

INDEPENDENT ASSURANCE STATEMENT



To: The Stakeholders of Dairy Australia Limited

Introduction and Objectives of Work

Bureau Veritas Australia Pty Ltd (“Bureau Veritas”) was engaged by Dairy Australia Limited (“Dairy Australia”) to undertake a limited assurance engagement on selected information and data presented in the Australian Dairy Industry Sustainability Report 2020 (the Report). This Assurance Statement applies to the related information included within the scope of assurance described below.

Scope of Limited Assurance

The scope of assurance was limited to the following information and data for the 2020 reporting year (1 January 2020 to 31 December 2020):

- The application of the principles of inclusivity (pages 69 to 71, 42-43 and 52-53);
- The application of the principles of materiality (pages 3, 64 to 66, 70 and 49); and
- The reliability and quality of the following performance data against Dairy Australia sustainability targets (page 58):

Target 7.2 All of industry adopting relevant recommended industry practices for animal care:

- o *No Tail Docking*
- o *No routine use of calving induction*
- o *Sale calves sold at a minimum of 5 days old*
- o *Sale calves fed within 6 hours of transport*
- o *All calves disbudded prior to two months of age*
- o *All calves disbudded with pain relief (for calves <2 months)*
- o *All farmers implementing a lameness strategy*
- o *All farmers where relevant have infrastructure to keep cows cool*
- o *All farmers have a documented biosecurity plan*

Our assurance engagement does not extend to any other information included in the Report or information in respect of earlier periods except when disclosures are drawn from initiatives dated prior to the reporting period. This is particularly relevant to the 2019 materiality assessment (public report dated March 2020) and the 2019 Animal Husbandry Survey (public report dated August 2020).

Limited Assurance Conclusion

On the basis of our procedures as described under “Methodology” and the evidence we have obtained, we provide limited assurance that nothing has come to our attention:

- to indicate that the statements reviewed within the scope of our assurance engagement are inaccurate and the information included therein is not fairly stated.
- that causes us to believe that the information, within the scope of our assurance engagement, is not prepared, in all material respects, in accordance with the criteria indicated under “Understanding how Dairy Australia has Prepared the Information”.

It is our opinion that Dairy Australia has established systems for the collection, aggregation and analysis of relevant information and quantitative data.



**BUREAU
VERITAS**

Move Forward with Confidence





**BUREAU
VERITAS**

Understanding how Dairy Australia has prepared the Information

The Report was prepared in accordance with the GRI Standards: Core option and selected disclosures from GRI's G4 Food Processing Sector Disclosures, including appropriate considerations of the reporting principles, profile disclosures, management approach disclosures and performance indicators.

Notably, the following GRI principles and disclosures from GRI 101: Foundation 2016 and GRI 102: General Disclosures 2016 were used to prepare the information:

- *GRI 101: Foundation_Reporting Principles_Stakeholder Inclusiveness*
- *GRI 102-40: List of stakeholder groups*
- *GRI 102-42: Identifying and selecting stakeholders*
- *GRI 102-43: Approach to stakeholder engagement*
- *GRI 101: Foundation_Reporting Principles_Materiality*
- *GRI 102-44: Key topics and concerns raised*
- *GRI 102-46: Defining report content and topic Boundaries*
- *GRI 102-47: List of material topics*

Dairy Australia also applied the requirements of the Sustainable Dairy Partnership (SDP) to prepare the information inherent to the principles of materiality (Stage 3).

Dairy Australia's Responsibilities

Management of Dairy Australia was responsible for:

- Selecting and establishing suitable criteria for preparing the Report and information subject to our limited assurance;
- Preparing the information in accordance with the criteria; and
- Designing, implementing and maintaining internal controls over information relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

Bureau Veritas was responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the information included within the scope of assurance is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Directors of Dairy Australia.

Bureau Veritas was not involved in the drafting of the Report and our independence has not been compromised. This is the first year in which we have provided limited assurance over the Dairy Australia information.



**BUREAU
VERITAS**

Move Forward with Confidence





**BUREAU
VERITAS**

Methodology

Our limited assurance engagement was performed in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board, and informed by Bureau Veritas' standard procedures and guidelines for external verification of ESG information.

Our work was planned and executed in a manner designed to produce a limited level of assurance and to provide a sound basis for our conclusions. We undertook the following activities:

- Review of the suitability of the criteria used as the basis for preparing the information subject to assurance;
- Interviews and follow-up communication with relevant individuals;
- Review of documentary evidence produced by Dairy Australia representatives;
- Audit of performance data and factual information including source verification; and
- Review of Dairy Australia's processes for identification, aggregation and analysis of relevant information, report content and performance data.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined reporting period;
- Statements of commitment to, or intention to undertake future actions by Dairy Australia;
- Statements of position, opinion, belief and/or aspiration by Dairy Australia;
- Financial data audited by an external third party; and
- Other sites and/or activities not included in the scope.

This independent assurance statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.



**BUREAU
VERITAS**

Move Forward with Confidence





**BUREAU
VERITAS**

Statement of independence, impartiality and competence

Bureau Veritas is a global leader in Testing, Inspection and Certification (“TIC”) services. The Group’s mission is to reduce its clients’ risks, improve their performance and help them innovate to meet the challenges of quality, health, safety, hygiene, environmental protection and social responsibility. Leveraging its renowned expertise, as well as its impartiality, integrity and independence, Bureau Veritas has helped build trust between companies, public authorities and consumers for more than 190 years.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among its personnel in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with Dairy Australia, its Directors or Managers beyond that required of this assignment. We have conducted this assurance engagement independently and there has been no conflict of interest.

The assurance team was selected based on its extensive Industry Sector knowledge and experience in conducting independent verification, validation and assurance of Environmental Social and Governance (ESG) information and associated systems and processes.

Jeremy Leu

General Manager – Certification Pacific

24th August 2021

Bureau Veritas Australia Pty Ltd

ABN: 15 090 874 570

3/435 Williamstown Road

Port Melbourne, Victoria, 3207



**BUREAU
VERITAS**

Move Forward with Confidence

