I have been involved in the sustainability discussions through the years and have felt that the measures have been defined by society’s concept of sustainability. But this time, with the U.S. Roundtable for Sustainable Beef, ranchers and organizations comprised of ranchers have been involved on equal footing with the retailers and the environmental organizations from the beginning. They are listening and value the input of the people with “boots on the ground!” I have been able to help craft the measures for sustainability on my ranch—and make sure they are real measures of longevity and improvements in the land, animals and people. In addition, we have been able to explain that without profitability, all conservation and animal welfare discussions are worthless.

Debbie Lyons-Blythe (cow-calf producer from Kansas) on why it is important for ranchers to be part of USRSB
Guiding Principle

As members of the USRSB proactively advance beef sustainability, it is critical that Roundtable members and the beef value chain be afforded the latitude to continually innovate, responsibly implement leading practices and technologies, and respond to issues and challenges in accordance with accepted business practices. As further outlined and supported in the Principles and Criteria of the Global Roundtable for Sustainable Beef, the USRSB will remain supportive of all beef production systems who are working toward continuously improving the sustainability of beef.

Member Survey Results

- 75% of members actively participate in a working group
- 81% of members are satisfied or very satisfied with the progress of the USRSB in achieving its goals
- 87% of members have attended at least one USRSB General Assembly Meeting

Source: USRSB Membership Survey 2016

Mission

To advance, support and communicate continuous improvement in sustainability through leadership, innovation, multi-stakeholder engagement and collaboration.

Consistent with GRSB, the USRSB will not mandate standards nor verify individual stakeholder performance.
2016 BOARD OF DIRECTORS

Chair: John Butler – Beef Marketing Group  
Chair-Elect: Rickette Collins – McDonald’s Corporation  
Secretary/Treasurer: Mark Shaw – Micro Technologies  
Past-Chair: Nicole Johnson-Hoffman – OSI Group  
Ben Weinheimer – Texas Cattle Feeders Association  
Todd Armstrong – Elanco Animal Health  
Kim Stackhouse-Lawson – JBS USA  
Meghan Mueseler – Cargill Meat Solutions  
Brittni Furrow – Walmart  
Nancy Labbe – World Wildlife Fund  
Chad Ellis – Noble Foundation

GENERAL ASSEMBLY

Five constituencies: Producer, Allied Industry, Processors, Retail, Civil Society

COMMITTEES AND WORKING GROUPS

Chaired by members, participation is also granted to non-members

Indicator Working Group (IWG)

Co-Chair: Nancy Labbe, World Wildlife Fund  
Co-Chair: Ben Weinheimer, Texas Cattle Feeders Association

Engagement, Measurement & Progress Working Group (EMPWG)

Co-Chair: Clayton Huseman, Kansas Livestock Association  
Co-Chair: Wayne Morgan, Golden State Foods

USRSB Sustainability Assurance Framework

The Roundtable has embraced a sustainability assurance framework that clearly demonstrates the scopes of work of the Working Groups. It also illustrates where and how the Roundtable will engage, in addition to how other businesses will also have the opportunity to be involved with this process.

Indicators for Beef Value Chain: Six High Priority Indicators*

Segment Specific Metrics developed for segments along the beef value chain**

Metric Descriptions  
(clarifying language)

Sustainability Assessment Guides

Self-Assessments/Supporting Documents/Tools/Resources/Education & Training

External Projects/Field Trials/Pilot Projects/Research

2nd Party Certification

3rd Party Verification

Implemented by  
Business-to-Business Supply Chains

EMPWG will provide guidance & assist business-to-business verification efforts, including leveraging of existing programs

** Producers, Packers & Processors, and Retail & Food Service with Civil Society input at every segment
Indicator and Metric Development Process

A primary area of focus for the Roundtable during the past year has been to develop metrics for each constituency. These are based on the six previously approved high priority indicators – animal health and well-being; efficiency and yield; water resources; land resources; air and greenhouse gas emissions; and employee safety and well-being. The metric development process has had many phases and engagement from USRSB members. There have been sector-specific champions leading the way, in-person workshops and meetings, webinars, and multiple reports to provide an understanding of various perspectives and adequate time for feedback. At the 2017 General Assembly meeting, the final draft of the metric report will be presented and discussed by the members and subsequently published. Below is a timeline of events that highlights this important work and achievements during the past two years.

**Indicator Working Group Timeline 2015-2017***

*This is not a comprehensive timeline. In addition to these key points, there were conference calls, webinars, in-person meetings and comment periods throughout the last two years. For a full timeline of events, visit usrsb.org.

**HIGH PRIORITY INDICATORS**

For Sustainable Beef Production in the U.S. to address People, Profit, Planet and Animals

- Animal Health and Well-Being
- Efficiency & Yield
- Water Resources
- Land Resources
- Air & Greenhouse Gas Emissions
- Employee Safety and Well-Being

**ANIMAL HEALTH & WELL-BEING**

The cumulative effects of cattle health, nutrition, care and comfort.

**EFFICIENCY & YIELD**

Efficiency is the unit of input required to produce a unit of output and yield is the total product generated per unit of time or space. Both concepts address waste as a negative characteristic and drive toward improved profitability.

**WATER RESOURCES**

The volume of water consumed by a sector for each process and any impacts on water quality by a sector for each process.

**LAND RESOURCES**

The stewardship of terrestrial and aquatic habitat in relation to water, soil and biodiversity in an area. Impacts of land use and land use conversion, both caused by and prevented by ranching and farming activities.

**AIR & GREENHOUSE GAS EMISSIONS**

The cumulative emissions of pollutants, including particulate matter, greenhouse gases and other gaseous emissions from a sector for each process.

**EMPLOYEE SAFETY & WELL-BEING**

The implementation of safety programs and training to provide a safe workplace and help to prevent workplace accidents and injuries associated with production, processing, and distribution of beef and the relative prosperity of workers employed in those activities.
Working Groups Evolution
The Board of Directors guides the work of the Roundtable through working groups. They examine issues and seek solutions to advance, support and communicate continuous improvement in beef sustainability.

As scopes of work have evolved during the first two years of the USRSB, the tasks of the Verification Working Group (VWG) and the Sustainable Solutions Working Group (SSWG) began to overlap and become redundant. To improve efficiency, management of fiscal resources and to streamline the efforts of the working groups, the Board of Directors approved the convergence of the VWG and SSWG in the spring of 2017, noting that all work moving forward will now be under the newly established Engagement, Measurement and Progress Working Group (EMPWG).

Moving forward, all efforts outlined by the USRSB will be carried out by the following working groups to achieve actionable outcomes around our goals and objectives:

- Indicator Working Group (IWG)
- Engagement, Measurement & Progress Working Group (EMPWG)

Indicator Working Group

- Indicators
- Metrics
  - Metric descriptions (clarifying language)

Performance Indicators (Indicators) are defined as elements that producers and stakeholders can identify, define and measure that are important outcomes of activities. These should be procedural, physical or otherwise measurable using one or more metrics. Indicators should be outcome driven, science based, technology neutral and transparent. Metrics are the things that are measured to benchmark and evaluate indicators. To drive continuous improvement, practice-based metrics may be necessary for outcomes-based indicators to show progress as value chain sectors develop methods to more directly measure outcomes.

Metric Selection Process for Each Indicator
Step 1: Inventory Existing Metrics
Step 2: Implement and Assess Existing Metrics
Step 3: Propose New Metrics
Step 4: Implement and Assess New Metrics

Value Chain Rules for Metric Selection Process
Rule 1: Each sector identifies its own metrics for each indicator
Rule 2: Sectors review and comment on all metrics, but only have authority over their own metrics
Rule 3: Systems metrics are most desirable but Sector metrics are often necessary for some indicators
Rule 4: Metrics that do not drive improvement of indicators within a sector must be revisited or replaced

The USRSB is important for feedlot owners and operators to consider joining because it is the first time we have had an opportunity to sit down with members of every segment of the beef supply chain and visit collectively about what we do, why we do it and how we can share that with our consumers. Today's consumers are wanting to understand more about how their food is produced. Through the USRSB network we can learn what questions consumers are asking through our retail members and then work together to address their concerns.

Scott Anderson (cattle feeder from Oklahoma) on why producers should join USRSB
Engagement, Measurement and Progress Working Group

The EMPWG will identify existing self-assessment tools and facilitate the development of a self-assessment tool where one is non-existent or needs additional information. The group will also catalog existing educational and training resources and commission the development of any necessary resources where there are gaps. Further, a process will be created to review and support external projects and field trials that meet USRSB indicators and metrics. Lastly, the EMPWG will support and encourage implementation of USRSB materials in private business arrangements and consider recognizing existing programs that meet USRSB indicators and metrics.

- Sustainability Assessment Guides (SAG)
  - Self-assessments
  - Supporting documents
  - Tools/resources/education and training

- Support external projects and field trials
- Business-to-business supply chain verification

Engagement, Measurement & Progress Working Group (EMPWG) Governance

Development Process for SAG Documents
Step 1: Relationship between the Indicator, Metric, and Outcomes explicitly defined;
Step 2: Continuous improvement described through benchmarking and frequency of assessment;
Step 3: Schedule of review should be defined;
Step 4: Leverage existing information and resources where possible, identify needs for new tools;
Step 5: Include site-level assessment tools, decision support systems, and documentation tools when appropriate;
Step 6: Case studies should be included where possible;
Step 7: SAG is intended to be a self-assessment document, but metrics should be verifiable;
Step 8: Implementation of metric assessment should be responsive to needs and limitations of individual sectors, and not prescriptive across sectors;
Step 9: SAG implementation must empower stakeholders to make continuous improvements in sustainability through engagement with pilots and education within and across sectors.

Sustainability Assessment Guides (SAG) Rules for Development
Rule 1: Each sector will be responsible for the development of their own sector-specific SAG documents that align with USRSB indicators and metrics.
Rule 2: Sectors may review and comment on all SAG documents, but each sector will have authority over their own sector materials.
Rule 3: SAG documents will comply with the nine criteria (see below).
Rule 4: SAG documents will foster engagement and drive continuous improvement; otherwise they will be revised or adjusted.
Strategic Plan

The Strategic Planning Committee was appointed by the USRSB Chair-Elect John Butler in the spring of 2016. All segments of the value chain as well as the five constituencies of the USRSB were represented. The balanced representation from each constituency included:

The USRSB Strategic Plan was approved by the General Assembly in July 2016. There were 15 specific initiatives laid out for the organization to accomplish from July 2016 to August 2017. As a status report, the Board of Directors has approved:

- New scopes of work for the working groups
- A prospective member packet
- A new member packet
- A new Board of Directors member packet

A plan was approved to hold new member educational webinars periodically throughout 2017 to promote strong engagement by new members as well as a plan to continue to diversify and strengthen membership.

The Board of Directors also approved the 2017 communications plan, which incorporates several initiatives outlined in the Strategic Plan including membership survey results and suggested messages to bridge the gap with specific audiences in addressing beef sustainability.

Strategy Map

Nancy Labbe on why World Wildlife Fund values the USRSB
### USRSB Balanced Scorecard (2016)

<table>
<thead>
<tr>
<th>Perspective</th>
<th>Strategic Objective</th>
<th>Measure</th>
<th>Target</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stakeholder Success</strong></td>
<td>Lead Continuous Improvement in Beef Sustainability</td>
<td>Determine baseline percent of sector involvement &amp; scope of impact</td>
<td>End of 2016</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Development of indicators and metrics by Indicator Working Group</td>
<td>Middle of 2017</td>
<td>✓</td>
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<tr>
<td></td>
<td></td>
<td>Continue to utilize LCA to periodically measure and demonstrate continuous improvement for the six high priority indicators</td>
<td>Regional data collection underway (2016-2017) &amp; LCA in 2018</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Review other existing verification programs and evaluate the level of program participation</td>
<td>Middle of 2017</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td>Demonstrate Relevance &amp; Value</td>
<td>Determine baseline favorability rating of consumers &amp; membership</td>
<td>End of 2016</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Enhance Communications</td>
<td>Complete comprehensive communication plan</td>
<td>End of 2016</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Adopt simple definition of beef sustainability</td>
<td>August 2016</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Assign committee for developing scope of work</td>
<td>End of 2016</td>
<td>✓</td>
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<td><strong>Learning &amp; Growth</strong></td>
<td>Leverage Member Base Expertise &amp; Resources</td>
<td>Percent new members completing on-boarding</td>
<td>100%</td>
<td>✓</td>
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<td></td>
<td></td>
<td>Determine number of common metrics with other sustainability groups</td>
<td>May 2017</td>
<td>✓</td>
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<tr>
<td></td>
<td></td>
<td>Complete subject matter experts needs analysis</td>
<td>Sept 2016</td>
<td>✓</td>
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<tr>
<td></td>
<td></td>
<td>Complete outreach plan</td>
<td>End of 2016</td>
<td>✓</td>
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<tr>
<td></td>
<td></td>
<td>Review and verify alignment of strategic plan &amp; by-laws</td>
<td>July 2016</td>
<td>✓</td>
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<td><strong>Financial</strong></td>
<td>Maintain Adequate Funding</td>
<td>Adopt annual budget</td>
<td>Annually</td>
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<tr>
<td></td>
<td></td>
<td>Re-evaluate fee structure</td>
<td>August 2017</td>
<td>NC</td>
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</table>

✓ Completed  ✓ Ongoing  NC Not Yet Completed

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Noble Foundation finds tremendous value in being part of a true roundtable with multi-stakeholders representing the whole beef value-chain. Through this engagement and relationship building we can help build the bridge from producers to consumers through science and producer relations.

Chad Ellis on why the Noble Foundation is a part of USRSB
Growth in 2017

The USRSB prides itself on strong and diverse membership. Starting with 93 founding members, the organization has maintained and increased engagement since that time. There are currently 104 members of the Roundtable.

New Members in Fiscal Year 2017

- Alltech, Inc.
- American Foods Group, LLC
- Arcadia Commodity Opportunity, LLC
- Brackett Ranches, LP
- Colorado Livestock Association
- Colorado State University- Department of Animal Sciences
- Culver Franchising System, Inc.
- Dairy Quality Center
- Hy-Plains Feedyard, LLC
- International Genetic Solutions
- Kentucky Cattlemen’s Association
- Llano Partners Ltd.
- NSF International
- Public Lands Council
- The University of Tennessee Institute of Agriculture
- The Wendy’s Company

Where We’re Going

The USRSB has had tremendous momentum and as we move into 2018, we’ll be focusing on the creation of Sustainability Assessment Guides and support of pilot projects, field trials and research with leadership from the Engagement, Measurement and Progress Working Group.

As always, this requires ongoing USRSB member involvement and engagement. Communication of the finalized metrics and the additional work being accomplished will also be an area of emphasis.

For information on becoming a member of the Roundtable or for details on anything shared in this report please visit usrsb.org.
### USRSB Financials

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<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dues and Registrations</td>
<td>298,428</td>
<td>436,492</td>
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<tr>
<td>Other</td>
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<td><strong>Total Revenues</strong></td>
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<td>$445,492</td>
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<td><strong>Expenses</strong></td>
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<td><strong>Total Expenses</strong></td>
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<td><strong>Net Change</strong></td>
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<td>$71,638</td>
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<td><strong>Reserves balance beginning of FY</strong></td>
<td>206,727</td>
<td>135,089</td>
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<tr>
<td><strong>Reserves balance</strong></td>
<td>$257,378</td>
<td>$206,727</td>
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</table>
For more information or to become a member of the USRSB, please visit www.usrsb.org

Follow us on Twitter: @USRSBeef