

DISTRIBUTION: GTA Members – primary contact list. Please circulate to all appropriate internal parties.

1. Purpose

- The purpose of this Member Update is to:
 - 1. Support GTA members communicating grain supply chain Environmental Social & Governance (ESG) credentials with the publication of <u>Australia's Grain Supply</u> <u>Chain and its Environmental Social & Governance credentials</u>
 - 2. Assist GTA members developing their ESG Credentials



2. Information Summary

- The following documents and information are provided in this GTA Member Update:
 - 1. <u>Australia's Grain Supply Chain and its Environmental Social & Governance</u> <u>credentials</u>
 - 2. TGD 22. Sustainability Program Principles & Guidelines

3. Background

- The sustainability objectives of individual companies in the grain supply chain whilst varied, support an efficient, health focussed and safe global grain trade that improves the world's food security.
- GTA recognises sustainability is an important issue for industry and GTA members. GTA is aware many members have already established or are establishing sustainability programs according to their particular business positions and commercial circumstances.
- To support members as they address and approach sustainability, GTA has previously provided <u>TGD 22. Sustainability Program Principles & Guidelines</u> that may assist individual businesses as they consider their sustainability objectives and programs.

4. Industry Environmental Social & Governance Position Papers

- A component of GTA's ESG focus is on communications that support and facilitate trade. This includes understanding market needs, supply chain (including existing) ESG credentials and communicating with "the customer".
- As an initial step to assist members to better understand ESG, GTA has prepared a
 publication titled <u>Australia's Grain Supply Chain and its Environmental Social &
 Governance credentials</u>.
- This publication highlights Australia's regulatory and industry framework that support delivering on ESG focussed outcomes.
- It provides an overview of how the Australian grain value chain operates within a selfregulatory framework developed and improved through time and the buy-in and engagement with all sectors of the supply chain.

5. GTA Industry Driven Self-Regulatory Framework

- GTA's products and services provide an industry driven self-regulatory framework including:
 - 1. The Australian Grain Industry Code of Practice (Code)
 - 2. <u>Grain Trading Standards</u>
 - 3. Grain Trading Rules
 - 4. Standard form Grain Contracts
 - 5. Dispute Resolution System
 - 6. Training and Development Program
- The Code is a practical guide for participants in the grain industry to achieve the standards and expectations of domestic and export customer requirements. Compliance with the Code is mandatory for GTA members.
- These two ESG Position Papers are principally intended to support industry participants understand some of the components of ESG and to provide guidance and material that may assist to establish individual company sustainability programs according to their particular business positions and commercial circumstances.

In early 2023 to further support GTA members in relation to ESG, GTA intends to release additional material to assist with understanding Greenhouse Gas emissions and the rational for monitoring emissions.

6. Further Information

For further information about this GTA ESG material please contact GTA at <u>Admin@graintrade.org.au</u>