

COBRAM ESTATE OLIVES

Woodland, CA

LH FMS AUDIT SUMMARY REPORT: 2023 INITIAL CERTIFICATION

September 27, 2023





A SUBSIDIARY OF K-COE ISOM, LLP

8801 Renner Blvd, #100

Lenexa, KS 66219

Phone: 913.643.5087

Company Name	Cobram Estate Olives
Contact Person	Justin Pilgrim
Address	455 Harter Avenue Woodland, CA 95776
Phone/Fax	61 434 707 029
Email	j.pilgrim@cobramestateolives.com
Certification Date	September 27, 2023
Recertification Due Date	September 27, 2026
Certification ID#	AVERUM-LHFMS-2023-0010

Certification Audit **Re-Certification Audit** **Surveillance Audit** **Scope Extension**

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

INTRODUCTION

This report summarizes the results of the initial certification audit conducted on Cobram Estate Olives managed production agriculture properties. The audit was conducted by Matt Armstrong, Lead Auditor for Averum. Matt Armstrong has had experience with Leading Harvest throughout its development, is an assurance provider for multiple sustainability programs, and has expertise in production agriculture on multiple crop types in North American regions. Site visits were assisted by Jacques Werleigh, Field Auditor. The audit process and reports were independently reviewed by Kyle Rusten, who is a certified public accountant in the state of California and has expertise on multiple crop types in the United States. All senior members of the audit team hold training certificates in ISO 17021:2015 (Conformity Assessment), 14001:2015 (Environmental Management Systems), as well as IAF MD-1:2018 (Certification of Multiple Sites).

SCOPE AND OBJECTIVE

In 2023, Averum was engaged by Cobram to perform an audit of sustainability performance on 769 acres of managed agricultural operations and determine conformance to the principles, objectives, performance measures, and indicators of the Leading Harvest Farmland Management Standard 2020 (LH FMS). LH FMS objectives 1 through 12 were covered during site visits on properties in California. There was no substitution or modification of LH FMS performance measures.

COMPANY INFORMATION

Cobram is an independent agricultural investment firm. Farm operating management contractors are responsible for the day-to-day farmland management services for Cobram's properties. Cobram opted to certify 100 percent of their agricultural properties in 2023, allowing them to engage in broader sampling and simplifying the process of maintaining their certification in the future.

Cobram contracted with Averum to provide a Stage 1 audit (or Readiness Review) on properties in California. Results of the readiness review were shared with Cobram. During the certification audits, four (4) sites in California were selected. Managers overseeing decision making and standard compliance for sample regions were contacted for evidence requests and interviews. The properties in these regions are a representative sample of current practices in place and management decision making. The primary agricultural production on sites is olives.

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

AUDIT PLAN

An audit plan was developed and is maintained on file by Averum. An online portal was established for Cobram coordinators to upload evidence and documentation securely for auditor review, and evidence was continuously uploaded throughout the audit. An opening meeting was held on September 11, 2023, preceding site visits. Following the meeting, a document review of the provided evidence was conducted by Averum. Field sites in California were examined on September 14, 2023. A closing meeting was held on September 27, 2023.

Opening Meeting: Conference Call

September 11, 2023

Attendees:

(Cobram) Justin Pilgrim, Conor Churchin, Mikayla Gness

(Audit Team) Matt Armstrong, Jacques Werleigh, Linnea Rash

Topics:

- Introductions of participants and their roles: Matt Armstrong
- Introduce audit team: Matt Armstrong
- Status of findings of the previous audits: N/A
- Audit plan: Matt Armstrong
- Expectations of program user staff: Matt Armstrong
- Method of reporting: Matt Armstrong

Closing Meeting: Conference Call

September 27, 2023

Attendees:

(Cobram) Justin Pilgrim

(Audit Team) Matt Armstrong, Linnea Rash, Jemma Lawrence, Kate Carmichael

Topics:

- Opening remarks: Matt Armstrong
- Statement of confidentiality: Matt Armstrong
- Closing summary: Matt Armstrong
- Presentation of the audit conclusion: Matt Armstrong
 - Major Non-Conformances: 0
 - Minor Non-Conformances: 0
 - Opportunities for Improvement (OFI): 3
 - Notable Practices: 4
- Report timing and expectations: Matt Armstrong

MULTI-SITE REQUIREMENTS

Cobram maintains operations on multiple properties in California. Cobram qualifies for multi-site sampling since the properties within the management system are centrally controlled and directed by regional management, with regular monitoring activities. Cobram’s Chief Operating Officer is responsible for overseeing U.S. operations, and their Sustainability Manager is responsible for developing corrective action plans regarding LH FMS conformance and report them to Cobram management. Cobram’s current review and monitoring process is effective and ongoing.

Field visits and observations are conducted based on a sample of regions each year. Sampling methodology is provided in the LH FMS. Due to the relatively simple makeup of Cobram’s portfolio of properties and manageable number of acres, all sites in the portfolio were visited during initial certification audits in 2023. In accordance with International Accreditation Forum Mandatory Documents (IAF-MD) methodology, all sites were examined to ensure representative coverage of the complexity of the portfolio, variance in sizes of properties, environmental issues, geographical dispersion, and logistical feasibility.

Region	Crop	Properties Examined During Engagement
California	Olives	Four (4) sites visited during audit <ul style="list-style-type: none"> - 769 gross acres in production - California represents 100% of all US acreage - Sites visited: DeBo Ranch, Dunnigan Hills Ranch, Esparto Ranch, Hungry Hollows Ranch

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

AUDIT RESULTS

Overall, Cobram’s agricultural operations conform to the objectives of the Leading Harvest Farmland Management Standard 2020 (LH FMS). Interviews and document reviews were performed to determine procedural and documentation conformance to the LH FMS. Documentation of practices was continuously supplied throughout the audit when requested. Documentation from multiple sites was provided to auditors. Field visits were performed on four operating sites in California. Visits took place during harvest preparation, so irrigation and soil management were highlighted. Central and regional management representatives were present and interviewed to illustrate Cobram’s conformance and policy implementation. Central office staff with roles that impact LH FMS conformance were interviewed to determine awareness of and support for LH FMS conformance, and to illustrate company practices and procedures not performed by farm managers. Cobram’s Regional Managers served as guides and were available throughout the entire engagement, providing logistic support and honoring evidence requests wherever needed.

The following are summarized findings, per LH FMS performance measure. Specific non-conformances, opportunities for improvement, and notable practices are described in the Key Findings section of this report.

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 1: Sustainable Agriculture Management

1.1 Sustainable Agriculture Stewardship

Conformance Evidence

- Sustainability Framework
- Farmland Stewardship Commitment
- United Nations Global Compact Letter of Commitment
- Water Availability analysis
- Annual Report
- Site Selection Criteria
- Climate Workbook
- Investor presentation
- Fiscal Year Results presentation
- 2022 State Agriculture Overview: California

Auditor Notes

- Cobram has an internally distributed LH FMS commitment statement.
- Cobram has developed a sustainability framework titled "Extending the Olive Branch" that identifies topics and targets.
- Oliv.iQ is Cobram's proprietary olive oil production system that prioritizes high productivity and profitability, achieved through sustainable practices with minimal harm to the environment. Oliv.iQ identifies preferred site criteria to support sustainable olive farming.
- Cobram is committed to the Ten Principles of the United National Global Compact on human rights, labor, environment, and anti-corruption and provided a signed statement of ongoing commitment to the initiative and its principles.
- Water and temperature extremes are the main environmental concerns on properties in California. Chemical, pest and disease, and supply chain management are Cobram's key concerns. Efficient management in these areas allows Cobram to quickly meet changing customer demands.
- Cobram maintains a proprietary olive farming system to support farms' ability to operate reliably and efficiently.
- Cobram sites hand prune branches as opposed to most olive growers' use of hedgers. Pruning by hand supports intentional branch selection.
- Sites selected have been production farms for about 7 years. Sites were previously dry land farming and require access to water upgrades.
- Cobram has been farming olives for about 20 years in Australia.
- Cobram updates irrigation systems and topography if necessary after a new property is purchased.
- Cobram maintains olive production land and has not converted land from agricultural production.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 1: Sustainable Agriculture Management (Continued)

1.2 Critical External Factors

Conformance Evidence

- About Olive Oil, North American Olive Oil Association
- Marketing Strategy: Promoting Agricultural Sustainability at Cobram Estate Olive Oil
- Evaluation of Canopy Management Strategies
- California Olive Oil Labeling Letters of Support
- Press Release: Assemblymember Aguiar-Curry's Bill to Strengthen California's Olive Oil Brand Signed by Governor Newsom

Auditor Notes

- Cobram's officer and diligence team identifies critical external factors using climate models and water availability assessments.
- Cobram provided a press release outlining the Governor's commitment to protecting appropriate California olive oil. California has some of the highest environmental and labor standards.
- Sites with Mediterranean climates are preferred, with hot dry summers and cold snaps after the season ends.
- Cobram hires external consultants to provide climate and environmental assessments.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 2: Soil Health and Conservation

2.1 Soil Health

Conformance Evidence

- Site photo
- Grove Management Plan
- Gypsum purchase order
- Executed Grant Agreement for hedgerow and cover crops
- Soil maps
- Soils evaluation
- Soil probes comparison
- Balance of nutrients
- Agricultural advisors invoice
- Cover crop packing slip

Auditor Notes

- Sites selected conduct soil tests at the beginning of the growing season. Staff collect soil samples and send the samples to the lab. Soil evaluations provide guidance and ranges of recommended applications to address soil health needs.
- Sites selected may conduct additional sampling in areas of concern or to gain further insight on soil health, such as soil organic matter.
- Gypsum applications are decided on an annual basis in response to soil test results.
- Soil management plan is written with sample timing.
- Pest Control Advisor (PCA) and crop advisors are leveraged to identify trends and processes, as well as neighboring growers.
- Part of the Irrigated Lands Program, required to provide NMP and erosion plan, as well as report on the past year and planning for the following year.
- Cobram maintains a formal Soil and Nutrient Management Plan which is evaluated and updated every season. Soil amendments are conducted before planting to prepare for the growing season and support olive health.
- Sites selected shred or mulch pruned branches and vines and reapply as ground cover. Cobram sites prune each year to reshape branches and boost productivity.

Result: In Conformance, Notable Practice

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 2: Soil Health and Conservation (Continued)

2.2 Soil Conservation

Conformance Evidence

- Horsley Development Proposal
- Horsley topographic map
- Sulfuric acid receipt

Auditor Notes

- Sites selected reduce the number of passes as much as possible as a best management practice to reduce disturbances between rows and maintain soil health using no-till practices. Weeds are mowed and sprayed.
- Sites selected use cover crops to suppress weeds and reduce weed management.
- Site selected planted a hedge row in one of the groves to prevent soil erosion. Additional hedge rows are planned in other groves.
- Cobram sites irrigate strategically to prevent soil salinity.
- Sites avoid using heavy equipment between rows when soils are wet to avoid compaction. Deep rips are performed when soils become compacted, and cover crops are being introduced to reduce compaction and support soil structure.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 3: Water Resources

3.1 Water Use

Conformance Evidence

- Weekly Irrigation meeting minutes
- Irrigation calculation table
- Water Allocation
- Well Permit
- Olive Water Use: California
- 2022 Water for a Sustainable California Conference Registration
- Hungry Hollow Groundwater Committee meeting minutes
- Evapotranspiration rates
- Normalized Difference Water Index Map
- Phyttech Slides and Proposal
- Solution probes comparison
- Water Management Plan

Auditor Notes

- Sites selected currently use groundwater to irrigate crops. There are no active limits on groundwater usage where sites are located. Sites are trying to gain access to surface water.
- Sites use soil moisture probes and test soil moisture by hand to determine when trees need to be watered. Irrigation is adjusted on a weekly basis. All watering is dependent on weather patterns and evapotranspiration rates.
- Selected sites have weather stations within groves and use Siemens water data to adjust irrigation.
- Cobram site will participate in a trial using crop coefficient data to determine which times of year trees are can handle stress without having a detrimental impact on yield. Crop coefficients are properties of plants used in predicting evapotranspiration.
- Cobram works with water conservation districts, groundwater districts, and groundwater initiatives interfacing with the Sustainable Groundwater Management Act (SGMA).
- Sites are using drip irrigation and microjets more frequently.
- Growers of sites selected participate in water conservation meetings and are members of the Farm Bureau's Young Farmers and Ranchers (YF&R) program. YF&R develops young people to strengthen local Farm Bureaus.
- Sites use variable amounts of groundwater dependent on on surface water allocation and crop health needs.
- Sites use soil moisture probes and satellite imagery to identify specific groves' water needs.
- Sites selected have reservoirs onsite. Cobram plans to add dams and capture more water for reuse.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 3: Water Resources (Continued)

3.2 Water Quality

Conformance Evidence

- Irrigation and Nitrogen Management Plan
- Evaluation of Herbicide Reduction Trial
- Map of Conservation Area

Auditor Notes

- Sites use PCAs to scout properties on a weekly basis. PCAs look for pest and disease, weed pressures, and provide application recommendations.
- Cobram conducted an herbicide reduction trial to determine most effective application methods. Evaluation of the trial found water conservation opportunities and more effective applications to allow growers to reduce crop protectant usage.
- Sites selected have a vernal pool, reservoirs, and creeks onsite. The reservoir is used to recapture water used for irrigation. Other waterbodies are avoided and left undisturbed.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 4: Crop Protection

4.1 Integrated Pest Management

Conformance Evidence

- Trap counts
- Ag Advisors Pest monitoring
- Ag Advisors invoice
- Ag Advisors Fruit Fly monitoring
- Chemical Applicator License
- Copper inquiry
- Herbicide trial

Auditor Notes

- Sites selected are frequently scouted by farm teams, irrigation teams, and grower staff who are trained to identify various issues. Cobram is developing a platform for teams to flag issues and share concerns with other teams to increase scouting efficiency.
- Staff scout for pest and disease presence, and tree health. Staff are trained to identify the most common pests, olive fruit flies and Black Scale and harmful fungi.
- PCAs and staff trap common pests and count populations. Applications are used if acceptable thresholds of pest populations are exceeded. GF 120 is a non-synthetic organic treatment used to control olive fruit fly populations.
- Black Scale is a scale insect whose populations are spot treated. Scouts check to see whether black scale have been parasitized by their natural predators, wasps.
- Scouts use selective treatment methods and escalate response based on thresholds and prevalence of pest populations.

Result: In Conformance

4.2 Crop Protectant Management

Conformance Evidence

- Empty Pesticide Container Declaration and Inspection documents
- Training Program

Auditor Notes

- Applications are performed by licensed pesticide applicators.
- Empty agrochemical containers are washed, stored in agrochemical storage unit, and sent to facility for disposal.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 5: Energy Use, Air Quality, and Climate Change

5.1 Agricultural Energy Use and Conservation

Conformance Evidence

- Greenhouse Gas Emission Reductions & Removal Enhancements Report
- Carbon Friendly Certificate of Compliance
- Debo Automation cost estimate
- Phytech Proposal
- Drip Irrigation Purchase Contract
- Motorola Solar Panel Letter of Intent
- Atlas energy discussion

Auditor Notes

- Sites selected use electric wells and pumps.
- Sites selected did not have renewable energy projects onsite.
- Cobram is researching appropriate sites for solar projects.
- Weather panels on sites generate energy using small solar panels.
- Pacific Gas and Electric (PG&E) supplies electricity.

Result: In Conformance

5.2 Air Quality

Conformance Evidence

- Tractor Specifications table and invoice
- Irrigation upgrade invoice
- Generator rental invoices
- Cover crop packing slip
- Executed Grant Agreement for hedgerow and cover crops
- Grove Management Plan
- Almond harvest photos

Auditor Notes

- Sites use newer tractors that use diesel exhaust fluid (DEF) and appropriately sized vehicles such as quads to navigate inside the grove and reduce emissions.
- Sites selected have no observable or reported issues with dust.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 5: Energy Use, Air Quality, and Climate Change (Continued)

5.3 Climate-Smart Agriculture

Conformance Evidence

- Greenhouse Gas Emission Reductions & Removal Enhancements Report
- Carbon Friendly Certificate of Compliance
- Cover crop packing slip
- Debo Automation cost estimate
- Oliv.iQ Sustainability Report
- Grove Management Plan
- Boundary Bend Crop Insurance
- Olive Water Use: California
- Evapotranspiration Report from the Sacramento Valley Orchard

Auditor Notes

- The Healthy Soils Program provides financial incentives for implementation or demonstration of on-farm conservation management practices that improve soil health, sequester carbon, or reduce greenhouse gas (GHG) emissions. Cobram received a grant from the Healthy Soils Program grant that requires carbon calculations to capture GHG reductions of the hedge rows and cover crops onsite.
- Sites selected maintain maintenance logs on equipment and machinery.
- Regional climate impacts include extreme heat, cold snaps, and unpredictable rainfall.
- Sites apply copper as a fungicide after frosts if damage is detected to prevent bacterial olive knot formations.
- Sites selected use multiple means of improving and maintaining soil health. Cover crops, hedgerows, and livestock integration improve soil moisture retention and soil organic matter. Crop residues are reincorporated to increase soil organic matter and increase drainage.
- Sites have drainage plans to reduce soil compaction and mitigate crop damage from excessive moisture. Olive trees are not planted in low-lying areas.
- Cobram uses FieldIn technology to manage equipment automation and track operational data.
- Sites are selected in the foothills to avoid negative climatic conditions

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 6: Waste and Material Management

6.1 Management of Waste and Other Materials

Conformance Evidence

- Empty Pesticide Container Declaration and Inspection Documents
- Employee Handbook
- Labor law posters
- Training records
- Site photos of reclaimed materials
- Waste and Material Management - Resource Recovery description

Auditor Notes

- Cobram sites selected do not produce bulk waste. Scrap metal is sold.
- Sites reuse posts and trellis materials.
- Olive pomace is a by-product from mills that includes pits, flesh, and stems. Pomace transferred to a different company and used as compost or silage for livestock.
- Sites selected store agrochemicals in accordance with regulatory requirements. Employees are properly trained.

Result: In Conformance

6.2 Food and Agricultural Waste Resource Recovery

Conformance Evidence

- Harvester Efficiency Report
- 2022 Fruit Sample Report
- Pomace Removal Trucking Invoice

Auditor Notes

- Damage and waste caused by prior management via excessive agrochemical application has been corrected. Practices are in place to select and apply appropriate amounts of chemical treatment and not threaten the health, quality, or yield of the year's current crop.
- Natural fluctuations in yields occur each year.
- Sites selected consider frost damage to be a primary concern and the greatest threat to crop health, and excessive heat may hinder pollination. Careful selection of grove sites and selection of frost-tolerant varieties bolster olive trees' resilience.
- Sites selected prune trees by hand and mulch the clippings to provide weed suppression and soil armor between rows.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 7: Conservation of Biodiversity

7.1 Species Protection

Conformance Evidence

- Biology Assessments

Auditor Notes

- Cobram engages a third-party consultant to conduct biology assessments prior to planting. No threatened or endangered species have been discovered on or near production properties.

Result: In Conformance, Opportunity for Improvement (OFI)

7.2 Wildlife Habitat Conservation

Conformance Evidence

- Healthy Soils Program Grant Agreement
- Hedgerow plant list and packing slip
- Cover crop packing slip
- Farm maps

Auditor Notes

- Sites selected avoid vernal pools and creeks onsite. Creek on site selected is delineated on the farm map.
- Site selected received a grant from the Healthy Soils Program to build and maintain hedgerows on production land.
- No ecologically important sites are located on sites selected.

Result: In Conformance

7.3 Avoided Conversion

Conformance Evidence

- No Deforestation or Conversion of Natural Forests Policy
- Farm maps
- Planting layout maps

Auditor Notes

- No production land within Cobram's portfolio has been converted from agriculture. Sites selected are located on former grazing land.
- Cobram has prepared a written policy that aligns with LH FMS requirements. Due diligence processes include assessments for forest and wooded areas prior to acquisition.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 7: Conservation of Biodiversity (Continued)

7.4 Crop Diversity

Conformance Evidence

- Planting layout maps

Auditor Notes

- Sites selected grow more than ten different varieties of permanent olive crops.

Result: In Conformance

Objective 8: Protection of Special Sites

8.1 Site Protection

Conformance Evidence

- Site Selection Criteria
- Farm maps

Auditor Notes

- No special sites are located on or near sites selected.
- Cobram maintains farm maps for sites selected.

Result: In Conformance

Objective 9: Local Communities

9.1 Economic Wellbeing

Conformance Evidence

- Community tour group site photos
- Zamora Fire Department letter
- Yolo County Youth
- The Farm Stop sponsorship poster

Auditor Notes

- Cobram has a lawyer to provide consultation for legal concerns.
- Cobram's CFO reviews contracts, staffing issues, and compliance.
- Human Resources department works with an employment consultant to manage payroll and advice manage employee payment inquiries and concerns.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 9: Local Communities (Continued)

9.2 Community Relations

Conformance Evidence

- Community tour group site photos
- Zamora Fire Department Letter
- Yolo County Youth
- The Farm Stop sponsorship poster

Auditor Notes

- Managers are members and participate in local Future Farmers of America (FFA) and 4H clubs. Donations are made to local events and organizations including Dinner on Main, Hose Down Festival, Almond Festival, and the NorthCow Brew.
- Cobram works with Young Farmers and Ranchers and the Center for Land-Based Learning.
- Cobram works with young farmers and has a designated 5-acre learning plot to allow young farmers to learn best management practices and orient the next generation of farmers.

Result: In Conformance, Notable Practice

9.3 Local Communities and Indigenous Peoples

Conformance Evidence

- The Rights of Local Communities and Indigenous Peoples Policy

Auditor Notes

- Cobram's Policy regarding the rights of local communities and Indigenous Peoples highlights multiple commitments such as conducting "due diligence to assess actual or potential adverse impacts on Indigenous People's rights, integrate findings and take action, track, and communicate externally on performance".
- Cobram maintains a positive relationship with the Wintan Nation, who also grow olives. Growers have helped one another with repairs needed or equipment required to maintain equipment.
- Cobram's neighbors have contact information for Cobram's front office.

Result: In Conformance, Opportunity for Improvement (OFI)

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 9: Local Communities (Continued)

9.4 Public Health

Conformance Evidence

- Training records
- ILRP Parcel and Field Inventory
- Irrigated Lands Regulatory Program excerpt

Auditor Notes

- Cobram's Safety Officer works with a safety consulting agency to conduct safety and occupational health training.
- Cobram sites communicate with their teams when sprays will be conducted. Spraying does not happen on days with high winds to avoid drift.
- Cobram maintains Standard Operating Procedures on chemical exposure and training records for safe chemical handling.

Result: In Conformance

Objective 10: Employees and Farm Labor

10.1 Safe and Respectful Working Environment

Conformance Evidence

- Diversity Policy
- Employee Handbook
- Labor law posters
- Training record

Auditor Notes

- Cobram's Employee Handbook contains an equal opportunity employer (EOE) statement.
- Cobram contracts third-party provider to provide discrimination training and sexual harassments. Employees are trained to appropriately report injuries.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 10: Employees and Farm Labor (Continued)

10.2 Occupational Training

Conformance Evidence

- Training attendance records
- Payroll paycheck signature sheets

Auditor Notes

- Cobram employees receive necessary safety training. Additional training is provided on CPR, fire extinguishers, electrical issues, safely working in the heat, and access to step by step operations for equipment handling.

Result: In Conformance, Notable Practice

10.3 Supporting Capacity for Sustainability

Conformance Evidence

- Leading Harvest Sustainability Commitment Policy
- Resumes
- Academic Transcript
- Leading Harvest Roles
- Training records

Auditor Notes

- Cobram maintains a policy stating their commitment to LH FMS, and specifies their commitment to supporting and adopting LH FMS Objectives.
- Cobram has a Sustainability Group represented by Human Resources, the Farm team, and safety experts.
- Training is provided annually.
- Cobram's goals include sharing best management practices related to sustainability on farms across departments.

Result: In Conformance, Opportunity for Improvement (OFI)

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 10: Employees and Farm Labor (Continued)

10.4 Compensation

Conformance Evidence

- Payroll paycheck signature sheets
- Payroll Records

Auditor Notes

- Human Resources uses industry averages per location to determine base compensation. Annual performance reviews are used to determine final compensation per employee.

Result: In Conformance

10.5 Farm Labor

Conformance Evidence

- Labor law posters
- Modern Slavery Policy
- Whistleblower Policy
- Code of Conduct

Auditor Notes

- Cobram selects labor based on availability. Farm Labor Contractors (FLCs) are open to constructive feedback from Cobram.

- Cobram maintains a Modern Slavery Policy to address and prevent modern slavery, servitude, forced or compulsory labor, human trafficking, and bonded labor in business operations and in Cobram's supply chain. The policy outlines clear responsibilities, communication, and monitoring mechanisms to ensure compliance with applicable laws and regulations.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 11: Legal and Regulatory Compliance

11.1 Legal Compliance

Conformance Evidence

- Employee Handbook
- Labor law posters
- California Transparency In Supply Chain Act
- U.S. Food & Drug Administration Registration
- Yolo-Solano Air quality Management District Permit
- Yolo County Department of Agriculture Restricted Materials Permit
- Whistleblower Policy
- Code of Conduct

Auditor Notes

- Posters and health and safety information are posted in break rooms.
- HR is available to answer employee questions. Cobram's Safety Officer provides printed training materials and responds to staff safety questions.
- Cobram works with local Farm Bureaus, Water Districts, and participates in County meetings.
- Cobram holds weekly meetings to with field teams and shares relevant legislation and regulatory updates.
- Bilingual compliance posters and heat stress and safety warnings are posted publicly to keep employees informed and maintain a safe work environment.

Result: In Conformance

11.2 Legal Compliance Policies

Conformance Evidence

- Employee Handbook
- Modern Slavery Policy

Auditor Notes

- Social Compliance Policy is covered within the Employee Handbook and covers includes descriptions of employment at will, EOE, anti-harassment, non-discrimination, non-retaliation, occupational health and safety, sick leave, and available benefits.
- Employee Handbooks include policies in alignment with the International Labour Organization's fundamental principles to the extent of US law.
- Cobram's Modern Slavery Policy is maintained to comply with social laws pertaining to slavery and combat modern slavery within its operations and supply chain.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 12: Management Review and Continual Improvement

12.1 Farm Review and Continual Improvement

Conformance Evidence

- Yearly Performance & Development Review
- Performance & Development Review (PDR) Help Guide
- Leading Harvest Sustainability Policy
- ILRP Parcel and Field Inventory
- Weekly Irrigation meeting notes
- Nitrogen Plan Summary

Auditor Notes

- Cobram provides annual employee reviews based on 20 standard performance questions to determine whether expectations are met.
- Cobram is developing a review process focused on environmental impacts, agricultural production, and resource use efficiency.
- Cobram uses an online platform to track and monitor personal performance review.
- Cobram uses the FieldIn platform to track GPS, hours of equipment use, and additional farm data to inform alignment with LH FMS principles.
- Weekly farm meetings help identify areas that need improvement. Cobram is including their Sustainability team in meetings more frequently to review weekly items through a sustainable lens and share with teams.
- This is Cobram's first year of LH FMS enrollment. Sustainable practices are incorporated throughout Cobram's organization in alignment with LH FMS objectives. Cobram is committed to incorporating LH FMS objectives into practices.

Result: In Conformance

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Objective 12: Management Review and Continual Improvement (Continued)

12.2 Support for Sustainable Agriculture

Conformance Evidence

- Balance of Nutrients
- Evaluation of Canopy Management Strategies
- Grant Proposal
- Irrigation Literature Review
- UC Davis Olive Growing Course Presentation

Auditor Notes

- Cobram works with the Olive Oil Commission of California (OOC) to secure funding for grower-driven research. Cobram is responsible for leading a 4-year canopy management trial focused on rejuvenating aging orchards and maximizing grower profitability. Information will be presented at OOC's Olive Day to share findings with olive growers.
- Cobram attends Healthy Soil Demonstration Project fields days to review the effects of cover crops in super high density orchards.
- Cobram conducts internal trials focused on optimizing nutrient absorption. Current trials are researching the impacts of variable delivery times and source materials, and herbicide reduction through more efficient delivery.
- Cobram has presented on multiple occasions at UC Davis Olive Center events covering a wide range of olive growing topics.

Result: In Conformance, Notable Practice

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

KEY FINDINGS

Previous Non-Conformances: N/A

Major Non-Conformances: Zero (0) minor non-conformance were identified during the audit.

Minor Non-Conformances: Zero (0) minor non-conformance were identified during the audit.

Opportunities for Improvement (OFI): Three (3) opportunities for improvement were identified during the audit.

1. 7.1.1 Threatened and Endangered Species
 - a. Evaluations of Threatened and Endangered Species are conducted by a 3rd Party Consultant. We recommend providing copies of the 3rd Party's evaluations of potential species on properties.
2. 9.3.3 Local Communities and Indigenous Peoples Inquiries
 - a. Neighbors can contact site management, but there is not currently an official process for making contact. Adding signage to farm will inform the public regarding how to contact the owner or manager of the property.
3. 10.3.3 Employee Sustainability Training
 - a. CEO's demonstration of commitment to the indicator could be benefitted by providing more regular meetings and trainings directly related to sustainability and Leading Harvest Standard.

Notable Practices: Four (4) notable practices were identified during the audit.

1. 2.1.4 Crop Residues
 - a. Prunings are shredded mulched into the grove. Full orchard recycling is a best-in-class practice.
2. 9.2.1 Community Engagement
 - a. Notably extensive community outreach and engagement is conducted and logged and was noted by auditors.
3. 10.2.1 Personnel and Contract Worker Training
 - a. Training attendance is well tracked and followed up on. Missed trainings and sessions are followed up on and classes are made up by required staff.

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

4. 12.2.1 Support for Agricultural Research

- a. Research and engagement with sustainable agriculture support groups is directly connected to Cobram's production practices and was deemed notable in scope.

Leading Harvest Logo Usage: Program users in good standing who are enrolled in the Leading Harvest Farmland Management Program 2020 for all, or a portion of their operations, may use the Leading Harvest logo. Any express or implied claim that a program user is in conformance with the Leading Harvest Farmland Management Standard 2020 must be substantiated by a current, valid certification by a certification body recognized by Leading Harvest.

The Leading Harvest logo cannot be used on product labels. The use of the Averum logo is not allowed without expressed permission from Averum.

Review of Previous Audit Cycle: N/A

CONCLUSIONS

Results of the audit indicate that Cobram has implemented a management system that meets the requirements of, and is in conformance with, the Leading Harvest Farmland Management Standard 2020. Cobram's enrolled acreage is recommended for certification to the Leading Harvest Farmland Management Standard 2020.

COBRAM ESTATE OLIVES

LH FMS AUDIT SUMMARY REPORT

September 27, 2023

Summary of Audit Findings	
Program User	Cobram Estate Olives
Audit Dates	September 11, 2023 – September 28, 2023
Non-Conformances Raised (NCR):	Major Minor
	0 0
Follow-Up Visit Needed? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Date(s)	
Follow-Up Visit Remarks	
	N/A
Team Leader Recommendations	
Corrective Action Plan(s) Accepted Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	
Proceed to/Continue Certification Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	2023/09/27
All NCR Closed Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	
Standard(s) Audited Against	
Leading Harvest Farmland Management Standard 2020 (Objectives 1 through 12)	
Audit Team Leader	Audit Team Members
Matt Armstrong	Jacques Werleigh, Kyle Rusten, Linnea Rash
Scope of Audit	
Management of production farmland on direct and tenant operated properties.	
Accreditations	Approval by Leading Harvest to provide certification audits
Number of Certificates	1
Certificate Number	AVERUM-LHFMS-2023-0010
Proposed Date for Next Audit Event	TBD
Audit Report Distribution	Justin Pilgrim: j.pilgrim@cobramestateolives.com