It is owned and implemented by Growcom, the industry peak body for horticulture in Queensland. The program provides support and training of farm employers and a pathway to independent third-party audit and certification of fair employment practices. The Fair Farms Standard covers labour standards, WHS standards, safe accommodation, and general good business practice. It is benchmarked against Australian Fair Work, WHS laws and international labour standards. The Standard encompasses the ethical sourcing requirements of Australia's larger retailers. Coles, Woolworths, and Aldi support Fair Farms as a way for suppliers to meet their ethical sourcing policies.
Farm Certification Programs		
Woolworths Supplier Excellence WSE	Yes	<p>The WSE Program provides a series of standards and criteria aligned with global best practice in food safety and product safety standards that guarantees Woolworths delivers the best quality and responsibly sourced products to its customers. SAI Global provides Woolworths Supplier Excellence audits throughout the entire supply chain across all continents in the world. The Woolworths Supplier Excellence Program applies to businesses which have been nominated by the Woolworths Business Teams as part of their contractual requirements for supply. The Supplier Excellence program is by Woolworths' invitation only and no supplier can formally engage in any part of the Woolworths Supplier Excellence Program process without Woolworths' consent.</p> <p>The WSE program covers all Woolworths Branded Food and Fresh Food and Non-Food/Consumer Goods products. Agents and Brokers associated with the supply of products and providers of critical services such as transport and warehousing are also required to be compliant against the relevant WSE standards. Woolworths accepts different third-party schemes selected based on their coverage, relevance and alignment to the Responsible Sourcing Policy and Standards: Relevant social practice schemes are amfori BSCI, SMETA (Sedex Members Ethical Trade Audit), Social Accountability International (SAI) SA8000; GLOBAL GAP GRASP (GLOBALG.A.P. Risk Assessment on Social Practice); Fair Farms and NZ GAP social practice-add on. All audits are graded against four possible outcomes: • Zero-tolerance • Critical • Moderate • Minor.</p>
LEAF Marque	Yes	<p>LEAF Marque is an environmental assurance system recognising more sustainably farmed products. LEAF Marque certification applies to products from the whole farm business and is not limited to defined crops or enterprises within the business. LEAF Marque certified businesses are expected to comply with all relevant regulatory requirements, existing national and/or international laws and regulations. LEAF Marque certification is third party verified by LEAF Marque approved and accredited Certification Bodies (CBs). The certification standard accepted for Australian almonds, chestnuts, hazelnuts, macadamias, pecans and walnuts is Global GAP FV. As specified against ISO 17065.</p> <p>In 2020 21 countries had LEAF Marque certified farming businesses, the main countries outside UK being France, Spain, Italy and Egypt. In 2020 45% of UK fruit and vegetables were produced on LEAF Marque Farms. Tesco's currently require the majority of meat, fish, fruit and vegetable products produced outside of the UK and Ireland to meet the Global G.A.P. standard, or an appropriate equivalent. Fruit and vegetable growers must also meet the Nurture module. They are committed to requiring all suppliers to be Leaf Marque certified by 2025.</p>
Red Tractor	Yes	Red Tractor is the UK's largest farm and food standards scheme, covering animal welfare, food safety, traceability, and environmental protection. Only food that is born, grown, and reared in the UK can use the Red Tractor logo.

Program	Third party audit	Detail
Company/industry supported farm self-assessment tools		
<u>Field to Market</u>	No	An alliance of farmers, agribusiness companies, brands, retailers, civil society, academia and public sector partners committed to continuous improvement in the sustainability of U.S. commodity crop production. The alliance supports the Sustainability self-assessment tool - Fieldprint® Platform, a tool used by US growers and supported by Walmart and Kelloggs.
<u>Cool Farm Tool</u>	No	An online GHG, water and biodiversity calculator covering nearly all crops and livestock. The Tool is free for use by farmers. Organisations that use the Tool to support sustainable agriculture become Cool Farm Alliance members and their membership fees pay for the cost of supporting and further development of the Tool. The Cool Farm Tool seeks to be aligned with various standards and protocols in terms of scope and boundaries but does not seek to be necessarily 'compliant' to those standards. Some members use the Cool Farm Tool for reporting to the Science Based Targets initiative for their agricultural raw materials. Usage has tripled since 2017, with 17,500 users over 140 countries. The tool has very low usage rates in Australia. Members of the Cool Farm Alliance include Kelloggs, Mars, McCains, Mondelez, Nestle, Tesco, Unilever, and Walmart.
<u>SAI Farm Sustainability Assessment</u>	Optional	The SAI Platform Farm Sustainability Assessment (FSA) tool is used by food and drink businesses to assess, improve, and validate on-farm sustainability in their supply chains. The FSA is free to use by anyone including farmers. It has been benchmarked as equivalent to over 100 sustainability schemes including GLOBALG.A.P. GRASP in combination with GLOBAL G.A.P. Fruit and Vegetable, GLOBAL G.A.P. Fruit and Vegetable, and LEAF MARQUE and GLOBALG.A.P. Fruit and Vegetable. Members of SAI Platform include Kelloggs, Mars, McCain, Nestle and Unilever.
<u>Hort360 & Hort360 Reef Certification</u>	Optional	<p>Hort360 is a computer based, risk assessment tool focusing on farm management practices including business management, biosecurity, energy and workplace safety. The program uses a self-assessment process to benchmark business practices against industry standards. If any practice is below the industry standard, the program provides advice on the necessary actions required to reach the right level. Hort360 is fully aligned and recognised for Freshcare Environmental Certification and provides growers with an environmental assessment report to develop environmental management plans.</p> <p>Hort360 Reef Certification is a certification pathway for horticulture growers to demonstrate their environmental stewardship and industry best practice standards in the Great Barrier Reef catchments. The Hort360 Reef Certification aligns and leverages off current systems (i.e. Freshcare) used by horticulture businesses to provide a specific water quality outcome. For example, growers can be audited against the Hort360 Reef Certification at the same time as they are audited for Freshcare Food Safety QA and or Freshcare Environmental.</p>
Zero waste certification		
<u>TRUE zero waste certification system</u>	Yes	TRUE (Total Resource Use and Efficiency) strives to change the way materials flow through society so that all products are eventually reused and diverted from landfill, incineration (waste-to-energy) and the environment.

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