

The Future of Food: A call for Australian food companies to come to the table on nature

2025 UPDATE



AUSTRALIAN
CONSERVATION
FOUNDATION

Nature
needs us,
now

We acknowledge the Traditional Owners of Country and their continuing connection to land, waters and community. **We pay respect to their Elders past and present** and to the pivotal role that First Nations Peoples continue to play in **caring for Country across Australia.**

Authorship Details

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Cover: Farmer on quad bike mustering cattle *Photo*. AnnaGreen/ iStock

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Executive summary

Every meal on our table connects us to the people who grow our food and the natural world they depend on. It also connects us to the companies behind the brands we trust, and a food system that is failing to protect nature.

The latest national figures depict a strong commercial food system in Australia, generating over \$200 billion in value to the economy in 2022-2023,¹ supporting livelihoods in regional towns and feeding Australians and populations around the world. The agriculture sector itself spans 55% of our land, employs over 300,000 Australians, and accounted for over \$70 billion in exports in 2023-2024.²

Beneath these figures however, what we grow and harvest is deeply fragile - sensitive to climate change and biodiversity loss as well as market forces like shifting consumer preferences. Australian food companies are not bystanders to this fragility – they are major contributors to a system that is making production from Australia's soils and landscapes unsustainable.

Nature has been pillaged by our food system for generations, and the consequences are clear to see. Countless species are being driven to extinction through land clearing and habitat fragmentation, while farmers have seen agricultural land productivity plateau in recent decades. Australia's nature is in trouble, but it's not too late for food companies to take action.

Now in its second year, the Future of Food benchmark assesses 20 of Australia's largest and most loved food companies on the actions they are taking to protect and restore nature. The companies are assessed on 37 indicators across four sections, as well as on transparency for each indicator across:

- Risk assessment and supply chain visibility
- Nature targets
- Strategy and action; and
- Governance

Using the inaugural benchmark report as a key resource, in this second iteration we examine what progress the companies have made in the last 16 months. In this time, we have seen forest and threatened species habitat continue to be bulldozed, terrible droughts sweeping the land, record-breaking coral bleaching events, and more ecosystems edging closer to collapse.

For many in the cohort, including publicly listed companies with two reporting cycles worth of updates, we've seen only incremental improvement. The gap between the speed of nature's decline and the slow pace of corporate action remains alarmingly wide.

There are some glimmers of progress in this update. A quarter of the assessed companies have now initiated nature-specific risk assessments, compared to zero in 2024, and the number conducting scenario analysis on nature-related risks increased from three to six companies. The average score for supply chain visibility and risk assessment has doubled, reflecting the growing adoption of global frameworks such as Taskforce on Nature-related Disclosures (TNFD) and Science Based Targets Network (SBTN).

However, it's clear that many companies are treating nature risk as a second order issue, and not with the same priority as climate risk. Ninety percent of companies have not attempted to upskill their directors on nature, leaving their leaders inadequately prepared for nature-related physical and transition risks, such as soil depletion and evolving consumer expectations.

While more companies are setting nature targets, many have failed to set them for their most significant impacts and dependencies. As just one example, zero companies have water targets for their agricultural supply chains. This is despite water licence buy-backs already occurring in Australia as parts of the country suffer through multi-year drought, and dire projections of changes to rainfall and temperature impacting farm viability in coming years.³

A new section in this year's report explores whether companies are supporting farmers on the frontlines of the nature and climate crises. Across Australia, a growing number of farmers are transforming the way they produce food, adopting practices that benefit nature, climate, and their communities. This transformation often carries upfront costs, and companies have an obligation to help fund these efforts. While over half of the assessed companies are providing some financial or technological support for producers to adopt more sustainable practices, it's mostly for ad-hoc projects and nowhere near the scale required to deliver necessary supply chain transformations.

Australia's food companies must come to the table on nature protection. Without tangible and targeted intervention across the food system, our natural world will not survive, and neither will the companies that depend on it.

Companies who are yet to take any action or that have significant gaps in their approach, must urgently tick these essential items off:

1. Investing in supply chain traceability.
2. Locating, measuring, and monitoring supply chain impacts and dependencies on nature.
3. Setting science-led targets across land, water, climate and biodiversity to reduce harmful impacts.
4. Supporting farmers to systematically transition to more sustainable practices and restoring degraded lands
5. Elevating nature to the highest levels of company governance
6. Reporting transparently and comprehensively on progress

Farmers Photo. Nath Richards / iStock



Key findings

- 1. Recognition and assessment of nature risk is picking up pace.** The number of companies that can demonstrate some level of nature-specific materiality assessment has grown from zero in 2024 to 25% of the company cohort in 2025 and the number of companies conducting stand-alone nature scenario analysis has doubled from three in 2024 to six in 2025.
- 2. Nature targets are lagging behind climate targets.** While 80% of companies have an emissions reduction target, nature targets are far less common. The fact that zero companies have a water use target for their supply chains is particularly alarming.
- 3. When it comes to support for farmers, corporate sustainability strategies remain narrowly focused on farm production volumes and efficiency, while overlooking the ecological foundations that underpin farm productivity and long-term resilience.** Sixty-five per cent of companies are providing some ad hoc financial and/or technological support to producers in their supply chains to reduce their impacts on nature, but no companies are providing systematic support or contributing to protecting and restoring ecosystems on the farm properties that supply them.
- 4. Boards lack oversight on nature, signalling weak nature risk governance and low prioritisation from leadership.** While 60% of companies had a senior executive responsible for achieving nature-related supply chain goals and targets, only 20% of companies evidenced that their boards have clear accountability of nature-related issues.
- 5. Publicly listed companies substantially outperform private companies on transparency, while those headquartered overseas are leading Australian-based peers.** The top nine scoring companies in the transparency section are publicly listed, underlining the role that external scrutiny, investor expectations, and regulatory requirements play in driving public reporting on nature. Woolworths and Coles were the only Australian-based companies in the ten highest scoring on transparency, suggesting lagging practice domestically.

Key figures

Of 20 companies assessed:



The average score for companies was

20%,

up from **17%** in 2024, but still a fail mark for their approach to nature



Transparency improved only marginally, with the average score **up 2%** to

17%



have near-term climate targets, with **nine** meeting the highest level of credibility



companies tested their resilience against possible future scenarios for the state of nature



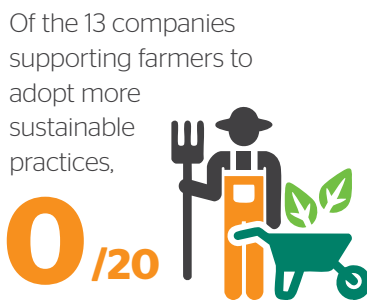
companies conducted a focused nature risk assessment, **up from zero** in 2024



have a water use or water quality target for their supply chains



companies evidenced support to restore and protect ecosystems on farms



Of the 13 companies supporting farmers to adopt more sustainable practices,

0/20 are expanding support to a sufficient scale



have deforestation targets



have projects to address species extinction



companies demonstrated accountability for nature at board level, but **only two** could say they have nature expertise on the board



have projects to reduce pollution at farm level

Introduction

Australia's food system is at a crossroads. Every meal we eat is connected to the land, water, and climate that sustain us - yet the way we produce food today is pushing those very systems to breaking point.

Soils are losing fertility, native species are slipping towards extinction, and farming is being made more vulnerable to droughts, floods, and fires. If we continue down this path, the future of our food and our planet is at risk.

While Australia markets its agricultural exports as 'clean and green', the reality is that Australia:

- is the only developed nation to be labelled a deforestation hotspot;
- has one of the worst records for species extinction and biodiversity loss in the world;
- and has at least nineteen ecosystems showing signs of collapse.⁴

The common denominator linking these impacts is agriculture for food production.

Australian farmers face some of the toughest conditions in the world. They work in a landscape defined by droughts, floods, and increasingly unpredictable seasons, with climate change amplifying these extremes. Many are struggling with the rising costs of water, chemicals, and fertiliser, alongside volatile global markets and supply chain power dynamics that squeeze farm incomes.

Soil degradation, water scarcity, and the pressure to produce more food on less land add to the challenge, while shifting consumer expectations and sustainability demands mean farmers must constantly adapt. Despite these pressures, farming communities remain resilient, innovative, and deeply connected to the land, but their future livelihoods depend on addressing both environmental and economic risks.

If we don't fix the food system, we can't fix the climate or protect nature. And if we don't protect nature, we can't grow food. It's a vicious cycle - but one food companies have the power to break.

Food companies sit at the heart of this transformation. With their resources, reach, and influence, they can decide whether Australia's food future is one of destruction or regeneration. By choosing sustainable production, supporting farmers to transition away from harmful practices, and investing in practices that protect biodiversity, soil, water, and wildlife, companies can help build a system that sustains us without destroying the nature we love and depend on.

Deforestation in Red Range, NSW



The state of nature in Australia

The last Australian State of the Environment report, released in 2022 found that Australia's nature is in decline on almost every measure. Since that report was published, almost 200 species and ecological communities have been added to Australia's threatened species list.⁵

Australia has one of the highest rates of biodiversity loss in the world with more mammal extinctions than any other continent in the industrial era.⁶ Between 2000 and 2017, 7.7 million hectares of Australian threatened species habitat was cleared.⁷

Approximately a quarter of earth's land area is affected by degradation that damages its health and productive capacity. In Australia the situation is more severe, with two-thirds of agricultural land classified as degraded.⁸

The rivers and waterways in southern Australia that support most of Australia's food production and major population centres are in trouble. In New South Wales, fish kill events have tripled from an average of 21 to 69 per year between 2018 and 2023.⁹

In 2025 an algal bloom off the coast of South Australia has killed tens of thousands of marine animals and left coastlines littered with dead seaweed and sea life. The algal bloom is linked to a marine heatwave that had sea temperatures soaring to 2.5°C above normal and nutrient pollution from Murray-Darling floodwaters driven by land clearing and intensive agriculture.¹⁰ It continues to effect tourism businesses, closing commercial fisheries and aquaculture, and has exposed the unpreparedness of government services to manage increasingly frequent, large-scale environment disasters.

Foam washed up on the shore as a byproduct of the severe algal blooms along the coasts of SA. Photo: Thomas Kinsman



The nature dependencies and impacts of Australia's food system

Our food system is utterly dependent on nature

We all rely on clean water, air, and resources from the earth to survive. Earth-system processes such as the water cycle, soil chemistry, temperature, and humidity, sustain all life on earth and provide a range of specific benefits or 'ecosystem services' to humans. Agriculture is the biggest consumer of natural resources globally and is dependent on ecosystem services.¹¹

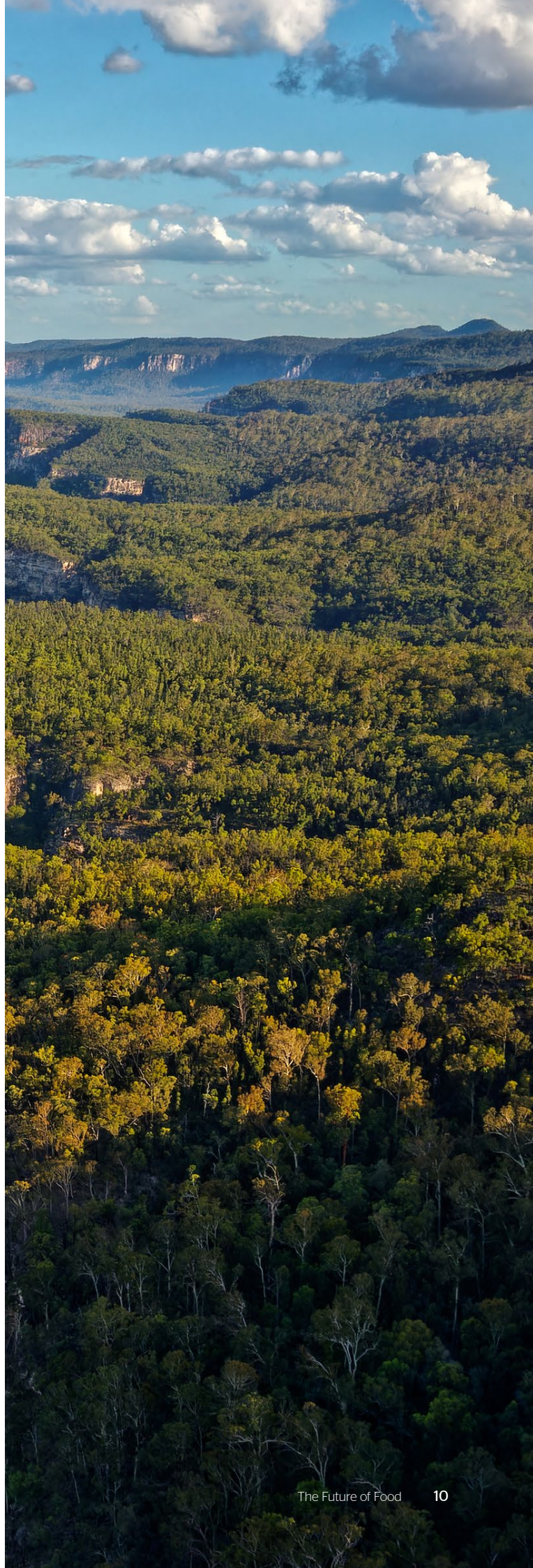
It follows that the state of Australia's food system, the food security of Australians, the viability of farms and the success of food manufacturers and retailers, depends on the state of Australia's soil, water, biodiversity and other elements of natural capital.¹²

Australia is paying the price today for a long history of nature impacts

Since Australia was colonised over two centuries ago, governments, industries, and landowners have heavily modified the Australian landscape, for the most part ignoring the complexities of our very fragile ecosystems and a millennia worth of land management knowledge from First Nations people.

In some cases, public policies like the Brigalow Development Scheme which saw the Queensland government support landowners to clear 4.5 million hectares of biodiversity-rich Brigalow forest, set the precedent for damaging practices that persist today.

Today, CSIRO calculates that Australia's food system has the highest per capita costs to human health and nature of anywhere in the world, including \$225bn in hidden environmental costs, primarily from land use change and degradation.¹³



Rates of nature destruction are not slowing down

Despite Australia signing on to the Forests and Climate Leaders Partnership in 2022 to halt and reverse deforestation and land degradation, rates of agricultural deforestation have recently been increasing in Queensland and New South Wales. Over 300,000 hectares of forest and woodland was bulldozed in Queensland in 2023. Of that, 70,000 hectares was remnant, meaning it had never been cleared before. This is an increase of 8% on the previous year.¹⁴

Forty-four percent of Queensland clearing occurred in the Great Barrier Reef catchment area, where clearing contributes to increased sediment, nutrient, and agrichemical runoff that is damaging the region's World Heritage protected corals. Eighty-six percent of clearing in Queensland is linked to the expansion of pasture for livestock, mainly cattle.¹⁵

While it is a minority of cattle producers that are still engaged in broadscale land clearing, the rate is sufficient to place Australia as the only developed country on the global list of deforestation fronts.¹⁶ Aside from destroying habitat for threatened species, emitting greenhouse gases, and removing carbon sinks, deforestation can also lead to processes that degrade soils, such as erosion, salinisation, loss of organic matter and depleted fertility.¹⁷ These impacts are already taking a significant toll, with Australia's agricultural productivity plateauing in recent decades.¹⁸

Agricultural practices are both the problem and the solution

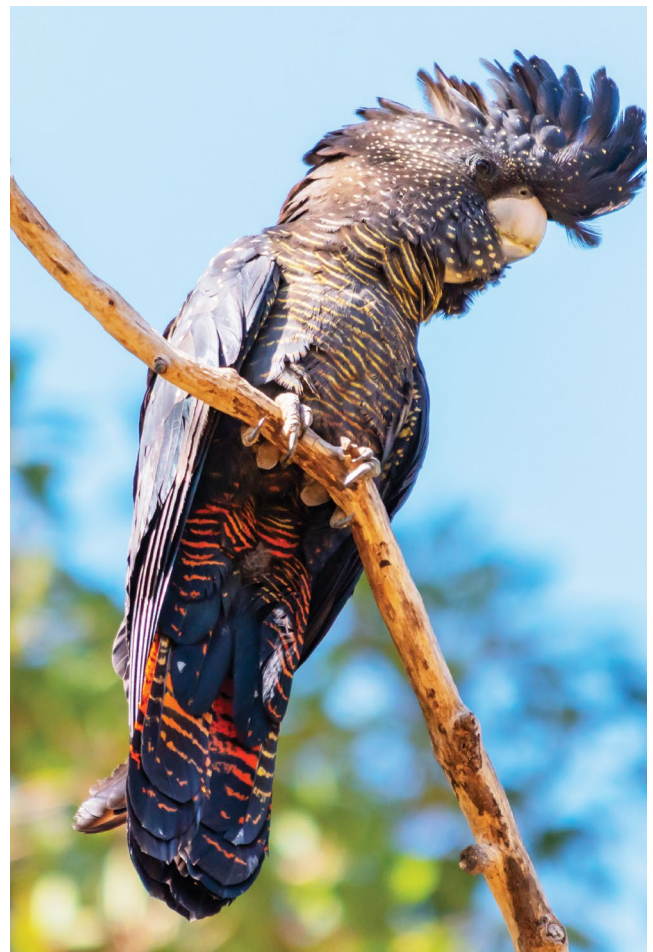
In south-east Australia, the most significant impact on freshwater ecosystems comes from the modification of water flows to support agriculture, as well as surface and groundwater extraction for irrigation.¹⁹

Invasive species are also one of the biggest threats to the environment and biodiversity in Australia. Invasive grasses like gamba and buffel grass, introduced mostly as fodder for livestock, have been shown to cause ecosystem degradation, habitat loss and biodiversity decline, as well as an increase in fuel loads, resulting in more intense fires and changed fire regimes.²⁰

In 2016-2017 businesses applied 5 million tonnes of fertilizer to 50 million hectares of land across Australia,²¹ and while Australian farmers are efficient users of fertilizer in global terms, Australia's soils and ecosystems have evolved in such a way that even small amounts of excess nitrogen can have a damaging effect.²² Man-made chemical pollutants such as pesticides and other chemicals used in agriculture are suspected of causing 8% of fish deaths in coastal and inland catchments in New South Wales over the past 20 years.²³

While many farmers have adopted practices that work more harmoniously with nature, agricultural activity is the third most commonly listed threat to Australian biodiversity, affecting 57% of threatened species listed federally.²⁴

To turn these devastating statistics around and be part of the solution, farmers need support from Australia's food companies and for natural capital to be more accurately valued.



Female Forest Red-tailed Black-Cockatoo
Photo. Merrillie Redden / Shutterstock

What the Future of Food benchmark measures

The Future of Food benchmark evaluates how food businesses are addressing nature-related dependencies, impacts, risks and opportunities across the five sections listed below. Scores are translated into a corresponding alignment category out of 'Not Aligned', 'Partially Aligned' and 'Aligned'.

1. Risk assessment and supply chain visibility

Assesses the company's efforts to identify, prioritise, monitor, and disclose nature-related impacts, dependencies, risks and opportunities in their agricultural supply chains.

2. Nature targets

Assesses the adoption of targets and commitments to address nature-related impacts, and the company's progress towards target reporting and delivery.

3. Strategy and action

Assesses the policies and actions the company has in place to address nature risks and impacts, and deliver on targets and commitments.

4. Governance

Evaluates the governance structures the company has in place to inform and execute its strategies, manage nature related risks and impacts, and embed nature as a key consideration throughout the company.

5. Transparency

Measures the public transparency of the company's reporting against the preceding four sections. For indicators of the preceding sections where companies were awarded 'Partially Aligned' or 'Aligned', additional transparency points were awarded where the company had disclosed that information publicly. These points combined to form each company's 'Transparency Score'.

Importantly, the benchmark is not an assessment of companies' actual impacts on nature. A lower score reflects that a company has demonstrated a lesser understanding of its agricultural supply chain and related impacts, and has fewer systems, policies, initiatives and targets in place. It does not necessarily mean they are harming nature more than a company with a higher score.

The companies assessed have different supply chains and nature impacts depending on the commodities and volumes they source. Some are more exposed to international markets and have acted faster to set targets in line with regulatory and consumer requirements. Some have faced public scrutiny on issues such as deforestation for beef, soy, or palm oil, forcing action, while many have so far avoided the spotlight.

Despite these differences, all companies assessed have two important things in common:

1. They provide products consumed daily by millions of Australians.
2. They depend on and extract heavily from Australia's nature.

As such, they have a responsibility and an imperative to address nature risks in their value chains.

While some areas of guidance are still emerging, this benchmark aligns with current leading frameworks, namely the Science Based Targets (SBTi and SBTn), Global Reporting Initiative (GRI), the Taskforce for Nature Related Financial Disclosures (TNFD) and the International Union for the Conservation of Nature (IUCN).

Full alignment on every measure is not expected today, but issues like deforestation and water use are long-standing problems, and companies should have already begun to address them through a climate lens, if not a nature-specific one. As regulations evolve around the world, companies should anticipate that many of the actions reflected in the indicators of this benchmark will become legal requirements.

Research findings



Company scores and ranks

We note that in some cases, changes in a company's total score from 2024 reflect updates to our methodology, including adjustments to existing indicators and the addition or removal of a small number of indicators. These updates, outlined in the Appendix, better align the benchmark with strategies that improve outcomes for nature. Companies that made strong progress still saw their scores rise regardless of these changes.

Company	Key brands	Total score 2025	Rank	Change on 2024
 Nestlé	Allen's, Uncle Toby's, Nescafé, Milo	51%	1	+4%
 Unilever	Continental, Hellman's, Streets, Ben & Jerry's	44%	2	+12%
 Asahi	Asahi Super Dry, Carlton Draught, Great Northern, Victoria Bitter, Schweppes, Cottee's, Spring Valley	32%	3	+16%
 coles	Coles Own Brand Products and Fresh Produce, CUB, Graze, Wellness Road	31%	4	+3%
 Fonterra	Western Star, Mainland, Perfect Italiano	30%	5	-1%
 Woolworths	Woolworths Own Brand Products and Fresh Produce, Highgate, Thomas Dux, Plantitude	30%	6	+4%
 Saputo Dairy Australia	Cheer, Cracker Barrel, Devondale, King Island Dairy, Mersey Valley, South Cape, Tasmanian Heritage	26%	7	+7%
 Kraft Heinz	Kraft, Heinz, Golden Circle, Fountain, Gravox	25%	8	-1%
 McDonald's	All McDonald's menu	24%	9	-3%
 ALDI	Aldi Own Brand Products and Fresh Produce	22%	10	+11%
 COSTCO PRICE CLUB	Costco Own Brand Products and Fresh Produce, Kirkland Signature	17%	11	+4%
 Domino's	All Domino's menu	16%	12	+4%
 Bega	Vegemite, Dairy Farmers, Pura, Farmers Union, Yoplait, Dare, Daily Juice Co, Berri	15%	13	-3%
 ARNOTT'S	Arnott's, Campbell's, 180 Degrees, Prego, V8, Messy Monkeys	15%	14	0%
 Simplot	Leggo's, Birds Eye, Edgell, Raguletto, Five Brothers, I&J, Harvest, Chiko	10%	15	0%
 LION	XXXX Gold, Tooheys, Stone & Wood, 5 Seeds, James Squire	10%	16	0%
 Patties FOODS	Four'N'Twenty, Patties, Herbert Adams, Nannas	5%	17	+4%
 GWF / George Weston Foods Limited	Tip Top, Sunblest, Abbots Village Bakery, Burgen, Yumi's	4%	18	+2%
 HUNGRY JACK'S	All Hungry Jack's menu	0%	19	0
 Sanitarium The Health Food Company	Weetbix, So Good, Vegie Delights, PB Nutrition	0%	19	0

Average company score for each section that companies were measured on in the benchmark:

Risk assessment
and supply chain
visibility

12%



Targets

23%



Strategy
and Action

30%



Governance

24%



Transparency

15%



Average score by sector:

Supermarkets

25%



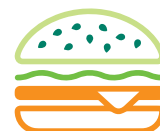
Manufacturers

21%



Fast food

13%



Average score for Australian versus international companies:

Australian

13%



International

23%



Photo. chameleonseye / iStock



Risk assessment and supply chain visibility

The Risk assessment and supply chain visibility section of the benchmark assessed companies' understanding of where their ingredients and raw materials are produced, and their efforts to identify the nature-related impacts, dependencies, risks and opportunities in their supply chains.

Section average:



Table 1: Indicators of sustainable practice assessed under Risk assessment and supply chain visibility

Risk assessment and supply chain visibility	
Supply chain visibility	1.1 Geolocation of agricultural supply chain 10% 90%
	1.2 Assessment and disclosure of ecosystems the value chain interfaces with 100%
	1.3 Identification of priority ecosystems 5% 95%
	1.4 Traceability to farm level for material commodities 55% 45%
	1.5 Full supply chain traceability for material commodities, including processors 5% 45% 50%
	1.6 Tracing projects underway for unknown agricultural suppliers 30% 70%
	1.7 Publication of farm-level supplier list 5% 95%
Nature-related impacts, dependencies, risks and opportunities	2.1 Assessment and disclosure of impacts of agricultural supply chain 5% 20% 75%
	2.2 Assessment and disclosure of dependencies in agricultural supply chain 5% 15% 80%
	2.3 Materiality assessment to identify nature related risks and opportunities, taking a double materiality approach 25% 75%
	2.4 Scenario analysis to assess exposure to nature-related risks 10% 20% 70%

Not aligned
Partially aligned
Aligned

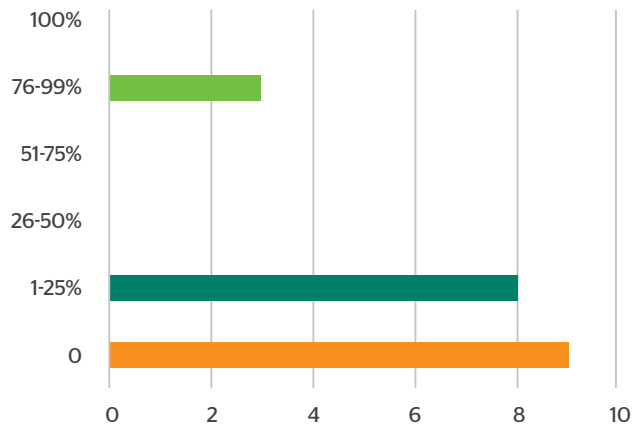
The Risk assessment and supply chain visibility section saw the greatest improvement of any section, with the average score doubling from 6% in 2024 to 12% in 2025.

Both SBTN and TNFD frameworks suggest the location of supply chain activities and assessment of impacts and dependencies are the first steps companies must take on nature. It is a positive development that a growing number of companies have started this work.

Companies who have been early adopters or have piloted these frameworks are well ahead of most peers. For example, Asahi, which scored the highest in this section at 37%, is a TNFD ‘early adopter’, while Nestle, which scored 34%, is one of the few companies which signed up to SBTN’s nature pilot.

While more companies have farm-level traceability in 2025 (11 compared to nine in 2024), none have identified the ecosystems their agricultural supply chains interface with or the health of those ecosystems (indicator 1.2). Without this understanding, the companies are likely unaware of their actual exposure to issues like water stress, soil depletion, habitat destruction, and pollinator decline.

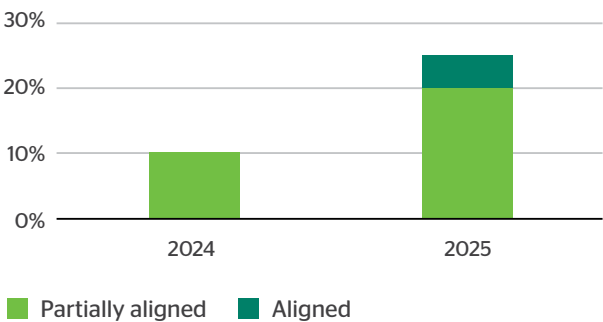
Figure 1: Proportion of each company’s material suppliers traced to farm level



ⁱ Including companies which received ‘partially aligned’

The number of companies that have demonstrated some level of nature-specific risk assessmentⁱ (indicator 2.3) has increased to a quarter of companies, up from zero in 2024. A quarter of companies also evidenced an assessment of impacts, which refers to positive or negative changes to the state of nature either directly or indirectly related to activities in the supply chain (indicator 2.1). This is up from two companies in 2024 as depicted below.

Figure 2: Companies assessing significant impacts on nature



The number of companies including nature in their scenario analyses or conducting stand-alone nature scenario analysis (indicator 2.4) also increased from three companies in 2024 (all of which only partially met the criteria) to six companies in 2025 (two meeting the criteria in full and four partially meeting criteria). This signals a growing comprehension of the risks presented by nature degradation and enables companies to prioritise projects to mitigate those risks.

While it is promising to see some progress, the majority of Australia’s major food companies have insufficient knowledge of where their food is grown, the condition of the ecosystems their supply chains either impact or depend upon, and their associated nature-related risks.

Investing resources to take these foundational steps is essential to build business resilience in the face of mounting nature risks.

Risk assessment in practice – Unilever’s nature scenario analysis

Unilever (owner of brands such as Ben and Jerry’s and Hellman’s) is one of few companies to conduct a nature-based scenario analysis to assess its exposure to nature-related risks.

A nature-based scenario analysis evaluates how future changes to the state of nature - such as biodiversity loss, deforestation, water scarcity, and climate impacts - could affect a company’s ability to operate over time. By exploring future scenarios, companies can identify vulnerabilities and put in place strategies to mitigate and/or prevent the worst outcomes and build resilience.

Unilever conducted its assessment using two TNFD-aligned scenarios:

1. ‘High Nature Degradation’ scenario, which assumes worsening biodiversity loss and environmental decline
2. ‘High Nature Preservation’ scenario, which assumes COP15-aligned climate policies which reduce biodiversity loss and ecosystem degradation.²⁵

Under the ‘High Nature Degradation’ scenario, Unilever identified risks of soil depletion and declining yields for high-risk crops like tea and soy. Rising temperatures, water shortages and the loss of pollinators would also further reduce yields, limiting the supply of key crops.

Under the ‘High Nature Preservation’ scenario, the company identified an increased likelihood of transition risks from nature-related fines and litigation. They noted that actions that cause harm to biodiversity and ecosystems could lead to increased public scrutiny, legal claims or potential non-compliance incidents resulting in fines, penalties and loss of market share.

To address these risks and enhance their resilience, Unilever has integrated various strategies across their responsible sourcing and stakeholder engagement work, such as investment in regenerative agriculture programs (predominantly outside of Australia). They have also identified advocacy as critical to driving systemic global initiatives to limit the worst impacts of these scenarios.



Bee on yellow wattle flower
Photo. squirrel77 / iStock

Nature targets

Nature targets should turn scientific knowledge into the specific, measurable goals needed to reduce supply chain impacts to sustainable levels. Target setting should follow a nature-related risk assessment and address the company's most material impacts and dependencies. When ambitious and achievable targets are set and announced, it establishes a point of accountability to consumers, investors, regulators, and other stakeholders.

Section average:



Table 2: Indicators of sustainable practice assessed under Nature targets

Nature targets	
Land targets	3.1 Land use change target (deforestation and conversion)
	3.2 Protection and restoration of ecosystems target
	3.3 Landscape engagement target
	3.4 Pollution target
Freshwater targets	4.1 Water quantity target
	4.2 Water pollution target
Biodiversity targets	5.1 Species extinction risk target
	5.2 Ecosystem integrity or ecosystem risk target
Climate target	6.1 Greenhouse gas emissions target
Food waste target	7.1 Commitment to reduce food waste

Not aligned
 Partially aligned
 Aligned

Nature targets

Table 2: Indicators of sustainable practice assessed under Nature targets con’td

Nature targets	
Target reporting and delivery	8.1 Targets validated by a credible third party 5% 50% 45%
	8.2 Company reports on annual progress 45% 30% 25%
	8.3 Monitoring supplier compliance with targets 25% 75%

Not aligned

Partially aligned

Aligned

While companies are increasingly adopting some form of nature target, progress is concentrated in land-use change (50%), food waste (60%) and climate change targets (80%).

Climate targets remain the most-adopted, though only 45% have set a near-term science-based emissions reduction target that includes value chain emissions (indicator 6.1). With Australia’s mandatory climate reporting framework phased in from this year, the few remaining food companies lacking a climate target — which includes Hungry Jack’s, Patties, Sanitarium, and George Weston—will see their failure to address transition risk exposed.

Hungry Jack’s and Patties are two of Australia’s top five purchasers of beef, the production of which has one of the biggest environmental footprints in Australia and is linked to the majority of deforestation. The absence of a climate or land-use change target from their strategies is a risk management failure. These businesses are grossly underprepared for the physical and transition risks from nature and climate change that their agricultural suppliers are already facing.

Unchanged from last year, it is extremely concerning that zero companies have a water use or water quality target applicable to their supply chain. While some companies have set water targets for their own operations, the agricultural production of raw ingredients is by far the largest consumer of water in food supply chains and is where efforts should be focused.

Overuse of fertilisers and chemicals in agricultural production contribute to climate change by releasing potent greenhouse gases like nitrous oxide from soils while also degrading ecosystems and soil health. While no company has published a formal target to reduce the negative impacts of pollution within its supply chain

(indicator 3.4), 30% of companies have evidenced some form of commitment or project underway to reduce fertiliser or chemical use.

Credible, science-based targets need to be set across the agriculture sector to reduce impacts on nature effectively, but at present corporate commitments are scattered and largely inadequate in terms of scope and scale.

Targets in practice - movement on deforestation

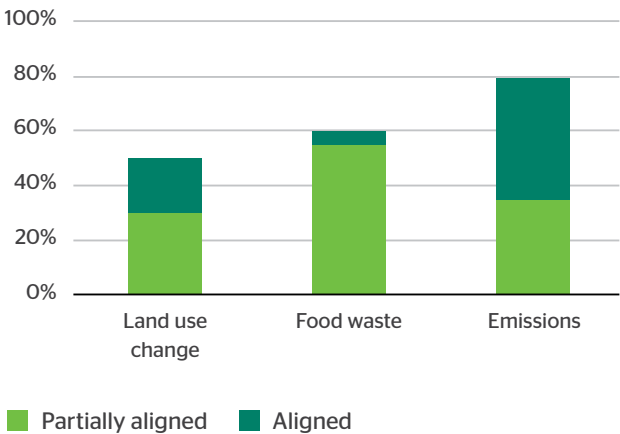
The 2024 Future of Food report highlighted the enormous scale of deforestation occurring in Australia for beef production. The five largest buyers of beef in Australia – Woolworths, Coles, McDonald’s, Hungry Jack’s and Pattiesⁱⁱ - had not set deforestation targets aligned with international best practice.

In the months following the report’s release, both Coles and Woolworths faced sustained pressure from investors, consumers, and NGOs to adopt deforestation commitments for their Australian beef supply. Woolworths announced in late August 2024 it would only source deforestation-free beef by the end of 2025, bringing it into line with Aldi’s existing commitment and the Science-based Targets Framework.

Coles finally caught up to its peers in August this year, announcing a deforestation-free target for its directly sourced own-brand beef supply.ⁱⁱⁱ Just days later, Woolworths announced it had ‘deprioritised’ Australian beef under its deforestation risk rating,²⁶ causing confusion around the implementation of its commitment. While we understand that Woolworths plans to uphold its commitment, implementation will be subject to close scrutiny from government authorities and civil society.

Now the work for all companies with commitments begins to ensure they have traceability and verification systems in place to monitor for deforestation. With Patties and Hungry Jack’s now clear industry laggards, the spotlight shifts to them to demonstrate sound risk management.

Figure 2: Nature targets with highest adoption



ⁱⁱ Woolworths and McDonald’s had set partially-aligned deforestation targets which did not meet SBTN guidance.
ⁱⁱⁱ Coles’ target accounts for approximately 85% of its own-brand beef supply, applying to directly sourced beef only, and it only applies to the final farm in the supply chain.

Strategy and action

For food companies, genuine transformation requires more than targets—it demands strategies that embed nature into the heart of decisions and tangible initiatives across supply chains. While success requires robust policy frameworks, sector-wide collaboration, and strong advocacy, above all it depends on the empowerment of farmers to undertake the work that delivers benefits to our soils, waterways, and biodiversity.

Section average:



Table 3: Indicators of sustainable practice assessed under Strategy and action

Strategy and action	
Policies	9.1 Environmental procurement policy used to select and onboard new suppliers
	20% 10% 70%
	9.2 Supplier Environmental Code of Conduct provided to agricultural suppliers and stipulates environmental standards
	60% 30% 10%
Supporting farmers	9.3 Policy which recognises the rights of Indigenous Peoples, local communities, and other stakeholders affected by activities in agricultural value chain
	40% 60%
	9.4 Process for remediation of breaches and other issues
Advocacy and lobbying	25% 30% 45%
	10.1 Support for producers to adopt more nature-friendly farming practices
	65% 35%
	10.2 Support for producers to restore and protect land
Advocacy and lobbying	100%
	10.3 Support for producers to access sustainability data collection tools
	40% 60%
Advocacy and lobbying	11.1 Advocacy for nature-related regulatory reform and government policies
	15% 85%
Advocacy and lobbying	11.2 Disclosure of trade association memberships and alignment with nature policies
	5% 35% 60%

Not aligned Partially aligned Aligned

Strategy and action was the highest scoring section in the Future of Food benchmark, with a cohort average of 28%. Although this is a slight decrease from the 2024 average of 30%, several indicators in this section were changed to better reflect strategies needed to improve outcomes for nature.^{iv}

As such, the lower section average does not suggest that companies are taking fewer actions, but the most vital actions are not being undertaken at sufficient scale across the sector. This includes advocacy for nature-related regulatory reform, for which only three companies received partial alignment (indicator 11.1).

The 2025 update to the Future of Food benchmark introduced a new sub-section under Strategy and action called 'Support for Farmers'. Too often, the costs of sustainable innovation are borne by farmers with little financial reward or recognition. Retailers, brands, and manufacturers are the beneficiaries of sustainability improvements on farms that supply them and should share the costs involved in the transition to more sustainable production methods.

Indicator 10.1 was the best performing indicator under 'Support for Farmers'. It examined the extent to which companies are providing financial and/or technological support to producers in their supply chains to adapt their farming practices to reduce their impacts on nature. Sixty-five per cent received partial credit in this indicator, suggesting most companies have been able to establish a business case for investing in supplier sustainability.

Companies want to be able to measure the effectiveness of their sustainability initiatives and stakeholders want them to verify that genuine progress is happening. However, collecting farm-level data for food companies' reporting on sustainability metrics like supply chain emissions, soil health or biodiversity can be labour-intensive and costly. While third-party natural capital measurement tools are emerging, many smaller producers cannot prioritise these expenses. In light of this it's promising that indicator 10.3 found 40% of companies are taking some level of action to support farmers in collecting this type of data.

While some of these developments are encouraging, this is not the case when it comes to support for protecting and restoring ecosystems on farm properties (indicator 10.2). None of the companies assessed provided evidence of financial or in-kind support for such efforts as reforestation projects or fenced conservation areas.



0 companies are financing or materially supporting ecosystem restoration or protection activities

Corporate sustainability strategies remain narrowly focused on farm productivity, while overlooking the ecological foundations that underpin long-term resilience. As raised earlier in this report, risk assessments must evolve to guide strategy and action toward this.

For both 10.1 and 10.3, the fact that no company has received full credit signifies that this work is not being undertaken at sufficient scale across commodities or supply chains. Most projects are early stage and relatively small, such as the Lion and Bega examples highlighted in the case study below. These need to scale and become standard in supplier relationships if they are to deliver the systemic changes needed.

^{iv} Further details about the changes made to the benchmark criteria are located in the appendix.

Support for farmers in practice

Lion's brand XXXX has partnered with the Great Barrier Reef Foundation and farmers in the Lower Burdekin region in Queensland to improve the health of waterways that flow into the Great Barrier Reef.

Sediment, chemical, and nutrient run-off from agriculture (such as fertilisers and pesticides), combined with rising seawater temperatures and acidity, is a key driver of algal growth, pollutant build-up in sediments and marine species, and reduced light, which can affect coral growth.²⁷

The Lower Burdekin Smart Irrigation Project assists farmers to implement efficient irrigation automation technology that allows precise amounts of water to be applied at optimum times. The project has a target to cover 600 hectares across seven farms and is expected to reduce dissolved inorganic nitrogen (DIN) in the catchment by 1,094 kilograms.²⁸ While small, the project will have ecological benefits, and reduce time and labour spent on manual irrigation.

Approximately 2,000 kilometres south of this project is another example of corporate, NGO and farmer collaboration. Bega Group have partnered with the Regional Circularity Co-operative, WIRES, Great Eastern Ranges, and local landholders to improve biodiversity and wildlife connectivity in Bega Valley. The project aims to protect, expand, and reconnect vital habitats, manage key threats such as weeds, and build landholder capacity and awareness.²⁹

The project has created 102 hectares of biodiversity corridors on private land by establishing 32km of fencing and planting more than 22,000 native trees across nine properties.³⁰ The project has targeted the habitat of key species affected in the Black Summer bushfires including the powerful owl, koala, yellow bellied glider, sugar glider and glossy black cockatoo.



Turtle on surface at Great Barrier Reef

Photo. Naoto Jack Fukushima / Shutterstock

Governance

When it comes to governance, nature should be treated as any other type of material risk. Ownership of the nature approach at the CEO level is vital and may be shared or assigned to an individual. When nature is recognised as a priority at boardroom-level and embedded into corporate governance mechanisms, this enables enhanced strategy and risk management and ensures appropriate oversight. Executives and directors must be informed on the unique and emerging risks posed by a company’s impacts and dependencies in order to carry out their duties effectively.

Section average:

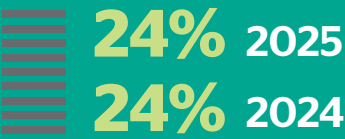


Table 4: Indicators of sustainable practice assessed under Governance

Governance	
Accountability and oversight	12.1 C-suite executive accountable for nature related value chain goals and targets
	45%15%40%
	12.2 Remuneration of C-suite executives linked with nature performance
	10%10%80%
	12.3 Accountability for nature strategy at the board level
	10%10%80%
	12.4 Sufficient board competencies to manage nature-related risks
	10%90%

Not aligned Partially aligned Aligned

Company performance in the Governance section remains largely unchanged from the first iteration of this report. With a section average of 24%, most companies are failing to elevate nature to the appropriate level of governance.

There remains a stark difference between the performance of publicly listed and private companies, with public companies averaging 30% in for this section compared to just 10% for private companies.

One of the most concerning findings is that company boards still lack the capabilities needed to properly assess and manage nature-related risks and opportunities (indicator 12.4).

Despite clear evidence that issues such as biodiversity loss, water scarcity, and ecosystem degradation pose material risks to business performance, 90% of companies failed to demonstrate any steps taken to upskill directors, such as training from external experts.

Only four companies provided evidence that their boards actively oversee nature-related dependencies, impacts, risks, and opportunities (indicator 12.3). Among these, Coles and Unilever were part of the cohort that had not upskilled directors, highlighting the potential limitations of board oversight.

Sixty percent of companies indicated that a senior executive is responsible for achieving nature-related supply chain goals and targets. While executive accountability for targets is important, eight of these twelve companies have not deemed nature to be a key issue requiring board oversight over strategy and risk.

These findings suggest that most companies are poorly positioned to react to operational disruptions linked to nature, regulatory changes, evolving consumer and investor expectations and are substantially limited in their ability to proactively respond to one of the defining business challenges of our time.

Governance in practice: Nestle's Creating Shared Value Council

Given the wide range of governance issues that boards and executives must navigate, having access to external expertise is highly beneficial for company leadership to ensure strategy is guided appropriately. Nestle has adopted a unique approach to ensuring a high level of governance expertise on sustainability issues.

The company established an external advisory group in 2009 called the Creating Shared Value Council, whose mandate is to provide a range of informed ideas, recommendations, and insights. It comprises of ten members whose expertise spans corporate social responsibility, strategy, sustainability, nutrition, water and rural development. They advise the Executive Board (Nestle's senior management, separate to the board of directors) on issues related to the company's sustainability agenda like regenerative food systems and circularity, and engage with the Executive Board twice a year to critically review Nestle's sustainability initiatives.³¹

Transparency

Clear disclosure of sustainability performance allows companies to communicate their positions, initiatives, progress, and long-term vision effectively. Robust reporting reduces the risk of greenwashing - an issue high on the agenda of regulators around the world. It can also attract values-aligned capital with requirements around disclosure and is often reflected in the value assigned to a company by investors.

As well as being necessary to meet regulatory obligations in an increasing number of markets, consumer awareness of the environmental footprint of goods and demand for associated information is on the rise. In this sense, transparency and accessible reporting is not just about good governance or appeasing investor demands - it is a strategy to gain consumer trust.

Section average:



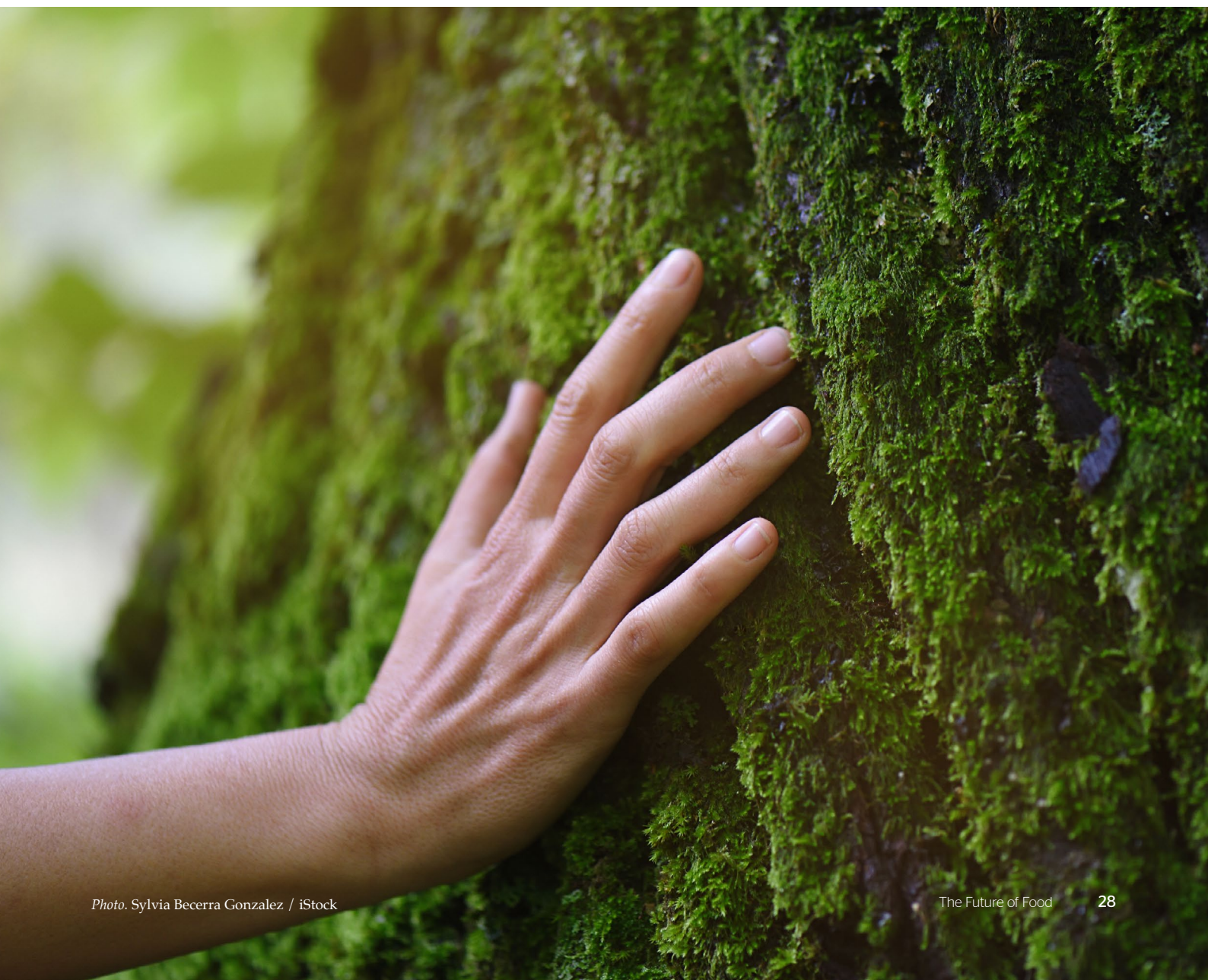
Transparency scores have seen a modest increase, rising from 15% in 2024 to 17% in 2025. This improvement is largely driven by publicly listed and international companies, while privately owned Australian companies all score in the low end of the benchmark.

The top nine scoring companies are publicly listed, underlining the influence of stakeholders like investors who engage with companies to improve their disclosures. Australia's two publicly listed supermarkets were the only Australian headquartered companies to make the top ten for transparency. Australian-based companies that are failing to improve their disclosure will likely see a widening gap between them and their multi-national competitors as regulations in other jurisdictions lift standards.

The highest average score was in Strategy and action at 22%, while Risk assessment and Supply chain visibility was the lowest at 13%.

This suggests companies are more forthcoming with tangible actions than stark assessments of risk. This is misaligned with what regulators and consumers are demanding.

This research reveals a clear correlation between transparency and overall performance: the top 10 companies in the benchmark for overall scores are also the top 10 for transparency. Transparency is not just a measure of communication - it is a strong indicator of genuine efforts in addressing nature impacts, dependencies, risks and opportunities.



Conclusion

A year on from the first instalment of this report, Australia's biggest food businesses are still failing to protect and restore the nature they depend on. While a small cohort of companies are starting to head in the right direction, the lack of improvement across the board on key indicators is cause for concern.

For many, developing a nature strategy is simply not a priority. The leaders of these companies must ask themselves whether they want their legacy to be viewed as a turning point, or the era where food companies pillaged nature to the point of no return.

The nature and climate crises require urgent action. Companies that lack a comprehensive strategy to manage these risks are jeopardising their long-term viability.

Concerningly, there remain indicators that even relative leaders in the benchmark have not addressed at all. Zero companies have assessed the health of the ecosystems their supply chains rely on and zero have set water targets despite droughts ravaging the country and our farmers' pockets. For businesses entirely reliant on functioning ecosystems and water, this simply doesn't add up.

Australia's ecosystems are in decline, and farmers are on the frontlines battling to stock our supermarket shelves. The companies sourcing produce from these farmers must bear some responsibility for the impact food production is having on nature. This starts with financially supporting farmers within a company's value chain to restore degraded land and make the transition to more sustainable practices. Australia's food companies hold both the power and the responsibility to lead this shift toward a resilient future that is good for people and nature.

The blueprint for that shift is clear, starting with supply chain traceability; locating, measuring, and monitoring supply chain impacts and dependencies on nature; and then setting science-based targets across land, water, climate and biodiversity. Integration of these targets involves supporting farmers to transition to more sustainable practices and restore degraded lands; elevating nature to the highest levels of company governance; and reporting progress transparently.

It's due time for companies that are sustained by nature, to return the favour to their greatest benefactor.

Footnotes

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- ⁶ Cresswell ID, Janke T, Johnston EL (2021) *Australia – State of the Environment 2021*. Australian Government Department of Agriculture, Water and the Environment, Canberra
- ⁷ Ward, M. et al (2019) Lots of loss with little scrutiny: *The attrition of habitat critical for threatened species in Australia*. Conservation Science and Practice.
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- ¹⁰ Government of South Australia (2025) Algal Bloom Update. <https://www.algalbloom.sa.gov.au/>
- ¹¹ DeClerck, F., et al. (2016) *Agricultural ecosystems and their services: the vanguard of sustainability?*. *Current Opinion in Environmental Sustainability*. 23.
- ¹² Nelson, R., Lim-Camacho, L., & Robinson, C.J. (eds) (2025). *Towards a state of the food system report for Australia*. CSIRO Agriculture and Food. Canberra.
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- ¹⁴ QLD Government (2025) Statewide Landcover and Tree Study. <https://www.qld.gov.au/environment/land/management/mapping/statewide-monitoring/slots>
- ¹⁵ Ibid
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- ¹⁷ Mgelwa, A., et al. (2025) *Meta-analysis of 21st century studies shows that deforestation induces profound changes in soil characteristics, particularly soil organic carbon accumulation*. *Forest Ecosystems*
- ¹⁸ Nelson R, Lim-Camacho L, Robinson CJ (eds) (2025) *Towards a state of the food system report for Australia*. CSIRO, Australia. Available at: https://foodsystemhorizons.org/wp-content/uploads/2025/05/SoFSR_Full-Report_WEB_2025_Final_22052025.pdf (Accessed: 23 September 2025).
- ¹⁹ Cresswell ID, Janke T, Johnston EL (2021) *Australia – State of the Environment 2021*. Australian Government Department of Agriculture, Water and the Environment, Canberra
- ²⁰ Ibid
- ²¹ Ibid
- ²² Borrett, R. (2024) 'Australia's soils are notoriously poor – here's how scientists are working to improve them'. *The Conversation*, 12 June, 2024.
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- ³⁰ Bega Cheese Limited (2024) *2024 Sustainability Report*. Bega Cheese Limited. Available at: <https://begagroup.com.au/wp-content/uploads/2024/10/143433-Bega-Sustainability-Report-2024-FA-LR.pdf> (Accessed: 2 September 2025).
- ³¹ Nestlé (2023) *Nestlé welcomes four new CSV Council members*, Nestlé (Media Release), 4 December. Available at: <https://www.nestle.com/media/news/four-new-csv-council-members> (Accessed: 4 September 2025).

Photo. Ijodie777 / iStock



Appendix

1. Methodology

2025 Updates

The 2024 benchmark criteria was reviewed between March-May 2025 to ensure it remained aligned with global best practice and current international framework guidance. Based on this review, several indicators were updated, removed, and added. These are noted in the table below.

Changes to existing indicators		
Indicator	Change	Reasoning
2.1	The number of elements required to meet aligned criteria have been reduced to simplify the indicator.	The edits simplify the assessment process for companies.
2.2	The number of elements required to meet aligned criteria have been reduced to simplify the indicator.	The updated scores better reflect progress made toward methods for implementing deforestation commitments relative to other forms of conversion.
3.1	The scores have been adjusted for several of the partially aligned criteria.	
3.2	The aligned criteria has been strengthened to include 30% by 2030 metrics. The partially aligned criteria has been strengthened to a commitment that does not meet the 30% by 2030 metrics.	The new metrics align with the Global Biodiversity Framework Targets 2 and 3.
3.4	The indicator has been changed from a soil pollution target to a general pollution target.	The new target wording aligns with the Global Biodiversity Framework Target 7.
11.1	The aligned criteria has been strengthened to include advocacy and lobbying priorities and positions.	The updated criteria aligns more closely with TNFD Governance Disclosure C. The updated criteria recognise the value of providing training to the full board over having a single board member with expertise.
11.2	The aligned criteria has been strengthened to include a framework for assessing alignment and requires companies to demonstrate (previously describe) that it is reviewed on an annual basis.	
12.4	The aligned and partial criteria have been strengthened to include upskilling of the full board and use of external advisors.	

Indicators removed		
Indicator	Wording	Reason for removal
8.3	The company has partnered with its agricultural suppliers to deliver on the targets by supporting practice change, or in the development of targets.	This indicator has been replaced by indicator 10.3 which credits for more focused data reporting assistance.
10.1	The company has partnered with multi-stakeholder initiatives (MSIs) which aim to accelerate movement away from nature destructive agricultural practices within its agricultural supply chains.	This indicator previously credited for a broad range of multi stakeholder initiatives. It has been replaced with a series of indicators (10.1-10.3) which credit more specific types of stakeholder engagement, making the indicators less subjective.
10.2	The company has demonstrated commitment to building supplier capability in sustainable agricultural practices through training, financial support, or other means.	This indicator previously credited for a broad range of supplier capability building mechanisms. It has been replaced with a series of indicators (10.1-10.3) which credit more specific types of supplier support, making the indicators less subjective.
New indicators		
Indicator	Wording	Reason for inclusion
10.1	The company is providing material financial and/or technological support to producers in its supply chain to adapt their use of technologies or farming practices to reduce their impacts on nature, for example through water efficiency technology, intercropping, farm planning, fertiliser reduction strategies, or reduction of harmful chemical use.	ACF recognises that most food companies do not own the farms where their food comes from, yet the largest impacts on nature in their supply chains often sit at farm level.
10.2	The company is financing or materially supporting ecosystem restoration or protection activities or projects to improve ecological function, biodiversity, or ecosystems services on agricultural land within its supply chain.	Retailers who are instigators and beneficiaries of sustainability improvements on farms should share the costs involved (financial and other) in the transition to more sustainable production methods.
10.3	The company is providing financial or in-kind support to producers to access tools and/or to collect and compile data relevant to reporting progress toward sustainability goals.	This series of questions seeks to assess company support for farmers in three ways: support for changing farming practices (10.1), support for restoring/protecting ecosystems not directly linked to farming practices (10.2), and support for on-farm sustainability data collection (10.3).

Weighting changes		
Indicator	Wording	Adjustment
9.1	The company has an environmental procurement policy which is used by its procurement team to select and onboard new suppliers.	Weighting has changed from Medium to Low, changing points available from 3 to 2.
Section 10	Indicators 10.1 and 10.2 have been weighted High, and 10.3 has been weighted Medium. Collectively, this increases the number of points available in the Strategy and Action section which now accounts for 19% of the total benchmark score, up from 16% in 2024.	
Nature targets	Due to the removal of indicator 8.3, the total number of points available in the Nature Targets section has decreased. This section now accounts for 30% of the total benchmark score, down from 33% in 2024.	

The benchmark was designed using the following principles:

1. Alignment with industry best practice

The assessment criteria were developed based upon existing international standards of best practice from the:

- Science Based Targets for Nature (SBTN);
- Taskforce for Nature Related Financial Disclosures (TNFD);
- International Sustainability Standards Board (ISSB);
- International Union for the Conservation for Nature (IUCN)
- World Benchmarking Alliance's Nature Benchmark and Food and Agriculture Benchmark.

2. Collaboration and verification from industry experts

The original 2024 criteria were developed with input from relevant academic experts including Deakin University's School of Life and Environmental Sciences and Australian National University's Fenner School of Environment & Society. The updated 2025 criteria were reviewed by academic experts at the University of Sydney's Integrated Sustainability Analysis group, and Australian National University's Fenner School of Environment & Society.

The benchmark weighting methodology was verified by Analytical Models in 2024 and again in 2025 following the review process.

3. Public transparency

Assessment against criteria has been based on publicly available information with companies provided the opportunity to supply additional private information. Final scoring was weighted to award companies higher scores for information available publicly, reflecting the importance of transparency in how companies are addressing nature related risks.

The 2025 assessment was conducted between June and August 2025, and does not reflect further public updates that may have occurred after this date.

4. Assessment conducted at group level

Assessment of the company's performance against the benchmark criteria was conducted using group level (parent company) information where possible. Where group level information was not available, some entity-level information may have been reviewed.

5. Feedback from companies

All company participants were given the opportunity to provide feedback, clarification, and additional information at various stages of the benchmarking process as part of our commitment to a fair and accurate assessment.

Benchmark content

The benchmark assessed thirty-seven indicators of sustainable practice across twelve themes, plus transparency.

Table 1: Benchmark sections and themes of sustainable practice assessed

The future of food benchmark				
Nature risk management	1	Supply chain visibility	7 indicators	30% weighting
	2	Risks, impacts, dependencies, and opportunities	4 indicators	
Nature targets	3	Land	4 indicators	30% weighting
	4	Freshwater	2 indicators	
	5	Biodiversity	2 indicators	
	6	Climate	1 indicators	
	7	Food Waste	1 indicators	
	8	Target reporting and delivery	3 indicators	
Strategy and action	9	Policies	4 indicators	19% weighting
	10	Supporting farmers	3 indicators	
	11	Advocacy and lobbying	2 indicators	
Governance	12	Accountability and oversight	4 indicators	11% weighting
Transparency	Transparency was assessed as a standalone score against the above indicators.			10% weighting

2. Company statements

All companies assessed were given the opportunity to provide a short statement after viewing their benchmark performance. The following companies provided responses.

Nestle

Globally, Nestlé is committed to building a regenerative food system - one that aims to protect and restore the environment, improve the livelihoods of farmers and enhance the well-being of farming communities. We have the ambition, size and scale – but we don't have all the answers. Creating a sustainable future for food depends on us working with others across the value chain – our partners, farmers, and suppliers – to develop solutions and find ways to accelerate our efforts.

Unilever

The world relies on resilient agricultural food systems and natural ecosystems to thrive. Unilever is committed to protecting and restoring nature to improve our own resilience, and that of our supply chain. Our stretching goals focus on where we can have the most impact across our value chain. This includes working with suppliers to invest in regenerative agriculture and promote sustainable practices that benefit soil health, water and biodiversity. Our progress against these goals is reported globally.

Coles

Coles acknowledges the Future of Food report's findings that we have placed fourth, with an improved score of 31%, compared to 28% in 2024. Given the extent of Coles' interface with nature across our value chain, understanding and identifying key nature-related risks and opportunities is fundamental to our FY26-FY30 Sustainability Strategy. We have developed a Nature Roadmap to support our work, and we are committed to transparent disclosure on our progress. Setting a no deforestation ambition in FY25 was a significant milestone. We know there is more work to do, and we will continue to collaborate with our suppliers and partners to drive positive outcomes for nature.

Patties

During 2025, given two of Patties' key ingredients are beef, and palm oil (margarine, shortening), we conducted a specific deforestation risk assessment in addition to our regular ethical sourcing risk assessments, per our corporate ethical sourcing policy and targets.

With regards to our beef supply chain, we worked with the Australian Conservation Fund (ACF) to understand geographic areas in Australia with high levels of deforestation risk. Using research and data provided by the ACF, we established that more than 85% of our beef is supplied from low-risk farms. Farm level traceability across the entire beef supply chain will be a focus area next year.

3. Company results

Nature Risk Management	1.1 The company has geolocated its agricultural supply chain.		1.2 The company has assessed and communicated which ecosystems its agricultural supply chain interface with, and the health of those ecosystems.		1.3 The company has identified priority ecosystems to be addressed through impact management.		1.4 (a) The company has traceability to farm level for its material commodities.		1.5 The company has full value chain traceability for its material commodities.		1.6 The company has tracing projects underway for unknown agricultural suppliers.		1.7 The company publishes a list of farm-level suppliers and processors for the material commodities in its supply chain.		2.1 The company has assessed and published the most significant impacts its agricultural supply chains have on nature.	
Aldi								1-25%								
Arnott's Group								0%								
Asahi								1-25%								
Bega Cheese Limited								1-25%								
Coles								1-25%								
Costco								0%								
Domino's								0%								
Fonterra								76-99%								
George Weston Foods								0%								
Hungry Jack's								0%								
Kraft Heinz								0%								
Lion								0%								
Mcdonald's								1-25%								
Nestle								1-25%								
Patties Foods								1-25%								
Sanitarium								0%								
Saputo Dairy								76-99%								
Simplot Australia								76-99%								
Unilever								0%								
Woolworths								1-25%								

 Not aligned  Partially aligned  Aligned

Nature Risk Management

	2.2 The company has assessed and disclosed the dependencies its agricultural supply chain has on nature.	2.3 The company has conducted a nature-specific materiality assessment to identify the business's nature related risks and opportunities, taking a double materiality approach.	2.4 The company uses scenario analysis to assess its exposure to nature-related risks.
Aldi			
Arnott's Group			
Asahi			
Bega Cheese Limited			
Coles			
Costco			
Domino's			
Fonterra			
George Weston Foods			
Hungry Jack's			
Kraft Heinz			
Lion			
Mcdonald's			
Nestle			
Patties Foods			
Sanitarium			
Saputo Dairy			
Simplot Australia			
Unilever			
Woolworths			

 Not aligned  Partially aligned  Aligned

Nature targets

	3.1 The company has published a land use change target which applies to the high impact commodities in its agricultural supply chain.	3.2 The company has published a protection and restoration of ecosystems target which applies to its agricultural supply chain.	3.3 The company has published a landscape engagement target that applies to its agricultural supply chain.	3.4 The company has published a target to reduce the negative impacts of pollution from sources within its supply chain to levels that are not harmful to biodiversity and ecosystem functions.	4.1 The company has published a water use target which applies to its agricultural supply chain.	4.2 The company has published a water pollution target which applies to its agricultural supply chain.	5.1 The company has published a species extinction risk target which applies to its agricultural supply chain.	5.2 The company has published an ecosystem integrity or ecosystem risk target which applies to its agricultural supply chain.
Aldi	■	■	■	■	■	■	■	■
Arnott's Group	■	■	■	■	■	■	■	■
Asahi	■	■	■	■	■	■	■	■
Bega Cheese Limited	■	■	■	■	■	■	■	■
Coles	■	■	■	■	■	■	■	■
Costco	■	■	■	■	■	■	■	■
Domino's	■	■	■	■	■	■	■	■
Fonterra	■	■	■	■	■	■	■	■
George Weston Foods	■	■	■	■	■	■	■	■
Hungry Jack's	■	■	■	■	■	■	■	■
Kraft Heinz	■	■	■	■	■	■	■	■
Lion	■	■	■	■	■	■	■	■
Mcdonald's	■	■	■	■	■	■	■	■
Nestle	■	■	■	■	■	■	■	■
Patties Foods	■	■	■	■	■	■	■	■
Sanitarium	■	■	■	■	■	■	■	■
Saputo Dairy	■	■	■	■	■	■	■	■
Simplot Australia	■	■	■	■	■	■	■	■
Unilever	■	■	■	■	■	■	■	■
Woolworths	■	■	■	■	■	■	■	■

■ Not aligned ■ Partially aligned ■ Aligned

Nature targets

	6.1 The company has published a greenhouse gas emissions target which applies to its agricultural supply chain.	7.1 The company has published a commitment to reduce food waste.	8.1 The company has had its targets validated by a credible third party.	8.2 The company reports on annual progress against its target/s.	8.3 The company monitors supplier compliance with its targets where applicable.
Aldi					
Arnott's Group					
Asahi					
Bega Cheese Limited					
Coles					
Costco					
Domino's					
Fonterra					
George Weston Foods					
Hungry Jack's					
Kraft Heinz					
Lion					
Mcdonald's					
Nestle					
Patties Foods					
Sanitarium					
Saputo Dairy					
Simplot Australia					
Unilever					
Woolworths					

 Not aligned  Partially aligned  Aligned

Strategy and action

	9.1 The company has an environmental procurement policy which is used by its procurement team to select and on-board new suppliers.	9.2 The company has a Supplier Environmental Code of Conduct which is provided to agricultural suppliers and stipulates the environmental standards they must adhere to.	9.3 The company has a policy which recognises the rights of Indigenous Peoples, local communities, and other stakeholders affected by activities in its agricultural supply chain.	9.4 The company has a process for remediation if suppliers fail to meet agreed upon environmental standards or are found to be in breach of contractual environmental obligations (such as the Code of Conduct).	10.1 The company provides material financial and/or technological support producers in its supply chain to adapt technologies or farming practices that reduce impacts on nature, for example through water efficiency technology, intercropping, farm planning, fertiliser reduction strategies, or reduction of harmful chemical use.
Aldi	Not aligned	Aligned	Partially aligned	Aligned	Not aligned
Arnott's Group	Partially aligned	Aligned	Not aligned	Not aligned	Partially aligned
Asahi	Not aligned	Aligned	Partially aligned	Aligned	Partially aligned
Bega Cheese Limited	Not aligned	Partially aligned	Not aligned	Not aligned	Partially aligned
Coles	Aligned	Aligned	Not aligned	Partially aligned	Partially aligned
Costco	Not aligned	Partially aligned	Not aligned	Not aligned	Partially aligned
Domino's	Not aligned	Partially aligned	Partially aligned	Not aligned	Not aligned
Fonterra	Not aligned	Aligned	Partially aligned	Partially aligned	Partially aligned
George Weston Foods	Not aligned	Aligned	Not aligned	Partially aligned	Not aligned
Hungry Jack's	Not aligned	Not aligned	Not aligned	Not aligned	Not aligned
Kraft Heinz	Not aligned	Aligned	Partially aligned	Aligned	Partially aligned
Lion	Aligned	Partially aligned	Not aligned	Not aligned	Partially aligned
Mcdonald's	Partially aligned	Aligned	Partially aligned	Partially aligned	Partially aligned
Nestle	Aligned	Aligned	Partially aligned	Aligned	Partially aligned
Patties Foods	Not aligned	Partially aligned	Not aligned	Partially aligned	Not aligned
Sanitarium	Not aligned	Not aligned	Not aligned	Not aligned	Not aligned
Saputo Dairy	Not aligned	Aligned	Not aligned	Aligned	Partially aligned
Simplot Australia	Not aligned	Partially aligned	Not aligned	Not aligned	Partially aligned
Unilever	Aligned	Aligned	Partially aligned	Partially aligned	Not aligned
Woolworths	Not aligned	Aligned	Not aligned	Not aligned	Partially aligned

Not aligned Partially aligned Aligned

Strategy and action

	10.2 The company is financing or materially supporting ecosystem restoration or protection activities to improve ecological function, biodiversity, or ecosystem services on agricultural land within its supply chain.	10.3 The company is providing financial or in-kind support to producers to access tools and/or to collect and compile data relevant to reporting progress toward nature goals.	11.1 The company advocates for nature-related regulatory reform and government policies which seek to halt the degradation of nature and regenerate ecosystems.	11.2 The company publishes and aligns its membership of trade associations with its nature policies.
Aldi	Not aligned	Not aligned	Not aligned	Not aligned
Arnott's Group	Not aligned	Partially aligned	Not aligned	Not aligned
Asahi	Not aligned	Partially aligned	Not aligned	Not aligned
Bega Cheese Limited	Not aligned	Partially aligned	Not aligned	Partially aligned
Coles	Not aligned	Not aligned	Not aligned	Partially aligned
Costco	Not aligned	Partially aligned	Not aligned	Not aligned
Domino's	Not aligned	Not aligned	Not aligned	Not aligned
Fonterra	Not aligned	Not aligned	Not aligned	Partially aligned
George Weston Foods	Not aligned	Not aligned	Not aligned	Not aligned
Hungry Jack's	Not aligned	Not aligned	Not aligned	Not aligned
Kraft Heinz	Not aligned	Partially aligned	Not aligned	Partially aligned
Lion	Not aligned	Not aligned	Not aligned	Partially aligned
Mcdonald's	Not aligned	Not aligned	Not aligned	Not aligned
Nestle	Not aligned	Partially aligned	Partially aligned	Partially aligned
Patties Foods	Not aligned	Not aligned	Not aligned	Not aligned
Sanitarium	Not aligned	Not aligned	Not aligned	Not aligned
Saputo Dairy	Not aligned	Partially aligned	Not aligned	Not aligned
Simplot Australia	Not aligned	Not aligned	Not aligned	Partially aligned
Unilever	Not aligned	Not aligned	Partially aligned	Aligned
Woolworths	Not aligned	Partially aligned	Partially aligned	Not aligned

Not aligned Partially aligned Aligned

Governance

	12.1 The company has a C-suite executive accountable for nature related supply chain goals and targets.	12.2 The company links the remuneration of C-suite executives with performance criteria related to nature.	12.3 The company has clear accountability for nature strategy at the board level.	12.4 The company's board has sufficient capabilities or competencies to assess and manage nature-related risks and opportunities.
Aldi				
Arnott's Group				
Asahi				
Bega Cheese Limited				
Coles				
Costco				
Domino's				
Fonterra				
George Weston Foods				
Hungry Jack's				
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Sanitarium				
Saputo Dairy				
Simplot Australia				
Unilever				
Woolworths				

 Not aligned  Partially aligned  Aligned

Nature needs us, now

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