

# Methane Reduction Technology Venture

Greenhouse gas reduction and a commitment to a climate positive future are now embedded in Silver Fern Farms market-led strategy, and through the success of our Net Carbon Zero beef product we know customers are willing to pay a premium for low-carbon products.

While New Zealand's unique pastoral farming system already has many of the attributes consumers are looking for, it's critical that we get fit-for-purpose tools into the hands of our farmers to reduce and manage emissions so we can continue to meet consumers' increasing expectations and play our part to address climate change.

Our work with AgResearch has shown that 96% of beef product emissions and 89% of lamb product emissions occur on farm, and Silver Fern Farms developed the Net Carbon Zero programme to begin to address this. The Net Carbon Zero programme insets emissions associated with the product using on-farm sequestration, however this is a limited resource, and we know there are many more emissions technologies and reduction approaches in the pipeline.

To keep our place at the cutting edge of developments in this important field Silver Fern Farms has announced a joint venture with ANZCO, Fonterra, Ngāi Tahu Holdings, Ravensdown, Synlait, and the Government, to find solutions to reduce methane emissions.

The venture is a long-term partnership, with government and industry contributing equally. It will see around \$172 million invested over the next four years to develop and

commercialise practical tools and technologies for on-farm methane reduction.

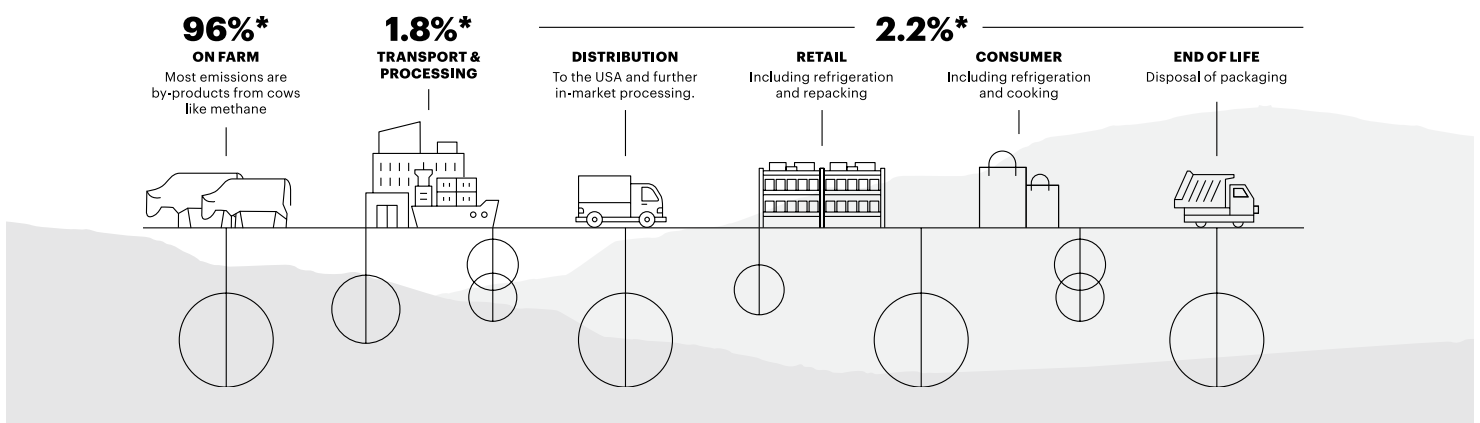
This is around ten times New Zealand's current investment into methane reduction, and will focus on swiftly advancing research and development, and a rapid path to commercialisation. As a founding partner Silver Fern Farms will have an opportunity to work with suppliers to maximise the IP generated by the venture and we expect this work to benefit the entire sector.

The JV means the agribusiness sector now has real skin-in-the-game for methane reduction technology and can help accelerate solutions into the hands of farmers through the resources, networks, and the commercial knowledge we bring to the table.

Silver Fern Farms has been a strong advocate and willing partner for the JV approach and the scaled-up investment, and we look forward to working with the Government and other partners to get the JV delivering a range of solutions in the hands of farmers as quickly as possible.

## Potential areas of focus:

- Vaccine
- Bolus
- Genetics
- Low methane feeds and forages
- Feed additives
- Tools to track progress





**PLATE TO PASTURE AWARDS**

# Te Kuiti Field Day

**Wallace Johnstone Ltd  
Puketutu - 3 Mokau Rd, Te Kuiti  
10am-2pm, 23 November 2022**

**REGISTER HERE**

Silver Fern Farms and our 2021 Plate to Pasture Awards Overall Winners, Allen and Jo Johnstone of Wallace Johnstone Ltd, warmly invite our farmer partners to attend a Field Day at their Te Kuiti farm, Puketutu.

Hear from Al and Jo about their farming operation and how they took out the top prize, plus presentations from Silver Fern Farms directors and leadership team.

Morning tea kicks off at 10am, followed by a farm tour in vehicles (4WD essential – feel free to hop in with one of our team), and finishing with a delicious Silver Fern Farms barbeque lunch.

Please register to attend using the button above, and for more information talk to your Livestock Rep.



## New Honest Burger Flavour In Time for Summer

Exciting times for burger lovers with Silver Fern Farms proudly introducing Honest Beef & Venison Burgers with Rātā Honey. The newest addition to our Honest Burger range launched on Monday into supermarkets nationwide.

This builds on the success of the Honest Burger range, which has incrementally grown the entire New Zealand burger category by 17% since launching last year\*. The range uses indigenous New Zealand ingredients such as horopito and kawakawa, plus a whopping 95-97% red meat content (versus 40-60% for some of our competitors), all of which helps to differentiate our product on shelves and attract new customers to the Silver Fern Farms brand and to the burger category.

The new burger has been developed for foodies and burger lovers who are serious about quality, honesty, and delicious food. Grass-fed beef and venison is mixed with a hint of New Zealand Rātā honey, to add a smooth, natural sweetness.



True to their name, there are no surprises in our Honest Burger range, just good natural ingredients. Keep an eye out for the distinctive colourful packs in supermarkets chillers, and find heaps of recipe inspiration online at [www.silverfernfarms.com](http://www.silverfernfarms.com)

\*IRI total "Barcoded" chilled burger category. NZ Grocery 52 weeks to 31/07/22. Dollars % growth vs YA.



## MEAT THE NEED

# 1 Million Meals for Kiwis In Need

Silver Fern Farms' charity partner Meat the Need has surpassed a huge milestone, with over 1 million red meat meals provided to foodbanks and missions across New Zealand since launching in May 2020.

Meat the Need's goal is to address food insecurity in New Zealand by providing high quality red meat protein to struggling Kiwis, and the charity has provided beef mince to organisations from Kaitaia to Invercargill, across urban centres and rural communities.

Farmers donate livestock to Meat the Need through Silver Fern Farms. Silver Fern Farms processes the livestock on behalf of Meat the Need, and converts the value of the animal into quality beef mince, which is distributed to foodbanks and city missions through Silver Fern Farms' networks.

Until the end of 2022 Silver Fern Farms is committing to a 'dollar for dollar' campaign, matching the value of every livestock donation. The campaign is to encourage farmers to donate without hesitation, knowing their generosity will have a huge impact for those struggling with the rising cost of living.

Silver Fern Farms also supports Meat the Need through the Pure Burger range – our first foray into supermarket freezers. Pure Burgers launched in April 2022, and for every pack sold \$1 is donated to Meat the Need.

Silver Fern Farms is proud to partner with Meat the Need to support New Zealanders in need with high-quality, nutritional protein.

## Dollar for dollar.

FROM SEPTEMBER TO DECEMBER 2022  
SILVER FERN FARMS WILL MATCH THE VALUE OF  
ALL LIVESTOCK DONATIONS TO MEAT THE NEED,  
DOLLAR FOR DOLLAR.

ANY DONATION, LARGE OR SMALL, CAN MAKE  
A DIFFERENCE TO KIWIS IN NEED.

1 COW CAN SUPPLY RED MEAT TO A LOCAL  
FOODBANK FOR 1 YEAR.

SILVER FERN FARMS IS PROUD TO PARTNER WITH  
MEAT THE NEED TO SUPPORT NEW ZEALANDERS IN  
NEED WITH HIGH-QUALITY, NUTRITIONAL PROTEIN



**meat the need**

♥ WITH SILVER FERN FARMS

FOR MORE INFORMATION OR TO MAKE A DONATION  
TALK TO YOUR SILVER FERN FARMS LIVESTOCK REPRESENTATIVE  
OR VISIT [WWW.MEATTHENEED.ORG](http://WWW.MEATTHENEED.ORG)

## Muster Your Mates

Silver Fern Farms is full of awesome team members, and we want to add more for the busy season ahead! Earn an executive meat hamper by referring a hard working mate to come and work at one of our processing sites.

### How it works:

- Refer a mate to apply for a fulltime seasonal processing role at any of our sites
- They can apply at [careers.silverfernfarms.com](http://careers.silverfernfarms.com) and find the vacancy that's close to them
- You call the processing site and speak to the Employment Coordinator. Give them your mate's details so they can follow their progress.



If employed, and after 10 weeks of exemplary performance and attendance by your mate, we'll send you an executive Gourmet Direct meat hamper.

### It's easy!

Please contact your local Employment Coordinator if you have any questions on the 'Muster your mates' programme. Student referrals and part time roles are excluded from this programme.



## Beef

The US market remains under negative pressure.

A large volume of South American beef is coming into the US market and, combined with a continued strong domestic kill, this is driving prices down.

Some of the larger grinding companies such as burger chains have recently been approved to use Brazilian beef, which has driven prices down further. Even the largest companies who don't use Brazilian beef are keeping step with their competitors in dropping prices, due to the amount of beef available.

In China, market consumption hasn't kept up with imports and inventory levels are higher than normal for this time of year.

Importers are feeling the pressure to keep product moving and avoid financial issues.

Some customers are renegotiating contracts with South American beef exporters to drop prices. This affects beef prices across the board but with a market under pressure distributors want to avoid losing money.

It's a similar story in South East Asia, with plenty of US product available before the heavier consumption period kicks in.

Positively, the Australian kill has slowed which has helped chilled steak cut demand to remain fairly strong here, and the Australian kill isn't expected to lift again until the new year.



## Sheepmeats

It's more of the same for lamb markets.

Inflationary pressure, and consequent increases to the cost of living, the EU/UK energy crisis, China's zero-Covid policy, continued logistical challenges and Australian exporting record volumes all continue to make the world a difficult place to operate in.

All markets are suffering to varying degrees, resulting in prices continuing to be squeezed further in an effort to help stimulate demand. The UK continues to struggle with high inventory, bought at top dollar, and limited demand compounded by a strong domestic kill. The bumper kill and soft domestic demand is evidenced by British lamb being exported to the US this month, for the first time in more than two decades.

Competition in the UK retail sector is heating up with Aldi, now the UK's fourth largest retailer, promising to prioritise low prices over short-term profits during

the cost of living crisis, as they look to increase market share. The big three – Tesco, ASDA and Sainbury's – are responding through locking down prices and absorbing some cost increases rather than passing these on to consumers in an effort to retain patronage. Lamb retail sales are reportedly back 25% with the wholesale market not faring any better. The next few months will be interesting in what has historically been a large leg market for NZ suppliers.

Other global markets are also taking a conservative approach to purchasing. Decisions are taking longer to be made as customers hold off for as long as they can, waiting for prices to settle.

Mutton hasn't quite escaped unscathed – firm competition from across the Tasman and lingering effects of the zero-Covid policy in China have contributed to a softening of price. Demand remains aligned to supply as livestock numbers remain lower in the short term.



# Venison

There has been very little movement in the Venison space over the previous fortnight.

Currently we are completing the last of our sea freight consignments which are due to load and will arrive in time for the EU Game Season consumption period. Our focus now turns towards servicing this same consumption period with chilled venison delivered via air freight, albeit on a smaller scale.

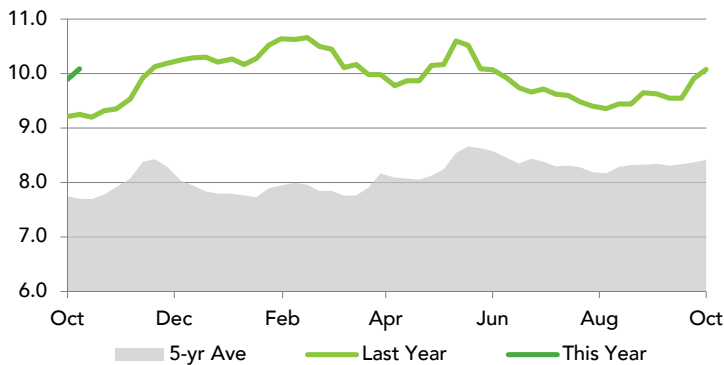
Whilst the cost of air freight constrains volumes we have seen some very good interest for selected cuts as customers

look to capitalise on last minute opportunities from their respective markets.

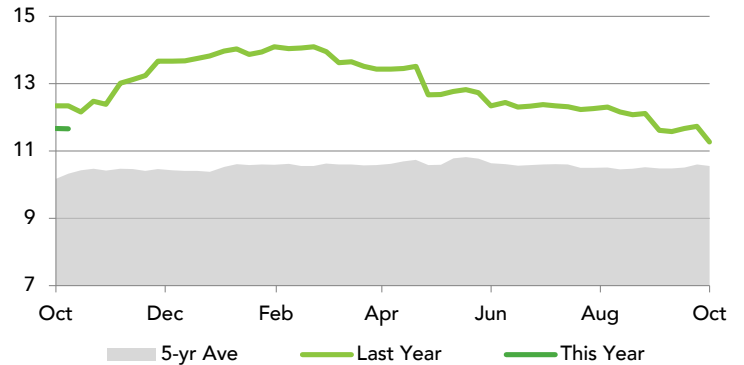
Frozen business remains relatively quiet, as at this time our customers' chilled business takes priority and consumes all available resources. Success and sell-through here will assist with building confidence in the venison category once again.

Outside of the EU chilled volumes remain small yet consistent into North America, with consistent demand for trims. Frozen volumes into China are steady.

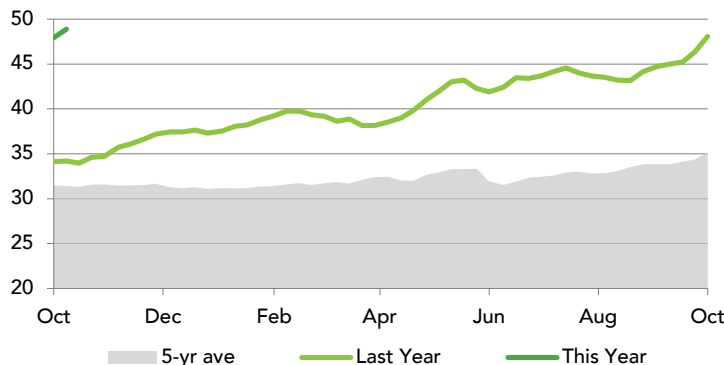
## US imported 95CL bull



## UK CKT lamb leg



## US French Rack



## Lamb Flaps

