

Integrated ESG and Natural Capital Rapid Assessment

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

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About this handbook

This handbook provides a practical guide for sugarcane producers to identify and manage key environmental, social, and governance (ESG) risks, impacts, and nature-related dependencies that influence farm performance.

The approach is based on a materiality assessment conducted with producers, industry stakeholders, and supply chain partners since 2023. Through surveys, workshops, and consultations, key topics were identified and prioritised to reflect real on-farm challenges, regulatory expectations, and market requirements.

This updated version introduces an Integrated ESG and Natural Capital Rapid Assessment. It considers environmental impacts, nature-related dependencies, social factors, and governance factors together, recognising that farm performance depends both on how production affects natural systems and on the natural capital and ecosystem services that support production.

The framework aligns with leading sustainability approaches, including ESG reporting principles and nature-related risk frameworks, but is designed to be practical, simple, and relevant for on-farm use.

This handbook will help you:

- Identify the most important environmental, social, and governance risks affecting your farm.
- Understand how your production depends on soil, water, ecosystems, and people.
- Complete the Integrated ESG and Natural Capital Rapid Assessment using a simple spreadsheet tool.
- Interpret your results and identify priority actions.
- Improve productivity, manage risks, and strengthen long-term resilience and market readiness.

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Glossary

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

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.

Chain of responsibility - The shared roles and responsibilities across the supply chain, including producers, mills, transport operators, and marketers.

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.

Dependencies on nature - The natural systems and ecosystem services that farming relies on to operate successfully, such as soil health, water availability, and pollination.

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 - Plants, crop residues, or vegetation that protect the soil surface from erosion, moisture loss, and temperature extremes.

Material issue - An issue that has a significant impact on farm productivity, risks, sustainability, or stakeholder expectations.

Materiality matrix - A visual tool used to identify and prioritise the most important ESG issues for the farm and stakeholders.

Nature-positive - Actions or management practices that protect, restore, or improve natural systems and biodiversity.

Natural capital - Natural resources and ecosystems that provide value and support production, including soil, water, vegetation, and biodiversity.

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

Productivity - How efficiently inputs such as land, water, labour, and fertiliser 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.

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

Traceability - The ability to track products, practices, or materials through the supply chain.

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

1. Introduction

Environmental, Social and Governance (ESG) is a framework used to understand how farming practices affect the environment, people, and the way a business is managed. While ESG is increasingly used by markets, investors, and industry programs, it is also a useful tool for producers to better understand risks, improve decision-making, and strengthen long-term farm performance.



Figure 1. The three ESG dimensions in sugarcane production.

For sugarcane producers, ESG is not about adding extra reporting requirements. It is about understanding what matters most on your farm. This includes how your farming practices influence soil, water, and surrounding ecosystems, how your production depends on these natural systems, and how your business manages people, risks, and compliance. Increasingly, frameworks such as the Taskforce on Nature-related Financial Disclosures (TNFD) highlight the importance of identifying both impacts and dependencies on nature to better manage risks and opportunities.

Farming systems are becoming more exposed to climate variability, input costs, and evolving market expectations. At the same time, there are new opportunities to improve productivity, reduce risks, and access emerging markets and incentives linked to sustainability performance. Understanding ESG can help producers identify where these risks and opportunities exist and how to respond effectively.

This handbook focuses on a practical, integrated approach at the farm level. It introduces the Integrated ESG and Natural Capital Rapid Assessment, designed to help producers identify key environmental impacts, understand their farm's dependencies on soil, water, ecosystems and other natural capital, and recognise important social and governance factors that influence farm operations.

The approach presented in this handbook is based on engagement with producers, industry stakeholders, and supply chain partners across Queensland. It reflects real on-farm conditions and priorities and is designed to be simple, practical, and relevant to everyday decision-making.

By using this handbook and the accompanying assessment tool, you will be able to:

- Identify key risks and opportunities on your farm.
- Understand how your farming practices and natural systems are connected.
- Prioritise actions that improve productivity and resilience.
- Strengthen your farm's sustainability performance and market readiness.

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

2.1. What is an Integrated ESG and Natural Capital Rapid Assessment?

The Integrated ESG and Natural Capital Rapid Assessment is a simple tool that helps you identify and prioritise the issues most significant to your farm across environmental impacts, nature-related dependencies, social factors, and governance factors. It is designed to provide a practical snapshot of what matters most for your farming business.

The assessment focuses on the issues that matter most for sugarcane production.

The Integrated Rapid Assessment considers four assessment areas:

- Environmental impacts - your farming practices, such as water use, fertiliser application, and energy use.
- Nature-related dependencies - what your farm relies on, including soil health, water availability, and ecosystem condition.
- Social factors - how the farm interacts with workers, family, Traditional Owners and the broader community.

- Governance factors - how the farm business is managed, including planning, record-keeping, risk management, productivity, profitability, compliance and supply-chain responsibilities.

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

Using an Integrated ESG and Natural Capital Rapid Assessment helps you make more informed decisions about your farm by providing a clear understanding of key risks, opportunities, and areas for improvement. It allows you to identify potential issues early, before they become costly problems, while also highlighting ways to improve productivity and input efficiency.

By considering environmental impacts and nature-related dependencies alongside social and governance factors, the assessment provides a more complete picture of how the farm operates and what it relies on. This can strengthen resilience to climate variability and changing conditions, support communication with industry and supply-chain partners, and help producers respond to evolving market and reporting expectations.

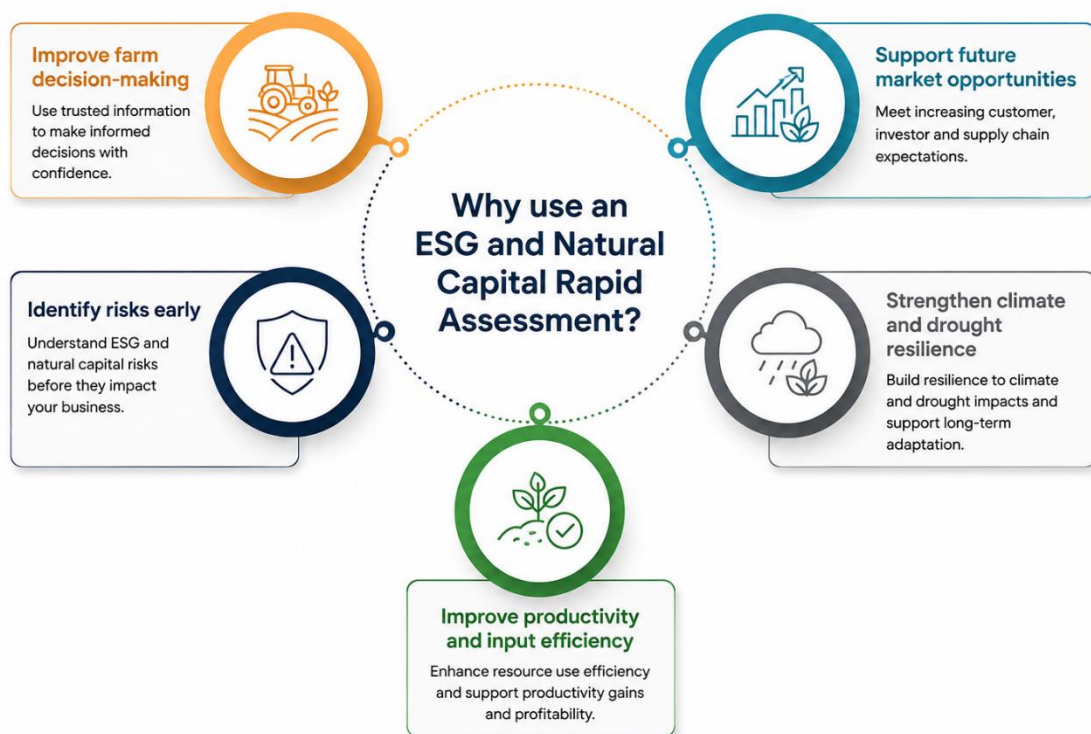


Figure 2. Why use an ESG and Natural Capital Rapid Assessment?

2.3. What are the material issues for sugarcane production?

Material issues are the most important factors that can significantly affect your farm production system.

At the farm level, these key issues were identified by combining research evidence with input from producers and other supply chain stakeholders. The focus is on what really influences productivity, risk, and the long-term sustainability of your farm.

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.

This integrated approach recognises that sugarcane 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.

Together, these perspectives provide a clearer picture of the relationship between the farm and natural capital: how farming activities may affect nature, and how production depends on natural systems and ecosystem services. Social and governance factors are then considered alongside these environmental perspectives to provide an integrated assessment of farm priorities.

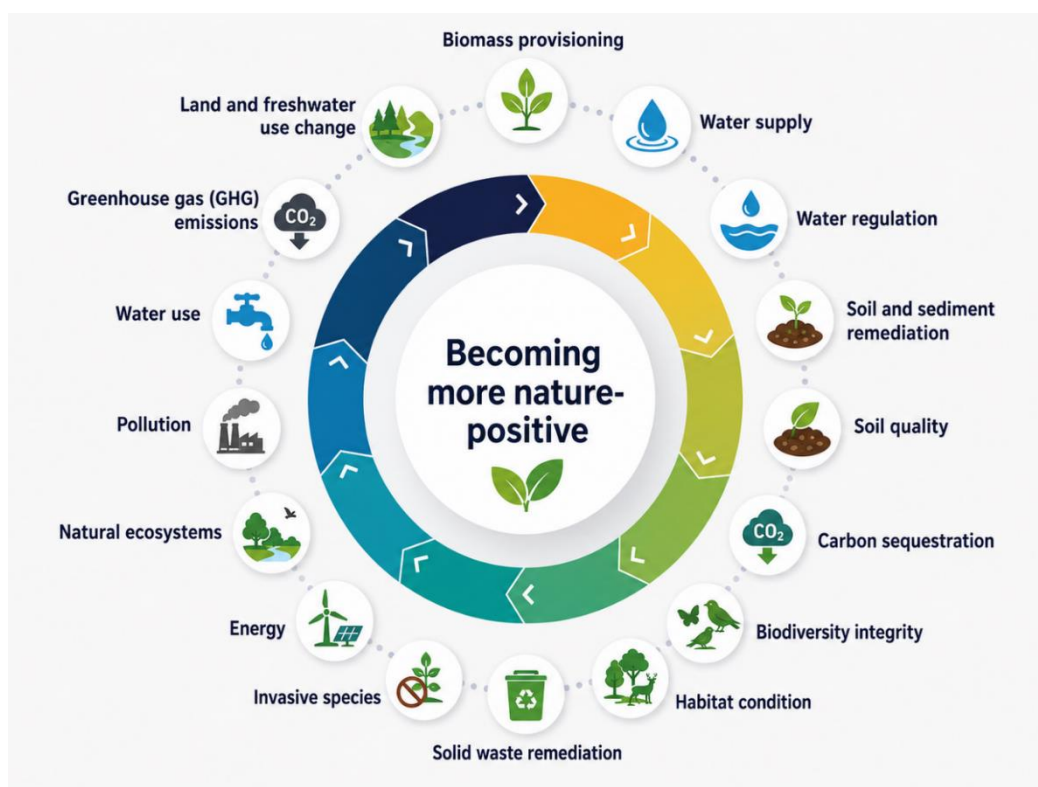


Figure 4. Environmental and natural capital considerations for sugarcane production

The tables below provide a practical overview of the key environmental issues for sugarcane production. They highlight where your farm may be impacting the environment and where it relies on natural systems such as soil, water, and biodiversity. This can help you focus on the areas that matter most for improving productivity, managing risks, and supporting long-term sustainability.

2.3.1.1. Impacts (How your farm activities impact the environment)

Driver	Material issues	What it includes?
Land and freshwater use change	Land ecosystem use	Use and management of land for production
	Freshwater ecosystem use	Use of rivers, creeks, and wetlands
	Land-use conversion	Clearing or changing land use
Climate change	Greenhouse gas (GHG) emissions	Emissions from fertiliser, fuel, and land use

Resource use	Water use	Water use for irrigation and operations
Pollution	Fertiliser application	Quantity of nutrient used
	Pesticide application	Quantity of chemical use
	Solid waste	Farm waste management
	Noise or light pollution	Impacts on surrounding environment and communities
Biodiversity	Natural ecosystems	Remnant native vegetation, riparian areas, wetlands or floodplains, woodlands, forests, and regenerating areas
Energy	Energy use	Electricity and fuel consumption
	Renewable energy	Use of solar or other renewable sources
	Diesel consumption	Fuel use in machinery and operations
Invasive species	Introduction of invasive species	Spread of weeds, pests, or non-native species

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

Services	Material issues	What it includes?
Provisioning services	Biomass provisioning	Sugarcane growth and biomass production
	Water supply	Availability of water (quantity and quality) to ensure crop growth and general on-farm use (e.g. cleaning, sanitation, crop spraying)
Regulating and maintenance services	Water regulation	How the landscape controls water flow, storage, and movement (e.g. infiltration)

	Soil and sediment retention	Erosion control to reduce soil loss and runoff of fertilisers
	Soil quality	Soil structure, fertility, and organic matter
	Carbon sequestration	Storage of carbon in soils and vegetation
	Solid waste remediation	Natural processes that break down or absorb waste and leachates from the production
	Storm mitigation	Use of shelterbelts, cover crops, plantations, forests, or any canopy cover to protect crops, buildings, and infrastructure from wind, sand, and other storm impacts, including floods
	Biodiversity condition	Diversity and condition of plants, animals and other organisms that support ecosystem functioning and resilience
	Habitat condition	Condition and connectivity of remnant vegetation, riparian areas, wetlands and other habitats that support biodiversity and ecological processes

2.3.2. Social factors (How your farm operates)

Social factors relate to how your farm interacts with people - your workers, your family, and the broader community. Managing these well helps create a safe, fair, and supportive work environment, strengthens relationships with others, and supports the long-term success of your business.

Material issues	What it includes?
Engagement with local community	Communication with neighbours and the local community, managing impacts, and contributing positively to the region (e.g. local events, community activities)

Engagement with Traditional Owners	Respectful engagement with Traditional Owners, including understanding cultural values, working on Country, and building long-term relationships
Workplace health and safety	Safe working conditions, training, and procedures to reduce the risk of accidents and injuries
Fair wages	Paying workers fairly and in line with industry standards and regulations
Non-discrimination	Treating all workers fairly regardless of background, gender, or other personal characteristics
Equal opportunities	Providing fair access to training, development, and job opportunities
Psychological hazards	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 work-life balance and resilience

2.3.3. Governance factors (How your farm operates)

Governance factors are about how your farm is managed and how decisions are made. This includes planning, record-keeping, managing risks, and working with others across the supply chain. Good governance helps you stay organised, meet requirements, manage costs, and make better decisions for the long-term success of your business.

Material issues	What it includes?
Farm planning and record-keeping	Maintaining clear, practical, and consistent records to support compliance, decision-making, and reporting across the value chain
Succession plan	Planning for the future of the farm, including family transition and long-term business continuity
Good management	Clear roles, good planning, and practical decision-making that reflects real farm conditions, costs, and risks

Risk management	Identifying and managing key risks, including climate, financial, regulatory, and operational risks, in a practical and realistic way
Monitoring business performance	Tracking farm performance (production, costs, environmental outcomes) to support informed decision-making
Productivity	Improving efficiency and output while managing risks and maintaining sustainability
Profitability	Maintaining financial viability, recognising cost pressures and the need for practical, economically realistic solutions
Regulatory compliance and reporting	Meeting environmental and industry requirements (e.g. nutrient management, record-keeping), audits, and reporting obligations, while managing time and cost burden
Traceability and certification	Meeting requirements across the supply chain, while recognising challenges for producers who are not responsible for processing or final product delivery
Chain of responsibility	Clear roles, responsibilities, and accountability across the value chain (farmers, mills, marketers), including who is responsible for sustainability outcomes
Value chain alignment and coordination	Effective collaboration, communication, and alignment between producers, mills, marketers, and other stakeholders to support shared sustainability outcomes
New markets	Exploring opportunities such as carbon, natural capital, biodiversity, or sustainability-linked markets, where they are practical and provide clear value
Financial support and incentives	Access to funding, incentives, or market mechanisms to support environmental outcomes and offset costs (e.g. managing native vegetation or non-productive land)

Data standardisation	Access to consistent, simple, and usable data systems that reduce reporting burden and improve decision-making
Access to information and decision support	Access to clear, practical, and reliable information, tools, and advice to support farm management and reduce complexity

3. How to complete your Integrated Rapid Assessment?

The Integrated ESG and Natural Capital Rapid Assessment is completed using a simple spreadsheet tool. The tool helps you identify and score material issues across environmental impacts, nature-related dependencies, social factors, and governance factors according to their significance to your farm.

The process is designed to be quick and easy. 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 includes the material issues used in the Integrated Rapid Assessment. Environmental issues include both impacts and nature-related dependencies, alongside social and governance factors.

Step 3 – Review each material issue

Use the “Material issue” column as a guide. Consider whether each issue is relevant to your farm, your production system and your current conditions.

Step 4 – Score the significance of each issue

In the column “Significance to your farm”, enter a score from 1 to 5. Consider the issue in relation to your farm's risks, opportunities, impacts, dependencies, operating conditions and business priorities. You can score all issues or only those that are relevant to your farm.



Material issue	Category	Significance to your farm	Importance for Stakeholders
Land use and landscape condition	Environmental		4
Use of freshwater ecosystem (rivers, creeks, and wetlands)	Environmental		3
Clearing or changing land use	Environmental		4
Reduce carbon emissions	Environmental		3
Water use	Environmental		4
Fertilizer application	Environmental		4
Chemical application	Environmental		4
Solid waste management	Environmental		3
Noise or light pollution	Environmental		2
Natural ecosystem protection	Environmental		4
Biodiversity conservation	Environmental		4
Energy use	Environmental		4
Renewable energy use	Environmental		3
Diesel consumption	Environmental		3
Introduction of invasive species	Environmental		4
Biomass production	Environmental		3
Water supply	Environmental		5
Water regulation	Environmental		4
Soil condition and erosion control	Environmental		5
Carbon sequestration	Environmental		3
Solid waste remediation	Environmental		3
Storm mitigation	Environmental		4
Engagement with local community	Social		3
Engagement with Traditional Owners	Social		3
Good management	Social		4
Workplace health & safety	Social		4
Workforce conditions and fair pay	Social		4
Respectful and inclusive workplaces	Social		4

Scoring scale

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

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

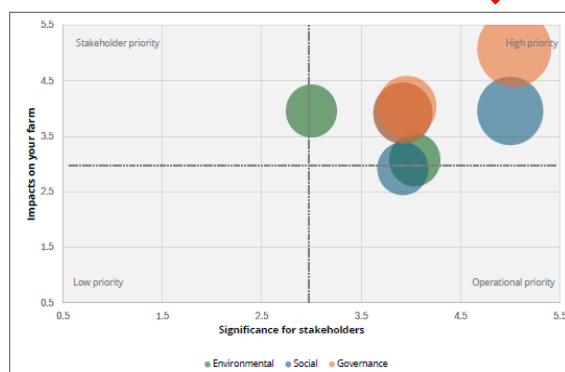
The matrix and the top-priority table will help you identify which integrated ESG and natural capital issues are the highest priorities for your farm and where further attention or action may be useful.

ESG on-farm Rapid Assessment

Double Materiality Assessment - Sugarcane

Materiality matrix - Farm assessment

Top material issue	Category	Impact	Stakeholder
Workplace health & safety	Social	5	4
Equal opportunities	Social	4	4
Risk management	Governance	4	4
Monitoring business performance	Governance	4	4
Profitability and cost pressures	Governance	5	5



Importantly, there are no right or wrong answers. The aim is to reflect your farm reality and support practical decision-making over time.

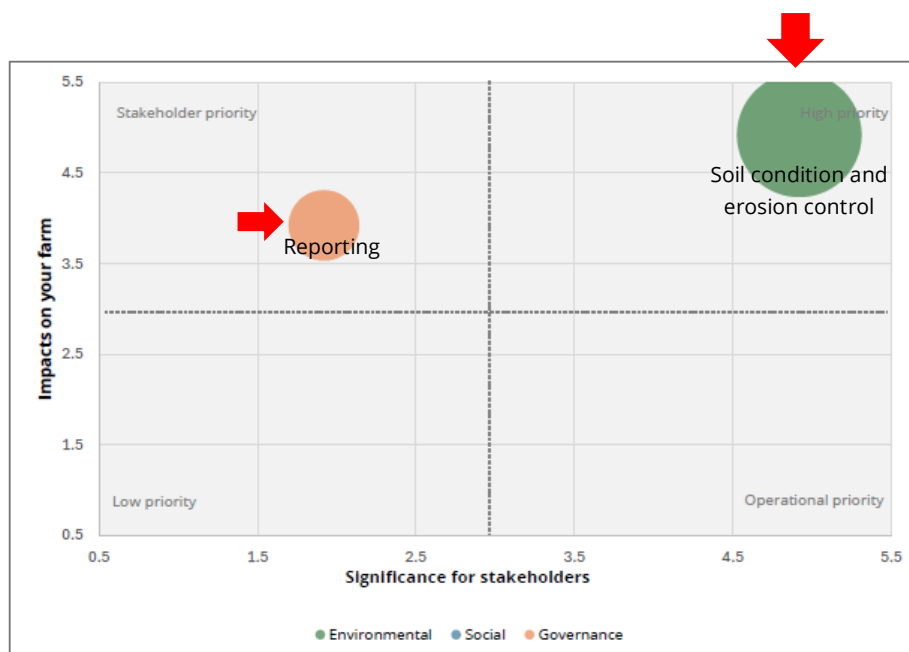
4. How to interpret your materiality matrix?

The materiality matrix is a practical decision-support tool that helps translate the assessment into clear priorities. It compares the significance of each issue to your farm with its importance to stakeholders, helping you see where priorities align and where different perspectives may need to be considered.

Issues in the top-right high-priority quadrant are rated as highly significant both to the farm and to stakeholders. These are usually the issues that warrant the closest attention because they may influence productivity, risk, resilience, compliance, market expectations or longer-term business decisions. Other quadrants are also informative, including stakeholder priorities that the farm currently rates lower and farm priorities that may not yet be highly visible externally.

For example, if **soil condition and erosion control** 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 a priority to review groundcover management, erosion control practices, or paddock design.

Similarly, if an issue such as **reporting** appears in the top-left stakeholder-priority quadrant, it may currently be rated as less significant by the farm while still being important to external stakeholders and future market access, compliance or supply-chain requirements.



Rather than viewing the matrix as a static result, it should be used as a decision-support tool. It can guide planning, help prioritise actions, and support communication with advisors, industry, and supply chain partners. Over time, revisiting the matrix allows you to track changes, reflect improvements, and adapt to new challenges and opportunities.

Importantly, producers should pay particular attention to issues appearing in the upper sections of the matrix (top-left and top-right quadrants). These represent topics considered highly important by stakeholders and may increasingly influence market expectations, reporting requirements, compliance, supply chain relationships, or future business opportunities. Even where some issues do not currently have a major operational impact on the farm, they may become increasingly important over time.

Materiality tells you what matters most. It does not tell you whether your current performance is good or poor. Once priority issues are identified, the next step is to review current practices or establish an appropriate baseline before deciding what action is needed.

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. You can improve productivity, manage risks, reduce environmental pressures and strengthen the natural systems that support your farm.

5.1. Practical ways to reduce environmental impacts and become nature- positive

The actions below outline practical ways to reduce environmental impacts while supporting the health of soils, water, and ecosystems. By focusing on the most relevant actions for your farm, you can improve productivity, manage risks, and contribute to more nature-positive outcomes.

5.1.1. Land and freshwater use change

Land use for production	Use land according to its capability and avoid expanding production into areas that are highly sensitive, erosion-prone, or important for biodiversity. Prioritise better management of existing production areas before considering expansion. Protecting remnant vegetation and maintaining groundcover can reduce erosion risk and support long-term productivity
Freshwater use	Protect creeks, wetlands, floodplains, and drainage lines by keeping buffer areas vegetated, avoiding cultivation too close to waterways, and managing runoff so that nutrients, sediment, and chemicals are less likely to enter water bodies. Queensland wetland guidance also supports fencing, careful drainage design, and avoiding disturbance in wet areas
Clearing or changing land use	Avoid unnecessary clearing and retain native vegetation where possible, especially riparian vegetation and other high-value natural areas. In addition to biodiversity benefits, these areas help stabilise banks, filter runoff, and reduce sediment and nutrient losses

5.1.2. Climate change

Reduce carbon emissions	Focus on the main sources of emissions in cane systems: nitrogen fertiliser, fuel use, and irrigation energy. Practical actions include improving nitrogen efficiency through Six Easy Steps, reducing unnecessary passes, improving irrigation efficiency, and considering lower-emission energy sources where feasible. SRA notes that irrigation electricity can be a significant share of raw sugarcane emissions in irrigated systems
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5.1.3. Resource use

Water use	Improve irrigation scheduling, maintain irrigation infrastructure, and adopt water-efficient systems where appropriate. Better scheduling can reduce both water losses and pumping costs, but changes should be assessed carefully because some water-saving technologies can increase energy use if not well matched to the farm system
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5.1.4. Pollution

Fertiliser application	Match nutrient inputs to crop needs using recognised approaches such as Six Easy Steps, soil testing, and realistic yield targets. Place nutrients carefully, avoid excess application, and time applications to reduce the risk of runoff and losses. In the Reef catchments, reducing excess nitrogen and phosphorus is a major priority for improving water quality
Pesticide application	Use integrated pest management where possible, select products carefully, and pay close attention to timing, weather conditions, and application method. Avoid spraying before rainfall and manage runoff pathways to reduce pesticide movement off-farm. Reef science reports identify pesticide losses as a key water quality issue and support established practices to reduce exports
Solid waste	Reduce waste generation, separate waste streams, recycle where possible, and safely store and dispose of farm chemicals, containers, oils, and other materials. Composting or reusing suitable organic materials can also reduce disposal needs. Queensland wetland and farm management resources emphasise avoiding waste disposal practices that can contaminate soils or waterways
Noise or light pollution	Manage timing and location of noisy activities where possible, maintain machinery to reduce noise, and use lighting only where needed. Good communication with neighbours and workers can also reduce impacts on nearby communities. While less prominent than nutrient and sediment issues, these practices support broader social and environmental management

5.1.5. Biodiversity

Natural ecosystems	Retain and manage remnant native vegetation, riparian zones, wetlands, floodplains, and regenerating areas. These areas provide habitat, improve water quality, stabilise soils, and support resilience on-farm. Australian reports consistently recognise these areas as important natural assets in agricultural landscapes
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5.1.6. Energy

Energy use	Track where energy is being used, especially in irrigation and pumping. Improve pump performance, schedule irrigation efficiently, maintain equipment, and consider upgrades where savings justify the cost. Australian sugarcane studies show energy from irrigation can be a large share of costs and emissions
Renewable energy	Consider renewable options such as solar where they suit the farm system and economics. These can help reduce reliance on grid electricity or diesel, especially when paired with efficient irrigation and pumping systems. Industry roadmaps also point to increasing opportunities for bioenergy and renewable innovation across the sugar sector
Diesel consumption	Reduce diesel use by improving traffic management, reducing unnecessary machinery passes, maintaining equipment, and planning operations efficiently. Fuel use can also be lowered through better irrigation system design and more efficient field operations

5.1.7. Invasive species

Introduction of invasive species	Monitor and control weeds, pests, and diseases early. Use clean equipment, follow biosecurity practices, and avoid spreading invasive species between blocks or farms. SRA resources highlight weed management and biosecurity as key components of practical farm management
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5.2. Practical ways to address social issues

Social factors are about how people are treated on the farm and how the farm interacts with the wider community. Good social practices support a safer workplace, stronger relationships, and a more resilient farm business.

Engagement with local community	Maintain open and regular communication with neighbours and the local community, particularly around farm activities that may affect others (e.g. spraying, harvesting, noise). Participate in local events, industry groups, or community initiatives where possible, and respond proactively to concerns to build trust and maintain positive relationships
Engagement with Traditional Owners	Engage respectfully with Traditional Owners by recognising cultural values and connections to land. Where relevant, seek advice before undertaking activities that may affect culturally significant areas, and look for opportunities to build long-term relationships and collaborate on land management practices

Workplace health and safety	Implement clear safety procedures, provide training for all workers, and ensure equipment is well maintained. Identify and manage risks (e.g. machinery, chemicals, fatigue), and encourage a culture where safety is prioritised and concerns can be raised openly
Fair wages	Ensure all workers are paid fairly and in line with industry standards and legal requirements. Keep clear records of employment arrangements and payments and communicate expectations transparently
Non-discrimination	Promote a respectful and inclusive workplace by treating all workers fairly, regardless of background, gender, or other personal characteristics. Address any inappropriate behaviour promptly and set clear expectations for respectful conduct
Equal opportunities	Provide fair access to training, skill development, and job opportunities. Encourage workers to build skills and take on new responsibilities where possible, supporting long-term workforce development
Psychological hazards	Recognise and manage stress, workload, and mental health risks, particularly during busy or challenging periods. Plan workloads realistically, allow for rest, and create an environment where workers feel comfortable discussing concerns
Health and wellbeing	Support the physical and mental wellbeing of workers and family members by promoting safe work practices, work-life balance, and access to support where needed. Building resilience is important, especially in the face of seasonal and financial pressures

5.3. Practical ways to strengthen governance

Governance factors focus on how your farm business is managed in practice. Strong governance helps improve decision-making, reduce risks, meet requirements, and identify opportunities, supporting both short-term performance and long-term sustainability.

Farm planning and record-keeping	Keep records simple, consistent, and useful for your own decision-making, not just for compliance. Use tools that integrate production, financial, and environmental data where possible, and update records regularly to support planning and reporting
Good management	Set clear roles and responsibilities, plan activities ahead of time, and make decisions based on practical farm conditions, costs, and risks. Regularly review farm performance and involve workers and family members in decision-making where appropriate
Succession planning	Start planning early and involve family members in discussions about the future of the farm. Clearly document roles, expectations,

	and transition plans to reduce uncertainty and support long-term business continuity
Risk management	Identify key risks (e.g. climate variability, input costs, market changes, regulations) and plan how to manage them. Use scenario planning where possible and diversify strategies to reduce exposure to single risks
Monitoring business performance	Track key indicators such as production, costs, and resource use to support better decisions. Focus on a small number of meaningful indicators that reflect both short-term performance and long-term sustainability
Productivity	Improve efficiency by matching inputs (e.g. fertiliser, water, labour) to production needs. Adopt practices that maintain or improve output while reducing waste and unnecessary costs
Profitability	Regularly review costs and returns to ensure the business remains financially viable. Prioritise actions that deliver both economic and environmental benefits and avoid practices that increase costs without clear returns
Regulatory compliance and reporting	Stay up to date with relevant regulations and reporting requirements. Where possible, align farm records with compliance needs to reduce duplication and minimise time spent on reporting
Traceability and certification	Keep clear and accurate records of production practices to support traceability. Understand the requirements of supply chain programs but focus on those that provide clear benefits or market access opportunities
Chain of responsibility	Understand your role within the value chain and what you are responsible for. Communicate with mills, contractors, and other partners to clarify expectations and reduce gaps or duplication in responsibilities
Value chain alignment and coordination	Engage with industry groups, processors, and other stakeholders to stay informed and aligned. Collaboration can help improve consistency, reduce reporting burden, and create shared value across the supply chain
New markets	Explore opportunities such as carbon, natural capital, or sustainability-linked markets carefully. Assess costs, risks, and benefits before participating, and prioritise options that align with your farm system and capabilities
Financial support and incentives	Seek out grants, incentives, and programs that support environmental improvements or innovation. These can help offset costs and reduce financial risk when adopting new practices
Data standardisation	Use simple and consistent data systems to avoid duplication and reduce reporting effort. Where possible, choose tools that align with industry standards and can be used across multiple programs
Access to information and decision support	Use trusted sources of information, including extension services, industry groups, and advisors. Practical, easy-to-use tools and advice can support better decisions and reduce complexity

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