



ANNUAL REPORT 2022

beef+lamb
new zealand

By Farmers. For Farmers™



By Farmers. For Farmers™

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CHAIRMAN AND CEO'S *Report*



Andrew Morrison
CHAIRMAN



Sam McIvor
CEO

It has been a challenging year, but the last 12 months have demonstrated the resilience of the red meat sector and the importance of sheep and beef farmers to this country.

At the beginning of 2022, farmers excelled in the face of COVID-19 and processing constraints, while many also dealt with severe floods and droughts.

Despite these constraints, farmers and processors continued to deliver – on average supporting their communities with approximately \$100m of farm-related expenditure every week.

Domestically, this year has been dominated by an overwhelming volume of environment-related policy proposals and regulatory changes. Key areas of focus included agricultural emissions pricing, carbon farming, and freshwater and biodiversity rules.

Our message to the Government was clear throughout – farmers are committed to environmental stewardship and to doing their bit, but they must be supported rather than hindered by regulation.

Our sector has a proud and proven record of lifting our productivity and profitability while at the same time improving our environmental footprint. As B+LNZ-commissioned research released in November confirmed, the carbon footprint of New Zealand beef and lamb is among the lowest in the world.

However, the speed, scale, impracticality, and disconnectedness of these rules has been unreasonable, and understandably overwhelmed farmers. No other sector is facing this level of change.

Probably the single biggest area of focus for B+LNZ this year was agricultural emissions pricing.

New Zealand is the first country in the world to legislate pricing agricultural emissions. B+LNZ, along with its partner organisations, committed to the He Waka Eke Noa Primary Sector Climate Action Partnership as an alternative to the Emissions Trading Scheme (ETS), which would result in a better outcome for our farmers.

The He Waka Eke Noa recommendations were informed by farmer feedback. However, as 2022 ended there was still substantial work to be done to ensure an

acceptable outcome for sheep and beef farmers. We will not accept an outcome that puts the viability of sheep and beef farmers at risk.

Despite significant challenges, the sector remains a standout for New Zealand's economy. In the 12 months ending in September 2022, the red meat sector earned approximately \$32.7 million in foreign exchange earnings every day.

As borders reopened, we continued our work to strengthen key relationships internationally with visits to UK, EU and US. Our work on global forums provides a shared voice on the future sustainability of our sector.

We also worked with the Government on the finalisation of Free Trade Agreements (FTA) with the UK and EU, which means increased access for our exports.

When they come into force, 73 percent of the sector's trade will be covered by FTAs. The UK FTA represents a significant boost for our farmers and exporters with lamb and beef eventually allowed quota and tariff-free access for the first time in decades. B+LNZ's intelligence, analysis and advocacy played a key role in these FTAs being secured.

In total, our sector exported to 108 countries in 2022, while the Taste Pure Nature programme continues to grow awareness and aspiration to buy grass-fed beef and lamb in the US and China.

This year B+LNZ provided critical extension programmes through webinars, podcasts, and resources to thousands of farmers, including more than 250 Greenhouse Gas (GHG) calculator and action plan workshops attended by 8,800 farmers.

Meanwhile, our research team continues to deliver important projects and programmes across animal health, productivity and genetics, environmental health and mitigations (greenhouse gas) and landscape management.

It's important for New Zealand that the red meat sector performs well, because it generates more than \$12 billion in income annually and supports 92,000 jobs (4.7 percent of total national employment) and communities.

But pragmatic policy and regulatory settings are critical. We'll keep pushing the Government on these, while continuing to support our farmers on the ground so they can get on with doing what they do best – producing world-leading sustainable premium food.

BOARD OF DIRECTORS

Farmers elect six of the B+LNZ Directors, representing three electorates in the North Island and three in the South Island. Their terms are for three years and elections are rotated. Two directors are appointed from the meat industry and an independent director as well as an associate director also sits on the board.



MARTIN COUP

Farmer-elected Director,
Northern North Island

Served since: 2018
Term expires: 2024
07 877 7885
027 232 5254
martin.coup@beeflambnz.com

Martin farms a 700ha sheep and beef property at Aria (King Country).



SCOTT GOWER

Farmer-elected Director,
Western North Island

Served since: 2019
Term expires: 2025
027 449 2526
scott.gower@beeflambnz.com

Scott operates a 1,300ha hill country sheep and beef property in Ohura in the King Country.



GEORGE TATHAM

Farmer-elected Director,
Eastern North Island

Served since: 2014
Term expires: 2023
06 372 3609
027 244 4900
georgetatham@gmail.com

George farms a coastal Wairarapa sheep and beef breeding and finishing property, running 20,000 stock units.



KATE ACLAND

Deputy Chair,
Farmer-elected Director,
Northern South Island

Served since: 2021
Term expires: 2024
021 558 558
kate.acland@beeflambnz.com

Kate farms Mt Somers Station, a 30,000 s.u. property in the Mid-Canterbury foothills, as well as running a number of other rural businesses.



NICKY HYSLOP

Farmer-elected Director,
Central South Island

Served since: 2019
Term expires: 2025
027 474 4149
nicky.hyslop@beeflambnz.com

In partnership with husband Jonty, Nicky owns and farms Levels Estate, an intensive sheep, beef and arable irrigated property on the outskirts of Timaru.



ANDREW MORRISON

Chairman,
Farmer-elected Director,
Southern South Island

Served since: 2014
Term expires: 2023
03 207 1856
027 664 4620
andrew.morrison@beeflambnz.com

Andrew farms sheep and beef properties comprising 1033ha in Southland and Otago.



ALEX GUILLEUX

Processor-Exporter
Director

Served since: 2021
Term expires: 2024
027 592 1367
alex.guilleux@beeflambnz.com

Alex is current Managing Director of Corporate Value Associates (CVA), and has previously been a partner at PwC.



DAVID SURVEYOR

Processor-Exporter
Director

Served since: 2022
Term expires: Early 2023

David is Chief Executive of Alliance Group, a Director of The Lamb Company (North America), and a member of the Meat Industry Association Council. His term with B+LNZ will conclude in February 2023.



BAYDEN BARBER

Independent Director

Served since: 2020
Term expires: 2023
021 570 011
baydenbarber@gmail.com

Bayden farms Angus cattle on a 100-acre block in Hawkes Bay, has additional interests in forestry and drystock farming, and is a Hastings District Councillor. He whakapapas to Ngāti Kahugunu, Ngāphui, and Ngāi Tahu.



COURTNEY NIMMO

Associate Director

Served since: 2021
Term expired: 2022
027 495 6347
courtney.h.nimmo@gmail.com

Courtney farms sheep, beef and grain in South Otago. She also works for Ballance Agri-Nutrients as the Regional Sales Manager for the Lower South Island.

LEADERSHIP TEAM

B+LNZ's Leadership Team is responsible for each of the organisation's main focus areas, ensuring that we deliver on our vision of profitable farmers, thriving farming communities, valued by all New Zealanders.



SAM MCIVOR
Chief Executive Officer

Sam's priorities are to provide sound strategic leadership and management to B+LNZ; develop and recommend policies, strategies and actions to the Board that will enhance farmer levy investment and returns; and implement the approved policies and directives of the B+LNZ Board in the most effective and efficient manner.



CROS SPOONER
Chief Operating Officer

Cros is responsible for B+LNZ's Corporate Services which include people, financial, technology, and facilities management. The financial services role involves the provision of these services to the NZMB and DINZ. His experience is in the primary sector with general and financial management roles in commercial and industry good companies.



DAN BRIER
General Manager Farming Excellence, B+LNZ Genetics

Joining B+LNZ in June 2019 following six years working for Pāmu, Dan oversees B+LNZ's research and development investment portfolio and has responsibility for B+LNZ Genetics business unit.



NICK BEEBY
General Manager Market Development

Nick works with NZ meat processors, industry and exporters to develop and oversee implementation of global market development and Taste Pure Nature campaigns. Nick also manages B+LNZ's investment in the domestic market through B+LNZ Inc.



DAVE HARRISON
General Manager Policy and Advocacy

Dave is responsible for policy and advocacy, primarily the areas of environment policy and strategy, including biodiversity, technical policy and trade policy and access



ROWENA HUME
General Manager Communications, Engagement and Insight

Rowena leads the communications team and B+LNZ's engagement and public relations strategy, focusing on building influential relationships with key stakeholders. Rowena also leads the Economics and Insight team.



JASON GRIFFIN
Acting General Manager North Island

Jason took on the role of Acting General Manager - North Island following Corina Jordan's departure in July.

Jason has been B+LNZ Extension Manager for the Western North Island region since September 2015.



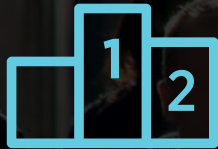
JOHN LADLEY
General Manager South Island

John joined B+LNZ in January 2018 as the General Manager South Island. He helps the Extension and Economic Service team throughout the South Island deliver for our farmers. John also oversees B+LNZ's investment in industry training.

INDUSTRY SNAPSHOT

The New Zealand sheep and beef sector is a productive, value adding, innovative and forward looking sector.

Our vision is to be the world-leading producers of sustainable red meat.



The sector is NZ's largest manufacturing industry and second largest goods exporter



More than 90% of production is exported to more than 120 countries



Red meat and co-product exports worth \$11.48 billion, and raw wool adding another \$452 million



The sector has 92,000 employees, 36,000 directly and 56,000 indirectly employed



New Zealand sheep and beef farms cover 8.8 million hectares of occupied land (a third of the country's land mass)



Approximately 93% of commercial sheep and beef farms are owner-operated

Stock numbers (2021)

Sheep

26m



50%
North Island



50%
South Island

Beef cattle

4.0m



70%
North Island



30%
South Island

Dairy cattle

6.2m



60%
North Island



40%
South Island

GLOBAL SITUATION

As the overwhelming bulk of New Zealand's sheep meat and beef is exported, it's vital we understand global trends and their implications for the sector. While there are significant changes happening there are also opportunities if we position ourselves properly.

MARKET TRENDS AND FORCES



Global population forecast to grow by 1 billion more people by 2030



Animal protein demand forecast to double by 2050



Increasing consumer concerns about industrial food production and climate change



Quickening pace of development and increasing popularity and commercialisation of alternative proteins



Growing demand for grass-fed, hormone and GMO free red meat

Labelled grass-fed sales have been increasing by 20–30 percent per year, and there is growing interest in regenerative and low-carbon red meat.

OUR RESPONSE AND SECTOR PRIORITIES

Environment Strategy

Being responsible stewards of the land underpins everything we do, and we're focused on having cleaner water, being carbon neutral by 2050, supporting thriving biodiversity, and having healthy productive soils.

Taste Pure Nature

This origin brand is a global platform to underpin exporters' marketing programmes and enhance the positioning of New Zealand's red meat.

Farm Assurance Programme

All New Zealand beef and lamb that carries the Taste Pure Nature origin brand is underpinned by a nationwide quality assurance system called the New Zealand Farm Assurance Programme.

Innovative research and farm extension

B+LNZ is investing significantly in research and farm extension initiatives to improve productivity, environmental impact, and profitability.

Open markets

Open and predictable market access is vital for the on-going success of our export-focused sector, as it creates a stable and level international playing field.

Policy advocacy

Ensuring practical and fit-for-purpose systems in food safety, animal welfare, biosecurity, health and safety, and environmental standards.

Our sector underpins the New Zealand economy

The New Zealand sheep and beef sector is a vital driver of the New Zealand economy and prosperity. On every measure, the way we produce beef and lamb is economically, socially and environmentally sustainable – and delivered within the limits of the land. The sector has led the economy in terms of productivity and value-add gains. We are confident the sector will continue to innovate and grow in value in an environmentally sustainable way.

In the past 30 years the sector has transformed itself. Since 1990, export values have doubled while at the same time halving the number animals needing to be farmed. This is a story of efficiency gain and value adding. On-farm and processing innovations have delivered massive eco-efficiency improvements, while driving economic gain.



Productivity and eco-efficiency gains



In 1990 the average weight of a lamb carcass was 14.4kg
The average weight of a lamb carcass now is 19kg



In 1990 the average ewe lambing percent was 100.
On average now it is 132 lambs born per 100 ewes



In 1990 lamb exports were 47% carcasses and 53% cuts
Lamb exports are now 2% carcasses and 98% cuts



In 1990 8% of lamb exports were in high value chilled form
13% of lamb exports are now in high value chilled form



Since 1990-91, the beef breeding cow herd has slowly integrated with the dairy herd, which now provides 53 percent of calves reared as dairy-beef for production on sheep and beef farms, bringing efficiency for beef production.



Our sector is a leader in environmental sustainability

Climate change

Our sector is committed to playing its part in keeping global warming within the parameters of the Paris Agreement.



Our sector has a goal of being carbon neutral by 2050 and is already a long way towards this objective.



Our farmers have reduced their absolute greenhouse gas

BY **OVER 30%** since 1990

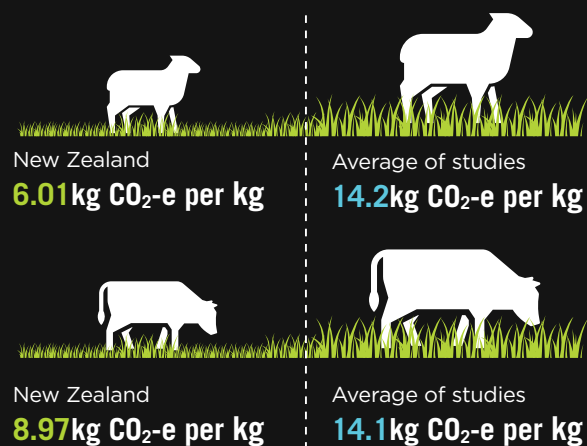


Of the remaining emissions, a substantial amount is being offset by the significant areas of carbon-sequestering woody vegetation on our sheep and beef farms (around 2 million hectares, or 20 percent, of sheep and beef farmland is covered by woody vegetation).¹



¹An analysis of carbon stocks and net carbon position for New Zealand sheep and beef farmland. Bradley Case and Catherine Ryan: Auckland University of Technology, 3 September 2020

The carbon footprint of New Zealand sheep and beef production (on-farm Life Cycle Analysis) is amongst the lowest in the world.¹



Combining GWP* with on-farm trees and woody vegetation (which sequesters carbon) sheepmeat has not added any additional warming in the last twenty years and has been arguably '**climate neutral**'.

¹Estimates by B+LNZ using NZ LW and global CW figures in research by Stewart Ledgard: AgResearch, 2021

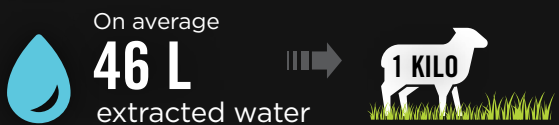
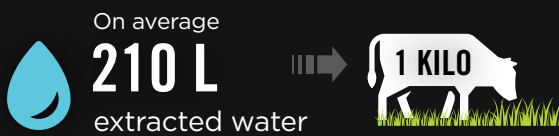


Water

Sheep and beef production is one of the most sustainable forms of agricultural production in New Zealand. From a water perspective, we can work within the limits of the land.

Most New Zealand sheep and beef production relies almost entirely on rainwater and grass/pasture feeding. Grain-fed production, as is often standard practice overseas, is very uncommon in New Zealand.

The sector uses very little extracted water (i.e. irrigation or water in processing).²

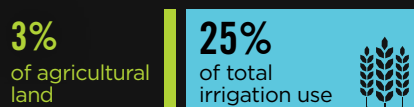


These are both a fraction of the water footprint of grain fed red meat production globally and compare favorably to plant-based production.

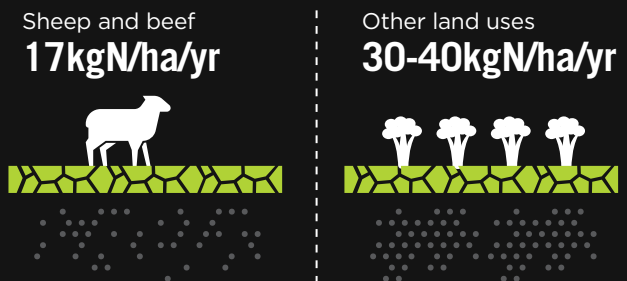
NZ Sheep and beef production



NZ Horticulture/arable



New Zealand sheep and beef production nitrogen leaching rates are on average the lowest of any form of food production.



The sector has an average nitrogen leaching rate (as modelled by OverseerFM) of 16kgN/ha/yr. On other farming systems, the average nitrogen leaching (as modelled by OverseerFM) is closer to 30-40kgN/ha/yr depending on the land use and soils, and can be as high as 100kgN/ha/yr for some horticultural crops.

The more common water quality issues associated with sheep beef production are e-coli; sediment; phosphorus and impacts from winter grazing. While there are still issues that need to be addressed, nearly every one of these indicators has been improving in the last 30 years.

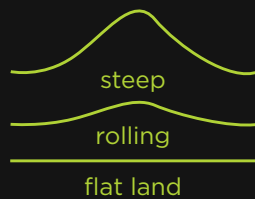
²Zonderland-Thomassen et. al., 2014



Land & biodiversity

Sheep and beef farmers are kaitiaki (guardians) of 1.4 million hectares of native vegetation on their farmland – that’s almost 10 percent of New Zealand’s total land area, or 24 percent of New Zealand’s total native vegetation – and they continue to protect and enhance biodiversity.

New Zealand’s sheep and beef farms contain a mosaic of land types and uses.



93%



93 percent of the land that remains under sheep and beef production in New Zealand is unsuitable for cropping or horticulture because it is rolling or steep.



There is concern globally about the amount of land used for livestock production and deforestation as a result of increased livestock production. In New Zealand’s sheep and beef sector, the trend has been in the opposite direction.



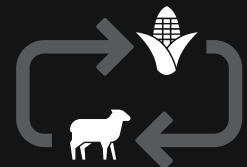
2.8m ha native vegetation on sheep and beef farms

A quarter of New Zealand’s native vegetation is found on sheep and beef farms, covering 2.8 million hectares. Much of this is regenerating native bush and the sector is committed to continuing to build the biodiversity on our farms.



Since 1990, the land used for sheep and beef production in New Zealand has decreased by 4.3 million ha from 12.5 million ha to 8.2 million ha. This land use change has seen the largest amount converted to conservation, while land used for dairying, forestry, lifestyle, and urban development has also taken a significant amount.

Additionally, most sustainable cropping systems rely on livestock production. The two production types complement each other.



These cropping systems leave the land fallow for a period of time and rotate livestock onto those paddocks to rebuild the soil naturally through manure. This is why most arable farmers in New Zealand are also sheep and beef farmers.

HOW WE ARE

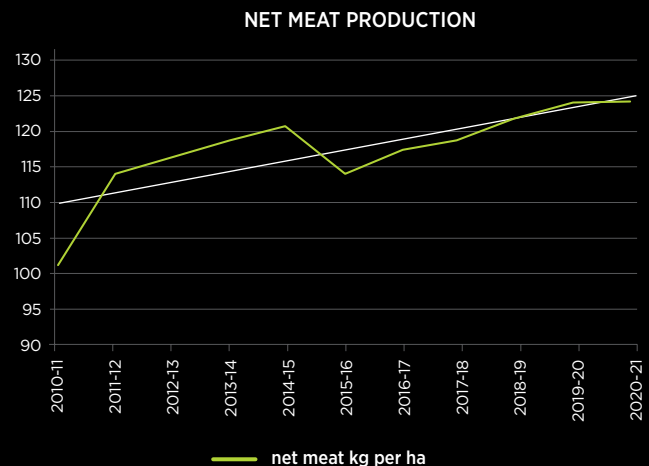
We have identified some key indicators to measure how we are tracking as an organisation. These performance indicators and their associated goals are a combination of on-farm productivity and profitability, confidence in the future of the sector, and farmer satisfaction and awareness of our activities. Collectively they provide a snapshot of sheep and beef sector health and how well we are achieving our core principle of being genuinely ‘By Farmers. For Farmers.’

Sheep and beef farmers are improving productivity

↗ Net meat production per ha is 23% higher than 10 years ago

Net meat production for the All Classes Sheep and Beef Farm was 125 kg per hectare for 2020-21; steady on 2019-20 production per hectare.

Net lamb production per ha was static on 2019-20 while net cattle meat production increased slightly. More cattle were retained on farm following drought for the East Coast and Marlborough-Canterbury regions in summer-autumn 2020.



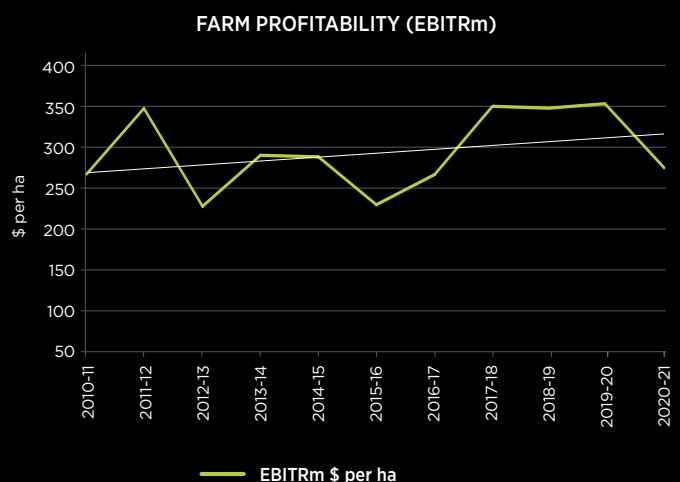
Source: B+LNZ Economic Service All Classes Sheep and Beef Farm (p) provisional

Sheep and beef farmers adapt to climate and markets

↘ Decrease by more than 20% from 2019-20

Earnings before Interest, Tax, Rent and paid managers salary (EBITRm) on average for the all farm classes Sheep and Beef Farm was \$273 per ha for 2020-21, decreasing by more than 20% from 2019-20. The main driver for reduced profit was a decrease in sheepmeat revenue, although wool and beef prices also decreased. Farmgate prices were at high levels in 2019-20 but fell during the 2020-21 season and the global pandemic added to market woes. Wool prices continued to decline and wool revenue contributed less than 5% of gross farm revenue on average.

Farm Working Expenses increased slightly (+1%) as farmers curtailed spending due to lower farmgate prices.



Source: B+LNZ Economic Service All Classes Sheep and Beef Farm (p) provisional

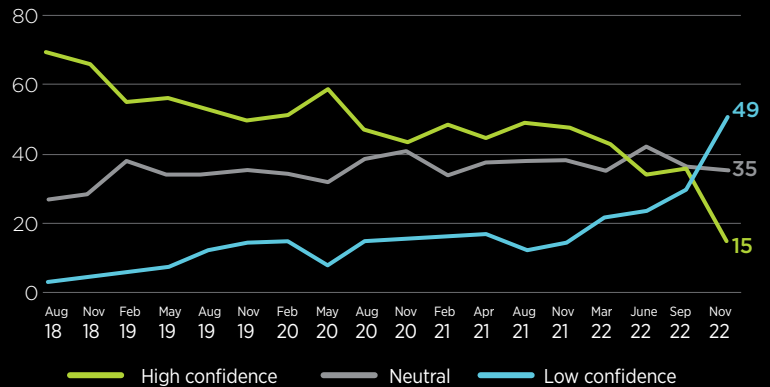
TRACKING

Snapshot
November 2022

Industry confidence **15%**

Demand for food no competition in face of anger at regulations

Despite good prices and an awareness of ongoing strong demand for their high-quality product, sheep and beef farmers' confidence in the future of the sector has plummeted in the face of government regulations and decision making.



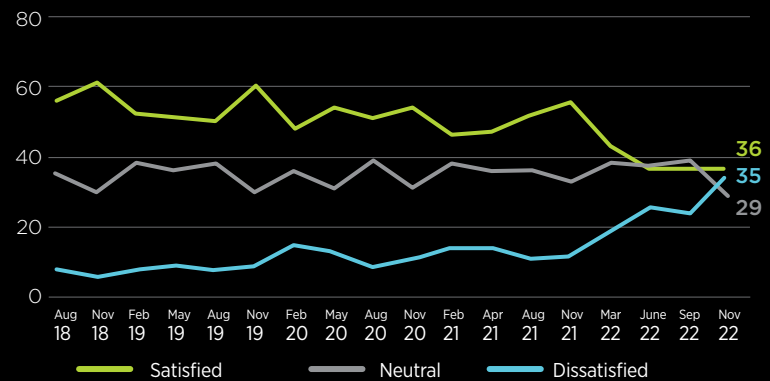
*Stated percentages do not add to 100 due to rounding.

Source: B+LNZ commissioned UMR quarterly survey of levy paying sheep and beef farmers

Satisfaction with B+LNZ **36%**

Farmer satisfaction has dropped throughout the year

While the number of farmers who are satisfied or neutral remains relatively strong, dissatisfaction has increased. This is as expected, because we usually see a fall in satisfaction with B+LNZ when industry confidence falls. The drop is primarily driven by concerns about advocacy areas.

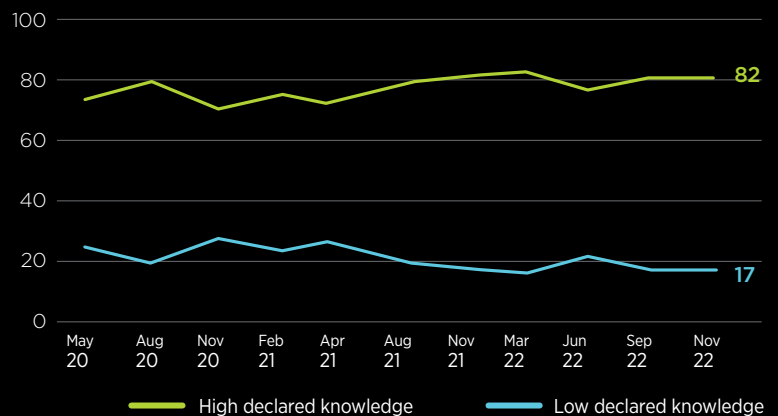


Source: B+LNZ commissioned UMR quarterly survey of levy paying sheep and beef farmers

Knowledge of what B+LNZ does **82%**

Farmers remain aware of B+LNZ

Having reached high rates of awareness through extension work and utilisation of online channels, the percentage of farmers aware of B+LNZ's work remained stable.



Source: B+LNZ commissioned UMR quarterly survey of levy paying sheep and beef farmers

Our strategy

Vision

Sustainable and profitable farmers, thriving rural communities, valued by New Zealanders

Purpose

Insights and actions driving tangible impact for farmers

Principles

How and why we do what we do



By Farmers. For Farmers

Partner for impact

Activities your levies support

The following section outlines the key areas B+LNZ will be investing in on your behalf to grow a stronger future for our farmers.



Championing the sector

Priorities

The how



Championing the sector

Our farmers are celebrated as the world's best red meat producers.

We position the sector to be respected and supported by New Zealanders and have policies that enable our farmers.



Supporting farming excellence

Our farmers run sustainable, profitable, farming systems.

We support farmers to achieve this by delivering the world's best research, innovation and extension.



Increasing market returns

Our farmers receive increased value from our sustainable farming systems and natural grass-fed beef and lamb.

We identify and create market opportunities, dismantle barriers, and grow consumer preference for New Zealand beef and lamb.

Insights driven

Know our communities

Outcomes not outputs



Supporting farming excellence

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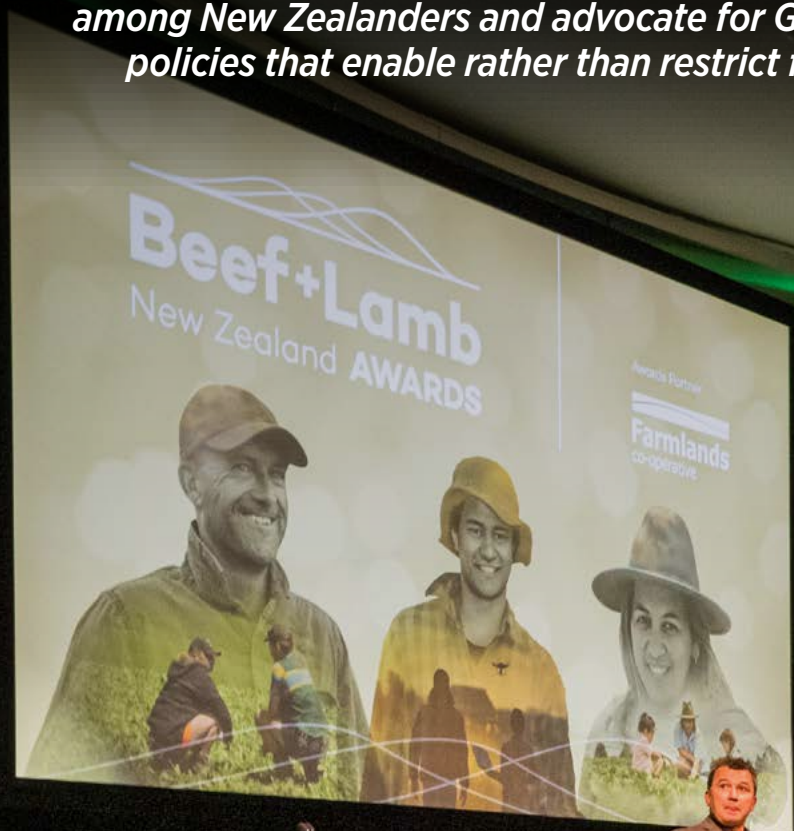
Increasing market returns

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Championing the sector

B+LNZ promotes our farmers as the world's best red meat producers – we build respect and support among New Zealanders and advocate for Government policies that enable rather than restrict farmers.



Total levy Investment* in this strategic pillar was \$6m for 2022. The following table is a summary of the key initiatives within this pillar.

Name	Description	Contribution to strategic priority
Trust and Reputation / Communications	\$1.65 million	
Keeping farmers informed	Understand the needs of the sector, keep farmers informed and connected.	
Telling the Farmer Story	Tell a strong story about the value of farming and contribution to thriving rural and regional communities.	
Advocacy on National & Regional Policy	\$4.39 million	
Insights & Risk Management	Proactively identify and develop insights that drive action on risks and opportunities for farmers and the sector.	Advocate on policy issues on behalf of farmers and increase public understanding and support for farmers.
Biosecurity	Strengthen and improve our livestock traceability systems, and update New Zealand's preparedness planning for FMD.	
Environmental data, insights, and policy advocacy	Build B+LNZ's environmental data and insights to inform policy advocacy and communications, as well as to enable us to participate and lead sector initiatives such as He Waka Eke Noa.	

** Levy Investment is the total cost of the programme including operating costs (people, rent, vehicle & travel) and project costs, offset by any third party programme income*



Championing the sector

Key achievements in 2022

- Released new Life Cycle Analysis (LCA) research that shows New Zealand beef and lamb has one of the lightest carbon footprints for red meat in the world.
- Ran the highly successful inaugural Beef + Lamb New Zealand Awards.
- Kept agriculture out of the ETS and, with other sector groups in He Waka Eke Noa, are developing a better alternative for farmers.
- Released updated independent research on the scale of whole-farm sales for carbon farming and led the public conversation to raise awareness and call for solutions.
- Lifted engagement with Māori farmers through the Ahuwhenua Awards and dedicated roles to support Whenua Māori levy payers in Waikato, Maniapoto, Tuwharetoa and Tairāwhiti rohe.

INFLUENCING POLICY

Agricultural emissions pricing

Agricultural emissions pricing, and our work as part of the He Waka Eke Noa Primary Sector Climate Action Partnership, was one of the main areas of focus for B+LNZ, its farmers and partners, throughout 2022.

Our initial objective was to keep agriculture out of the ETS, through development of an alternative pricing system that worked better for farmers and growers.

In February and March 2022, we gathered farmer feedback through DairyNZ/B+LNZ roadshow events and national and regional webinars, to inform our work as part of the partnership.

The partnership delivered its recommendations for a split gas farm-level levy on emissions with built-in incentives to reduce emissions and sequester carbon to the Government on 31 May.

The Government released its response to the partnership's proposal

for consultation in October and November. B+LNZ and other sector groups strongly opposed because the changes made fundamentally altered the balance of the partnership's recommendations and disproportionately affected sheep and beef farmers.

B+LNZ will not accept an outcome that affects the viability of sheep and beef farmers.

To support farmers in responding to the Government's consultation, B+LNZ produced a prewritten submission template, which was downloaded around 2,700 times – nearly half indicated that they used their own words or individual examples – and another template that was downloaded 700 times. B+LNZ also ran, or spoke at, 46 events which were attended by more than 1,500 farmers over this period.

Following this consultation and further work, the Government announced it intended to introduce a system more closely aligned with the partnership's recommendations in late December 2022.

Methane targets

B+LNZ continues to call on the Government to report annually on new warming as well as gross emissions, and in 2022 started work on a strategy with Federated Farmers and DairyNZ to get the Government to amend New Zealand's methane reduction targets to ensure they are aligned with the science around preventing additional warming.

While it is positive that New Zealand has separate targets to reflect the difference between short-lived gases like methane and long-lived gases like carbon dioxide, the current targets are too high and are asking agriculture to do more than its fair share.

Legislation requires the targets to be reviewed in 2024 and we continue to push for the latest science to be applied to this review, citing the recent IPCC recognition of GWP* as a change in scientific understanding of climate change.



Carbon farming

There has been a major increase in awareness and concern over the scale and pace of whole-farm land use change from sheep and beef farming to carbon farming, but the Government has so far failed to act decisively.

In 2022, the Government proposed some measures intended to address the problem, but none of these went far enough – proposed changes to the permanent forestry category of the ETS were later placed on hold.

This reversal, in July, was confusing given it came in the same week as the Climate Change Commission provided stark advice that emissions are being offset instead of being reduced, and that the ETS is “likely to deliver mostly new plantation forestry rather than gross emission reductions”.

B+LNZ continues to call for specific limits on the amount of offsetting fossil fuel emitters in the ETS. These limits are URGENT before too much productive sheep and beef farmland is converted into forestry. New Zealand and Kazakhstan are the only countries that allow 100% offsetting.

We also acknowledge other policy responses will be necessary. In February we were part of a Green Paper by former Hastings Mayor and MP Lawrence Yule that outlined the extent of the problem and policy areas for urgent investigation to address the issue.

In November, research commissioned by B+LNZ and Federated Farmers found 54 percent of New Zealanders support limits on the amount of fossil fuel emissions that can be offset with new pine forests. Almost two thirds of Kiwis oppose foreign companies buying New Zealand farms to offset their emissions.

Research also released by B+LNZ in November, found that more than 52,000ha of land was purchased by forestry interests in 2021, a 36 percent increase on the previous two years, and up from 7,000ha in 2017. This is far more than the 25,000ha a year of exotics that the Climate Change Commission has suggested are needed to achieve New Zealand’s climate change objectives.

B+LNZ is not anti-forestry and sees huge opportunities for the integration of trees on farms. However, we continue to call for urgent action on the scale and pace of whole farm sales into carbon forestry, which are gutting rural communities.

Freshwater

B+LNZ continues to push for changes to the unworkable aspects of the freshwater-related rules.

Along with other industry-good organisations we called for the delay of the Intensive Winter Grazing regulations because the Freshwater Farm Plan pathway is not yet available. The rules came into effect on 1 November after the Government refused to put them on hold, despite its failure to implement crucial elements leading many farmers down an expensive consent process.

While we are highly disappointed the Government did not listen and pushed on with these unworkable regulations, our focus now includes supporting farmers to understand requirements. We also continue to call for the flawed low-slop map for stock exclusion to be removed and replaced with a more effective general rule designed to accommodate regional differences.

Biodiversity

Throughout 2022, B+LNZ continued to raise concerns about the National Policy Statement on Indigenous Biodiversity (NPSIB) and called for this policy process to be paused.

The Government released an exposure draft of the NPSIB legislation in July 2022. In its joint submission with Deer Industry New Zealand (DINZ), B+LNZ noted that while minor changes had been made, fundamental issues remained.

Our main concern was the criteria for identifying SNAs was still too broad and would unintentionally turn biodiversity into a liability for farmers – a position backed by leading experts such as Professor David Norton.

With huge swathes of farmland already covered in native biodiversity due to the efforts of farmers, making this a liability would be counterproductive to New Zealand’s biodiversity protection.

The resulting restrictions would have enormous ramifications for our industry and existing pastoral use.

In September, we arranged for Ministry officials to visit a farm to see first-hand the implications of the proposed criteria.

In November, we renewed our ongoing calls for the Government to pause the release of the NPSIB and demanded an urgent review of the cumulative financial and social impacts of the Government’s environmental agenda on farmers and rural communities.

At the time of writing, the final NPSIB has not been released.

Our regional policy work included:

- Pushing for better outcomes for farmers in the Waikato in the Environment Court proceedings relating to Plan Change 1
- Taking a strong stance in the Otago Regional Policy Statement (first to be notified under new freshwater processes)
- Participating in Environment Court hearings relating to an Environment Southland plan change.

Formal submissions made in the past year:

- Proposed changes to intensive winter grazing regulations discussion document
- Proposed changes to wetland regulations discussion document
- Proposed changes to wetland regulations exposure draft
- Proposed changes to the National Environmental Standard for Human Drinking Water
- National Policy Statement for Indigenous Biodiversity exposure draft
- Managing Exotic Afforestation Incentives discussion document
- Emissions Reduction Plan
- Draft National Adaptation Plan
- Greater Wellington Regional Policy Statement Change 1
- Te Tai o Poutini Plan Exposure Draft (West Coast)

TELLING THE SECTOR STORY



Making Meat Better aims to help consumers of New Zealand beef and lamb make more informed decisions - by providing proven, fact-based information about New Zealand farming methods and their health, environmental and economic results.

Over the past year, Making Meat Better social channels have had over 4.78 million impressions, reached over 1.18 million people, and created 6,540 engagements. The website has been viewed 59,031 times.

New Zealand beef and lamb carbon footprint

In November, we released the latest study on the carbon footprint of New Zealand sheepmeat and beef (including dairy beef) production.

The study was commissioned by B+LNZ and MIA and undertaken by world leading experts on Life Cycle Assessment (LCA) at AgResearch.

countries compared in the study.

The research received substantial coverage in the media and was shared extensively on social media and will be used as part of marketing our red meat internationally.

The LCA was calculated using the standard GWP100 approach for converting methane to carbon dioxide equivalent to enable valid international comparisons.

AgResearch scientists also measured the carbon footprint of New Zealand beef and sheepmeat using an emerging approach known as GWP*, which determines a carbon footprint based on a product's actual contribution to the warming of the planet over a period of time rather than total emissions.

The calculation using GWP* for the period 1998 to 2018 showed that when taking into account sequestration New Zealand's sheepmeat is arguably 'climate neutral' and New Zealand beef is also well on the way towards that.

That means over the last 20 years, New Zealand sheepmeat has not added any additional warming. Absolute greenhouse emissions from New Zealand sheep and beef farming have decreased by 30 per cent since 1990.

Although the research shows New Zealand farmers are among the most efficient in the world, it also recognises that sheep and beef farming is still having a warming impact on the planet, so it's not 'job done' - rather, continuous improvement is required.

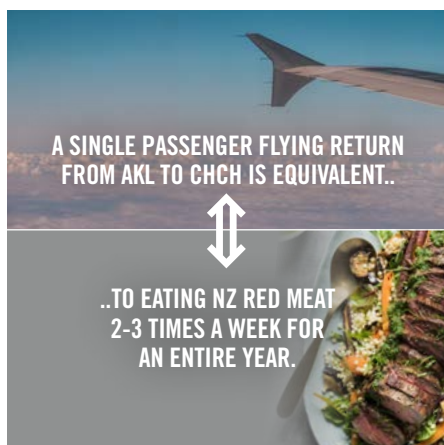
Meat the Need

B+LNZ continues to be a proud sponsor of Meat the Need, a farmer-led initiative to supply high-quality meat to food banks supporting vulnerable New Zealanders.

In the few years since its inception, farmers have donated more than a million mince meals.

In December, B+LNZ participated in The Big Feed telethon which aimed to raise donations in a fun and engaging all-day online event. (The total sum raised from the telethon was not available at the time of writing).

B+LNZ continues to encourage farmers who have the capacity to donate livestock - details on how to do this, and on making cash donations, on the Meat the Need website: www.meattheneed.org



It provides evidence for farmers, consumers and policymakers that the carbon footprint of New Zealand beef and lamb is amongst the lowest in the world - even when factoring in emissions for transport to market.

About 90-95 percent of the total carbon footprint occurs on-farm meaning that food miles don't influence the overall footprint given the efficiency of farming in New Zealand. New Zealand's on-farm footprint was about half the average of the other



Open Farms

Open Farms New Zealand will return for a third time in March 2023 after being cancelled due to COVID-19 in 2022.

B+LNZ is a founding sponsor of Open Farms New Zealand, which was established to help re-connect urban and rural New Zealand, giving those who haven't set foot on a farm before the opportunity to touch, feel, and taste their way back to the farms where their food comes from.

Feedback from farmer hosts and urban visitors has been extremely positive. The last event had more than 2,500 visitors to 37 farms across the country.

To learn more about Open Farms and how to get involved, visit www.openfarms.co.nz



Farmer Time

Farmer Time is an educational programme that connects farmers virtually via video call technology with New Zealand primary and intermediate school students.

It aims to inspire, engage and educate young people about the journey of food from farm to fork in the ever-changing, diverse agricultural industry.

Since it began in early 2022, the programme has 40 classes signed up across the country, connecting with around 900 children, predominantly from urban and suburban areas, generating hundreds of learning hours.

Planning is now underway to enable the programme to be rolled out at scale as well as how it can integrate with similar initiatives including Open Farms.

Red Meat Sector Conference

MIA and B+LNZ Ltd jointly hosted the Red Meat Sector Conference 2022 in Christchurch in August.

The theme was 'Reinventing for Sustainable Value', recognising a growing awareness of the need to meaningfully respond to climate change and how this is being reflected in Government policy, public sentiment, and some consumer preferences.

The conference programme was designed to encourage discussion about our environmental credentials and the consumer drivers demanding change, as well as the sector's innovation, profitability, and future.

The conference had a packed programme of speakers including Greg

Smith, CEO of Bremworth, Dr Sinead Leahy (NZAGRC), Chair of the New Zealand Food and Grocery Council Mike Pretty and Dr Frank Mitloehner (University of California Davis), who discussed accounting for emissions and the different models of GWP100 and GWP*.

The day before the conference, Meat Business Women, together with MIA, B+LNZ Inc and B+LNZ Ltd, hosted a networking lunch. MIA also hosted 19 of its current MIA Scholars for a workshop at the conference.

Watch the conference speakers at www.youtube.com/playlist?list=PL9ZU9GuQ1pFYUG_8ZpriiEJlJlU_NYUn_



Meat Business Women partnership

Meat Business Women (MBW) is a global network for women working in the red meat sector which offers mentorships, masterclasses and networking opportunities.

The New Zealand branch, launched in 2019, is steadily growing in members. B+LNZ Ltd, MIA and B+LNZ Inc are territory partners of MBW NZ.

Since May, MBW NZ has had two in-person networking events in Dunedin and Christchurch, both supported by Silver Fern Farms.

In the first quarter of 2023, MBW NZ began gathering data for the next iteration of the Gender Report tracking gender representation across the industry globally, this time including ethnic data.

The MBW NZ committee is planning more events and Masterclasses for 2023. If you or your organisation want to sponsor an event or if you have any ideas, please get in touch with MBW NZ Chair Abigail Delaney at Abigail.Delaney@beeflambnz.com.



Beef + Lamb New Zealand Awards

At the end of September, the winners of the award categories in the inaugural Beef + Lamb New Zealand Awards were announced at a gala dinner at the Napier War Memorial and Convention Centre.

Celebrating the people and technologies that make this country's red meat sector world-leading, the Awards, which incorporated sheep, beef and dairy beef, were an opportunity to showcase the sector to the wider public.

B+LNZ was overwhelmed by both the quality and quantity of entries (more than 120 in total) in the nine award categories.

A team of judges, led by B+LNZ Farmer Council National Chair Paul Crick, judged the Awards in 2021 and finalists were announced, but COVID-19-related delays meant the Awards Dinner was not held until this year.

Beef + Lamb New Zealand Awards winners:

- The Ballance Science and Research Award was won by **Lincoln University's Dryland Pastures Research Group**.
- The Datamars Livestock Technology Award was won by software decision support-tool **Farmax Ltd**.
- The Gallagher Innovative Farming Award was won by the Canterbury-based calf rearing business **Maatua Hou Ltd**.
- The Silver Fern Farms Market Leader Award was won by **Coastal Lamb Ltd**.
- AgResearch Emerging Achiever Award was won by **Cambridge-based Estee Browne**.
- The Rabobank People and Development Award was won by the **Agri-Women's Development Trust (AWDT)**.
- The FMG Rural Champion Award was won by Tairāwhiti-based **agribusiness professional Sandra Matthews**.
- The Alliance Significant Contribution Award was won by **AgResearch scientist David Stevens**.
- The winner of the B+LNZ Regional Leadership Award was won by the **East Coast Rural Support Trust**.



Work with Māori

*E ngā mana, e ngā reo
E ngā rau rangatira mā,
Tēnā koutou, tēnā koutou,
Tēnā koutou katoa*

Our Māori Agribusiness mahi stepped up a notch in 2022 with Charles Taituha being employed full-time and Pania King taking up a part-time role.

Their roles support Whenua Māori levy payers in Waikato, Maniapoto, Tuwharetoa and Tairāwhiti rohe.

Their networks and expertise have been invaluable in building our internal knowledge and reach to Whenua Māori and Iwi during the latest wave of Government consultations.

Since coming onboard, Pania and Charles have supported Whenua Māori levy payers with workshops like GHG Calculator & Action Plan, and Trees within Farms, with submissions on Government proposals and a variety of other kaupapa.

We have a strong focus over the next 12 months to engage further with Whenua Māori levy payers, Iwi and Hapū to gain better understanding and trust.

There are currently discussions with key Māori farming groups across Aotearoa on how to better keep each other informed and aware of challenges, opportunities and insights behind and beyond the farm gate.

Pania and Charles would like to thank the whanau from Awhina Group, Tairāwhiti Whenua Group, Te Tumu Paeroa, Tainui Whenua Forum and the many others that have been on this journey with them this past year.

Kāti rā,

Tēnā koutou, tēnā koutou, tēnā koutou katoa





Ahuwhenua Trophy for Excellence in Māori Farming Award

It was the turn of sheep and beef farmers to compete for the 2022 Ahuwhenua Trophy for Excellence in Māori Farming Award.

B+LNZ were once again proud to be a gold sponsor of New Zealand's oldest and most prestigious farming competition as well as being a cornerstone sponsor of the Ahuwhenua Young Māori Award, also for sheep and beef farming.

This year's winner of Ahuwhenua Trophy for Excellence in Māori Farming Award was Wi Pere Trust, a large sheep and beef operation near Gisborne, while Chloe Butcher-Herries (Ngāti

Mahanga, Waikato-Tainui), an Assistant Farm Manager at Newstead Farms in Puketapu, Napier won the Ahuwhenua Young Māori Award.

As well as providing financial support for the competition, B+LNZ provided logistical and judging support.

Held annually, the Ahuwhenua Trophy competition rotates between the dairy, horticulture and sheep and beef industries. It offers entrants the opportunity to tell their story – of their land and their people – and have every aspect of their farming business evaluated by a team of skilled agri-business professionals.

B+LNZ Economic Service

The insights, analysis and data generated by B+LNZ's Economic Service continues to underpin a wide range of B+LNZ activities including policy issues like the pricing of agricultural emissions, forecasts of levy revenue for B+LNZ, Government policies on afforestation, industry monitoring of livestock processing, measuring the impact of COVID-19 on the sector, regional environmental policy proposals and B+LNZ's participation in government-industry agreements (GIAs).

A key resource for the Economic Service's work is the Sheep and Beef Farm Survey, which began in 1950 and provides valuable insights into sheep and beef farming because it uses a representative sample from across the range of types and geographies of New Zealand sheep and beef farming.

Its influence can also be seen more widely – data from the Whole Farm Data project, which B+LNZ is working on with MPI, was used in modelling that showed the impacts of the Government's agricultural emissions pricing proposals on the sheep and beef sector, and validated B+LNZ's concerns and calls for a cautious approach to pricing.

Mycoplasma bovis update

We are a partner in the *Mycoplasma bovis* programme alongside the Ministry for Primary Industries and DairyNZ.

In October, the programme announced summer testing for *M. bovis* would be stepped up after the nationwide surveillance programme identified a new strain of the disease on one of four confirmed positive properties, all in Mid Canterbury.

Genomic testing from a single property, which was previously confirmed with *M. bovis*, identified the strain. This strain does not behave any differently than the strain the *M. bovis* programme has been dealing with, and existing testing will pick it up, as it did in this case. It also does not affect the efforts to eradicate *M. bovis* from New Zealand.

At time of writing, a thorough investigation is underway into historic pathways.

We are four years into a 10-year programme, and we remain on track for eradication. *M. bovis* is currently on a handful of farms compared to 40 at the height of the programme.

If left unchecked, the cost of *M. bovis* to farmers would be approximately \$1.3 billion over 10 years.





Supporting farming excellence

*B+LNZ supports farmers to achieve sustainable,
profitable farming systems – we deliver the world's
best research, innovation, and extension.*



Total levy Investment* in this strategic pillar was \$14.1m for 2022. The following table is a summary of the key initiatives within this pillar.

Name	Levy Investment \$,000	Description	Contribution to strategic priority
Research & Development	\$2,459	Progressing R&D projects such as Hill Country Futures in partnership with MBIE, to drive insights and actions to improve farmer profitability and sustainability. Refer to table pages 34-35.	Co-ordinate and deliver insights, tools, and services to farmers to better understand our sector, build capability, and improve farm sustainability, productivity, and profitability.
Beef + Lamb New Zealand Genetics	\$3,304	Develop and implement next generation genetics solutions, such as nProve, to boost farm profits and efficiency.	
Extension	\$3,477	Plan and implement regional research and extension plans that reflect regional and national needs.	
Farmer Council Operations	\$399	Deliver events and support to farmers and Farmer Councils.	
Recruitment & Training (Sector Capability)	\$1,294	Supporting sector employment and training.	
Environment	\$3,165	Deliver tools and resources to help farmers meet their environment, business consumer and regulatory needs.	

* Levy Investment is the total cost of the programme including operating costs (people, rent, vehicle & travel) and project costs, offset by any third party programme income.

** Project Cost is specific investment over and above B+LNZ staff time.

Supporting farming excellence

Key achievements in 2022

- Delivered more than 250 B+LNZ GHG Calculator and Action Plan workshops – 96% (8,800) of commercial sheep and beef farmers in New Zealand know their emissions numbers and can make informed decisions.
- Partnered on clinical trials – Pasture Raised Advantage – that showed red meat is a better source of protein than a processed plant-based alternative.
- Enhanced nProve, an online tool for commercial farmers to identify breeders producing rams that suit their specific operation.
- Revitalised Wormwise, the national worm management strategy, and created high levels of engagement.
- Developed the first new test for facial eczema in animals in more than 50 years.

GHG workshops – farmers ‘knowing their numbers’

B+LNZ has been supporting thousands of farmers this year to know their greenhouse gas (GHG) numbers, understand the implications of emissions pricing and develop emissions management plans.

We joined forces with Silver Fern Farms, Alliance, AFFCO, Greenlea Premier Meats, ANZCO and Deer Industry New Zealand to deliver the workshops and reach as many farmers as possible.

At the time of writing, more than 250 B+LNZ GHG Calculator and Action Plan workshops had been delivered.

As a result of this and other activity, more than 8,800 sheep and beef farmers now know their emissions numbers, which represents approximately 96 percent of the commercial sheep and beef farmers in New Zealand.

These workshops are world-leading – we are not aware of anything on this scale in any other country.



Trees within Farms: opportunities with carbon workshop

B+LNZ launched the Trees within Farms: opportunities with carbon workshop in May and, at the time of writing, had delivered 16 workshops.

The workshops help broaden farmers understanding of the Emissions Trading Scheme (ETS), climate change legislation, and emissions mitigations.

The workshops focus on opportunities to integrate trees on farms and, in doing so, generate a return from the ETS, and/or localised tree-planting or land-retirement funding programmes. They are part of B+LNZ’s focus on ensuring farmers can maximise opportunities, while showing that planting targets can be achieved by on-farm integration, rather than by whole-farm sales and the gutting of rural communities.

B+LNZ’s Catchment Community Group Programme

B+LNZ’s Catchment Community Group programme continues to support farmers in taking a leadership role to establish or run catchment groups.

We worked closely with catchment groups throughout the country on programmes like Farm Planning and GHG Calculator and Action Plan workshops.

In October, more than 280 people across the sector gathered at the NZ Landcare Trust Catchment Forum to celebrate the important work done by catchment community groups to enhance their environment. B+LNZ is a Gold Sponsor of the event. At the forum, B+LNZ’s Māori Agribusiness Advisor Charles Taituha shared his advice on how catchment groups can work with tangata whenua and mana whenua.

Extension delivery

The delivery of B+LNZ face-to-face extension events continued to be affected by COVID-19 restrictions in the first half of 2022, but we were able to use lessons learned from previous years to ensure communication with farmers continued.

When COVID-19 restrictions eventually lifted, it was exciting to connect in person with farmers again.

Supporting facilitators through the Facilitating Leading Change Programme was a key part of the national extension programme.

Our Regional Delivery Plans (RDPs), developed with regional Farmer Councils, formed the basis of extension delivery activity in the regions. They

helped identify local farmer needs and the B+LNZ Farming Excellence Strategy guided our approach.

The B+LNZ Farming 4 Profit Programme underwent a thorough review in 2022. This resulted in improvements to internal processes, clarity around roles and responsibilities for steering groups and programme facilitators.

Delivery Ready Workshops continued to evolve, with a large focus in 2022 being on helping farmers know their GHG numbers.

The B+LNZ Knowledge Hub also played a critical role as a resource supporting farmers with tools, learning modules, factsheets, videos and podcasts.

B+LNZ Farmer Council

B+LNZ's seven regional farmer councils, supported by the National Farmer Council Executive, continued to be a vital link to grassroots farmers, providing advice and guidance on policy positions and strategic activities.

Farmer Councils worked with their local extension managers and farmer directors to develop a Regional Delivery Plan that met the needs of their local communities.

In 2022, Farmer Council participated in AWDT's Know Your Mindset: Do what matters programme while some of the Farmer Council Executive attended the Red Meat Sector Conference in Christchurch.

Developing leaders in our community is a strong focus, with Farmer Council again having the opportunity to participate in a Leadership Programme over three modules. This includes Governance, Communication and Leadership.

All sheep, beef, and dairy levy payers on the B+LNZ electoral roll can participate in their local Farmer Council, and we work to ensure there is a cross-section of farmers and skillsets represented. Councillors are elected by farmers and each council elects its own Chair.

Farmer resources by the numbers

 **↑25%**

+25% increase in News & Views page visits (320k visits)

 **↑3%**

+3% Increase in website traffic to 1.8 million website visits

 **15,000**

15,000 (+50%) People attended more than 500 (+54%) B+LNZ events

 **29,000**

Farmer resources downloaded, up 12%

 **↑13%**

13% increase in eDiaries delivered.

 **↑20%**

+20% Video page visits (32k visits)



Securing a future for hill country farming

Hill Country Futures (HCF), a partnership programme co-funded by B+LNZ, the Ministry of Business, Innovation and Employment (MBIE), Seed Force New Zealand and PGG Wrightson Seeds, wrapped up at the end of 2022.

It focused on future-proofing the profitability, sustainability and wellbeing of New Zealand's hill country farmers, farm systems and rural communities.

As part of the programme, several decision-making tools to support farmers were developed, including the Soil and Fertiliser factsheet series.

The programme also worked with farmers and stakeholders to develop a farmer wellbeing assessment tool, FarmSalus, for farmers, catchment groups, and rural professionals. AgriWomen's Development Trust is trialling FarmSalus in some of its programmes.

A new national forage database — AgYields — was launched to help farmers and rural professionals make informed decisions around pasture planning. AgYields is a central repository for all pasture and crop yield data and growth rate information collected in New Zealand, allowing farmers to select more resilient pasture and crop systems for their district.

See more on Hill Country Futures at www.hillcountryfutures.co.nz



Red meat a better source of protein than processed plant-based alternatives

Results from Pasture Raised Advantage nutritional research showed that red meat is a better source of protein than a processed plant-based alternative.

The first of two human clinical trials in the study found that meat delivers more essential protein building blocks needed for growth and development than that from a plant-based alternative.

The four-stage multidisciplinary project exploring the health and wellbeing benefits of eating pasture-raised beef and lamb as part of a balanced diet, compared to grain-finished beef or a plant-based alternative, is largely complete.

Researchers are now focused on analysing the wealth of data collected in the three-year programme.

Funded by MIA, B+LNZ Ltd, MBIE and the High Value Nutrition National Science Challenge, and supported by B+LNZ Inc, the research is a collaboration between industry and researchers at AgResearch, the University of Auckland, Massey University, the University of Otago and the Riddet Institute.

The new generation of plant-based meat analogues are formulated to mimic the taste and basic nutrient composition of meat, but very little is known yet about their nutritional quality and health benefits. While plant-based alternatives are marketed with environmental and sustainability claims, these are being scrutinised, while we know for certain that New Zealand farmers are producing a highly nutritious food in one of the most efficient production systems in the world.

People and training

B+LNZ continues to invest in and support growing, training and retaining people in our sector, by collaborating with others to extend our reach and make a greater impact. We:

- grow awareness about careers in sheep and beef (having a presence at career expos, providing information to trusted advisors and supporting agriculture in schools)
- train our people (providing support and funding for cadet farms, industry training organisations, and programmes across New Zealand)
- retain and upskill people (initiatives like B+LNZ's Generation Next programme and support for other leadership and scholarship programmes).

In response to feedback from farmers, B+LNZ is supporting the development of people on-farm through our field days, workshops and tools and resources available on B+LNZ's Knowledge Hub.

Some of B+LNZ's initiatives include:

- Generation Next
- Food & Fibre Challenge
- Supporting Growing Future Farmers, Waipaoa and Otiwhiti Cadet farms



Highlights of B+LNZ investment in Cadet Farms

- Our investment in the Waipaoa Station Farm Cadet Training Trust supports a two-year training programme for 10 cadets, five Junior and five Senior, at any one time. The Waipaoa lecture facility and cadet living quarters at Waipaoa Station provide the ability to integrate the practical and theoretical components of the training. Trainee's study towards National Certificate qualifications while experiencing first-hand the annual operational aspects of farming.
- At Otiwhiti, the cadets learn skills from farmers, field instructors, tutors and other specialists. There is a strong emphasis on a 'hands on' approach, that is, students learn best by practically applying theoretical skills learnt.

Growing Future Farmers (GFF)

- GFF has continued to grow across the regions from five to 11 regional hubs. In 2023 this will increase to 13 regional groups in Southland, Kurow, Geraldine, North Canterbury, Wairarapa, Hawkes Bay, Gisborne, Wairoa, Taupō, Taihape, King Country, West Waikato, and Taranaki.
- GFF's mission is to nurture quality people into the agribusiness sector by partnering with employers, industry and educational institutions to deliver work ready graduates to the sheep, beef and deer sector.

We also continue to provide the **B+LNZ Employment Hub** to assist farm employers and employees at every stage of their journey with resources.

Muka Tangata – People, Food and Fibre Workforce Development Council

Muka Tangata – People, Food and Fibre Workforce Development Council (WDC), is one of six WDCs established to provide industry and sector voice and advocacy within the reformed vocational education system.

Muka Tangata helps industries get the skills and training needed by designing solutions to skill needs, including qualifications and standards, and advising the Government on what training to fund. They also review and moderate qualifications and standards to best meet the needs of the food and fibre sector.

The WDC are working with B+LNZ, and others in the industry, to develop a specific workforce development plan for sheep, beef and deer farming. The plan will include a work programme to address both short and long-term challenges and will guide advice to the Tertiary Education Commission and industry in March 2023. Learn more at www.mukatangata.nz



B+LNZ Genetics

Dairy Beef Progeny Test

The Dairy Beef Progeny Test (DBPT) is now into its seventh year at Pāmu's Renown farm near Taupo. Artificial Insemination for cohort eight was completed in November and calving is expected to start mid-2023.

In 2022, there were seven breeds represented across 18 bulls: Akauishi Wagyu, Angus, Charolais, Hereford, Murray Grey, Shorthorn and Stabilizer.

Recent farm modelling carried out on the outcomes of the DBPT highlighted the value of using top-ranked and proven beef bulls versus average beef bulls across dairy herds.

They showed a 15 percent growth advantage at 400 and 600-days compared to the average bulls. This would improve gross margin returns by between \$211 and \$261/ha and improve feed conversion efficiency by 9 percent. This in turn would reduce greenhouse gas emissions.

The modelling demonstrated that when the top 10-15 percent of DBPT bulls for marbling (intramuscular fat) were compared with the average DBPT bulls, there was a 27 percent improvement.

This correlated with an increase in the strike rate with beef quality supply programmes, although with a price premium of 30c/kg CW, this increased the gross margin by up to another \$51/ha.

It also identified the opportunity for dairy and beef farmers to work together for mutual advantage. The report is available on beeflambnz.com by searching "dairy beef progeny test".

Informing New Zealand Beef programme

The seven-year Informing New Zealand Beef (INZB) programme is at full-throttle as it enters its third year, with work well underway to develop a beef genetic evaluation system and selection indexes that include traits important to New Zealand's beef farmers.

To determine these traits, the team sought input from INZB's Industry Advisory Group (IAG) and Technical Advisory Group (TAG), and had AbacusBio conduct a review of traits in international beef genetic evaluations and surveyed 720 New Zealand cattle breeders and finishers on trait priorities.

Farmers indicated that their priorities were fertility, functionality (feet, udder, docility, temperament), calving ease, feed efficiency, growth and weight traits (including carcass) and Body Condition Score (BCS).

These results will help direct what traits will be carried forward in the INZB programme and will influence the future of the New Zealand beef industry.

Second site selected in Beef Progeny Test

Lochinver Station near Taupo joined Pāmu's Kepler Farm in Southland as hosts of the across-breed Beef Progeny Test (BPT), which is a critical part of the INZB programme. This enabled Simmental genetics to be included in the test alongside Hereford and Angus.

The second cohort of calves were born last spring and measurements were carried out at Kepler Farm at pre-calving/post-winter, calf marking, mating, pregnancy scanning and weaning. The AI-sired heifers from the first cohort will calve to natural-mate bulls and the steers will be processed for carcass and meat quality data in 2023.

Commercial farmers included

Last year, ten commercial beef farmers were selected to take part in the INZB programme as a pilot. Their involvement will contribute to the accuracy of breeding values of stud bulls.

B+LNZ Genetics works alongside farmers to develop operational plans for data recording. These plans are farm-specific and include information such as current recording practices, whether they would like to use AI as part of the programme, level of interest in DNA sampling and genotyping, what traits they would like to record and what assistance and/or training is required.

Genetics Learning Module

A Better Beef Breeding online learning module has been made available on B+LNZ's Knowledge Hub. Based on the popular workshops, these modules allow farmers and their team to upskill on breeding better cattle at home and in their own time.

nProve and the New Zealand Genetic Evaluation

Since its launch in 2020, nprove.nz has been used more than 7,000 times by farmers.

This online tool allows commercial farmers to identify breeders producing rams that suit their specific operation.

Behind the scenes, the team continues to make enhancements, including the development of nProve's breeder and bureau software which is being well received by early adopter users.

New Zealand's world-leading genetic evaluation infrastructure continues to be improved through routine updates and testing.

Recent examples include updates to the Terminal Evaluation - the evaluation of sheep genetics primarily for meat



production – and new genotype algorithms (imputations).

By working with our partners at AgResearch and AbacusBio, B+LNZ Genetics is expanding the use of genotypes and updating the assumptions in our formulas. This will ensure farmers can continue to be confident that they are using the most up-to-date information when making genetic decisions.

Making low methane rams available

B+LNZ Genetics has continued its ground-breaking work to ensure low methane rams are available to New Zealand's sheep farmers.

Building on the work of the PGgRc with AgResearch, B+LNZ Genetics has expanded the pilot project to 18 leading breeders around the motu, and now has breeding values for lower methane production.

Low Input Sheep Progeny Test

B+LNZ Genetics hosted a final field day for this successful project in November, before it was wound down, having highlighted the role genetics can play in a sheep's ability to perform with minimal inputs in a challenging environment.

Since the programme began, there has been a significant increase in the number of flocks now recording low input traits.

It has enhanced breeding values for parasite resistance, tail length, bare points and the propensity to form dags. It has also been instrumental in aiding the development of breeding values for methane and feed efficiency.

Low input traits will continue to be measured at B+LNZ Genetics Central Progeny Test sites, but as part of the wider sheep genetics strategy, the focus shifts to providing education and resources that support breeders and farmers wanting to incorporate low input traits into their flocks.

Laboratory-based Facial Eczema tolerance test

The work to develop a high throughput, low-cost Facial Eczema (FE) tolerance test for sheep is well underway with a commercial test expected to be available for laboratories to adopt by the end of 2023.

AgResearch Principal Scientist Dr Axel Heiser is leading the B+LNZ initiated and funded work.

The first phase focused on ensuring it was possible to test for sporidesmin toxicity (the fungus associated with FE) in the laboratory rather than exposing an animal to the toxin.

The second phase involved identifying biomarkers for FE tolerance or susceptibility.

Phases three and four will focus on reducing the number of biomarkers down to make the development of a diagnostic test more feasible.

Ultimately, the scientists would like to produce a commercial FE tolerance test which uses either of the commonly used diagnostic tests, PCR or ELISA.

They then hope to continue work on developing a test for other host species – cattle, deer, alpaca and llamas – along with working on using saliva as a sample type rather than blood.



Pastoral Greenhouse Gas Research Consortium

In 2021, the PGgRc finished more than a decade of work researching and developing the essential science that will give New Zealand farmers practical options for reducing methane.

Ground-breaking science has been traversed, building new knowledge and scientific methods for New Zealand farming systems that can now be carried forward to deliver practical options for New Zealand's farmers. B+LNZ was a partner in the consortium.

Biological Emissions Reduction Science Accelerator (BERSA)

While the industry and crown investment has made progress, as part of the Fit for a Better world programme, MPI facilitated the development of a comprehensive BERSA Science and Mātauranga plan to accelerate that further. Working with B+LNZ and Dairy NZ, along with core science organisations at governance and operational levels, the BERSA plan has been developed to speed the development of emission reduction options for agriculture, accelerating new technology and expanding infrastructure and capability. It will be released in early 2023.

The Crown has drawn on Climate emergency response funds (CERF) to support the plan using it as a blueprint for investment, through the formation of a Centre for Climate Action on Agriculture emissions (CCA AE) which received an initial \$338m over 4 years in Budget 22.

The funding also incorporates the ability to attract private investment and match that with Crown funds and advance commercialisation of near market opportunities and rapidly deploy these to farmers.

This new entity will work alongside the existing New Zealand Agricultural Greenhouse gas Research Centre (NZAGRC) and the livestock industry to maximise the opportunity that has been created through BERSA.



Science, Research, and Development

New Zealand's sheep and beef sector continues to be underpinned by good science, and we remain committed to working with our research institutes and universities to ensure they're undertaking projects which deliver on-farm benefits. The three main areas of focus for our research and science investment are farming systems, animal health and production, and the environment.

R&D Projects	Expenditure (\$,000)	Description of research projects invested in by B+LNZ
Hill Country Futures	614.3	<p>Hill Country Futures is a multi-year \$8.1 million programme supported by MBIE, B+LNZ, PGG Wrightson Seeds, and Seed Force New Zealand, which is due to wrap up early 2023. This programme is focused on future-proofing the profitability, sustainability and well-being of New Zealand's hill country farmers, farm systems and rural communities. This programme takes a trans-disciplinary approach and considers the whole-farm system. It incorporates traditional science research, farmer knowledge and social research. It has a strong emphasis on forages and providing decision-making tools to help farmers select the best forage option for different land management units, and tools to help our farmers be more resilient. Find out more here.</p> <p>Examples of some of the outputs are: AgYields: A new national forage database; FarmSalus: A tool for farmers, catchment groups, and rural professionals to measure and monitor farm success through the lens of farmer health and wellbeing; Soil and Fertiliser series: A series of factsheets that provide guidelines on soil assessment and recommendations on fertiliser use</p>
Ethically and sustainably produced high value lamb	64.5	<p>This programme, also known as the low input progeny test, is a MPI SFF co-funded project, finishing December 2022. The aim of this project was to identify environmentally-efficient sheep that perform without docking, drenching or dagging. This three year programme highlighted the role genetics can play in a sheep's ability to perform with minimal inputs in a challenging environment. Data from this programme has enhanced breeding values for parasite resistance, tail length, bare points and the propensity to form dags. It has also been instrumental in aiding the development of breeding values for methane and feed efficiency. Since the programme began there has been a significant increase in the number of flocks now recording low input traits. An example is dag scores where the number of flocks recording this trait has risen from 52 to 115.</p>
Development of a laboratory test for facial eczema tolerance.	238.8	<p>The aim of this project is to develop a laboratory-based test to assess animals for FE tolerance without exposing animals to the toxin that causes FE. Developing this test for farmers will enable more animals to be tested, including females, which will improve breeding for FE tolerance. It will also remove the animal welfare risk associated with the current test to determine tolerance. AgResearch, who are carrying out this work, have identified a number of biomarkers linked to tolerance. They are now refining these biomarkers for further development into a diagnostic test to enable commercial laboratories to provide this as a service for farmers. This project is due for completion by June 2023.</p>
Resolving the <i>Pseudopithomyces</i> species complex	176.5	<p>The species of fungus associated with facial eczema (FE) is known as <i>Pseudopithomyces chartarum</i>. Previous work has shown that there could be multiple species present in NZ. AgResearch, with support from Manaaki Whenua-Landcare Research, is carrying out this project which aims to better understand and describe the <i>Pseudopithomyces</i> species present in NZ and their potential association with FE. Knowing this information is crucial for providing the best advice to farmers on current management strategies as well as for developing any new tools and solutions to manage FE.</p> <p>This project is due for completion in April 2023. Results to date have shown there are at least three <i>Pseudopithomyces</i> species present in NZ with different capacities to produce sporidesmin, the toxin associated with FE.</p>

R&D Projects	Expenditure (\$,000)	Description of research projects invested in by B+LNZ
Psychosocial impacts of facial eczema	80.7	<p>We wanted to better understand the social and psychological impacts of FE on farmers. A pilot study was conducted where AgResearch interviewed 14 farmers and vets from around NZ.</p> <p>Key high-level findings were: Farmers care for their animals; Climate change was seen as a risk for FE; Economic losses due to subclinical FE were concerning; Current management tools are limited and may be ineffective; FE was prioritised differently for each farmer.</p> <p>Results from this pilot study will be used to provide directions for further research into FE and provide insights as to how to support farmers to improve wellbeing when faced with FE and more broadly, animal diseases.</p>
Improving Post Weaning Growth Rates and Twin lamb and lamb growth management	90	<p>This 5 ½ year project, carried out by Massey University, aims to demonstrate that both single and twin-born ewe lambs born to ewe hoggets can be bred as ewe lambs and that their lifetime performance will not be compromised. It also aims to determine if ewe lambs grown to heavy pre-mating weights achieve a heavier mature weight and the effect this may have on ewe efficiency.</p> <p>Preliminary findings from this work have shown that lambs born to hoggets are lighter than those born to mixed-age ewes, but no differences were seen in body condition score between the groups. This project is due for completion in March 2023.</p>
Farmer interviews: reduced drench	92.5	<p>Drench resistance is increasing in New Zealand with multiple families of drench failing on more farms. Relying on drench as the sole treatment of parasites is no longer a robust option. To farm sustainably, there is a need to reduce or minimise the reliance of drench on our sheep and cattle farms. In this study, Massey University interviewed 17 farming operations across the country to inform: What influences farmers' habits and decision-making associated with parasite management. How a farm system operates with reduced drench.</p> <p>Key findings from this study were: All farmers and farming operations have the potential to farm successfully with low or reduced drench BUT it requires focused consideration, decision-making that considers multiple factors, and integration of parasite control into overall farm management. Farmers' philosophies, motivations as well as sources and use of parasite information, varied. Careful, ongoing monitoring, feeding stock well and using other feeding and grazing management practices are important.</p>
Parasite evaluation of communication methods – follow up	53.5	<p>We want to make sure the resources we create for our farmers are having an impact. Scarlatti helped us to assess different methods of parasite management communication with farmers and vets for their usefulness, reach, impact, and associated behaviour change. This project is a follow up to a similar project we ran last year. We found similar results between the two years which gave confidence to the findings.</p> <p>The key findings were: Different resources are needed. The resources appear to increase farmer knowledge, confidence, and intent to review their practices. We are not going to reach all farmers. Most farmers find information through vets. Most farmers had a parasite management plan.</p> <p>Information from this project will help tailor messaging and communication from across research, not just parasite management to create impact.</p>
Catch crops for sediment control	7	<p>Sediment losses to waterways can have major environmental impacts on fresh-water quality. Winter grazing in hill country livestock production systems has been identified as a significant contributor to sediment loss. The aim of the project/trial work is to test the effectiveness of catch crops on the mitigation of sediment losses from these systems.</p> <p>This project, co-funded by B+LNZ and led by AgFirst, evaluated a range of catch crop species and establishment techniques to reduce sediment and surface flow losses following the winter grazing of forage crops.</p> <p>This research found that using catch crops reduced sediment loss by at least 66% and economic modelling showed there was a sound incentive to use catch crops.</p>
Animal welfare prioritisation survey (risk assessment)	80	<p>Animal welfare is an important issue for the sheep and beef sector. Animal welfare challenges and opportunities were prioritised using a collaborative, two-step process involving surveys followed by expert workshops. The survey component of the project was conducted by Scarlatti. Results from this project showed that facial eczema, gastrointestinal parasites and docking/castration without pain relief are key animal welfare priority areas for the sheep and beef sector.</p>

REGIONAL ROUND-UP



Northern North Island

The team hosted some of the first revamped Trees within Farms workshops in the country. These were attended by more than 120 people, demonstrating farmer interest in understanding and accessing the ETS. National policies continued to influence a major part of extension delivery, and most workshops were for farmers to work out their GHG numbers and start their farm environment plan. B+LNZ partnered with processors to bring their clients up to speed with NZFAP+ requirements. This collaboration helped the team reach levy payers across the region who hadn't been involved with B+LNZ previously.

They continued to connect rural communities through the Collaborative Northland group holding 11 dinners and lunches from Waiharara to Tabora and everywhere in between. The year was rounded out with the annual showcase held at Kapiro Station with the theme 'A farm is what you make it'. Attendees got a peek at what sheep might look like in the future.



Mid Northern North Island

It's been a busy year in the region with more than 90 events. Due to ongoing COVID-19 restrictions, these were a mix of face-to-face and online.

The annual FarmSmart events were taken to the regions with two-time Olympic Champion Eric Murray as guest speaker in Piopio, Ohope and Tuakau.

There was also a strong focus on our GHG Calculator and Action Plan workshops. It was great to see the meat processors support the workshops, which allowed B+LNZ to reach a wider audience.

When COVID-19 restrictions eased, the team were able to get their Celebrating Farming Women's Lunch back up and running after having to cancel in 2021. It was a memorable event with excellent food and much laughter and they're looking forward to it becoming a regular event.



Western North Island

Despite 2022 being another year of COVID-19 disruption, the Western North Island had one of its best years, delivering 60 extension events compared to 34 in the previous year.

The 2022 activities attracted more than 1,550 farmers and rural professionals with GHG Calculator and Action Plan workshops making up half of the extension delivery. A number of these were delivered in collaboration with major livestock processors and catchment collectives. In March the team also coordinated six regional events as part of the He Waka Eke Noa farmer consultation roadshow.

In July, Extension Manager Jason Griffin took on the role of acting General Manager, North Island while maintaining his existing region. Also in July, the region's annual flagship AgInnovation conference had the theme 'Opportunities out of Change' and attracted more than 200 people.

Eastern North Island

The East Coast was impacted by a very wet winter, which challenged farm infrastructure and stock performance. COVID-19 continued to be disruptive and up until the end of 2022, was still impacting the supply chain, particularly processing plants.

GHG workshops dominated the calendar over 2022 while environmental issues continued to be a major focus for farmers, so they could understand their farm's natural capital and build resilience in their businesses. There was strong demand for B+LNZ to deliver Trees within Farms workshops, which highlight the benefits of integrating trees on farm.

The Generation Next program was launched in the North Island in 2022. This programme, which helps build sector capability, proved to be very successful and will continue in 2023.





Northern South Island

It was a demanding year for the Northern South Island Regional Team.

Government regulations and the ongoing effects of Covid were challenging, but the team adjusted and delivered quality extension activities to the region's farmers.

A key focus of the past 12 months was supporting farmers to understand emissions pricing proposals and regulation relating to climate change.

The region focused on delivering environment-based workshops, including B+LNZ's GHG Calculator and Action Plan, and farmers responded with fantastic turnouts.

Sadly, we farewelled Extension Manager Lucy Murray in October. Lucy provided maternity cover for Briar Huggett.

We also appreciate the support of Farmer Council, their advice and guidance has been important throughout these challenging times.



Central South Island

In early 2022, Dean Sinnamon joined the team as Extension Manager to service the Central South Island region. Dean's appointment strengthened B+LNZ's ability to engage with the local Farmer Council and deliver on the Regional Delivery Plan.

Following early COVID-19 disruptions, and with a raft of environmental regulations pending, the focus was on environment-related extension activity – there was a push to get every farmer to know their business's GHG numbers, and workshops were particularly well-attended when delivered in collaboration with meat companies.

Autumn was particularly dry throughout the South Island and in response, the South Island extension team delivered webinars on 'Turning Challenges into Opportunities', which were very well attended and received. Other highlights of the year included celebrating National Lamb Day in Oamaru and our Ladies' Lunch in Wanaka.



Southern South Island

After a challenging start to 2022 with COVID-19 disruptions, it was refreshing to get back to some sort of normality in the second half of the year. Thirty-four extension events were held in the Southern South Island in 2022.

The first showcase event of the year was the Ladies Long Lunch held in early June with nearly 300 women attending. The annual Progressive Ag conference was held in July and the region's new Extension Manager, Hannah Blakely, was welcomed into the team in mid-July.

B+LNZ's GHG Calculator and Action Plan workshops, in collaboration with Alliance, Silver Fern Farms and ANZCO, attracted 356 farmers. A sold-out comedy night developed and supported by the Southland Farming for Profit committee was attended by 360 farmers and this concept is now being rolled out by FarmStrong nationwide.

B+LNZ also facilitated a meeting on tail length regulations with the Ministry for Primary Industries and B+LNZ's radio slot on 'The Muster' continued throughout the year.





Increasing market returns

B+LNZ works to ensure our farmers receive increased value from our sustainable farming systems and natural grass-fed beef and lamb – we identify and create market opportunities, work to dismantle trade barriers and grow consumer preference for New Zealand beef and lamb.

**FREE SAMPLES
NEW ZEALAND
GRASS-FED
BEEF & LAMB**



Total levy Investment* in this strategic pillar was \$7.9m for 2022. The following table is a summary of the key initiatives within this pillar.

Name	Description	Contribution to strategic priority
Market Development	\$6.13 million	
Taste Pure Nature	Development and implementation of the activation strategy for Taste Pure Nature in the United States and China.	Build and implement the means to market NZ red meat as a premium product in markets across the world.
Market Insights and innovation	Identify, develop and share opportunities for market innovation and collaboration with processing companies, including new products categories and channels to market.	
Sector engagement & quality assurance	Provide governance support to the New Zealand Farm Assurance Programme and ensure alignment to Taste Pure Nature, creating a platform for increased pricing.	
Domestic promotion	Provide funding for the promotion of beef and lamb within New Zealand, while improving trust and reputation in the sector.	
Market Access	\$1.79 million	
Facilitating Trade	Protect and improve access to global markets.	Maintain and increase access to key markets to capture maximum value.
FTAs & Brexit	Improve our market access into the UK and Europe with no loss of access due to Brexit.	

* Levy Investment is the total cost of the programme including operating costs (people, rent, vehicle & travel) and project costs, offset by any third party programme income



Increasing market returns

Key achievements in 2022

- Increased awareness of, and preference for, New Zealand's grass-fed beef and lamb in key markets through the Taste Pure Nature brand.
- Represented New Zealand beef producers' interests at the Global Roundtable for Sustainable Beef (GRSB) conference and worked with international partners through the International Beef Alliance (IBA) to reduce barriers and facilitate global beef trade.
- Supported work with our international counterparts on mutual issues affecting trade (e.g., environmental standards).
- Contributed to Free Trade Agreements with the UK and EU that resulted in greater market access for our products.
- Advocated for sheepmeat to be removed from the EU's list of commodities linked to deforestation, reducing future verification and certification costs for sheepmeat exports to the EU.

TASTE PURE NATURE

Throughout 2022, B+LNZ continued to build awareness and aspiration to buy New Zealand grass-fed beef and lamb in the US and China through our Taste Pure Nature brand marketing program.

The economic benefit to exports to the US and China markets over the last two years, which is attributable to Taste Pure Nature, has been calculated at \$168m.

US update

The Taste Pure Nature campaign continues to be well-received by Californian Conscious Foodies. B+LNZ's consumer tracking shows New Zealand maintains its position as a leading country in producing high quality beef and lamb that these consumers are willing to pay a price premium for.

Key highlights

- Our Food Truck tour generated more than 250 million media impressions.
- Five paid media campaigns generating more than 116.9 million impressions.
- Taste Pure Nature social media channels grew by more than 9,000 followers and generated over 160,000 engagements.



- Influencer activity generated over 22.3 million impressions.
- The Taste Pure Nature website had over 3.91 million impressions coming from searches for keywords such as 'lamb rack recipe' and 'beef casserole'.

We collaborate with our meat processing and exporting company partners on campaigns to generate consumer awareness, encouraging consumers to trial and ultimately purchase their products at retail.

In partnership with Atkins Ranch and First Light Farms, B+LNZ launched a Food Truck tour in LA so residents could experience a taste of New Zealand grass-fed beef and lamb. The tour

featured on KTLA Morning News, which has more than 147,000 daily views.

B+LNZ supported the launch of Silver Fern Farms' Net Carbon Zero by Nature Beef in the US with an influencer campaign using products from the range and other low carbon footprint ingredients. A joint Easter lamb e-commerce campaign contributed to a 266 percent increase in sales revenue from Silver Fern Farms lamb products and a 68 percent increase in website traffic.

A joint Summer Grilling campaign with Atkins Ranch featuring an influencer campaign and media recipe release resulted in over 186 million impressions and 16,000 social engagements.

China update

Despite having to adapt our China strategy due to ongoing market volatility as a result of COVID-19, the Taste Pure Nature campaign continues to appeal to Chinese Conscious Foodies and pique their interest in New Zealand beef and lamb.

New Zealand has held and strengthened its leading position on 'beef buzz', with 44 percent of consumers surveyed reporting it as the most seen / heard about country of origin for beef.

Key highlights

Pure Box vending machines

In September, B+LNZ partnered with Alliance Group and Silver Fern Farms to launch the Pure Box vending machines in Shanghai. Six meals were co-developed by B+LNZ and chef Jamie Pea to fuse traditional Chinese ingredients, Western food trends and New Zealand grass feed beef or lamb in a convenient, ready-to-eat, meal.

Three branded machines were positioned in high-foot traffic areas around Shanghai, and the overall activation has reached more than 35 million consumers through placements on social media and news outlets such as Vogue and Elle.



From New Zealand, Naturally Good

B+LNZ officially launched its first brand marketing campaign in China titled 'From New Zealand, Naturally Good'. The brand campaign is designed to tell a compelling narrative across key digital platforms to build awareness and generate buzz about New Zealand's unique point of difference. In just two weeks, the campaign generated more than 4 million impressions and 36,000 engagements.

Other highlights from 2022 include:

- Taste Pure Nature's Chinese social media accounts generated 3.4 million impressions, over 110,500 engagements and gained over 3,500 followers.
- Collaborations with KOLs (key opinion

leaders) and KOCs (key opinion consumers) generated over 2.4 million impressions and more than 110,000 engagements.

- A joint digital advertising campaign with Alliance Group to launch its Pure South lamb range generated more than 3.3 million impressions and 259,000 engagements.
- A Shanghai-based camping event with Silver Fern Farms involved sharing the New Zealand grass-fed origin story and unique product attributes of Silver Fern Farms with select KOLs, Food & Beverage and Lifestyle media. The guests created content and published this across various platforms, resulting in more than 13 million impressions and 25,000 engagements.



TRADE ACCESS

While focus during the year has largely been on China, Europe and the UK, the sector exported to 108 countries and work has continued on maintaining and improving access to a range of other markets.

The sector has also been thinking about the future of trade policy and what that might look like for New Zealand's red meat sector.

With almost 75 percent of trade covered by New Zealand's network of Free Trade Agreements (when the EU and UK FTAs have come into force), we will focus on protecting existing market access, ensuring it can be fully utilised and considering what markets are next (for example India and the US).

New Zealand-United Kingdom Free Trade Agreement

In February, New Zealand signed a comprehensive FTA with the UK that will provide significant benefits for the red meat sector.

B+LNZ, along with the Meat Industry Association worked closely with New Zealand negotiators to secure an outcome that delivered a commercially meaningful outcome for red meat. We also advocated strongly for our sector's interests with the UK government to assure them of the high environmental and animal standards of New Zealand red meat production.

In the first year of the FTA, New Zealand will have a duty-free beef quota of 12,000 tonnes, significantly more than our current access. This will increase to 38,820 tonnes in year 10, after which beef exports will be tariff-free, although there will be a safeguard mechanism in place from years 11-15.

Based on 2021/22 export volumes, the potential tariff savings in the first year will range from NZD2-5 million, which is a significant tariff saving for a relatively small export volume. Given that the exports will increase with the new quota access, the actual value of the tariff savings will likely be much larger in the first year alone.

However, there are some aspects of the FTA that are not ideal. For example,

the requirement that 90 percent of the WTO sheepmeat quota is filled before exporters can access the new sheepmeat quota under the FTA creates an added level of complexity that was unnecessary.

This requirement also creates a practical barrier to the use of some of the gains made. As tariffs on value-added processed sheepmeat products are only removed under the new FTA sheepmeat quota, they will likely miss out on any tariff savings until the 15-year transitional period has ended as we will not be meeting the 90 percent WTO quota utilisation required to trigger access to the new FTA quota.

New Zealand-European Union Free Trade Agreement

In contrast, the EU FTA, which was concluded at the end of June, was disappointing.

While New Zealand has good access into the EU for sheepmeat through the WTO quota, the current access for beef is very limited with only a small WTO quota and very high out of quota tariffs.

Unfortunately the new beef quota in the EU FTA only provides a small improvement to New Zealand's access for beef.

To put the new quota into perspective, it will take 7 years for New Zealand to have access to the full 10,000 tonnes of beef quota, and that 10,000 tonnes is less than 2 percent of New Zealand's annual beef exports and only equals around 0.2 percent of annual EU beef consumption.

China

In 2021/22, China was once again the sector's major market, accounting for 37 percent of exports worth \$4.1 billion.

The ongoing demand for protein in China has provided significant export returns for the sector over the last year.

It is also important to emphasise the work that the New Zealand Government and exporters have done over the last 20 years to open and develop new markets so that there is flexibility in case of disruptions in one particular market.

China's 'zero-Covid' policy and strict requirements for exporters, particularly exporters of cold-chain products such as meat, have created challenges for the processing companies.

However, MIA, MPI and the processing companies have all worked closely together to ensure that the New Zealand red meat being exported to China has complied with these requirements.





MARKET INSIGHT AND INNOVATION

Gauging consumer perceptions

At the start of the year, we conducted research into the reputation of the sector to understand how to best position and talk to our consumers. The research highlighted, generally, how highly regarded the sector is, with strong positive associations with social and family occasions, but also increasingly how we must ensure our environmental plans, both current and future, need to be shared to ensure we retain support of younger consumers especially.

Launch of insight 'Pulse' on the state of retail in our key overseas markets

This year we launched retail Pulse insight summaries, summarising the state of retail in our key overseas markets – US, China, and the UK – to share with processors and producers to ensure they are dialed in to the key challenges and opportunities in this space, and can take advantage of them.



Evolution of the Quantiful social media and tracking programme

We currently track social media mentions of NZ, red meat, and relevant trends linked to the industry, across our key markets (US, China, UK, NZ). This year we broadened the scope of what we cover to include search data, and key market data, to provide a one-stop shop for consumer and trade insight for industry. Feedback from the likes of Silver Fern Farms and NZTE has been very positive, described as being a best-in-class example of industry insight from New Zealand on behalf of the sector.

Broadening tracking to include feedback on key campaign events

To ensure we are recording the efficacy of marketing campaigns and activity, we undertake ongoing market monitoring of consumer sentiment, awareness and preference for our products. This year we have improved the co-ordination of our tracking to not just include ongoing consumer sentiment but also focused tracking and recording on individual campaigns and events e.g., Billboards in LA or vending machines in Shanghai – this means we can better measure the impact of our activities and optimise them for future campaigns.

INTERNATIONAL COOPERATION

Global Roundtable for Sustainable Beef

B+LNZ attended the Global Roundtable for Sustainable Beef (GRSB) conference in Colorado in November 2022.

Within the GRSB, there are 12 regional roundtables, including the New Zealand Roundtable for Sustainable Beef, of which B+LNZ is a founding member.

At the conference, B+LNZ heard from other roundtables about the work they are doing in their respective countries and regions to improve beef sustainability across the three GRSB goals of climate, nature positive production, and animal health and welfare.

The GRSB's global reach and whole of supply chain coverage provides it with a strong voice to advocate on areas of interest to all beef producers.

The GRSB attended COP27 in Egypt and spoke at multiple events on issues such as the importance of beef production for food security, sustainable grassland agriculture, and recognising the short-lived nature of methane, through metrics like GWP*.

Global Sheep Producers Forum

The Global Sheep Producers Forum (GSPF) members, including B+LNZ, met in Toronto for the 4th annual Global Sheep Forum in November.

The GSPF strives to foster global collaboration to develop evidenced and united positions and collective actions that address the shared challenges and opportunities facing those in the sheep industry irrespective of global boundaries.

Other GSPF members include the American Lamb Board, British National Sheep Association, Canadian Sheep Federation, National Sheep Association, National Wool Growers' Association of South Africa, and Sheep Producers Australia.

The GSPF provides a common voice for the global sheep community and a collective vision of the future sustainability of the sector, while fostering global collaboration.

Levy Expenditure

Funded by levies of \$30.9 million (\$30.3 million in 2022) and New Zealand Meat Board grant funding of \$1.4 million in 2023 (\$900K in 2022).

Priorities	Actual 2021-22 \$,'000	Budget 2022-23 \$,'000
Supporting Farming Excellence	\$14,098	\$16,527
Increasing Market Returns	\$7,927	\$8,613
Championing the Sector	\$6,040	\$6,895
Administration	\$2,772	\$3,097
Total Levy Expenditure	\$30,838	\$35,132

Budget 2022-23

	Beef Levy Dollars Per Head	Sheepmeat Levy Dollars Per Head
Supporting Farming Excellence	3.00	0.46
Increasing Market Returns	1.57	0.19
Championing the Sector	1.30	0.16
Administration	0.55	0.07
	6.42	0.88
Income		
Levy	5.20	0.75
NZMB Industry Good Grant	0.51	0.00
Interest Income	0.10	0.01
	5.81	0.76
Levy Stream (Deficit) For The Year (funded from Reserves)	(0.61)	(0.12)

B+LNZ Governance Statement

The Board has responsibility for the strategic direction of B+LNZ, approving business strategy and objectives, monitoring performance of the Chief Executive Officer.

The B+LNZ Board has adopted a Board Charter which sets out the responsibilities of the board, the delegations to management and a Board review of performance.

The Board comprises six farmer directors, two industry directors and an independent director.

Northern South Island Director Kate Acland was appointed Deputy Chair of the board in June 2022 following Board consideration of Chair succession planning.

An associate director position is offered by the Board to create a development opportunity for aspiring directors from the sector. This position was filled by Courtney Nimmo over the last financial year.

The Board met eight times in the financial year and held extra meetings as required.

The Board has two Committee's both shared with the New Zealand Meat Board (NZMB).

Audit & Risk Committee: This committee assists the Board with its governance responsibilities for financial reporting, external audit, and risk management.

The Audit & Risk Committee comprises Martin Coup (Chair), Kate Acland (from July 2022), Bayden Barber, Tony Egan (until March 2022), Sarah Paterson (NZMB director) and George Tatham.

People and Culture Committee: This Committee assists the Board in the oversight of the remuneration policies for the B+LNZ team, reviews for the CEO and his reports and the oversight of culture and development with the B+LNZ.

The People & Culture Committee comprises Scott Gower (Chair), Kate Acland (until July 2022), Alex Guilleux, Nicky Hyslop, Andrew Morrison, and David Surveyor.

	Board Meeting	Audit & Risk Committee	People & Culture Committee
Number of Meetings	8	3	4
A Morrison (Chair)	8		4
K Acland (Deputy Chair)	8	1	2
B Barber	7	3	
M Coup	8	3	
T Egan (until March 2022)	2	1	
S Gower	7		2
A Guilleux	8		4
N Hyslop	8		4
D Surveyor (from April 2022)	4		1
G Tatham	8	3	
C Nimmo (Associate)	8		

Gender Diversity

The gender breakdown across the B+LNZ team from governance, Leadership Team and the B+LNZ team as at 30 September is set out below.

	This Year		Last Year	
	Female	Male	Female	Male
Directors (incl. Associate)	3	7	3	7
Leadership Team	1	7	2	6
Team	80	33	65	34

SUMMARY FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 30 September 2022

	Group Year Ended 2022			Group Year Ended 2021		
	Total	Levy Stream	Non Levy Stream	Total	Levy Stream	Non Levy Stream
In thousands of New Zealand dollars						
Non Exchange Revenue						
Levies Received	30,252	30,252	-	30,419	30,419	-
Biosecurity Levies Received	2,997	2,997	-	3,060	3,060	-
Other Non Exchange Income	4,224	4,224	-	4,155	4,155	-
Exchange Revenue						
Other income	4,140	4,140	-	4,502	4,502	-
Total Income	41,613	41,613	-	42,136	42,136	-
Operating expenses	(41,308)	(41,308)	-	(41,087)	(40,664)	(423)
Net operating surplus/ (deficit) from operating activities	305	305	-	1,049	1,472	(423)
Net finance income / (expense)	(561)	(561)	-	117	117	-
Net operating surplus/ (deficit) for the year before income tax	(256)	(256)	-	1,166	1,589	(423)
Income tax expense	(27)	(27)	-	-	-	-
Net operating surplus/ (deficit) for the year	(283)	(283)	-	1,166	1,589	(423)
<i>Other comprehensive income</i>	-	-	-	-	-	-
Total comprehensive income for the year	(283)	(283)	-	1,166	1,589	(423)
Attributable to:						
Levy payers	(283)	(283)	-	1,589	1,589	-
Special Reserves	-	-	-	(423)	-	(423)
	(283)	(283)	-	1,166	1,589	(423)

These statements are to be read in conjunction with the notes on page 51. A copy of the full financial report is available from Beef + Lamb New Zealand Limited.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 30 September 2022

	Parent Year Ended 2022				
In thousands of New Zealand dollars	Beef	Sheepmeat	Total Levy Stream	Non Levy Stream	Total
Non Exchange Revenue					
Levies Received	14,076	16,174	30,251	-	30,251
Biosecurity Levies Received	2,997	-	2,997	-	2,997
Other Non Exchange Income	2,594	1,631	4,224	-	4,224
Exchange Revenue					
Other income	1,592	1,719	3,312	-	3,312
Total Income	21,259	19,524	40,784	-	40,784
Operating expenses	(20,309)	(20,025)	(40,335)	-	(40,335)
Net operating surplus/ (deficit) from operating activities	950	(501)	449	-	449
Net finance expense	(272)	(291)	(563)	-	(563)
Net operating surplus/ (deficit) for the year before income tax	678	(792)	(114)	-	(114)
Income tax expense	(14)	(14)	(27)	-	(27)
Net operating surplus/ (deficit) for the year	664	(806)	(141)	-	(141)
<i>Other comprehensive income</i>	-	-	-	-	-
Total comprehensive income for the year	664	(806)	(141)	-	(141)
Attributable to:					
Levy payers	664	(806)	(141)	-	(141)
	664	(806)	(141)	-	(141)
Share of Operating surplus/ (deficit) of Research Consortium and Subsidiaries as reflected in Group Financial Statements comprising:					
			(142)		
B+LNZ Investments Ltd			42		
Pastoral Genomics Ltd			5		
B+LNZ Emissions Company Ltd			(189)		
Group Net operating surplus/ (deficit) for the year- Levy Stream			(283)		

These statements are to be read in conjunction with the notes on page 51. A copy of the full financial report is available from Beef + Lamb New Zealand Limited.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 30 September 2021

	Parent Year Ended 2021				
In thousands of New Zealand dollars	Beef	Sheepmeat	Total Levy Stream	Non Levy Stream	Total
Non Exchange Revenue					
Levies Received	14,818	15,600	30,419	-	30,419
Biosecurity Levies Received	3,060	-	3,060	-	3,060
Other Non Exchange Income	1,833	1,991	3,823	-	3,823
Exchange Revenue					
Other income	1,829	2,144	3,974	-	3,974
Total Income	21,540	19,735	41,276	-	41,276
Operating expenses	(20,226)	(18,997)	(39,224)	(423)	(39,647)
Net operating surplus/ (deficit) from operating activities	1,314	738	2,052	(423)	1,629
Net finance income	48	68	116	-	116
Impairment of Investment in Subsidiary Companies	(109)	(157)	(266)	-	(266)
Net operating surplus/ (deficit) for the year before income tax	1,253	649	1,902	(423)	1,479
Income tax expense	-	-	-	-	-
Net operating surplus/ (deficit) for the year	1,253	649	1,902	(423)	1,479
<i>Other comprehensive income</i>	-	-	-	-	-
Total comprehensive income for the year	1,253	649	1,902	(423)	1,479
Attributable to:					
Levy payers	1,253	649	1,902	-	1,902
Special Reserves	-	-	-	(423)	(423)
	1,253	649	1,902	(423)	1,479
Share of Operating surplus/ (deficit) of Research Consortium and Subsidiaries as reflected in Group Financial Statements comprising:			(313)		
B+LNZ Investments Ltd			(9)		
Pastoral Genomics Ltd			(96)		
B+LNZ Emissions Company Ltd			(208)		
Group Net operating surplus/ (deficit) for the year- Levy Stream			1,589		

These statements are to be read in conjunction with the notes on page 51. A copy of the full financial report is available from Beef + Lamb New Zealand Limited.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2022

In thousands of New Zealand dollars	Group		Parent	
	Retained Earnings	Total Equity	Retained Earnings	Total Equity
Balance at 1 October 2021	24,755	24,755	24,526	24,526
Total comprehensive revenue and expense				
Surplus/(Deficit) for the year	(283)	(283)	(141)	(141)
Total comprehensive income for the year	(283)	(283)	(141)	(141)
Balance at 30 September 2022	24,472	24,472	24,385	24,385

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2021

In thousands of New Zealand dollars	Group		Parent	
	Retained Earnings	Total Equity	Retained Earnings	Total Equity
Balance at 1 October 2020	23,589	23,589	23,047	23,047
Total comprehensive revenue and expense				
Surplus/(Deficit) for the year	1,166	1,166	1,479	1,479
Total comprehensive income for the year	1,166	1,166	1,479	1,479
Balance at 30 September 2021	24,755	24,755	24,526	24,526

These statements are to be read in conjunction with the notes on page 51. A copy of the full financial report is available from Beef + Lamb New Zealand Limited.

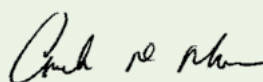
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2022

In thousands of New Zealand dollars	Group 2022	Group 2021	Parent 2022	Parent 2021
EQUITY EMPLOYED				
Retained earnings	24,472	24,755	24,385	24,526
TOTAL EQUITY EMPLOYED	24,472	24,755	24,385	24,526
Represented by:				
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	4,256	8,378	4,089	8,050
Trade and other exchange receivables	783	809	740	780
Non-exchange Receivables	3,095	2,708	3,094	2,707
Term Deposits	7,500	16,510	7,500	16,510
Jarden - Managed Investment Portfolio	628	-	628	-
Derivative financial instruments	115	32	115	32
Livestock on Hand	-	642	-	-
Assets held for sale	929	-	-	-
Advance to Subsidiary Company	-	-	761	450
TOTAL CURRENT ASSETS	17,306	29,079	16,927	28,529
NON-CURRENT ASSETS				
Property, plant & equipment	422	686	422	532
Intangible assets	77	259	77	259
Jarden - Managed Investment Portfolio	11,613	-	11,613	-
Investments in subsidiary companies	-	-	255	255
Term receivables- Exchange	24	46	24	46
TOTAL NON-CURRENT ASSETS	12,136	991	12,391	1,092
TOTAL ASSETS	29,442	30,070	29,318	29,621
CURRENT LIABILITIES				
Trade and other payables	3,865	4,058	3,857	3,838
Income in Advance	299	382	299	382
Derivative financial instruments	3	19	3	19
Deferred Revenue	-	86	-	86
Liabilities held for sale	29	-	-	-
Employee entitlements	753	707	753	707
TOTAL CURRENT LIABILITIES	4,949	5,252	4,912	5,032
NON CURRENT LIABILITIES				
Lease Liabilities	21	63	21	63
TOTAL NON-CURRENT LIABILITIES	21	63	21	63
TOTAL LIABILITIES	4,970	5,315	4,933	5,095
NET ASSETS	24,472	24,755	24,385	24,526

The Board of Directors authorised these financial statements for issue on 7 December 2022.

This statement is to be read in conjunction with the notes on page 51. A copy of the full financial report is available from Beef + Lamb New Zealand Limited.



A Morrison
Chairman



M Coup
Chairman Audit & Risk Committee

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 September 2022

In thousands of New Zealand dollars	Group Year ended 2022	Group Year ended 2021
Net cash flows from operating activities	(31)	3,112
Net cash flows from/(to) investing activities	(4,091)	(1,800)
Net increase/(decrease) in cash and cash equivalents	(4,122)	1,312

This statement is to be read in conjunction with the notes below. A copy of the full financial report is available from Beef + Lamb New Zealand Limited.

- These summary accounts have been prepared in accordance with NZGAAP for a public benefit entity as it relates to summary financial statements.
- The specific disclosures included in the summary financial report have been extracted from the audited financial statements dated 7 December 2022. The audit opinion expressed was unqualified.
- This summary report does not provide the detail included in the full financial report and reports the financial result for the Beef + Lamb New Zealand group only. The full financial report including both the Parent and Group financial statements has been prepared in accordance with NZGAAP and complies with Public Benefit Entity International Public Sector Accounting Standards (PBE Standards), and other applicable Financial Reporting Standards, as appropriate for Tier 1 for-profit public benefit entities.
- If you require a complete set of the annual financial report please contact Chief Operating Officer, Beef + Lamb New Zealand, P O Box 121, Wellington or phone 04 473 9150. Alternatively the Financial Statements are available on website www.beeflambnz.com.

STATUTORY DISCLOSURES

Disclosure of Interests by Directors

In accordance with section 140(2) of the Companies Act 1993, the Directors have made general disclosures of their relevant interests for entry in the Groups interest register.

Directors have disclosed interests in transactions with associated and subsidiary companies and these are disclosed in Note 13 of the full Financial Statements.

All of the Directors of Beef + Lamb New Zealand Ltd are directors of the New Zealand Meat Board and Meat & Wool Trust Ltd.

Board of Directors Fees	2022 (\$000)	2021 (\$000)
Chairman	76	74
Directors	38	37
Chair of Board Committees	4	4

The above fees represent the annualised fees payable to Directors. The Company pays no other fees to Directors for their representation on subsidiary or other related organisations.

The 2022 annual meeting approved an increase in director fees as follows:

- Chairman's remuneration is increased from \$74,000 to \$76,220 an increase of \$2,220 or 3%;
- B+LNZ Director fees are increased from \$37,000 to \$38,110 an increase of \$1,110 or 3%; and

The B+LNZ Board approved an additional \$4,240 per annum from the director fees pool paid to each of the Audit & Risk Committee and People & Culture Committee chairs (Martin Coup and Scott Gower).

The total director fees pool approved by farmers is \$401,500.

Directors' Indemnity and Insurance

In accordance with section 162 of the Companies Act 1993 and the constitution of Beef + Lamb New Zealand Limited, the company has insured all its Directors and Officers against liabilities to other parties that may arise from their positions as Directors of the company. This insurance does not cover liabilities arising from criminal actions and deliberate and reckless acts or omissions by the Directors.

Use of Company Information by Directors

No notices were received from Directors pursuant to section 145 of the Companies Act 1993 requesting use of company information received in their capacity as Directors which would otherwise not have been available to them.

(\$,000)	Number of Employees	
Remuneration Range	2022	2021
100-109	6	6
110-119	7	10
120-129	7	4
130-139	5	2
140-149	4	6
150-159	4	1
160-169	0	4
170-179	4	4
180-189	4	4
190-199	3	0
200-209	2	0
210-219	1	2
220-229	1	2
230-239	3	0
270-279	0	1
280-289	1	0
330-339	0	1
400-409	1	0

Employee Remuneration

Set out on the left is the number of employees of Beef + Lamb New Zealand Limited and its subsidiaries who received remuneration and other benefits of \$100,000 or more during the year in their capacity as employees.

The remuneration of staff resident outside New Zealand has been converted to New Zealand dollars for the purpose of this disclosure.

The People & Culture Committee of the company's Board approves the company's remuneration policy.

Subsidiary and Associated Company Directors

The following persons held the office of Director of the respective subsidiaries and associates during the year to 30 September 2022. Directors appointed (A) or who resigned (R) during the year are indicated. Staff appointments do not receive Directors fees or other benefits as a Director.

Meat and Wool Trust Ltd (Shareholder Beef + Lamb New Zealand Ltd)	Kate Acland, Bayden Barber, Martin Coup, Tony Egan (R), Scott Gower, Alex Guilleux, Nicky Hyslop, Andrew Morrison, George Tatham, David Surveyor (A).
Subsidiary Companies and Associates	
B+LNZ Clover Company Ltd Holds B+LNZ interest in Pastoral Genomics Research Consortium	Sam Mclvor
B+LNZ Emissions Company Ltd Holds B+LNZ interest in Pastoral Greenhouse Gas Research Consortium	Sam Mclvor
B+LNZ Investments Ltd Holds B+LNZ interest in the North Canterbury Future Farm	Sam Mclvor
Taste Pure Nature Ltd Licences meat exporters with Taste Pure Nature branding	Sam Mclvor
Primary Resources Ltd Non-trading	Andrew Morrison
B+LNZ Genetics Ltd Non-trading	George Tatham, Sam Mclvor, Cros Spooner
Beef + Lamb New Zealand Incorporated	Andrew Morrison, Sam Mclvor
North Canterbury Future Farm Management Ltd (fully owned from 1 July 2020)	Sam Mclvor
Pastoral Greenhouse Gas Research Ltd	Andrew Morrison



Independent Auditor's Report

To the stakeholders of Beef + Lamb New Zealand

Report on the company and group summary financial statements

Opinion

In our opinion, the accompanying company and group summary financial statements of Beef + Lamb New Zealand Limited (the 'company') and its subsidiaries (the 'group') on pages 46 to 51:

- i. Have been correctly derived from the audited company and group financial statements for the year ended on that date; and
- ii. Are a fair summary of the company and group financial statements, in accordance with PBE FRS 43 Summary Financial Statements.

The accompanying company and group summary financial statements comprise:

- the summary company and group statement of financial position as at 30 September 2022;
- the summary company and group statements of comprehensive revenue and expense, changes in equity and cash flows for the year then ended; and
- other explanatory information but excluding statutory disclosures.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)') 810 (Revised), *Engagements to Report on Summary Financial Statements*.

We are independent of the company and group in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Other than in our capacity as auditor we have no relationship with, or interests in, the company and group.



Use of this independent auditor's report

This independent auditor's report is made solely to the stakeholders as a body. Our audit work has been undertaken so that we might state to the stakeholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the stakeholders as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Directors for the summary financial statements

The Directors, on behalf of the company, are responsible for:



- the preparation and fair presentation of the summary company and group financial statements in accordance with PBE FRS 43 Summary Financial Statements; and
- implementing necessary internal control to enable the preparation of a summary company and group set of financial statements that is correctly derived from the audited company and group financial statements.

Auditor's responsibilities for the summary financial statements

Our responsibility is to express an opinion on whether the summary company and group financial statements are consistent, in all material aspects, with (or are fair summary of) the audited company and group financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA NZ) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

We expressed an unmodified audit opinion on the company and group financial statements in our audit report dated 7 December 2022.

The summary company and group financial statements do not contain all the disclosures required for a full set of company and group financial statements under generally accepted accounting practice in New Zealand. Reading the summary company and group financial statements, therefore, is not a substitute for reading the audited company and group financial statements of the company and the group.

KPMG
Wellington

7 December 2022



www.beeflambnz.com

