

MANULIFE INVESTMENT MANAGEMENT, TIMBERLAND AND AGRICULTURE

Boston, MA

LEADING HARVEST FARMLAND MANAGEMENT PROGRAM 2020
AUDIT SUMMARY REPORT: 2024 DO (DIRECT OPERATED) SURVEILLANCE I

October 28, 2024





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- Certification Audit** **Recertification Audit**
 Surveillance Audit **Scope Expansion**

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INTRODUCTION

This report summarizes the results of the October 28, 2024 Surveillance audit conducted on Manulife Investment Management, Timberland and Agriculture (MIMTA) direct operated production agriculture properties. The audit was conducted by Matt Armstrong, Lead Auditor for Averum. Matt Armstrong has 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 the United States. Field auditors Jill Brodt and Linnea Abel conducted site visits. 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). The audit process and reports were independently reviewed by Holly Salisbury, who is a certified public accountant in the state of California and has expertise on multiple crop types in the United States.

SCOPE AND OBJECTIVE

In 2024, Averum was engaged by MIMTA to perform an audit of sustainability performance on 50,000 – 100,000 acres of managed agricultural operations and determine continuing 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 the Pacific West (Southern subregion) and Lake States regions. Outside of the exclusion of Objective 13 (Tenant Operated Operations), there was no substitution or modification of LH FMS performance measures.

Following management interviews and site visits, it was determined by Averum that there were no areas of concern that would require the audit team to conduct outreach, meetings, or correspondence between the audit team and government agencies, community groups, or affected Indigenous Peoples.

COMPANY INFORMATION

MIMTA is an agricultural investment management firm with portfolios of agricultural and timber properties spanning the globe. In the US, MIMTA manages a significant portfolio of direct operated farms and orchards throughout California, Washington, and Wisconsin. Due to the number of properties in the state of California, MIMTA further divides the Pacific West region into three subregions: Northern, Central, and Southern depending on location in the state. Farm operating managers and contracted management companies are responsible for the day-to-day farmland management services for MIMTA's Direct Operated (DO) properties. MIMTA achieved recertification for 100 percent of their DO agricultural properties in 2023, allowing them to engage in broader sampling and simplifying the process of maintaining their certification in the future.

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On the 2024 surveillance audits, seven (7) sites in the Pacific West (Southern subregion) and Lake States regions combined were selected for site visits and examination. 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 the sites are Winegrapes and Cranberries.

AUDIT PLAN

An audit plan was developed and is maintained on file by Averum. An online portal was established for MIMTA coordinators to upload evidence and documentation securely for auditor review. An opening meeting was held on July 31, 2024, preceding site visits. Following the meeting, a document review of the provided evidence was conducted by Averum. Field sites in the Pacific West (Southern subregion) were examined on August 6, 2024, and the Lake States region was examined on October 2, 2024. A closing meeting was held on October 28, 2024.

Throughout the audit engagement, information and communication technology (ICT) was employed for a variety of tasks. An online portal was provided and made available for MIMTA audit coordinators to supply documentation for review, provide feedback on observation and notes, and for multiple levels of audit team reviews and signoffs. Throughout the audit engagement, conference calling technology (including Zoom, Microsoft Teams, etc.) was leveraged for meetings, conducting management interviews, follow-up interviews, and the opening and closing meetings. As LH FMS engagements are geographically decentralized, the use of ICT was deemed not only appropriate, but necessary.

Opening Meeting: Conference Call

July 31, 2024

Attendees:

(MIMTA) Holly Evers, David Bergvall, Kevin Wright, Emmanuel Benjamin, Natasha Wise

(Audit Team) Matt Armstrong, Jill Brodt, and Linnea Abel

Topics:

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

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Closing Meeting: Conference Call

October 28, 2024

Attendees:

(MIMTA) Holly Evers, Travis Baughman, Michael Bretl, Natasha Wise, David Bergvall, Emmanuel Benjamin, Jaeke Gadsby, James Burhite, Karl Pippenger, Kevin Wright, Travis Baughman

(Audit Team) Matt Armstrong, and Linnea Abel

Topics:

- Opening remarks: Matt Armstrong
- Statement of confidentiality: Matt Armstrong
- Closing summary: Matt Armstrong
- Presentation of the audit conclusion: Matt Armstrong
 - Non-Conformances: 0
 - Opportunities for Improvement (OFI): 2
 - Notable Practices: 17
- Report timing and expectations: Matt Armstrong

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MULTI-SITE REQUIREMENTS

MIMTA maintains operations on multiple properties in the Pacific West, Pacific Northwest, and Lake States regions. MIMTA qualifies for multi-site sampling since the properties within the management system are centrally controlled and directed by regional management, with regular monitoring activities. Regional Managers are responsible for developing action plans regarding LH FMS conformance and reporting them to MIMTA management. MIMTA'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. In accordance with International Accreditation Forum Mandatory Documents (IAF-MD) methodology, all sites were initially selected at random with consideration of any preliminary examinations and then coordinated 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
Pacific West (Southern Subregion)	Winegrapes	Four (4) sites visited during audit <ul style="list-style-type: none">- Subregion represents 3.8% of all enrolled acreage- Subregion represents 33% of all enrolled properties- Management population: One (1) subregional manager, One (1) Contract Management Provider- Sites visited: Monterey Oak, Monterey Metz, Monterey Sunrise, Monterey Sunset
Lake States	Cranberries	Three (3) sites visited during audit <ul style="list-style-type: none">- Region represents 17.2% of all enrolled acreage- Region represents 6.3% of all enrolled properties- Management population: One (1) regional manager, three (3) property managers- Sites visited: Wood Biron, Wood Oak Ridge, Wood U

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AUDIT RESULTS

Overall, MIMTA'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 was provided to demonstrate or support conformance with LH FMS requirements.

Field visits were performed on seven (7) operating sites, with four (4) in the Pacific West region (Southern subregion) and three (3) in the Lake States region. Visits to the Pacific West region were conducted midseason, with crop protection, irrigation management, pest management, and yield planning highlighted on sites. Visits to the Lake States region were conducted midharvest, and results from seasonal management, waste prevention, yield quality, and planning for next season were highlighted. Central and regional management representatives and site operators were present and interviewed to demonstrate MIMTA'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. MIMTA's Regional Managers served as guides on site visits, were available throughout the engagement, provided logistic support, and provided responses to evidence requests when needed.

KEY FINDINGS

Previous Non-Conformances N/A

Major Non-Conformances Zero (0) major non-conformances were identified during the audit.

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

Opportunities for Improvement (OFI) Two (2) opportunities for improvement were identified during the audit.

1. 4.1.2 Crop Protection

- a. Compared to other direct operated sites, auditors noticed a lower number or lack of predator stations on some of the vineyards. If there is no reason precluding their use, MIMTA may consider maintaining and increasing the number of owl boxes on sites or installing raptor perches to increase non-chemical pest control measures.

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2. 5.3.1 Greenhouse Gas Emissions

- a. MIMTA presents a compelling and effective body of evidence, but it was noted that many documents are reporting similar or identical information in assorted styles and formats. Reporting to central management and audit coordinators differed between the regional teams. MIMTA may consider identifying and implementing a data management platform capable of relieving the administrative burden for Farm Managers while allowing central management to access and synchronize relevant performance data. This may aid in standardizing reporting and continual improvement efforts.

Notable Practices Seventeen (17) notable practice was identified during the audit.

1. 1.1.1 Farmland Stewardship Commitment

- a. MIMTA's Stewardship Commitment serves as a capstone for several policies that were carefully written to support stewardship throughout MIMTA's asset management.
- b. Stewardship Principles are thoughtfully crafted to be flexible and relevant to all sectors of MIMTA's asset management, while promoting sustainable management and continual improvement.

2. 1.1.3 Farmland Conservation

- a. MIMTA's Managers are notably conscientious, responsible, highly knowledgeable, and qualified to implement sustainable management practices including Integrated Pest Management (IPM), and are involved in creating, planning, and participating in robust internal and external training and educational opportunities to support continual development and improvement.

3. 1.2.1 Adapting to Critical External Factors

- a. Critical External Factors Forms are formalized and responses from regional managers (RMs) indicate MIMTA recognizes that they have highly qualified Managers who are sensitive to employees' concerns, aware of industry challenges, and trust their ability to respond to unique challenges while offering support.

4. 2.1.1 Soil Quality

- a. MIMTA continues to expand upon best management practices (BMPs) regarding soil health within their portfolio. 100% of their sites use at least one regenerative practice to maintain soil health

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5. 3.2.1 Input Application and In-Field Practices

- a. MIMTA has notably comprehensive policies that support conscientious use of nutrients, equipment, training, and use BMPs to control potential negative impacts of crop protection on water quality.

6. 3.2.2 Water Quality Protection

- a. MIMTA's policy commitments are frequently updated. The policies are flexible to be regionally relevant for MIMTA's portfolio but pointed enough to encourage meaningful management practices. Policies were updated to include management of water quality and irrigation runoff through nutrient inputs and impacts to water quality.
- b. MIMTA's Lake States Regional Manager maintains a significant set of data on irrigation water quality before and after its use for irrigation. Test results indicate that marshes act as a filter for surface water used for irrigation.

7. 4.1.1 Pest Monitoring

- a. Wisconsin sites are engaging with two independent IPM companies who provide detailed scouting reports and recommendations that are seasonally appropriate and commensurate with the current cranberry growth stage.

8. 4.1.3 Pest Control Practices

- a. MIMTA's Agricultural Chemical Use Policy requires IPM approaches to be the basis for all pesticide decisions. The policy outlines expectations, including the use of crop protectants and fertilizers at minimal dosages that offer the intended benefits. Sites visited carry out these practices and are conscious of expectations for minimum crop inputs. Non-chemical approaches are deployed first, and sites are phasing out the use of harsh chemicals when softer chemistries are available.

9. 7.1.1 Threatened and Endangered Species

- a. MIMTA maintains dedicated teams, resources, policies, and procedures to support awareness and proactive protection of threatened and endangered plant and animal species during all phases of property management. MIMTA's infrastructure regarding species protection supports responsible investing and property management.

10. 7.1.2 At-Risk Species

- a. Managers interviewed express awareness of at-risk species in their areas and mention how helpful it is to have support from MIMTA's dedicated Environmental Services (ES) team. Trainings provided by the ES team are thorough and tailored to be relevant to each property.

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11. 7.2.2 Ecologically Important Sites

- a. MIMTA's dedicated ES Team provides direct support to Farm Managers to conscientiously manage properties. Ongoing support and regular biodiversity training supports a culture of care on farms. Farm Managers work with and around wildlife on sites.

12. 9.2.1 Community Engagement

- a. Farm Manager interviewed stated "our company wants us to give back to the community". MIMTA encourages community involvement, and the use of equipment and fuel needed to support community engagement activities.

13. 10.1.2 Respectful Work Environment

- a. Offering feminine hygiene stations is easy to implement and meaningful way to demonstrate that the workplace is inclusive and supportive of all employees. It shows that the company acknowledges and respects the needs of its employees, fostering a positive and inclusive work environment and supports productivity.

14. 10.2.1 Personnel and Contract Worker Training

- a. MIMTA has a robust system of policies and training materials to support safety and welfare. Safety Meeting slide decks, Policies, Injury-Illness Prevention Program (IIPP), Safety Principals, injuries and claims reporting procedures, and record-keeping are comprehensively recorded and documented. Regional Manager's development of Training Modules offers a comprehensive program that can significantly support employee growth and professional development.

15. 10.3.3 Employee Sustainability Training

- a. Annual safety picnics serve as team building and community events that reinforce safety and sustainability training topics.
- b. Educating new employees on land stewardship and the importance of conforming to LH FMS occurs during the onboarding process. Including LH FMS content in onboarding materials is unique to MIMTA.

16. 12.1.4 Annual Review and Improvement

- a. MIMTA's inclusion of LH FMS as a central management tool and leveraging of annual findings into continual improvement is a clear indicator of the successful integrations of LH FMS into MIMTA operations as well as the commitment of MIMTA to standard conformance.

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17. 12.2.1 Support for Agricultural Research

- a. MIMTA has a Stewardship Partners Program that is a collaborative approach to support agricultural research and programs aimed at improving sustainable agriculture. Projects focus on habitat restoration, pollinator habitats, economic contributions, workforce development, and more.
- b. Surveys are leveraged to gain on the ground insight into the efficiency, capabilities, and presence of ag technology and identify potential opportunities for further improvement.

Review of Previous Audit Cycle MIMTA recertified their direct-operated agricultural properties in 2023. During Recertification, there were no non-conformances (major or minor), no opportunities for improvement, and nine (9) notable practices identified.

The following are summarized findings organized by LH FMS performance measure. Specific non-conformances, opportunities for improvement, and notable practices have been described in the “Key Findings” section.

Objective 1: Sustainable Agriculture Management

1.1 Sustainable Agriculture Stewardship

Conformance Evidence

- Agricultural Stewardship Commitment
- Sustainable & Responsible Investing (SRI) Toolkit
- California Sustainable Winegrowers Alliance (CSWA) Certificates
- Managers' Report
- Due Diligence Overview

Auditor Notes

- MIMTA's Agricultural Stewardship Commitment outlines a comprehensive set of policies to support all sectors of its agricultural investments, emphasizing sustainability and responsible investing (SRI) through established procedures.
- MIMTA holds additional sustainability certifications, including the California Sustainable Winegrowing Alliance (CSWA).
- Monthly Managers' Reports summarize site activities, upcoming plans, crop status, environmental stewardship efforts, community engagement, and capital improvement projects.
- The Stewardship Principles included in MIMTA's Agricultural Stewardship Commitment emphasize conserving productivity and natural capital on properties.
- MIMTA integrates long-term profitability with sustainable practices, considering the economic, social, and environmental impacts in its management decisions.
- The Agricultural Stewardship Commitment also reinforces MIMTA's dedication to preserving farmland.
- MIMTA ensures that no prime farmland is converted to non-agricultural uses, including solar installations, which are placed on non-prime farmland.
- MIMTA adopts an integrated approach to farmland management, prioritizing conservation whenever feasible. Its goals are consistently communicated, and staff are equipped with the tools and resources to make decisions that positively impact both communities and farmland.

Result: *In Conformance, Notable Practices (1.1.1, 1.1.3 – See Key Findings)*

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Objective 1: Sustainable Agriculture Management (Continued)

1.2 Critical External Factors

Conformance Evidence

- Critical External Factors Reports
- Engagement Improvement Plan
- Training Modules

Auditor Notes

- MIMTA has a system for identifying critical external factors involving its employees. A critical external factor form is prepared and sent to the Sustainability Certification Specialist, who forwards it to the Vice President to ensure the issue is on the agenda for resolution.
- Critical External Factors Reports address economic, environmental, and social challenges that Regional Managers (RMs) anticipate. MIMTA Management delegates responsibility to the appropriate parties to address these challenges. For example, an RM developed an Engagement Improvement Plan and Training Modules to address the challenge of finding qualified Marsh Managers as current managers approach retirement.

Result: *In Conformance, Notable Practice (1.2.1 – See Key Findings)*

Objective 2: Soil Health and Conservation

2.1 Soil Health

Conformance Evidence

- Biochar and compost tailgate registration
- Field Day Agenda
- Soil Health Report
- Regenerative Ag Across Portfolio
- Regenerative Agriculture Inventory
- Soil Productivity Policy
- Soil tests
- Nutrient Management Plans (NMP)
- Site photos

Auditor Notes

- Wisconsin managers apply sulfur annually to balance pH levels, which are critical for maintaining cranberry bog productivity.
- Managers "sand" cranberry bogs to stimulate root growth and support vine health.
- Annual soil testing is conducted on five-acre grids.
- California sites apply soil amendments in winter, including blends of grape pomace, mushroom residue, gypsum, biochar, and compost to improve soil structure and moisture retention.
- Cover crops on California sites consist of a mix of native plants and grasses.
- The contract management provider for California sites has an agronomist who oversees soil testing and amendments, conducted at least annually. Gypsum and compost are used to improve soil structure and moisture retention.
- MIMTA provided the agenda for a Field Day where the contract management provider presented on the intersection of agricultural technology and soil health.
- Soil Health Reports were submitted for auditor review.
- MIMTA's Soil Productivity Policy requires property managers to monitor soil health and prevent degradation.
- Most of MIMTA's agricultural properties practice reuse of crop residues, crop rotations, and conservation tillage. Many sites also employ regenerative practices like cover crops, intercropping, rotational grazing, and planting non-productive vegetation to enhance soil stability and health.
- Wisconsin sites conduct annual soil tests to assess organic matter, nutrient levels, and deficiencies. Cranberry vines grow in sandy beds, which require minimal management once established and can remain productive for decades without tillage.
- California sites follow management plans from the contract provider, identifying soil testing locations and frequency. Amendments are applied based on test results and observed soil characteristics.
- Sites visited utilize documented NMPs.

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Objective 2: Soil Health and Conservation (Continued)

2.1 Soil Health (Continued)

Auditor Notes (Continued)

- Marsh Managers maintain NMPs that include maps, nutrient management unit descriptions, nutrient application rates per acre, historical application summaries, tissue and soil analyses, and adherence to USDA Nutrient Management Standards.
- California sites' NMPs log fertilizer applications and data from the previous growing season, using petiole or blade samples to determine nutrient needs.
- At the site visited, compost is applied annually to a portion of the ranch, ensuring all areas receive compost over a multi-year cycle.
- Select sites are trialing biochar as a soil amendment.
- NMPs include applying compost in the fall, usually composed of grape humus, cattle manure, and occasionally potash, lime, or other amendments based on soil tests.
- Wisconsin sites collect and compost vine leaves during harvest, reusing them as mulch. Vine canopies are thinned to maintain optimal density.
- California sites sweep prunings to the center of rows for reintegration.

Result: *In Conformance, Notable Practice (2.1.1 – See Key Findings)*

Objective 2: Soil Health and Conservation (Continued)

2.2 Soil Conservation

Conformance Evidence

- Management Contract
- Soil Productivity Policy
- NMP
- Regenerative Agriculture Inventory

Auditor Notes

- Wisconsin sites flood marshes in the autumn to facilitate cranberry harvests. Water is discharged slowly over several days to prevent erosion and minimize sediment entering water sources.
- California sites manage erosion by placing straw wattles in vulnerable areas. Since heavy rainfall is uncommon, the soil absorbs rainfall effectively.
- Crews are instructed to keep equipment out of vineyards when wet to prevent soil compaction.
- No erosion was observed during the site visit, and growing cover crops and native grasses between rows is a customary practice.
- Management contracts require managers to implement measures to prevent and control soil erosion.
- MIMTA's Soil Productivity Policy promotes soil conservation to prevent degradation.
- Conservation practices are tracked in their Regenerative Agriculture Inventory for direct-operated sites.
- Cranberry marshes require slightly acidic soils to maintain productivity. Managers apply soil amendments to regulate pH levels and support optimal cranberry growth.
- Seeding cover crops with deep roots after vineyard planting and allowing native grasses to grow as cover are standard operating procedures (SOPs) at California sites. Straw wattles and barriers are employed to control erosion

Result: *In Conformance*

Objective 3: Water Resources

3.1 Water Use

Conformance Evidence

- Water Use and Quality Management Policy
- Irrigation management system demo
- Sustainable Water Supply Workgroup Meeting Summary
- The San Joaquin Valley Water Collaborative Action Program (CAP) White Paper Draft
- California Water Leaders Participation

Auditor Notes

- MIMTA's Water Use and Quality Management Policy requires managers to monitor water usage, nutrient inputs, maintain irrigation systems, promote efficiency, and comply with or exceed regulatory standards.
- Wisconsin sites use surface water for irrigation, holding it for 10 to 12 days before discharging it back into surface water. These sites pay power companies for water diverted from dams that would otherwise be used for power generation.
- Annual water usage is reviewed during farm planning, with water consumption monitored by flow meters and logged, and some sites requiring reporting.
- Sites visited conduct pump efficiency tests. The main irrigation reservoir is primarily used for frost protection.
- Sites visited have transitioned from diesel to electric metered wells. All irrigation systems are drip-based, and evapotranspiration (ET) is monitored with Tule sensors.
- Water use is reported annually to the regional Department of Natural Resources (DNR).
- The contract management provider's Chief Executive Officer (CEO) serves on the local Groundwater Sustainability Advisory (GSA) Committee.
- The site visited has a reservoir lined to minimize evaporation. This site requires sulfuric acid injections to balance water pH, although the Vineyard Manager (VM) aims to transition to carbonic acid, which is currently cost-prohibitive.
- California sites utilize aerial monitoring three times per year and National Oceanic and Atmospheric Administration (NOAA) evapotranspiration (ET) forecasting to optimize irrigation. Water usage in the Salinas Valley is reported as required.
- The Vineyard Manager (VM) uses VineView software for aerial mapping and Normalized Difference Vegetation Index (NDVI) readings to detect crop stress and identify irrigation system leaks.
- All Wisconsin sites have upgraded their irrigation systems within the last four years, with at least 10% of nozzles replaced annually.
- These sites use irrigation systems that incorporate remote soil and temperature monitoring equipment, allowing for real-time monitoring.

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Objective 3: Water Resources (Continued)

3.1 Water Use (Continued)

Auditor Notes (Continued)

- Soil moisture monitoring devices and visual assessments are used to track water usage, supplemented by Tule sensors to measure actual evapotranspiration (ET).
- The site visited closely monitors and plans water usage, as additional water purchases are not possible. Tools and technology are in place to assist with monitoring.
- California sites plan irrigation to support vine establishment for future growth and efficient harvests.
- California site visited is newly planted, and the contract management provider will seed a cover crop in November. A site plan was developed prior to planting to ensure row direction and trellis design optimize operational efficiency.

Result: In Conformance

Objective 3: Water Resources (Continued)

3.2 Water Quality

Conformance Evidence

- Riparian Site Management Policy
- Water Use and Quality Management Policy
- Agricultural Chemical Use Policy

Auditor Notes

- MIMTA maintains policies requiring operators to manage and monitor water quality and irrigation runoff when applicable, as well as to protect riparian interfaces.
- Phase I ecological and biological studies must include an evaluation of a site’s potential impact on riparian areas. Information from these assessments will inform property management planning.
- Wisconsin sites test surface water used for irrigation at both intake and discharge points. Discharged water exhibits lower nutrient levels, such as phosphorus, after being used to irrigate cranberries.
- California sites conduct annual testing of irrigation water and use petiole samples to assess nitrogen demands. Site Vineyard Managers (VMs) also serve as Pesticide Control Advisors (PCAs).
- MIMTA’s Agricultural Chemical Use Policy mandates consideration of sensitive environmental areas during chemical application.
- Wisconsin managers avoid ditches and other bodies of water, use minimal inputs, and apply adjuvants to reduce the risk of chemical drift. All employees receive training to identify signs of a spill, such as a sheen on the water, and are instructed to act immediately to contain any spills.
- Wisconsin sites utilize an independent laboratory to test water quality upon intake and discharge twice per year across all cranberry sites. Lab results typically indicate lower phosphorus levels, as excessive phosphorus in surface waters can promote algal growth.
- Sites employ software to track irrigation and application records.
- Sites avoid the use of organophosphate insecticides (OPPs), which pose risks to aquatic ecosystems, including surface water.
- Management at a California site is aware of a creek running near a reservoir and takes care to avoid this area.

Result: *In Conformance, Notable Practices (3.2.1, 3.2.2 – See Key Findings)*

Objective 4: Crop Protection

4.1 Integrated Pest Management

Conformance Evidence

- Agricultural Chemical Use Policy
- Integrated Pest Management (IPM) records
- Integrated Pest Management Procedures
- Pesticide Use Reports

Auditor Notes

- Two independent IPM consulting companies scout cranberry marshes weekly, with Farm Managers also conducting regular scouting.
- California sites employ in-house pest control advisors (PCAs) to scout and document their activities in AgCode.
- MIMTA provided copies of IPM Reports and scouting records for review.
- IPM consultants provide recommendations tailored to the growth stage of cranberries.
- Managers refer to economic damage thresholds established by the University of Wisconsin to inform pest management decisions.
- IPM reports are generated weekly during the growing season.
- Fungicides are applied as necessary to suppress fungal diseases, particularly for newer hybrids that are susceptible to high rot during hot and wet conditions.
- Crop protectant applications are made only under optimal conditions, including non-windy weather, appropriate temperatures, and no rain.
- Long-term Relationships are maintained with local IPM consultants (Red Forest and Ladybug), who possess extensive knowledge of the properties.
- Beneficial species are encouraged on sites wherever possible.
- The use of neonicotinoids is limited to cases where no alternative treatments are available.
- When chemical treatment is necessary, sites employ soft chemistry options, such as insect growth regulators.
- Precision application methods are utilized to treat crops, with hockey stick herbicide applicators significantly reducing drift and overspray during necessary chemical applications to support crop health.
- Cranberry sites utilize software to maintain marsh characteristics by bed, including application records, bed variety, production, and drain tile information.
- Pheromone disruptors are used when appropriate, and Pesticide Use Reporting serves as evidence of applications.
- The newly planted vineyard visited is currently facing weed control management challenges, with the Vineyard Manager primarily using manual weed removal during vine establishment. The site was previously planted with row crops before MIMTA's acquisition, and the contract management provider's agronomist is developing a soil management program for the site.
- Owl boxes are located along the property lines of the visited site, though some appeared to require repairs.

Objective 4: Crop Protection (Continued)

4.1 Integrated Pest Management (Continued)

Auditor Notes (Continued)

- MIMTA maintains an Agricultural Chemical Use Policy and an IPM Procedure that outlines requirements and expectations for Farm Managers.

Result: *In Conformance, Notable Practices (4.1.1, 4.1.3 – See Key Findings), Opportunity for Improvement (4.1.2 – See Key Findings)*

4.2 Crop Protectant Management

Conformance Evidence

- Agricultural Chemical Use Policy
- Qualitative Respirator Fit Test Record
- Pest Scouting Reports
- Fungicide Application Records
- Safe Work Environment Policy
- Pest Control Advisor (PCA) Licenses

Auditor Notes

- All chemical and pest monitoring is handled internally by a PCA.
- Safety trainings are held frequently in a variety of ways. There are annual trainings on performing safe sprays, "tailgate" meetings every week where safety is always a topic and safety incidents are shared throughout management when a lesson or experience can be shared.
- All staff who perform chemical applications are professionally trained.
- Applicators adhere to label instructions and maintain minimal inventories on-site, using only products labeled for cranberries in Wisconsin.
- All employees undergo annual safety training, and full-time staff are licensed applicators.

Result: *In Conformance*

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

5.1 Agricultural Energy Use and Conservation

Conformance Evidence

- Renewable Energy list
- Value Added Services Project Practice
- Energy Efficiency and Air Quality Policy
- Renewable Project List
- California Sustainable Winegrowing Alliance (CSWA) and LHFMS Comparison
- Energy Dashboards

Auditor Notes

- Wisconsin sites utilize variable frequency drives (VFDs) on lift pumps, and the visited site features an electric high-capacity well.
- Irrigation systems are fully automated, significantly reducing fuel and electricity consumption. These systems are integrated with Hortau software, enabling real-time monitoring.
- The Wisconsin River provides a substantial portion of the energy used by cranberry marshes.
- Managers monitor electricity usage via the power company's website, and backup pumps are employed if electric pumps malfunction.
- California sites conduct regular pump efficiency testing to ensure optimal performance.
- The contract management provider adheres to a maintenance schedule and sets equipment lifespans to prevent failures.
- California sites are adopting modern technology and equipment models that offer higher fuel efficiency.
- MIMTA maintains a list of renewable projects and proposed renewable project developments, with several projects currently in the implementation phase.
- MIMTA provided the process utilized by their Value Added Services (VAS) team to identify potential renewable energy projects for auditor review.
- Wisconsin sites visited use energy that is generated with hydropower, provided by the electric company.

Result: *In Conformance*

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

5.2 Air Quality

Conformance Evidence

- Energy Efficiency and Air Quality Policy

Auditor Notes

- Automated irrigation systems reduce overall diesel consumption and associated emissions.
- GPS-enabled harrows are used during harvest to enhance efficiency in navigating marshes.
- Cranberry beds are restructured during redevelopment to facilitate efficient equipment passes. Applications can be conducted in two passes due to the beds being designed 150 feet wide, allowing for 75-foot-wide application passes.
- Ditches are constructed with a gradual slope during bed redevelopment. This design saves time and fuel while minimizing damage to cranberry vines when equipment pivots on the ditches. Equipment can be driven out of the ditch and pivoted on the roadway instead of over the canopies.
- The sites visited strive to minimize equipment passes whenever possible. Equipment is inventoried and follows a set maintenance schedule, with in-house mechanics available for upkeep.
- Airborne dust is not a concern on sites in Wisconsin, as cranberry vines provide permanent cover to the beds, significantly reducing the potential for dust.
- California sites manage dust by applying water as needed. The main roads have a solid base, resulting in reduced dust levels.

Result: *In Conformance*

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

5.3 Climate-Smart Agriculture

Conformance Evidence

- Regen Across Ag Portfolio
- Energy Efficiency, Air Quality, and Climate Change Policy

Auditor Notes

- Irrigation systems on Wisconsin sites have been updated in the past year to maintain appropriate pressure and enhance irrigation efficiency, resulting in reduced emissions.
- The automation of irrigation systems and the use of variable frequency drives (VFDs) on pumps decrease energy consumption and greenhouse gas (GHG) emissions. Pumps have been converted from diesel to electric with VFDs, utilizing diesel as a backup in the event of grid failure or electric pump maintenance.
- Sites maintain equipment inventory logs and adhere to a regular maintenance schedule.
- Cranberry sites require no tillage; Farm Managers apply sand annually, allowing it to filter through the vine canopy. This practice stimulates root growth, improves productivity, and enhances soil organic matter (SOM).
- Long-term vine growth contributes to increased SOM in the beds, with some vines visited being forty years old and remaining commercially productive.
- Cover crops and native grasses are employed to sequester carbon.
- MIMTA has reported percentages of farms within their portfolio that implement regenerative farming practices, including crop residue reuse, crop rotation, conservation tillage, cover crops, soil amendments, rotational grazing, and intercropping.
- The California site visited features a trellis design that is one foot taller than standard trellises to mitigate frost damage. Fans and sprinklers are employed for frost protection.
- MIMTA's Energy Efficiency, Air Quality, and Climate Change Policy mandates that managers consider air quality and energy efficiency in their management decisions, utilizing BMPs that incorporate alternative energy and minimize emissions whenever possible.
- Select equipment is outfitted with DEF engines and Tier 4 engines.
- GPS is used to track staff efficiencies in driving and further reduce fuel consumption.
- Sites are equipped with extensive tile drainage systems to maintain appropriate moisture levels. Tensiometers and soil moisture probes are utilized to inform the fully automated irrigation systems.
- Managers select cranberry varieties with specific characteristics, such as early ripening, to facilitate earlier harvests at full maturity.
- Climate impacts, including irregular seasonal weather patterns such as wetter springs and hotter summers, are addressed through upgraded irrigation systems, moisture and temperature sensors, and weather stations.
- Farm managers have the capability to manually control irrigation events in addition to utilizing remote and automated controls.

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

5.3 Climate-Smart Agriculture (Continued)

Auditor Notes (Continued)

- Climate-smart soil management practices, including crop residue reuse, cover crops, and increased OM, help mitigate potential erosion risks associated with excessive rainfall.

Result: *In Conformance, Opportunity for Improvement (5.3.1 – See Key Findings)*

Objective 6: Waste and Material Management

6.1 Management of Waste and Other Materials

Conformance Evidence

- Waste management invoices
- Recycling Invoices
- Hazardous Materials and Waste Management Policy
- Agricultural Chemical Use Policy

Auditor Notes

- Sites maintain contracts with local waste management services, ensuring that shops are clean and well-organized.
- Farm Managers regularly collect litter from roadways adjacent to farms to promote community cleanliness, with trash properly disposed of through municipal waste management companies.
- Used oil and oil filters are recycled responsibly.
- MIMTA's Hazardous Materials and Waste Management Policy outlines the procedures for handling and disposing of hazardous materials during the pre-acquisition, purchasing, and post-acquisition stages of property management.
- Sites recycle various materials, including used oil filters and tires from farm equipment.
- At a selected site, materials from old beds are neatly stacked and organized away from marsh beds. Items such as piping are sold to other farmers in the community to meet their needs.
- No regulated materials are disposed of on site.
- Containers are triple-rinsed and recycled through approved vendors, with storage areas maintained at minimal inventory levels.
- Fuels, oils, and implement materials are stored properly on-site and in shops, utilizing clearly designated storage areas.

Result: *In Conformance*

Objective 6: Waste and Material Management (Continued)

6.2 Food and Agricultural Waste Resource Recovery

Conformance Evidence

- Winegrape Sustainability Practices Memo
- Hazardous Materials and Waste Management Policy

Auditor Notes

- Cranberry varieties selected for early ripening characteristics facilitate earlier harvests, reducing the likelihood of buyers receiving unusable fruit.
- Crops are not stored on-site on vineyards or cranberry marshes.
- Sites have not experienced excessive crop loss in recent years and have made no significant insurance claims.
- California sites utilize surplus fruit in custom crush wines, evaluating all blocks to remove less marketable ones. The focus is on producing a crop that meets client goals without exceeding them.
- All grapes are promptly transported off-site after harvest, with trucks occasionally waiting on the main avenue. Engines are turned off to minimize emissions.
- Root selection is conducted to ensure that production aligns appropriately with the site size.
- Compost is applied in the fall as a part of the nutrient management plan.
- Cranberries are collected and rinsed, during which leaves and organic matter, including soft or rotten fruit, are separated from the harvested berries, and composted on-site. This compost is utilized to fill divots and elevate roadways. Maintaining elevated roadways between beds is essential for supporting flood irrigation, which is crucial for crop health and successful harvests.
- Diverted water used to facilitate harvest is returned to the river. Water quality tests at the outlet point showed reduced nutrient levels from inlets.
- Grapevine prunings are left between the rows for redistribution and integration into soil profiles on orchards.

Result: *In Conformance*

Objective 7: Conservation of Biodiversity

7.1 Species Protection

Conformance Evidence

- Biological Resources and Wetlands Assessments
- At-Risk Species Management Policy
- Wisconsin Cranberries Biodiversity Plan
- Biological Resources Assessment: Due Diligence
- Stewardship Principles Excerpt: SRI Toolkit
- Threatened and Endangered Species Identification Cards

Auditor Notes

- Special status species are identified during the due diligence process and communicated clearly to all staff members.
- MIMTA has established an Environmental Services (ES) team that includes two wildlife biologists. These biologists provide tailored training for each site biannually.
- Sites maintain Biodiversity Plans, which encompass the removal of invasive species such as loosestrife that can impede water flow, affect water chemistry, and disrupt soil structures.
- Biodiversity Plans incorporate standard operating procedures (SOPs) to address any invasive or endangered species encountered on-site.
- MIMTA has implemented an At-Risk Species Management Policy that mandates a biological study during the due diligence phase.
- MIMTA biologists are available to address any concerns raised by contract management providers. The results of Biological Assessments are shared with property managers.
- Biological Resource Assessments evaluate the presence of threatened or endangered species identified by the United States Fish and Wildlife Service (USFWS) under the Endangered Species Act (ESA), as well as other relevant species listed by organizations such as the California Native Plant Society and the California Department of Fish and Game.
- MIMTA's Socially Responsible Investing (SRI) Toolkit emphasizes ecosystem resiliency as a key factor in the due diligence process and outlines procedures to evaluate sustainability risks and opportunities.
- MIMTA's wildlife biologists have access to geographic information system (GIS) mapping layers that identify special sites, riparian areas, and other significant locations.
- MIMTA conducts at-risk species audits and assessments prior to the acquisition of new properties. While no land designated as native habitat has been identified on selected sites, buffers of native vegetation strips are planted in certain areas.
- The due diligence process performed by MIMTA includes a Phase 1 Environmental Site Assessment, ecological and biological reviews, and adherence to a Biodiversity Policy that employees are required to follow.
- MIMTA maintains best-in-class processes and documentation for biological assessments and effective communication of status updates to staff and tenants.
- MIMTA has established an At-Risk Species Management Policy that mandates biological studies during the due diligence phase.

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Objective 7: Conservation of Biodiversity (Continued)

7.1 Species Protection (Continued)

Auditor Notes (Continued)

- Biologists conduct Element Occurrence reviews utilizing NatureServe data to identify at-risk species.
- Farm Managers proactively protect wildlife on sites, including the Painted Turtle. Although Painted Turtles are classified as a species of least concern by NatureServe, the State of Wisconsin provides some level of protective status to all herptiles.

Result: *In Conformance, Notable Practices (7.1.1, 7.1.2 – See Key Findings)*

7.2 Wildlife Habitat Conservation

Conformance Evidence

- Riparian Site Management Policy
- Biodiversity Plans
- Site photos
- Element Occurrence Reviews
- Sustainability Projects Trackers
- Biodiversity Policy
- Biodiversity Reports
- ES Training Materials

Auditor Notes

- The site visited maintains pollinator plants and has planted some vegetables near the shop to support local biodiversity.
- Buffer zones are established, and in response to the issue of pig populations on California sites, hunters are permitted on properties to assist with population control.
- Auditors observed various wildlife during visits to sites in both regions.
- Sites maintain Biodiversity Plans, with Wisconsin sites specifically encouraging the establishment of native pollinator populations. These plans promote the reduction of pesticide use and the omission of harmful pesticides that are not bee-friendly, such as neonicotinoids and organophosphates.
- Biodiversity Plans include Standard Operating Procedures (SOPs) to address invasive species, such as loosestrife, to support native habitats.
- Biological Resources Assessments evaluate the presence of special species and recommend management practices.
- MIMTA maintains Riparian Site Management and Biodiversity Policies that enhance riparian site protection and encourage the restoration and enhancement of natural ecosystems and wildlife habitats.
- NatureServe is utilized to create Biodiversity Reports that aid in identifying protected or special species of concern. These reports include element occurrences and links to additional resources, such as the Wisconsin Natural Heritage Program and the California Natural Diversity Database, to assist users in reviewing regulatory requirements.

Objective 7: Conservation of Biodiversity (Continued)

7.2 Wildlife Habitat Conservation (Continued)

Auditor Notes (Continued)

- MIMTA's Environmental Services team provides direct support to farms through:
 - Training on threatened and endangered species.
 - Facilitating cooperative research projects.
 - Offering direct operational support.
 - Maintaining species guidance documents.
- No ecologically important sites were identified on the properties visited
- MIMTA's due diligence process includes a Phase 1 Environmental Site Assessment, ecological and biological reviews, and a Biodiversity Policy that employees follow.
- MIMTA maintains a Biodiversity Policy that states their efforts to maintain or enhance agrobiodiversity and biodiversity of agricultural landscapes.
- MIMTA maintains Riparian Site Management and Biodiversity Policies that require riparian site protection and encourages the restoration and enhancement of natural ecosystems and wildlife habitats.
- MIMTA uses NatureServe to create Biodiversity Reports that are used to support identification of protected or special species of concern. Reports include element occurrences and provide links to additional resources such as the Wisconsin Natural Heritage Program and the California Natural Diversity Database, which allows users to review regulatory requirements.
- MIMTA's ES team provides direct support to farms through threatened and endangered species training, facilitating cooperative research projects, providing direct support to operations, and maintaining species guidance documents.
- Wisconsin Farms have constructed bat boxes to provide habitat and help suppress white-nosed syndrome, a fungal disease affecting bats.
- Auditors observed various waterfowl on Wisconsin sites, including:
 - Great blue herons
 - Egrets
 - Canadian geese
 - Kingfishers
- Other wildlife frequently observed includes deer, coyotes, and cranes.
- California Sites employ minimum or no-till practices and plant cover crops and native grasses to support temporary wildlife habitats.

Result: *In Conformance, Notable Practice (7.2.2 – See Key Findings)*

Objective 7: Conservation of Biodiversity (Continued)

7.3 Avoided Conversion

Conformance Evidence

- SRI Toolkit
- SRI Toolkit User Guide
- Zero Deforestation Policy

Auditor Notes

- MIMTA follows a Sustainability and Responsible Investing (SRI) toolkit that has three purposes: to highlight issues at the beginning of due diligence, to guide the process during due diligence, and inform investment committees on how SRI-related items are expected to be addressed.
- Some of the vines on sites in Wisconsin are forty years old and remain productive. Sites visited were planted on existing farmland.
- Multiple teams engage in the investment process and provide information on climate stability, ecosystem resilience, watershed protection, people empowerment, and community prosperity.
- Investments are made through the lens of the likelihood of an occurrence, the impact, potential mitigation, and available resources.
- MIMTA maintains a biome-specific Zero Deforestation Policy that identifies cutoff dates and specifies forest types.
- The policy explicitly states that MIMTA will not engage in deforestation, either directly or indirectly.

Result: *In Conformance*

Objective 7: Conservation of Biodiversity (Continued)

7.4 Crop Diversity

Conformance Evidence

- Site visits
- Site maps

Auditor Notes

- Marshes cultivate at least four varieties of cranberries, with some growing as many as ten. Companion cropping is not feasible due to the nature and life cycle of cranberry production.
- Cranberries are permanent crops that can remain productive for decades.
- California sites grow several varieties of wine grapes, with MIMTA providing block maps that identify the specific species.
- Rootstocks are selected and utilized based on site locations, qualitative factors like disease resistance and heat tolerance, and the geographic challenges present at an orchard.
- MIMTA monitors market conditions and identifies varieties that are likely to be in demand or needed by buyers to help meet their goals.
- Cover grasses are planted between the rows at vineyards and orchards visited and are reincorporated into the soil profile after mowing.

Result: *In Conformance*

Objective 8: Protection of Special Sites

8.1 Site Protection

Conformance Evidence

- Due Diligence Overview document
- MIM Due Diligence Procedure
- SRI Toolkit
- Site maps
- MIMTA Farmland Web App

Auditor Notes

- There are no special sites on the selected properties visited during this year's audit.
- MIMTA's wildlife biologists have access to GIS mapping layers that identify special sites, riparian areas, and other relevant locations.
- MIMTA also engages a consultant when purchasing a site to conduct a biological assessment for wetlands and native species, as well as a Phase 1 Environmental Site Assessment (ESA). If any findings arise, a Phase 2 ESA will be performed.
- MIMTA's Due Diligence process considers material sustainability topics, including natural heritage data.
- MIMTA has developed an internal Farmland Web App to support due diligence procedures.
- SRI Toolkits evaluate sensitive lands, protected areas, and associated risks and opportunities.
- MIMTA maintains appropriately delineated site maps.

Result: *In Conformance*

Objective 9: Local Communities

9.1 Economic Wellbeing

Conformance Evidence

- Tax Strategy
- FLC Audit Records

Auditor Notes

- MIMTA source their supplies and on-farm needs through local vendors as much as possible.
- MIMTA is current on all taxes paid at the federal and state level.
- Sites employ full-time and seasonal labor from local communities.
- MIMTA's Board of Directors and Executive Leadership oversee the tax strategy. Formal committees have been established to review and approve significant transactions.

Result: *In Conformance*

Objective 9: Local Communities (Continued)

9.2 Community Relations

Conformance Evidence

- Contribution Summary Report
- Bee Boxes descriptions
- Significant Stewardship Projects
- Public Outreach log
- AgBuzz newsletter
- Tracking of Public Outreach log

Auditor Notes

- The Farm Manager interviewed has donated over 140 hours of his time in the last year providing trail maintenance through Wisconsin's Adopt A Wildlife Area program. This activity is encouraged by MIMTA and supported through the provision of fuel and equipment.
- The Regional Manager interviewed maintains a Public Outreach log.
- Managers have established mutually beneficial relationships with neighboring farms.
- Farms engage in regular maintenance to pick up trash from roadways and participate in Earth Day clean-ups.
- Wisconsin teams assisted in preparing local cemeteries for Memorial Day services after noticing that grass was not being mowed. The site's crew mowed lawns, trimmed around stones, and leveled driveways.
- Proceeds from collected cans that litter roadways near marshes are donated to the local Humane Society.
- Farm management and staff are active in the community and volunteer with several local non-agricultural organizations.
- The Farm Manager interviewed collaborated with the township and a neighboring farm to repair a county road that was prone to flooding. Crews were formed to grade the road and prevent flooding for the benefit of the community.
- Farm management provides education on cranberries and hosts site visits for local children.
- MIMTA provides content and materials for cranberrylearning.com.
- The contract management provider is involved in a project with local Ag Leadership at a nearby park and has purchased owl boxes from local schools.
- Vineyard Managers (VMs) interviewed serve in agricultural groups. One VM is on the Board of Directors for the California Avocado Commission and is involved with the Paso Robles Water District and the Paso Robles Wine Country Alliance.

Result: *In Conformance, Notable Practice (9.2.1 – See Key Findings)*

Objective 9: Local Communities (Continued)

9.3 Local Communities and Indigenous Peoples

Conformance Evidence

- Social Responsibility Policy
- Stewardship Training
- MIM Due Diligence Procedure
- SRI Toolkit
- Neighbor Communication Process

Auditor Notes

- MIMTA maintains a Social Responsibility Policy that affirms its commitment to treating Indigenous peoples fairly and in alignment with relevant laws, applicable treaties, and international conventions.
- Relationships with Indigenous communities are developed in good faith and based on mutual respect.
- The policy underscores the responsibility to provide a safe workplace, respect the rights of all employees, honor the rights of Indigenous peoples, and engage with local communities regarding social impacts related to farmland management.
- The policy also emphasizes MIMTA's occupational health and safety programs.
- Due Diligence Procedures require management plans to consider culturally sensitive and Tribal land management when applicable.
- The example toolkit provided illustrates how MIMTA plans for potential concerns from communities, such as rights-of-way on trails, public access roads, and impacts on infrastructure.
- The Lake States Regional Manager (RM) is aware of concerns expressed by the Indigenous community near some sites owned and operated by MIMTA. The Lac du Flambeau Band of Lake Superior Chippewa Indians believes they should be compensated for the use of roads that traverse tribal land, which does not intersect with MIMTA's operations. They also approached the previous Regional Manager, expressing their belief that water should not be diverted to cranberry marshes. MIMTA verified the legality of water use, and since then, no complaints have been received. The RM appears receptive to these concerns and is committed to building a relationship based on mutual respect.
- MIMTA's Neighbor Communication Process outlines how interested parties may contact the Regional Manager.
- The public can contact the county agriculture commissioner. The commissioner maintains records of management and will then contact MIMTA on any issues that arise.

Result: In Conformance

Objective 9: Local Communities (Continued)

9.4 Public Health

Conformance Evidence

- Agricultural Chemical Use Policy
- Safety Meeting Slides
- Social Responsibility Policy

Auditor Notes

- Safety meetings are held daily in the morning before an on-site activity is started.
- Wisconsin sites use minimum amounts of pesticides and fertilizers and use adjuvants to reduce drift. Precision applications are used.
- Shops are inspected at least monthly.
- Site operators are trained to identify and contain any potential spills immediately.
- Pesticide applications are recorded and on file with the county ag commission for public review when required.

Result: *In Conformance*

Objective 10: Employees and Farm Labor

10.1 Safe and Respectful Working Environment

Conformance Evidence

- Equal Opportunity Employment (EOE) statement
- Workplace Compliance Posters
- Global Hiring Policy
- Discrimination Harassment and Violence Policy

Auditor Notes

- MIMTA holds an Equal Opportunity Employment (EOE) and Pay Transparency Non-Discrimination Statement.
- The statement outlines MIMTA's commitment to fair recruitment, hiring, retention, advancement, compensation, and access to training.
- MIMTA also maintains a Global Hiring Policy committing to the same standards above on all global entities.
- John Hancock (certain U.S. assets of MIMTA operate under the John Hancock name) maintains Equal Employment Opportunity statements.
- All career opportunities posted by MIMTA contain an Equal Opportunity Employer (EOE) statement.
- MIMTA requires all tenants to post safety, anti-discrimination, and respectful work environment postings in shops in the respective states.
- MIMTA's Discrimination Harassment and Violence Policy supports a safe and healthy work environment that promotes respect, dignity, inclusion, and acceptance. MIMTA states they will not tolerate discrimination, harassment, or violence in the workplace.
- Trainings on identifying fraud are also held to keep employees safe.
- Auditors noted shop restrooms at select site were stocked with feminine hygiene products which is a simple and impactful way to demonstrate inclusion.
- Regional Manager interviewed has developed an Engagement Improvement Plan to retain top-tier employees.

Result: *In Conformance, Notable Practice (10.1.2 – See Key Findings)*

Objective 10: Employees and Farm Labor (Continued)

10.2 Occupational Training

Conformance Evidence

- Workers' Compensation and Injury Compensation Procedures
- Policy Manual
- Annual Training examples
- Injury-Illness Prevention Program (IIPP)
- Friday Morning Safety Minutes
- Flash Report August 2024
- Stewardship Introductory Training
- Safety Principles
- Weekly Safety Meeting attendance record
- Safe Work Environment Policy
- Safety Meeting slide deck
- Safety Training Modules
- Yearly Compliance Matrix

Auditor Notes

- Annual safety trainings and events are conducted.
- Multiple first aid kits and defibrillators are available in communal areas.
- Extensive safety signage in shops and on farms indicates a strong safety culture on sites.
- Shops and buildings are inspected monthly, while farms are inspected quarterly.
- Specialized driver training courses will be provided to employees in Wisconsin to enhance safe equipment handling.
- The Regional Manager has developed a training program consisting of sixteen modules to be covered during winter months with full-time staff. Topics include economic considerations, MIMTA's structure and employee expectations, Integrated Pest Management (IPM), safety and compliance, environmental stewardship, and social responsibility.
- Both full-time and temporary labor receive comprehensive safety training, including chemical safety and handling, regardless of whether they will be tasked with applications.
- Wisconsin sites host an annual safety picnic to which all permanent and seasonal employees are invited.
- MIMTA has established a robust set of policies and resources to support health and safety, including an Injury-Illness Prevention Program (IIPP). Their training program emphasizes the importance of safety and encourages sharing safety resources from the induction phase.
- Attendance records indicate that MIMTA prioritizes safety, allocating time and resources to keep it at the forefront.
- Safety Meeting slide decks illustrate how MIMTA reinforces safety behaviors and employee welfare by fostering an environment of mutual respect and expects employees to treat coworkers fairly, listen attentively, and adapt as necessary.

Objective 10: Employees and Farm Labor (Continued)

10.2 Occupational Training (Continued)

Auditor Notes (Continued)

- The Regional Manager has developed training modules to provide employees with in-depth knowledge of cranberries, MIMTA's corporate structure, the economics of commercial production, and more. They plan to have employees complete at least two training modules per year.

Result: *In Conformance, Notable Practice (10.2.1 – See Key Findings)*

10.3 Supporting Capacity for Sustainability

Conformance Evidence

- Agricultural Stewardship Commitment
- Leading Harvest Commitment
- Stewardship Report
- Roles and Responsibilities
- Stewardship Training
- Safe Work Environment Policy
- MFS Safety Principles
- MFS Annual Training Outline

Auditor Notes

- A commitment to the LH FMS is present in MIMTA's Stewardship report and in their Sustainable Investing report.
- MIMTA includes a distinct staff position tasked with supporting Leading Harvest conformance efforts.
- Farm Managers, Regional Managers, and Senior Stewardship and Certification Specialists exhibit thorough knowledge and utilize Leading Harvest to guide management decisions.
- Organization charts illustrate a robust support system for managers, including the Environmental Services team.
- Central office staff engage informally with Farm Labor Contract (FLC) management staff regarding the LH FMS and its relation to other standards they are adopting, thereby preparing them for LH FMS audits.
- For internal staff, there is a roles and responsibilities list that documents MIMTA objectives and assigns accountability for implementing the standard.
- A culture of organically driven communication is ingrained in MIMTA, where discussions about Leading Harvest are frequently included in internal communications.
- All full-time employees receive training on pesticide safety and handling, with applicators certified by the state's Department of Agriculture.

Objective 10: Employees and Farm Labor (Continued)

10.3 Supporting Capacity for Sustainability (Continued)

Auditor Notes (Continued)

- Performance reviews mandate that employees set goals related to continuing education.
- Managers convene annually, and all employees receive regular training on sustainability.
- Weekly tailgate meetings are conducted for on-farm employees to review safety information and plan for the week ahead.
- MIMTA also organizes stewardship training sessions, which include sign-in sheets for attendees.
- New employees are educated on land stewardship goals at MIMTA and the significance of conforming to the Leading Harvest Farm Management System (LH FMS) during the onboarding process.
- Annual safety picnics serve as team building and community events that reinforce safety and sustainability training topics.

Result: *In Conformance, Notable Practice (10.3.3 – See Key Findings)*

10.4 Compensation

Conformance Evidence

- Living Wage Tables
- Living Wage Survey Results

Auditor Notes

- Employees receive wages that exceed the living wage for single adults in the area.
- MIMTA conducts an annual living wage survey to assess the living wage in each area of operation and adjusts compensation accordingly.
- Human Resources performs surveys to establish fair compensation levels based on roles, location, and responsibilities, utilizing the MIT Living Wage Calculator.
- MIMTA maintains living wage tables for direct employees and Farm Labor Contractors (FLCs).

Result: *In Conformance*

Objective 10: Employees and Farm Labor (Continued)

10.5 Farm Labor

Conformance Evidence

- Farm Labor Contractor (FLC) Audit Records

Auditor Notes

- Farm Labor Contractors (FLCs) are not utilized in Wisconsin; instead, temporary staffing agencies (not FLCs) locate and supply temporary harvest assistance.
- MIMTA's compliance team conducts an annual audit to analyze certain documents and ensure that the FLCs comply with MIMTA's standards.
- Required documents from FLC's include training records, safety records, and others.
- MIMTA exerts considerable influence over FLCs regarding site management, safety practices, and general management procedures. However, MIMTA has limited influence over the labor hired or the management of that labor.
- MIMTA managers communicate with the FLC foreman on-site weekly and conduct site visits at least once a quarter, though this year's visits have increased due to weather-related issues affecting the sites.
- MIMTA's contract management provider audited the FLCs they utilize, providing documentation that confirms coverage of material topics.

Result: ***In Conformance***

Objective 11: Legal and Regulatory Compliance

11.1 Legal Compliance

Conformance Evidence

- Flash Reports
- Site visit
- Farm Safety Manual
- Yearly Compliance Matrix

Auditor Notes

- Legal regulations and labor postings are conveniently located in communal areas.
- Material Safety Data Sheets are also available in these communal areas.
- MIMTA maintains a risk and compliance team responsible for overseeing the safety aspects of on-farm practices.
- Safety consultants are hired to inform MIMTA of necessary requirements based on new regulations.
- MIMTA's water team is well-informed about water compliance requirements, particularly in California, where they meet to discuss topics such as water quality and quantity regulations.
- The state departments of agriculture, revenue, and other relevant fields are regularly monitored and consulted when state-specific issues arise.
- Flash reports provide regional snapshots of crop conditions, operational activities, budgets, personnel, and market updates.
- Sites maintain Farm Safety Manuals that offer guidance on safe equipment handling, chemical storage and handling, regulatory compliance, and general safety topics.
- Management prepares materials from state and local departments for posting to staff.
- The Regional Manager maintains a Yearly Compliance Matrix that documents all employees' training, certifications, and relevant expiration dates.
- Portions of the harassment training provided annually address legal compliance.
- Safety training related to personal protective equipment (PPE) and chemical handling is regularly updated.
- Continuous communication with the compliance team ensures that new or upcoming changes are effectively communicated to staff in relevant areas.
- Monthly risk and compliance reports are produced and distributed.
- Extensive compliance materials are posted for review by staff, regulators, auditors, and visitors.
- On-site, OSHA posters are available in both English and Spanish for employees to reference and to remind them of safety procedures.
- MIMTA ensures that these postings comply with the legal language required in each state in which they operate.

Result: *In Conformance*

Objective 11: Legal and Regulatory Compliance (Continued)

11.2 Legal Compliance Policies

Conformance Evidence

- Social Responsibility Policy
- Discrimination Harassment and Violence Policy
- Stewardship Principles

Auditor Notes

- MIMTA's Social Responsibility Policy outlines its commitment to supporting health and safety, fair treatment, non-discrimination, engagement with local communities, and Indigenous Peoples' rights.
- MIMTA's Discrimination, Harassment, and Workplace Violence Policy clarifies that discrimination, harassment, or violence will not be tolerated.
- Stewardship Principles emphasize the importance of maintaining and enhancing the well-being of communities, respecting Indigenous groups, and supporting local economies.
- MIMTA's Social Responsibility Policy states that the company shall strive to operate in a manner consistent with relevant United Nations (UN) conventions that have been ratified by the countries in which it operates.
- Worker rights are posted in communal areas of shops.

Result: In Conformance

Objective 12: Management Review and Continual Improvement

12.1 Farm Review and Continual Improvement

Conformance Evidence

- Continual Improvement Process
- Management Reviews
- Sustainable Agriculture Program Annual Management Reviews
- Flash Reports from Management
- Significant Stewardship Projects List
- MIMTA All Employee Training
- Sustainability Goals and Support
- MIMTA Farmland Certification Summary
- Sustainable Agriculture Program Annual Management Reviews
- Management System Description

Auditor Notes

- MIMTA conducts formal annual performance reviews.
- The performance review system is facilitated by a Human Resources database platform (Workday). Reviews are designed to assess the effectiveness of practices and identify the factors contributing to their success. Compassion, care for customers, and honesty are core pillars used to evaluate employee performance.
- Employee goals are both self-identified and established based on the employee's role. Supervisors are prompted to provide feedback on goal progress via Workday, and comments are acknowledged.
- Merit increases may consider progress against ESG goals.
- MIMTA evaluates third-party groups based on measures such as financial performance, site upkeep, vine growth, cleanliness, safety compliance, and incidents.
- Mid-year status reports support the annual review process.
- MIMTA explicitly outlines their steps for monitoring performance related to the Leading Harvest Farm Management Standard (LH FMS) in their Continual Improvement Process document.
- The monitoring process relies heavily on LH FMS audits and the findings generated after each audit is conducted.
- The Regional Manager interviewed serves as the Vice President of the Wisconsin Cranberry Growers Association and is recognized by buyers and producers as a thought leader for the industry.
- Wisconsin farmers stay informed about available resources from the Cranberry Institute.
- MIMTA hosts annual meetings during the budget review process to discuss site improvements and innovation opportunities.
- Sites collaborate with local universities to enhance produce efficiency and reduce water consumption through overhead cooling trials, utilizing techniques such as overhead sprinklers, shade cloth, foggers, and moisture probes.

Objective 12: Management Review and Continual Improvement (Continued)

12.1 Farm Review and Continual Improvement (Continued)

Auditor Notes (Continued)

- Internal findings, including those related to LH FMS, are compiled into a report, and sent to MIMTA Services, allowing them to assess site performance and progress toward established goals.
- Monthly board reports are conducted at the leadership level to communicate goals, progress, and any emerging issues.
- Quarterly team meetings are held to review goals and progress.
- Teams meet annually with the board to formally present a comprehensive review of items discussed during the quarterly meetings.
- Opportunities for Improvement (OFIs) are recorded internally and logged into a register overseen by MIMTA central management. Progress is formally discussed during an annual review meeting.
- MIMTA's Continual Improvement Process is a visual document that illustrates how the organization utilizes Leading Harvest Findings to support ongoing improvement.

Result: *In Conformance, Notable Practice (12.1.4 – See Key Findings)*

Objective 12: Management Review and Continual Improvement (Continued)

12.2 Support for Sustainable Agriculture

Conformance Evidence

- Support for Sustainable Agriculture
- Stewardship Partners Program
- Ag Innovation Form
- Committee Tracking

Auditor Notes

- Wisconsin sites facilitate research on the use of biochar as a soil conditioner in marshes, explore alternative methods for controlling flea beetle populations (including the use of nematodes), and assess the nutrient uptake capacity of cranberries to potentially "clean" surface water after its diversion for irrigation.
- Vino Farms participates in pesticide trials that may benefit MIMTA sites.
- Electric vehicle trials involving Ford Pro models are being conducted by a Farm Labor Contractor (FLC) who operates the site, with the fleet primarily consisting of pickup trucks.
- Rootstock trials are conducted in collaboration with the University of California system.
- California sites are testing underground drip line irrigation.
- MIMTA's document "Support for Sustainable Agriculture" outlines various partnerships that promote research and contribute to sustainable agricultural innovations.
- MIMTA has established a Stewardship Partners Program, which is a collaborative approach aimed at supporting agricultural research and initiatives focused on enhancing sustainable agriculture. Projects within this program emphasize habitat restoration, pollinator habitats, economic contributions, workforce development, and more.
- MIMTA utilizes surveys to gather operator insights regarding the efficiency and capabilities of technology and equipment.
- Employees actively participate in various agricultural committees and organizations.

Result: *In Conformance, Notable Practice (12.2.1 – See Key Findings)*

CONCLUSIONS

Results of the audit indicate that MIMTA has implemented a management system that continues to meet the requirements of and remains in conformance with the LH FMS. MIMTA's enrolled acreage is recommended for continued certification to the Leading Harvest Farmland Management Standard 2020.

STANDARD USER GUIDANCE

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SPECIFIC FOCUS AREAS FOR NEXT AUDIT

In 2025, Averum will conduct ongoing surveillance activities on MIMTA DO properties in the Pacific West (Northern Subregion) and the Pacific Northwest regions. Efficiencies and standardization of reporting, documentation, and evidence, as well as standardization of practices across multiple regions will continue to be monitored to identify any trends regarding this year's OFI's. Surveillance audits are estimated to take place in May of 2025.

MANULIFE INVESTMENT MANAGEMENT, TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: 2024 DO SURVEILLANCE I

October 28, 2024

Summary of Audit Findings			
Program User	Manulife Investment Management, Timberland and Agriculture		
Audit Dates	July 31, 2024 – October 28, 2024		
Non-Conformances Raised (NCR):	<i>Major</i>	<i>Minor</i>	
	0	0	
Follow-Up Visit Needed?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Date(s) 10/28/2024
Audit Report Executive Summary			
<p>MIMTA has performed extremely well in demonstrating its management system’s conformance to the Leading Harvest Farmland Management Standard. The properties we visited were uniquely and skillfully managed on their own with professional tenants or management staff, with a variety of support programs from central management at their disposal. Ranch and site management are professionally qualified and experienced on sites, take initiative to address issues, and assume responsibility to address challenges and emerging issues. The property managers’ willingness to share information and results from both their established and trial practices was an appreciated benefit to the audit team. Documentation was well coordinated, effectively organized, illustrative, and requested from responsible staff by coordinators. Interview subjects were transparent and expansive in their responses. All parties have been extremely generous with their time during busier times of the year and are very appreciated.</p> <p>No non-conformities were identified during our audit. Opportunities for Improvement (OFI’s) were identified for two indicators. An OFI for indicator 4.1.2 Crop Protection was issued regarding the opportunity to increase the number of predatory pest control animals (bird boxes and raptor stands). An additional OFI was issued for 5.3.1 Greenhouse Gas Emissions regarding the opportunity that MIMTA has to standardize and regulate their reporting processes to streamline their documentation and evidence submittals in the future. Additionally, a high number of Notable Practices were recorded due to MIMTA’s impressive implementation of the Leading Harvest Farmland Management Standard into their company culture, policies, and processes on enrolled properties.</p>			
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"/>
All NCR Closed	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
			10/28/2024
			10/28/2024
			10/28/2024
Standard(s) Audited Against			
Leading Harvest Farmland Management Standard 2020 (Objectives 1 through 12)			
Audit Team Leader	Audit Team Members		
Matt Armstrong	Linnea Abel, Jill Brodt, Holly Salisbury		

MANULIFE INVESTMENT MANAGEMENT, TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: 2024 DO SURVEILLANCE I

October 28, 2024

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 LHMS 2023-0007
Proposed Date for Next Audit Event	TBD
Audit Report Distribution	Natsha Wise (nlwise@manulife.com) & Holly Evers (Hevers@MIMTA.com)