

Integrated ESG and Natural Capital Rapid Assessment

A practical guide for beef producers to identify risks, impacts and nature-related dependencies

First edition - 2026

TNQ

Drought Hub



tnqdroughthub.com.au



Australian Government
Department of Agriculture,
Fisheries and Forestry



Future
Drought
Fund



JAMES COOK
UNIVERSITY
AUSTRALIA



TNQ
Drought Hub

This program received funding from the Australian Government's Future Drought Fund

About this handbook

Beef producers manage a complex farming system where productivity, natural resources, people and business decisions are closely connected. This handbook provides a practical way to consider these factors together through an Integrated ESG and Natural Capital Rapid Assessment.

The handbook and accompanying assessment tool are designed to help producers identify the issues that matter most to their farming business, understand key risks, impacts and nature-related dependencies, and identify practical opportunities for improvement.

The approach has been developed through engagement with producers, industry stakeholders and supply-chain partners across Queensland and reflects real on-farm conditions and priorities.

By using this handbook and the accompanying assessment tool, producers can:

- identify priority issues relevant to their farm;
- better understand how production interacts with and depends on natural systems;
- recognise key risks and opportunities;
- identify areas where further assessment or action may be useful; and
- support better farm and business decision-making.

The assessment is intended as a practical starting point, rather than an audit, certification or detailed natural capital account.

Table of Contents

About this handbook	2
1. Introduction	6
2. Integrated ESG and Natural Capital Rapid Assessment for beef production	7
2.1. What is an Integrated Rapid Assessment?	7
2.2. Why use an ESG and Natural Capital Rapid Assessment?.....	7
2.3. What are the material issues for beef production?	8
3. How to complete your Integrated Rapid Assessment?	16
4. How to interpret your materiality matrix?	18
5. Practical actions for priority issues	20
5.1. Environmental impacts and natural capital	20
5.2. Practical actions for social factors	23
5.3. Practical actions for governance factors.....	24
References	27

Glossary

Biodiversity - The variety of plants, animals, insects, and other living organisms in an area and the ecosystems they form.

Biosecurity - Measures taken to prevent, detect, and manage pests, weeds, diseases, and other threats that may affect livestock, production, or natural ecosystems

Buffer area - A protected strip of vegetation near waterways, wetlands, or sensitive areas that helps reduce runoff, erosion, and pollution.

Carbon sequestration - The process of capturing and storing carbon in soils, vegetation, and trees.

Carrying capacity - The number of livestock that a property can sustainably support over time without causing land degradation

Climate variability - Natural changes in climate conditions over time, including variations in rainfall, temperature, droughts, and extreme weather events.

Compliance - Meeting legal, environmental, industry, or market requirements.

Ecosystem - A community of plants, animals, soil, water, and microorganisms interacting together in a particular environment.

Ecosystem services - The benefits provided by nature that support farming and human wellbeing, such as water filtration, soil fertility, erosion control, and flood mitigation.

Environmental, Social and Governance (ESG) - A framework used to assess how a business manages environmental impacts, social responsibilities, and governance practices.

Erosion - The loss of soil caused by water, wind, or poor land management practices.

Greenhouse gas (GHG) emissions - Gases released into the atmosphere that contribute to climate change, including carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O).

Groundcover - Vegetation, pasture, litter, or plant residues that protect the soil surface from erosion, moisture loss, and temperature extremes.

Land condition - The overall health and productive capacity of land, including soil, vegetation, water resources, and ecosystem function

Material issue - An issue that may be significant to farm productivity, resilience, sustainability, business risk or stakeholder expectations.

Materiality matrix - A visual tool used to identify and prioritise material issues based on their significance to the farm and their importance to stakeholders.

Nature-related dependencies – The natural systems and ecosystem services that farming relies on to operate successfully, such as healthy soils, water availability, climate regulation, and biodiversity.

Natural capital - The natural assets and ecosystems that support production and provide benefits to people and businesses, including soil, water, vegetation and biodiversity.

NLIS - The National Livestock Identification System used to identify and trace livestock throughout the Australian supply chain.

Nutrient runoff - The movement of nutrients, such as nitrogen and phosphorus, from farms into waterways.

Productivity - How efficiently resources such as land, water, labour, feed, and capital are converted into production outputs.

Psychological hazards - Work-related factors that may negatively affect mental health and wellbeing, including stress, fatigue, isolation, or excessive workload.

Remnant vegetation - Native vegetation that remains after land clearing and still provides ecological value.

Resilience - The ability of a farm system to adapt to challenges such as climate variability, market changes, or extreme events while continuing to operate effectively.

Riparian areas - Land areas located alongside rivers, creeks, or waterways.

Risk management - The process of identifying, assessing, and managing risks that may affect farm operations or performance.

Stakeholders - People or groups affected by, or interested in, farm activities, including producers, workers, communities, industry, governments, and supply chain partners.

Stocking rate - The number of livestock grazed on a given area of land over a specified period.

Sustainability - Managing environmental, social, and economic factors in a way that supports long-term farm viability and future generations.

Traceability - The ability to track livestock, products, and production information through the supply chain.

Wetlands - Areas where water covers the soil permanently or seasonally, supporting important ecosystems and water regulation functions.

1. Introduction

Beef production relies on more than land, livestock and infrastructure. Productive and resilient farming businesses also depend on healthy soils, reliable water, productive vegetation, biodiversity and functioning ecosystems, while operating within changing social, market and regulatory environments.

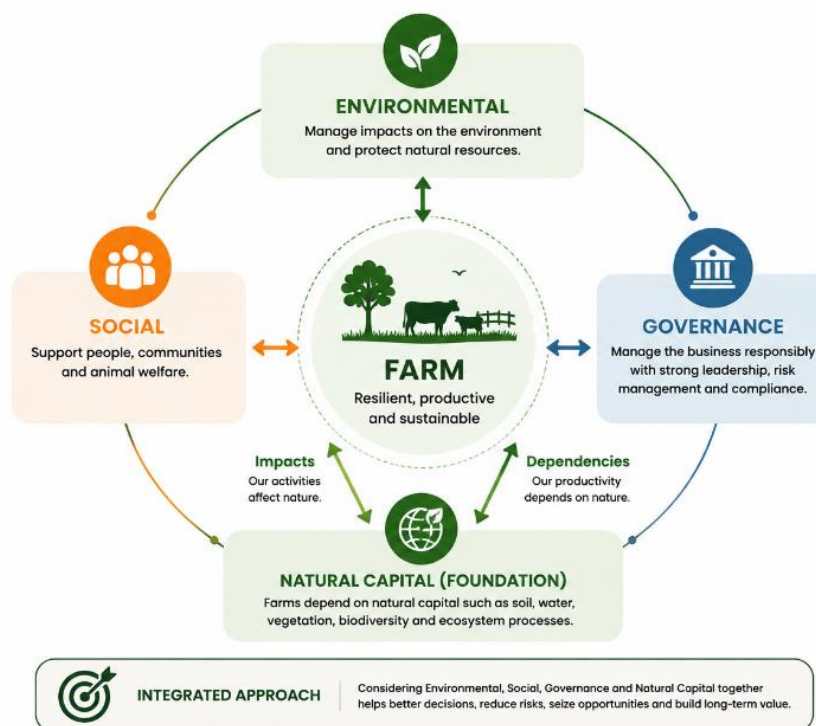


Figure 1. Integrating ESG and natural capital at the farm level.

Environmental, Social and Governance (ESG) provides a structured way to consider environmental and social issues alongside how the farm business is managed. Natural capital refers to the natural assets and ecosystem processes that support agricultural production.

Bringing these perspectives together helps producers consider both how farming activities affect nature and people and how the farming business depends on nature to operate successfully. It also provides a broader understanding of the risks and opportunities that can influence productivity, resilience and long-term business performance.

For beef producers, this integrated approach is about making the connections between farm management, business performance and the natural systems that support production more visible, so they can be considered as part of farm decision-making.

2. Integrated ESG and Natural Capital Rapid Assessment for beef production

2.1. What is an Integrated Rapid Assessment?

The Integrated ESG and Natural Capital Rapid Assessment is a simple tool designed to help producers identify and prioritise the issues most relevant to their farming business.

Rather than measuring detailed farm performance, the assessment provides a rapid screening of material issues across four interconnected areas:

- **Environmental impacts** – how farming activities may affect land, water, climate, biodiversity and ecosystems.
- **Nature-related dependencies** – the natural assets and ecosystem processes the farm relies on, such as soil, pasture, water and ecosystem condition.
- **Social factors** – issues related to people, animal welfare, workforce, safety and communities.
- **Governance factors** – how the farm business manages planning, risks, performance, compliance and future opportunities.

The assessment uses producers' existing knowledge of their farm and provides a practical starting point for identifying where further attention or action may be useful.

2.2. Why use an ESG and Natural Capital Rapid Assessment?

The assessment helps producers look across the farming business and identify the issues that may have the greatest significance for productivity, resilience, natural capital and long-term business performance.

By bringing ESG and natural capital considerations together, producers can identify potential risks earlier, recognise opportunities for improvement and focus attention on the areas that matter most to their individual farm.

The results can then provide a practical basis for deciding what to assess further and where action may be most valuable.

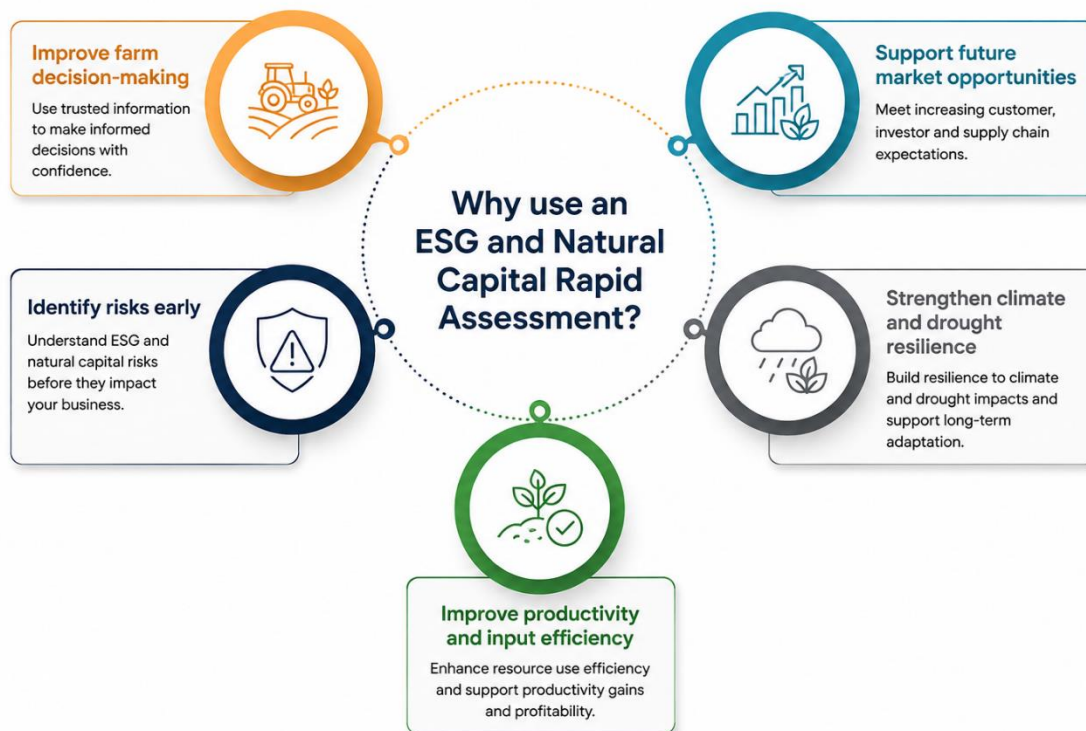


Figure 2. Why use an ESG and Natural Capital Rapid Assessment?

2.3. What are the material issues for beef production?

Material issues are the issues that may have the greatest significance for the sustainability, resilience and long-term performance of a beef farming business. They can influence productivity, operating costs, natural resource condition, business risk, stakeholder expectations and future market opportunities.

The material issues included in this assessment are informed by the 2025 Australian Beef Sustainability Framework (ABSF) materiality assessment, together with research and industry knowledge relevant to beef production.

For this Integrated Rapid Assessment, material issues are considered across environmental, social and governance dimensions, while also explicitly considering the farm's nature-related dependencies.

Environmental, Social and Governance (ESG) provide the three core dimensions for considering sustainability issues, as illustrated below.



Figure 3. Environmental, Social and Governance (ESG) dimensions.

This integrated approach recognises that beef production can affect natural systems while also depending on them, and that these relationships interact with people, management and business decisions.

2.3.1. Environmental factors

Environmental factors are considered from two complementary perspectives: the impacts farming activities may have on natural systems and the natural assets and ecosystem processes the farm depends on.

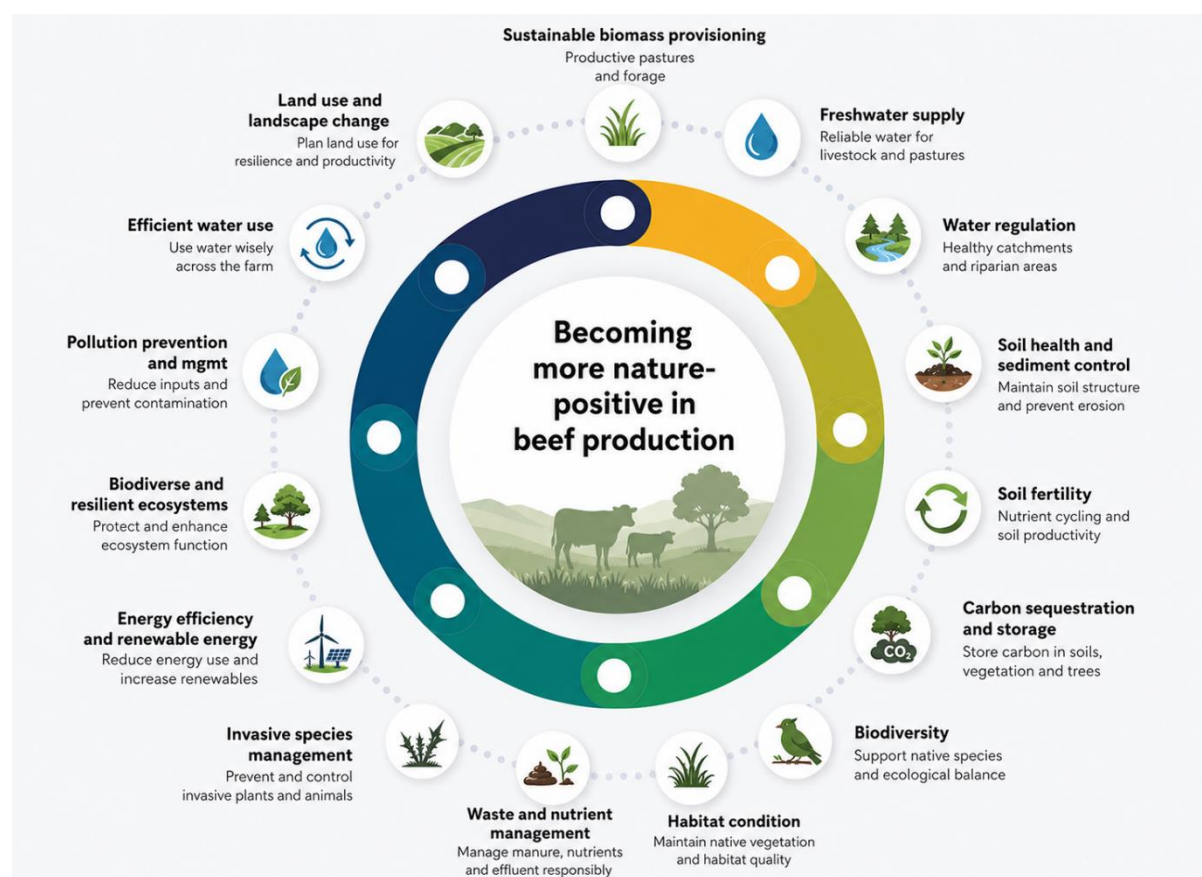


Figure 4. Environmental and natural capital considerations for beef production.

2.3.1.1. Impacts (How farming activities may influence natural systems)

Driver	Material issues	What it includes?
Land and freshwater use change	Land use and landscape condition	Use of land for grazing, infrastructure, feed production, and farm operations, including impacts on ground cover and landscape condition
	Use of freshwater ecosystem	Farm activities near rivers, creeks, wetlands, and floodplains that may influence water quality and ecosystem condition
Climate change	Greenhouse gas (GHG) emissions	Emissions from livestock, manure, pasture management, fertiliser use, fuel, and farm operations
Resource use	Water use	Water used for livestock, pasture production, cleaning, and other farm activities
Pollution	Chemical and contaminant risks	Potential impacts from chemicals, antibiotics, fuels, and other contaminants entering soil or waterways
	Nutrient losses and runoff	Movement of nutrients such as nitrogen and phosphorus from fertilisers or manure into waterways and surrounding environments
	Solid waste management	Management of manure, deceased animals, feed waste, plastics, and other farm waste materials

	Noise and light disturbance	Noise, vehicle movement, machinery, and lighting that may affect wildlife and surrounding environments
Biodiversity	Natural ecosystems and biodiversity	Condition and diversity of native vegetation, habitats, species and ecosystems that may be affected by grazing, clearing, infrastructure and other farm activities
Invasive species	Invasive species and weeds	Introduction or spread of weeds, pests, and invasive species through farm activities

2.3.1.2. Nature-related dependencies (What your farm activities rely on)

Services	Material issues	What it includes?
Provisioning services	Pasture and biomass production	Availability and growth of pasture and forage used to feed livestock
	Genetic resources	Genetic quality and breeding systems that support animal productivity, fertility, and resilience
	Water supply	Reliable access to good-quality water for livestock, cleaning, and farm operations
Regulating and maintenance services	Water regulation	Natural water flows and storage that help maintain water availability during dry periods and reduce flooding risks
	Soil and sediment retention	Healthy ground cover and soil structure that reduce erosion, runoff, and land degradation

	Soil quality	Soil fertility, structure, moisture retention, and organic matter that support pasture productivity
	Carbon sequestration and storage	Storage of carbon in soils, trees, and vegetation that supports ecosystem health and climate resilience
	Waste breakdown and nutrient cycling	Natural processes that break down manure and organic waste, reducing pollution risks
	Flood mitigation	Natural landscape features that help reduce flooding impacts on animals, pastures, and infrastructure
	Storm mitigation	Vegetation and landscape features that reduce impacts from storms, heat, and strong winds
	Biological services	Natural control of pests and diseases that affect livestock health and pasture condition

2.3.2. Social factors (How your farm operates)

Social factors relate to how your farm operates and interacts with people, including workers, contractors, family members, neighbours, and the broader community. Managing these factors well helps support safe and productive workplaces, stronger community relationships, workforce wellbeing, and the long-term resilience of the business.

Material issues	What it includes?
Community relationships	Communicating with neighbours and the local community, managing farm impacts such as noise, dust, or livestock movement, and contributing positively to regional communities
Engagement with Traditional Owners	Respectful engagement with Traditional Owners, including understanding cultural values, working on Country, and supporting long-term relationships

Workplace health and safety	Safe working conditions, training, machinery safety, livestock handling, fatigue management, and procedures to reduce accidents and injuries
Workforce conditions and fair pay	Paying workers fairly and meeting workplace standards, while supporting safe and respectful working conditions
Respectful and inclusive workplaces	Treating workers fairly and maintaining a respectful workplace culture regardless of gender, background, or personal characteristics
Training and skills development	Supporting access to training, skill development, and knowledge sharing for workers, contractors, and family members
Mental health and workload pressures	Managing stress, workload, and mental health risks, recognising pressures such as financial stress and seasonal challenges
Health and wellbeing	Supporting the physical and mental wellbeing of workers and family members, including fatigue management, work-life balance, and resilience

2.3.3. Governance factors (How your farm business is managed)

Governance factors relate to how the farm business is managed and how decisions are made. This includes planning, record-keeping, financial management, managing risks, meeting industry requirements, and working across the supply chain. Strong governance and business management can help producers improve decision-making, manage costs and risks, support productivity, and strengthen the long-term resilience of the business.

Material issues	What it includes?
Farm planning and record-keeping	Maintaining practical and consistent farm records to support planning, compliance, financial management, and decision-making
Succession and long-term planning	Planning for the future of the farm business, including family transition, workforce continuity, and long-term business resilience
Risk management	Identifying and managing climate, financial, operational, market, and regulatory risks in a practical and realistic way

Monitoring farm performance	Tracking production, costs, land condition, and business performance to support informed decision-making
Productivity and efficiency	Improving operational efficiency, pasture utilisation, herd performance, and resource use while managing risks
Financial performance and profitability	Maintaining financial viability while managing input costs, seasonal pressures, debt, and market fluctuations
Regulatory compliance and reporting	Meeting industry, environmental, biosecurity, and workplace requirements while managing reporting and audit obligations
Traceability and supply chain requirements	Maintaining livestock traceability and meeting market, processor, and supply chain expectations
Roles and responsibilities across the supply chain	Understanding responsibilities and accountability across producers, processors, transport, and other supply chain participants
Collaboration and industry engagement	Working with industry groups, advisors, processors, and other stakeholders to support business improvement and shared outcomes
Emerging market opportunities	Exploring opportunities linked to carbon, natural capital, biodiversity, sustainability programs, or premium markets where they are practical and financially viable
Financial support and incentives	Access to grants, incentives, finance, or market mechanisms that support practice change, natural capital management, or business resilience
Data and digital systems	Using practical and consistent data systems to support reporting, compliance, and farm decision-making while reducing complexity
Access to information and decision support	Access to practical tools, training, advisory services, benchmarks, and reliable

	information to support farm management decisions
--	--

3. How to complete your Integrated Rapid Assessment?

The Integrated ESG and Natural Capital Rapid Assessment is completed using a simple spreadsheet tool. It helps you review and score material issues across environmental impacts, nature-related dependencies, social factors and governance factors.

The process is designed to be quick and practical. You do not need to collect complex new data to get started. Instead, the assessment uses your existing knowledge of your farm, including current conditions, risks, management practices and priorities.

Step-by-step process

Step 1 – Access the spreadsheet tool

Download the Integrated ESG and Natural Capital Rapid Assessment spreadsheet available at <https://www.tnqdroughthub.com.au/esg-on-farm/>

Step 2 – Open the “Data” tab

The Data tab contains the material issues included in the assessment, covering environmental impacts, nature-related dependencies, social factors and governance factors.

Step 3 – Review each material issue

Consider each issue in relation to your farm, production system and current conditions.

Step 4 – Score the significance of each issue

In the “Significance to your farm” column, enter a score from 1 to 5 based on how significant you consider the issue for your farming business.



Material issue	Category	Significance to your farm	ENCORE
Land use and landscape condition	Environmental		5
Deforestation	Environmental		5
Use of freshwater ecosystem (rivers, creeks, and wetlands)	Environmental		4
Reduce GHG emissions	Environmental		4
Water use	Environmental		4
Chemical and contaminant risks	Environmental		4
Nutrient losses and runoff	Environmental		4
Solid waste management	Environmental		5
Noise pollution	Environmental		3
Light pollution	Environmental		3
Soil and water pollution	Environmental		5
Natural ecosystem protection	Environmental		4
Biodiversity conservation	Environmental		4
Energy use	Environmental		3
Renewable energy use	Environmental		3
Diesel consumption	Environmental		3
Introduction of invasive species	Environmental		4
Pasture and biomass production	Environmental		5
Genetic resources	Environmental		3
Water supply	Environmental		4
Water regulation	Environmental		4
Soil condition and erosion control	Environmental		4
Carbon sequestration	Environmental		3
Waste breakdown and nutrient cycling	Environmental		3
Flood mitigation	Environmental		3
Storm mitigation	Environmental		4
Community relationships	Social		3
Engagement with Traditional Owners	Social		3

Scoring scale

Score	Meaning
1	Not significant
2	Low significance
3	Moderate significance
4	High significance
5	Very high significance

There are no right or wrong answers. The purpose is to reflect the circumstances and priorities of your individual farm.

Step 5 – View your results

Once you enter your scores, the results will automatically appear in the “Materiality Matrix” tab.

Step 6 – Identify your priority issues

The matrix and priority-issues table show which issues have been identified as most significant based on your farm assessment and stakeholder importance.

These results provide the starting point for deciding which issues may require further assessment, monitoring or action.

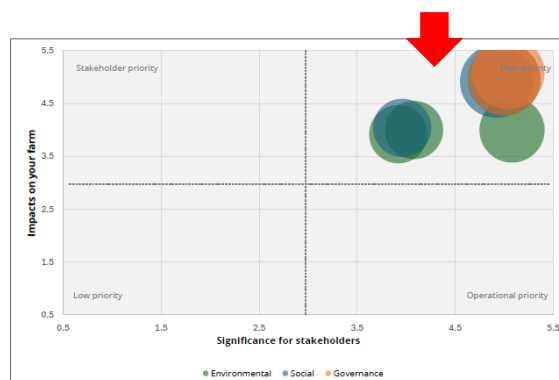
Integrated ESG and Natural Capital Rapid Assessment

Beef production



Materiality matrix - Farm assessment

Top material issue	Category	Impact	Stakeholder
Land use and landscape condition	Environmental	5	5
Use of freshwater ecosystem (rivers, creeks, and \	Environmental	5	4
Reduce GHG emissions	Environmental	4	4
Biodiversity conservation	Environmental	4	4
Animal health and welfare	Social	5	5
Training and skills development	Social	4	4
Productivity and efficiency	Governance	5	5
Financial performance and profitability	Governance	5	5



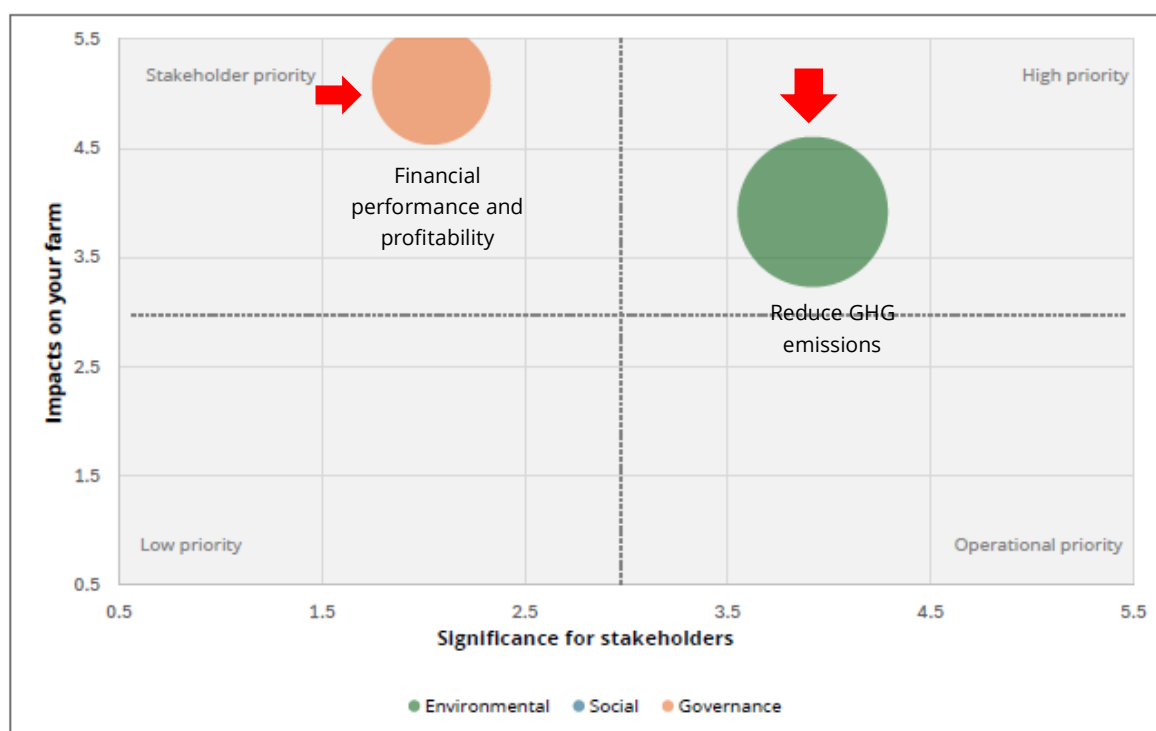
4. How to interpret your materiality matrix?

The materiality matrix helps translate the assessment into clear priorities by comparing the significance of each issue to the farm with its importance to stakeholders.

Issues appearing in the top-right quadrant are high priorities because they are considered highly significant from both perspectives. A high-priority issue does not necessarily indicate a problem. These issues may warrant closer assessment, monitoring or action. Issues in the other quadrants can also provide useful information.

For example, if **reducing GHG emissions** appears in the top-right quadrant, this indicates that it is both a significant issue for your farm and a key concern for stakeholders. In this case, it may be useful to review key emissions drivers and related management practices, such as herd productivity, reproductive performance, growth rates, turn-off age and pasture management.

Similarly, if **financial performance and profitability** appear as a stakeholder priority in the top-left quadrant, it may currently be rated as less significant by the farm while still being important to external stakeholders and future business decisions.



The matrix should therefore be used as a decision-support tool rather than a measure of farm performance.

Materiality tells you what matters most. It does not tell you whether your current performance is good or poor.

The results can help producers decide where further information, monitoring or action may be useful and can support discussions with advisors, industry organisations and supply-chain partners. The assessment can also be revisited as farm conditions, priorities and external expectations change.

5. Practical actions for priority issues

Once priority material issues have been identified, the next step is to consider whether further assessment or action is needed. The following sections provide practical examples of actions that may help producers manage environmental impacts and natural capital, strengthen social and governance practices, and support farm productivity and resilience.

Not every action will be relevant to every farm. Producers should focus on options that respond to their priority issues and suit their production system, location, resources and business objectives.

5.1. Environmental impacts and natural capital

The actions below provide practical options for reducing environmental impacts while maintaining or improving the natural assets and ecosystem processes that support beef production.

5.1.1. Land and freshwater use change

Land use and landscape condition	Maintain good ground cover, avoid overgrazing, match stocking rates to seasonal conditions, protect remnant vegetation, manage erosion-prone areas, and restore degraded paddocks where possible. Use property maps to identify sensitive areas such as gullies, riparian zones, wetlands, steep slopes and areas of declining pasture condition
Use of freshwater ecosystem	Protect waterways, wetlands, springs and riparian areas from erosion and excessive livestock pressure. Use off-stream watering points, fencing or controlled access where practical. Maintain vegetated buffers near waterways to filter sediment and nutrients before they enter creeks, rivers or wetlands

5.1.2. Climate change

Greenhouse gas (GHG) emissions	Improve herd productivity by increasing reproductive efficiency, reducing mortality, improving growth rates and reducing turn-off age where suitable. Improve pasture quality, consider legumes or improved forage options where appropriate, manage fertiliser and energy use efficiently, and explore carbon storage opportunities through soil health, vegetation management and tree retention
--------------------------------	--

5.1.3. Resource use

Water use	Monitor water use and repair leaks in troughs, pipes and pumps. Use efficient watering systems, maintain dams and bore, and plan for dry periods. Where possible, improve water distribution across paddocks to reduce pressure around watering points and support better grazing management
-----------	--

5.1.4. Pollution

Chemical and contaminant risks	Store chemicals, fuels and veterinary products safely and away from waterways. Follow label directions, maintain spray equipment, keep records of chemical use, and dispose of containers through approved collection systems. Reduce the risk of spills and avoid applying chemicals before heavy rain
Nutrient losses and runoff	Match fertiliser, manure or supplement use to pasture and soil needs. Maintain ground cover, avoid bare soil, protect drainage lines and use buffer strips near waterways. Where nutrients are applied, avoid application before heavy rainfall and consider soil testing to guide inputs
Solid waste management	Reduce, reuse and recycle materials where possible. Separate waste streams such as plastics, chemical containers, scrap metal, batteries, tyres and general waste. Use approved disposal or recycling programs and avoid burning or burying waste where it may contaminate soil or water
Noise or light disturbance	Minimise unnecessary noise and artificial light near sensitive habitats, waterways and neighbouring properties. Direct lights downward, avoid excessive night lighting, maintain machinery to reduce noise, and consider timing of noisy operations where practical

5.1.5. Biodiversity

Natural ecosystems and biodiversity	Retain native vegetation, protect habitat patches, maintain paddock trees, shelterbelts and riparian vegetation, and improve connectivity between natural areas. Avoid clearing high-value habitat and consider restoration of degraded areas using native species suited to the local landscape
-------------------------------------	--

5.1.6. Invasive species

Invasive species and weeds	Identify priority weeds and pest animals, monitor regularly and act early before problems spread. Use integrated control methods, maintain property hygiene, clean machinery and vehicles when moving between areas, and coordinate control efforts with neighbours and local biosecurity groups
----------------------------	--

5.1.7. Provisioning services

Pasture and biomass production	Maintain productive pastures through appropriate stocking rates, spelling/resting paddocks, rotational or planned grazing where suitable, and monitoring pasture condition. Encourage desirable perennial grasses and legumes where appropriate and manage grazing pressure to support pasture recovery after drought or heavy use
Genetic resources	Maintain healthy, productive and locally adapted livestock genetics. Select animals suited to the local climate, pasture base and production goals. Where relevant, consider traits linked to fertility, heat tolerance, disease resistance, productivity and lower emissions intensity
Water supply	Protect and maintain reliable water sources, including dams, bores, tanks, troughs and natural water points. Monitor water quality, manage salinity or contamination risks, and plan for drought conditions. Protect catchments and riparian areas that support long-term water availability

5.1.8. Regulating and maintenance services

Water regulation	Maintain ground cover and vegetation to slow runoff and improve water infiltration. Protect wetlands, floodplains and riparian zones that help regulate water flows. Use contour banks, grassed waterways or erosion-control structures where appropriate
Soil and sediment retention	Keep soil covered with pasture, litter or vegetation. Manage grazing pressure, stabilise gullies, protect streambanks and avoid activities that expose fragile soils. Prioritise erosion hotspots for repair and monitor them after heavy rainfall
Soil quality	Monitor soil condition, organic matter, compaction and nutrient status. Maintain ground cover, avoid overgrazing, support root growth, use legumes or diverse pastures where suitable, and reduce soil disturbance where possible. Soil testing can help guide fertiliser and amendment decisions

Carbon sequestration and storage	Protect existing vegetation and soil carbon stocks. Improve pasture condition, increase perennial ground cover, restore degraded land and consider tree planting or natural regeneration where it fits the production system. Focus first on actions that improve productivity and resilience while also supporting carbon storage
Waste breakdown and nutrient cycling	Maintain healthy soils with active plant roots, organic matter and soil biology. Avoid excessive chemical inputs, retain pasture litter where possible, and manage manure distribution through grazing management. Diverse pastures and good ground cover can support nutrient cycling and soil organisms
Flood mitigation	Protect floodplains, wetlands, riparian vegetation and natural drainage lines. Avoid overgrazing in flood-prone areas and maintain vegetation that slows water movement and reduces erosion. Plan infrastructure, fencing and watering points with flood risk in mind
Storm mitigation	Maintain trees, shelterbelts and ground cover to reduce wind and storm damage. Protect vulnerable soils and streambanks before the wet season. Keep drainage areas stable and avoid leaving bare ground exposed to heavy rainfall
Biological services	Support beneficial insects, birds, soil organisms and native vegetation by maintaining habitat diversity, reducing unnecessary chemical use, protecting flowering plants and native vegetation, and improving connectivity between habitat areas. These services can support pollination, pest control, soil health and ecosystem resilience

5.2. Practical actions for social factors

Social actions focus on supporting safe and respectful workplaces, workforce wellbeing and positive relationships with communities and other stakeholders.

The examples below can be considered according to the needs, priorities and circumstances of each farming business.

Community relationships	Maintain open and respectful communication with neighbours, local communities, industry groups and regional organisations. Participate in community events, respond constructively to concerns, and consider how farm activities may affect nearby residents. Building positive relationships can strengthen trust and support the farm's social licence to operate
Engagement with Traditional Owners	Seek opportunities to engage respectfully with Traditional Owners and Indigenous organisations. Recognise and respect cultural heritage values, support protection of culturally significant sites, and consider opportunities for collaboration, knowledge sharing and participation in land stewardship activities where appropriate

Farm planning and management	Develop clear business plans, operational procedures and contingency plans. Regularly review farm goals, risks and performance. Good planning helps improve decision-making, business resilience and preparedness for changing seasonal, market and regulatory conditions
Workplace health and safety	Maintain a safe working environment by identifying hazards, providing appropriate training, maintaining equipment, and following workplace health and safety procedures. Encourage workers to report hazards and near misses, and regularly review safety practices
Workforce conditions and fair pay	Ensure workers receive fair pay and conditions consistent with legal requirements and industry standards. Provide clear employment arrangements, appropriate working hours, access to leave entitlements, and a safe and respectful workplace
Respectful and inclusive workplaces	Promote a workplace culture where all workers are treated with dignity and respect regardless of age, gender, cultural background, disability, religion or personal circumstances. Address inappropriate behaviour promptly and encourage equal opportunities for participation and development
Training and skills development	Encourage ongoing learning and professional development. Provide opportunities for workers and family members to develop skills in livestock management, technology, safety, business management and environmental stewardship. Training supports productivity, innovation and workforce retention
Mental health and workload pressures	Recognise that farming can involve long hours, financial pressures, climatic uncertainty and social isolation. Monitor workloads, encourage regular breaks and time off, support open conversations about mental health, and seek assistance from professional support services when needed
Health and wellbeing	Promote healthy work practices, adequate rest, hydration, nutrition and access to healthcare services. Encourage a balance between work and personal life and support activities that contribute to physical, mental and social wellbeing. Healthy people are essential for a productive and resilient farm business

5.3. Practical actions for governance factors

Governance actions focus on strengthening farm planning, decision-making, risk management, compliance and business performance.

The examples below can help producers respond to priority governance issues while supporting the long-term resilience and viability of the farming business.

Farm planning and record-keeping	Develop a farm business plan with clear goals and regularly review progress. Maintain accurate records on livestock, production, finances, inputs, environmental management, and compliance activities to support informed decision-making
Succession and long-term planning	Discuss future business goals, ownership arrangements, and management responsibilities with family members and key stakeholders. Develop a succession plan to support a smooth transition between generations
Risk management	Identify and assess key risks such as drought, floods, market volatility, biosecurity threats, animal health issues, workforce challenges, and regulatory changes. Develop contingency plans and review them regularly
Monitoring farm performance	Track key indicators related to production, profitability, environmental performance, workforce wellbeing, and business resilience. Use results to identify strengths, weaknesses, and opportunities for improvement
Productivity and efficiency	Monitor production performance and resource use. Focus on improving reproductive performance, pasture utilisation, animal health, labour efficiency, and input management while maintaining environmental and animal welfare standards
Financial performance and profitability	Prepare budgets, cash flow forecasts, and financial reports. Review business performance regularly and assess investment decisions to improve long-term profitability and financial resilience
Regulatory compliance and reporting	Stay informed about legal obligations and industry requirements. Maintain records to demonstrate compliance with environmental, workplace health and safety, biosecurity, animal welfare, and other relevant regulations
Traceability and supply chain requirements	Maintain accurate livestock identification and movement records. Comply with traceability systems such as the National Livestock Identification System (NLIS) and keep documentation required by customers, processors, and certification programs
Roles and responsibilities across the supply chain	Understand the responsibilities of producers, suppliers, transport operators, processors, retailers, and service providers. Communicate expectations clearly and work collaboratively to manage risks and improve outcomes across the supply chain
Collaboration and industry engagement	Participate in producer groups, industry organisations, extension activities, training programs, and research projects. Collaboration can provide access to new knowledge, practical solutions, and business opportunities
Emerging market opportunities	Stay informed about changing consumer preferences, sustainability expectations, carbon markets, biodiversity initiatives, and premium market opportunities. Assess which opportunities align with your business goals and production system

Financial support and incentives	Monitor available grants, stewardship programs, rebates, environmental incentives, carbon projects, and biodiversity funding opportunities that may support farm improvements and business resilience
Data and digital systems	Use digital tools to record, store, analyse, and manage farm information. Consider technologies that improve livestock management, production monitoring, financial management, traceability, and reporting efficiency
Access to information and decision support	Seek information from trusted advisors, industry organisations, producer networks, government agencies, researchers, and service providers. Use evidence-based information to support business planning and decision-making

References

- Australian Beef Sustainability Framework. (2025). *Australian Beef Sustainability Framework annual update 2025*. Australian Beef Sustainability Framework. <https://www.sustainableaustralianbeef.com.au>
- Australian Government Department of Agriculture, Fisheries and Forestry. (2024). National Livestock Identification System (NLIS). Australian Government. <https://www.agriculture.gov.au>
- Australian Government Department of Climate Change, Energy, the Environment and Water. (2024). *Nature positive plan: Better for the environment, better for business*. Australian Government. <https://www.dcceew.gov.au>
- Australian Institute of Health and Welfare. (2024). *Australia's health 2024*. AIHW. <https://www.aihw.gov.au>
- Australian Human Rights Commission. (2022). Guidelines for workplace inclusion and diversity. Australian Human Rights Commission. <https://humanrights.gov.au>
- Bengtsson, J., Bullock, J. M., Egoh, B., Everson, C., Everson, T., O'Connor, T., O'Farrell, P. J., Smith, H. G., & Lindborg, R. (2019). Grasslands—More important for ecosystem services than you might think. *Ecosphere*, 10(2), e02582. <https://doi.org/10.1002/ecs2.2582>
- Beyond Blue. (2024). *Supporting the mental health of people living and working in rural and remote Australia*. Beyond Blue. <https://www.beyondblue.org.au>
- Centre for Invasive Species Solutions. (2024). *Managing invasive species in Australian agricultural landscapes*. Centre for Invasive Species Solutions. <https://invasives.com.au>
- Food and Agriculture Organization of the United Nations. (2021). *The state of the world's land and water resources for food and agriculture: Systems at breaking point*. FAO. <https://doi.org/10.4060/cb7654en>
- Fragar, L., Henderson, A., Morton, C., & Pollock, K. (2019). *The mental health of people on Australian farms—The facts*. Australian Centre for Agricultural Health and Safety, University of Sydney.
- Indigenous Land and Sea Corporation. (2024). *Indigenous land management and partnerships*. Indigenous Land and Sea Corporation. <https://www.ilsc.gov.au>
- Intergovernmental Panel on Climate Change. (2023). *Climate change 2023: Synthesis report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*. IPCC. <https://www.ipcc.ch/report/ar6/syr/>

- International Labour Organization. (2022). *Decent work and the sustainable development goals: A guidebook on SDG labour market indicators*. International Labour Organization. <https://www.ilo.org>
- Lal, R. (2020). Soil organic matter and its role in maintaining soil health and enhancing ecosystem services. *Soil Systems*, 4(3), 1–31. <https://doi.org/10.3390/soilsystems4030030>
- National Farmers' Federation. (2023). *2030 Roadmap: Australian agriculture's plan for a sustainable future*. National Farmers' Federation. <https://nff.org.au>
- Meat & Livestock Australia. (2024). *Environmental sustainability and natural capital*. Meat & Livestock Australia. <https://www.mla.com.au>
- Natural Capital Finance Alliance, University of Cambridge Institute for Sustainability Leadership, Global Canopy, & United Nations Environment Programme World Conservation Monitoring Centre. (2024). *ENCORE: Exploring Natural Capital Opportunities, Risks and Exposure*. <https://encore.naturalcapital.finance>
- Queensland Department of Agriculture and Fisheries. (2019). *Ground cover and reef water quality: Literature review*. Queensland Government. <https://era.daf.qld.gov.au>
- Safe Work Australia. (2024). *Work health and safety fundamentals for Australian workplaces*. Safe Work Australia. <https://www.safeworkaustralia.gov.au>
- Smith, P., Soussana, J. F., Angers, D., Schipper, L., Chenu, C., Rasse, D. P., Batjes, N. H., van Egmond, F., McNeill, S., Kuhnert, M., Arias-Navarro, C., Olesen, J. E., Chirinda, N., Fornara, D., Wollenberg, E., Álvaro-Fuentes, J., Sanz-Cobena, A., & Klumpp, K. (2020). How to measure, report and verify soil carbon change to realise the potential of soil carbon sequestration for atmospheric greenhouse gas removal. *Global Change Biology*, 26(1), 219–241. <https://doi.org/10.1111/gcb.14815>
- Taskforce on Nature-related Financial Disclosures. (2023). *Recommendations of the Taskforce on Nature-related Financial Disclosures*. TNFD. <https://tnfd.global/publication/recommendations-of-the-taskforce-on-nature-related-financial-disclosures/>
- The State of Queensland. (2022). *Reef 2050 water quality improvement plan 2022–2025*. Queensland Government. <https://www.reefplan.qld.gov.au>