

SAI Platform Benchmarking

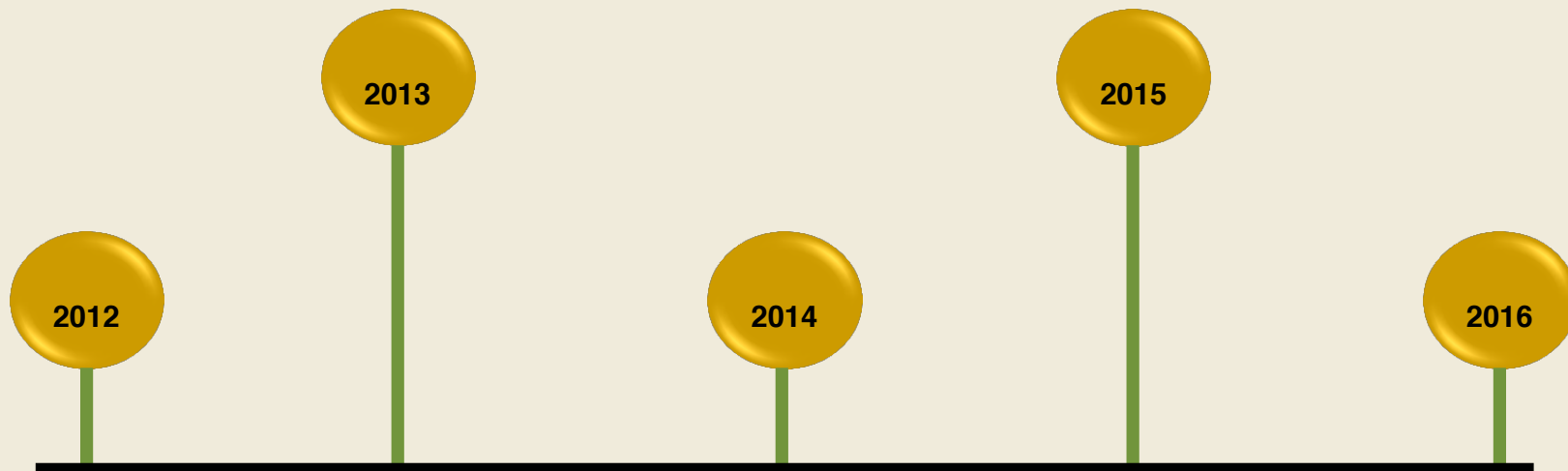
Canadian Roundtable for Sustainable Crops
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Sustainability at Grain Farmers of Ontario



- Grain Farmers of Ontario have been actively involved in sustainability since 2012
- Our Goal: To proactively work to ensure our farmers have the ability to meet sustainable requirements, while making sure the process to do so is the least cumbersome on the farmer



Sustainable Sourcing Requirements

- Originally, through our market intelligence this started as a soybean specific issue related to export markets but we have seen this quickly change
- Currently in Ontario, there are grain farmers participating in sustainability schemes to meet customer demands for:



Sustainable Agriculture Initiative (SAI) Platform



- The SAI Platform is the main food and drink industry initiative supporting the development of sustainable agriculture worldwide
- A global food industry initiative for sustainable agriculture that seeks involvement from the full supply chain
- The SAI Platform was built to facilitate sharing, at a pre-competitive level between companies and commodities



Farm Sustainability Assessment (FSA)

- The FSA is a farm focussed questionnaire examining sustainable farming practices recognized in the food and drink industry, covering environmental, economic and social aspects



Environmental

Agro-chemicals
Air
Biodiversity
Crop Protection
Planting
Soil Management
Waste Management
Water Management



Economic

Financial Stability
Market Access
Legal Compliance



Social

Health and Safety
Labor Conditions
Local Community



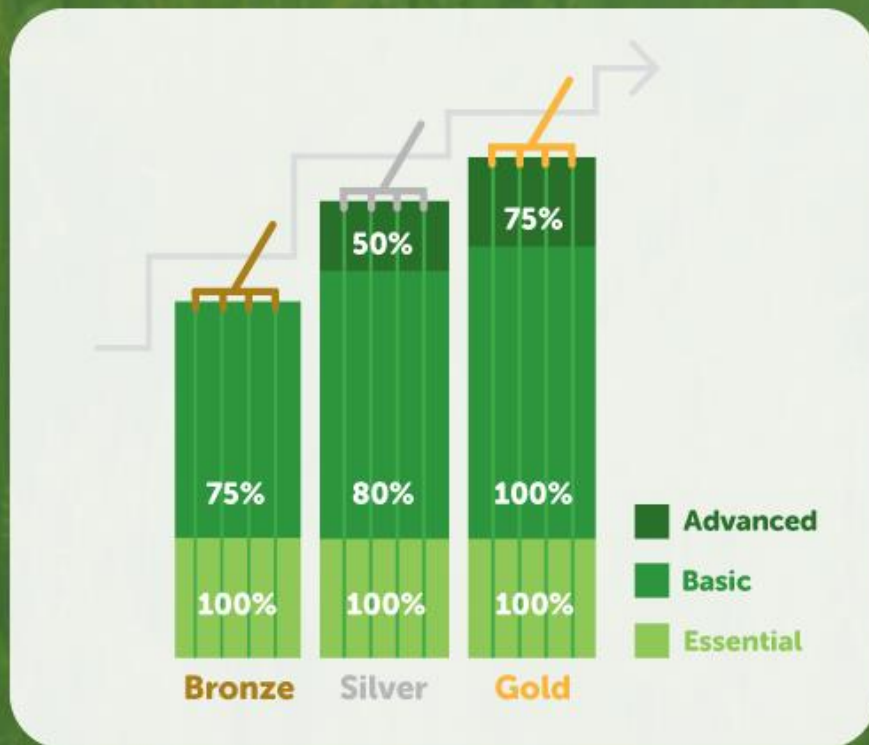
What is the Farm Sustainability Assessment (FSA)?



- The Farm Sustainability Assessment (FSA) is the farm sustainability assessment portion within the SAI Platform
- This assessment requires 112 questions answered, of which:
 - 23 Essential
 - 60 Basic
 - 29 Advanced
- This can be completed through either use of an excel spreadsheet or online assessment.



FSA SCORES SUSTAINABLE AGRICULTURE ON 3 PERFORMANCE LEVELS



BRONZE refers to a minimum 100% coverage of essentials and 75% of basic.

Solid base of good farming practices.

SILVER refers to a minimum 100% coverage of essentials, 80% of basic, and 50% of advanced.

Sustainable farming practices recognized by leading companies.

GOLD refers to a minimum 100% coverage of essentials, 100% of basic and 75% of advanced.

Sustainable farming practices that really stand out.



The reality of the FSA



- The FSA examines environmental, economic and social indicators as they relate to agriculture around the world
- The FSA is currently being used in 32 countries around the world and a wide range of commodities
- As the scope of this is global, there is a wide variation between agricultural production systems in which the assessment would cover

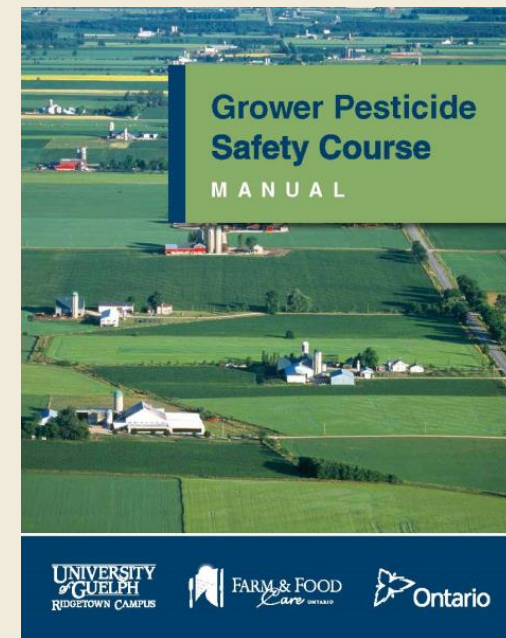


The reality of the FSA in Canada

- Initially, farmers who went through the FSA identified that some questions asked were not relevant to an Ontario grain farmer

Example:

- Ontario Grower Pesticide Training
- This is mandatory for all farmers who purchase and apply pesticide ensuring they have the knowledge and information to keep themselves, their families, our food, and the environment safe.



SAI Platform Benchmarking

- Grain Farmers of Ontario initiated a benchmarking activity with the SAI Platform's FSA
- The benchmarking activity helps to filter questions that may already be covered by Canadian and Ontario law and regulations
- The goal is to eliminate redundant questions that a farmer is already compliant with through law
- Pending third party verification, grain farmers in Ontario are equivalent to FSA Bronze



FSA 26 → Nutrient Management

Do you prevent using untreated sludge and untreated sewage sludge on your field?

- Through the benchmarking activity this was deemed in compliance
- According to the law, sludge can only be spread on agricultural land if it has been stabilized or with an environmental compliance approval (Ontario Regulation 267/03, General (8.2) and Part IX)



FSA 82 → Labour Conditions

Do you prohibit the use of any form of forced and bonded labor?

- Through the benchmarking activity this was deemed in compliance
- The Canadian Charter of Rights and Freedoms protects people's right to life, freedom and security; Nobody can be forced to provide services to an employer if they are not paid and do not agree." (Constitution Act, 1982, PART I, Canadian Charter of rights and freedoms art.7)



Why did we initiate this work?

- The reality is, companies need to be uniform in how they approach sustainability to meet expectations of local and multinational customers
- For instance, we don't think of Ontario grain production as being problematic in terms of human rights
- We initiated this work to help filter out questions companies still require while providing the compliance proving measures
- This ensures we reduce some of the impact on our farmer members



Thank You

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