

# Annual Report 2021-2022

Australian Pork Limited



AUSTRALIAN  
**Pork**<sup>®</sup>

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Australian Pork  
production is  
estimated to  
have risen by  
0.9%



## Message from the Chair

# Strong delivery in uncertain times

**Through the last 12 months, the Australian pork industry remained on-track to sustainably add \$1bn of farm gate value, which was the vision in our 2020-25 Strategic Plan. As we entered the 2021-22 year, Australia seemed to be headed for less turbulent times. But as we now know, there were plenty of changes to the operating environment.**

On the global front, there was the faster recovery of China's pork production in late 2021, whilst global beef and lamb supplies remained tight. Omicron more than quadrupled the daily reported COVID-19 cases in February 2022, with severe consequential effects on supply chains and available labour. The geo-political situation became an increasing risk, with the Russia-Ukraine conflict exacerbating already rising grain and energy costs, accelerating global inflation.

In addition to the global volatility that impacted Australia, there were also domestic challenges. Floods made some properties and processing facilities isolated for some periods. Omicron meant that processors of fresh meat had periods of reduced or stopped operation due to necessary staff health protection.

The incursion of Japanese Encephalitis virus (JE) was responded to promptly and professionally by our industry. This was a testament to all of the emergency animal disease (EAD) preparedness work APL, industry and governments have done in the last three years.

As Covid-19 restrictions eased in the last six months of 2021-22, foodservice more fully opened up, rebalancing the previous year's growth in retail meat sales when consumers were more homebound. These changes tested the continuous flow of fresh Australian pork to national markets. However, cooperation between processing plants, producers and retailers meant that the flow, whilst slowed at times, remained continuous.

The outcome of all of this was that Australian pork production was estimated to have risen by 0.9% for the year.

The acquisition of Rivalea by JBS, who also own Primo, was a major transaction for our industry in 2021-22.

As we move into 2022-23, the APL team looks forward to working with all pork producers to continue helping to create a thriving pork industry.



**Mr Andrew Baxter**  
Chair

## CEO's report

# People focused delivery

**Uncertain times proved industry's resiliency in 2021-22, and despite the ongoing challenges, APL delivered for our people.**

This year APL continued to deliver despite ongoing disruptions and unforeseen circumstances. COVID-19, natural disasters and biosecurity outbreaks impacted the industry and wider supply chain in 2021-22, however, the top three priorities remained in focus and were delivered as outlined below.

### **Improve on-farm documented biosecurity plans**

Following the APIQ✓® review in 2021, the industry's revised enhanced biosecurity and contingency plans have now been delivered. With 90% of Australian pork production under APIQ✓® – the plans are available for all producers.

The on-farm enhanced biosecurity standards have been reviewed and finalised by our industry technical specialists, with the Animal Health Committee overseeing the approval process for the revised standards.

Over the past 12 months, the Australian pork industry's leadership in biosecurity and emergency animal disease (EAD) preparedness has been recognised across other agricultural sectors. APL facilitated and discussed key learnings on EAD response efforts following this year's Japanese Encephalitis virus (JE) outbreak, with the team leading biosecurity preparedness strategies with other sectors.

### **Accelerate progress in our focus RD&E areas**

In terms of RD&E, we continue to make progress in innovation and extension.

The recently developed "visitor app" has been trialled and tested – with approximately 30% of production having now adopted the data-driven solution.

Extension resources, such as the biosecurity toolkits have reached 100% awareness amongst APL members, with resources shared via the APL Member Portal and producer communication channels.

To support producer extension in sustainability, this year APL created a new position and hired the industry's first Sustainability Officer. Our goal is to help our producers benefit from proven technologies and assist the industry to achieve its sustainability targets.

The team continued to build momentum in research and innovation projects this year. With research outcomes focussed on technological, animal welfare and biosecurity advancements for the Australian pork industry.

## Improve our “diversity of markets” options

In 2021-22, we have continued to explore diversity of markets, and have identified multiple market opportunities.

To advance commercialisation opportunities, a Business Innovation Director was recruited – who will develop opportunities for these markets in collaboration with the APL Board and industry.

From a marketing perspective, the industry in collaboration with the supply chain have managed to keep fresh pork volume sales above pre-COVID-19 levels – highlighting growing consumer demand for Australian pork.

APL continues to evolve our focus on ensuring we maintain and grow demand for our products both domestically and internationally. We work to ensure industry is strongly represented and continues to have a voice at all decision-making tables.

This is underpinned by our continued focus in demonstrating biosecurity, animal welfare and sustainability leadership – and truly remaining focused on our 2025 strategic planning goals.

I would like to join the Board and the Executive team in thanking the industry for their ongoing efforts and support. And, I extend my thanks to the APL team for their commitment and hard work in what has been another successful year of delivery.



**Ms Margo Andrae**  
**Chief Executive Officer**

None of us are as  
smart as all of us

- Ken Blanchard

## Overview

# APL in brief

**APL remains a unique rural industry service organisation, integrating effective marketing, proactive policy, and impactful research.**

APL's purpose is "to enable a thriving pork industry". This is achieved by recruiting talented people with skills that most individual pig producers do not have.

APL does for Australian pork producers, the most important and impactful things they cannot do for themselves.

APL facilitates industry contact on pork producers' behalf. Our progressive strategy for 2020-25 requires closer connection with both regulatory and commercial ecosystems for both innovation and growth.

Our primary funding is derived from statutory pig slaughter levies collected under the Primary Industry (Excise) Levies Act 1999 (Cth).

Further funding comes from a funding agreement with the Australian Government.

Whilst APL works in the interest of all pig producers, the organisation is guided by those producers who become APL Members.

Producers become Members by demonstrating they have paid pig levies. In 2021-22 there were 183 members representing 90% of Australian pork production.

APL members elect approximately 32 Delegates every three years. These Delegates meet twice a year to provide feedback on industry progress and understand APL's activities in more detail than most Members.

Delegates then report back to the producers they represent. It is APL Delegates who elect the Producer Directors on the APL Board.

To fulfil our duties to pork producers, APL staff have personal contact with most APL Members, federal and state regulators, abattoirs, wholesalers, retailers (including restaurants and foodservice) and consumers.

These groups all work at different speeds and with the passion that our industry has, there are often multiple opinions on speeds, needs and priorities to navigate.

During the 2021-22 year however, it has been evident that when difficulties emerge, such as COVID-19 or floods temporarily closing boning rooms, abattoirs or isolating farms, the industry does come together to help keep Australian pork flowing from paddock to plate.

**Cooperation is the  
thorough conviction  
that nobody can get  
there unless everybody  
gets there**

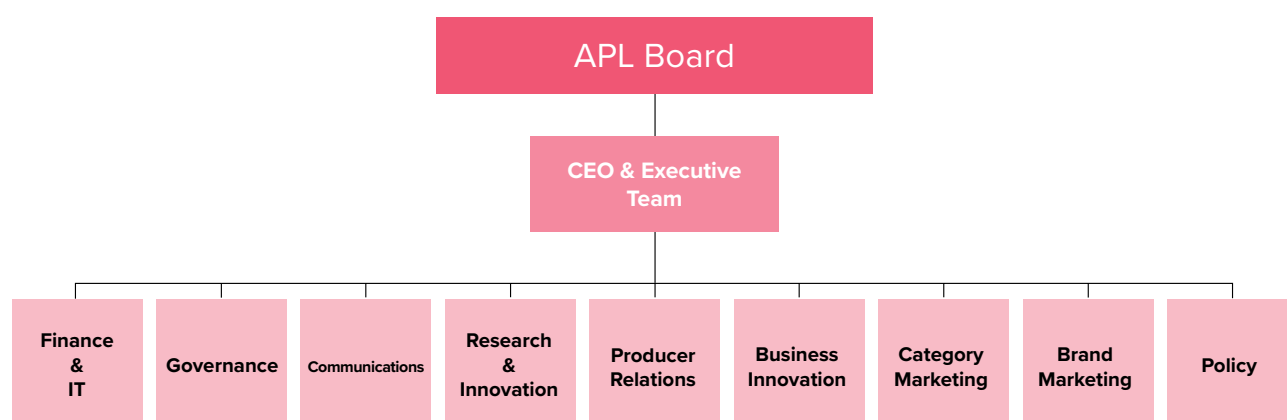
**- Virginia Burden**







**APL is structured to combine a diverse set of skills into a single industry voice.**



The APL Board has five Elected Directors and four Specialist Directors (constitution point 14.1).

The Board appoints the Specialist Directors which are ratified by Delegates (constitution point 14.5).

The Board delegates responsibility for delivery of the Strategic Plan and effective management of the company to the CEO. The CEO is supported by an Executive Team.

The Board has endorsed best practice corporate governance to ensure that APL acts within the law, manages conflicts of interest and acts honestly and ethically in all business activities.

## Corporate governance

APL adopts contemporary best practice including:

- Setting company policies and measuring compliance with those policies
- Development, implementation, application, maintenance and performance reporting of a risk management plan, a fraud control plan, and an intellectual property management plan
- Measurement and reporting of performance against specified outcomes and objectives
- Human resource management, diversity management, equal employment opportunities (EEO) and workplace health and safety (WHS)

- Managing, measuring, and reporting compliance with legislative and regulatory requirements

The Board is accountable to Members, as set out in the company's constitution, and performs its responsibilities when it meets seven times per year.

Each meeting requires a majority quorum of Directors eligible to vote (at least five Directors). Meetings to respond to specific issues are called as needed, including consideration of resolutions virtually.

The Board executes its responsibilities and functions in a manner consistent with the Australian Institute of Company Directors' Code of Conduct.

To ensure the Board is properly executing its responsibilities, the Board reviews its performance in the following areas on a regular basis:

- Roles and responsibilities
- Timeliness of advice and direction to management
- Effectiveness of Board meetings
- Interaction with management, and contribution to the ongoing performance of the company

Independent reviews of the Board's performance are performed biennially, and self-assessments are performed every other year.

The Board's responsibilities and functions include:

- Reviewing organisational performance against the strategic plan
- Reviewing the continuing relevance of the Strategic Plan to deliver best return on investment outcomes to the Australian pork industry
- Appointment of the CEO and providing direction on the appointment, remuneration and evaluation of senior management
- Approving Annual Operating Plans and annual financial budgets
- Approving major initiatives outside of the Strategic Plan, Annual Operating Plan, or annual financial budget
- Ensuring the company acts legally and responsibly on all matters and that the highest ethical standards are maintained

The APL constitution allows the Board to establish committees. Each committee is chaired by a Director, has its own terms of reference, and agreed membership.

The terms of reference of each committee are reviewed by the Board annually and each committee reports to the Board.

The following committees were in place for the 2021-22 reporting period:

### **Audit, Risk and Corporate Governance Committee**

The committee's role is to advise the Board on corporate governance, internal and external financial audit issues and adequacy of accounting procedures, systems, controls, and financial reporting.

It also reviews risk management and fraud control management, intellectual property management, and qualification of R&D and matching expenditure in compliance with major contracts.

### **Investment Committee**

The Investment Committee succeeded the Research & Development Advisory Committee (RDAC).

The committee considers proposed Research & Innovation investment opportunities in the context of achieving the company's strategic objectives.

### **Industry Marketing Committee**

Along with APL Directors with marketing experience, the committee includes external marketing experts. The committee reviews possible marketing developments for domestic and export markets and advises the Board on marketing strategies.

This committee complements the value chain consultations and will become the APL Board's primary source of connection with the development of 21st century marketing practice.

### **People and Culture Committee**

The committee provides advice and recommendations to the Board on remuneration policies and practices, and performance reviews for senior management. It also acts as the Board Nominations Committee.

### **Industry Integrity Committee**

The committee provides input and guidance to the Board on emerging or specific agricultural practice, animal welfare and quality assurance issues which have the potential to significantly impact producers' future sustainability.

Prudent cautious  
self-control, is at  
wisdom's root

- Robert Burns

# Annual highlights

## Pork industry Virtual Tour



## Biosecurity Management Plan resources

### Templates

A biosecurity management plan, when followed, will help you manage your biosecurity risks.

This biosecurity plan represents best practice to protect your pigs from the introduction and spread of pests, weeds and disease.



#### Template for a detailed plan

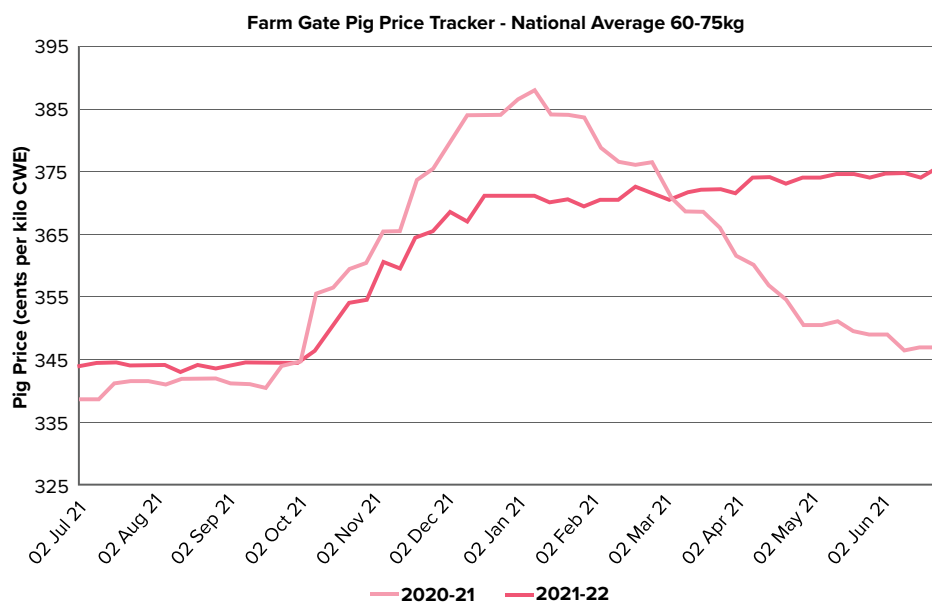
Interactive PDF



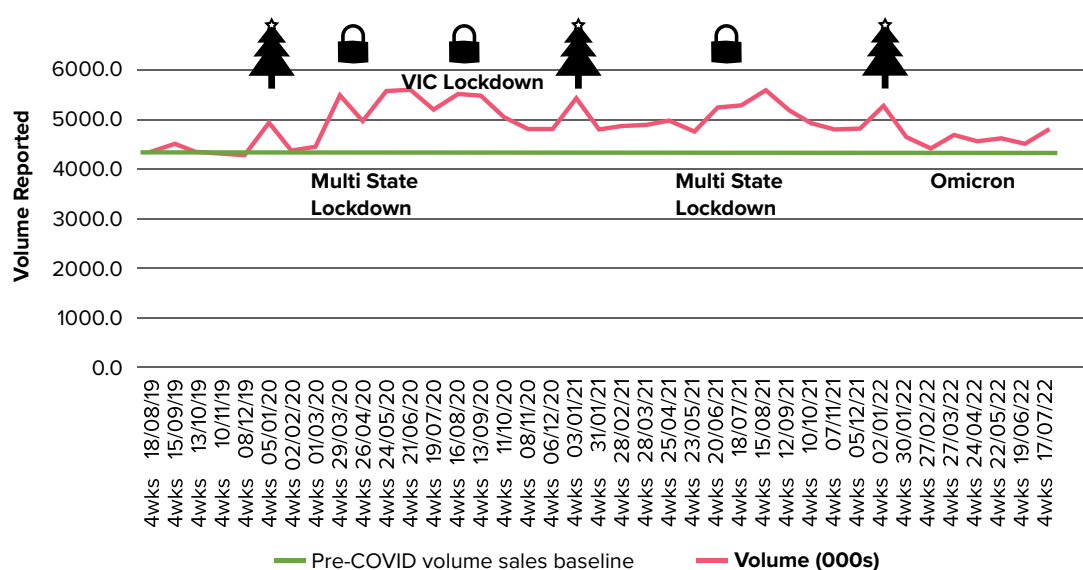
#### Template for a detailed plan

Print PDF

## Pig prices kept industry viable despite high grain costs



## Retail fresh pork volume sales have performed well over COVID-19





## Industry consultation

# Listening for a progressive future

APL has both deepened and broadened industry consultation this year.

A major change in industry consultation has been the creation of a Producer Relations team who are assigned a group of Members to contact.

This team, in addition to managing APIQ✓®, extension and adoption, industry leadership and education, also speak to Members one on one.

Over the course of this year, the occasions of producers contacting the team rather than the team contacting producers demonstrate value in communication is being created.

In addition, APL continue to meet with the 32 Delegates, twice per year. During 2021-22 these meetings (held in November 2021 and May 2022) were held virtually due to COVID-19 in November and in-person at the Gold Coast in May 2022.

Delegates meetings are a critical industry consultation mechanism both bringing producer ideas and opinions to APL and disseminating industry information to the APL Members who elected each Delegate.

There were multiple African swine fever (ASF) and exotic disease outbreak preparedness exercises run in multiple states and territories. This was a substantial investment by APL, producers, industry experts and regulatory authorities. It has helped the Australian pig industry to better understand government actions and vice versa.

These capabilities were put into action when Japanese Encephalitis (JE), a zoonotic disease, was discovered in early 2022 across the eastern states of Australia.

Whilst there are learnings from every incident response, this unplanned test was responded to very well by APL and producers.

APL's Category Marketing team have increased the frequency and depth of interactions. There are now at least quarterly consumer insights based deep dives, as well as channel specialists in APL talking directly to wholesalers and retailers.

When you talk you  
are only repeating  
what you already  
know. But if you  
listen, you may learn  
something new

- Dalai lama

## Rural R&D priorities

# Supporting the broader industry

**Increasingly, APL is broadening our perspectives and our influence.**

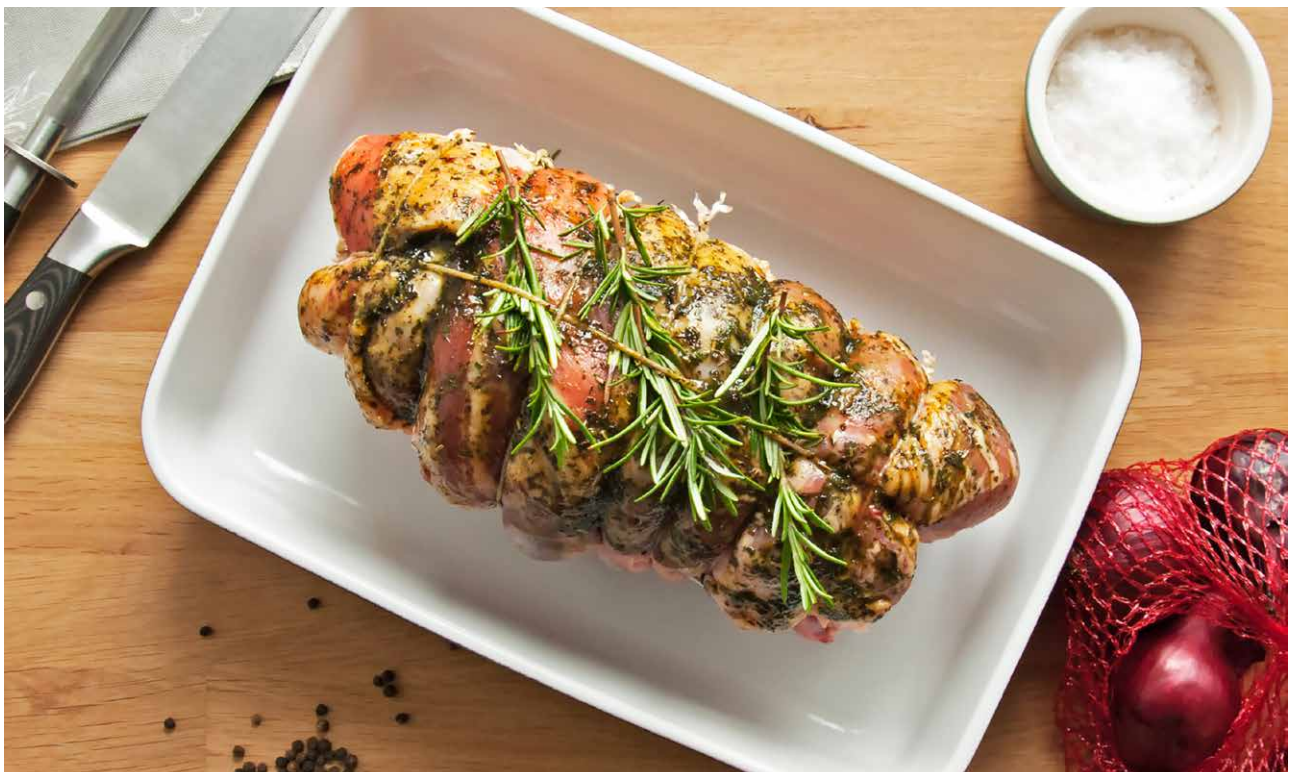
Our partnership with the Department of Agriculture, Water and the Environment (DAWE, now the Department of Agriculture, Fisheries and Forestry – [DAFF]) to prepare for the avoidance (and if necessary, management) of an ASF outbreak has continued to strengthen.

APL's Policy Director led the creation of a cross-commodity working group. This encompasses all 14 livestock and Emergency Animal Disease Response Agreement (EADRA) signatories to drive enhanced response arrangements to emergency animal diseases (EAD).

This has been acknowledged and well received by DAFF and the Animal Health Committee (AHC).

Industry research and development investments remain consistent with the Commonwealth's Rural Research and Development Priorities (see table pg 12).

**“the way a team plays as a whole determines its success”  
- Babe Ruth**



# APL Projects and contributions to Rural Research and Development Priorities

	Advanced Technology	Biosecurity	Soil, water and manage natural resources	Adoption of R&D	Other research
Advanced measurement technology					
Continuous data and advertising tracking					
Eating quality commercialisation					
Valuable pork provenance					
Food safety					
Planning reports					
Commercialisation					
Climate Research Strategy from Primary Industries (CRSPI)					
Animal welfare interventions					
Environmental management					
Australasian Pork Research Institute Limited (APRIL)					
Supply chain traceability					
Breeding females					
Showground insight					
Exotic disease and biosecurity					
Environment and health					
Pork RD&E strategy					
Virtual herding					
Transforming production efficiencies					

	Advanced Technology	Biosecurity	Soil, water and manage natural resources	Adoption of R&D	Other research
Forewarned is forearmed					
Improving herd health					
Fostering new capability					
Bringing influencers together					
R&D adoption					
Building technical capacity					
Innovation ideation					
Annual producer survey					
Industry engagement and events					
Communication and society					
Issues management and support					
Building our social license					
Investment Committee/stakeholder engagement meetings					
AGM & conference					
CRRDC activities					
Benefit cost analysis					
ICT					
Human resource management					



## Industry outcomes

# Our performance

**APL is an outcome driven organisation. The targets and performance metrics we have are consistent with both the strategic plan and the resource which we apply to each target.**

Performance metrics within APL's five strategic objectives are a mixture of two types.

Those with high levels of APL control in their achievement (with a lesser impact through outcomes).

These are called key performance indicators (KPIs) and key results areas (KRAs). Those with a lower level of APL control in their achievement (with major impact through outcomes).

Our practice of setting ambitious targets means that some of our KPIs will be achieved and some will not. A mix of KPIs for company or industry achievement keeps the organisation focused and aligned with what is ultimately important for our stakeholders.

The tables on pages 16 and 17 show the KPIs and outcomes for each of the programs within the strategic objectives for the 2021-22 financial year. This provides a clear view of the activities and associated industry benefits linking back to the 2020–2025 Strategic Plan.

Overall, of the 17 metrics outlined for the 2021-22 year, 10 have been achieved, 2 were achieved but cannot be counted as fully achieved, 1 has been partially achieved (considering changes in circumstance) and 4 have not been achieved.



If you can't  
measure it, you  
can't improve it

- Peter Drucker

Strategic theme	Strategic KRA	AOP KPI	Measure	FY 2022 Target	FY 2022 Outcome	Status
market and product differentiation	Increased diversity of products and markets		Number of new markets or incremental revenue opportunities worth over \$50m revenue (includes premium) in a full year identified	Further 10 identified	27	✓
	Increased diversity of products and markets	\$50m+ markets entered	Number (in addition to Japan & South Australian experiment)	1	0	✗
	Valuable Provenance of Australian	Publicise the story of Australian pork	Stakeholder opportunities to see	30 million	52.1 million	✓
manage volatility for viable farms		Timely relevant through the chain information	Deploy integrated information platform as an industry decision making support	Exists	Does not exist	✗
	Cost of production and kill fee		Reduction in cost of production index from 2020 benchmark (exc. grain market changes)	94	85	✓
	Cost of production and kill fee	Build a portfolio of projects with the potential to deliver impact	cents per kilo	20	23	✓
drive consumer demand	Fresh pork consumption		Kg HSCW per Australian* <b>Old method</b> vs <b>new method</b>	<b>11.0</b> <b>9.6</b>	<b>10.9</b> <b>10.2</b>	Not quite Achieved
		Increase “Everyday Meals” association	% of Australians making association	35%	33%	✗
		Charted way forward in ham & bacon	Agreed way forward with funding source	Exists	Exists	✓
		Farm gate revenue	Realise 4% meat volume growth @ an average price of \$3.46/kg CWE)	+4.0% \$3.46	+0.2% \$3.62	✓

Strategic theme	Strategic KRA	AOP KPI	Measure	FY 2022 Target	FY 2022 Outcome	Status
leading community social licence	Social license leadership positions taken		Number	3	1	X
		Climate friendly farming	% of national herd covered by LCA	20%	53%	✓
	New exotic disease outbreaks		Number	0	0	Not quite achieved - zoonotic
		ASF appropriate on-farm biosecurity plan complete	60% sows covered by industry agreed voluntary enhanced biosecurity plans	60%	89%	Not quite achieved – not voluntary
building industry shared vision	Increased on-farm adoption		% of Members adopted some extended R&D in the last decade	36%	77%	✓
		Members are aware of the specific list of adoption opportunities (10 18/19 to 21/22 research)	% of Members	60%	100%	✓
	% of members who can recall APL adoption this year	Member adoption rate of from the specific list in the last 12 months	% of Members	10%	77%	✓



# An overview of our five strategic themes

APL will continue to contribute to the delivery of a thriving pork industry by focusing on five strategic themes:

## **Market and product differentiation**

Building a broader portfolio of points of difference that are more valuable to some customers than other competing products or services.

## **Manage volatility for viable farms**

The uncertainty that goes with all markets is particularly intense with agriculture. Booms and busts. This theme is about flattening those extremes.

## **Drive consumer demand**

Understanding what the consumer wants and providing that in a better way than our competitors, at a price the consumer is prepared to pay will continue to be one of our central roles.

## **Leading community social licence**

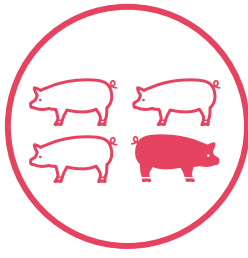
Often societal permission holds organisations to a higher standard than the law. This strategy is aiming higher than both.

## **Building industry shared vision**

This involves creating dialogues with each APL Member and finding value that they can add to the industry as well as finding value that APL can add to their business.

As described in APL's Strategic Plan 2020-25, these themes have been developed to ensure strategic alignment with the national and rural R&D priorities and maximise collaboration with rural development corporations (RDCs) and the broader agriculture sector.





# Market and product differentiation

**Making Australian pork more uniquely valuable to consumers and increasingly a part of their eating pleasure.**

## Diversity of markets and products

Opportunity identification was over-delivered versus the Annual Operating Plan (AOP) in the 2021-22 year.

These opportunities include some that are moving into commercial go-no-go decisions such as collagen, protein and calcium powders from low value parts of the carcass.

They also include an evaluation of Japan as an export market (which is covered in the Drive consumer demand theme).

In addition, work on developing opportunities in under-developed sales channels for pork, such as QSR as well industry footprint reduction (including alternate feed sources, carbon reduction and sustainable packaging) are being investigated by our Business Innovation Director, Marzio Magistrelli.

Marzio joined APL in May 2022. Filling this role in May rather than in January meant that the commercialisation of options was delayed. We did not enter a new market as planned.

This is an ambitious program, every option under investigation has problems (otherwise as an industry, there would be an existing business). It is not possible to progress without experimenting and problem-solving.

## Quality consumer eating experiences

The second program to measure pH (acidity/alkalinity) of a carcass before shipping demonstrated that the abattoirs tested have good control to avoid eating experience failures.

Further consumer sensory research conducted in Australia demonstrated the factors to avoid failure are less predictive in improving eating experience. Treatments that add juiciness, tenderness and easy-to-cook were re-confirmed as the most powerful drivers of improved consumer preference.

Additional research comparing Australian pork to pork from other countries completed in Tokyo found that Australian pork is a little tougher and leaner than pork from other countries.

The research program has now evolved from a sensory perspective to investigate improving levels of intramuscular fat (IMF) and investigating whether protein fibre structure in combination with intramuscular fat affect tenderness scores.

In addition, qualitative evaluations of life-stage changes (moving out of home or becoming parents) were conducted to identify where best to target coordinated eating changes with other changes in consumers' lives.



We intend to continue collaborating with willing partners in both retail and brand ownership

## Valuable provenance of Australian Pork

Valuable Provenance is about premiumisation and differentiation, whereas “the story of pork” is about communicating our leading social license progress. Both are based on industry facts and truths.

Creating noticeable differences that are valuable (i.e. worth paying more for) is always challenging.

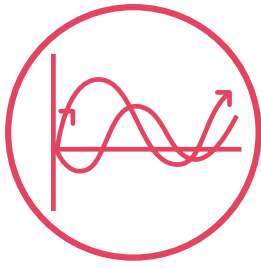
The Category Marketing team completed several evaluation and investigation studies. These studies reviewed the March to June 2021 Adelaide ham trial.

Multiple insight sources were used including retail scan data, qualitative channel discussion insights and virtual-reality quantitative studies.

The main findings of these studies are:

- That most people are unaware that most ham and bacon is made using imported pork
- The vast majority of Australians prefer buying Australian at the same price (80%)
- At least 32% of Australians will pay a premium for Australian product
- Informing consumers of the existence of imports is the precursor to valuable provenance messaging and is of strategic importance in order to truly differentiate. Imports messaging alone will create sales increase with those that assume they are buying Australian
- When consumers are shopping for ham/ bacon, they search for items they recognise, rather than consciously evaluating each option available. This is because basing purchase decision on previous purchase decisions is far quicker than evaluating every decision option, every time they shop
- Price and promotion are biggest driver of pack choice, followed by brand (as they are easy to recognise and assumed to be Australian)





# Manage volatility for viable farms

**Flattening the extremes is a core tenet of our strategy. As an industry we are focussing on forecasting what is controllable and mitigating what is not.**

## **Timely, relevant, through-the-chain information**

The creation of a single, searchable data base for producer-owned information was postponed from 2021-22 to 2022-23.

This priority choice was based on continued COVID-19 disruptions to supply chains, increased staff illness and the outbreak of JE throughout the year.

The Communications team have successfully finalised stages one and two of the [australianpork.com.au](http://australianpork.com.au) website.

This enables producers and other stakeholders to more easily navigate the knowledge that the industry has invested to acquire.

This was an important enabling step, building a solid and transparent knowledge foundation for today and tomorrow.

The revised forecasting system to enable Members who contribute to the industry Production Survey to get foresight of the next few quarters production has remained relatively accurate and is helping producers manage volatility in their businesses.

Due to the collaboration of abattoir owners, producers and some large wholesalers, our industry does have weekly information on prices and volumes of supply.

The use of external supply chain experts was trialled, and whilst their forecasts were as accurate as industry's they were not **more** accurate.

## **Reduce cost of production and processing**

This program has made the desired progress in commissioning research consistent with the agreed priorities. These are:

- Better animal health
- Reduced cost of feed
- Increases in piglets weaned per sow

The portfolio this year has delivered and encapsulated three thoughts:

- Prevention rather than cure (particularly in herd health that also has welfare benefits)
- Producer involvement in idea generation and evaluation
- The incorporation of technologies and approaches that have not been tried before



There remain opportunities to broaden the technologies and approaches that have not been tried before to those that are more radical.

### **Diversified pig business extension opportunities**

In consultation with state pork organisation leaders, this program has been de-prioritised.

The discussion concluded that there are more impactful areas to focus on in the current environment (disease preparedness, R&I extension, and workforce availability).

As such, this remains a priority evaluation criterion we use when deciding when and where to invest producers' and governments' limited resources.

**Don't react. Respond instead. Exercise some forethought into what you're about to say and do.**

**- Akiroq Brost**



# Drive consumer demand

**This theme is at the centre of helping our industry be more market oriented. Creating value requires a sense of where tomorrow's market is going to be.**

**Consumer insight and review of changes in groups of consumers drives our marketing strategy and approach.**

## **Maintain domestic fresh demand**

2021-22 was a significant year in the evolution of our marketing strategy and measurement.

Consumer insight identified that the people we were targeting from 2010 to 2021, whilst easier to influence (and measure the impact on sales) are not the highest life-time value consumers.

Taking the strategic thought of "progressiveness", by targeting younger families and everyday occasions there is an opportunity for advertising to affect sales today (parent behaviour change) and sales tomorrow (children tend to eat similar meals after leaving home). This is possible but a more difficult behaviour to change.

From a timing perspective, pork has built share over the pandemic by increasing investment when others reduced, accelerated by an increasing retail price difference versus beef and lamb.

This represented an opportunity to try and target younger families. Whilst pork prompted advertising awareness remains the highest of all meats, we believe the "everyday" attitude results can further be improved in execution. Two of our most experienced APL marketers have been assigned this task.

The "not quite achieved" rating for per capita consumption is affected by less production than planned.

## **Grow domestic demand**

Currently, the majority of ham and bacon bought in Australia is made from imported pork. However, Australians assume that the meat in these products is Australian.

The first step to helping Australians make a conscious choice is to make them aware that the majority is made from imported pork. Despite some nervousness amongst some brand owners and retailers, if we are to challenge the status quo and be future focussed we must take some risks.

APL ran an experiment in Adelaide in 2021. The outline sales results for both the category and Australian pork products were positive.

As outlined in the "valuable provenance" section, the considerable challenges now are to find ways to motivate consumers to be prepared to pay a premium as well as collaborating with supply chains to reduce cost.

The Brand Marketing team at APL is working on reasons to pay a premium. There is an agreed way forward. APL is under no illusion just how challenging this is.



Whether it is due to the Adelaide experiment or not, producers, ham and bacon brand owners and major retailers have increasingly collaborated in extending Australian pork further into the ham and bacon available to consumers.

### **Growth in international demand**

International business has been an excellent example of supply chains, government and APL working together.

Whilst international sales are down 4,000 tonnes (10%), most of which is a decline in Hong Kong, exports are higher than they would have been had supply chains, government and APL not worked together.

The agreement between APL and our major exporters is that APL will focus on Japan where trading is only part of the solution whilst supply chains focus on Singapore, Hong Kong, Philippines, and Vietnam (and others that the supply chain chooses).

APL has completed:

- Product comparison research versus pork from other countries
- A survey of wholesale price realisation in Japan
- A qualitative consumer review of market gap

These will be consolidated into a commercial evaluation that supply chains will eventually decide, whether there is an opportunity for joint market entry funding or not.

**There are some people  
who live in a dream  
world, and some who  
face reality, and then  
there are those who  
turn one into the other**

**- Desiderius Erasmus**



# Leading community social licence

**APL in collaboration with pork industry experts and federal and state authorities has delivered pork leadership in emergency animal disease preparedness.**

## Biosecurity leadership

The heavy investment by APL, producers, pork industry experts and federal and state authorities continued in 2021-22.

Exercises to practice, pressure test and refine systems and responses continued. Initially focussed on ASF, APL was happy to facilitate expansion of learnings as well as garnering support from the other 14 livestock EADRA signatories.

This broadening meant that the EAD Technical Group continued to have input to AUSVETPLANS as well as advising on practical producer material for broader extension.

This “whole-of-APL” approach can be seen clearly in the implementation of the 2020 major APIQ✓® industry quality assurance system review.

This introduced more specific requirements and added contingency plan requirements as part of an APIQ✓® Biosecurity Management Plan. This has or is being adopted by the 140 producers who represent 89% of production.

This is rated as “not quite achieved” because whilst APIQ✓® is voluntary, it is also a requirement for many pig buyers so it’s not as voluntary as other options for adoption by producers.

In addition, the APIQ✓® team have worked with the Policy and EAD technical expert teams to develop the Voluntary Enhanced Biosecurity Standards. These are a way of capturing best-practice knowledge from all the collaborative work of the last few years.

The AHC have approved these, and they are in the process of being transposed into auditable standards.

On the technology front, industry use of the initial phase of data driven biosecurity has continued to grow. It is estimated around 30% of industry production is now trialling or using the Exoflare visitor digital capability.

Exoflare enables producers to reference visitors’ recent activity before they allow them on-farm. Phase two is in trial, which includes transport as a vector of digital control and tracking.

In addition, our management of the PigPass traceability system continues to improve with the latest performance (at the time of writing) being 98.2% of pig movements for the month (data taken from National Vendor Declarations [NVDs]) being closed with 48 hours of arrival rate and 97.1% for the year. An improvement year on year for the third year in a row.

Our efforts to transfer more NVDs to digital was an experiment that taught APL we need to work on making the PigPass app easier to use, having





encountered resistance that was both app and user based. Electronic is still the way forward. APL will build on the learnings so far.

Finally, of course, 2022 gave the Australian pig industry the new challenge of Japanese Encephalitis.

Whilst there are always learnings, this was handled well in general, with personal learnings for every individual involved.

Whilst the outbreak did cause approximately 2-4% increased mortality, the system worked well to avoid long animal standstill and the consequent welfare issues that creates.

## **Climate friendly farming**

The AOP for 2021-22 hoped that the Carbon Roadmap and Waste Roadmap would give us leadership position to aim for.

Unfortunately, there was no silver bullet. Both the R&I team, and the Business Innovation Director continue to seek leadership positions in terms of feed and waste, carbon footprint, and sustainable packaging.

To work towards a leadership position, life-cycle assessments have been completed for producers who account for 53% of production. The analysis should update not only our progress but may highlight opportunities for learning sharing and extension.

Biogas technology has been a positive industry story. The Research and Innovation and Producer Relations teams worked together to identify that there were between 100-120 producers who could benefit from this but were not yet doing so.

To enhance this technology extension, APL employed a Sustainability Project Officer, initially to help connect interested producers to the help they need to evaluate this opportunity. So far this has involved 40 successful conversations to start the evaluation process representing about 14% of production.

This program has also driven and launched the pork industry's first ever Sustainability Framework.

In 2021-22 a baseline for perceptions and beliefs of the community in relation to the framework were established.

	people	pigs	planet	prosperity
community goal	Increased awareness of the positive impact of the pork industry on communities	Increased community belief in good animal welfare across the Australian pork industry	Carbon positive Australian pork industry	Australian pork industry is an active and sustainable contributor to the Australian economy
producer goal	Pork production career is attractive	A leading industry implementing world's best practices in animal care	Improved adoptability of innovations to allow the industry to give back more than it takes	Reduce economic volatility for pork producers

The Framework has been informed by numerous measures and community research. This has enabled APL to focus on the Sustainability Framework owner (in the Research and Innovation team) on in-industry research and initiatives to actually move the targeted measures in the framework.

Likewise, the Communications team can focus on telling “the story of pork” to the community, based on the improving measures in our sustainability framework and communication tracking.

### Leaders in animal care

On behalf of industry, APL has been pursuing codifying the 2010 industry voluntary move to phase out gestation stalls into national guidelines.

That process has been reprioritised for the 2022-23 year. The industry invested tens of millions of dollars in research, development, and extension (RD&E) of this commitment.

As an industry we are keen to honour the commitment we made and lock that into the national standards and guidelines.

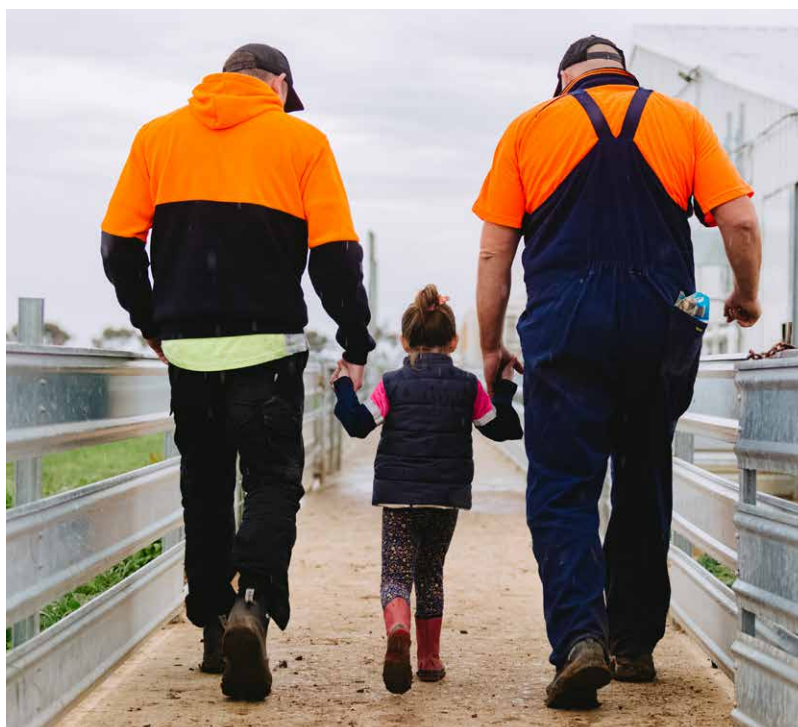
Our Policy team are consulting with industry after creating an Animal Welfare Reference Group during the 2021-22 year. This will help consider best practice scientific learnings both in Australia and overseas to come to agreed industry positions.

We continue to search for better methods of animal care. Industry invests both via direct APL funding and private investment.

### Leaders in human nutrition

Australian pork is a high-quality source of protein as well as being lean, making it a good option for meeting these requirements without adding too much fat.

This element of our strategy was not highlighted as one of the top 10 priorities for 2021-22.



A good story  
should change  
the way you see  
the world

- Chuck Palahniuk

## Industry visibility

The producers that are the main funders of APL and the APL team are proud of the standards that our industry works to.

In October 2021, APL launched a Virtual Tour of the Australia pork industry from conception to store. The idea is, if we have nothing to hide, prove it.

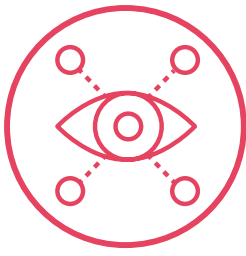
This was the first step in beginning to tell the story of Australian pork, and was well received by media, consumers and industry.

Over the 2021-22 year the insights formed from the Sustainability Framework have been refined into target communications outcomes and strategies.

In essence, this involves experts and producers presenting what we do as an industry to improve pigs, people, planet, and prosperity. Industry leaders have been trained as spokespeople, so that the people who work with animals get to tell their stories.

During the 2021-22 year, creating content has been problematic, not only due to COVID-19 and producers' understandable biosecurity cautiousness, but also that producers are generally under-staffed.

The Communications team have begun content creation and are focussing on good examples of environmental management, in collaboration with producers.



# Building industry shared vision

**APL has embarked on a more personalised way of communication with APL Members, with focusses on quality assurance, biosecurity, research extension and adoption.**

This strategic theme has arguably demonstrated the most radical improvement over the last year. Familiarity with APL amongst Members that account for more than 85% of production has become more frequent. Engagement has also significantly increased both with APL Members and with state-based pork organisations.

## **Producer relations (shared values)**

This initiative was built initially in the Producer Relations team. The Communications team are a great example of the empathy we are seeking, recruiting producers to be both spokespeople and case studies for the “story of pork”.

Producer Relations understanding of producers have continuously improved by more frequent contact (tailored to the Members’ needs).

The reporting of industry processing and pricing information and APIQ✓® audits have all contributed to a greater inflow of contact from producers when they don’t know who to call in APL. This was the reason the Producer Relations team was formed, and this progress is encouraging.

However, we still do have two groups of producers, the commercial ones who produce 90% of production to who we are increasingly close and the 4000 smaller ones that represent a small amount of production and feel that APL does little for them.

## **Technology adoption**

If 2020-21 was the year of measuring what has been adopted, 2021-22 has been about revolutionising the way we approach extension.

Firstly, the investigation of which producer has adopted which research help group producers into interest groups. Some are early adopters, others have passion points such as welfare or carbon footprint.

These groups help the extension experts in the Producer Relations team target research to the most likely adopters (creating case studies where possible).

Secondly, the extension program now includes multiple methods of contact including:

- APL website
- Email
- Webinar
- Text
- Phone call
- Social media and podcast
- Australian Pork News
- State pork organisations
- Producer forums/meetings
- APIQ✓® communications
- PigPass
- APL Update e-newsletter
- In-person conversation



This use of multiple methods creates two improvements:

- Producers are busy and can miss a single communication, but it is more difficult to miss five communications.
- Delivering the same message in different media helps with raising awareness.

An example of the change in effectiveness is that the Biosecurity Management Toolkit campaign in February 2022 delivered 100% awareness amongst APL Members.

Research showed that 43% of the approximately 4000 PigPass users opened a communication. These resources have been downloaded around 1300 times from the APL website. However, the resource is hosted primarily on the Animal Health Australia website, so the total download will be higher than this figure.

These progressions taken together mean that all of the KPIs were achieved.

## Organisational effectiveness

The team at APL have remained resilient through the lockdowns and uncertainty of the last year.

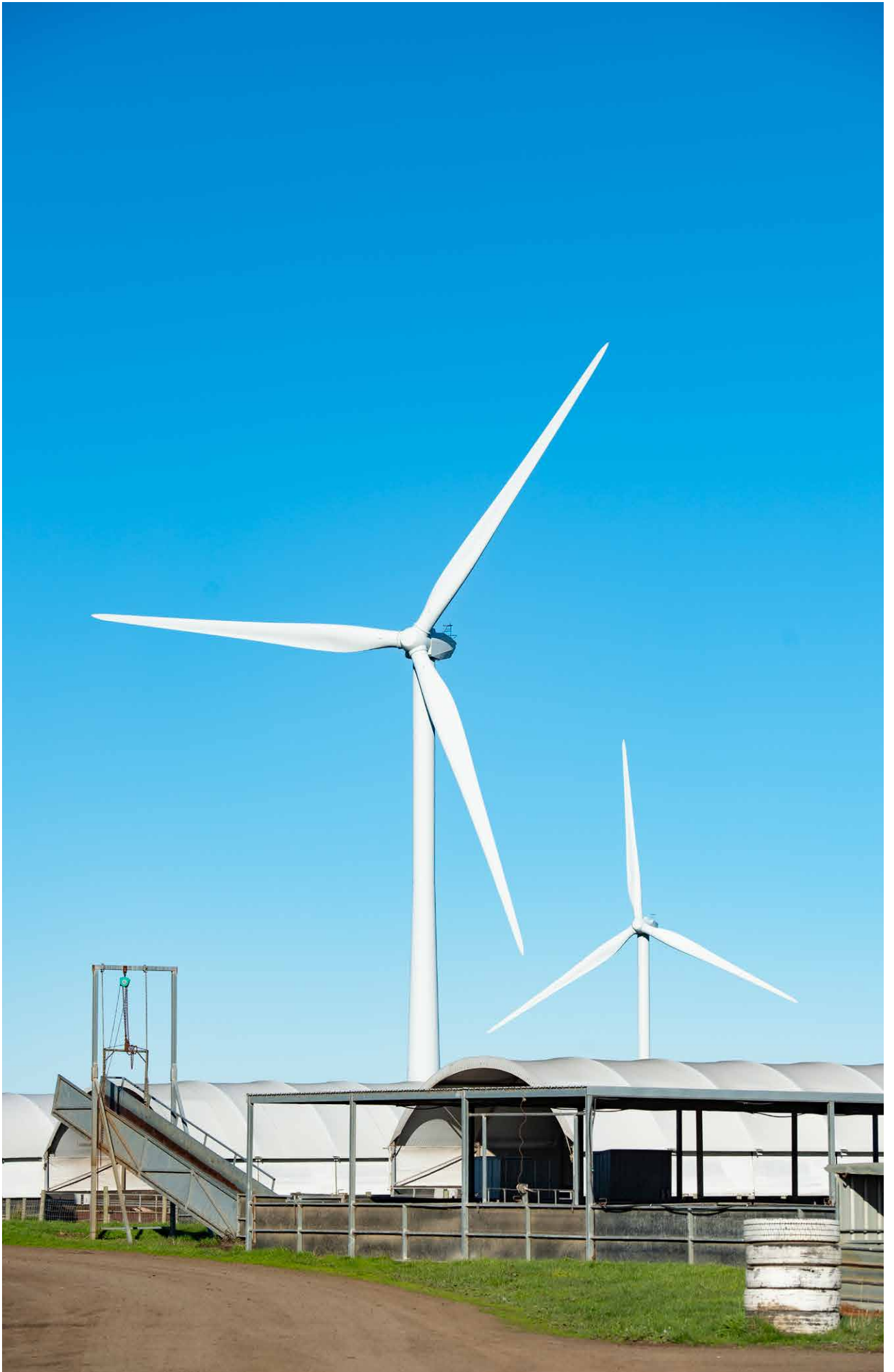
Particularly, in January to June (inclusive) where COVID-19 and influenza have increased sick leave by 18% at a time when people were re-focussed on supporting the JE response.

Managing to continue to make progress is a testament to the people at APL.

**At its simplest, a shared vision is the answer to the question ‘what do we want to create’**

**- Peter Senge**





30 June 2022

# Financial Summary

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## Directors' Report

Your directors present their report for the year ended 30 June 2022.



Outlined below are the names and details of the company's directors in office during the financial year and until the date of this report. Directors were in office for this entire period unless otherwise stated.

### Elected Directors



#### **Ms Edwina Beveridge**

B.Comm, Former CA, GAICD

Ms Beveridge commenced her career as an accountant but her agricultural background drew her back to the agricultural industry. Ms Beveridge is a Director of Blantyre Farms Pty Limited which carries on a mixed farming enterprise including a 2,200 sow farrow to finish farm at Young in NSW.

Ms Beveridge has a particular interest in emerging, innovative and disruptive technology and business methods. The Blantyre farming operations include a methane digestion system; power generation and recycling of food waste products for pig feed.

In addition to strategic and operational responsibilities for Blantyre Farms, Ms Beveridge is also involved in the industry as Deputy Chair NSW Farmers Pork Committee and as an APL delegate. Consistent with her interest in renewable energy, Ms Beveridge is a Director of Hydro Power Pty Ltd.

In her role on the APL Board, Ms Beveridge is a member of the Audit, Risk and Corporate Governance, Investment and People and Culture Committees.



#### **Mr Mark McLean**

Mr McLean is currently Managing Director/Co-owner of Riverhaven Enterprises & Top Multiplier Pty Ltd, a family agricultural companies operating 2,000 sows on two independent pig farms in South Australia. The Riverhaven properties include irrigated horticultural crops and both farms are located in South Australia. Mr McLean has established a management structure and systems including reporting and management oversight to assist in the daily operations of these farm businesses.

Mr McLean has extensive experience in agribusiness, holding many roles over the past 20 years within agribusiness groups in the pork sector as well as other industry sectors. He holds an Associate Diploma in Applied Science (Farm Management) from the Adelaide University, SA.

Mr McLean remains actively involved in the pork industry and has represented other Australian pork producers as an APL delegate since 2010.

Mr McLean has skills in agribusiness development, commodity marketing, sustainable farming and irrigation management. Consistent with his interests, he has initiated water saving irrigation infrastructure within the Riverhaven Enterprises' operation and improved sow productivity on both farms through improved farm management, genetics and staff training and development. Mr McLean also operates a feed-mill, grows olives for extra virgin olive oil production and citrus for fresh fruit production and composts all animal manures on site as part of the company's commitment to sustainable agricultural practices.

In his role on the APL Board, Mr McLean is Chair of the APL Industry Integrity Committee and is a member of the Audit, Risk and Corporate Governance Committee.



**Mr Kenton Shaw – Elected November 2021**

BAppScience RT (Hons) GradDip ManMgt

Mr Shaw joined the Sunpork group in 2021 bringing 31 years of experience in the Australian pig industry in roles responsible for large-scale intensive pig farms, feed milling and logistics. He has been involved in the continuous improvement of animal welfare, environmental sustainability and key infrastructure and research investments and continues to drive change in these areas. Mr Shaw has held roles as an APL Delegate for over a decade and as Director of APRIL, before being elected to the APL Board as a Producer Director in 2021.

In his role on the APL Board, Mr Shaw is a member of the APL Industry Integrity Committee, Investment Committee and Industry Marketing Committee.



**Mr Richard Horsham – Elected March 2022**

Mr Horsham started his career working for Tesco, the UK's largest retailer, in senior roles focused on category management, procurement and product development. After running multiple different food categories, Mr Horsham then gained considerable experience in meat marketing and supply chain whilst running all meat categories including Pork. Mr Horsham was also one of the founders of the Tesco producer club and the Tesco International Buying office.

Mr Horsham then moved to Australia with Coles in 2007 and was heading up the Coles Brand Team with a focus on developing the private label strategy and growth of the Coles brand. Mr Horsham then joined JBS, Australia's largest meat company in 2011. Mr Horsham has held multiple senior roles with JBS, running business units and supporting the new business' including Primo. More recently JBS acquired Rivalea and Mr Horsham is currently working on the integration and strategic plan moving forward.

Mr Horsham has worked with APL for the past 5 years through the Marketing Development Committee, which has now been succeeded by the Industry Marketing Committee and the Export Consultation Group and is currently a member of the APL Investment Committee.



**Mr Rod Hamann – Retired November 2021**

Mr Hamann has over 35 years of industry experience. He most recently was Executive GM of Sunpork Farms, and prior to this was CEO of the APF Group of pork assets in SA. He currently retains Directorships for WestPork Pty Ltd, Big River Pork Abattoir, Auspork Ltd. and PorkScan Pty Ltd. Mr Hamann is also a committee member of Pork SA and a member of their Pig Industry Fund Sub-Committee, charged with recommending funding for SA based research projects.

Prior to his current roles in Australia, Mr Hamann spent 17 years in the pork industries of the USA and Britain where he held various Technical, Marketing and Production Operations roles including Executive VP Heartland Pork Enterprises, VP Production Murphy Farms, and PIC USA National Sales Manager. He brings broad experience and knowledge across the whole pork supply chain from genetics through production into abattoir operations and customer needs.

In his role on the APL Board, Mr Hamann was a member of the Industry Integrity Committee, Investment Committee and Market Development Committee.



**Mr Mark McKenzie – Retired March 2022**

Mr McKenzie held the role of General Manager – Sales and Marketing for Rivalea Australia, one of Australia's leading integrated agri-food companies, producing, processing and selling over 750,000 pigs per annum. As part of the senior management team, Mr McKenzie was exposed to the entire pork supply chain; grain procurement, pig production and processing, finished goods distribution, wholesaling, customer management and consumer marketing. He heads a team of sales and marketing professionals focused on branding, account management, export and related trading activity in pork and stockfeed markets.

Prior to working at Rivalea, Mr McKenzie worked for Primegro Limited & CSL Limited in roles focused on commercialising and launching technology to livestock industries in Australia and overseas. He also retains a strong interest in his family's mixed farm near Naracoorte, SA.

Mr McKenzie's qualifications include a Master of Business Administration (Strategic Management) and an Associate Diploma in Farm Management. In his role on the APL Board, Mr McKenzie was a member of the Market Development Committee and the Investment Committee.



**Mr Dawson Bradford**

Mr Bradford is co-owner/manager of Hillcroft Farms, a family-owned mixed farming operation at Popanyinning in Western Australia. The business consists of a 1,400 sow farrow to finish operation, Ultra White sheep stud, prime lamb production and mixed cropping. A feed mill is also operated on the property to utilize the grain produced on farm. Mr Bradford is an APL delegate and he is also Vice President of WAPPA.

In his role on the APL Board, he is a member of the People and Culture Committee and the Industry Integrity Committee.

**Specialist Directors**



**Mr Andrew Baxter**

B.Bus (Mktg), FAMI CPM, FAICD

Mr Baxter is a Non-Executive Director of GrowthOps, Foresters Financial, BirdDog, Hypetap and Nettlefold as well as a Senior Advisor at BGH Capital and the Adjunct Professor of Marketing at the University of Sydney. He has also been the Senior Advisor to KPMG's Customer, Brand and Marketing Advisory business. Prior to this he successfully led major professional services firms for over a decade, as the CEO of two of the country's largest communications agencies, Publicis, and Ogilvy, where he was a trusted counsel to many of Australia's most iconic brands, as well as State and Federal Governments.

Mr Baxter is also a Non-Executive Director of the Sydney Symphony Orchestra, OzHarvest, and the Queen's Fund. Furthermore, Mr Baxter has had previous Board roles at the Lord Mayor's Charitable Foundation (Chair), Deakin Business School (Chair), Tjapukai (Chair), Catch Group, The Song Room (Chair), Commtract (Chair), National Basketball League, Melbourne Aces (Chair), CC Media (an HT&E company) and the Communications Council. Mr Baxter regularly writes in The Australian about the future of marketing, in a world where both consumers and technology are ever evolving. He is also the Co-Host of The Marketing Commute podcast, has been named as one of LinkedIn's Top 40 Australian influencers, and the winner of Australian Marketing Institute's Sir Charles McGrath Award for his significant contribution to the field of marketing.

In his role on the APL Board, Mr Baxter is the Board Chair, Chair of the Nominations and Remuneration Committee, Chair of the Industry Marketing Committee and former Chair of the People & Culture Committee.





**Ms Gail Owen OAM**

BA, LLB (Hons), LLM FAICD

Ms Owen is an experienced chairperson and board member, a Fellow of the Australian Institute of Company Directors, and an Order of Australia Medal recipient.

Ms Owen is a lawyer specialising in corporate, commercial and energy law.

Ms Owen is also Chair of the Victorian Fisheries Authority and Independent Chair of the Victorian Institute of Teaching's Audit, Risk Management and Finance Committee.

In her role on the APL Board, Ms Owen is Chair of the Audit, Risk and Corporate Governance Committee and a member of the Industry Integrity Committee.



**Dr Gerard Davis – Retired February 2022**

BSc, Ph.D, MBA, GAICD

Dr Gerard Davis is an executive with extensive experience in agribusiness, biotech and agtech and a demonstrated ability to derive value from commercialising technology in companies ranging from start-ups to multi-national global leaders. Dr Davis has experience consulting to a range of organisations from agtech start-ups such as Mastaplex, Research consortiums such as the CRC for Food Agility as well as major agribusinesses and organisations such as the Bill and Melinda Gates Foundation. These appointments have included developing strategic, organisational and technology commercialisation plans. The work has involved projects across Australia, New Zealand, Africa and South Asia.

Most recently he was General Manager of Innovation and Strategic Development at Australian Agricultural Company. Prior to that he held senior roles with ThermoFisher Scientific and Pfizer's Animal Health Division, now Zoetis. In these roles he has been instrumental in enabling commercial success from the development and implementation of technology in the livestock and agri-food industries. Dr Davis spent 11 years as a researcher with Australia's leading research agency, CSIRO.

He has a Bachelor of Science, a Ph.D and an MBA and is a graduate member of the Australian Institute of Company Director.

In his role on the APL Board, Dr. Davis chaired the Investment Committee.



**Mr Geoff Starr – Retired May 2022**

BA(Hons), GAICD

Mr Starr has a wealth of experience in international branded foods and is a well-known figure in Australia's Agriculture and Food Industry.

Mr Starr has worked for Unilever, been CEO for Mars Inc. Companies internationally, particularly in the animal nutrition and health industry and CEO of George Weston Foods.

Mr Starr was Chair of the Australian Food and Grocery Council, Australia's first industry advocate to government, and was a Director of Foodbank. Mr Starr is currently a Director of Australian Pork Ltd, Food Innovation Australia Ltd, Birch & Waite Foods and CRC for Fight Food Waste.

Mr Starr was formerly Chair of Cannpal Therapeutics Ltd and is now a Director of Auscann Holdings.

In his role on the APL Board, Mr Starr is Chair of the Market Development Committee and also a member of the People and Culture Committee and Investment Committee.



**Professor Bronwyn Harch – Appointed June 2022**

BSc/Hons (Env) PhD (Biometrics) FTSE FQA FAICD

Professor Bronwyn Harch has significant research and higher education leadership experience and is passionate about innovation that makes our communities more secure, resilient and sustainable.

As the Deputy Vice-Chancellor & Vice-President (Research & Innovation 2018 to 2022), Professor Harch was responsible for enhancing the University's performance and reputation in research, commercialisation and innovation, research training, and research and innovation collaboration with external stakeholders, nationally and internationally. She led the bid for the recently successful Federal Government's Trailblazers Commercialisation Program for the Food and Beverage Accelerator (FaBA).

Whilst Executive Director of the QUT Institute for Future Environment (2014 to 2018), Professor Harch led digital transformation projects in the Agrifood sector as bid co-lead and Research Director for the Food Agility CRC. She developed engagement and commercialisation strategies with governments and industry.

Professor Harch also worked as a researcher and research leader at CSIRO (1995 to 2014). Her own research has focused on the statistical design of landscape-scale sampling protocols and monitoring programs, as well as the statistical modelling of complex systems, particularly agricultural and environmental systems.

Professor Harch's board experience includes current membership of Queensland's Innovation Advisory Council, the Cooperative Research Centres Advisory Committee, AgResearch NZ's Science Advisory Panel and CSIRO's Oceans and Atmosphere Advisory Board. Professor Harch is also an Adjunct Professor at QUT Entrepreneurship and is part of the QUT/Queensland Government team delivering the Queensland Connects regional entrepreneurship acceleration program.

### **Tony Lowings – Appointed May 2022**

B.Sc. (Eng), MBA

Tony Lowings is a broadly experienced global executive, having lived and worked in multiple geographies and travelled to and conducted business in 80+ countries.

He was most recently operating from the USA as the Global CEO for KFC, the world's most popular chicken restaurant brand with over US\$30B in global system sales and more than 26,000 outlets across the world, covering 148+ countries, and employing nearly a million people worldwide.

Most of Mr Lowings' 27-year career with KFC / Yum Brands was in Australia, where in his capacity as Managing Director for KFC South Pacific, Mr Lowings received the Australian Human Resources Institute award for Australian CEO of the Year in 2014.

Previously he had roles in financial management and management consulting, with organisations such as Lend Lease and Deloitte.

In his role on the APL Board, Mr Lowings chairs the People and Culture Committee and is a member of the Industry Marketing Committee.



### **Company secretary**

Damien Howse (B.Bus, CA, GAICD) is the Chief Financial Officer and Company Secretary.

Mr Howse joined APL in 2016.



### Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2022, and the number of meetings attended by each Director were:

	Full Board		Audit, Risk and Corporate Governance Committee		People and Culture and Nominations Committee	
	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend
<b>Elected Directors</b>						
Mark Mclean	8	8	4	4	-	-
Kenton Shaw	5	5	-	-	-	-
Dawson Bradford	8	8	1	1	6	6
Rod Hamann (Retired)	3	3	-	-	-	-
Mark McKenzie (Retired)	4	4	-	-	-	-
Richard Horsham	3	3	-	-	-	-
Edwina Beveridge	8	8	3	4	6	6
<b>Specialist Directors</b>						
Andrew Baxter	8	8	-	-	6	6
Geoff Starr (Retired)	7	7	-	-	6	6
Bronwyn Harch	1	1	-	-	-	-
Gail Owen	8	8	4	4	-	-
Gerard Davis (Retired)	4	4	-	-	-	-
Tony Lowings	1	1	-	-	-	-

	Industry Integrity Committee*		Investment Committee		Industry Marketing Committee	
	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend
<b>Elected Directors</b>						
Mark Mclean	5	5	-	-	-	-
Kenton Shaw	2	2	1	1	-	-
Dawson Bradford	5	5	-	-	-	-
Rod Hamann (Retired)	2	2	2	2	-	-
Mark McKenzie (Retired)	-	-	2	2	3	3
Richard Horsham	-	-	-	-	-	-
Edwina Beveridge	-	-	3	3	-	-
<b>Specialist Directors</b>						
Andrew Baxter	-	-	-	-	3	3
Geoff Starr (Retired)	-	-	3	3	3	3
Bronwyn Harch	-	-	-	-	-	-
Gail Owen	5	5	-	-	-	-
Gerard Davis (Retired)	-	-	2	2	-	-
Tony Lowings	-	-	-	-	-	-

**Eligible to Attend:** represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

\* The Quality Assurance & Animal Welfare Committee is now known as the Industry Integrity Committee.

### **Short and long-term objectives**

APL is a unique rural industry service body for the Australian pork industry – a single, producer-owned company delivering integrated services that enhance the viability of producers. The framework for the Company was established under the Pig Industry Act 2001. Operating and reporting guidelines are provided for in the Funding Agreement with the Commonwealth of Australia and the Company's constitution.

The Company's primary funding is derived from statutory pig slaughter levies collected under the Primary Industry (Excise) Levies Act 1999. The levy amounts to \$3.425 per carcase at slaughter, of which the Company receives \$3.25, consisting of \$2.25 for marketing and policy activities and \$1.00 for research and development activities. The remaining \$0.175 is for the Pig Monitoring Residue Program, which is received and managed by the National Residue Survey ('NRS'). Additional research-specific funds are also received from the Australian Government under the portfolio of the Federal Minister for Agriculture, Forestry and Fisheries formerly known as Agriculture, Water and the Environment.

The levy allows the Company to provide valuable industry services and benefits including enhancing opportunities for the sustainable growth of the Australian pork industry by delivering effective marketing, proactive policy and impactful research services through the pork industry supply chain.

The Company works closely with key industry and government stakeholders and pursues opportunities for the industry at both the domestic and international level. In order to achieve these objectives, APL operates in an efficient and effective manner, with highly motivated and professional staff delivering key services.

### **Strategies for achieving the objectives**

The 2020-2025 Strategic Plan took effect from 1 July 2020 and will be reported against in this 2021-2022 Annual Report. This is the second Annual Report in which the 2020-2025 Strategic Plan will be reported against.

There are five strategic objectives making up the 2020-2025 Strategic Plan:

1. Market and product differentiation;
2. Manage volatility for viable farms;
3. Drive consumer demand;
4. Leading community social licence;
5. Building industry shared vision

The five strategic objectives govern specific programs for APL to deliver against the targeted outcome statements. The outcome statements and specific programs sought for each strategic objective are shown below.

#### *1. Strategic Objective 1 – Market and product differentiation*

"We add value and increase the price premium customers are prepared to pay versus other similar products or markets domestically and internationally. "

- Program 1: Diversity of markets and products
- Program 2: Quality consumer eating experiences
- Program 3: Valuable provenance of Australian pork

#### *2. Strategic Objective 2 – Manage volatility for viable farms*

"Better anticipate market fluctuations and flatten the peaks and troughs, making the industry more stable."

- Program 1: Timely relevant through-the-chain information (data utilisation)
- Program 2: Reduce cost of production and processing
- Program 3: Diversified pig business extension opportunities



3. *Strategic Objective 3 – Drive consumer demand*

“Increased volume demanded; getting more Australian pork on forks, be they at home, eating out or overseas.”

- Program 1: Maintain domestic fresh demand
- Program 2: Grow domestic fresh demand
- Program 3: Grow targeted international demand

4. *Strategic Objective 4 – Leading community social license*

“Blazing a trail for Australian agriculture to be sustainably celebrated and making our Australian investors proud of what they do.”

- Program 1: Biosecurity leadership
- Program 2: Climate friendly farming
- Program 3: Leaders in animal care
- Program 4: Leaders in human nutrition
- Program 5: Industry visibility

5. *Strategic Objective 5 – Building industry shared vision*

“Building relationships and a narrative of being a progressive, informed, informative and unified industry.”

- Program 1: Producer relations (shared values)
- Program 2: Technology adoption
- Program 3: Organisational effectiveness

Operationally, the activities of the Company are focused directly or indirectly on achieving the objectives of the 2020–2025 Strategic Plan.

### **Contributions on winding up**

In the event of the Company being wound up, ordinary members are required to contribute a maximum of \$1 each.

The total amount that members of the Company are liable to contribute if the Company is wound up is \$184, based on 184 current ordinary members.

### **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

**Australian Pork Limited**  
**Directors' report**  
**30 June 2022**



This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read "Andrew Baxter", with a stylized flourish at the end.

Andrew Baxter  
Chair

20 September 2022  
Perth



**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Australian Pork Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

**RSM AUSTRALIA PARTNERS**

**GED STENHOUSE**  
Partner

Canberra Australian Capital Territory  
Dated: 26 September 2022

**AUSTRALIAN PORK LIMITED**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2022**

	<b>Note</b>	<b>2022 \$</b>	<b>2021 \$</b>
<b>Revenue</b>			
Levies and other contributions	<b>4</b>	25,237,816	25,086,016
Share of profits of associates accounted for using the equity method		15,435	17,960
Other income	<b>5</b>	130,471	196,047
		<u><b>25,383,722</b></u>	<u><b>25,299,023</b></u>
<b>Expenses</b>			
Operations	<b>2</b>		
Marketing - Brand		(8,626,880)	(7,794,409)
Marketing - Category		(2,890,726)	(2,617,211)
Research and Innovation		(7,216,446)	(6,903,746)
Policy		(1,070,097)	(837,932)
Communications		(1,743,888)	(1,867,733)
Business Innovation		(261,299)	(312,954)
Producer Relations		(1,606,791)	(1,238,362)
Total Operations		(23,416,127)	(21,572,347)
Board and Executive Operations		(1,856,382)	(1,850,549)
Corporate Services		(1,499,032)	(1,718,035)
		<u><b>(26,771,541)</b></u>	<u><b>(25,140,931)</b></u>
<b>Surplus before income tax</b>		<u><b>(1,387,819)</b></u>	<u><b>158,092</b></u>
Income tax expense		-	-
<b>Surplus/(Deficit) after income tax expense for the year attributable to the members of Australian Pork Limited</b>		(1,387,819)	158,092
Other comprehensive income for the year, net of tax	<b>7</b>	-	-
<b>Total comprehensive income for the year attributable to the members of Australian Pork Limited</b>		<u><b>(1,387,819)</b></u>	<u><b>158,092</b></u>

**AUSTRALIAN PORK LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	5,558,833	1,741,080
Trade and other receivables	9	3,799,317	4,177,161
Investments	10	3,029,519	7,045,990
Other	11	132,150	374,469
Total current assets		<u>12,519,819</u>	<u>13,338,700</u>
<b>Non-current assets</b>			
Investments accounted for using the equity method	12	150,947	135,512
Property, plant and equipment	13	1,291,745	1,488,193
Bank guarantees and rental bonds	17	65,454	66,135
Total non-current assets		<u>1,508,146</u>	<u>1,689,840</u>
<b>Total assets</b>		<u>14,027,965</u>	<u>15,028,540</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	14	4,189,980	3,224,722
Employee benefits		746,762	709,590
Leases	15	148,064	168,425
Income in advance		224,799	617,989
Accrued expenses		151,599	249,750
Total current liabilities		<u>5,461,204</u>	<u>4,970,476</u>
<b>Non-current liabilities</b>			
Leases	15	1,088,986	1,237,094
Employee benefits		131,204	86,580
Total non-current liabilities		<u>1,220,190</u>	<u>1,323,674</u>
<b>Total liabilities</b>		<u>6,681,394</u>	<u>6,294,150</u>
<b>Net assets</b>		<u>7,346,571</u>	<u>8,734,390</u>
<b>Member Funds</b>			
Retained surplus		7,346,570	8,734,390
<b>Total member funds</b>		<u>7,346,571</u>	<u>8,734,390</u>



AUSTRALIAN PORK LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2022

	Retained surplus	Total Equity
	\$	\$
Balance at 1 July 2020	8,576,298	8,576,298
Surplus after income tax expense for the year	158,092	158,092
<b>Balance at 30 June 2021</b>	<b>8,734,390</b>	<b>8,734,390</b>
Balance at 1 July 2021	8,734,390	8,734,390
(Deficit) after income tax expense for the year	(1,387,819)	(1,387,819)
<b>Balance at 30 June 2022</b>	<b>7,346,571</b>	<b>7,346,571</b>

AUSTRALIAN PORK LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Statutory Authority and Industry		28,083,074	26,284,637
Payments to suppliers and employees (inclusive of GST)		(27,981,621)	(26,936,109)
Interest paid – lease		(77,927)	(77,927)
Interest received		18,475	52,185
<b>Net cash from/(used in) operating activities</b>		<b>42,001</b>	<b>(677,214)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(72,932)	(104,958)
Investments in term deposits		4,016,471	592,972
Other investments		682	(682)
<b>Net cash (used in) investing activities</b>		<b>3,944,221</b>	<b>487,332</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of lease liability		(168,469)	(174,919)
<b>Net cash (used in) financing activities</b>		<b>(168,469)</b>	<b>(174,919)</b>
Net increase/(decrease) in cash and cash equivalents		3,817,753	(364,801)
Cash and cash equivalents at beginning of financial year		1,741,080	2,105,880
<b>Cash and cash equivalents at end of financial year</b>	<b>8</b>	<b>5,558,833</b>	<b>1,741,079</b>

**AUSTRALIAN PORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 1. GENERAL INFORMATION**

The financial statements cover Australian Pork Limited as an individual entity. The financial statements are presented in Australian dollars, which is Australian Pork Limited's functional and presentation currency.

Australian Pork Limited is an unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 20 September 2022. The Directors may amend and reissue the financial statements.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or described below. These policies have been consistently applied to all the years presented unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The company has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of preparation**

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards - Simplified Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

## AUSTRALIAN PORK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

#### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting date; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

#### **Investments and other financial assets**

Investments and other financial assets, other than investments in associates, are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets, at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

#### *Impairment of financial assets*

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for loans and receivables carried at amortised cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. If there is a reversal of impairment, the reversal cannot exceed the amortised cost that would have been recognised had the impairment not been made and is reversed to profit or loss.

#### **Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset of cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Value-in-use is the depreciated replacement cost of an asset when the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Company would, if deprived of the asset, replace its remaining future economic benefits.

#### **Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

**AUSTRALIAN PORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Provisions**

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**Employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

The liability for annual leave and long service leaves not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting rate on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**Goods and Services Tax (GST) and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**Comparatives**

APL adopted a new strategic plan from 1 July 2020. Resources were reorganised to deliver the new strategic plan. Due to this organisational restructure, some new functions were developed (Business Innovation and Producer Relations) and other functions were restructured (Board & Executive Operations, Corporate Services, Marketing and Policy).

Comparatives, where necessary, have been realigned to the current year presentation.



## AUSTRALIAN PORK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

#### NOTE 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

##### *Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

##### *Estimation of useful lives of assets*

The Company determines the estimated useful lives and related depreciation charge for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

##### *Lease make good provision*

On 16 January 2012, the Company entered into a lease agreement with the Salvation Army (New South Wales) Property Trust for an initial period of seven years with an option to enter into a new lease for a further period of five years from 16 January 2019 plus a further five years from 16 January 2024. The lease agreement details the make good requirements at the end of the lease, with no make good required on exercise of the first option for a further period of five years. The Company has exercised the first option for a further period of five years. Therefore, no make good provision has been provided for in the financial statements.

##### *Industry biosecurity*

Judgement has been exercised in considering the impacts of various biosecurity risks including African Swine Fever, Foot and Mouth Disease and Japanese Encephalitis (JEV) amongst others. All levels of the Australian Government, industry and most producers are actively working to prevent exotic diseases from entering Australia and preparing to manage disease in the event an exotic disease becomes present in Australia. Where an exotic disease is already present, including JEV, the diseases are being managed.

After consideration, there don't appear to be any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date.

## AUSTRALIAN PORK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
<b>NOTE 4. LEVIES AND OTHER CONTRIBUTIONS</b>		
Levies - marketing	12,291,723	12,414,480
Levies - research	5,462,988	5,517,547
Government contributions - matching	6,457,515	5,912,898
Other industry contributions and grants	1,025,590	1,240,091
	<b>25,237,816</b>	<b>25,085,016</b>

#### Accounting policy for income recognition

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the *company*: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the *relative stand-alone selling price* of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

#### Levies

The Company recognises levy revenue when it is received except for the June quarter which is accrued. The revenue accrued in June is calculated using information provided by processors.

#### Government contributions

*Government contributes to* approved research and development expenditure at 50 percent of the approved research and development project expenditure, up to a cap of the lower of research and development levy received or 0.5 percent of the gross value of annual pig production as determined by the Minister for Agriculture, Forestry and Fisheries. Government matching funds are recognised as income as the eligible research and development program expenditure is incurred.

## AUSTRALIAN PORK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
<b>NOTE 5. OTHER INCOME</b>		
Interest	18,475	52,186
Royalties	3,226	4,664
Other income	108,770	139,197
	<u><b>130,471</b></u>	<u><b>196,047</b></u>

#### **Accounting policy for other income recognition**

##### *Interest*

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

##### *Royalties*

Royalties are received from the sale of publications and the commercialisation of intellectual property charged by license fees. Royalty revenue is recognised when received.

##### *Other income*

Other income is recognised when it is received or when the right to receive payment is established.

#### **NOTE 6. EXPENSES**

Surplus / Deficit before income tax includes the following specific expenses:

##### *Superannuation expense*

Defined contribution superannuation expense	<u>600,561</u>	<u>580,344</u>
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#### **Accounting policy for defined contribution superannuation expense**

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

#### **NOTE 7. INCOME TAX**

##### **Accounting policy for income tax**

The Company is exempt from income tax under the provisions of Section 50-40 of the Income Tax Assessment Act 1997, as amended. Under these provisions, the Company is considered to be classified as an entity established for the purpose of promoting the development of various Australian resources, including agricultural resources and not carried on for the profit or gain of its individual members. The Australian Taxation Office has issued a Private Binding Ruling as formal confirmation.

**AUSTRALIAN PORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	2022 \$	2021 \$
<b>NOTE 8. CASH AND CASH EQUIVALENTS</b>		
Cash at bank	5,558,833	1,741,080
	<u><b>5,558,833</b></u>	<u><b>1,741,080</b></u>

**Accounting policy for cash and cash equivalents**

Cash and cash equivalents include deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**NOTE 9. TRADE AND OTHER RECEIVABLES**

Trade receivables	3,740,477	4,126,628
Other receivables	58,840	50,533
	<u><b>3,799,317</b></u>	<u><b>4,177,161</b></u>

*Impairment of receivables*

The Company has recognised a loss of \$nil (2021: nil) in expenses in respect of impairment of receivables for the year ended 30 June 2022.

**Accounting policy for trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**NOTE 10. INVESTMENTS**

Term deposits	3,029,519	7,045,990
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Term deposits accrue interest at rates between 0.15% and 0.47% (2021: rates between 0.05% and 0.8%).

**AUSTRALIAN PORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	\$	\$
<b>NOTE 11. OTHER CURRENT ASSETS</b>		
Accrued levy income	12,965	225,049
Prepayments	119,185	149,420
	<u>132,150</u>	<u>374,469</u>

**NOTE 12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**

Investment in associate - PorkScan Pty Ltd	150,947	135,512
	<u>150,947</u>	<u>135,512</u>

**Interests in associates**

Information relating to associates that are material to the Company are set out below:

Name	Principal place of business / Country of Incorporation	Ownership interest	
		2022	2021
		%	%
PorkScan Pty Ltd	Australia	49.00	49.00

*Contingent liabilities*

PorkScan Pty Ltd has no contingent liabilities at 30 June 2022 or 30 June 2021.

*Commitments*

PorkScan Pty Ltd has no commitments at 30 June 2022 or 30 June 2021.

**Accounting policy for associates**

Associates are entities over which the Company has significant influence but not control or has joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Company's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Company's share of losses in an associate equals or exceeds its interest in the associate including any unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Company discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.



**AUSTRALIAN PORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 13. PROPERTY, PLANT AND EQUIPMENT</b>		
Leasehold improvements - at cost	628,308	628,308
Less: accumulated depreciation	<u>(530,429)</u>	<u>(493,265)</u>
	<u>97,879</u>	<u>135,043</u>
 Office furniture and equipment - at cost	 126,848	 126,848
Less: accumulated depreciation	<u>(119,525)</u>	<u>(116,926)</u>
	<u>7,323</u>	<u>9,922</u>
 Computer equipment - at cost	 424,880	 351,948
Less: accumulated depreciation	<u>(336,202)</u>	<u>(307,582)</u>
	<u>88,678</u>	<u>44,366</u>
 Right of use assets (office lease)	 1,742,213	 1,742,213
Less: accumulated depreciation	<u>(644,347)</u>	<u>(443,350)</u>
	<u>1,097,866</u>	<u>1,298,863</u>
	<u><b>1,291,745</b></u>	<u><b>1,488,194</b></u>

**AUSTRALIAN PORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 13. PROPERTY, PLANT AND EQUIPMENT (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	<b>Leasehold improvements</b>	<b>Office furniture and fittings</b>	<b>Computer equipment</b>	<b>Right of use assets</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2021	<b>135,043</b>	<b>9,922</b>	<b>44,365</b>	<b>1,298,863</b>	<b>1,488,193</b>
Additions			72,932		72,932
Depreciation expense	(37,164)	(2,599)	(28,620)	(200,997)	(296,380)
Balance as at 30 June 2022	<b>97,879</b>	<b>7,323</b>	<b>88,678</b>	<b>1,097,866</b>	<b>1,291,745</b>

**Accounting policy for property, plant and equipment**

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	Term of lease
Office furniture and equipment	3 to 10 years
Right of use assets (office lease)	Term of lease
Computer equipment	3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**NOTE 14. TRADE AND OTHER PAYABLES**

	<b>2022 \$</b>	<b>2021 \$</b>
Trade payables	3,774,917	2,745,403
Other payables	415,063	479,319
	<b>4,189,980</b>	<b>3,224,722</b>

**Accounting policy for trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

## AUSTRALIAN PORK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
<b>NOTE 15. LEASES</b>		
Lease liability - current	148,064	168,425
Lease liability - noncurrent	1,088,986	1,237,094
	<u>1,237,050</u>	<u>1,405,519</u>

*Assets pledged as security*

The lease liabilities are effectively secured as the rights to the leased assets, recognised in the statement of financial position and revert to the lessor in the event of default.

#### Accounting policy for leases

##### Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

#### NOTE 16. FAIR VALUE MEASUREMENT

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

#### Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market, or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**AUSTRALIAN PORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 17. CONTINGENT LIABILITIES</b>		
Bank guarantee	51,953	51,953
Rental bond	13,501	14,182
	<u><b>65,454</b></u>	<u><b>66,135</b></u>

The Company has provided a bank guarantee in relation to its Canberra head office lease agreement. The funds for the guarantee are held in an interest-bearing term deposit in the name of the company.

**NOTE 18. COMMITMENTS**

*Research and development (R&D) expenditure commitment*

Committed at the reporting date but not recognised as liabilities, payable:

Within one year	3,748,075	2,460,382
One to five years	2,832,615	2,211,075
	<u><b>6,580,690</b></u>	<u><b>4,671,457</b></u>

**R&D expenditure**

These R&D expenditure commitments relate to several research and innovation projects which align with the following Commonwealth Governments Science and Research Priorities: Food; Soil and Water; Transport; Energy; Environmental Change; Health; and also with the National Agricultural Innovation Priorities.

**Operating**

The ACT premises rental term expires in 15/01/2024 and APL has an option to enter into a new lease on the same terms as the existing lease for a further five-year period where a market review of any incremental rental increase will apply.

**AUSTRALIAN PORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 19. KEY MANAGEMENT PERSONNEL DISCLOSURES**

*Compensation*

The aggregate compensation made to directors and other members of key management personnel of the company is set out below.

Aggregate compensation	<u>1,368,007</u>	<u>1,659,612</u>
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**NOTE 20. RELATED PARTY TRANSACTIONS**

*Associates*

Interests in associates are set out in note 12.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 19.

*Significant influence*

The following directors including retired directors have interests in or are associated with organisations which are related parties:

Andrew Baxter – former Senior Advisor at KPMG, Founder and Senior Advisor at 24 HR Business Plan (which included an engagement with Agricultural Innovation Australia Ltd)

Bradford Dawson – Vice President of West Australian Pork Association

Gerard Davis (retired)– Director of Australasian Pork Research Institute Limited (APRIL)

Kenton Shaw – Executive General Manager – Farms – SunPork Consolidated Pty Ltd

Mark McKenzie (retired) - General Manager – Sales and Marketing – Rivalea Australia Pty Ltd (JBS Foods)

Richard Horsham – General Manager, Pork Division - JBS Foods (Rivalea)

Rod Hamann (retired) - Director of Big River Pork Pty Ltd, Director of PorkScan Pty Ltd, Executive Committee Member of PorkSA

The Company's Chief Executive Officer, Margo Andrae is currently a Director of the Australasian Pork Research Institute Ltd (APRIL) Board and was previously a Director of the Agricultural Innovation Australia Board.

The Company's Chief Financial Officer, Damien Howse was previously the Company Secretary of the Agricultural Innovation Australia Board.

The Company's Technical Science Advisor, Heather Channon, is currently a Director of PorkScan Pty Ltd.

**AUSTRALIAN PORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 20. RELATED PARTY TRANSACTIONS (Continued)**

*Transactions with related parties*

The following transactions occurred with related parties:

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Income:</b>		
Australasian Pork Research Institute Ltd		
- Management Fees	85,497	68,069
PorkScan Pty Ltd		
- Management Fees	24,907	20,000
Rivalea (Australia) Pty Ltd		
- Miscellaneous Fees	7,128	7,373
The University of Sydney		
- Project Contribution	1,340	2,200
<b>Project and program expenditure:</b>		
Agricultural Innovation Australia		
- Project Expense	65,000	100,000
Australasian Pork Research Institute Limited		
- Project Expense	1,002,631	1,000,000
Big River Pork		
- Project Expense	-	5,000
KPMG		
- Project Expense / Audit Expense	13,500	41,000
PorkSA		
- Project Expense / Sponsorship Expense	6,349	16,024
Rivalea Australia Pty Ltd		
- Basefunding and Project Expense	321,980	331,407
Sunpork Farms		
- Basefunding, Sponsorship and Project Expense	383,172	247,710
West Australian Pork Association		
- Sponsorship Expense	4,000	4,000
<i>Receivable from and payable to related parties:</i>		
The following balances are outstanding at the reporting date in relation to transactions with related parties:		
<b>Current receivables:</b>		
Trade receivables from related parties	15,512	20,636



**AUSTRALIAN PORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Current payables:**

Trade payables to related parties	156,802	22,000
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**NOTE 21. EVENTS AFTER THE REPORTING DATE**

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not financially impacted the company up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation continues to evolve and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided. No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or likely to significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

**NOTE 22 CLIMATE CHANGE**

The Company acknowledges the significant role that the environment and climate play in ensuring a sustainable, profitable, and productive Australian pork industry.

There is a risk that climate change will impact the number of pigs slaughtered in Australia each year. In the event that pig slaughters numbers are impacted; APL levy revenue would also be impacted.

The current expectation is that any impact from climate change will be immaterial for the foreseeable future. Nonetheless, to ensure risks associated with environmental and climate factors are adequately mitigated, APL has identified Climate Friendly Farming as a strategic imperative within the APL Strategic Plan 2020-2025.

Substantial investments are made across all areas of the business, guided by the Annual Operating Plan (AOP), including Research & Development, Policy and Producer Relations.

**AUSTRALIAN PORK LIMITED**  
**DIRECTORS DECLARATION**  
**FOR THE YEAR ENDED 30 JUNE 2022**

In accordance with the resolution of the Directors of Australian Pork Limited, the Directors declare that:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Andrew Baxter  
Chair

20 September 2022



**RSM Australia Partners**

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
AUSTRALIAN PORK LIMITED**

**Opinion**

We have audited the financial report of Australian Pork Ltd. (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Entities*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.



Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Entities* and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

**RSM AUSTRALIA PARTNERS**

**GED STENHOUSE**  
Partner

Canberra, Australian Capital Territory  
Dated: 26 September 2022

## Key projects and agreements

# Our investments

### No substantive change to investments.

The shape of the balanced portfolio of investments across the organisation has not changed significantly in 2021-22 versus the year prior.

The last major reset was when we adopted the new, progressive 2020-25 Strategic Plan.

Our Research and Innovation investments still focus on our four strategic intents.

- Cost of production & processing
- Climate friendly farming
- Quality eating experiences
- Biosecurity

There has been a small trend toward investing more in extension and adoption of research results and in education and leadership. In the table below, industry performance measurement is allocated in the constant but unequal proportions each year to business innovation, consumer research and industry performance.

There were no material new agreements with new collaborators. The major agreements in terms of monetary value include our media buyers for consumer media, Slingshot Ltd., the Australasian Pork Research Institute Ltd. where industry co-funds research and development with other parties, and Noble Brands Worldwide Ltd. who create and produce our TV, radio, and other media advertisements.

APL Skill set	Main Activities	FY 2022	% of R&D Investment	FY 2021	% of R&D Investment	FY 2020	% of R&D Investment
R&I	Industry Research	5,412,676	42.1%	4,114,340	34.7%	3,900,616	42.8%
Producer Relations	Extension/ Adoption	236,267	1.8%	160,228	1.4%	74,679	0.8%
Producer Relations	Education/ Leadership	429,537	3.3%	250,814	2.1%	36,332	0.4%
Business Innovation	Propecting/ Trailing	226,488	1.8%	175,796	1.5%	21,408	0.2%
Marketing	Consumer Research	354,264	2.8%	595,880	5.0%	464,005	5.1%
Marketing	International prospects	186,574	1.5%	182,088	1.5%	250,991	2.8%
Industry Performance	Measurement	315,561	2.5%	528,119	4.5%	302,093.61	3.3%
Comms & Policy	Project split funding	683,006	5.3%	688,398	5.8%	108,883	1.2%
APL	Salaries	3,914,698	30.5%	3,739,430	31.5%	2,891,555	31.7%
APL	Overheads	1,083,440	8.4%	1,429,031	12.0%	1,068,368	11.7%
<b>Total</b>		<b>12,842,511</b>	<b>100%</b>	<b>11,864,124</b>	<b>100.0%</b>	<b>9,118,930</b>	<b>100.0%</b>

## Outcome evaluation

# Efficiency and efficacy of our investments

## Evaluation of outcomes for industry and the community

Cost benefit analysis (CBA) is conducted on APL's R&D investment at an ex-ante and ex-post basis (at a project or programme level). This ensures the best possible investment decision making process and to test the quality of the assumption's decisions. Ultimately, the CBAs are measuring benefit to industry of the activities of APL and are thus reported to industry. Some of these CBAs are included within the annual R&D evaluation process conducted by The Council of Rural RDCs (CRRDC).

ACRE Economics were contracted to undertake the impact assessment for 2021-22, focusing on APL's cost of production R&D. This was completed in June 2022.

The final report stated:

"Three of the principal impact types were valued in monetary terms and all 16 CoP projects contributed, directly or indirectly, to at least one of the impacts valued. Total funding for the 16 projects was approximately \$14.32 million (present value terms) and produced aggregate total expected benefits of \$61.40 million (present value terms). This gave an estimated net present value of \$47.08 million, a benefit-cost ratio of 4.3 to 1, an internal rate of return of 15.1%."



# Reporting obligations

Under APL's Funding Agreement with the Commonwealth, APL's Annual Report must comply with the financial reporting and other reporting requirements in Chapter 2M of the Corporations Act and include the following items:

Reporting Requirements (Funding Agreement Clause 12.1)	Section
(a) sources of income allowing for separate identification of Levy Funds, Matching Funds and Voluntary Contributions;	Notes to financial statements (Note 4)
(b) significant R&D Activities and transactions undertaken in the year in the conduct of APL functions as the Industry Services Body;	Our Investments table
(c) the full cost of the R&D Activities and Marketing Activities;	Financial Summary table
(d) progress made in implementing the Strategic Plan and Performance Principles including progress against any key performance indicators;	Report on 'Our performance'
(e) key RD&E and marketing deliverables and associated outcomes achieved;	Report on 'Our performance'
(f) an assessment of the efficiency and effectiveness of APL's investments;	Outcome evaluation
(g) material changes to APL's membership;	
(h) how APL responded to any directions or Rural Research and Development Priorities given by the Minister under the Agreement or the Guidelines;	
(i) consultation with Levy Payers and Industry Representative Bodies on: a. APL's Strategic Plan; and b. RD&E and Marketing Activities;	Report on Industry consultation
(j) APL's contributions to relevant Industry sectoral and cross-sectoral strategies, including the strategies under the Guidelines;	Report on 'Rural R&D Priorities'
(k) details of senior executive and Board remuneration in the format required by the Australian Accounting Standards;	Notes to financial statements (Note 19)
(l) Research and Development and marketing agreements entered into by APL with third parties;	Key projects and agreements
(m) corporate governance practices in place during the Financial Year;	Overview
(n) the rationale for the mix of projects included in the Balanced Portfolio; and	Report on 'Industry outcomes'
(o) other matters notified to APL by the Commonwealth.	n/a

