

SUSTAINABILITY ACTION PAYMENT – MENU OF OPTIONS

Suppliers need to action seven options to receive full payment from January 2023.

Sustainability Option	On-Farm Action	Requirement	When Action to be Taken
1. Measuring Grass Growth	Grass cover measurement & uploaded to PastureBase Ireland or equivalent	Minimum of 10 covers uploaded/year	2022
2. Clover incorporation	Clover seed purchased in 2020-2022 from Tirlán	Minimum purchase of 5 Kg	2020-2022
3. Multi-species swards	MSS seed purchased in 2020-2022 from Tirlán	Minimum purchase of seed required for sowing 2 acres (24 Kg)	2020-2022
4. Milk recording	Engage in milk recording for the herd	Minimum of four recordings/year	2022
5. Improve Herd EBI	EBI of the herd is improved vs previous year	Improvement of €1 or greater required	2022 vs 2021
6. Low Emissions Slurry Spreading	Spread Slurry using Low Emissions Equipment	Some or all slurry spread by LESS	2022
7. Purchase of Protected Urea	Purchase of protected urea fertiliser from Tirlán	0.5 tonne purchased per 100,000 litres of milk supplied in 2022	2022
8. Native trees	Additional native trees on the farm via Tirlán	Minimum 20 trees purchased	2022
9. Hedgerows	Additional hedgerows on the farm via Tirlán	Minimum 100 hedging plants purchased	2022
10. Nutrient Management Planning	Soil Nutrient Management Plan in place	NMP in place for 2022	2020-2022
11. ASSAP water quality planning	ASSAP water quality plan completed where farm is in EPA water quality Priority Area for Action (PAA)	Where required, to be completed in 2022 or before	In 2022 or before
12. Fencing off watercourses	At least one field/paddock with drain, river or stream watercourse permanently fenced off	Completed during 2020-2022 & outlined on a farm map	2020-2022
13. Renewable energy generation	Renewable energy generation system installed & operational - solar PV, solar thermal or wind	System in place in 2022, including previous installations. Solar PV installations from 2022 to be FarmGen	Installed in 2022 or before
14. Herd Disease Screening	Participating in Tirlán bulk tank disease screening service	Three or more tests/year for minimum of six diseases	2022
15. Twenty20 Beef Club	Participant in Tirlán Twenty20 Beef Club	Calf supplier or rearer as part of Twenty20 Beef Club	2022
16. Udder Health	Management of mastitis in the herd through 2022 delivers a low or improved herd SCC	2022 average SCC for the herd is lower than 2021 OR average herd SCC for 2022 is less than 150,000 cells/ml	2022 vs 2021
17. Low Protein Concentrate Feed	Purchase of low protein dairy feed, (max 15% crude protein) from 1st April to 30th September, from Tirlán	Four tonnes purchased per 100,000 litres of milk supplied in 2022	2022
18. Use of sexed semen	Use of sexed semen inseminations in the dairy cows and/or replacements	Receipts for sexed semen purchases or ICBF breeding data records	2022

NEXT STEPS: SUSTAINABILITY ACTION PAYMENT 2023 – TAKE ACTION NOW

As per the table above, 2022 is the reference year for many of the 18 sustainability actions. Therefore it is important to decide on which seven actions, at a minimum, you are going to implement this year. Delivery on these will ensure receipt of the full Sustainability Action Payment in 2023.

LIVING PROOF

Our comprehensive sustainability strategy

As part of our comprehensive sustainability strategy, Living Proof, Tirlán has pledged to achieve a 30% absolute reduction in carbon emissions from its processing sites and a 30% reduction in GHG emissions associated with each litre of milk produced by 2030. The company is also committed to delivering on Science Based Targets initiative (SBTi) to show its clear and unambiguous commitment to reducing greenhouse gas (GHG) emissions by implementing the best science and technology.



NEW SUSTAINABILITY ACTION PAYMENT

0.5 CENT PER LITRE PAYMENT
TAKE ACTION TODAY

Actions to enhance the environmental and economic sustainability of our network of family farms



Pictured on the Tirlán/Teagasc Signpost Living Proof Future Farm of Steven Fitzgerald, Aghlish, Cappoquin, Waterford were (l to r) Tirlán Co-op Chairman John Murphy; Future Farmer Steven Fitzgerald; Thomas Ryan, Tirlán Senior Farm Sustainability Manager; with Steven's children Ólan (2), Donagh (4) and Aodhán (5). Photo: Patrick Browne

Tirlán has launched a new Sustainability Action Payment as part of a three-year programme to assist our 5,000 milk suppliers in enhancing the environmental and economic sustainability of our network of family farms.

Tirlán operates a world-class food supply chain with a strong focus on quality and sustainability. The programme is designed to assist dairy suppliers in reducing the carbon footprint, enhancing water quality and biodiversity and improving air quality and soil health of farms in line with Tirlán's sustainability strategy, Living Proof.

As part of this initiative, dairy suppliers will receive 0.5 cent per litre (cpl) (including VAT) through delivering specific sustainability actions. This will equate to almost €3,000 in 2022 for the average supplier. Across the lifetime of this three-year programme, circa. €54 million in total (circa. €18 million a year) will be made available to family farms for continuing to adopt a range of actions.

The measures are closely aligned with the climate action measures identified in Teagasc's emissions reduction Marginal Abatement Cost Curve (MACC) climate plan.



CARBON REDUCTION

- Measuring grass growth
- Incorporating clover*
- Multi-species swards*
 - Milk Recording
 - Improve herd EBI
- FarmGen solar energy*
- Use of sexed semen



AIR QUALITY

- LESS equipment
- Protected urea*
- Low Protein Concentrate Feed*



BIODIVERSITY

- Native trees*
- Hedgerows*



SOIL HEALTH

- Nutrient management plan



WATER PROTECTION

- Water quality improvement plan
- Water protection measures



ANIMAL HEALTH

- SCC improvement
- Herd Disease Screening*
- Twenty20 Beef Club

*Delivery of the actions will be verified by purchase of relevant product/service from Tirlán.

"Irish farmers are renowned for producing high quality dairy products with world leading natural credentials. Our farmers are proud of their family farms and want to protect them for the next generation."

"We all have a role to play in climate action, water and biodiversity protection and air quality enhancement. It is important that our family farms are assisted as they continue to enhance the environmental and economic sustainability of their farms."

"This initiative is designed to reward suppliers for adopting a series of measures identified as key to delivering on our comprehensive sustainability strategy, Living Proof. As part of this initiative, there is a strong framework of measures for farmers to implement with verifiable proof-points."

Tirlán Chairman John Murphy

"I've a strong focus on sustainability on our farm. Through a series of actions on our farm and as part of the Future Farms and Signpost farm programme, I'm aiming to reduce my carbon footprint to 0.80 kgCO₂e per kg FPCM (Fat and Protein Corrected Milk). I want to continue to improve the land and leave it in an even better place for the next generation."

Signpost Living Proof Future Farmer Steven Fitzgerald



Tirlán/Teagasc Signpost Living Proof Future Farmer Steven Fitzgerald on his family farm at Aghlish, Cappoquin, Waterford

KEY MEASURES

The 0.5 cpl Sustainability Action Payment will be made to all suppliers that deliver any seven sustainability actions from a total of 18 options. The initiative will run from January 2022 for a three-year period.

For 2022, the first year of the programme, all suppliers will receive the payment in full.

To qualify for the 2023 payment, suppliers need to implement their chosen on-farm sustainability actions in 2022.

If a supplier achieves only a proportion of the seven options, they will receive the relevant percentage of the 0.5 cpl payment on a pro rata basis.

Dairy suppliers will be required to select from a series of options, which includes measures aimed at:

- Reducing carbon emissions by utilising multi-species swards and clover; measuring grass growth, improving the herd Economic Breeding Index (EBI) to deliver lower GHG emissions; milk recording; opting for FarmGen renewable energy generation and use of sexed semen;
- Improving air quality through use of Low Emissions Slurry Spreading (LESS) equipment; utilising Low Protein Concentrate Feed and the use of Protected Urea;
- Supporting biodiversity by planting additional native trees and increasing hedgerows;
- Protecting soil health and water quality through nutrient management planning; delivering ASSAP water quality improvement plans and water protection measures;
- Supporting animal health and welfare by herd disease screening; improving udder health and participating in the innovative Twenty20 Beef Club;

Over the duration of this initiative the list of 'options' may be extended to provide an increased range of choices for milk suppliers.